

Executive Advisory Board

Agenda

Thursday, 9 December 2021
1.30 pm

Beecham Room, 8th Floor, 18 Smith
Square, London, SW1P 3HZ

To: Members of the Executive Advisory Board
cc: Named officers for briefing purposes

Guidance notes for members and visitors **18 Smith Square, London SW1P 3HZ**

Please read these notes for your own safety and that of all visitors, staff and tenants.

Welcome!

18 Smith Square is located in the heart of Westminster, and is nearest to the Westminster, Pimlico, Vauxhall and St James's Park Underground stations, and also Victoria, Vauxhall and Charing Cross railway stations. A map is available on the back page of this agenda.

Security

All visitors (who do not have an LGA ID badge), are requested to report to the Reception desk where they will be asked to sign in and will be given a visitor's badge to be worn at all times whilst in the building.

18 Smith Square has a swipe card access system meaning that security passes will be required to access all floors. Most LGA governance structure meetings will take place on the **ground floor, 7th floor and 8th floor** of 18 Smith Square.

Please don't forget to sign out at reception and return your security pass when you depart.

Fire instructions

In the event of the fire alarm sounding, vacate the building immediately following the green Fire Exit signs. Go straight to the assembly point in Tufton Street via Dean Trench Street (off Smith Square).

DO NOT USE THE LIFTS.

DO NOT STOP TO COLLECT PERSONAL BELONGINGS.

DO NOT RE-ENTER BUILDING UNTIL AUTHORISED TO DO SO.



Open Council

Open Council, on the 7th floor of 18 Smith Square, provides informal meeting space and refreshments for local authority members and officers who are in London.

Toilets

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Accessibility

If you have special access needs, please let the meeting contact know in advance and we will do our best to make suitable arrangements to meet your requirements.

Every effort has been made to make the building as accessible as possible for people with disabilities. Induction loop systems have been installed in the larger meeting rooms and at the main reception. There is a parking space for blue badge holders outside the Smith Square entrance and two more blue badge holders' spaces in Dean Stanley Street to the side of the building. There is also a wheelchair lift at the main entrance. For further information please contact the Facilities Management Helpdesk on 020 7664 3015.

Guest WiFi in 18 Smith Square

WiFi is available in 18 Smith Square for visitors. It can be accessed by enabling “Wireless Network Connection” on your computer and connecting to LGA-Free-WiFi. You will then need to register, either by completing a form or through your Facebook or Twitter account (if you have one). You only need to register the first time you log on.

The LGA also offers the Govroam network, a Wi-Fi network which gives Members seamless roaming internet access across multiple public-sector locations if you have also signed up for this service. This network is enabled throughout our Westminster building and allows Members and staff from other authorities who are part of the Govroam network to seamlessly connect to our Wi-Fi.

Further help

Please speak either to staff at the main reception on the ground floor, if you require any further help or information. You can find the LGA website at www.local.gov.uk

LGA Executive
9 December 2021

There will be a meeting of the LGA Executive at: **1.30 pm on Thursday, 9 December 2021 in Beecham Room, 8th Floor, 18 Smith Square, London, SW1P 3HZ.**

Attendance Sheet

Please ensure that you sign the attendance register, which will be available in the meeting room. It is the only record of your presence at the meeting.

Apologies

Please notify your political group office (see contact telephone numbers below) if you are unable to attend this meeting, so that a substitute can be arranged and catering numbers adjusted, if necessary.

Conservative:	Group Office: 020 7664 3223	email: lgaconservatives@local.gov.uk
Labour:	Group Office: 020 7664 3263	email: labgp@local.gov.uk
Independent:	Group Office: 020 7664 3224	email: independent.grouplga@local.gov.uk
Liberal Democrat:	Group Office: 020 7664 3235	email: libdem@local.gov.uk

Location

A map showing the location of 18 Smith Square is printed on the back cover.

LGA Contact

Amy Haldane
07867 514938 /amy.haldane@local.gov.uk

Carers' Allowance

As part of the LGA Members' Allowances Scheme a Carer's Allowance of £9.00 per hour or £10.55 if receiving London living wage is available to cover the cost of dependants (i.e. children, elderly people or people with disabilities) incurred as a result of attending this meeting.

Social Media

The LGA is committed to using social media in a co-ordinated and sensible way, as part of a strategic approach to communications, to help enhance the reputation of local government, improvement engagement with different elements of the community and drive efficiency. Please feel free to use social media during this meeting. **However, you are requested not to use social media during any confidential items.**

The twitter hashtag for this meeting is #lgaexec.

Executive Advisory Board – Membership 2020/2021

Councillor and Role	Authority
Conservative	
9	
Cllr James Jamieson (Chairman)	Central Bedfordshire Council
Cllr Izzi Seccombe OBE (Vice Chairman)	Warwickshire County Council
Cllr John Fuller OBE (Deputy Chairman)	South Norfolk District Council
Cllr Robert Alden (Deputy Chairman)	Birmingham City Council
Cllr Teresa O'Neill OBE (Deputy Chairman)	Bexley Council
Cllr Peter Fleming OBE (Board Chair)	Sevenoaks District Council
Cllr David Fothergill (Board Chair)	Somerset County Council
Cllr David Renard (Board Chair)	Swindon Borough Council
Cllr Kevin Bentley (Board Chair)	Essex County Council
Labour	
9	
Cllr Michael Payne (Deputy Chair)	Gedling Borough Council
Cllr Nick Forbes CBE (Senior Vice-Chair)	Newcastle upon Tyne City Council
Cllr Tudor Evans OBE (Deputy Chair)	Plymouth City Council
Cllr Georgia Gould (Deputy Chair)	Camden Council
Cllr Shabir Pandor (Deputy Chair)	Kirklees Metropolitan Council
Cllr Anntoinette Bramble (Board Chair)	Hackney London Borough Council
Cllr Nesil Caliskan (Board Chair)	Enfield Council
Cllr Shaun Davies (Board Chair)	Telford and Wrekin Council
Mayor Marvin Rees (Board Chair)	Bristol City
Liberal Democrat	
3	
Cllr Joe Harris (Vice-Chair)	Cotswold District Council
Cllr Bridget Smith (Deputy Chair)	South Cambridgeshire District Council
Cllr Gerald Vernon-Jackson CBE (Board Chair)	Portsmouth City Council
Independent	
2	
Cllr Marianne Overton MBE	North Kesteven District Council

(Vice-Chair)	
Cllr Hannah Dalton (Deputy Chair)	Epsom and Ewell Borough Council
Regional Representatives 7	
Cllr Robert Stewart	LAB WLGA
Cllr Marc Bayliss	CON West Midlands
Cllr John Hart	CON South West Councils
Cllr Peter John OBE	LAB London Councils
Cllr Graeme Miller	LAB North East of England
Cllr Nicolas Heslop	CON South East Councils
Cllr Linda Haysey	CON East of England LGA
Named Substitutes	
Cllr Ralph Bagge	CON South East Councils

Non-voting Members of LGA Executive

Councillor	Representing	
Alderman Sir David Wootton	INDE	Local Partnerships
Sir Stephen Houghton CBE	LAB	SIGOMA
Cllr Sam Chapman-Allen	CON	District Councils Network
Cllr Tim Oliver	CON	County Councils Network

Agenda

Executive Advisory Board

Thursday 9 December 2021

1.30 pm

Beecham Room, 8th Floor, 18 Smith Square, London, SW1P 3HZ

Item	Page
1. Declarations of Interest	
2. Lobbying Document	
3. Autumn Budget and Spending Review 2021	1 - 4
4. Health Integration White Paper (verbal update)	
5. Adult Social Care White Paper (verbal update)	
6. Local Government Finance Reform	5 - 76

Date of Next Meeting: Thursday, 27 January 2022, 1.30 pm, Westminster Room, 8th Floor, 18 Smith Square, London, SW1P 3HZ

Local Government Finance update: Spending Review 2021

Purpose of report

For information.

Summary

This report provides a summary of the key local government finance announcements in the 2021 Autumn Budget and Spending Review.

Recommendations

The Executive Advisory Board is asked to note the update.

Action

Officers will proceed with the delivery of the LGA's work on local government finance, including the Spending Review and the 2022/23 Local government Finance Settlement.

Contact officer: Sarah Pickup
Position: Deputy Chief Executive
Phone no: 020 7664 3141
Email: sarah.pickup@local.gov.uk

Local Government Finance update: Spending Review

Introduction

1. This report provides a summary of the key local government finance announcements in the 2021 Autumn Budget and Spending Review which was [delivered](#) by the Chancellor on 27 October. The LGA published an [on-the-day briefing](#) which covers all the announcements relevant to local government.
2. This was supported by a sustained campaign including press releases and social media activity in the run up to the announcement (all campaign work can be found on the LGA [Spending Review hub](#)). Key features of this campaign include highlighting issues around [council tax](#) and ongoing [cost pressures](#), as well as service specific outputs on [adult social care](#), [children's social care](#), [retrofitting](#), [social housing](#), and [public health](#).
3. On the day of the Budget and Spending Review, the LGA issued press releases reacting to a number of announcements in addition to the [general response](#). As well as responses to several specific announcements, on a service level these included:
 - 3.1. A [response](#) to the adult social care funding announcement
 - 3.2. A [response](#) to the public health funding announcement
 - 3.3. A [response](#) to funding for the UK's culture, tourism and sport sectors
 - 3.4. A [response](#) to the measures to reduce and prevent crime
 - 3.5. A [response](#) to funding for children with SEND
 - 3.6. A [response](#) to funding for supporting families

Core funding

4. Local government core spending power¹ is projected by the Government to rise by 3% per annum in real terms by 2024/25, or £8.5bn. This includes funding for adult social care reform funded by the Health and Social Care Levy as announced on 7 September which amounts to £5.4 billion over the SR period. It also includes £1.6bn per annum of

¹ The definition of Core Spending Power can change from year to year and will be defined for 2022/23 in the Local Government Finance Settlement due to be published later this year but in 2021/22 it included council tax, the business rates baseline, the Improved Better Care Fund, the Social Care Grant, the New Homes Bonus, the Rural Services Delivery Grant, and the Lower Tier Services Grant.

new funding via grants, the exact details of which will be outlined in the local government finance settlement, expected in mid-December.

5. The remaining £4.9 billion growth in core spending power assumes that councils use the entire flexibility provided around council tax and that the council tax base grows in line with recent trends. The Government expects the general referendum limit to be 2% with an additional 1% Adult Social Care Precept for relevant authorities.
6. Taken together, initial LGA analysis suggests that the increases to core spending power projected by the Government, including all councils increasing council tax to the maximum, will meet estimated forward pressures in 2022/23 to keep services at the at their 2019/20 level of quality and access, but will fall short by more than £1 billion in the last year of the Spending Review period. No funding was provided to meet the existing funding pressures faced by councils.

Business Rates

7. In the Spending Review and Autumn Budget, the Chancellor published the final report of the [Business Rates Review](#). The Government announced that it wants to preserve what it sees as the benefits of business rates but make their operation fairer and more effective. The Government is not proposing to change the nature of the tax or the basis of valuation, thus ruling out, for example, capital value or land value taxation.
8. New business rates reliefs were announced, including a new temporary business rates relief for eligible retail, hospitality and leisure properties for 2022/23, and relief from higher bills resulting from improvements made to businesses. English local authorities will be fully compensated for loss of income as a result of the new business rates reliefs.
9. The Chancellor also announced a freeze to the business rates multiplier for a second year, from 1 April 2022 until 31 March 2023, and an increase in the frequency of business rates revaluations so that they take place every 3 years instead of every 5 years, starting in 2023. The Government also announced that it will introduce a package of measures aimed at ensuring ratepayer compliance and promised to consider further an online sales tax, a further consultation is expected shortly.
10. There will be a technical consultation on new improvement reliefs and other matters before the 2023 revaluation; this is expected before the end of 2021. In addition, a further consultation on digitalising business rates (DBR), evasion and avoidance and transitional relief is expected during the course of 2022/23. The LGA has consistently called on the Government to take action on business rates avoidance.

Audit

11. In the Spending Review and Autumn Budget, the Chancellor announced £34.5 million of additional funding over the SR21 period to further strengthen local delivery of audit and transparency. This funding will help strengthen the sector's procurement and commercial

capacity, establish the Audit Reporting and Governance Authority as the new local audit systems leader, and help local councils meet new transparency requirements. We are seeking clarity over what this additional funding is expected to cover.

Future finance reform

12. The Chancellor did not make any announcements about the future of the fair funding review (also known as the Review of Relative Needs and Resources), the move to further business rates retention, the business rates reset, or new homes bonus reform. There was no comment on whether local government can expect a three-year local government finance settlement.
13. Giving evidence to the Housing, Communities and Local Government Select Committee on 8 November Michael Gove suggested that the future of the local government finance reforms would become clearer at the Local Government Finance Settlement in December. He also said that “It goes against the broader principle of levelling up to move precipitately to a system whereby 75% of business rates is retained, because that works against the process of redistributing money to those who need it most, particularly in the wake of covid, which has reinforced some inequalities” and that the Government is looking to see “what headroom we have for a redistribution of funding to better reflect the additional needs and responsibilities that local government has in those areas where it does not, for whatever reason, have the same resilient council tax base or the same level of business rates on which to draw.”

Next steps

14. Members are asked to note this update.
15. Officers will proceed with the delivery of the LGA’s work following the 2021 Spending Review including preparing for the 2022/23 provisional local government finance settlement expected in December.

Implications for Wales

16. The Spending Review has an impact on Welsh councils through Government announcements, and through the Barnett consequential system and subsequent decisions by the Welsh government. The Welsh LGA is leading on work related to this although we are engaging regularly with the Welsh LGA and the other local government bodies in the devolved nations to exchange intelligence, ideas and consider joint work.

Financial Implications

17. The work covered in this paper is included in the LGA’s core budget.

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