

Environment, Economy, Housing and Transport Board

Agenda

Wednesday, 9 December 2020
12.00 pm

Virtual meeting

To: Members of the Environment, Economy, Housing and Transport Board
cc: Named officers for briefing purposes

Environment, Economy, Housing & Transport Board
9 December 2020

There will be a meeting of the Environment, Economy, Housing & Transport Board at **12.00 pm on Wednesday, 9 December 2020**

Political Group meetings:

The group meetings will take place in advance of the meeting. Please contact your political group as outlined below for further details.

Apologies:

Please notify your political group office (see contact telephone numbers below) if you are unable to attend this meeting.

Conservative:	Group Office: 020 7664 3223	email: lgaconservatives@local.gov.uk
Labour:	Group Office: 020 7664 3263	email: Martha.Lauchlan@local.gov.uk
Independent:	Group Office: 020 7664 3224	email: independent.group@lga.local.gov.uk
Liberal Democrat:	Group Office: 020 7664 3235	email: libdem@local.gov.uk

LGA Contact:

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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.

Environment, Economy, Housing & Transport Board – Membership 2020/2021

Councillor	Authority
Conservative (7)	
Cllr David Renard (Chairman)	Swindon Borough Council
Cllr Peter Butlin	Warwickshire County Council
Cllr Mark Crane	Selby District Council
Cllr Mark Hawthorne MBE	Gloucestershire County Council
Cllr Patrick Nicholson	Plymouth City Council
Cllr Nicholas Rushton	Leicestershire County Council
Cllr Linda Taylor	Cornwall Council
Substitutes	
Cllr Richard Burton	East Riding of Yorkshire Council
Cllr Catherine Rankin	Kent County Council
Cllr Andrew Mackiewicz	Solihull Metropolitan Borough Council
Labour (7)	
Cllr Darren Rodwell (Vice-Chair)	Barking and Dagenham London Borough Council
Cllr Asher Craig	Bristol City Council
Mayor Philip Glanville	Hackney London Borough Council
Cllr Ed Turner	Oxford City Council
Cllr Rachel Blake	Tower Hamlets Council
Cllr Michael Mordey	Sunderland City Council
Cllr Christopher Hammond	Southampton City Council
Substitutes	
Cllr Peter Mason	Ealing Council
Cllr Claire Holland	Lambeth London Borough Council
Liberal Democrat (2)	
Cllr Adele Morris (Deputy Chair)	Southwark Council
Cllr Peter Thornton	Cumbria County Council
Substitutes	
Cllr Stewart Golton	Leeds City Council
Independent (2)	
Cllr Linda Gillham (Deputy Chair)	Runnymede Borough Council
Cllr David Beaman	Waverley Borough Council
Substitutes	
Cllr Loic Rich	Cornwall Council
Cllr Diana Moore	Exeter City Council
Cllr Tim Hodgson	Solihull Metropolitan Borough Council
Cllr Jamie Osborn	Norwich City Council

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Date of Next Meeting: Thursday, 18 February 2021, 12.00 pm

Local economic recovery

Purpose of report

For discussion.

Summary

At its meeting on 27 October the Board received an update paper on economic recovery in relation to the impacts from the pandemic. The report set out the work that this and other LGA boards were commissioning as well as the broader improvement offer and which reflects the issues that are being raised with the LGA by councils. The Board discussed how we might prioritise our work on economic recovery and suggested some potential gaps, for example on specific sectors. This report outlines the macro, sectorial and geographic impact of the pandemic and associated restrictions. In order to inform the Board's further thinking on what this means for local areas and the role of councils in responding to local impacts Robert Pollock, from Social Finance, has been invited to lead a discussion. Social Finance have been commissioned to develop good practice advice for councils on leading and planning local economic recovery.

Recommendation

The Board note the report; and

Discusses the issues raised in the report and in Robert's presentation

Action

As directed by the Board

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Local economic recovery

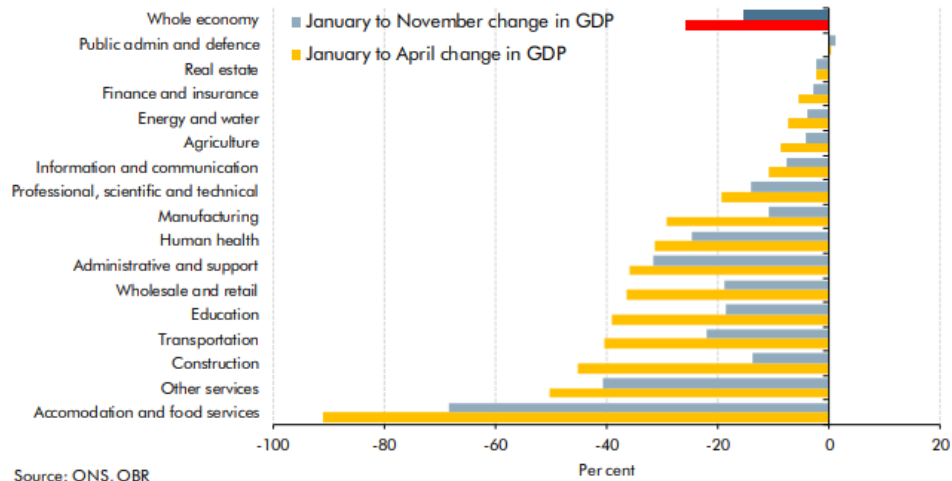
Background

1. At its meeting on 27 October the Board received an update paper on economic recovery in relation to the impacts from the pandemic. The report set out the work that the Board was commissioning as well as the broader improvement offer, some of which is bespoke support, and the work of other Boards in respect of economic recovery. This work reflects the issues that are being raised with the LGA by councils. The Board discussed how we might prioritise our work on economic recovery and suggested some potential gaps, for example on specific sectors.
2. One of the Board's commissions is seeking to provide support and learning as councils develop and revise economic recovery plans. This work is being carried out by Robert Pollock from Social Financing. Robert has been invited to provide an overview on councils' economic recovery plans; providing a basis for the Board to discuss the future work that it can do to: influence the national framework around economic recovery; and support councils in their efforts to revive local economies.

Issues

3. The COVID-19 pandemic continues to impact on local economies for which the full effects are yet to be felt. The Office for Budget Responsibility's (OBR's) forecast expects GDP to shrink by 11.3 per cent in 2020 – the largest annual fall since 1709.
4. The OBR forecast draws out at a macro level the differential economic shocks to sectors. Sectors most reliant on face-to-face interactions, such as hospitality, transport, and entertainment, saw the biggest falls in activity as they were most directly affected by public health restrictions and the difficulties in implementing social distancing. By contrast, sectors that were largely able to continue to operate while adhering to social distancing rules, such as financial services, energy, and agriculture, have been spared the worst economic consequences of the pandemic.

Chart 1.4: Peak-to-trough falls in sectoral output



5. Other expert commentators have gone further with their analysis. For example, ADEPT (Association of Directors of Economy, Environment, Planning and Transport) and EY have [published a report](#) exploring why local areas will be affected in different ways through lockdowns based on their local economic structure.

Most Impacted		Least Impacted	
Local Authority Area	Reduction in Output	Local Authority Area	Reduction in Output
Isles of Scilly	12.6%	Blaby	5.5%
Eastbourne	11.8%	West Somerset	6.0%
Crawley	11.7%	Cotswold	6.7%
Oxford	11.7%	Warwick	7.0%
Southwark	11.6%	Tower Hamlets	7.2%

Consumer Facing Sectors		
Sector	Most Impacted Localities – Average Sector Size	Least Impacted Localities – Average Sector Size
Accommodation & food service	5.8%	4.2%
Arts, entertainment, recreation	1.7%	0.8%
Human health and social work	9.0%	3.9%
Other service activities	3.8%	2.0%
Education	8.8%	3.2%
Wholesale and retail trade	6.8%	9.3%
Total	35.9%	23.4%

6. The above tables illustrate how the most affected local areas are forecast to experience double the reduction in economic output than the least impacted and how the average size of consumer facing sectors is far higher for the most impacted local authority areas compared with those least impacted.
7. The report goes on to explore the levers and potential responses that are available to local leaders in responding to the challenges posed by local lockdowns:
8. Challenges
 - 8.1. Economic output is reduced during lockdown with the scale of impact primarily driven by the structural economic composition of localities.
 - 8.2. Local lockdowns most acutely impact sectors that require face to face interaction to function.
 - 8.3. Local lockdowns reinforce existing economic challenges within localities.
 - 8.4. Interventions need to empower local areas, be sector specific and recognise dependencies on other forms of local and national support plans.
 - 8.5. Consumer and business confidence is fragile and responsive to pessimistic communications and business sentiment.
9. Responses should:
 - 9.1. Scope and prioritise interventions that sustain or enhance economic supply, specific to sectors.
 - 9.2. Act quickly to sustain or enhance economic demand with targeted interventions that focus on enabling demand to access supply.
 - 9.3. Local areas work in synergy within their regions to seize opportunities and collaborate around risk.
 - 9.4. Form and leverage alliances, partnerships and working groups that can rapidly broker local intelligence on business, employment and skills, and consequently expedite support and ensure synergy with other plans.
 - 9.5. Develop a coherent, well evidenced narrative for both government and business that instils confidence and trust, specific to a local area.
10. The work that the LGA has commissioned Social Finance to do over the coming weeks will complement the work of expert commentators by drawing out the practical considerations and steps that councils should be taking in supporting and sustaining local economic recovery. Social Finance's work on this will involve speaking to a wide range of councils and good practice advice will be targeted to specific stakeholders, such as elected members.

Biography

Robert Pollock is a Director at Social Finance. He has over 20 years of public sector experience, is a former Treasury official, and has recently supported authorities to develop scenario plans to inform social and economic recovery strategies, and is a regular contributor to the local government trade press.

Implications for Wales

11. *Local growth is a devolved matter for Wales; however the learning from the work commissioned by the LGA will be of benefit to Welsh Councils.*

Financial Implications

12. There are no specific financial implications as a result of this work.

Next steps

13. Recommendation/s

- 13.1. The Board note the report; and
- 13.2. Discusses the issues raised in the report and in Robert's presentation

14. Action

- 14.1. As directed by the Board

Planning reforms

Purpose of report

For information.

Summary

The Government has recently consulted on a series of proposals for both long-term structural changes to the planning system in England and more immediate amendments to existing processes.

The report provides an overview of the Board's recent activity in relation to the Government's proposed planning reforms.

Minister for Housing, Rt Hon Christopher Pincher MP will attend the Board to discuss the reforms in further detail.

Recommendation/s

That the Board:

1. Notes the report; and
2. Discuss and provide feedback on the proposed planning reforms

Action

As directed by the Board

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Planning reforms

Background

1. On 6 August, the Government published the [Planning for the Future White Paper](#) consultation paper with proposals for long-term fundamental structural changes to England's planning system. The consultation period closed on **29 October**. [The LGA has responded to the consultation.](#)
2. Alongside this, they also published the consultation paper [Changes to the current planning system](#) which includes proposals for more immediate amendments to existing processes. The consultation period closed on **1 October** and we await the Government's response. [The LGA has responded to the consultation.](#)
3. The LGA, through the work of the Board, has been lobbying Government for some time on changes to the planning system that would improve the ability of councils to shape their areas for the benefit of communities, as well as supporting the Government's aim of building 300,000 homes per year. The Board re-confirmed its positions on planning [at its meeting on 19 May](#).
4. We launched our ['Keep Planning Local' campaign](#) in July, which was supported by a large number of signatories and received national media coverage. We also published our proposals outlining the specific policy and fiscal interventions the LGA consider would provide support for a [post pandemic recovery and a long-term resilience approach for planning](#).
5. Our press releases on the [impact of removing the requirements for developers to build affordable homes on small sites](#) and the [impact of proposed new housing targets](#) were also widely reported in both local and national media. Secretary of State, Robert Jenrick, has recently suggested that a [different approach to distributing housing numbers](#) across the country may be under consideration.
6. Councillor Renard had the opportunity in September, alongside LGA Chairman, Councillor James Jamieson, to brief over 20 MPs and peers at a parliamentary briefing session on housing and planning. We have also briefed MPs for parliamentary debates on [planning reform and housebuilding targets](#) and [motions related to planning](#) and submitted evidence to the Housing, Communities Local Government Committee for their [new inquiry into the future of the planning system](#).
7. We have also hosted a virtual focus group with MHCLG and senior housing and planning officers to explore the implementation of the First Homes scheme and what would

support councils to put policy into practice, in order to help inform next steps in the policy design.

Implications for Wales

8. Planning policy is a devolved issue.

Financial Implications

9. None

Next steps

10. We are continuing our engagement with both parliamentarians and officials to ensure that the concerns of councils are heard in Government.
11. We have also indicated that we want to work pragmatically with officials to try and design any reforms, so we can seek to ensure they are introduced in the best interest of councils and communities.

Biography - Rt Hon Christopher Pincher MP

12. Christopher Pincher was appointed Minister of State at the Ministry of Housing, Communities and Local Government on 13 February 2020. He was first elected Conservative MP for Tamworth in May 2010. Christopher was previously Minister of State at the Foreign and Commonwealth Office from 25 July 2019 to 13 February 2020 and Deputy Chief Whip, Treasurer of HM Household from 9 January 2018 to 25 July 2019. He was also Comptroller of HM Household (Government Whip) from June 2017 to November 2017 and was an Assistant Government Whip from 17 July 2016 until 15 June 2017.

Homelessness update

Purpose of report

For information.

Summary

This paper updates members on the LGA's homelessness lobbying and improvement work following the COVID-19 crisis. It provides background for a presentation from the MHCLG Homelessness Director, Penny Hobman.

Recommendation

That the Board note the update

Actions

Officers will take action as directed

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Homelessness update

Background

1. In March 2020, [Luke Hall MP wrote to councils](#) to ask them to safely accommodate everyone sleeping rough or in high-risk shared accommodation. The Everyone In programme has since resulted in councils accommodating 29,000 people, almost 19,000 of whom have been moved into more permanent housing.
2. We have consistently welcomed this initiative, which has [potentially prevented 21,000 infections and 266 deaths among the homeless population](#).
3. To resource this work, government provided councils with £4.7 billion of unringfenced funding prior to the Spending Review - this emergency funding was intended to address pressures across the full range of council services.
4. In May, the Government launched its [Next Steps Accommodation programme](#), which aims to deliver a total of 6000 units of move-on accommodation for people in emergency accommodation. £241 million has been allocated to councils for this financial year to deliver 3300 units, part of a total of £433 million over the lifetime of this parliament.
5. On 13 October, the Government launched [£12 million of funding for winter night shelter provision](#), £10 million of which will be allocated to councils. On 5 November, [it launched the Protect programme](#), which will allocate £15 million to councils with high levels of rough sleeping, to support ongoing efforts to provide accommodation for people sleeping rough.
6. The 2020 Spending Review announced £151 million of new revenue funding, which will fund frontline services through the Rough Sleeping Initiative as well as councils' statutory homelessness services. [We welcomed this funding](#), but expressed disappointment that the Spending Review has maintained local housing allowance at its current rate, and that it did not take the opportunity to lift the No Recourse to Public Funds condition.

LGA position and lobbying

7. The LGA's position has been informed by regular discussions with its officer sounding board (the Homelessness Officers' Policy Network) as well as with partners in the wider homelessness sector.
8. Our initial response to the COVID-19 crisis is set out in [our response to the Housing, Communities and Local Government \(HCLG\) Select Committee](#), which was published in May 2020.
9. We broadly welcomed the Everyone In measures, which had already seen thousands of people given safe accommodation and support. However, we also highlighted concerns from councils about a lack of operational clarity, including a lack of guidance on multi-agency work with the health sector, and on delivering their duties under the Homelessness Reduction Act in the context of the COVID-19 crisis.
10. We also highlighted concerns about a lack of strategic clarity around the long-term prospects for the Everyone In programme, which created very high expectations for councils' delivery without the corresponding resources or support. We called for clarity on the Government's plans for supporting people in emergency accommodation, additional funding for councils to enable them to continue their support for people new to rough sleeping, and a greater focus on homelessness prevention measures in light of the economic impact of COVID-19. These concerns were reiterated in a letter sent by the EEHT Board chair to the Minister for Homelessness, Luke Hall, in June 2020.
11. In May, the Government announced its Next Steps Accommodation Programme, followed by the Winter Fund and Protect Programme in October and November respectively.
12. We welcomed these funding programmes, which collectively will enable councils to identify move-on accommodation for 3300 of the 29,000 people accommodated under Everyone In, as well as providing vital resources to tackle upcoming pressures from winter and the new national COVID-19 restrictions.
13. However, we are concerned that, in light of the ongoing public health risks, many councils have continued to accommodate people sleeping rough after the initial national lockdown period ended. MHCLG survey data on Everyone In suggests that, between May and September 2020, an additional 15,000 people were accommodated by councils, including people coming in directly from the streets, people previously housed in unsafe night shelters, and people who had become vulnerable to rough sleeping during the pandemic.

14. During this period, councils have experienced significant financial pressures: LGA analysis of MHCLG survey data shows that the additional spend by councils on homelessness and rough sleeping services as a result of COVID-19 is projected to be £250 million in 2020/21. [LGA analysis prior to the Spending Review](#) also showed that the overall funding gap facing councils in 2023/24 will be at least £5.3 billion – a result of COVID-19 pressures as well as the pre-existing financial pressures on councils' services.
15. These pressures are likely to increase over winter: [the Winter Night Shelters guidance, published by MHCLG on 13 October](#), states that councils are expected to use self-contained accommodation to house people sleeping rough over winter. This is likely to have cost implications for councils over and above previous years' expenditure, as the supply of winter accommodation will be restricted to more expensive, self-contained accommodation. Last year, the government made £13 million available for cold weather provisions, compared to £12 million in 2020/21 (£10 million of which will be allocated to councils).
16. In light of these new, higher expectations for winter provision, the continued flow of people into homelessness and rough sleeping, and the significant pre-existing pressures on councils, we are concerned that councils will not have sufficient funding to safely accommodate people over the coming months.
17. These concerns have been set out in our upcoming response to the HCLG Select Committee inquiry into the impact of coronavirus on private renting and homelessness. The LGA's Chief Executive also raised our concerns in a letter to the Homelessness Minister in November, following his attendance at a meeting of the Government's Rough Sleeping Advisory Panel.
18. In our submission to the Spending Review, we called on Government to address the significant global funding gap facing councils' services. We also called for a much greater focus on homelessness prevention to mitigate the economic impact of COVID-19, including the lifting of the No Recourse to Public Funds condition, more resource for local welfare funds, and a step-change in affordable housing provision.
19. The Spending Review addressed some of these asks. However, we continue to call for more long-term funding, channelled through councils' core settlement, to allow councils to commission flexible, upstream prevention services with partners in the wider public sector.
20. We are currently supporting MHCLG officials to design next year's Next Steps Accommodation Programme funding round, in consultation with a wide range of homelessness and housing officers – this will be called the Rough Sleepers' Accommodation Programme.

LGA improvement support

21. Alongside our lobbying work, we have been supporting councils' homelessness services to respond to the COVID-19 crisis through our sector-led improvement offer.
22. In June, we worked with Local Partnerships to publish [a briefing for councils](#) on identifying move-on accommodation and support for people in emergency accommodation.
23. We followed this up by commissioning Local Partnerships to produce a [briefing on the lessons learnt from councils' response to rough sleeping during the pandemic](#), which was published on 19 November.
24. On 1 December, we launched our Next Steps Accommodation Programme peer support offer at an event attended by the Homelessness Minister. This offer was developed in partnership with MHCLG, and will provide access to peer challenge and learning for the councils which have received NSAP funding. Support sessions will begin in January 2021, and conclude in March 2021. We will then publish a further report summarising the lessons learnt from NSAP delivery.

Implications for Wales

25. Homelessness is a devolved responsibility.

Financial implications.

26. The LGA has funded its improvement work through its Memorandum of Understanding with MHCLG.

Next steps

27. Members' views are sought on the positions set out in the paper, and on MHCLG's proposed response.

Building Safety Update paper

Purpose of report

For information.

Summary

This report updates members on the LGA's building safety related work.

Recommendation

That the Board note the update

Actions

Officers will take action as directed

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Building Safety Update Paper

Remediation

Progress

1. [MHCLG statistics](#) show that the pace of ACM remediation continues to be slow – 257 buildings (56% of all identified buildings) had had their ACM removed by the end of October. At the end of April 2019 remediation was complete in 22 per cent of buildings, now it is 44 per cent. Of the 202 buildings that had completed work by the end of last month, 22 finished in September and 13 in October. This is an improvement on recent months, reflecting both the increased pressure from the Minister and the resumption of work that had stopped as a result of Covid.
2. Of the 155 social sector residential blocks with ACM, 90 have completed work, 61 have begun work and 4 have yet to begin. In the private sector 53 have completed, 83 have begun and 75 have yet to begin. In addition, 42 Student blocks have completed with 8 underway and 4 yet to begin.
3. These figures are placed in a very worrying context by the data on non-ACM remediation. MHCLG has now begun publishing statistics on [applications to the non-ACM remediation fund](#). The headline figures are that 2784 buildings have registered for the fund. While many of these buildings may turn out to be ineligible, it is worth contemplating that having remediated 200 ACM buildings in three years or so, this could represent over 30 years' work at the current rate of progress (the comparison is unfair, but illustrative). A recent [Sunday Times](#) article suggested work would take 150 years at the current rate and estimated that 'about 700,000 people are still living in blocks of flats taller than 18m wrapped in dangerous materials'.
4. Approximately a quarter of residential blocks over 18m appear to have dangerous cladding systems. There are estimated to be around 8 times as many blocks between 11 and 18m high. If so, a 'failure rate' of 5 per cent would more than double the number of buildings affected (although the 11-18m half of the total buildings would involve fewer flats and fewer residents).
5. The LGA remains concerned about a number of other building safety issues, in particular the compartmentation in timber-framed buildings of modern construction and the extent to which owners of large panel system buildings are aware of the nature of those buildings (in particular whether owners appreciate the need to check the effectiveness of any strengthening work carried out after the Ronan Point disaster (particularly where gas is installed) and , the durability of the construction). There appears to be no definitive list of LPS buildings.

Financial issues for residents

6. While safety is the most obvious problem facing residents whose buildings have potentially combustible cladding systems it is only one of several:

6.1. Interim measures cost. In many blocks with combustible cladding, fire service inspections have led to a requirement for interim measures, usually involving a change from a stay put policy to one of simultaneous evacuation using either an alarm system or a waking watch patrol. In private blocks the costs of these are imposed on leaseholders.

6.2. On 16 October MHCLG published data on waking watch costs. The key point made is that alarm costs are lower than waking watch costs. A case study is cited in which 'three Waking Watch quotes received all exceeded the cost of installing a wired alarm system within 6 weeks and a wireless alarm system within 7 weeks'. Table One is reproduced below:

Table 1: Average monthly Waking Watch costs per building and per dwelling, England

Mean monthly Waking Watch cost	England	London	Rest of England
Per building	£17,897	£20,443	£15,279
Per dwelling	£331	£499	£179
Median monthly Waking Watch cost	England	London	Rest of England
Per building	£11,361	£15,641	£10,929
Per dwelling	£137	£256	£116

6.3. NFCC has recently issued updated guidance on simultaneous evacuation, which emphasises the need to consider the installation of common fire alarms rather than waking watches.

6.4. Mortgage blight. In January the Government and the Royal Institute of Chartered Surveyors introduced the EWS1 form which was 'was designed following Government advice regarding external wall systems on buildings above 18m and was created to ensure buildings over 18m tall could be assessed for safety to allow lenders to offer mortgages'. Councils are receiving requests from leaseholders (Camden's statement may be of interest). There are widespread reports of owners who cannot sell, remortgage or staircase due to their inability to get an EWS1 form.

- 6.5. Mortgage lenders have been requesting EWS1 forms in respect of buildings under 18m. The [Expert Panel's Consolidated Advice Note](#) published in January has been blamed for this development, because it stated that ACM is dangerous on building of any height and that 'remedial actions may be required in buildings below 18m where there is a risk to the health and safety of residents'. The government issued a [supplement](#) to the Consolidated Advice note in November 2020, which appears to be aimed at reducing the need for EWS1 forms. However, the spread of demand for EWS1 forms may well have taken place anyway as lenders sought to ensure that they did not make loans against property that was liable to burn down. In any case, the Expert Panel's advice was correct.
- 6.6. The Government [announced](#) on 21 November that EWS1 forms would no longer be required for buildings without cladding systems. In fact they have never been *required* on these buildings, although there have been some requests for them in relation to such buildings either in error or because there was uncertainty over whether a building had cladding; it is unclear how the new arrangements solve this problem.
- 6.7. The essential problem with the EWS1 form is the shortage of surveyors who are both competent to make judgements about external wall systems and can obtain professional indemnity insurance to do so. The Government has [announced](#) nearly £700,000 of new funding to increase the number of fire risk assessors. This is most welcome, but will obviously take a very long time to deliver a solution.
- 6.8. [Insurance costs](#). Some buildings have seen insurance costs increase by as much as 800 per cent in a year, with a reluctance among companies to be the sole provider of insurance.
- 6.9. [Remediation costs](#). The law allows the cost of remediation to be passed on to the leaseholder. The HCLG select committee suggests that the £1bn non-ACM Building Safety Fund (BSF) will only cover 800 buildings implying a cost of around £1.25m per block. Individual leaseholders have been hit with 5-figure bills for remediation.
- 6.10. The BSF is being operated on a first-come-first-served basis and is likely to cover only about one third of cases. Councils are struggling to access it and the Ministry has been clear that the fund is not really aimed at social housing (although it is supposed to cover costs that might fall on leaseholders in socially-owned blocks). The LGA raised this issue in its spending review submission. The Spending Review made no changes to the BSF.
7. The HCLG select committee [reported](#) on the progress of cladding remediation in June. The key points of the report were
- Remediation is moving too slowly

- The £1bn fund (see above) will not be enough to cover the costs of remediation and will need to be increased to cover all fire safety defects in buildings under 18m as well as those over 18m
 - Interim fire safety measures should also be funded
 - Those responsible for the building safety crisis should ultimately contribute to meeting the bill.
 - The External Wall Fire Review (EWS1) process is not working and the Government should provide a better system
 - The Government must ensure that residents in affected buildings are offered support by the NHS to cope with the physical and mental health toll of living in a potentially dangerous building.
8. The Public Accounts Committee [reported](#) on the progress of remediation at the end of September. Its recommendations are listed below with the Government [response](#) in brackets:
- 8.1. within six months MHCLG should:
- a) be working with the new Building Safety Regulator, begin vigorous enforcement action against any building owners whose remediation projects are not on track to complete by the end of 2021 (the Government aims to do so by Spring 2021); and
 - b) begin publishing monthly updates of projected completion dates for all remaining high-rise buildings with ACM cladding, to increase transparency of progress without identifying individual buildings (Government intends to do so from February 2021).
- 8.2. within three months MHCLG should:
- a) publish its impact assessment of the safety risks and financial impacts on private leaseholders and social landlords (including knock-on impacts on house building and maintenance of existing stock) arising from only funding a fraction of the estimated costs of replacing non-ACM cladding from high-rise blocks (the Government claims it is unable to do so 'under the timeframe proposed because applications and registrations for non-ACM cladding removal are still being processed'); and
 - b) write to us, outlining its assessment of the risks to public money of committing all £1 billion of the Building Safety Fund by the end of March 2021, and how it will monitor and mitigate these risks (Government agreed to do so).
- 8.3. MHCLG should work with the Care Quality Commission and local authorities, should make it a priority for its forthcoming data collection exercise to identify any care homes below 18 metres which have dangerous cladding. The Department should write to us by the end of 2020 setting out progress on this and on its wider data

collection (Government rejected this saying that an NFCC/CQC MoU will be rolled out next year. It agreed to update the committee on 11-18m EWS data collection in Spring 2021).

- 8.4. MHCLG should write to us within three months, setting out what specific steps it will take to provide greater transparency for residents throughout the application and remediation process, and how it will ensure that building owners meet a standard of service in communication with residents (Government agreed to do so in December).
- 8.5. MHCLG should ensure that cross-sector work to resolve issues with the External Wall Fire Review process progress at pace. As part of this cross-sector work, the Department must ensure that professionals can acquire indemnity insurance, and leaseholders are not facing escalating insurance premiums. The Department should write to us within three months setting out its assurance that these processes are operating effectively (the Government agreed but has set a target implementation date of May 2021).
- 8.6. MHCLG should, within the next three months, assess the capacity of specialist fire safety skills within the sector and set out what the impact is on delivery of its timetables for the removal and replacement of unsafe cladding. It should include in this assessment options to tackle the skills shortage so that this does not become a barrier to remediation work continuing at pace (the Government agreed to do this in December 2021 – it is worth noting that the home office needs to do this as part of its preparation for the Fire Safety Bill's commencement)
9. The LGA's [response](#) to the report urged the Government to act on its recommendations without delay.

Costs of remediation

10. The chief barrier to remediation appears to be the cost. If government refuses to fund remediation, freeholders may fail to act either because there is no commercial case for it or because they cannot afford it (especially where the freehold is collectively owned by leaseholders). Attempting to pass the cost on to leaseholders may not help the freeholder because the leaseholders probably cannot afford it and the money will not be recoverable. Pursuing compensation claims, if practical (which it probably is not for leaseholders), will be a lengthy process, so the cost needs to be met before the conclusion of any case if leaseholders are to avoid massive insurance and interim measures costs.
11. This is a matter of concern to councillors in their role as community representatives but also has specific negative implications for councils, which face the possibility that former

homeowners will present as homeless, buildings will remain dangerous for years or be left empty, possibly abandoned by both residents and freehold owners.

12. The LGA first raised the need to consider this issue with MHCLG in the autumn of 2017 and has been pushing for the Government to meet upfront costs for well over two years, arguing that ministers should then pursue compensation from those responsible.
13. In July 2020, alongside the launch of the Building Safety Bill, which included proposals to allow leaseholders to be charged for building safety costs, the Government appointed Michael Wade to work with leaseholders, and the finance and insurance industries to test and recommend funding solutions to protect leaseholders from unaffordable costs of fixing historic defects, ensuring that the burden does not fall on tax payers and develop proposals to address insurance issues around building safety. In October, Mr Wade told the HCLG committee that this work was still at a very early stage.

Enforcement

14. The process of identifying the claddings systems on blocks over 18m relies on data collection exercise by local authorities which is now 80-90 per cent complete. We currently have no data on the proportion of buildings with non-ACM dangerous cladding that are council-owned.
15. This data is being passed to fire and rescue services under the supervision of the Fire Protection Board (on which the LGA is represented). FRSs then establish which buildings need to be audited for fire safety purposes and hope to complete this process by the end of 2021. Audits may result in enforcement action or interim measures.
16. The focus of enforcement efforts to date has tended to be on ACM-clad buildings but this is likely to change in 2021. Until the Building Safety Regulator is established (which will not happen in 2021) enforcement takes place under the Housing Act by council environmental health teams or under the Fire Safety Order by FRSs...
17. The passing of the Fire Safety Bill will strengthen the ability of FRSs to take action under the Fire safety Order but it will not be a magic bullet and the large number of buildings involved means that both fire services and councils will need to take action – as well as working together to ensure that action is coordinated. The LGA is discussing how to achieve this with HCLG, the Home Office and NFCC.
18. Pressure for action is likely to come in two forms:
 - a) Buildings where either the owner or the cladding system is unknown. Both the FRS and the local housing authority have powers to obtain information from the owner. It will be important to avoid either duplication or delay while enforcing authorities argue over who should proceed first and to ensure information is shared between enforcing authorities.

- b) Buildings where the government is unwilling to fund necessary remediation. In these cases both councils and FRSs can issue an improvement notice which sets a deadline for remediation of the cladding system and carries penalties if not complied with (the deadline has to be reasonable); but only councils have powers to carry out works in default. Prohibition of buildings tends to be seen as an absolute last resort.²⁸
- 19) As members will recall the LGA is hosting the Joint Inspection Team (funded by MHCLG) to support councils to use their enforcement powers under the Housing Act and the Housing Health and Safety Rating System.
- 20) The team has resumed inspections following a hiatus caused by covid 19 and has recruited its full complement of staff. It is inspecting roughly two buildings a month, twice the previous rate. Its work is continuing under the current lockdown.
- 21) The LGA is discussing the future of the JIT beyond March 2021 with MHCLG.

Reform

Fire Safety Bill

22. The Fire Safety Bill has now passed from the Lords back to the Commons. The Lords inserted a Government amendment offered in concession to the LGA's concerns about the effect of the Bill. This is not expected to be rejected by the Commons.
23. The Bill clarifies that external wall systems (EWS, cladding) and front door fire doors are covered by the Regulatory Reform (Fire Safety) Order 2005 (FSO). Among the consequences of this are that responsible persons (RPs, including stock-holding councils) under the FSO must include EWS and fire doors in fire risk assessments (FRAs) and the fire service can potentially take enforcement action where the EWS is unsafe.
24. Once the Bill commences, RPs will need to review their FRAs. During the passage of this Bill through Parliament it has become clear that there is likely to be a significant shortage of assessors to carry out these reviews, because many of those qualified to conduct normal fire risk assessments do not have the specialist skills necessary to include the external wall system in a risk assessment and because insurers are reluctant to provide Professional Indemnity Insurance (PII) cover for this sort of work.
25. The potential consequences of this are:
- 25.1. responsible persons (including councils) may be unable to fulfil their obligations under the Bill
 - 25.2. a demand/supply imbalance drives up the cost of assessments, adding to the burden on the housing revenue account and/or the taxpayer

- 25.3. if owners with sufficient resources pay the higher cost to get all their buildings assessed irrespective of the risk to residents, high risk buildings with less well-off owners will be left at the back of the queue – and that queue could last for years.
- 25.4. delays in obtaining FRAs could compound the problems caused by the inability of residents to obtain EWS1 forms and the consequent effects of this on mortgage applications – even in buildings that have safe cladding systems.
26. The Government has recognised that this problem exists and established a task and finish group to look at how best to commence the Bill. The LGA laid an amendment reflecting the advice that Group gave to ministers at the committee stage of the Bill. Although the government did not accept the amendment (because it contained the requirement to provide an Approved Code of Practice which in turn would require a consultation process that would delay the Bill), it put forward an alternative designed to achieve the same ends through statutory guidance based on a risk-assessment tool aims to ensure that the highest risk buildings are assessed first.
27. The LGA will be involved in devising this guidance but a number of unknowns remain:
- The number of buildings likely to fall into different categories of risk
 - The number of assessors available to undertake the work (this is further complicated by the question of whether any assessors can undertake the work and whether some may be able to work with surveyors who can assess EWS)
 - Whether insurers will be more willing to provide PII in future.
 - Exactly how much control any form of guidance can give us over the order in which buildings are assessed.
 - How much use the FRS will make of the new powers and what effect this will have on the speed of remediation
28. As the LGA's proposal of the amendment made clear 'a balance will have to be struck between commencing the Bill as soon as possible, so that the fire service can use its powers, and assessing the disparity between the number of fire risk assessments that will need be reviewed and the capacity of the fire risk assessment industry to do so. Parliament needs to make this judgement'.
29. In addition, the Lords inserted other amendments to the Bill, requiring the implementation of some findings of the Grenfell Tower inquiry (which are likely to come in under the Building Safety Bill) and preventing freeholders from passing on costs under the FSO to leaseholders. These are not supported by the Government.

Fire Safety Consultation

30. The LGA responded to the Government's consultation on proposals to:
- 30.1. strengthen the Regulatory Reform (Fire Safety) Order 2005 and improve compliance

- 30.2. implement the Grenfell Tower Inquiry Phase 1 Report recommendations that require a change in law to place new requirements on building owners or managers of multi-occupied residential buildings, mostly high rise buildings
- 30.3. strengthen the regulatory framework for how building control bodies consult with Fire and Rescue Authorities and the handover of fire safety information.

31. Some of these proposals have significant implications for stock-holding councils (such as the frequency with which fire doors and lifts are inspected and proposals related to evacuation plans). The response was circulated to lead members, other relevant lead members and the Grenfell Task and Finish Group for comment and approval before submission.

Building Safety Bill

- 32. The Building Safety Bill has been subjected to pre-legislative scrutiny by the HCLG select committee.
- 33. The Bill establishes a building safety regulator within the HSE to
 - 33.1. Implement the new, more stringent, regulatory regime for higher-risk buildings.
 - 33.2. Oversee the safety and performance of all buildings.
 - 33.3. Assist and encourage competence among the built environment industry, and registered building inspectors.
- 34. The implementation of the new regime will see the HSE, councils and fire services form a new, close relationship as council building control services and fire services deliver the regime for higher-risk buildings (Environmental Health services may also be involved). It leaves the HSE and local regulators to work out the practical details, but places all three under a duty to cooperate and gives the HSE the power to direct councils and fire services. The latter power is to be used only in exceptional circumstances and the Bill provides safeguards to prevent it becoming a default option.
- 35. In practice the regime for higher-risk buildings is expected to involve multi-disciplinary teams not dissimilar to the Joint Inspection Team which LGA currently hosts.
- 36. The LGA's evidence to the committee argued that, subject to the necessary secondary legislation being passed and sufficient funds provided - the Bill provides the strong regulatory system needed to deliver an effective system of building safety. Nevertheless the LGA has expressed the following concerns:
 - 36.1. The difficulty of funding building safety measures without bankrupting leaseholders.
 - 36.2. The conflict between the new building safety system and the Government's planning white paper.
 - 36.3. The scope of the Bill, the speed at which its scope can be expanded and the constraints on its expansion.

- 36.4. How the charging provisions in the Bill will work and set-up costs for the Building Safety Regulator.
 - 36.5. The alignment of this Bill with the Fire Safety Bill.
 - 36.6. The adequacy of the product safety provisions.
 - 36.7. The limited removal of competition in building control
37. Lord Porter gave [evidence](#) to the committee on behalf of the LGA on 21 September.
38. The committee's [recommendations](#) reflect the LGA's concerns to a large extent. The key recommendation being that the Government protect leaseholders and recommit to meeting the costs of the historic building safety defects.
39. The Committee also recognised the need to end the ability of duty holders to pick their own building control body and urged ministers to commit to a firm timetable for expanding the scope of the Bill, sharing our view that height is a poor determinant of risk.

Improvement activity

- 40. The HSE is expected to undertake a significant comms effort over the next two years to prepare local authorities for their expanded role in enforcing the Bill and their new responsibilities as stock-holders.
- 41. The Bill will strengthen the role of local authority building control in relation to high rise buildings but as it stands retains the problem of competition from Approved Inspectors. Building Control will also have an enhanced, but as yet unspecified role in inspection and enforcement of the 'occupation phase' in a building's life.
- 42. The building safety Regulator will become a statutory planning consultee, probably in June next year.
- 43. The enforcement role of environmental health is not expected to change, although the HHSRS will be reviewed.
- 44. Landlords will have significant new duties, ranging from ensuring better engagement with residents to maintaining a golden thread of information about a building – which could be particularly challenging in relation to some older blocks.
- 45. The HSE is very keen to engage with the sector and we are facilitating this. Although we have a very good relationship with the HSE, the scale of reform and its complexity make engagement a challenge.
- 46. The LGA and Local Authority Building Control are represented on the Joint Regulators Group, an HSE-chaired body advising on policy and implementation, which has been working on the issue for a couple of years.

47. A Charges Legislation Cross Cutting Working Group has been established, which is looking at our concerns over how the charging and cost-recovery mechanisms in the Bill will work.
48. Officers are monitoring the pace with which the HSE is introducing some elements of the new system

Implications for Wales

- 37 Building regulations and fire and rescue services are devolved responsibilities of the Welsh Assembly Government, and the main implications arising from the recommendations of the Hackitt Review and the government's response to it are on building regulations and fire safety in England. However the Welsh government has announced that it will be making the changes recommended in the report to the regulatory system in Wales, and the LGA has been keeping in contact to ensure the WLGA is kept informed of the latest developments in England.

Financial Implications

- 38 Although the LGA has set up the Joint Inspection Team, the cost of doing so is being met by MHCLG. Other work arising from this report will continue to be delivered within the planned staffing budget, which includes an additional fixed term post in the safer communities team to support the LGA's building safety work.

Next steps

- 39 Officers to continue to support the sector's work to keep residents safe and reform the buildings safety system, as directed by members.

Social housing white paper

Purpose of report

For information.

Summary

The Government has recently published its Social Housing White Paper which sets out the series of actions the government will take forward to put tenants at the heart of how social housing will operate in the future.

This report summarises the proposals in the White Paper and highlights potential areas of concerns for councils.

Recommendation

This item is for update and comment. Board members are asked to feedback on any key issues that need to be addressed as the Government takes forward the measures proposed in the White Paper.

Action

As directed by the Board

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Social housing white paper

Background

1. On 17 November the Government published '[The Charter for Social Housing Residents – Social Housing White Paper.](#)' It sets out the actions government will take to ensure that residents in social housing are safe, are listened to, live in good quality homes and have access to redress when things go wrong. This includes a greater role for the Regulator of Social Housing (RSH) in delivering a stronger consumer regulatory function. This includes the strengthening of the formal standards against which social landlords are regulated.
2. In effect it sets out the government's response to the 2018 '[Social Housing Green Paper](#) – a 'new deal' for social housing' and what they intend to do next. There will be further consultation on specific measures as the government moves forward through implementation. We [responded](#) to the Green Paper.
3. Alongside the White Paper the government also published a [consultation](#) to extend the Smoke and Carbon Monoxide Alarm (England) Regulations 2015, as well as making amendments to statutory guidance (Approved Document J) supporting Part J of the Building Regulations.
4. This report summarises the proposals in the White Paper and the consultation and highlights potential areas of concern for councils.
5. Our initial response to the White Paper can be found [here](#). In particular we raised concern that the white paper does not address how the Government plans to tackle the severe shortage of social housing the country faces.
6. We will want to work with officials in both the Ministry and the Regulator of Social Housing to influence the design of the new proposed measures, so that: we can ensure they are introduced in the best interest of councils and their tenants; that any new burdens for councils are fully funded and; that any new regulation is proportionate and meaningful.

Proposed measures in the Social Housing White Paper

7. The new Charter for Social Housing that sets out what all social housing residents should be able to expect, consists of 7 parts and the White Paper outlines the package of measures that will help to achieve this. There is a chapter in the White Paper dedicated to each part.

Chapter 1: To be safe in your home

8. Measures include:

- 8.1. Legislating to strengthen the Regulator of Social Housing's consumer regulation objectives to include safety.
 - 8.2. Legislating to require social landlords to identify a nominated person responsible for complying with their health and safety requirements.
 - 8.3. The Regulator of Social Housing to prepare a Memorandum of Understanding with the Health and Safety Executive to ensure effective sharing of information with the Building Safety Regulator.
 - 8.4. Consultation on requiring smoke alarms in social housing and introducing new expectations for carbon monoxide alarms.
9. It will be important that any new requirements/responsibilities for councils align with proposals being brought forward in the Fire Safety Bill, as well as the building safety proposals the Ministry of Housing, Communities and Local Government is preparing.
10. In addition, any new costs imposed on councils as a result of any changes will need to be fully funded. In particular, there could be considerable operational and financial pressures if proposals are brought forward for councils to enforce the new proposals regarding installation of smoke alarms and carbon monoxide alarms.

Chapter 2: To know how your landlord is performing

11. Measures include:
- 11.1. Creating a set of tenant satisfaction measures for landlords
 - 11.2. A new 'access to information' scheme for social housing tenants of housing associations and other private registered providers of social housing
 - 11.3. Landlords to provide a clear breakdown of how their income is being spent.
 - 11.4. Requirement for landlords to identify a senior person in their organisation who is responsible for ensuring they comply with the consumer standards set by the Regulator of Social Housing.
12. We have previously said that rather than seeking to performance manage the social landlord sector as a whole, that the Regulator's activity should prioritise intervention with landlords that are experiencing the most severe challenges. Risk-based regulation would make best use of limited resources for both council landlords and the Regulator.
13. There is concern that a return to audit and reporting arrangements around indicators could drive perverse incentives and fail to understand local circumstances. It is also at odds with the overall relationship between central and local government which has moved away from central reporting against indicators. It also sends a message that Government has limited trust in social landlords, unhelpfully reinforcing the long-standing underlying stigma and prejudices about social housing.
14. Ensuring that councils have robust mechanisms for understanding performance is of course critical in their strategies for improving services for tenants. But we have argued

that these measures must be the right ones and should be developed and owned locally – particularly by local tenants.

Chapter 3: To have your complaints dealt with promptly and fairly

15. Measures include:

- 15.1. Requiring landlords to self-assess against the Housing Ombudsman's Complaint Handling Code by 31 December 2020.
- 15.2. A communications campaign to ensure tenants know how to raise complaints. An expectation that landlords, the Housing Ombudsman and the Building Safety Regulator will ensure that residents have clear and up to date information on how to complain.
- 15.3. Legislating to ensure clear co-operation between the Housing Ombudsman and the Regulator of Social Housing.
- 15.4. Publicising the details of cases determined and published by the Housing Ombudsman.
- 15.5. Removal of the 'democratic filter' (as set out in the Building Safety Bill)

16. Transparency on the details of cases determined by the Housing Ombudsman will be a useful tool in supporting councils' to continuously improve the customer experience for their tenants.

17. There are concerns about the required timescales for self-assessing against the Complaint Handling Code, with non-compliance potentially resulting in the Ombudsman issuing complaint handling failure orders.

18. The democratic filter was introduced in the Localism Act of 2011. The mechanism allows a tenant to approach a local MP, councillor or designated tenant panel if their complaint is not resolved by the landlord's own complaints process. In our response to the Green Paper we argued that the democratic filter must be retained, so that disputes can be resolved locally wherever possible, but that the process needs to be supported through the provision of good quality, easily accessible advice and information.

Chapter 4: To be treated fairly and with respect, backed by a strong consumer regulator for tenants

19. Measures include:

- 19.1. Transforming the consumer regulation role of the RSH so it proactively monitors and drives landlords' compliance with improved consumer standards.
- 19.2. Removal of the 'serious detriment test' and introduction of routine inspections for landlords with over 1,000 homes, every four years.
- 19.3. Changing the RSH's objectives to explicitly cover safety and transparency, and work with it to review its consumer standards to ensure they are up to date and deliver its revised objectives.

- 19.4. A new power for the RSH to publish a Code of Practice on the consumer standards to be clear what landlords are required to deliver.
 - 19.5. Strengthening the regulator's enforcement powers to tackle failing landlords and to respond to new challenges facing the sector.
 - 19.6. Holding local authorities to account as landlords, including how they manage Arms Length Management Organisations and Tenant Management Organisations, to make sure they deliver a good service to tenants.
 - 19.7. Requiring the regulator to set up an Advisory Committee to provide independent and unbiased advice on discharging its functions.
20. The LGA has a long track-record in developing and delivering a [sector-led improvement](#) support offer to councils. We will want to work with councils to identify ways in which we can support them to ensure they are able to comply with any new consumer standards.
21. There is some concern that the proposed regular four-year inspection of all social landlords with over 1,000 homes will be very costly for both landlords and government and potentially impractical to deliver.
22. We will want to work with government to understand how this will be delivered and funded, and seek to influence a proportionate, risk-based approach to inspection. A sector-led improvement approach through use of peer reviews and performance benchmarking, could provide a complementary, or even an alternative approach to inspection.

Chapter 5: To have your voice heard by your landlord

23. Measures include:
- 23.1. An expectation for the RSH to require landlords to seek out best practice and consider how they can continually improve the way they engage with tenants.
 - 23.2. Delivery of a new programme for social housing residents, to support more effective engagement between landlords and residents, and to give residents tools to influence their landlords and hold them to account.
 - 23.3. A review of professional training and development to ensure residents receive a high standard of customer service.
24. We will want to work with councils to identify ways in which we can further help to support and promote best practice on effective tenant engagement and customer service, building on the [good practice guide](#) we commissioned in 2019.

Chapter 6: To have a good quality home and neighbourhood to live in

25. Measures include:
- 25.1. A review of the Decent Homes Standard, including access to and the quality of green spaces.

- 25.2. Tackling anti-social behaviour by enabling tenants to know who is responsible for action and who can support and assist them if they are faced with anti-social behaviour.
 - 25.3. Considering the results of the allocations evidence collection exercise findings to ensure that housing is allocated in the fairest way possible
26. Whilst there is recognition that the Decent Homes Standard hasn't been reviewed since 2006 and a review is well overdue, any additions to the existing standard will require additional investment. Unless additional funding is provided by the Government to meet any new standard, this will ultimately need to be funded through the rents paid by tenants. This could also have a knock-on effect on councils' ability to deliver their responsibilities as local housing authorities as well as their housing delivery plans.
27. Any changes to the standard will need to recognise the long lead in times for investment programmes and provide sufficient notice to landlords to ensure effective implementation.
28. We will want to work with government to make sure that the review of the Decent Homes Standard has a clear purpose and plan and that any proposed revised standard is properly costed.
- Chapter 7: To be supported to take your first step to home ownership*
29. Rather than new measures this Chapter explains how the government is:
- 29.1. Investing £11.5 billion to build up to 180,000 affordable homes – the highest single funding commitment to affordable housing in a decade. Around half of these new homes will be for affordable home ownership.
 - 29.2. Implementing a new model for Shared Ownership.
 - 29.3. Implementing a new Right to Shared Ownership for tenants of housing associations and other private registered providers who live in new grant funded homes for rent.
 - 29.4. Emphasising through the new National Design Guide the importance of building beautiful and well-designed social homes.
 - 29.5. Introducing a new Affordable Homes Guarantee Scheme.
 - 29.6. Encouraging local authorities to take advantage of our removal of the borrowing cap to build more council homes.
30. In our response to the White Paper we made clear that the reforms will not help to tackle the severe shortage of social housing. We will continue to make the case for the [powers and resources](#) to enable councils to deliver a step-change in council house-building.
31. The [report](#) we recently commissioned with the Association of Retained Council Housing and the National Federation of ALMOS showed that building 100,000 social homes a year would deliver a £14.5 billion boost to the economy as well as reduce council waiting lists and the welfare bill.

Consultation on domestic smoke and carbon monoxide alarms

32. This [consultation](#), which we will be responding to, includes 3 key proposals:
- 32.1. Amending the Smoke and Carbon Monoxide Alarm (England) Regulations 2015 to require social landlords to ensure at least one smoke alarm is installed on each storey of the premises (where there is a room used wholly or partly as living accommodation).
 - 32.2. Amending the statutory guidance (Approved Document J) supporting Part J of the Building Regulations to require that carbon monoxide alarms are fitted alongside the installation of fixed combustion appliances of any fuel type (excluding gas cookers).
 - 32.3. Amending the Smoke and Carbon Monoxide Alarm (England) Regulations 2015 to require private and social landlords to install a carbon monoxide alarm in any room used as living accommodation where a fixed combustion appliance is used (excluding gas cookers).
33. The proposals will introduce new burdens on councils and we will want to work with government to ensure that these are fully funded and that councils have capacity to deliver on their new responsibilities.

Implications for Wales

34. Housing policy is a devolved issue.

Financial Implications

35. None

Next steps

36. We are continuing our engagement with both parliamentarians and officials to ensure that the concerns of councils are heard in Government.
37. We have also indicated that we want to work pragmatically with officials to try and design any reforms, so we can seek to ensure they are introduced in the best interest of councils and communities.

Biography - Rt Hon Christopher Pincher MP

38. Christopher Pincher was appointed Minister of State at the Ministry of Housing, Communities and Local Government on 13 February 2020. He was first elected Conservative MP for Tamworth in May 2010. Christopher was previously Minister of State at the Foreign and Commonwealth Office from 25 July 2019 to 13 February 2020 and Deputy Chief Whip, Treasurer of HM Household from 9 January 2018 to 25 July 2019. He was also Comptroller of HM Household (Government Whip) from June 2017 to November 2017 and was an Assistant Government Whip from 17 July 2016 until 15 June 2017.

Business plan 2019-22 - 2020 review and update

Purpose of report

For information.

Summary

In October 2019, following a series of consultations and discussions, the LGA Board approved a new 3-year [business](#) plan, built around the United Nations sustainable development goals and comprising:

- six policy priorities with supporting targets
- a Supporting Councils priority with associated improvement targets and
- our internal/operational plan

Whilst the six policy priorities agreed at the time continue to reflect the sector's priorities, LGA Board resolved at their September meeting to add one additional priority – "*Narrowing inequalities and protecting communities*" – to reflect events over the past 8 months and the range of actions arising from them.

The business plan has now been revised and updated to include the additional priority and is attached at **Appendix 1**. It will be published as an interactive PDF with the design as in the current plan.

Recommendation

That the Environment, Economy, Housing and Transport Board note the 2020/21 update of the 3-year business plan as the basis for work programmes over the coming months.

Action

The updated plan will be published on the LGA website

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LGA business plan 2019-2022

2020 update

Introduction

2020 introduction to LGA Business Plan 2019-2022

Every day councils make a difference, delivering essential services that improve the lives of millions. The COVID-19 pandemic has demonstrated the value of local leadership like never before, by providing much-needed support to people, businesses and communities that have protected lives and livelihoods.

We know that residents trust their councillors, as democratically elected leaders, to make the right decisions for them and their families, now and in the future. The Local Government Association's (LGA's) polling shows that [73 per cent of residents trust their local council](#) to make decisions about how services are provided in their local area.

These services assist vulnerable people, support the homeless into safe accommodation, deliver new homes, give children and young people with the best start in life, providing dignified care for vulnerable people, help local businesses, and combat climate change. Just a few of the everyday examples of councils supporting our nation where they need it most.

As we look forward, there is an important opportunity to address the inequalities the pandemic has exposed and that have remained entrenched for too long, to connect with people's identities and sense of community, and to rebuild the economy so that it benefits all of our residents.

It is therefore vital that we support councils to ensure they are equipped to meet the challenges we face today, are empowered to innovate and create services that are tailored to their localities, and are resilient to navigate what the future may bring.

This updated business plan sets out how the LGA will continue to support and be an advocate for councils. Our priorities have been reviewed and reshaped this year, to recognise the uncertainties facing local government and us as your membership body. We recognise that we will need to remain flexible, shifting our focus as the need arises.

Through our [#CouncilsCan](#) campaign we will make the case for a new settlement for English local government that gives councils and councillors the powers, freedoms, certainty and sustainable funding to transform our communities for the better.

Promoting the value of local government and supporting councils in their roles as community leaders remains our central mission. Alongside the challenges that a global pandemic brings, we

are moving into a critical period for local public services. This could include a three-year Spending Review, greater devolution of powers to local areas, significant planning reforms and the opportunity to make the case for a long-term settlement for social care. We will continue to be flexible, promoting councils' priorities on emerging issues such as new measures to coincide with the end of the EU transition period and on proposed changes to areas that are delivered locally, such as public health.

Our lobbying work will always centre around the things you tell us are important to you, as we work with government and Parliament to ensure that councils' ambitions for our communities are reflected in national decision-making. Through our sector-led improvement work, we have further developed our offer to provide councils with the support to assist the challenges of COVID-19 and its consequences while working closely with the Government on priority issues. We will continue to offer a helping hand to councils as they improve, innovate and seek to demonstrate their resilience now and into the future.

This business plan sets out the priorities that councillors and officers have told us you want us to focus on. It will be continually reviewed and tested out with our membership to ensure we are always providing the best possible support to councils.

Councillor James Jamieson
Chairman

Mark Lloyd
Chief Executive

Working for councils

The LGA is the national membership body for local authorities. Our core membership is made up of English councils and Welsh councils through the Welsh LGA.

We are politically-led and cross-party and we work on behalf of councils to give local government a strong, credible voice with national government.

We aim to influence and set the political agenda on the issues that matter to councils so they can deliver local solutions to national problems. We fight local government’s corner, supporting councils through challenging times and focusing our efforts where we can have real impact.

We also provide membership services to other organisations through our associate scheme, including fire and rescue authorities, national parks authorities, town councils, police & crime commissioners and elected mayors of combined authorities.

Our vision for local government

Our vision for local government is one of a vibrant local democracy, where powers from Westminster are devolved to local areas, and citizens have a meaningful vote and real reason to participate in civic and community life.

A return to economic growth offers prosperity to every place, with well-targeted and planned investment in infrastructure, training and housing that leads to jobs and a supply of affordable homes.

Public services focus on preventing problems as well as picking up the pieces, delivering positive outcomes for people of all ages in an environmentally sustainable way. Joined up services are built around people and their needs, enhancing the lives of individuals, families and communities and continuing to make local areas better places to live now and for future generations.

Our purpose and priorities

Our work on behalf of local government falls under two overarching themes

National voice of local government – we campaign to influence the political agenda and secure funding and powers on behalf of councils and we promote and defend the reputation of the sector

Supporting councils - we support councils continuously to improve and innovate through our programme of practical peer-based support underpinned by strong local leadership, through our support for collective legal actions and through our service delivery partnerships.

Our business – underpinning our work on behalf of councils is an efficient, cost effective and forward-thinking business; we are politically led, committed to equalities and diversity and we aim to operate in an environmentally and financially sustainable way.

Our three-year rolling business plan sets out our key priorities and commitments and demonstrates how our work will contribute to the delivery of the UN’s Sustainable Development Goals (SDGs).

The national voice of local government

We lobby and campaign to influence the political agenda and secure funding and powers on behalf of councils and we promote and defend the reputation of the sector

Over the next 12 months we will focus on the seven areas that councils tell us matter most to them:

Funding for local government

Fair and sustainable funding enables councils to plan and deliver essential public services beyond the short term, to raise more funds locally and to promote greater collective working across local public services.

Adult social care, health and wellbeing

Sustainable funding and better integration with health services enable councils to continue to support people to live safe, healthy, active, independent lives and to promote wellbeing and resilience for all ages.

Narrowing inequalities and protecting communities

Councils lead and work with diverse communities and partners to address inequalities and build safe, cohesive and resilient communities.

Places to live and work

Councils lead the way in driving inclusive and sustainable economic recovery, building the homes that people need and creating places where they want to live.

Children, education and schools

Councils have the powers and resources they need to bring partners together to deliver inclusive and high-quality education, help children and young people to fulfil their potential and offer lifelong learning opportunities for all.

Strong local democracy

A refocus on local democratic leadership, and a shift in power post-Brexit from Whitehall to local communities, leads to greater diversity of elected representatives, high standards of conduct and strong, flexible local governance.

Sustainability and climate action

Councils take the lead in driving urgent actions in their local areas to combat climate change and its impacts and to deliver zero net carbon by 2030.

17 Goals to Transform Our World

The Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet.

They recognize that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection, and job opportunities, while tackling climate change and environmental protection.



SUSTAINABLE DEVELOPMENT GOALS

Funding for local government

Fair and sustainable funding enables councils to plan and deliver essential public services beyond the short term, to raise more funds locally and to promote greater collective working across local public services.

CAMPAIGN - #CouncilsCan

With the right funding and powers, councils can continue to lead their local areas, improve residents' lives, reduce demand for public services and save money for the taxpayer.

The benefits to the country of investing in local government are clear and understood – we will:

- continue to highlight the pressures on all services and press for funding that reflects current and future demand, particularly for housing, homelessness, adult social care and children's services
- lobby Central Government to fully meet all costs and income losses arising from COVID-19 in 2020/21 and beyond
- continue to emphasise and evidence the impact, value and efficiency of local government services
- work with central and local government to identify a wider range of suitable and sustainable funding sources for council services in the future
- work with local and central government on a distribution mechanism for local government funding that supports long-term planning, is evidence-based, simpler and more transparent with appropriate transition mechanisms.

People have a meaningful local voice on a wide range of tax and spending decisions – we will:

- press for freedoms that lead to greater local financial autonomy with a view to achieving local control over both council tax and business rates
- lobby for improvements to business rates to help tackle business rates avoidance and develop proposals to improve the system, including valuation and the appeals process
- press for legislation to allow councils to raise more funds locally including new local taxes and set fees and changes which fully recover costs.

Councils are able to access a range of sources of finance to encourage investment and create jobs, supported by an appropriate financial framework – we will:

- further develop policy on capital financing and investing and contribute to national reviews in these areas so that they support and enable prudent investment and financial management
- contribute to reviews of the accounting and financial regulatory framework for councils to ensure it is appropriate, not over restrictive and balanced with local freedom and accountability
- support the United Kingdom Municipal Bonds Agency to deliver cheaper debt financing to councils, through the sale of bonds in the capital markets.

Fair and affordable pay awards enable councils to recruit and retain good staff – we will:

- convene the employer side of the collective bargaining arrangements to agree equitable and affordable pay awards for more than two million local authority and related employees, including fire and rescue authorities.
- provide evidence to the schoolteachers' pay review body and Low Pay Commission in relation to the National Living Wage.

Adult social care, health and wellbeing

Sustainable funding and better integration with health services enable councils to continue to support people to live safe, healthy, active, independent lives and to promote wellbeing and resilience for all ages.

SDG 3 – Good health and wellbeing

Ensure healthy lives and promote wellbeing for all at all ages

CAMPAIGN - The lives we want to lead

We want to build a society where everyone is supported to live a healthy, fulfilled and independent life, staying at home and contributing to family and community life for as long as possible - but escalating funding pressures and increasing demand are threatening that ambition. Our campaign calls for sustainable long-term funding that gives people the care and support they need now and in the future.

Councils secure sufficient resources to deliver effective, integrated social care services – we will:

- continue to lobby for the short, medium and long-term financial sustainability of adult social care and support, arguing that all options, including national taxation, should be considered
- work with government to agree a sustainable, long term funding deal for public health.
- press for an independent review of adult social care pay and full funding for subsequent changes.

Councils lead the debate on the future vision for health and social care – we will:

- promote a clear vision of councils' role in planning and delivering integrated health and care; continue to promote health and wellbeing boards as leaders of health and care and support councils and their partners to develop and deliver place-based person-centred support.
- continue to press for a long-term policy framework for the Better Care Fund (BCF), with lighter touch reporting and greater emphasis on local targets
- continue to lobby for councils and councillors to have a key role in sustainability and transformation partnerships, integrated care systems and wider NHS planning arrangements.

Councils support older people, disabled people and people in vulnerable circumstances – we will:

- support councils to tackle the challenges and exploit the opportunities of a population with increasingly complex needs, including improving dementia and mental health services, carers' support and support for those with autism and/or learning difficulties
- continue to support councils to deliver the Armed Forces Community Covenant.

Councils work actively with the NHS to build health and care services around the needs of local populations – we will:

- work with NHSEI and other national partners to ensure that councils and health and wellbeing boards, are meaningfully engaged in developing integrated care systems and their implementation plans
- work with national partners to increase the understanding of, and commitment to, planning and delivery at place level and the leadership role of councils
- support councils to work with NHS and other partners to ensure that implementation plans build on existing priorities to improve health and wellbeing and are subject to democratic oversight and scrutiny
- work with the NHS to manage the pandemic, learning the lessons and promoting local accountability and closer working through the NHS bill and wider work.

Councils have a central role in promoting health and wellbeing locally – we will:

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- work to strengthen the position of councils as public health leaders.
- continue to make the case for long-term financial sustainability of public health services and support councils to understand the importance of preventative approaches.
- work with the NHS and partners to develop a system-wide approach to public health workforce planning and address urgent staffing issues in children's public health.
- lobby for long-term sustainable funding for leisure, culture and park services which play an important part in people's physical health and mental wellbeing and tackling health inequalities.

Narrowing inequalities and protecting communities

Councils lead and work with diverse communities and partners to address inequalities and build safe, cohesive and resilient communities.

SDG 10 – Reduced inequalities
Reduce inequalities within and among countries
SDG 11 – Sustainable cities and communities
Make cities and human settlements inclusive, safe, resilient and sustainable

Councils lead and work with diverse communities and partners to address inequalities and build cohesive and resilient communities – we will:

- review and strengthen the LGA’s work on reducing inequalities, promoting equality through our policy messages and lobbying and our improvement and leadership support to councils.
- promote and support councils in developing the diversity of their candidates, elected members and senior leadership
- underline the need for a strong commitment to tackling health inequalities and ensure that local government concerns and priorities resulting from the impact of COVID-19 on their communities are heard by government
- support councils as they address the inequalities exposed by the COVID-19 pandemic, with particular regard to those from ethnic groups most affected by the virus and to children and young people whose development and futures will be affected by the containment measures.

Councils lead the way in shaping communities where people feel safe – we will:

- lead the debate on councils’ role in building safer and resilient communities and support them to reduce serious violence, domestic abuse, female genital mutilation and anti-social behaviour
- represent councils’ interests in the UK’s developing modern slavery policies, as we work collaboratively with partners to tackle this
- contribute to the independent review of Prevent and the counter-extremism strategy, ensuring that councils are supported to build community cohesion, promote integration, tackle extremism and deliver the Prevent duty.
- lobby for the resources, powers and data councils need to manage local outbreaks of COVID-19, including shielding the clinically vulnerable, and support them in their test, trace and outbreak management response through a sector-led improvement support programme.

Councils continue to play a leading role in the design and delivery of blue light and other services that help protect local communities – we will:

- work with the HSE and government to establish an effective, professional and fully funded system for regulating building safety
- lobby for sustainable funding for fire and rescue authorities and support them to become more inclusive and representative of their communities and to strengthen their leadership and governance.
- support the fire and rescue sector’s response to Phase 1 of the Grenfell Inquiry and strengthen their ability to take forward the fire reform agenda and the findings from Her Majesty’s Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS)
- support police and crime panels and share best practice
- work with councils to review and share learning from the COVID-19, to help strengthen community resilience and future emergency responses.

Children, education and schools

Councils have the powers and resources they need to bring partners together to deliver inclusive and high quality education, help children and young people to fulfil their potential and offer lifelong learning opportunities for all.

SDG 3 – Quality education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

SDG 10 – Reduced inequalities

Reduce inequalities within and among countries

CAMPAIGN - Bright Futures: children’s social care and mental health services

Helping children and young people to fulfil their potential is the ambition of all councils, but services that support them to do so are under increasing pressure. Our campaign calls for the services that change children’s lives to be properly funded so that all children can have the bright futures they deserve.

Councils lead the way in driving up educational standards – we will:

- set out a clear vision for councils’ role in promoting high educational standards, with the resources, powers and flexibilities to give every child access to a place at a good local school
- lobby for a stronger role for councils in investing in schools - ensuring new schools are high quality, fit for and value for money- and a lead role in decisions about new free schools
- press for a stronger council role in ensuring admissions are fair for all pupils across the school system.

Schools have the funding they need to deliver the best education for all pupils – we will:

- lobby to ensure the national funding formula for schools retains an element of local flexibility to allow councils and schools to reflect local needs and priorities
- highlight the growing pressures on the high needs budget and lobby government to provide councils with sufficient funding and flexibility to meet rising demand and eliminate High Needs deficits
- lobby for flexibility in use of the apprenticeship levy and work with partners to increase take up of quality apprenticeships in schools.

Councils have the flexibility and resources to deliver services that meet the needs of children and young people – we will:

- encourage councils and the Government to put children at the heart of policy making
- continue to paint a positive vision for local children’s services, calling for adequate funding for services, that change children’s lives through our Bright Futures campaign,
- support councils to take a preventative and place-based approach to children and young people’s health, including early years, childhood obesity and support for children's mental health
- work in partnership to improve life chances for disadvantaged households, particularly those with young children, making the case for early intervention and improved integration of services for families.

Councils protect children’s wellbeing and keep them safe – we will:

- support councils to protect children and young people from harm and improve outcomes for all children, in particular children in care and care leavers
- work with government and councils to support child refugees and unaccompanied asylum seekers safe, pressing for improved funding to better cover costs, including for those leaving care
- support councils to tackle the challenges of child criminal exploitation and county lines issues.

Places to live and work

Councils lead the way in driving inclusive and sustainable recovery, building the homes that people need and creating places where they want to live.

SDG1 – No poverty
End poverty in all its forms everywhere
SDG 8 – Decent work and economic growth
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
SDG 9 – Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

Councils drive the increase in housing supply the nation needs – we will:

- continue to press for additional powers for councils to increase housing supply, promote both affordable and carbon-free homes and make more effective use of surplus public sector land
- support consortia of councils to access significant housing development funds through the creation of new partnership models
- press for powers for councils to ensure the provision of homes integrated with health and care that positively support us to age well
- lobby for a well-resourced and locally responsive planning system, funded by locally set fees with the tools to ensure developers build quality homes that meet local need.

Councils have access to funding to create communities where people want to live – we will:

- continue to press for additional infrastructure funding, including a review of the rules governing developer contributions
- support councils to work with partners to maximise the value of local and national infrastructure investment, including in road, rail, broadband, culture, heritage and recreation
- work to secure the £5 billion of regeneration investment guaranteed to local economies from EU structural funds to 2020 and lobby for alternative UK sources after we leave the EU.

Councils continue to drive higher safety standards across the housing sector – we will:

- lobby for resources and tools to enable councils to shape a good quality private rented sector that meets the needs of their local communities
- work with government and councils to identify high-risk, high-rise residential buildings and lobby for support for councils to make changes and take urgent remedial action
- respond to government consultations, including on the new building safety regulatory framework.

Councils lead the way in ending homelessness through prevention – we will:

- lobby for the resources to enable councils to manage the housing impacts of welfare reform and achieve the ambitions of the Homeless Reduction Act and Rough Sleeping strategy
- make the case for adaptations to welfare reform and for the powers and funding that councils need to meet local needs
- with the Chief Executives' and Home Office group on asylum dispersal, inform the development, delivery and funding of support for asylum seekers and refugees and share good practice.

Councils support strong communities through risk-based business-friendly regulatory services – we will:

- press for powers and resources where councils take on additional legal liabilities such as building regulations post-Grenfell and proposed new air quality requirements
- support councils to demonstrate the value of regulatory services and lobby for sustainable funding
- lobby government to bring forward taxi licensing legislation as soon as possible
- press for greater flexibility in the licensing system, including the localisation of licensing fees.

Councils are key partners in delivering the government's national economic strategy – we will:

- support city regions and non-metropolitan areas to deliver effective local economic strategies
- advocate for a voice for councils in the development of a new English land management policy, and for communities to be involved in deciding how their local natural assets are managed
- support local innovation to deliver a better digital infrastructure and continue to press for a regulatory framework that will deliver the best deal for customers
- continue to press for strong local government representation on Local Enterprise Partnerships and improved oversight and scrutiny of them
- support councils to maximise the impact of their cultural, sporting and heritage assets to drive growth in their local visitor economy.

Councils match education, training and skills with business needs – we will:

- continue to press for powers, funding and lead responsibility for councils to integrate and commission back to work, skills, apprenticeships and welfare support under the *Work Local* model.
- campaign for people of all ages to be supported to participate in quality skills development and training and lifelong learning with independent careers advice and guidance
- promote good employment practice that helps young people and adults secure, sustain and progress in work, including Apprenticeships.

Strong local democracy

A refocus on local democratic leadership and a shift in power to local communities post Brexit leads to greater diversity of elected representatives, high standards of conduct and strong, flexible local governance.

SDG 16 – Peace, justice and strong institutions

Promote peaceful and inclusive societies for sustainable development, provide justice for all and build effective, accountable and inclusive institutions

Councils as leaders of good conduct in public and political discourse and debate – we will:

- clearly articulate the standards expected for anyone engaging in public and political discourse and debate and what is needed to achieve those standards, underlining that intimidation and abuse of those in public office is unacceptable
- review the member model code of conduct and support our member councils in addressing intimidation and abuse of those in public office
- support to councils to explore ways of engaging with their local community and voluntary sector in local service delivery, enhancing places and local decision making.

Elected members and officers are empowered to tackle incidents of public intimidation – we will:

- explore the practicalities and support the adoption of an informal ‘duty of care’ for councillors
- seek to better understand the scale and impact of the intimidation and abuse our membership is experiencing and promote a new offence for intimidation against a person in public office
- engage with police forces and associated agencies to ensure the impact and seriousness of the public intimidation of local councillors and employees is understood and acted upon.

EU exit and constitutional reform – we will:

- interact with Whitehall on all EU Exit negotiations, articulating councils’ needs and concerns and taking advantage of the opportunity to entrench local government within our new constitutional settlement
- continue to support councils to prepare and deliver a successful transition for EU Exit, with a robust evidence base setting out the risks and opportunities across the country
- press for quick and decisive responses and for all Government communications to councils to be focused, clear, and direct
- ensure that repatriated laws and regulations are not centralised in Whitehall, working on a revised legal framework for those services currently based on EU laws such as air pollution, energy, waste and procurement and redefining regional aid and state-aid rules.

Continued devolution of powers and funding to local areas drive strong and responsive local democracy and greater engagement with communities – we will:

- refresh the case to demonstrate to government how devolution leads to more inclusive and sustainable growth, better public services and improved outcomes for residents
- work with government, business and others to give communities in England and Wales greater responsibility to make decisions on the issues of importance to them.

Sustainability and climate action

Councils take the lead in driving urgent actions in their local areas to combat the negative impacts of climate change and to deliver zero net carbon by 2030.

SDG 13 – Climate action

Take urgent action to combat climate change and its impacts

Councils have the powers and resources they need to lead the way in combatting the effects of climate change – we will:

- lobby for a joint taskforce with relevant Whitehall departments including Department for Business, Energy & Industrial Strategy (BEIS), Ministry of Housing, Communities and Local Government (MHCLG) and Defra to consider the most appropriate actions, funding, coordination and collaboration
- press government for the funding and policy changes needed to deliver zero net carbon by 2030
- work with government to address the need for greater energy efficiency in the built environment and how this can be achieved through planning practice and changes to Building Regulations
- work with government, as it implements the Waste and Resources Strategy to identify ways to reduce waste and levels of unrecyclable waste and the investment priorities for waste disposal and processing of recyclates.

Councils lead the way in researching and developing alternative transport options – we will:

- establish the resources and regulatory changes needed to support a move to electric vehicles, including provision of charging points on new housing developments and electrification of council and council-contracted vehicle fleets
- identify the incentives and investment required to support a shift towards public transport and walking and cycling, as part of the solution to reducing carbon emissions.

Councils work with partners and stakeholders to implement short, medium and long term strategies to reduce carbon emissions in their areas – we will:

- develop guidance and share best practice, including identifying the top 10 actions councils can take to address carbon emissions in their areas, recognising that one-size does not fit all
- drawing on international experience, develop an evidence base and framework to understand the main carbon sources and the impact of councils' activity
- identify the opportunities of a shift to a low carbon economy as a basis for immediate and effective action
- ensure that the LGA as the membership body for local authorities is modelling best practice in the way it conducts its own business.

Supporting Councils

We support councils continuously to improve and innovate through a programme of practical peer-based support underpinned by strong local leadership and through our service delivery partnerships.

The LGA's sector led improvement programme continues to provide a responsive and flexible offer and remains in a strong position to respond and adapt to councils' needs as circumstances evolve, particularly in the context of COVID-19.

We work closely with councils to understand their future support needs with a view to developing a longer-term offer. Our offer will continue to adapt as the opportunities and challenges facing councils change within the current context

Our core offer is funded by MHCLG grant and has been rapidly refocused to support councils in their response to COVID-19 as well as identifying longer term support needs. We also receive funding from the Department of Health and Social Care for our Care and Health Improvement Programme, whilst our children's improvement programme is funded by the Department for Education (DfE).

We have developed a new offer linked to climate change and the challenges and opportunities of moving to a zero-carbon economy.

We also receive funding from other government departments for specific sector-led improvement activities, including:

- One Public Estate – funded by Cabinet Office and MHCLG
- Cultural services and sport – in partnership with Arts Council England and Sport England
- Planning Advisory Services – funded by MHCLG
- Return to Work programme – funded by the Government Equalities Office
- Cyber security – funded by the Cabinet Office.

Our commitments will continue to be updated to ensure they match councils needs across the period of this business plan.

Challenge and support from peers – we will:

- maintain an overview of councils' performance to drive improvement, manage the risk of significant underperformance, provide support for councils facing the greatest financial challenges (particularly in the light of COVID-19) and minimise government intervention
- create dedicated programmes in response, including Recovery and Renewal panels, among other forms of remote support in response to COVID-19.
- deliver peer challenges to all councils who request them, including corporate, service specific, financial and place-based. The format will be continually reviewed in light of COVID-19.
- provide member peer support for councils under a change of political control, including new e-learning opportunities, mentoring and advice
- support councils to resolve issues between political and managerial leadership
- support councils in engaging with their communities in light of COVID-19
- provide free council and public access to transparent performance information through LG Inform and LG Inform VFM, with additional charged access for councils to small area data reports and improvement tools through LG Inform Plus
- support councils to develop scrutiny skills and expertise through the Centre for Governance and Scrutiny.

Strong and resilient political and officer leadership – we will:

- support many hundreds of councillors through our leadership programmes both remotely and through onsite learning. Will continue to review the suite of programmes to ensure councillors and officers have the skills they need to respond to the challenges of COVID-19.
- support councillors with the potential to progress in their political careers through our Next Generation programme
- support the leadership development of chief executives, managers and rising talent in councils, in partnership with SOLACE
- help councils, political groups and national parties to attract new talent into civic life through our Be a Councillor programme
- recruit high calibre graduates to the National Graduate Development Programme, working with councils to secure challenging placements
- help councils to address inequalities, gender pay gap, ethnicity gap and support the roll out Disability Confident
- maintain national negotiating machinery on pay and workforce issues
- provide specialist advice and support for the Local Government Pension Scheme
- deliver comprehensive practical support to help councils provide apprenticeships and maximise their levy investment
- support councils to transform their workforces and modernise the way they are managed
- support councils to promote wellbeing, diversity and inclusion in the workplace through information, guidance and bespoke support and work with them to address issues around gender pay gap, representation and recruitment challenges
- attract qualified staff in hard-to-recruit areas back to local government through the Return to Work programme, including social workers, town planners and IT staff.

Councils supporting growth – we will:

- provide practical support to help councils deliver economic growth in their areas in a COVID-19 context, become more efficient and improve outcomes for communities
- in line with the revised national procurement strategy, deliver a support programme to help councils improve their procurement arrangements
- capture and share intelligence about major suppliers to reduce the risk from suppliers getting into financial difficulty in the current uncertain economic circumstances
- support councils to develop a more commercial approach to their activities within the COVID-19 context, through a series of courses, events and sharing good practice
- provide expert financial support, expertise and advice to councils to address specific issues, particularly in relation to COVID-19
- equip more councils with the skills and confidence to use design and behavioural insights to improve public services and respond to COVID-19
- support councils to exploit the opportunities of digital tools and solutions to enable local residents and businesses to access council services online
- with councils, sector representative bodies, MHCLG, Cabinet Office and the National Cyber Security Centre, highlight the importance of cyber security and cyber resilience to protect data and systems
- share best practice of councils who are finding new and effective ways of working to secure outcomes for their communities
- with Local Partnerships, support councils to make savings by providing commercial advice and support on matters of legal and contractual complexity.

Strong communities with excellent public services – we will:

- through practical bespoke support, help councils deal with the housing, planning and homelessness challenges through the Housing Advisers programme and other sector-wide projects

- provide peer focused support to the Next Steps Accommodation Programme to support interim accommodation for vulnerable people.
- offer a mixture of generic and bespoke support for combined authorities, elected mayors and those areas in the process of developing their devolution arrangements
- support councils to counter extremism and contribute to a multi-agency approach to preventing and tackling serious violence
- strengthen fire and rescue authorities' ability to take forward the fire reform agenda by strengthening their strategic leadership
- support councils to prepare and deliver a successful transition for EU exit
- support councils to embed strengthened approaches to civil resilience and mutual aid through working with MHCLG team to develop training, guidance and other materials for councils

Improving health and care service – we will:

- co-produce with ADASS the sector led improvement programme for care and health
- support social care and health integration and the transforming care programme for people with learning disabilities and/or autism
- support councils to use technology to improve joint working between councils and health partners to enable people to live independently
- help councils develop innovative, efficient and sustainable approaches in care and health services
- work with partners to support councils to develop and improve local services and offer a programme of leadership development
- develop and deliver a support offer to help councils and their partners embed the Making Safeguarding Personal (MSP) approach
- support councils and their partners to identify and manage sustainability and delivery risks
- work with partners to develop a new suicide prevention sector-led improvement offer
- work with partners and DfE to deliver a sector-led approach to improving children's services.

Improving children's services – we will:

- provide nationally accredited and quality assured courses for practitioners and associates engaging in peer review, challenge or diagnostic activity
- run Leadership Essentials courses for members with lead responsibility for children's services
- publish a series of 'must know' packs for councils, including on corporate parenting
- develop and/or broker a flexible offer of diagnostic or peer review tools either bespoke to individual authorities, as part of a regional offer or commissioned by the DfE for authorities in intervention
- offer mentoring support for councillors with lead responsibility for children's services.

Combating climate change – we will:

- bring together local authorities, universities and other stakeholders to address climate challenges at the local level
- incorporate climate change issues into core leadership programmes for councillors and officers
- develop a package of communications support including how to engage with local activist groups
- help councils build capacity to effectively respond to climate change challenges, including support around leadership, behaviour change and collaboration
- support long term action-planning and setting strategic objectives, including through webinars and bespoke projects

Our Business

We are committed to providing the best and most cost-effective services to councils and councillors across England and Wales. We are politically led, committed to equalities and diversity and we aim to operate in an environmentally and financially sustainable way.

The national membership body for local government – we will:

- develop maintain membership levels amongst local authorities in England and Wales by continuing to offer membership benefits that meet the sector's changing needs and expectations
- launch a new online membership resource, setting out the benefits of membership with councils and councillors
- offer a range of flexible options for councils to participate actively in our work including through an extensive programme of virtual and hybrid events and meetings
- seek to attract organisations with an interest in local government into our associate scheme.

A politically-led organisation – we will:

- reflect the overall ambitions of the UN Sustainable Development Goals, and the motion passed by the 2019 General Assembly, in the way that we work and ensure that our own organisation reflects best practice
- ensure our member governance arrangements continue to reflect and respond to current priorities and the expectations of our membership
- offer political support to individual councillors and council administrations through our political group offices
- ensure that combined authorities, authorities with devolution deals and elected mayors are appropriately represented on our governance arrangements.

Using communications to persuade and influence and support councils – we will:

- deliver first class communications that are highly valued and respected by local government and our stakeholders, to influence the issues that matter to councils, their residents and their communities
- through our communications improvement work, support councils and help to raise the standard of public sector communications.

Financially sustainable – we will:

- continue to develop existing and new income generation opportunities in order to diversify our sources of funding and ensure the long-term financial sustainability of the organisation
- complete the refurbishment of Layden House in Farringdon to increase its capital value and maximise our income from commercial letting of here and 18 Smith Square.
- review options to maximise income from 18 Smith Square in the light of COVID-19 restrictions and the risks, constraints and potential new opportunities that presents.
- invest responsibly and seek to ensure that our contractors, joint ventures and pension funds have in place investment policies that further our objectives
- continue to progress the transfer of pensions from Camden to Merseyside scheme.

Efficient business management – we will:

- continue to streamline our company structures to deliver a solid and tax-efficient base from which to run our business, including the transfer of 18 Smith Square and Layden House to the LGA and the winding up of LGMB and LGA Properties.
- enter into a new ICT contract with Brent Council/Shared Services and with them, continue to develop our ICT to support improved efficiency and our new culture of flexible working.

- equip our 18 Smith Square meeting rooms with the technology to support a culture of flexible working for both employees and members.
- ensure that the suite of policies and procedures that underpin our business are comprehensive, clearly understood, updated regularly and reflect best practice.

Supportive people management – we will:

- continue to roll out the leadership development programme for our current and aspiring managers as part of our wider commitment to develop our employees, including virtual and hybrid options to allow everyone to participate
- deliver our employee health and wellbeing strategy
- monitor staff wellbeing and feedback through our regular “temperature check” surveys and put in place support and policies that reflect our new more flexible working practices
- embed equality, diversity and inclusion into our core values, our policies and our practices.

Collective legal action – we will:

- support groups of councils to mount collective legal actions or fight actions against them where we believe that they have a strong case, commissioning expert legal advice and sources of funding where appropriate
- prepare New Burdens submissions on behalf of the sector where new legislation or regulations result in additional duties or costs to councils.
- provide legal advice on strategic issues with sector wide implications, including commissioning expert legal advice where appropriate.

Committed to a sustainable future – we will

- keep our policies and practices under review to ensure that they reflect the ambitions of the UN Sustainable Development Goals and contribute to combatting the adverse effects of climate change
- encourage sustainable travel practices through our expenses policy, our flexible working practices and our continued participation in national sustainable travel initiatives including the Cycle to Work scheme
- minimise the environmental impact of our two central London buildings and the way that we use and manage those buildings, including ensuring that our facilities management and catering contractors have environmentally sustainable policies and practices.

Our service delivery partnerships

Local Partnerships

Local Partnerships is a joint venture between the LGA and HM Treasury, formed in 2009 to help the public sector deliver local services and infrastructure. It offers support to local authorities in the following areas:

- developing and reviewing strategic business cases and business plans
- service transformation and change
- modelling and legal frameworks for alternative service delivery models
- options appraisal and assurance of chosen approaches or options
- forming effective partnerships (inter-agency brokerage)
- sourcing and commissioning, contract negotiation and management
- economic development and planning
- delivering infrastructure.

GeoPlace

GeoPlace is a joint venture between the LGA and Ordnance Survey, formed in 2010 in response to a government call to bring together existing creators and suppliers of addressing data to one central place and to build a single, definitive address database. It works in close collaboration with local authorities to:

- cleanse and validate the address and streets data produced by councils
- create and maintain national “gazeteers” - registers of address and streets data
- provide support and training to councils ensure that they are able to produce high quality, and timely data in the most cost-effective way.

Public Sector Audit Appointments (PSAA)

PSAA is an independent company limited by guarantee incorporated by the LGA in August 2014. The Secretary of State for MHCLG has specified PSAA as an appointing person under the provisions of the Local Audit and Accountability Act 2014. PSAA appoints an auditor to relevant local government bodies that opt into its national scheme and sets a scale of fees for the work which auditors undertake.

Local Government Mutual Limited and Local Government Mutual Management Services Limited

The Mutual is a shared ownership company between the LGA and a number of local authorities. Membership is only open to councils in membership of the LGA. The Mutual provides:

- indemnity to local authorities in England and Wales as a cost-effective alternative to the traditional insurance market, including cover for all classes of business
- risk management services to its member local authorities.

LGMMSL is a joint venture between the LGA and Regis Mutual Management that provides services to the Local Government Mutual.

United Kingdom Municipal Bonds Agency (UKMBA)

The LGA is a major shareholder in the local government-owned UKMBA, which delivers cheaper debt financing to councils, through the sale of bonds in the capital markets. We support and provide client side services to the Agency, as it works through its managed service provider to aggregate borrowing requirements and issue bonds.

Minimising the impacts of climate change

The LGA is committed to minimising the environmental impacts of its activities, reducing pollution and CO2 emissions and contributing to a healthy future for all. These are some of the ways that we deliver on that commitment.

Flexible working

Our flexible working policy allows staff to balance working from home with time spent in the office, subject to the needs of the business. This means less journeys to work and a better work-life balance for our staff and their families. It has also enabled us to reduce by a third the amount of office space that we occupy.

Our ICT is designed to support flexible working, enabling staff to log into their LGA accounts from home on the days when they are not in the office or from trains when they are on the move.

Travel

Our expenses policy encourages staff to use public transport wherever practicable to help reduce the impact of the LGA's business travel arrangements on the environment. The Members' Scheme of

Allowance stresses that wherever possible, councillors are expected to travel by public transport when on LGA business.

Meetings

All meeting rooms at 18 Smith Square have access to video conferencing facilities. This enables members and staff to join and participate in meetings remotely, reducing the need for lengthy journeys to Westminster.

18 Smith Square

Secure cycle facilities and showers are provided in the basement of 18 Smith Square for those who prefer to cycle or run to work.

All lights in the building are energy efficient LEDs, with motion sensors that ensure they are switched off when not needed. Windows on the south and west of the building which are not part of the conservation area are double glazed to reduce energy loss. Recycling bins are provided on every floor.

Procurement

The LGA has a robust procurement policy and process, which underpins the importance of all our contractors being able to demonstrate a commitment to sustainability and combatting climate change. Our procurement documentation states

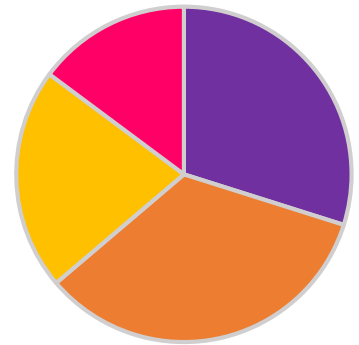
“In adhering to our commitments, the contractor should have systems in place to account for and minimise environmental impacts in all areas of contract delivery”.

Our budget 2020/21

Funding sources and forecast expenditure (Budget) (£'000)

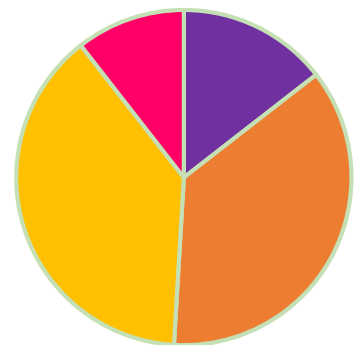
¹Income LG Group 2020/21

- CLG, £19,200 (29.9%)
- Other grants and contracts, £21,799 (33.9%)
- Other income, £13,751 (21.4%)
- Subscriptions, £9,525 (14.8%)



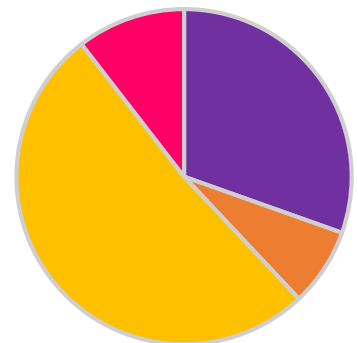
Other income LG Group 2020/21

- Dividends, royalties and interest, £1,992 (14.5%)
- Rental Income and external room hire, £5,014 (36.5%)
- Services, consultancy and other subscriptions, £5,296 (38.5%)
- Conferences, events and sponsors, £1,450 (10.5%)



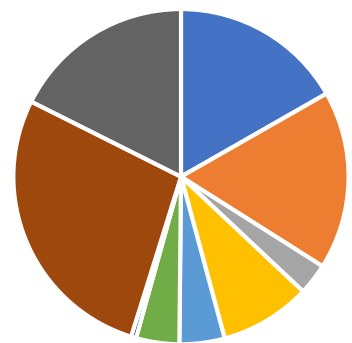
Grant and contract income (including CLG) LG Group 2020/21

- Adult social care, health and wellbeing, £12,477 (30.4%)
- Children, education and schools £3,099 (7.6%)
- Supporting councils, £21,126 (51.5%)
- Places to live and work, £4,297 (10.5%)



Expenditure LG Group by business plan theme 2020/21

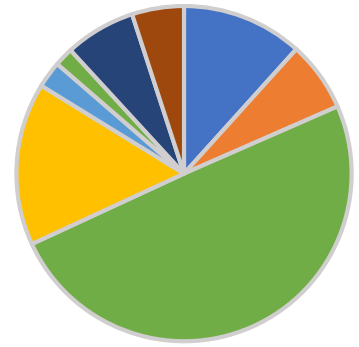
- Funding for local government, £10,652 (16.7%)
- Adult social care, health and wellbeing, £10,961 (17.2%)
- Narrowing inequalities and protecting communities £1,927 (3.0%)
- Places to live and work, £5,591 (8.8%)
- Children, education and schools, £2,773 (4.4%)
- Strong local democracy, £2,652 (4.2%)
- Sustainability and climate action, £311 (0.5%)
- Supporting councils, £17,546 (27.6%)
- Internal & property costs, £11,195 (17.6%)



¹ Design team to amend pie charts

Expenditure LG Group by service group 2020/21

- Business support, £7,434 (11.7%)
- Communications, £4,291 (6.7%)
- Governance and project support, £31,595 (49.7%)
- Finance and policy, £9,976 (15.7%)
- Member services, £1,629 (2.6%)
- Political groups, £1,157 (1.8%)
- Property costs, £4,337 (6.8%)
- Workforce, £3,187 (5.0%)



Our governance

From April From April 2019, the LGA’s responsibilities, assets and liabilities transferred from the previous unincorporated Association to a new company, whose Board of Directors – the LGA Board – is elected annually by the General Assembly. The General Assembly comprises representatives of every council in full membership of the LGA, or in corporate membership through the Welsh LGA. Further information on the company and the way it operates can be found in our Articles of Association and our Governance Framework.

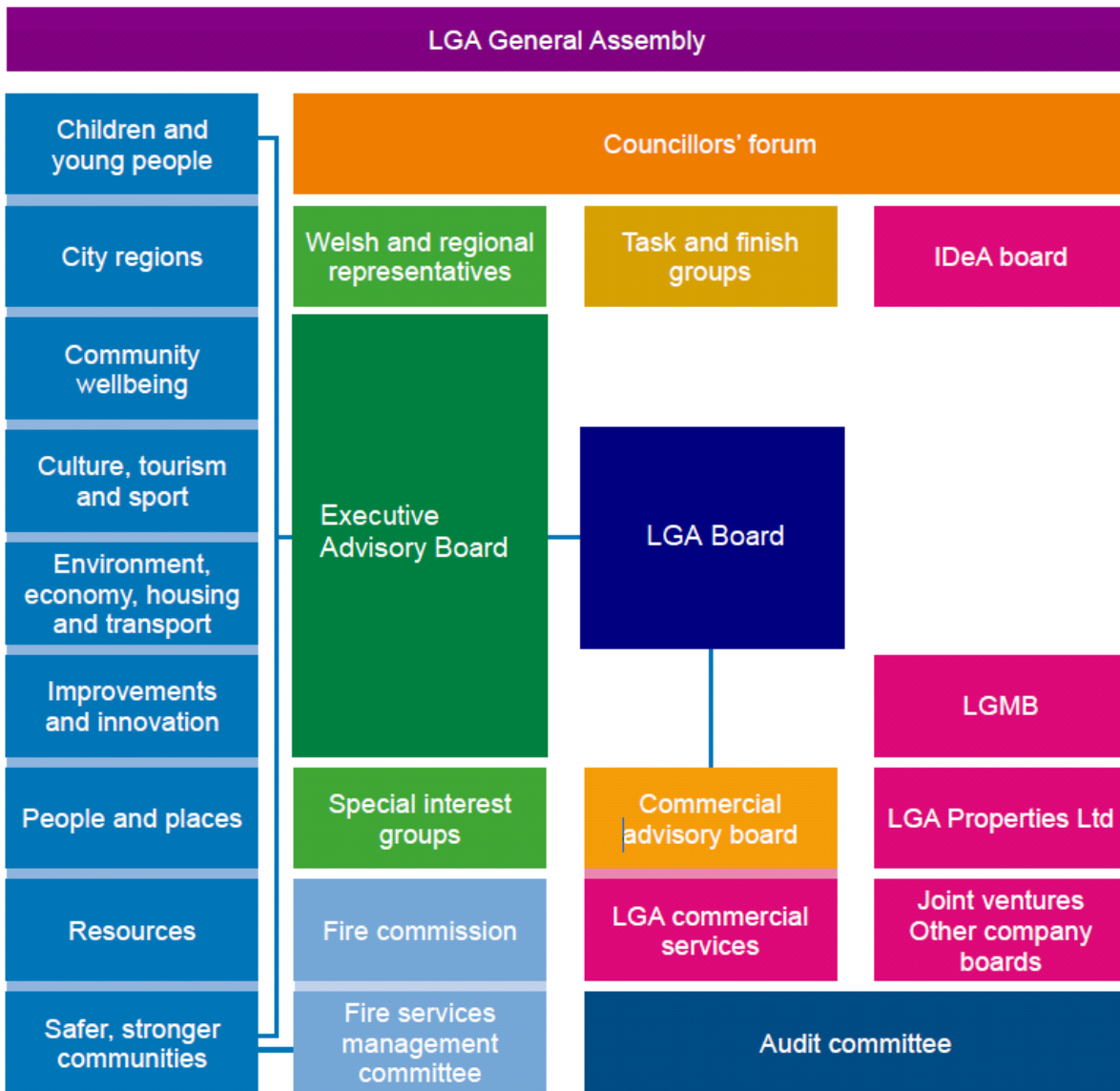
The LGA Board is supported by nine policy boards who together are responsible for developing our policies and campaigns, and for overseeing our extensive programme of sector-led improvement services, across every area of local government activity. The Fire Commission and Fire Services Management Board look after the interests of fire and rescue authorities,

The LGA Board and the chairs of the policy boards meet every six weeks as the Executive Advisory Board and are joined by representatives from Wales and the eight English regions and from three of our special interest groups – the County Councils’ Network, District Councils’ Network and Special Interest Group of Municipal Authorities.

The two property boards – LGA (Properties) Ltd and LGMB – are currently responsible for 18 Smith Square, our Westminster HQ, and Layden House, our investment property in Farringdon. However these are in the process of being transferred to the LGA company after which the two property boards will be wound up.

The Commercial Advisory Board is responsible for overseeing the LGA’s income-generating activities to make us financially sustainable now and in the future. That will include overseeing the management and operation of 18 Smith Square and Layden House and reporting back to the LGA Board.

The LGA's governance arrangements



Our major contracts

Catering – Bartlett Mitchell

Bartlett Mitchell (BM) provide all catering services at 18 Smith Square.

BM have been named Sustainable Caterer of the Year for three years in succession. Their policy is to source ingredients locally, regionally and seasonally from farmers who produce food to high environmental standards, reducing the impact of climate change and helping to protect the landscape and our farming heritage. BM use high-welfare meat, poultry, eggs, cheese, and dairy produce and sustainable seafood.

Overseas produce is sourced from ethical suppliers, including coffee from the Soppexcca co-op in Nicaragua which supports women farmers in the region. BM use the 'Free Wheeling' initiative to reduce the number of deliveries to their kitchens.

Total Facilities Management – Bouygues

Bouygues environmental policy recognises that the company's activities and services have the potential to impact on the environment. The policy sets out Bouygues' commitment to minimising the environmental impact of its operations in every way it can and is supported by 'live' environmental improvement plans at all levels.

The company is triple certificated to ISO9001, ISO14001 and OHSAS18001 and the environmental management standard ISO 14001 is fully integrated into its everyday activities.

Bouygues' Facilities Management business was the first in the UK to achieve Energy Management Standard ISO50001. They are currently focusing on reducing carbon impact, minimising waste, diverting waste from landfill and reducing energy.

Pensions – Merseyside Pension Fund and Camden Pension Fund

The LGA's main pension provider, Merseyside Pension Fund, has a policy of responsible investment. The policy has three components: exercise of voting rights; engagement with companies on environmental, social and governance issues & collaboration with like-minded investors. The Fund is active in the work of the Local Authority Pension Fund Forum whose work covers a range of corporate governance and corporate social responsibility issues, and the Institutional Investors Group on Climate Change.

Some employees belong to the Camden Pension Fund, who like all pensions funds, are bound by the law relating to Socially Responsible Investment (SRI) policy. The Fund believes that 'robust' engagement with companies is a better approach than placing restrictions on particular types of investment. It also believes that companies conforming to high ethical and social standards will produce shareholder returns that are at least comparable to those produced by other companies.

EEHT Update paper

Purpose of report

For information.

Summary

This paper provides updates on a range of issue within the remit of the Board

Recommendation

That the Board note the update

Actions

Officers will take action as directed

Contact officer: Eamon Lally
Position: Principal Policy Adviser
Phone no: 0207 6643132
Email: eamon.lally@local.gov.uk

EEHT Update Paper

Housing Improvement

1. After some delays due to the impact of COVID-19 we are now moving forward with our Housing Improvement work for 2020/21. This breaks down into two main strands:

- 1.1. *Housing Advisers Programme*

The 2020/21 Housing Advisers Programme (HAP), which is designed to support councils seeking to innovate in meeting the housing needs of their communities, opened for applications on 12 November 2020 with a closing date of 7th January 2021. For more information visit www.local.gov.uk/housingadvisersprogramme

- 1.2. *Leadership Essentials Course - Housing*

Following the success of our first Housing Leadership Essentials residential course in January, we are [running a second](#) in February 2021. The programme is designed to help participants develop their leading role in shaping the local housing market to meet the needs of both people and places. The delivery format of this programme is subject to change depending on COVID-19 restrictions in place at the time.

2. **Right to Build webinar**

On 18 November we held a webinar on the obligations and opportunities for custom or self-build housing. The webinar, chaired by Cllr Renard, included presenters from MHCLG's Right To Build Task Force and Mid Devon District Council.

3. **Building post-pandemic prosperity report**

Together with the National Federation of ALMOs and the Association of Retained Council Housing we commissioned published [a report](#) by Pragmatix Advisory demonstrating that a post-pandemic building boom of 100,000 new social homes for rent each year would meet demand for affordable homes and deliver a £14.5 billion boost to the economy. The report was [cover story in The Observer](#) and covered in other media channels.

Environment and Climate Change

4. **Ten Point Plan:** The government published its [Ten Point Plan for a Green Industrial Revolution](#) in November, which sets out the approach that government will take on the UK's path to net zero. It outlines investment and support for developing the low carbon economy, in areas such as clean transport, green jobs, renewable energy, homes and public buildings, carbon capture and storage, nature and innovation. Key commitments include bringing forward the ban on selling new petrol and diesel cars to 2030, creating 250,000 jobs and mobilising £12 billion of government investment. It also provides a

target for publishing The Energy White Paper by the end of 2020. The LGA provided a response, stating that councils share the government's ambition for a green revolution and want to work with government and businesses to establish a national fiscal and policy framework for addressing the climate emergency, supported with long term funding.

5. **Carbon Budget:** The Committee on Climate Change is publishing its recommendations on the level of the Sixth Carbon Budget (the limit on UK emissions for 2033 – 37) and a pathway to net zero by 2050, on 9th December. An accompanying publication on local delivery for councils and city-regions has also been produced. We are working to understand what the recommendations mean for councils and their role in delivering them locally.
6. **Financing Green Ambition practical guide:** The LGA has worked with Local Partnerships to publish a practical guide to help councils understand the options available for financing their green ambitions and how these might apply to different types of projects. This is now available on our [website](#) and a webinar was held on 2nd December.
7. **Environment Bill:** The House of Commons has resumed its debate on the Bill and the Committee Report is expected in early December. It will have a third reading in the House of Commons then the Bill will be debated in the House of Lords.
 - 7.1. **New clauses:** The government has proposed a new section of the Bill on species conservation strategies and protected habitat strategies. These are intended to protect species and habitats at risk, while allowing development to go ahead. We are working with Defra and Natural England to understand the implication of the new clauses. Defra has also set out plans for the new UK Office for Environmental Protection to operate on an interim basis. Its powers will not be available until the Environment Bill has been passed.
 - 7.2. **LGA amendments:** One of the LGA's amendments is due to be discussed in the House of Commons Committee stage. The proposed amendment to the Nature and Biodiversity chapter would ensure that an assessment is made of how the new duties for local authorities are operating into the future and that they are sufficiently funded. The LGA [briefing](#) sets out the detail of this amendment and others that were discussed with the Bill Committee back in March.
8. **Environmental Audit Committee Inquiry on biodiversity and ecosystems:** Councillor Glanville gave evidence to the Inquiry on 12 November. The Committee were interested to hear the LGA's views on the introduction of biodiversity net gain in new development, the role of local leadership and council resources.

9. Climate change improvement update:

- 9.1. Net Zero Innovation and Design in the Public Sector Programmes:** 96 applications were received across the two programmes. The list of project awarded funded has been published along with a brief description: [Design in the Public Sector](#) and [Net Zero Innovation Programme](#)
- 9.2. Webinar: Locking in positive behaviours and co-benefits of green recovery:** This online event covered how local government can continue to embed the behaviours we have seen as a result of the COVID-19 pandemic in relation to climate action. You can find the link to a [blog post](#) and the [slides](#) on our webpage.
- 9.3. Webinar: [Seeing the Wood for the Trees](#)** on 11 December 2020. This webinar will examine the case for planting trees in terms of finance and carbon, the challenges this presents for local authorities and the benefits of urban tree planting
- 9.4. Sustainable procurement guide:** The Improvement Team is currently engaging on and writing guidance on sustainable procurement which will be available around March 2021.
- 9.5. [Climate emergency leadership essentials programme](#):** A further session will run from 28 to 29 January 2021 and is open for booking.

Transport & Infrastructure

- 1. National Infrastructure Strategy** The Government has launched its long delayed National Infrastructure Strategy (NIS) which is a response to the National Infrastructure Assessment (NIA) carried out by the National Infrastructure Commission (NIC) and published in 2018. The strategy sets out the Government strategic infrastructure priorities for the coming parliament. We were disappointed that the Government did not fully implement the NICs recommendation that cities should have five-year guaranteed funding settlements for transport infrastructure. Instead the Government is only seeking to guarantee these budgets for Mayoral Combined Authorities. We will continue to push the government to make long term settlements available to all areas to allow them to create long term infrastructure plans based on guaranteed and predictable funding.
- 2. Buses** The Government's national bus strategy was expected this autumn but has now been delayed to early 2021. We anticipate the release of the strategy in late January or early February. The board commissioned research from Systra on what role councils wish to have in their recovery of bus provision post pandemic. We will be releasing the final results of this research before Christmas and we will be holding

a webinar to discuss the results of the research and our future role in bus provision on 19th January. Board members are invited to attend and join the discussion.

Local Government Association
2020 Spending Review: On the Day Briefing
 25 November 2020



The 2020 Spending Review outlines the Government’s spending plans for 2021/22 by setting budgets for each central government department. The full set of documents is available on the [Treasury website](#).

The LGA has [published a media statement](#) responding to the announcements. We have also published press releases on the following:

- [LGA responds to Spending Review rough sleeping and homelessness funding](#)
- [LGA responds to Spending Review children’s services funding](#)
- [LGA responds to Spending Review social care and public health announcements](#)
- [LGA responds to Spending Review housing funding announcement](#)
- [LGA responds to additional Spending Review funding for road repairs](#)
- [LGA responds to Spending Review Levelling Up Fund](#)
- [LGA responds to Spending Review Restart programme for long term unemployed](#)
- [LGA responds to Spending Review UK Shared Prosperity Fund announcement](#)

Key messages

- This year’s Spending Review provides more certainty for councils next year, but the long-term outlook remains unclear. Public finances will undoubtedly be under huge strain in the years ahead but investment in our local public services is critical to our national recovery next year and beyond.
- It is good that the Spending Review has provided a potential increase of 4.5 per cent in council core spending power to support vital local services. However, this assumes that council tax bills will rise by 5 per cent next year, and this will place a significant financial burden on households in a year of economic uncertainty.
- We welcome new funding for adult and children’s social care which have been particularly impacted by the pandemic. This will help address some - but not all - of the pressures these services face next year as councils will still have to find savings to already stretched budgets. In addition, council tax rises – particularly the adult social care precept – have never been the answer to the long-term pressures faced by councils, particularly in social care and is not the long-term solution which is desperately needed.
- For children’s social care, significant additional funding will be needed if we are to provide the support children, young people and their families need. This includes early help funding to avoid families reaching crisis point, and sufficient funding for those children and families who need more intensive child protection responses. As a starting point, the £1.7 billion removed from the Early Intervention Grant since 2010 should be reinstated.

Briefing

Lee Bruce, Head of Public Affairs and Stakeholder Engagement
 Email lee.bruce@local.gov.uk
 Tel 020 7664 3097
www.local.gov.uk

- We have warned about record numbers of households already claiming a discount on their council tax, so we are pleased the Government will provide funding to help councils provide vital support for those on low incomes who may struggle to pay.
- It is disappointing that the Spending Review did not include additional funding for public health. This runs contrary to addressing the stark health inequalities exposed by COVID-19 and levelling up our communities. Keeping people healthy and well throughout their lives reduces pressure on the NHS and social care.
- Council services have been critical in the fight against COVID-19 and it is good that the Chancellor has provided further funding for councils to manage the cost pressures they face as a result of the pandemic.
- Councils will continue to face demand pressures on day-to-day services -some pre-existing and others made more significant by the impact of COVID-19 – amid substantial income losses. The Chancellor’s pledge to compensate for 75 per cent of irrecoverable council tax and business rates income and to extend the scheme to fund a portion of councils’ lost income from fees and charges during the early part of the next year provides some much-needed stability but will need to be kept under review and probably extended.
- It is good that the Government is introducing a new Levelling Up Fund which will help to tackle our complex and fragmented funding system for local areas, which we have long warned about. Councils are concerned about the prospect of a competitive bidding process at a time when they are focused on protecting communities and businesses from the impact of the pandemic. Decisions about local investments are best made by working with councils, who know the needs of their areas best. Government should ensure that this fund produces the best possible outcomes by working closely with councils and local communities. The cut in the Public Works Loan Board lending rate, which councils and the LGA have campaigned for, is also positive.
- We recognise that in addressing the urgency of the support needed for councils and their communities, Government has used many existing centralised processes and funding streams to ensure speed. In the coming months, we must refresh the debate on English devolution. We have stated that Brexit cannot result in a centralisation of powers in Whitehall and we must take the opportunity to devolve real power to our diverse communities through local government. We offer to work with the Government to co-produce the delayed White Paper on devolution.
- The Government’s investment of £1.7 billion for local road repairs is also positive as it will help councils support their communities and help tackle our local road repairs backlog. Going forward, it is important for councils to have more long-term certainty of funding support so they can make the most of this new infrastructure strategy.
- The announced funding for building safety remediation will be helpful however, it will not be enough to protect leaseholders. The cladding crisis affects hundreds of thousands of leasehold residents who are utterly blameless. Not only will the costs of fixing buildings often be beyond their means, but leaseholders face the cost of waking watches and insurance hikes, while trapped in flats they are unable to sell or remortgage. Government

should act soon to avoid this crisis spreading throughout the housing market and damaging the economy.

- We welcome the additional funding from the Government to tackle rough sleeping which will help councils to continue their ongoing efforts to support people at risk. Councils have done an incredible job getting people sleeping rough off the streets and have accommodated more than 29,000 people who have faced homelessness since the start of the year.
- We also urge the Government to temporarily remove the No Recourse to Public Funds condition. This would reduce public health risks and ease the pressure on homelessness services by enabling vulnerable people to access welfare benefits, who are currently unable to do so because of their immigration status. We continue to call for a long-term shift towards investing in homelessness prevention services and for councils to be given powers to kickstart a post-pandemic building boom of 100,000 new social homes for rent each year, including reform of Right to Buy.
- Only with the right funding and freedoms, can councils lead local efforts to level up the stark inequalities the pandemic has exposed and level up the economy so that it benefits everyone.

The Spending Review in detail

Public finances and general funding for local government

The Chancellor announced that:

- The Government has set Total Revenue Departmental Spending in 2021/22 at £384.6 billion, a 4 per cent increase in cash terms from 2020/21. *(Page 43, paragraph 4.3)*
- Local authority core spending power is projected by the Government to rise by 4.5 per cent in cash terms, or £2.2 billion in 2021/22. This increase is largely due to the ability of social care authorities to increase their council tax bills by up to 5 per cent (this is covered in more detail elsewhere in the briefing). Revenue Support grant will increase in line with inflation. *(Page 6, paragraph 31; Page 75, paragraph 6.66)*
- The underlying general funding to local government (also known as the local government Departmental Expenditure Limit (LG DEL)) will rise by £0.5 billion, or 5.8 per cent in cash terms. This compares to a 4.8 per cent cash terms increase to NHS England, a 4.3 per cent cash terms increase to education and a 2.6 per cent cash terms increase to defence.

Measure	2020/21, £bn	2021/22, £bn	Change, £bn	% change, cash terms
Local government core spending power*	49.0	51.2	2.2	4.5%
Local Government Department Expenditure Limit	8.6	9.1	0.5	5.8%

NHS England, day-to-day	129.9	136.1	6.2	4.8%
Department for education, day-to-day	67.8	70.7	2.9	4.3%
Defence, day-to-day	30.7	31.5	0.8	2.6%
Total Revenue Departmental Spending	369.9	384.6	14.7	4.0

Note: The figures in the table are for core funding and do not include COVID-19 funding.

* Subject to data changes, the final figures will be published in the 2021/22 local government finance settlement

Source: (LGA analysis of Spending Review book figures: page 6, paragraph 31; table 1.2, page 19; table 6.3, page 61; table 6.11, page 67; table 6.16, page 74; table C.3, page 106-107.)

LGA view

- It is good that that today’s Spending Review provides a potential increase of 4.5 per cent in council core spending power next year to support vital local services. However, this assumes council tax bills will rise by 5 per cent next year which will place a significant burden on households.
- Councils will still have to find savings to already stretched budgets in order to plug funding gaps and meet their legal duty to set a balanced budget next year.
- Council tax rises have never been the answer to the long-term pressures faced by councils, particularly in social care, raising different amounts of money in different areas, unrelated to need. It is not the long-term solution which is desperately needed. We have warned about record numbers already claiming a discount on their council tax due to the pandemic and are pleased the Government will provide funding to help councils provide vital support for those on low incomes who may struggle to pay.
- Overall, the Spending Review provides more certainty for councils next year but the long-term outlook remains unclear. Public finances will undoubtedly be under huge strain in the years ahead but investment in our local public services is critical to our national recovery next year and beyond. Only with the right funding and freedoms, can councils lead local efforts to level up the stark inequalities the pandemic has exposed and level up the economy so that it benefits everyone.

Funding for local authority COVID-19 pressures

The Chancellor announced that:

- To support local authorities in England with COVID-19 pressures next year, the Government expects to provide over £3 billion in additional support. The additional support includes £1.55 billion to meet additional expenditure pressures as a result of COVID-19, £670 million to support households that are least able to afford council tax payments, £762 million to compensate for 75 per cent of irrecoverable loss of council tax and business rates revenues in 2020/21, and extending the existing COVID-19 sales, fees and charges

reimbursement scheme for a further 3 months until the end of June 2021
(Page 75, paragraph 6.65)

LGA view

- Council services have been critical in the fight against COVID-19 and it is good that the Chancellor has provided further funding for councils to manage the cost pressures they face as a result of the pandemic.
- The Chancellor's pledge to compensate for 75 per cent of irrecoverable council tax and business rates income and to extend the scheme to fund a portion of councils lost income from fees and charges during the early part of the next year provide some much-needed stability but will need to be reviewed and probably extended.

Fair Funding Review

The Chancellor confirmed that:

- As announced earlier this year, the implementation of the fair funding review has been delayed. (Page 75, paragraph 6.70)
- The Spending Review does not specify when the review will be revisited.

LGA view

- The impact of the pandemic has not changed the way general Government grants are distributed between councils and remains complex, opaque and out of date. It is not possible to succinctly explain why the funding allocations for different councils are what they are. However, it is also clear that any review of distribution arrangements puts a multi-year local government finance settlement at risk, with an impact on certainty.
- We are calling on the Government to resume the Fair Funding Review, but with a guarantee that the transitional mechanisms ensure that no councils experience a loss of income.
- Councils had to revisit and revise many of their services to react to the impact of the pandemic and it is yet to be seen how permanent some of those shifts are. This means that, when the Fair Funding Review is relaunched, the Government needs to review progress made to date to ensure that it is still fit for purpose, or flexible enough to deal with any such shifts in council service models.

Business Rates

The Chancellor announced that:

- The Government is undertaking a fundamental review of the business rates system and is currently considering responses to the call for evidence. A final report setting out the full conclusions of the review will be published in spring 2021. (Page 75, paragraph 6.69)
- The Government has decided to freeze the business rates multiplier in 2021/22, saving businesses in England an estimated £575 million over the

next five years. Local authorities will be fully compensated for this decision. *(Page 75, paragraph 6.69)*

- The Government is also considering options for further COVID-19 related support through business rates reliefs. In order to ensure that any decisions best meet the evolving challenges presented by COVID-19, the Government will outline plans for 2021/22 reliefs in the New Year. *(Page 26, paragraph 2.10)*
- Earlier this year, the Government announced that it would delay the move to 75 per cent Business Rates Retention and the implementation of the fair funding review. This decision allowed local authorities to focus on meeting the public health challenge posed by the pandemic. In order to provide further stability to the sector, the Government has decided not to proceed with a reset of business rates baselines in 2021/22 and will maintain the existing 100 per cent business rates pilots for a further year. *(Page 75 paragraph 6.70)*

LGA view

- We welcome the fact that local government will be fully compensated for the freezing of the business rates multiplier in 2021/22. However, this decision reduces buoyancy in the business rates system, and without alternative means of funding, council income would reduce.
- In our [response to the Call for Evidence for the Business Rates Review](#), we stated that although property continues to provide a good basis for a local tax on business, we cannot look to business rates to form such a substantial part of local government funding in the future and alternative means of funding councils will be needed instead or as well as a reformed business rates system.
- The move to 75 per cent business rates retention should only be revisited, if appropriate, once the business rates review concludes. We call on the Government to take early and decisive steps to provide councils with as much certainty as possible after the conclusion of the Business Rates Review in Spring 2021.
- Not resetting the business rates baseline will provide councils with some of the funding certainty and stability they need for next year.

Council tax

The Chancellor announced that:

- Local authorities will be able to levy a three per cent adult social care precept. *(Page 75, paragraph 6.67)*
- The referendum threshold for increases in council tax will remain at two per cent in 2021/22. MHCLG will set out full details of the council tax referendum principles and adult social care precept flexibility as part of the consultation on the detailed methodology for the Local Government Finance Settlement for 2021/22. *(Page 75, paragraph 6.68)*
- Police and Crime Commissioners (PCCs) in England will have the flexibility to increase funding in 2021/22 with a £15 council tax referendum limit on a Band D property. *(Page 64, paragraph 6.23)*

LGA view

- Whilst it is good that there will be flexibility for councils to raise the adult social care precept by a further 3 per cent in 2021/22, this is not a sustainable solution.
- An increase in council tax of up to 5 per cent will place a significant burden on households. In addition, increasing council tax raises different amounts of money in different parts of the country, unrelated to need.
- We have always maintained that the council tax referendum limit should be abolished so councils and their communities can decide how local services are paid for, with residents able to democratically hold their council to account through the ballot box.

New Homes Bonus

The Chancellor announced that:

- The Government will maintain the existing New Homes Bonus scheme for a further year with no new legacy payments (*Page 75, paragraph 6.66*)
- The Government will consult on reforms to the New Homes Bonus shortly, with a view to implementing reform in 2022/23. (*Page 75, paragraph 6.70*)

LGA view

- The New Homes Bonus makes up a considerable part of funding for some councils, particularly shire district authorities. The Government needs to work closely with councils as part of its review of housing incentives in order to ensure it helps us deliver more homes and works for local government. It is important that sufficient clarity about the outcome of the review, is provided to councils as soon as possible to allow them to plan their 2022/23 budgets and beyond.

Public Sector Pay and the National Living Wage

The Chancellor announced that:

- In order to protect jobs and ensure fairness, pay rises in the public sector will be restrained and targeted in 2021/22. Given the unique impact of COVID-19 on the health service, and despite the challenging economic context, the Government will continue to provide for pay rises for over 1 million NHS workers. In setting the level for these rises the Government will need to take into account the challenging fiscal and economic context. The NHS Pay Review Body and Doctor and Dentist's Review Body will report as usual next spring, and the Government will take their recommendations into account. The Government will also prioritise the lowest paid, with 2.1 million public sector workers earning less than £24,000 receiving a minimum £250 increase. (*Page 21, paragraph 1.31*)
- For the rest of the public sector the Government will pause pay rises in 2021/22. The pay bill represents around 25 per cent of total Government

expenditure. Pausing headline pay awards next year for some workforces will allow the Government to protect public sector jobs and investment in public services to respond to spending pressures from COVID-19. It will also avoid further expansion of the gap between public and private sector reward. *(Page 21, paragraph 1.32)*

- The Government also remains committed to continuing to support the low-paid. Therefore, following the recommendations of the independent Low Pay Commission (LPC), the Government will increase the National Living Wage (NLW) for individuals aged 23 and over by 2.2 per cent from £8.72 to £8.91, effective from April 2021. This follows the Government's acceptance of a previous recommendation from the LPC that the NLW apply to those 23 and over from April 2021. *(Page 21, paragraph 1.33)*
- The Government has also accepted the LPC's recommendations for the other National Minimum Wage (NMW) rates to apply from April 2021, including increasing the rate for apprentices by 3.6 per cent from £4.15 to £4.30 per hour. *(Page 22, paragraph 1.35)*

LGA view

- The Government has no formal role in the decisions around annual local government pay increases which are developed through negotiations with the trade unions.
- Calculations around the affordability of pay increases take full account of the financial settlement given overall to local government but this is not the only factor involved. Thus, the Government cannot automatically impose a pay freeze in local government unless it uses a legislative route to do so.
- This means also that the announcement of an increase of £250 for employees earning less than the national median wage of £24,000 per annum does not apply automatically for local government staff (30 per cent of whom earn below this salary), as was made clear after a similar announcement by the then Chancellor in 2010/11.
- If applied in local government, an increase of £250 to each employee earning £24 thousand or less would cost in the region of £100 million.
- A pay claim for 2021/22 is expected from the trade unions very soon and the negotiations will need to take account of a variety of factors, including the redundancy programmes that have already begun as a result of the financial effects of the pandemic.
- The LGA will be seeking clarity on which groups of local authority employed staff such as health visitors and school nurses, if any, will be covered by the announced pay increase for health staff including nurses.
- Pay for teaching staff is set by a pay review body following a remit set by the Government. Teachers have been a key part of the community response during the pandemic, ensuring schools remained open for key workers, providing a safe haven for priority children and finding innovative ways to keep children learning. A pay freeze for teachers may exacerbate existing recruitment and retention challenges, particularly for teachers in key subject areas.

- The LGA will work with partners to understand the costs in social care of the announced increase in the National Living Wage (NLW) as around 50 per cent of social care workers are paid around the NLW level.

Adult social care

The Chancellor announced that:

- Announcements at SR20 enable local authorities to access over £1 billion of spending for social care through £300 million of social care grant and the ability to levy a 3 per cent adult social care precept. This funding is additional to the £1 billion social care grant announced last year which is being maintained. The Government expects to provide local authorities with over £3 billion to address COVID-19 pressures, including in adult social care. This will support councils to maintain care services while keeping up with rising demand and recovering from the impact of COVID-19. *(Page 44, paragraph 4.10)*
- In the longer term, the Government is committed to sustainable improvement of the adult social care system and will bring forward proposals next year. *(Page 44, paragraph 4.10)*
- £2.1 billion provided to local authorities through the improved Better Care Fund which will be pooled with the NHS to help meet adult social care needs and reduce pressures on the NHS. *(Page 48, paragraph 4.29)*
- SR20 will support the delivery of the Long Term Plan for the NHS. It also provides significant funding for the adult social care sector. This spending disproportionately benefits older individuals. *(Page 94, paragraph A.7)*

LGA view:

- As welcome as the measures are for enabling councils to have access to additional funding for adult social care, and the continuation of improved Better Care Fund funding, only £300 million appears to be genuinely new grant funding and is for both children's and adult social care. The social care precept provides limited means to raise additional funding, but it is not sustainable; it raises different amounts of money in different parts of the country, is unrelated to need and adds an extra financial burden on households.
- Much of it will also be immediately used to fund care providers to enable them to fund increases in the National Living Wage and National Minimum Wage (see Workforce section for further commentary).
- Adult social care faces cost pressures of £4.8 billion in 2021/22, including £533 million pressures arising just from COVID-19, which continue into 2021/22. And a one-year deal provides absolutely none of the certainty social care desperately needs to be able to plan for beyond the next twelve months. This will make it difficult for the NHS and local government to invest jointly in integrated services aimed at improving health outcomes, reducing health inequalities and increasing the resilience and wellbeing of our communities.
- This is a continuation of the sticking plaster approach to funding adult social care. The Prime Minister promised to 'fix social care' in July 2019

and everyone connected to social care is frustrated by the lack of progress on this crucial agenda; there must be no further delays to the process of reform.

- The pandemic has demonstrated to the public the immense value of adult social care to lead the life they want to lead, and it is disappointing that the Spending Review has not recognised the crucial role it plays. The pandemic has also demonstrated the enormous contribution made by our committed and dedicated care workforce. The Spending Review has missed the opportunity to recognise this contribution and to deliver parity of esteem with the equally invaluable workforce of the NHS.

Health (NHS)

The Chancellor announced:

- £52 billion for frontline health services to tackle the pandemic including £22 billion for the Test and Trace programme, over £15 billion for the procurement of personal protective equipment (PPE) and £2.7 billion to support the development and procurement of vaccines. *(Page 27, paragraph 2.12)*
- The Government will provide an additional £3 billion next year to support the NHS recovery from the impacts of COVID-19. This includes around £1 billion to begin tackling the elective backlog, enough funding to enable hospitals to cut long waits for care by carrying out up to one million extra checks, scans and additional operations or other procedures. The remainder of the funding will address waiting times for mental health services, give more people the mental health support they need, invest in the NHS workforce and help ease existing pressures in the NHS caused by COVID-19. The Government also remains committed to providing PPE to frontline workers to protect them from COVID-19 and reduce transmission. On top of over £15 billion for PPE purchases and logistics already provided in this financial year, SR20 provides £2.1 billion to purchase and store PPE, sufficient funding to meet expected demand and maintain a 4 month stockpile across 2021/22. *(Page 28, paragraph 2.18)*
- £4.2 billion for NHS operational investment next year to allow hospitals to refurbish and maintain their infrastructure, and £325 million of new investment in NHS diagnostics equipment to improve clinical outcomes. *(Page 33, paragraph 3.4)*

LGA view:

- We welcome the additional resources to support frontline health services to continue to respond effectively to the pandemic, and to rapidly roll out an extensive vaccination programme. However, it is crucial that this is planned and delivered in partnership with local councils, who will also need additional resources.
- We welcome the additional funding to the NHS in order to get back on track with the treatment backlog that has built up since March 2109. However it is important to note the starkly different funding context for the NHS, compared with local government, before SR20.
- The settlement for the NHS from 2019/20 to 2023/24 represented an annual average 3.4 per cent real terms increase when it was announced in

2019. In addition, in April 2020, the Government announced that NHS debt affecting over 100 hospitals and amounting to £13.4 billion would be written off to allow them to invest in maintaining services and longer-term infrastructure improvements. In comparison, no such concessions have been made to local government, despite having to face the same demanding situation as the NHS.

- We welcome investment in NHS infrastructure, but this needs to be matched with investment in community support, including adult social care, to ensure that all people requiring care and support get the right care, in the right place, at the right time. This should be in, or as close to, their own homes as possible. Investing in hospitals will not achieve the NHS Long Term Plan objective of rebalancing investment towards community and primary care.

Public Health

The Chancellor announced that:

- SR20 confirms an additional £25.8 million to increase the value of Healthy Start Vouchers to £4.25 in line with the recommendation of the National Food Strategy. *(Page 60, paragraph 6.9)*
- Local authority spending through the public health grant will also continue to be maintained and the Government will set out further significant action that it is taking to improve the population's health in the coming months. *(Page 60, paragraph 6.9)*

LGA view

- We are pleased that the Government has recognised the importance of improving access to vitamins, milk and fresh fruit and vegetables, for disadvantaged and low-income families. The Government should now commit to accelerating the digitalisation of the voucher scheme to ensure the vouchers are accessible and non-stigmatising for those that need them most.
- It is positive that the Government has issued its firm commitment to improving the health of the nation as part of the COVID-19 recovery. It is, however, extremely short-sighted to accompany this with no increase to the public health grant.
- Despite councils' good work, the current funding model for public health is not sustainable. We have warned repeatedly that local authorities' public health grant funding has reduced by over £700 million in real terms between 2015/16 and 2020/21. The lack of new funding for public health runs contrary to the aim of addressing the stark health inequalities exposed by COVID-19 and levelling up our communities. It is also out of step from increases in funding for the NHS. Keeping people healthy and well throughout their lives reduces pressure on the NHS and social care.
- Over the coming months the Government should consult in detail with local public health systems to ensure the correct capacity and resource to continue to provide essential public health services.

Disabled Facilities Grant and Care and Support Specialised Housing Fund

The Chancellor announced that:

- SR20 includes an investment of £573 million in Disabled Facilities Grants and £71 million in the Care and Support Specialised Housing Fund, supporting people to live independently. *(Page 60, paragraph 6.11)*

LGA view:

- We are pleased that Government has listened to our call to increase Disabled Facilities Grants which will go some way towards meeting demand for adaptations. The funding will enable councils to adapt more of the existing housing stock to help older people and disabled adults and children to live independently in their own homes for longer, improving wellbeing and preventing further pressure on social care and health systems. We continue to encourage Government also to consider improvements other aspects of people's homes that help people to live healthier lives, such as tackling damp and cold homes.
- Today's boost to the Care and Support Specialised Housing Fund is a step in the right direction for improving the supply of affordable of specialist housing for older people and adults with disabilities or mental health problems. The provision of suitably designed housing that meets people's practical and care needs is a vital part of ensuring that more people can live well in communities. Whilst our population continues to age, we also need to continue supporting people with disabilities or mental health needs, so it is vital that the capital and revenue costs of different types of supported housing are fully funded.

Mental Health

The Chancellor announced that:

- The additional £3 billion to support the NHS's recovery from the impact of COVID-19 includes around £500 million to address waiting times for mental health services, give more people the mental health support they need, and invest in the NHS workforce. *(Page 60, paragraph 6.4)*
- The DHSC settlement provides further investment in the NHS workforce. This includes £260 million for Health Education England to continue to grow our NHS workforce and support commitments made in the NHS Long Term Plan. This includes training more new nurses and doctors, delivering some of the biggest undergraduate intakes ever, and funding to increase the mental health workforce and deliver training to highly valued NHS staff. *(Page 60, paragraph 6.8)*

LGA view

- Additional funding for NHS mental health services should ensure that more people with higher levels of mental health needs can access timely support. Key to tackling the COVID-19 pandemic has been how to support the public's mental wellbeing, and maintaining the funding focus on treating mental ill-health means a missed opportunity to develop locally-led approaches to helping people stay mentally well as we emerge from the pandemic and throughout their lives. Councils' statutory children's and

adults mental health services and wider public health responsibilities need parity of esteem with NHS mental health services, so that councils can help the whole population to be mentally healthy, prevent the escalation to clinical services and work with health colleagues to support people of all ages who are mentally unwell.

- It is important to recognise that a significant proportion of the mental health workforce, in particular professionals working in early intervention and community support, are employed in local government. It is crucial that the whole of the mental health workforce is properly supported, whether employed by local government, by private and voluntary providers and the NHS. Therefore, the LGA is calling for equivalent investment in the mental health of social care staff. Creating workplaces and working cultures where care staff are supported, motivated and nurtured to thrive is essential to supporting their wellbeing and mental health.

Preparations for the end of the Transition Period

The Chancellor announced that:

- £363 million to recruit 1,100 Border Force officers to deliver transit customs arrangements and to continue supporting law enforcement cooperation with EU member states from 1 January 2021. *(Page 53, box 5.1)*
- £572 million to the Department for Environment, Food and Rural Affairs to seize the opportunities resulting from environmental, regulatory and economic independence for the UK, including ambitious regulatory reforms which will enable the UK to take ownership of its own agenda. *(Page 53, box 5.1)*

LGA view

- Councils face many challenges this winter, including the priority to support and protect their communities during the COVID epidemic. Councils' capacity and resources are fully stretched. Additional work resulting from the end of EU transition must be seen in this context.
- Through their regulatory work at ports, councils will be on the frontline of changes to import and export controls following the end of the transition period, but additional funding has only been provided until March 2021. It is vital that the Government commits to extending funding beyond this period, given that the greatest impact of these changes will be in July 2021, and that this funding ensures councils do not experience funding shortfalls until additional revenue can be generated to support additional work.
- There will also be increased demands on councils to support businesses navigating their way through a changing regulatory environment. COVID-19 has highlighted the vital work local regulatory services do, and the capacity issues these services are already experiencing, with a shortage of existing trained officers and limited pipeline of new officers coming through to support additional work linked to transition.
- Maintaining sufficient capacity and resilience in local regulatory services to enable councils to support local businesses must therefore be a fundamental part of post-transition planning.

UK Shared Prosperity Fund (UKSPF)

The Chancellor announced that:

- The Government is supporting the regeneration of towns and communities by targeting further investment at places most in need by supporting places, such as former industrial areas, deprived towns and coastal communities, by setting out what the UK Shared Prosperity Fund (UKSPF) will invest in and how it will be targeted (see Box 3.1) *(Page 36, paragraph 3.16 and page 37, box 3.1)*
- SR20 sets out how the UK Shared Prosperity Fund (UKSPF) will help to level up and create opportunity for people and places across the UK and provides £220 million additional funding to help local areas prepare over 2021/22 for the introduction of the UKSPF *(Page 73, paragraph 6.60)*

LGA view

- Since the referendum, the LGA has been lobbying Government to ensure that there was a domestic replacement for EU funds. The SR contains the “Heads of Terms” for the UKSPF (the Government’s replacement of the European Structural and Investment Funds) and confirms that the fund will be at least £1.5 billion a year. We welcome the clarity this announcement has brought to local government, and we look forward to further detail.
- Local government has made an offer to co-design the programme with Government and the investment framework for local areas that sits behind this. The investment proposals and specific outcomes defined in the UK-wide investment framework need to be locally determined by councils and combined authorities, who have a democratic mandate to represent their communities, as well as respect current local decision making and devolution agreements.
- The additional £220 million to help local areas transition to the UKSPF in 2021/22 by running pilots and new approaches is welcomed and prevents a financial cliff edge. The Government must now work with all local areas to ensure there is a smooth transition to the new funding regime.
- We will be working with the Welsh LGA to ensure that the new funds meets the needs of councils in Wales.

Digital Connectivity

The Chancellor announced:

- Over £260 million for transformative digital infrastructure programmes, including the Shared Rural Network for 4G coverage, Local Full Fibre Networks, and the 5G Diversification and Testbeds and Trials Programmes. *(Page 33, paragraph 3.4)*
- £1.2 billion to subsidise the rollout of gigabit-capable broadband, as part of the Government’s £5 billion commitment to support rollout to the hardest to reach areas of the UK. *(Page 34, paragraph 3.5)*

LGA view

- As the last few months have highlighted, access to fast and reliable digital connectivity is a necessity for communities and businesses across the country and will be essential to keeping pace with developments across the globe as we emerge from the pandemic.
- We welcomed the previously announced Shared Rural Network as good news for our communities. It is now vital that mobile network operators and the Government work with local authorities to deliver this ambitious programme.
- It is positive that the Government has confirmed the first four years of funding for the £5 billion Gigabit Broadband programme. We continue to be concerned by the Government's intention to manage this programme centrally from Whitehall. We believe that the success of the Superfast Broadband Programme demonstrates how councils' local knowledge and expertise can make all the difference to a well-managed roll out. We remain committed to working with Government to help design an approach to roll out that will benefit from the local expertise of councils.
- Finally, we note the Government has revised down its target of rolling out 100 per cent gigabit-capable broadband by 2025. It will now aim for a minimum of 85 per cent gigabit capable coverage, but will seek to accelerate roll-out further to get as close to 100 per cent as possible. We had previously outlined our reservations as to whether the Government's original 100 per cent ambition was achievable by 2025.

Freeports

The Chancellor announced that:

- The Government is supporting the regeneration of towns and communities by targeting further investment at places most in need by delivering 10 Freeports across the UK – at least one in each of England, Scotland, Wales and Northern Ireland – to bring jobs, investment and prosperity to some of the most deprived communities. The programme aims to establish Freeports as national hubs for global trade and investment across the UK, promote regeneration and job creation and create hotbeds for innovation. *(Page 36, paragraph 3.16)*

LGA view

- Following our calls to Government, we welcomed its commitment in the Freeports Bidding Prospectus to consider more than 10 freeports if bids are particularly strong. It is also positive that seed capital will be provided to winning areas to address local infrastructure constraints. It will be vital that freeports create new jobs and opportunities for local people. We have therefore asked that Government remains alive to the risk of domestic economic displacement of UK domestic businesses in its assessment of bids and as it progresses with winning areas.

Levelling Up Fund

- The Government is launching a new Levelling Up Fund worth £4 billion for England. Moving away from a fragmented landscape with multiple funding streams, this new cross-departmental fund for England will invest in a broad range of high value local projects up to £20 million, or more by

exception, including bypasses and other local road schemes, bus lanes, railway station upgrades, regenerating eyesores, upgrading town centres and community infrastructure, and local arts and culture. *(Page 36, paragraph 3.16)*

- It will be open to all local areas in England and prioritise bids to drive growth and regeneration in places in need, those facing particular challenges, and areas that have received less Government investment in recent years. Spending Review 2020 makes available up to £600 million in 2021/22. The Government will publish a prospectus for the fund and launch the first round of competitions in the New Year. *(Page 72, paragraph 6.57)*

LGA view

- Councils across the country work hard to invest in improvements in their local communities so it is good that the Government is introducing this new Levelling Up Fund.
- It is good news that this fund moves to tackle our complex and fragmented funding system, which we have long warned about. However, we are concerned by the prospect of a competitive bidding process at a time when councils want to be fully focused on protecting communities and businesses from the impact of the pandemic.
- The best way to make decisions about local investment is by working with councils, who know the needs of their areas best. We want to work with the Government to ensure this fund produces the best possible outcomes for local communities.

National Infrastructure Strategy

The Chancellor announced that:

- Increased infrastructure investment is supported by a new National Infrastructure Strategy, which sets out the Government's plans to transform the UK's economic infrastructure. It is based around three central objectives: economic recovery, levelling up and unleashing the potential of the Union, and meeting the UK's net zero emissions target by 2050 *(Page 4, paragraph 22)*

LGA view

- We welcome the Government clearly setting out its infrastructure strategy in response to the National Infrastructure Assessment carried out by the National Infrastructure Commission.
- We supported the Commission's recommendation, as set out in their National Infrastructure Assessment, that all transport authorities, including those without metro mayors, should have long term funding settlements in order to clearly plan their own infrastructure programmes. It is disappointing that the Government has not implemented this recommendation.

Borrowing framework and Public Works Loans Board

The Chancellor announced that:

- The Government will reform the Public Works Loan Board (PWLB) lending terms, ending the use of the PWLB for investment property bought primarily for yield. (*Page 76, paragraph 6.71*).
- The Government will cut PWLB lending rates to gilts + 100 base points for Standard Rate and gilts + 80 base points for Certainty Rate. (*Page 76, paragraph 6.71*)
- The Government has also announced the outcome of the Local Infrastructure Rate competition. Six authorities will benefit from £336 million in discounted lending for local infrastructure priorities (*Page 76, paragraph 6.71*)
- Alongside the Spending Review, the Government is publishing revised lending terms for the PWLB and guidance to support local authorities to determine if a proposed project is an appropriate use of PWLB loans. These new terms will apply to all loans arranged from 9am on 26 November. ([*Outcome of PWLB consultation*](#))

LGA view

- The cut in the PWLB lending rates reverses the increase in rates made in October 2019. This is something we have called for since the rate was increased and is welcomed.
- Under the revised lending terms, in order to qualify for any PWLB loans, council Finance Directors will be required to certify that there is no intention to buy investment assets primarily for yield at any point in the next three years. It is disappointing that this restriction applies on a 'whole plan' basis rather than linking specific spending with specific loans. There is a danger that this will make it difficult for local authorities to continue to access PWLB borrowing to support service delivery including housing and regeneration, or to refinance existing debt.

Road maintenance funding

The Chancellor announced:

- £1.7 billion in 2021/22 for local roads maintenance and upgrades to tackle potholes, relieve congestion and boost connectivity (*Page 77, paragraph 6.74*)

LGA view

- We welcome the Government delivering this boost to roads maintenance spending by including last year's additional pothole fund top up into the baseline for ongoing maintenance funding.
- Going forward, it is important for councils to have more long term certainty of funding support so they can make the most of this new infrastructure strategy.

Electric Vehicle Charging Infrastructure

The Chancellor announced:

- £90 million to fund local electric vehicle (EV) charging infrastructure to support the roll out of larger on-street charging schemes and rapid hubs in England. *(Page 39, paragraph 3.26)*

LGA view

- We welcome the Government's continued commitment to fund charging infrastructure which is crucial in order to meet our net zero targets.
- In order to accelerate uptake to meet the Government's new phase out date of petrol and diesel vehicles, we need a step change in the pace of delivery. We offer to work with Government to develop a much clearer role for councils in delivery and ensure that as well as grants for physical infrastructure, support and resources are given to build skills and capacity for local delivery.

Active Travel Infrastructure

The Chancellor announced that:

- To encourage more active travel, the Government has provided £257 million for cycling and walking in 2021/22, part of the Prime Minister's £2 billion commitment to cycling and walking across the parliament *(Page 39, paragraph 3.27)*

LGA view

- The long-term commitment of £2 billion across the Parliament to walking and cycling was a step in the right direction. The £257 million announced earlier this month is a welcome step for increasing walking and cycling provision.
- Councils need maximum flexibility and certainty in order to ensure that this money is spent quickly and effectively and to support engagement and consultation with local residents.

Review of Green Book appraisals

The Chancellor announced that:

- Alongside SR20 the Government has published [a review of the Green Book](#) *(page 48, paragraph 4.31)*

LGA view

- The [new Green Book](#) introduces changes to the way that business cases for projects are appraised. While the process remains mostly centralised, it is good that there will be a new requirement that business cases should be

developed to align with relevant local strategies and major interventions in the area. This is something we called for in our CSR submission and represents a step in the right direction.

Children's services

The Chancellor announced that:

- SR20 additionally provides capital investment in the education estate to support levelling up education across England, including £24 million in 2021/22 to start a new programme to maintain capacity and expand provision in secure children's homes. *(Page 63, paragraph 6.18)*
- The underlying core settlement for local authorities in 2021/22 includes £300 million of new grant funding for adult and children's social care, in addition to the £1 billion announced at SR19 that is being maintained in 2021/22 in line with the Government's commitment. *(Page 75, paragraph 6.66)*
- £165 million for local authorities through the Troubled Families programme, providing intensive support to families facing multiple interconnected problems. Funding is distributed by the Ministry of Housing, Communities and Local Government, with input from the Department for Education, the Department of Health and Social Care, the Ministry of Justice, HM Treasury and the Home Office. *(Page 48, paragraph 4.29)*

LGA view:

- The LGA has been highlighting the challenges facing councils in finding suitable homes for children with complex or challenging needs for some time, so the additional funding to maintain capacity and expand provision in secure children's homes is very welcome.
- It will be important for the Government to work closely with local authorities on the programme of expansion to ensure that settings are established where they are most needed and provide the best possible care for children and young people. It is also important to note that placement sufficiency is a challenge across the children's social care system and we are keen to work with the Government to find solutions to ensure all children in care have the homes they need.
- While it is positive that additional funding has been allocated for adult and children's social care, this will not be enough to tackle the challenges facing children's social care, which was already under strain prior to the pandemic as a result of increasing demand and long-term funding reductions. Significant additional funding for children's social care is urgently required, including for early help to avoid families reaching crisis point, and for those children and families who need more intensive child protection responses. As a starting point, the £1.7 billion removed from the Early Intervention Grant since 2010 should be reinstated.
- We are pleased that funding is being maintained for the Troubled Families programme. The programme has delivered real outcomes, demonstrating the benefits of cross-departmental support for a preventative, council-led approach to support.

- It is vital that we use this year to build on the learning and outcomes from the programme so far to further embed a locally-led and integrated approach to addressing multiple problems.
- The programme has demonstrated that investing in early help leads to genuinely improved outcomes and reduces pressure on frontline crisis support. This year provides an opportunity to review and develop the evidence base for sustained investment in 2022 and beyond.

Day-to-day school funding

The Chancellor confirmed that:

- At SR19 the Government set out a commitment to increase the core schools budget by £7.1 billion by 2022/23, compared to 2019/20 funding levels. SR20 reaffirms this commitment, with the Government's three-year investment representing the biggest school funding boost in a decade. The schools budget will increase from £47.6 billion in 2020/21 to £49.8 billion in 2021/22 – an uplift of £2.2 billion. *(Page 44, paragraph 4.12)*

LGA view

- The LGA welcomes the Government's announcement to increase schools budgets by £7.1 billion by 2022/23. The Government must now urgently confirm council high needs block allocations for 2021/22 and use the on-going review of Special Educational Needs and Disability (SEND) to give councils the powers and long-term certainty of funding to support children and young people with SEND.
- It is however disappointing that additional funding has not been made available to help cover the exceptional costs incurred by schools in responding to COVID-19 since they reopened in September.

School capital

The Chancellor announced that:

- SR20 additionally provides capital investment in the education estate to support levelling up education across England, including further detail on the Government's ten-year school rebuilding programme. The programme will launch with a commitment to 50 new school rebuilding projects a year across England. *(Page 63, paragraph 6.18)*
- Investment of £1.8 billion in 2021/22 to maintain and improve the condition of school buildings *(Page 63, paragraph 6.18)*
- £300 million in 2021/22 for new school places for children with special educational needs and disabilities, almost four times as much as the Government provided to local authorities in 2020/21 *(Page 63, paragraph 6.18)*

LGA view

- The LGA welcomes the announcement of funding for school rebuilding projects and an investment of £1.8 billion to maintain and improve the

condition of school buildings during 2021/22. To ensure this funding is easily accessible to those schools that need it, the Government must replace the existing, fragmented school capital funding arrangements with a single, local school capital fund.

- The LGA welcomes the £300 million for new school places for children with SEND during 2021/22. This funding recognises that councils continue to struggle to meet the year-on-year increase in demand for SEND support and we await further detail on how these places will be created.
- The DfE's review of SEND must deliver legislative reforms that increase levels of inclusion in mainstream schools and reduce the use of special and independent and non-maintained special school places, which are more expensive.

Early years

The chancellor announced:

- £44 million for early years education in 2021/22 to increase the hourly rate paid to childcare providers for the Government's free hours offer. (*Page 63, paragraph 6.19*)

LGA view

- The LGA has repeatedly raised concerns about the underfunding of the early entitlements, so additional funding is welcome.
- However, with many early years providers struggling in the light of COVID-19, it is disappointing that this is not a more significant and immediate investment to support providers during this time. It is crucial we retain the good quality early education and childcare that improves children's outcomes and reduces the disadvantage gap.

Youth services

The chancellor announced:

- Almost £100 million to deliver the National Citizen Service (NCS) and invest in youth facilities. The Government will review its programmes to support youth services including the NCS in the spring. (*Page 81, paragraph 6.88*)

LGA view

- COVID-19 has shown the importance of youth services and young people having safe spaces to go to, so we welcome additional funding to invest in youth facilities. However, more than 4,500 youth work jobs have been lost since 2010/11 due to funding reductions, therefore funding for staff and training is urgently needed in addition to funding for facilities.
- Local government and local youth services need confirmation of the £500 million promised to youth services in 2019 which will provide essential investment into the sector and support young people to achieve good outcomes.

- The LGA has repeatedly called for devolution of some NCS funding to local youth services, which can provide the year-round support that many young people need rather than a time-limited programme. We will look to work with the NCS Trust to consider how the NCS works with councils, and with Government on its review of programmes to support youth services, ensuring that funding is targeted towards areas it will be most effective.

Supporting jobs

The Chancellor announced that:

- £2.9 billion Restart programme will provide intensive and tailored support to over 1 million unemployed people and help them find work, with approximately £0.4 billion of funding in 2021/22 (*Page 29, paragraph 2.20*)
- Funding the £2 billion Kickstart scheme which will create hundreds of thousands of new, fully subsidised jobs for young people at risk of long-term unemployment across Great Britain. The SR20 settlement includes £1.6 billion in 2021/22 which will ensure funding for over 250,000 Kickstart jobs. (*Page 29, paragraph 2.20*)
- Investment of £375 million from the National Skills Fund in 2021/22, which will provide £138 million for the Government's commitment to fund in-demand technical courses for adults, equivalent to A level, and to expand the employer-led boot camp training model. (*Page 62, paragraph 6.17*)
- On Apprenticeships, the Government is:
 - making available £2.5 billion of funding for apprenticeships and further improvements;
 - allowing levy paying employers to transfer unspent levy funds in bulk to Small and Medium-sized Enterprises (SMEs) with a new pledge function from August 2021.
 - confirming unspent Levy funds will continue to expire after 24 months;
 - introducing a new online service to match levy payers with SMEs that share their business priorities for the purposes of Levy transfer from August 2021;
 - allowing employers in construction and health and social care to front-load training for certain apprenticeship standards from April 2021 and explore whether this offer can be extended to other sectors;
 - testing approaches to supporting apprenticeships in industries with more flexible working patterns in 2020/21, including considering how to best support apprenticeship training agencies;
 - extending incentive payments for hiring a new apprentice introduced in the Plan for Jobs to 31 March 2021. (*Page 62, paragraph 6.17*)

LGA view

- The Chancellor has rightly prioritised jobs in this Spending Review. With millions displaced from the labour market and needing to find work and reskill due to the COVID-19 crisis, we need to align job creation and employability measures including skills, so no community is left behind.

- The economic and social challenges facing our communities will vary across the nation. National and local government should combine resources and expertise to deliver for people and businesses hard hit by the crisis and co-design the solutions.
- Investment in the low-carbon economy provides an opportunity to create further employment opportunities. In 2030 across England there could be as many as 694,000 direct jobs employed in the low-carbon and renewable energy economy, rising to over 1.18 million by 2050.

Restart

- We face a growing and stark unemployment challenge. Support for people who are long term unemployed is urgently needed and Restart must be delivered in the right way to reduce the scarring effect of unemployment on communities. There is strong evidence that localised and devolved programmes deliver more sustained outcomes and that centralised employment and skills schemes struggle to deliver for the economy, employers or individuals.
- Support to the long-term unemployment needs to be as close as possible to local communities and the local services they rely on including housing, health, training and debt management. Local government offers to work with the Government to plan, commission and deliver Restart so it can align with local services and training opportunities. Councils are in the unique position locally to bring together a range of local organisations including charities, housing associations, councils, and training providers as well as Department for Work and Pensions (DWP) prime providers.
- Local government stands ready to make this happen with the right level of resource. The Government should work with us to plan Restart so it is delivered to optimal impact for people and places.

Kickstart

- Local government is already working hard to make a success of and coordinate the Kickstart scheme locally, working with providers and Jobcentre Plus. The first phase excluded 16-17 year olds at risk of unemployment. We believe this next phase of Kickstart should be extended to this group, and that [local government should be able to refer this group into the Scheme](#).
- Kickstart will work best for young people, businesses and communities if it is planned and delivered in partnership locally. That requires real collaboration at a local authority level between national Government and its agencies, local government, employers and providers to ensure the offer is coordinated, promoted, signposted, targeted and delivered. [DWP must build local government into the further iterations of the Scheme as we have already set out](#).

In-demand technical courses for adults

- Using the National Skills Fund to fund free Level 3 courses for adults not yet qualified to these levels is welcome. We encourage the Chancellor to go further by devolving and localising this support so that it is customised to

local need and can offer a clear pathway to further learning and work in places where people live.

- We continue to recommend the Government at least doubles funding for the Adult Education Budget to increase support for the nine million people across England that lack basic literacy and numeracy skills.

Apprenticeships

- The Government has listened to employers and is introducing some long overdue reforms to the apprenticeship levy. The extension of the £2,000 apprenticeship incentive payments and the introduction of a new service to match levy payers with SMEs that want to receive a transfer of funds should both help to create more apprenticeship opportunities.
- We continue to urge the Government to go further and deliver the root and branch reform of the apprenticeship levy. Local government should be offered more local freedom and flexibility to maximise the use these funds, for example to widen participation to disadvantaged groups. We look forward to receiving more information on the Government's plan to allow employers to make levy transfers to SMEs and we hope that it will provide the opportunity for local government to work with employers to take a more strategic approach to apprenticeships locally and pool funds so we can maximise support to our communities.
- It is disappointing that the Government has confirmed that the 24-month expiry policy for unspent levy funds will remain in place. We urge the Treasury to reconsider and pause this policy to prevent employers from losing funds through no fault of their own. The Government should also introduce a levy payment holiday of up to six months for businesses struggling with cashflow problems.

Building Safety

The Chancellor announced that:

- SR20 confirms £1.6 billion of capital to remove unsafe cladding from high rise buildings. (*Page 73, paragraph 6.61*)

LGA view

- The LGA has been asking the Government to address this issue for over three years. Although these Government funds for remediation will be helpful, the Housing Communities and Local Government Select Committee, the Public Accounts Committee and the LGA have all said that the current level of funding (£1.6 billion) will not be enough to protect leaseholders.
- The LGA wants the Government to meet remediation costs upfront, taking a building-wide, risk-based approach to remedial works. They should then pursue those responsible for shoddy products or workmanship in order to protect the taxpayer.
- The cladding crisis affects hundreds of thousands of leasehold residents who are utterly blameless; not only will the costs of fixing buildings often be beyond their means, but leaseholders face the cost of waking watches and insurance

hikes, while trapped in flats they are unable to sell or remortgage. The Government needs to act soon to avoid the effects of this crisis spreading throughout the housing market and damaging the economy.

Housing

The Chancellor announced that:

- SR20 also provides nearly £20 billion in multi-year capital investment to underpin the Government's long-term housing strategy:
 - a National Home Building Fund (NHBF), with initial funding of £7.1 billion over the next four years to unlock up to 860,000 homes, including:
 - confirming £4.8 billion of capital grant funding, including for land remediation, infrastructure investment, and land assembly
 - delivery of the Brownfield Fund, announced at Budget 2020 for Mayoral Combined Authorities (MCAs)
 - an additional £100 million for non-Mayoral Combined Authorities in 2021/22 to support housing delivery and regeneration, including unlocking brownfield sites, regenerating estates and releasing public sector land – including serviced plots for self and custom builders
 - £2.2 billion of new loan finance to support housebuilders across the country. This includes delivering Help to Build for custom and self-builders, and funding for SMEs and modern methods of construction
 - further funding for the NHBF will be confirmed at the next multi-year spending review, delivering on the Government's commitment to provide £10 billion to unlock homes through provision of infrastructure
 - reconfirming £12.2 billion for the Affordable Homes Programme (AHP). The new AHP will deliver up to 180,000 new homes for affordable homeownership and rent, with a greater proportion outside of London than the previous programme.
(Page 73, paragraph 6.59)

LGA view

- It is positive to see further Government investment to support the building of new homes. We welcome the additional funding for non-Mayoral Combined Authorities to support housing delivery and regeneration. In our view, all councils should have access to funding to support their ambitions to bring forward brownfield sites, estate regeneration projects and the release of public sector land.
- With more than one million households on council waiting lists, and now more than 98,000 households in temporary accommodation, it is vital that the Affordable Homes Programme is re-focused towards support for truly affordable homes, including those for social rent. Councils also need to be

able to retain all Right to Buy receipts, combine them with other funding sources and set discounts locally, to support them in building homes to meet the needs of local communities.

Planning

The Chancellor announced that:

- SR20 provides an additional £12 million to take forward the Government's radical planning reform agenda and £4 million towards its ongoing Oxford-Cambridge Arc programme, building on the Government's commitments to accelerate housing and infrastructure delivery. (*Page 74, Paragraph 6.61*)

LGA view

- The LGA's response the Planning White Paper is: <https://www.local.gov.uk/parliament/briefings-and-responses/lga-submission-ministry-housing-communities-and-local-2>
- Additional investment will be vital in taking forward any proposed reforms to the planning system. We await further details on how the £12 million will be allocated.
- Councils need to have the resources, tools, powers and flexibilities required to make locally-led planning decisions for their current and future residents. This includes having the ability to set planning fees locally. These fees should also help to cover the cost of wider planning functions. This will ensure that these can continue to support the decision and plan-making process.
- The Government will also need to ensure that councils have access to the right capacity, skills and training support to implement any changes to the planning system. Any new burdens should also be fully funded.

Homelessness

The Chancellor announced that:

- SR20 also provides £254 million of additional resource funding, including £103 million announced earlier this year for accommodation and substance misuse, to support rough sleepers and those at risk of homelessness during COVID-19. This takes total resource funding in 2021/22 to £676 million, a 60 per cent cash increase compared to SR19. This additional funding will support frontline services through the Rough Sleeping Initiative and enable local authorities to fund their statutory duties to prevent homelessness. The Government will also provide new funding to support prison leavers at risk of homelessness into private rental tenancies and will commit £87 million of capital funding in 2021/22 primarily to support the delivery of long-term accommodation for rough sleepers. (*Page 72, paragraph 6.58*)

LGA view

- Councils have done an incredible job getting people sleeping rough off the streets and have accommodated more than 29,000 people who have faced homelessness since the start of the coronavirus pandemic. It is

good the Government has recognised this with additional funding today, which will help councils to continue their ongoing efforts to support people at risk of rough sleeping and homelessness.

- As we fight a second wave of coronavirus, we would also urge the Government to temporarily remove the No Recourse to Public Funds condition, which would reduce public health risks and ease the pressure on homelessness services by enabling vulnerable people to access welfare benefits, who are currently unable to do so because of their immigration status.
- In the longer-term, it is also important that there is a shift towards investing in homelessness prevention services. With council housing waiting lists set to potentially nearly double as a result of COVID-19, we are calling for councils to be given powers to kickstart a post-pandemic building boom of 100,000 new social homes for rent each year, including reform of Right to Buy.

Welfare support

The Chancellor confirmed that:

- A £20 per week increase to the Universal Credit (UC) standard allowance and Working Tax Credit basic element for 2020/21. This means that for a single UC claimant (aged 25 or over), the standard allowance has increased from £317.82 to £409.89 per month until April 2021. (*Page 26, paragraph 2.8*)
- There was an increase in the Local Housing Allowance (LHA) rates for UC and Housing Benefit claimants so that it covers the lowest third of local rents. This increase will mean nearly £1 billion of additional support for private renters claiming UC or Housing Benefit in 2020/21 and benefits over 1 million households, including those in work. Claimants will gain on average an additional £600 per year in increased housing support. (*Page 26, paragraph 2.8*)

LGA view

- We welcomed the £20 per week increase in Universal Credit, which is providing vital support to many people whose livelihoods have been affected by the pandemic. However, it is clear that the economic impact of COVID-19 on low income households will be with us for some time to come, and that additional support in the employment system will take time to deliver. It is therefore disappointing that the Government did not take this opportunity to offer councils and communities much-needed certainty by committing now to sustaining vital uplifts in the benefits system.
- The LGA has long campaigned for Local Housing Allowance rates to be maintained at least at the 30th percentile of market rents. We were therefore pleased when Government restored LHA rates earlier this year. We recognise that, at present, the uplift in LHA rates will be retained in cash terms (as laid out in point 22, table 1.1 on page 12). This means, however, that LHA rates will once again begin to fall in real terms, as rents continue to rise. This is likely to present challenges for households renting in the private sector at a time when increasing numbers of people are struggling to meet their housing costs and may in turn place pressure on councils' housing and homelessness services.

Flooding and coastal erosion

The Chancellor announced that:

- A doubling of flood and coastal investment across England investing £5.2 billion over six years. *(Page 82, paragraph 6.92)*
- This includes a £200 million six-year flood and coastal erosion resilience innovation programme which will support over 25 local areas to take forward wider innovative actions that improve their resilience to flooding and coastal erosion, and up to £155 million to accelerate 22 shovel-ready flood defence schemes announced earlier this year. *(Page 82, paragraph 6.92)*

LGA view:

- The LGA has welcomed the investment, which has been announced previously.
- Councils are well placed to lead a local approach to managing the risks from flooding and coastal erosion. Funding for flood defences needs to be devolved to local areas and sit within a new national framework for addressing the climate emergency.
- We will be seeking further information on funding for the role of councils as Lead Local Flood Authorities (LLFAs). Grant funding runs out at the end of this financial year and councils need clarity on how this critical statutory role will be funded.

The natural environment

The Chancellor announced that:

- Investment will include £90 million for the Nature for Climate Fund – to increase tree planting and peatland restoration in England. *(Page 41, paragraph 3.41)*
- A doubling of the Green Recovery Challenge Fund with a further £40 million to fund a second round of natural capital projects next year. *(Page 41, paragraph 3.41)*
- £7 million to improve public access to green space by taking forward the Coast to Coast National Trail and England Coast Path and more than £75 million in funding for National Parks and Areas of Outstanding Natural Beauty. *(Page 41, paragraph 3.41)*
- The Government is also funding the implementation of key Environment Bill measures including biodiversity net gain for development, Local Nature Recovery Strategies and the Office for Environmental Protection. *(Page 41, paragraph 3.42)*

LGA view

- The investment in natural capital is welcome. We will be seeking further information on how councils can access this funding for their communities.
- We have raised concerns about the impact of disease and climate change on mature trees in public spaces. Dealing with tree disease is a cost pressure on councils and we will continue to press for this to be fully funded.
- The LGA has highlighted the need for councils to be given funding and capacity to carry out the new biodiversity functions set out in the Environment Bill. We will be working with the Department for Environment, Food and Rural Affairs to ensure that the new burdens are fully funded.

Green investment and infrastructure

The Chancellor announced that:

- The NIS, published alongside SR20, is rooted in the expert advice of the highly respected National Infrastructure Commission (NIC), and responds to its ground-breaking 2018 assessment of the country's infrastructure needs. The NIS sets out how we will deliver the greener infrastructure that is fundamental to the Ten Point Plan, and as part of this announces the creation of a UK-wide bank focused on infrastructure and headquartered in the North of England. The bank will support private infrastructure projects to help meet the Government's objectives on economic growth, levelling up, and transitioning to net zero. *(Page 39, paragraph 3.22)*
- The Ten Point Plan mobilises £12 billion to give industry the certainty it needs to invest, supports up to 250,000 green jobs and saves 180 megatonnes of carbon dioxide equivalent. *(Page 39, paragraph 3.23)*

LGA view

- The LGA welcomes the investments and support to develop the low carbon and green infrastructure economy in the Government's Ten Point Plan. Councils share the ambition for a green revolution and with at least 230 councils declaring a climate emergency, are well placed to support Government to meet its net-zero carbon ambitions by 2050.
- We want to work with Government and business to establish a national fiscal and policy framework for addressing the climate emergency, supported with long term funding.

Low carbon solutions

The Chancellor announced that:

- £1 billion for a Carbon Capture and Storage (CCS) Infrastructure Fund and will help establish four CCS clusters by 2030. These clusters will bring jobs and investment to industrial heartlands in areas of North East and North West England, the Humber, Scotland and Wales. *(Page 40, paragraph 3.30)*
- £240 million Net Zero Hydrogen Fund and £81 million for pioneering hydrogen heating trials. *(Page 40, paragraph 3.31)*

- By 2030 the Government plans to quadruple offshore wind capacity to 40 GW and maximise the opportunities this presents for jobs and investment. To grow the UK manufacturing base, the spending review invests £160 million into modern ports and manufacturing infrastructure, providing high quality employment in coastal regions. *(Page 40, paragraph 3.32)*
- The Government will spend nearly £500 million in the next four years for the development and mass-scale production of electric vehicle batteries and associated EV supply chain. *(Page 40, paragraph 3.33)*
- It is providing over £125 million for nuclear technologies in 2021/22, as part of up to £525 million set out in the Ten Point Plan, including £385 million for an Advanced Nuclear Fund. *(Page 40, paragraph 3.34)*
- It is committing £200 million for Net Zero Innovation Portfolio in 2021/22 to support new decarbonisation solutions and bolster emerging technologies such as direct air capture and low carbon hydrogen. *(Page 41, paragraph 3.35)*
- SR20 provides over £280 million in 2021/22 for net zero Research and Development, including an £81 million multi-year commitment for pioneering hydrogen heating trials. *(Page 56, paragraph 5.26)*

LGA view

- The LGA has been calling for investment in renewable energy and is pleased with the commitment and investment in low carbon energy. There are significant opportunities in the green growth sector if the approach to delivery is flexible and designed around place.
- Councils want to support the local implementation of low carbon solutions necessary across every sector, industry and place and, support the creation of local green skills and jobs. Councils want to play a key role in developing a flexible, resilient energy supply that realises the full economic benefits that are felt across all parts of the country.
 - Councils are well placed to test transformational solutions and we will work with Government to understand how councils can use funding for research and development to support place-based low carbon action.
 - We will now be working with Government to ensure that councils have the tools and powers they need to play a lead role in harnessing this investment and supporting a locally led green economic recovery.

Warmer homes and buildings

The Chancellor announced that:

- SR20 allocates £475 million to make public buildings greener, £150 million to help some of the poorest homes become more energy efficient and cheaper to heat with low-carbon energy, and a further £60 million to retrofit social housing. It also extends the popular Green Homes Grant voucher scheme with £320 million of funding in 2021/22. The Government is committed to spending £3 billion on building decarbonisation, and will review this allocation

in the spring, together with how it can best deliver this agenda over the course of this parliament. (Page 41, paragraph 3.38)

- SR20 also confirms £122 million in 2021/22 to support creation of clean heat networks. This, together with the measures to be set out in the Government's forthcoming Heat and Buildings Strategy, will help meet the target of installing 600,000 heat pumps by 2028, and scale up the other low carbon heating and energy efficiency measures necessary to make buildings fit for net zero. (Page 41, paragraph 3.39)

LGA View

- We support investment to allow councils to help Government achieve its aim for the UK to become a net zero carbon economy in 30 years' time. Councils await further details to understand how to access the funding for public buildings.
- It is positive that the Government is investing a shift to greener, more efficient buildings and housing. The Government should work with councils to urgently bring forward its commitment for a [£3.8 billion capital Social Housing Decarbonisation Fund](#). This would provide a national stimulus to kick start the deep energy retrofit of all homes by investing in an energy revolution in social housing.
- Heat networks will continue to play an important role in national and local ambitions to reduce carbon and cut heating bills for domestic and commercial customers. It will be vital that the Government continues to work with local authorities to address capability and capacity challenges to heat network deployment.

Fire and Rescue Services

The Chancellor announced that:

- The Home Office (HO) settlement provides a £881 million cash increase in core resource funding from 2020/21 to 2021/22, delivering a 4.9 per cent average real terms increase per year since 2019-20. (Page 64, paragraph 6.21)

LGA view

- It is disappointing that the Spending Review does not include any information about funding for the crucial fire and rescue services (FRS).
- LGA is seeking clarity from the Home Office on what the settlement will mean for FRS. The LGA has been working with the Home Office to make the case for further funding to answer the cost pressures felt by the service due to risk and demand.
- The LGA is also asking for clarity on funding from the Home Office for pensions costs arising from remedying court judgments such as [age discrimination](#) for the fire service.

Reducing offending and serious violence

The Chancellor announced that:

- SR20 also commits an additional £200 million from 2021/22 to fund a second round of pilots under the Shared Outcomes Fund (SOF). This continues progress made on funding join-up across Government through the SOF launched at SR19, which funded a wide range of pilot projects that cut across multiple departments. The projects will be subject to thorough evaluation to inform future policy development and programmes. *(Page 48, paragraph 4.30)*
- Prison leavers (£20.0 million – MoJ, Department for Work and Pensions (DWP), MHCLG, Department for Digital, Culture, Media & Sport (DCMS), DHSC, Department for Education DfE), NHS England): The project will work closely with service users and stakeholders from across Government, and the third and private sectors to test ways to improve the social inclusion of people leaving prison, and reduce reoffending. *(Page 97, paragraph B.1)*
- Creating opportunities forum for tackling serious violence (£3.7 million – HO, DWP, DCMS, DHSC, DfE): This pilot will work with the private and third sectors to generate employment opportunities and wraparound support packages for vulnerable young people at risk of serious violence. *(Page 97, paragraph B.1)*
- Early intervention (£1.8 million – MoJ, HO, MHCLG, DHSC): This pilot will work with police and health specialists to better join up services for police forces to manage offences outside of court, understand which interventions are effective, and improve data on the impact of the interventions on reoffending. *(Page 97, paragraph B.1)*

LGA view

- The Shared Outcomes Fund projects which focus on reducing reoffending and tackling serious violence are positive. However if we are to tackle the underlying causes of offending, including serious violence, we need to see long-term and sustainable funding in local public sector and voluntary services, particularly in early intervention and prevention initiatives.

Domestic abuse

The Chancellor announced that:

- SR20 also provides £98 million of additional resource funding, bringing total funding to £125 million, to enable local authorities to deliver the new duty to support victims of domestic abuse and their children in safe accommodation in England *(Page 74, paragraph 6.61)*

LGA view

- Domestic abuse can have a long-term and devastating impact on families and particularly children. The announcement of £98 million of additional resource funding to enable local authorities to deliver the new duty to support domestic abuse victims and their children in safe accommodation is therefore welcome. However, it is not yet clear how this figure has been calculated and whether it will meet the full costs of the new proposed duty.
- The new funding needs to fully account for any increases in demand for services, and any additional burdens identified by local needs assessments when the duty comes into force in April 2021. Children have been added into

the statutory definition of domestic abuse, so it will be important to assess whether additional provision is required and therefore whether councils need additional funding to meet the new proposed duty.

- One-off, short term grants do not allow for long-term planning or consistency in service, which is why long-term and sustained investment is needed. Transitional funding is also required to provide support for current domestic abuse services due to close at the end of the next financial year.
- In order to transform the response to domestic abuse, a joined-up approach is needed, providing a broad range of support packages to assist victims of domestic abuse and intervene with perpetrators to change and prevent their behaviour. This is why we have called for greater investment in early intervention and prevention programmes and wider community-based domestic abuse support, as well as greater investment in perpetrator programmes.
- It was disappointing to note that no funding has been allocated to the National Female Genital Mutilation (FGM) Centre, despite its vital work in supporting and protecting victims of FGM in the UK. We will continue to work with the Government on securing funding to help tackle this crime.

Asylum, refugee resettlement and modern slavery

The Chancellor announced that:

- The settlement provides £66.4 million in resource funding to the Home Office and £459.5 million in Official Development Assistance (ODA) resource funding to support and protect vulnerable people in the asylum system, to deliver refugee resettlement, and to support victims of modern slavery. (*Page 65, paragraph 6.26*)
- The cross-government refugee transitions outcomes fund will provide £10 million to the Home Office, Department of Work and Pensions, the Ministry for Housing, Communities and Local Government and councils for a pilot aimed at supporting the self-sufficiency of newly granted refugees across the UK by delivering employment support and housing support. (*Page 98, paragraph B.1*)

LGA view

- Councils play a valuable role supporting new arrivals who are starting a new life in the UK. The LGA will continue to work with Government to build a joint understanding of local government's key role in asylum, resettlement and supporting victims of modern slavery, and to address the costs to councils of that support. It is not clear whether these announcements will tackle the lack of funding which has been a barrier to participation, and hinders our joint efforts to reduce the pressures in areas with large numbers of asylum-seeking adults and children.

Counter-terrorism

The Chancellor announced that:

- SR20 provides the UK Intelligence Community (UKIC) with a £173 million funding increase in 2021/22, representing a 5.4 per cent average annual real-terms increase since 2019/20. It also includes over £1.3 billion of capital investment from 2021/22 to 2024-25. (*Page 56, paragraph 5.32*)

LGA view

- Local authorities will continue to do what they can to help keep communities safe from the threats from terrorism and extremism. However, it is not enough to tackle the symptoms of terrorism alone, whilst ignoring the underlying causes. It is vital that there is continued investment in prevention work at a local level, to aid wider efforts to protect the public and build resilience, including initiatives to support integration and counter extremism and prevent radicalisation.
- The Government has withdrawn funding for the Special Interest Group on Countering Extremism (SIGCE), which has been a significant and agile force in supporting both local and national Government's efforts to counter extremism, tackle hate crime and help counter the ideology that can draw individuals into terrorism and criminality. We believe the SIGCE remains key to addressing rising tensions in many areas, and in supporting wider efforts to prevent terrorism. We urge Government to continue to invest in the SIGCE to support local authorities to build resilience and help stop division and polarisation from taking hold.

Online harms

The Chancellor announced:

- £45 million for programmes to drive growth through digital technologies and data, while improving online safety and security. (*Page 81, paragraph 6.86*)

LGA view

- Councils have important statutory responsibilities in supporting those exposed to online harms, including in relation to child sexual exploitation, mental ill-health (particularly children and young people), suicide prevention, radicalisation, and the online abuse and harassment experienced by councillors and senior local government officers. We therefore welcome the Government's recognition of the importance of improving online safety and security as the digital environment continues to innovate and grow in scope and scale.

Local Government Cyber Security

The Chancellor announced that:

- The underlying core settlement for local authorities in 2021/22 includes...providing £16 million to support modernisation of local authorities' cyber security systems. *(Page 75, paragraph 6.66)*
- SR20 also provides continued investment in the National Cyber Security Programme, funding transformational cyber security projects to support departments, the private sector and wider society. This investment will enable the UK to stay at the forefront of global action to secure a safe digital future and successfully adopt new technology to drive resilience and economic growth. *(Page 69, paragraph 6.44)*

LGA view

- The LGA welcomes the announcement of specific local government cyber security funding in this review. £16 million for the next financial year is a sizeable step in the right direction.
- It is currently unclear as to how the Treasury intend to allocate this money and whether or not further funding from the National Cyber Security Programme will also be directed toward reducing cyber security risk in local government.
- It is critical that local government receives sufficient funding for councils to address the cyber security risk they currently face, and meet the competing assurance demands of different central Government departments and agencies.
- We look forward to meeting with the Cabinet Office and the Ministry of Housing Communities and Local Government to understand how this £16 million will be allocated, and how any further funds from the National Cyber Security Programme will be spent.

Culture, tourism and sport

The Chancellor announced that:

- This settlement includes the following priority outcomes:
 - Increase economic growth and productivity through improved digital connectivity
 - Grow and evolve our sectors domestically and globally, in particular those sectors most affected by COVID-19, including culture, sport, civil society, and the creative industries. *(Page 81, paragraph 6.90)*

LGA view

- Culture and the creative industries, tourism and sport services are among those that have been hardest hit by COVID-19, yet have the potential to contribute significantly to economic recovery and personal resilience over the forthcoming years. The recognition throughout the Spending Review of their importance is a positive sign, including their explicit inclusion in the objectives for the UK Shared Prosperity Fund and Levelling Up Funds.
- However, leisure services are in need of an immediate injection of funding if they are to keep services going and to enable them to benefit from the

capital investments announced today. It is important that Government announces a second investment on top of the £100 million already announced.

Holiday Activities Fund

The Chancellor announced that:

- The Government will also provide £220 million for the Holiday Activities and Food programme to provide enriching activities and a healthy meal for disadvantaged children in the Easter, Summer and Christmas holidays in 2021. This provides funding up to the end of 2021-22 and supports the Government's commitment to establish a Flexible Childcare Fund to increase the availability of high quality and affordable flexible childcare. *(Page 45, paragraph 4.14)*

LGA view

- We are pleased that the Government has recognised the vital role of councils in providing consistent health and wellbeing support for children in disadvantaged and low-income families. To secure better outcomes it is vital that this support is provided in the context of a properly recognised and resourced local safety net and a genuinely preventative approach to addressing multiple disadvantage.
- We hope that when further detail emerges on the coming year's approach to the Troubled Families programme it enables vital links to be made between this support and wider preventative approaches to improving children's health and wellbeing.
- It is disappointing that there are no proposals for putting local welfare funding on a more sustainable footing to ensure a consistent approach to locally-led support to address financial hardship and economic vulnerability.

Note of last Environment, Economy, Housing & Transport Board meeting

Title: Environment, Economy, Housing & Transport Board
Date: Tuesday 7 July 2020
Venue: Zoom

Attendance

An attendance list is attached as **Appendix A** to this note

Item	Decisions and actions
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1 Declarations of Interest

There were no declarations of interest.

Apologies were received from Cllr Darren Rodwell. Cllr Chris Hammond acted as Lead Member for the Labour Group during the meeting.

Apologies were received from Cllr Nick Rushton. Cllr Catherine Rankin attended as a substitute for Cllr Rushton.

Apologies were received from Cllr Rachel Blake. Cllr Tom Haye attended as a substitute for Cllr Blake.

Apologies were received from Cllr Phillip Glanville. Cllr Peter Mason attended as a substitute for Cllr Glanville.

Cllrs Tim Hodgson and Diana Moore attended the meeting as observers.

2 Rail Delivery Group Presentation

Andy Bagnall, Chief Strategy Officer from Rail Delivery Group (RDG), trade body for the rail industry, gave a presentation to the Board on RDG's response to the pandemic and approach to the future of rail.

RDG performs functions essential to the running of rail including ticketing (redistributing ticket sales to operators), reservations, and providing timetabling information to passengers, as well as policy development, lobbying and advocacy. It counts both private sector train operators and Network Rail as members.

During the pandemic, RDG worked to keep the rail operating and passengers safe. Andy praised the Emergency Measures Agreements (EMAs) put in place by Government (but due to expire on 20 September), which protected the rail industry, ensured key workers could travel to work

Item Decisions and actions

Action

and freight lines could continue operating, thereby keeping goods on supermarket shelves. The challenge for RDG now is to restore the railway and support Government to get right the balance between economic and health outcomes.

Andy detailed the long-term, radical reforms to rail that RDG would like to see emerge from the crisis which included;

- Full scale fare reform (current pricing fails to reflect the way people travel. Peak and Off-Peak tickets create an artificial cliff edge, a smoother approach to pricing would smooth demand and provide a better customer experience. RDG estimate this could grow journeys by £300 million over 5 years – and provide environmental benefits.
- Full roll out of pay as you go and tap in, tap out allowing for multi-model fare options as seen across the TfL network in London.
- Abolishing the franchising system (replacing the franchise system with, in commuter urban areas, concession contracts (e.g. London Overground) which makes the best use of limited capacity and lines up the railway timetable more effectively with other modes of transport. However, where there is room for growth, less specified contracts – ‘outcome-based contracts’ - will drive growth and revenue.
- A new National Rail Body - Government should set the strategy and levels of public spending and a new, arm’s length National Rail Body would be best placed to run day to day operations and keep operators and infrastructure compatible and accountable. This approach could accelerate devolution as with a more coherent overarching framework it would be possible to devolve contracting (such as city regions) and allow greater local input into the specifications of contracts, as well as clearer accountability.

These measures would entice passengers back to the railway.

RDG believes that these reforms would see a railway that emerges from the current crisis stronger and more accountable to the customer whilst also serving the environmental agenda and is looking for a coalition of support from the LGA and local government.

RDG is supportive of HS2 (the first new mainline in a century), which Andy insists is an investment in the existing network, an important alternative to domestic air travel which will also free up a huge amount of capacity on the railway.

In the discussion that followed the following points were raised:

Item	Decisions and actions	Action
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- That any reforms should improve connectivity to and within the regions
- Members welcomed the report, and particularly appreciated the 8-point plan, especially bringing decision making 'closer to home'
- Swipe/tap in/out technology roll out across the network is highly desirable
- Members questioned how to make Network Rail perform better and be more reactive to the requirements of the network.
- That any new National Rail Body must also be accountable communities through councils.
- That Network Rail (as the infrastructure provider) by definition is slower moving and less innovative than the operators (who are more responsive to passengers).
- That longer contracts are desired as they create a longer period for an investment profile, however it was recognised that this would likely be front loaded
- Concerns were raised that Government may use the crisis to centralise and views were expressed that Network Rail must not be put in charge
- That there could be scope for competition in rail for long distance journeys

Decision

The Environment, Economy, Housing and Transport Board noted the presentation.

3 Climate Change: Decarbonising the Grid

Jo Wall, Local Partnership's Strategic Director for Climate Response, gave a presentation to the Board on the current state of the energy grid, what steps might be taken during the next 30 years to achieve the UK's carbon neutral ambitions and what challenges local government faces in this pursuit.

Jo explained that;

- Public opinion concerning renewables is very high, enjoying 84 percent public support (slightly less for onshore wind 78 percent). However, many local communities are averse to on shore wind.

Item	Decisions and actions	Action
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- The transition of heat and transport on to the electricity network plus population growth, has resulted in a rise in demand for electricity of 50%.
- In order to achieve net zero carbon ambitions less energy must be consumed, everything must be able to run from electricity, and we must address the 40% of energy that still comes from fossil fuels.
- now. Carbon capture and storage is in its infancy and not viable. This has not yet been delivered at scale commercially, and methane leakage is a concern.
- Storage solutions must be found – hydrogen and other emerging technologies (compressed air storage) could help with this issue.
- Wind turbines currently produce more power for the grid than there is demand for, therefore they are often seen standing idle. Wind Turbines are easy to switch off (nuclear power is not easy to switch off).
- Nuclear power is currently required and there is still a projected shortfall meaning it may continue to be needed in future. However, the UK has an aging fleet of nuclear reactors and the cycle for a new reactor from conception to operation is at least 25 years.
- The challenge with brownfield sites is they are often allocated for other planning uses which are more valuable, solar/wind cannot compete with housing values.
- Decarbonising the grid will be achieved by delivering change at a scale of pace, but largely within the framework we recognise now.

In the discussion that followed the following points were raised:

- Members expressed frustration that in the current system local authorities are unable to invest ahead of need and therefore cannot make the grid fit for the future without a change in legislation.
- Views were expressed that Government should provide incentives and the money required to assist councils with community energy projects and keep current hubs operating
- Views were expressed that a balanced and honest debate should take place about Nuclear energy which will continue to be needed in future. It was felt that there is too much focus on wind and solar without letting public know that nuclear is needed too
- Concerns were raised that relaxing planning regulations too much would result in wind farms in inappropriate areas

Item Decisions and actions

Action

- That barriers should be removed, and success stories shared – local government have access to information on what will make the best and biggest difference and then encouraged and incentivised to make these changes occur at pace
- That local communities benefit from being actively educated about decarbonising the grid and what benefits it will produce for the individual, community and environment
- Views were expressed that a more strategic approach should be taken by councils e.g. allocation of sites in local plans and the earmarking of most appropriate locations

Decision

The Environment, Economy, Housing and Transport Board agreed to note the presentation.

Action

Officers will consider what key messages the EEHT Board want to take forward.

4 Planning with Simon Gallagher (confidential)

Simon Gallagher, Director of Planning at the Ministry of Housing, Communities and Local Government, addressed the EEHT Board.

Simon gave thanks to local councils as local planning authorities for how they have responded throughout the pandemic to keep the planning system moving, praising councils for being innovative and finding new ways of working, noting the importance of capturing this learning.

Simon discussed the Business and Planning Bill and explained that it was designed to provide support to the economy and construction sector. The Bill would deal with the issue of expiring planning permissions and settle the issue of digitalisation through changes to the current legislation. However, he explained that the matter of five-year land supply has not yet been settled.

Simon acknowledged the Prime Minister's recent speech on planning reform and the new permitted development rights explaining that these had been designed to provide short run support to the economy through 'building upwards', enabling demolition and the rebuilding of redundant office and commercial buildings and increasing flexibility within the use classes order.

Simon encouraged Members of the Board to be guided by the Building

Item Decisions and actions

Action

Better Building Beautiful Commission report for a steer on Government priorities and intentions regarding the future of the planning system. Simon expressed support for local design codes, and a wish to see future Local Plans based on civic engagement, with proposals that are consistent with Plans developed in this way being fast tracked through the planning system in future.

In the discussion that followed the following points were raised:

- Concern that developers will wait to hear what the new system and rules will look like before submitting applications/building homes they have already received permission to build
- Frustration that recommendations from the Letwin Review have not been implemented
- Frustration regarding build out rates
- Frustration that 'Build Better, Build Beautiful' is not compatible with the new permitted development rights given that the first requires standards be adhered to whereas PDR builds are not required to meet design standards of any kind, let alone locally agreed design standards
- Frustration that Government is willing to provide 'certainty' for developers but has not provided certainty to local authorities, local communities or those in need of housing
- Localised and decentralised planning fees should be introduced
- Concern that the planning system is not sufficiently competitive, that the monopoly of big developers has led to land banking and that smaller developers should be encouraged and incentivised in order to break the monopoly and deliver more homes. 'Micro sites' should be allocated in Local and Neighbourhood Plans to provide more diversity of site provision, achieve faster build out rates and produce a more complete market

Decision

This item was for noting.

Action

Officers to invite Simon Gallagher to a future EEHT Board Meeting.

5 Economic Recovery

Eamon Lally, Principal Advisor, introduced the Economic Recovery paper and welcomed comments from Members of the Board.

Item Decisions and actions

Action

In the discussion that followed the following points were raised:

- Disagreement with the suggestion of linking economic recovery work to the proposed local government restructure and concern that speculation on this matter by Ministers causes great uncertainty to workforces and makes partnership working more difficult
- Lack of confidence that Business Rates Reform is fit for purpose
- It was acknowledged that the LGA is agnostic on local government structures (and by extension restructures) out of necessity.
- Members welcomed paragraph 15 of the report in particular which made reference to local government's superb delivery of support to businesses during the pandemic, especially grant and loan allocations.
- Members of the board agreed that where there is a shortfall in spend of grants allocated for businesses, the LGA should lobby for the flexibility to use the surplus to support businesses not so far supported by other schemes

Decision

The Environment, Economy, Housing and Transport Board noted the update.

6 Housing, Planning, and Homelessness Update Paper

No comments were made.

Decision

The Environment, Economy, Housing and Transport Board noted the update paper.

7 Note of last meeting

Decision

The minutes of the previous meeting were agreed.

Item Decisions and actions

Action

Appendix A -Attendance

Position/Role	Councillor	Authority
	Cllr David Renard (Chairman)	Swindon Borough Council
	Cllr Christopher Hammond (Acting Vice Chair)	Southampton City Council
	Cllr Adele Morris (Deputy Chair)	Southwark Council
	Cllr Linda Gillham (Deputy Chair)	Runnymede Borough Council
	Cllr Peter Butlin	Warwickshire County Council
	Cllr Mark Crane	Selby District Council
	Cllr Mark Hawthorne MBE	Gloucestershire County Council
	Cllr Patrick Nicholson	Plymouth City Council
	Cllr Catherine Rankin	Kent County Council
	Cllr Amanda Serjeant	Chesterfield Borough Council
	Cllr Ed Turner	Oxford City Council
	Cllr Michael Mordey	Sunderland City Council
	Cllr Christopher Hammond	Southampton City Council
	Cllr Tom Hayes	Oxford City Council
	Cllr Peter Mason	Ealing Council
	Cllr Peter Thornton	Cumbria County Council
	Cllr David Beaman	Waverley Borough Council
	Cllr Diana Moore	Exeter City Council
	Cllr Tim Hodgson	Solihull Metropolitan Borough Council
Apologies:	Cllr Darren Rodwell	Barking and Dagenham London Borough Council
	Cllr Nicholas Rushton	Leicestershire County Council
	Mayor Philip Glanville	Hackney London Borough Council
	Cllr Rachel Blake	Tower Hamlets Council

Note of the last Environment, Economy, Housing & Transport Board

Title:	Environment, Economy, Housing & Transport Board
Date and time:	Tuesday 27 October 2020
Location:	Zoom Videoconference

Attendance

An attendance list is attached as **Appendix A** to this note

Item	Decisions and actions
1	<p>Welcome, Apologies and Declarations of Interest</p> <p>The Chairman welcomed and introduced members to the Environment, Economy, Housing & Transport Board meeting.</p> <p>Apologies were received from Rt Hon Christopher Pincher MP, Minister for Housing.</p> <p>Mayor Philip Glanville declared that he is Chair of London Council's Transport and Environment Committee.</p>
2	<p>Board Membership, Terms of Reference and Outside Bodies 2020-21</p> <p>The Chairman introduced the report and informed the Board that this was an annual report for approval, highlighting how the Board operates and how the LGA works to support the objectives and work of its member authorities.</p> <p>Kamal Panchal, Senior Adviser, introduced the Outside Bodies 2020-21 report and highlighted:</p> <ul style="list-style-type: none"> • Sustrans, a UK walking and cycling charity was formerly represented by Cllr Peter Thornton. • HS2 Environmental Forum may cease to exist or may be potentially on hold as no further communication has been received on future forum meetings. However, as agreed at the last Board meeting Cllr Martin Tett shall remain appointed as the representative, once further clarification of the forum is received. • Canal and River Trust was formerly represented by Cllr Peter Thornton who is looking to remain appointed, but Cllr Mark Hawthorn and Cllr Rachel Blake have both shown keen interest in being appointed to the role. <p>The Board has agreed that Cllr Peter Thornton was to remain as the representative on Sustrans and Cllr Martin Tett to remain appointed as the Conservative representative on HS2 Environmental Forum with Labour to appoint a member.</p>

Following the discussion, Members made the following comment:

- If the LGA was being represented by members on Outside Bodies or merely collating information to feedback? Presumably members would take the position of the LGA rather than their own authorities. Kamal responded that the LGA doesn't have a position on HS2 and representatives to the HS2 Environmental Forum have been chosen to represent the wide range of views on this issue and the LGA does not provide a briefing. For other Outside Bodies, it would be expected that the views of the LGA are represented.

Actions:

- Officers to check whether HS2 Environmental Forum has potentially put meetings on hold and resume in the following year.
- Lead Members to discuss Outside Bodies representatives for Canal and Rivers Trust. Officers will approach the canal and Rivers Trust to see if additional places can be provided.

Decision:

The Environment, Economy, Housing and Transport Board noted Board Membership and agreed the Terms of Reference and nominations to Outside Bodies 2020-21.

3 Planning Reforms

The Chairman informed the Board that as Rt Hon Christopher Pincher MP, Minister for Housing, has sent his apologies and would not be able to attend the meeting and that we would be looking to invite him to the following Board meeting.

Jo Allchurch, Senior Adviser, introduced the report which provided an overview of the Board's recent activity in relation to the Government's proposed planning reforms. Jo confirmed that the LGA's draft response had been cleared by Board Lead Members.

Following the discussion, Members made the following comments:

- As Rt Hon Christopher Pincher MP was unable to attend the meeting, would it be best to wait for a response from government on the consultation of the Planning for the Future White Paper or, invite him to the next Board meeting as proposed by the Chairman. Jo responded that MHCLG would not be able to provide a date as to when the Ministry will receive a response to the consultation.
- Several questions raised by the Board about the White Paper fell into grey areas and that it would be helpful to address these to the Minister as soon as possible. The Chairman responded that he was happy to take that approach to the Minister of Housing.
- Rather than waiting for a response from the Ministry and missing the opportunity, continuing a dialogue with the Minister of Housing was important before the results from the consultation were published.
- If there was a Comms plan linked to the submission? As there are a number of councils that do not have resources needed to create their own submission. Jo commented that the Comms team had press releases lined up and will continue engagement with parliamentarians.

Action:

- Invite the Rt Hon Christopher Pincher MP, Housing Minister to the next Board meeting and to engage earlier if available.

Decision:

The Environment, Economy, Housing and Transport Board noted the proposed planning reforms.

4 The future of Bus provisions in England outside of London

Andrew Jones, Policy Adviser introduced the report and briefly discussed the long-term and short-term crisis in the public transport market and the LGAs work with NAO and SYSTRA.

Antonia Gracie, Audit Manager, NAO introduced the Value for Money study into the bus industry outside of London and highlighted key recommendations from the report which include the following:

- a clear, consistent vision of the future of bus travel, that encourages and supports local authorities to make long-term plans for their own local needs.
- a detailed, transparent delivery plan with clear objectives, responsibilities and accountabilities for the Department and others.
- good quality data and measures of success.
- An active role in supporting local authorities to access evidence and experience to support improvement.
- the amount and form of funding, for both local authorities and operators, that is necessary to achieve the objectives of the bus strategy.

Neill Birch, Business Director, SYSTRA introduced initial conclusions on the work that the LGA commissioned them to undertake on councils' role in the future of public transport. Neill highlighted key potential responses which include the following:

- That authorities have the ability to inform and make decisions on future network changes, understand the impacts of potential schemes, and have the evidence to justify policy decisions, schemes, and spending.
- Immediate urgent help (skills, processes and funding) may be required for data gathering and market engagement to help inform network redesign.
- Further engagement with local authorities could lead to a better understanding of the level of inequality which exists in relation to data collection and analysis matters, and identify support requirements for areas which are lacking in ability to understand what the past, present and future looks like for their transport network.
- The need to buy in expertise, transfer knowledge and train staff, set up processes for collection, analysis and modelling, and to address lack of day-to-day staff to use data.
- Some areas do better than others, with access to good data analytics and transport modelling tools which can be used to develop informed business cases to support actions.
- Partnerships for standardised central collection, management and use of data and forecasting resources may have a role.
- Open data, e.g. operators opening up fares and routing data.

The Chairman thanked Antonia and Neill for their detailed presentations and for taking the time to address the Board.

Following the discussion, Members made the following comments:

- Personal safety in rural areas is a huge concern as people are not willing to use buses as a means of transport during COVID-19 pandemic and it cannot be assumed what may work in urban areas will work in rural areas.
- The industry will potentially get worse before it gets better. Concerns around public health, which have and will continue to have a significant impact, as government advice has suggested not to use public transport unless strictly necessary; coupled with this councils will be making cuts. Is it realistic to ask government for more support when they already have pressure to provide further funding? Neill responded that it will be challenging to get funding from government, but it is much needed in the industry to keep it going as there are many impacts involved.
- There has been a slow decline in bus use and during the pandemic, in rural areas, the use of concessionary travel has reduced as car use has increased. COVID-19 has created a new reality and people have adapted to working from home, once we get back to normal what will that look like for bus usage? Neill responded that operators they have spoken to believe that patronage has stabilised to 20-25% lower than last year and may take 12 to 18 months to get back to previous levels. There may be a shift in peaks of demand as people choose to travel later in the day. At the moment there is no definitive data to suggest what bus usage will look like post-COVID.
- More clarity is needed around funding provided by the government and the basis for that funding. Kamal responded that the LGA has been lobbying on this point and has released a press release over the weekend on this issue.

Action:

- Officers to work with SYSTRA to reflect Board's views on the buses research.

Decision:

That the Environment, Economy, Housing & Transport Board noted the conclusions of the NAO and SYSTRA reports.

5 Climate Change and Environment Update

Hilary Tanner, Senior Adviser, introduced the report which provided an update on the climate change work being carried out and included an update on the blueprint coalition, parliamentary activity, research and events and, the climate change improvement and support programme.

Hilary informed the Board that the LGA's Comprehensive Spending Review submission clearly highlighted the case that the Government should work with councils and businesses to establish a national fiscal and policy framework for addressing the climate emergency. With local plans that deliver on this agenda and invest in solutions for a green recovery and future. As the framework is

unavailable this has been brought back to the Board for their steer and comments.

Hilary also highlighted further updates including the following:

- The LGA was waiting for the government to publish the Comprehensive Spending Review.
- The latest amendment paper for the Environment Bill has been published and the LGA is looking to call for amendments to be made to the Bill.
- The government is due to set a Carbon Budget later this year, with The Committee on Climate Change due to publish its recommendations on the level of the Sixth Carbon Budget (the limit on UK emissions for 2033 – 37).
- The United Nations Climate Change Conference of the Parties will be held in the UK in November 2021.

Following the discussion, Members made the following comments:

- Improvement and Innovation Board have a climate change working group and would be good to work with them or receive updates. Hilary commented that there is an update in the report from the climate change working group and can look in the future for the Boards to share and work collaboratively
- Whether the Blueprint for accelerating climate action and green recovery at local level had been formally agreed by the Board to support the five immediate priorities. Hilary responded that the LGA has not agreed to the Blueprint document. It is an invitation that would need a formal response with no particular timeframe.
- Several local authorities are aligned to other organisations that support tackling climate emergency and it would be worth linking these bodies together to form a joint streamlined view across the sector.

Actions:

- Officers to review the blueprint document and provide more information to the Board.

Decision:

That the Environment, Economy, Housing & Transport Board noted and agreed on the update.

6 Economic Recovery

Eamon Lally, Principal Policy Adviser introduced the report which outlined the work of the EEHT and other boards on economic recovery, highlighting the challenge of moving from response to recovery as the second wave of Covid-19 hits.

Following the discussion, Members made the following comments:

- The paper could be more coherent in terms of how local economies work as there are some clear gaps in the housing market and should be referenced in the paper.
- There is a strong focus on high streets and toolkits, which has received

huge amounts of support over the last few years and it would be better for the Board to focus their resources into providing bespoke advice and support into local authorities.

- Resources Board needs to consider longer-term thinking on business rates as a result of the pandemic.

Action:

- Officers to provide an update from Resources Board on business rates.

Decision:

That the Environment, Economy, Housing & Transport Board noted the update.

7 Other Board Updates

The Chairman introduced the report which provides updates on a range of issue within the remit of the Board, including:

- Housing, planning and homelessness
- Moving traffic offences
- Pavement parking
- Decarbonisation of transport
- Flooding

Following the discussion, no comments were made by the Board.

Decision:

That the Environment, Economy, Housing & Transport Board noted the update.

8 Minutes of the previous meeting

Minutes of the previous meeting are to follow at the next Board meeting scheduled for Wednesday, 9 December 2020.

Date of Next Meeting: Wednesday, 9 December 2020, 12.00 pm, Via Zoom

Appendix A – Attendance

Position		Authority
Chairman	CLlr David Renard	Swindon Borough Council
Vice-Chair	CLlr Darren Rodwell	Barking and Dagenham London Borough Council
Deputy Chair	CLlr Adele Morris	Southwark Council
Deputy Chair	CLlr Linda Gillham	Runnymede Borough Council
		Warwickshire County Council

Committee Member	Cllr Peter Butlin	
	Cllr Mark Crane	Selby District Council
	Cllr Mark Hawthorne MBE	Gloucestershire County Council
	Cllr Patrick Nicholson	Plymouth City Council
	Cllr Nicholas Rushton	Leicestershire County Council
	Cllr Linda Taylor	Cornwall Council
	Cllr Asher Craig	Bristol City Council
	Mayor Phillip Glanville	Hackney Borough London Council
	Cllr Ed Turner	Oxford City Council
	Cllr Rachel Blake	Tower Hamlets Council
	Cllr Michael Mordey	Sunderland City Council
	Cllr Christopher Hammond	Southampton City Council
	Cllr Peter Thornton	Cumbria County Council
	Cllr David Beaman	Waverly Borough Council
	Cllr Richard Burton	East Riding of Yorkshire Council
In attendance	Antonia Gracie	NAO
	David Molony	NAO
	Neill Birch	SYSTRA
Apologies	The Rt Hon Robert Jenrick	MP

