



Resources Board

Agenda

Tuesday, 28 February 2023
2.00 pm

Hybrid Meeting - Beecham Room, 7th Floor,
18 Smith Square and Online

There will be a meeting of the Resources Board at **2.00 pm on Tuesday, 28 February 2023** Hybrid Meeting - 18 Smith Square and Online.

LGA Hybrid Meetings

All of our meetings are available to join in person at [18 Smith Square](#) or remotely via videoconference as part of our hybrid approach. We will ask you to confirm in advance if you will be joining each meeting in person or remotely so we can plan accordingly, if you wish to attend the meeting in person, please also remember to confirm whether you have any dietary/accessibility requirements. 18 Smith Square is a Covid-19 secure venue and measures are in place to keep you safe when you attend a meeting or visit the building in person.

[Please see guidance for Members and Visitors to 18 Smith Square here](#)

Catering and Refreshments:

If the meeting is scheduled to take place at lunchtime, a sandwich lunch will be available.

Political Group meetings and pre-meetings for Lead Members:

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: labgp@lga.gov.uk
Independent:	Group Office: 020 7664 3224	email: independent.grouplga@local.gov.uk
Liberal Democrat:	Group Office: 020 7664 3235	email: libdem@local.gov.uk

Attendance:

Your attendance, whether it be in person or virtual, will be noted by the clerk at the meeting.

LGA Contact:

Emilia Peters
emilia.peters@local.gov.uk

Carers' Allowance

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

Resources Board – Membership

[Click here for accessible information on membership](#)

Councillor	Authority
Conservative (7)	
Cllr Richard Wenham (Vice Chairman)	Central Bedfordshire Council
Cllr David Leaf	Bexley Council
Cllr Mark Hawthorne MBE	Gloucestershire County Council
Cllr Nicholas Jones	Bury Metropolitan Borough Council
Cllr Phillip King	Harborough District Council
Cllr Rory Love OBE	Kent County Council
Cllr Roger Phillips	Herefordshire Council
Substitutes	
Cllr Andrew Jamieson	Norfolk County Council
Cllr Steve Count	Cambridgeshire County Council
Cllr Jonathan Smale	Derby City Council
Labour (7)	
Cllr Peter Marland (Chair)	Milton Keynes Council
Cllr James Lewis	Leeds City Council
Cllr Cathy Mitchell	Warrington Borough Council
Cllr Ed Turner	Oxford City Council
Cllr Peter Mason	Ealing Council
Cllr Shama Tatler	Brent Council
Cllr Terry Paul	Newham London Borough Council
Substitutes	
Cllr Abdul Jabbar MBE	Oldham Metropolitan Borough Council
Cllr Stephanie Cryan	Southwark Council
Cllr Kate Groucutt	St Helens Metropolitan Borough Council
Liberal Democrat (2)	
Cllr Keith House (Deputy Chair)	Eastleigh Borough Council
Cllr Richard Kemp CBE	Liverpool City Council
Substitutes	
Cllr Michael Headley	Bedford Borough Council
Independent (2)	
Cllr Jason Zadrozny (Deputy Chair)	Ashfield District Council
Cllr Phelim Mac Cafferty	Brighton & Hove City Council
Substitutes	
Cllr James Hakewill	North Northamptonshire Council
Cllr Zoe Nicholson	Lewes District Council
Cllr Nicola Dillon Jones	North Kesteven District Council

Agenda

Resources Board

Tuesday, 28 February 2023

2.00 pm

Hybrid Meeting - 18 Smith Square and Online

Item	Page
1. Welcome, Apologies and Substitutes, Declarations of Interest	
2. Equalities Advocate and Outside organisation appointment	1 - 2
3. Local Government Finance Update	3 - 10
4. Fair and effective debt management, advice and support	11 - 16
5. Workforce capacity in local government	17 - 34
6. Workforce Update	35 - 48
7. National collective agreement for schoolteachers' pay and conditions (Burgundy Book) - Workforce Update	49 - 54
8. Minutes of the previous meeting held on 15 November 2022	55 - 60

Date of Next Meeting: Wednesday, 10 May 2023, 2.00 pm, Hybrid Meeting - 18 Smith Square and Online

Meeting: LGA Resources Board

Date: 28 February 2023



Equalities Advocate and Outside Organisation Appointments

Purpose of report

For approval

Summary

This report sets out the Equalities Advocate and nominations to Outside Bodies for the 2022/23 year.

Recommendation

That Members of Resources Board approve the following:

- a) Agree the appointment of a Bard Equalities Advocate for 2022/23
- b) Agree the Membership of any Outside bodies 2022/23

Contact details

Contact officer: Emilia Peters

Position: Member Services Officer

Phone no: 0777 668 0346

Email: emilia.peters@local.gov.uk

Equalities Advocate and Outside Organisations Appointments



Equalities Advocate Appointment

1. The Executive Advisory Board asked each Board to identify a member to be an Equalities Advocate to raise the profile of any equalities issues within the Board's work.
2. It is proposed that Cllr Terry Paul be the Board's Equalities Advocate.

Appointment to Outside Bodies

3. The Board is asked to agree its representative on the external body below:

Organisation / contact details	Background	Representative for 2022/23	LGA Contact Officer
Enforcement Law Review Group	A forum working for best practice and professionalism amongst organisations involved in personal debt enforcement. Normally ELRG meets formally only when there is a need. The meetings are usually held at The House of Lords.	To be confirmed at Board	Rose Doran, Senior Adviser Rose.doran@local.gov.uk

Financial Implications

4. No financial implications

Equalities implications

5. This appointment of an Equalities Advocate is to ensure that consideration is given to the extent to which equality, diversity and inclusion (EDI) and human rights have information and are impacted by, topics covered

Meeting: LGA Resources Board

Date: 28 February 2023



Local Government Finance update

Purpose of report

For information.

Summary

1. This report provides a summary of the work by the LGA on funding and finance issues since the last Board meeting on 15 November 2022 including the final 2023/24 Local Government Finance Settlement, the Local Government Finance Policy Statement from the Government, our approach to the Spring Budget on 15 March 2023, and updates on business rates and local external audit.

Is this report confidential? No

Recommendation

That Members of Resources Board note this update.

Action

Officers will proceed with the delivery of the LGA's work on local government finance matters, keep members of Resources Board updated on developments and seek the views of the Board where possible or of Resources Board Lead Members.

Contact details

Contact officer: Nicola Morton

Position: Head of Local Government Finance

Phone no: 0207 7664 3197

Email: nicola.morton@local.gov.uk

Local Government Finance update



Introduction

1. This report provides a summary of the work by the LGA on funding and finance issues since the last Board meeting on 15 November 2022 including the final 2023/24 Local Government Finance Settlement, a Local Government Finance Policy Statement from the Government, the LGA's approach to the Spring Budget on 15 March 2023, and updates on business rates and audit issues.

Summary of the Final Local Government Finance Settlement

2. On 6 February the Secretary of State for Levelling Up, Housing and Communities delivered the final local government finance settlement 2023/24 via a [written ministerial statement](#). The [published data](#) shows that there was limited change from the provisional settlement, which itself broadly reflected the Autumn Statement in November 2022.
3. There will be a potential increase of 9.4% in Core Spending Power (CSP) available to local authorities in 2023/24, assuming all local authorities raise council tax by the maximum allowable without a referendum. The increase in CSP includes:
 - An increase in Revenue Support Grant of 10.1 per cent in line with the September 2022 Consumer Prices Index. The business rates Baseline Funding Level and the multiplier under-indexation grant, taken together, also rise by 10.1 per cent.
 - Over £2 billion of new grant funding for social care. The Government has published an [explanatory note](#) on these funding streams. They include:
 - A £1.3 billion increase in the social care grant which can be used for both adults and children's social care (this is funding previously set aside for charging reforms which have been delayed)
 - £400 million of new grant funding within the Adult Social Care Sustainability and Improvement Fund, added to the 2022/23 £162 million Market Sustainability and Fair Cost of Care Fund.
 - A new £300 million Adult Social Care Discharge Fund.
 - New Homes Bonus (NHB) worth £291 million for 2023/24. There will no longer be any NHB legacy payments.
 - A reduction in the un-ringfenced Services Grant from £822 million in 2022/23 to £483 million in 2023/24.
 - A new Funding Guarantee of £133 million which will give all authorities an increase of 3 per cent in CSP before any decisions about council tax levels for 2023/24. This will go to 159 councils, of which 154 are shire districts, 3 are fire and rescue authorities and 2 are unitary authorities.

- An increase in the Rural Services Delivery Grant by £10 million to £95 million.
 - Council tax referendum principles of:
 - a core increase of 3 per cent for all councils, with a 3 per cent or £5 increase (whichever is higher) for shire districts;
 - a 2 per cent adult social care precept for adult social care authorities;
 - a £5 increase for fire and rescue authorities;
 - a £15 increase for Police and Crime Commissioners;
 - a £23.55 increase for the non-police element of the Greater London Authority;
 - no referendum principles for Combined Authorities or town and parish councils.
4. An additional council tax flexibility of 5 per cent for Thurrock and Slough, and 10 per cent for Croydon, on top of previously announced referendum principles. These additional flexibilities are not included in the CSP figures.
 5. Four specific grants, worth a total £239 million, were consolidated into the settlement keeping their existing distribution.
 6. The Government has also announced an additional £100 million outside of CSP to deliver support to those already receiving council tax support, and for councils to determine local approaches to support other vulnerable households in their area. [Guidance](#) for the funding was issued by DLUHC along with funding allocations.
 7. The Government announced authorities will receive a one-off share of £100 million of accumulated surplus from the business rates levy account. This will be returned to the sector based on each local authority's 2013/14 Settlement Funding Assessment. This is not in CSP.
 8. The LGA issued a [press release](#) on the day of the final settlement and [briefed](#) MPs ahead of their debate and vote on the settlement on 8 February. On the day the provisional settlement was announced, we issued a [press release](#) and an [on the day briefing](#), highlighting key information from the settlement. We responded to the settlement consultation. The [response](#) was cleared by the LGA Chairman, Group Leaders and Resources Board Lead Members.

Local government finance policy statement 2023/24 to 2024/25

9. Ahead of the provisional finance settlement on 12 December the Government published a [local government finance policy statement](#) covering both 2023/24 and 2024/25. As well as the announcements for 2023/24 set out above, it included the following information for 2024/25:
 - The Review of Relative Needs and Resources and a reset of accumulated business rates growth will not be implemented in this Spending Review period, although the Government said that it remains committed to improving the local government finance landscape in the next Parliament.
 - Continuation of the same core referendum principles as in 2023/24 – 3 per cent basic plus a 2 per cent adult social care precept for authorities with adult social care responsibilities.

- Revenue Support Grant will continue and be uplifted in line with Baseline Funding Levels so that councils receive an increase equivalent to the September 2023 level of the Consumer Prices Index (CPI).
 - The Social Care Grant and other social care grants will increase as set out at the 2022 Autumn Statement.
 - Local authorities can also expect to receive new income, subject to the Extended Producer Responsibility for Packaging (pEPR) coming into force during 2024/25. The Government will assess the impact of additional pEPR income on the relative needs and resources of councils, particularly shire district councils.
10. The statement also encourages local authorities to consider how they can use their reserves to maintain services in the face of immediate inflationary pressures, taking account of the need to maintain appropriate levels of reserves to support financial sustainability and future investment and says that the Government will explore releasing a user-friendly publication of the reserves data. It will consult further with trusted partners, including the LGA, about doing this.
11. The LGA has been in contact with DLUHC officials to discuss their plans and timetable in relation to their work on reserves. The LGA will be involved as the work progresses. LGA officers are undertaking work to understand recent changes in council reserves to ensure that the LGA is well-placed to engage with DLUHC on this issue.

LGA Submission to the 2023 Spring Budget

12. The Chancellor's 2023 Spring Budget will take place on 15 March 2023 and will include Office for Budget Responsibility (OBR) forecasts for the economy. Given the short timescales between the 2022 Autumn Statement, 2023/24 Finance Settlement and the 2023 Spring Budget, and the fact that additional resources were secured as part of the announcements in 2022, the Chairman and Group Leaders agreed that the LGA's submission to the 2023 Spring Budget would be a letter focussing on some key priority areas.
13. The [letter to the Chancellor of the Exchequer from](#) the Chairman and Group Leaders sets out the priorities for local government where public finance interventions would help councils remain financially sustainable and deliver on shared priorities. It focuses in particular on current financial challenges in relation to housing and homelessness, children's social care, adult social care, culture and leisure services, devolution, net zero and local government finance.

LGA finance conference 2023

14. The LGA held its annual [Finance Conference](#) on 10 January chaired by Cllr Pete Marland. The conference focussed on key finance issues including the 2023/24 settlement and the longer-term outlook for local government in the current economic climate. Keynote speakers included Lee Rowley MP, Parliamentary Under Secretary of State (Local Government and Building Safety), and Sarah Owen MP, Shadow Minister (Levelling-up, Housing, Communities and Local Government) and speakers from the Institute for Fiscal Studies.
15. It was an in-person event and was fully sold out. Attendees provided very positive feedback following the event.

Business Rates

16. In the [2022 Autumn Statement](#) the Government announced that:
- The 2023 business rate revaluation will go ahead from 1 April 2023 with a transitional relief scheme funded by the Government. The draft 2023 list was published by the Valuation Office Agency on the same date;
 - The business rates multipliers will be frozen in 2023/24 at their 2022/23 levels;
 - Support for eligible retail, hospitality, and leisure businesses is being extended and increased and there is support for the smallest businesses losing eligibility or seeing reductions in Small Business Rates Relief or Rural Rate Relief. [Guidance](#) has now been published for all these reliefs.
 - A delay until April 2024 of the previously announced relief for business for improvements to property;
 - The Government announced local authorities will be compensated for the loss of income due to these measures including for administrative and IT costs.
17. In December 2022, the Government also [published](#) final figures for the distribution of the Covid-19 Additional Relief Fund (CARF). Of the £1.5 billion allocated, 80 per cent was distributed to businesses by councils.

Energy Bills Support Scheme – Alternative Energy

18. The Energy Bill Support Scheme – Alternative Funding scheme was [announced](#) in December by the Department for Business, Energy and Industrial Strategy (BEIS) (now the Department for Energy Security and Net Zero (DESNZ)). This scheme covers households who are not eligible for the main Energy Bill Support Scheme as they do not have a direct relationship with a domestic electricity supplier, such as residents of park homes and some care home residents. They will need to apply through a Government portal. The Government will perform initial checks. The role of billing authorities is to perform final checks and distribute payments.
19. At the time of writing, the scheme is due to commence on Monday 27 February, having been postponed from 27 January. DESNZ has sent councils draft guidance on the scheme, details on the digital management solution, data sharing agreements and grant determination letters covering funding to local authorities for support payments and new burdens funding, which they are planning to pay in the week starting 20 February.
20. Graham Stuart MP, Minister of State in the Department of Energy Security and Net Zero wrote on 9 February to Leaders, copied to Chief Executives and section 151 officers confirming that the EBSS AF will start on February 27, and also announced that councils will be responsible for delivering the Alternative Fuel Payment (AFP) for those without a direct relationship with their energy supplier, estimated at around 10 per cent of the total entitled to the AFP.
21. We are in touch with DESNZ on these schemes and have commented on drafts of guidance. We have also picked up concerns from councils that they are being

required to implement this at the busiest time of the year for revenues and benefits teams and we have made this point to DESNZ and other government departments.

Local Authority Accounts and Audit

22. In December, CIPFA and DLUHC published an [update to the accounting code](#) and a [statutory override](#) to the Capital Finance and Accounting Regulations to provide a temporary solution (until 2024/25) to the infrastructure assets problem. CIPFA also published a bulletin for practitioners ([CIPFA Bulletin 12](#)) which covers both the update to the code, the statutory provisions and other relevant guidance. The changes made should now enable completion of many of the 2020/21 accounts that had been stalled and allow finalisation of the 2021/22 accounts to progress. Resources Board Lead Members approved a [response](#) to a [very quick consultation](#) supporting the action, prior to the override being made.
23. We are continuing discussion with DLUHC about a long-term solution to the problems facing local audit. In conjunction with the IDeA Board and the Chairman of the LGA we are hoping to set up a round table with the relevant Minister and new Director of Local Audit at the Financial Reporting Council and other relevant stakeholders.

Capital and investments

24. Members will recall that we submitted the [response](#) to the [consultation](#) on the future of the [statutory override](#) for International Financial Reporting Standard 9 (IFRS 9), mitigating the impact of fair value movements of pooled investment funds. The override means that councils do not have to reflect nominal (or “paper”) fluctuations in the values of pooled investment funds in their revenue accounts and so don’t have to cover these with real money in the short term. The LGA’s response, which was cleared at the September meeting of Resources Board, argued that as a minimum the statutory override should be extended, though preferably it should be made permanent. In December DLUHC informed Chief Finance Officers that Ministers have decided to extend the override for a further 2 years until 31 March 2025. We expect DLUHC to publish the full response to the consultation shortly; we expect that to give further details about what will happen at the end of the two-year extension.

Implications for Wales

25. We are in regular contact with the Welsh LGA and the other local government bodies in the devolved nations to exchange intelligence, ideas and consider joint work on local government finance.

Financial Implications

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

Equalities implications

27. This paper outlines how the LGA is working on a range of initiatives on finance and funding issues. These issues affect councils and their residents as a whole and it is difficult to assess what individual impacts there are on people with protected characteristics. Improving the funding position of councils should help them to fund work that improves equalities. Working with the Government on improving guidance on finance should also help with enabling better outcomes.
28. The [outcome from DLUHC on the consultation on the provisional settlement](#) noted that a number of responses to the consultation included comment on the impact of the settlement (and by implication finances) on those with protected characteristics, with the majority commenting on age and some also commenting on socio economic status, with several arguing that although this is not a protected characteristic itself it does link to several protected characteristics.

Next steps

29. Members are asked to note this update.
30. Officers will proceed with the delivery of the LGA's work on local government finance matters, keep members of Resources Board updated on developments and seek the views of the Board where possible or of Resources Board Lead Members.

Meeting: Resources Board

Date: 28 February 2023



Fair and effective debt management, advice and support

Purpose of report

For information

Summary

Councils' approach to both debt recovery and support for indebted households is an important aspect of our work on supporting low-income households, particularly in the context of current cost of living pressures, which are impacting both on councils' capacity to provide support and on households' ability to manage their finances.

This paper provides an overview of some of our current lobbying and support work in this area, including work that we are commissioning for delivery in 2023/24

Is this report confidential? No

Recommendation

That members note the current work programme and make recommendations for any further concerns or challenges we need to prioritise

That members review and agree the proposals for a pilot debt maturity framework for local government

Contact details

Contact officer: Rose Doran

Position: Senior Adviser

Email: rose.doran@local.gov.uk



Fair and effective debt management, advice and support

Background

1. The LGA's work with councils on debt covers a number of key areas including:
2. Longstanding asks on the legislation, guidance and funding for council tax administration and local council tax support. In particular, we would like it to be easier for councils to implement a repayment plan without moving to a liability order. We would also like councils to have sufficient resources to provide local council tax support to all households who will struggle to meet their liabilities
3. Work with councils, Money and Pensions Service, debt advice charities and government on the local provision of debt advice, including its effective integration with other forms of advice and support
4. Work with councils on recovery and enforcement, with a recent emphasis on fair and effective support for vulnerable residents.

Debt advice

5. We are currently working with councils and the Money and Pensions Service (MaPS) to contribute to the consultation on commissioning of local debt advice
6. Councils and partners have raised concerns about the potential impact of moving away from local and face-to-face provision. The sector wants to ensure that they are able to meet the needs of residents with multiple and complex problems. They also want to ensure that debt advice and support can be effectively integrated with other forms of support, and that advice is able to draw on local knowledge and warm referrals

Fair and effective debt management

7. During 2021 we worked with the Financial Inclusion Centre and a small group of councils to develop some initial ideas and priorities for sector-led improvement on fair and effective debt management
8. Based on that work and discussions with councils and key partners through our cost of living work we are now commissioning a pilot debt maturity framework for delivery in 2023/24. More detail on the commission is provided below.
9. The framework will sit alongside, and draw on, a range of work that we are engaged in with Government and national bodies, including the Cabinet Office Fairness Group, The Financial Conduct Authority (FCA) and UK Regulators Network (UKRN) work on cost of living support and the work of the newly set-up Enforcement Conduct Board

A debt maturity framework for local government

10. This project will support the **LGA's Business Plan priority to support strong local economies through promoting long-term financial inclusion and resilience for local communities.**
11. In recent years we have seen an increasing focus on both problem debt, and on **fair and effective debt management, including in the public sector.**
12. We have also seen a developing view that there should be greater shared learning, and consistency between, the public and commercial sectors. For example:
 - The cross-government [debt strategy, standard and fairness principles](#)
 - Money and Pensions Service [UK Strategy for Financial Wellbeing](#)
 - Ministry of Justice consultation on bailiff reform
 - The [National Audit Office report into tackling problem debt](#)
 - The Financial Conduct Authority and UK Regulators Network cross sector work on Cost of Living
 - A wide range of work by debt charities and advice providers including [StepChange](#), [Money Advice Trust](#) and [Citizens Advice](#)
 - A wide range of research and ThinkTank publications, for example, the [Centre for Social Justice](#), [Joseph Rowntree Foundation](#), [Institute for Fiscal Studies](#) and [Resolution Foundation](#)
 - Development of the [Enforcement Conduct Board](#)
 - Government's [Breathing Space](#) debt respite scheme and the proposed Statutory Debt Repayment Plan
13. There is widespread recognition and concern across our sector that the pandemic and the cost-of-living crisis have exposed low levels of financial security and resilience in many households
14. In the initial scoping work councils identified the need to strengthen local approaches and share learning on the ways they communicate about liabilities and debts, recover debts, fines and monies owed to them, and support residents in or at risk of financial hardship.
15. During and since the pandemic Government has placed a renewed emphasis on local welfare support, for example through delivery of the Household Support Fund. Councils are increasingly involved in addressing financial crises, preventing hardship and building resilience. Councils have highlighted that they are keen to ensure that their approach to debt management is integrated effectively with their wider approach to promoting financial inclusion and reducing socioeconomic inequality.

The objectives of the project

16. The proposed long-term objectives of this project are:
 - To improve the fairness, efficiency and effectiveness of councils' debt management practices

- To improve financial wellbeing and related outcomes for vulnerable households
 - To contribute to greater consistency and transparency in debt management and debt support within councils, across the public sector and with other creditors
 - To ensure that fair and effective debt management is effectively integrated with a wider approach to strengthening financial resilience and reducing socioeconomic inequality
17. The immediate objective is to develop a co-designed pilot framework that has the potential to enable councils to:
- Review and benchmark their local approach to debt management, recovery and support
 - Identify areas for improvement / development
 - Access support materials, advice, guidance, learning and contacts from key partners and providers
 - Improve procurement and commissioning decisions
 - Share learning and effective practice

Implications for Wales

18. Wales has a devolved approach to debt and cost of living support. This provides us with a useful comparator for approaches taken in England and we work with WLGA to share learning where possible

Financial Implications

19. The pilot debt maturity framework will be delivered through the 2023/24 policy budget. There is scope within the commission to secure additional funding for sector-led improvement (depending on the priorities agreed within the DLUHC grant determination) and / or through funding from partners

Equalities implications

20. There is widespread recognition that a number of key groups including disabled people, women, lone parents and people from some racial and ethnic minority backgrounds are disproportionately more likely to be affected by debt and financial hardship. This is something that councils recognise within their local anti-poverty strategies and their approach to debt management, advice and support. We need to ensure that this is appropriately recognised and strengthened within our lobbying and SLI
21. There is also an increasing recognition of the vital role of tackling socioeconomic inequality in improving wider individual and community outcomes, and the importance of intersectionality of poverty with other forms of disadvantage. We will also be addressing this as part of this work

Next steps

22. Members to feed back and agree proposals for a pilot debt maturity framework for local government
23. If we can secure buy-in and resources the ultimate intention would be to host the framework as an online, interactive tool that is accessible to all English councils. We are therefore working towards a proof of concept for an interactive, online tool as part of this commission, and the design of the pilot framework will take this into account
24. We will review submissions and award the contract in March / April 2023, with a draft framework to be completed for piloting with the sector from autumn 2023.

Meeting: Resources Board

Date: 28 February 2023



Workforce capacity in local government

Purpose of report

For direction.

Summary

This report summarises the LGA's policy and improvement activity to address workforce capacity challenges in local government and seeks the Board's feedback on priorities for future activity.

Is this report confidential? No

Recommendation

That the Resources Board feed back their views of the priority issues for future policy and improvement activity to address workforce capacity challenges and how the LGA delivers those priorities.

Contact details

Contact officer: Naomi Cooke

Position: Head of Workforce

Phone no: 0207 664 3299

Email: naomi.cooke@local.gov.uk

Workforce capacity in local government



Executive summary

1. Councils are experiencing workforce capacity challenges across many services. To enable policy boards to consider specific challenges relating to their terms of reference in the context of the challenges affecting the sector as a whole, all the policy boards have been considering substantively the same report, prior to consideration of the issue in the round by Resources Board.
2. This report includes evidence of recruitment and retention challenges across a wide range of local government professions and services: all of the policy boards confirmed that this was an issue of concern in relation to services within their remit and provided examples which have informed this report. For example, the Environment, Economy, Housing and Transport raised concerns that a lack of workforce capacity will impact on councils' ability to deliver economic growth and levelling up. Low pay is a factor in all service areas: additional factors and their implications are also identified.
3. The board is asked to consider progress to date and existing support and policy offers and asks and to advise on priorities for action, while noting that it may be necessary to identify or reprioritise resources accordingly.
4. Executive Advisory Board will be asked to consider, at its meeting on 9th March, where the LGA should focus its activity to be most effective, informed by feedback from policy boards.

Background

5. Core government funding for councils was reduced by £15 billion in cash terms between 2010/11 and 2019/20. Overall, spending by local authorities in England has decreased by £3.4 billion (in real terms at 2020/21 prices). Most services have seen cuts in expenditure, such as planning (reduced by 35 per cent). The only exceptions were children's social care (increased by 28 per cent in real terms), and 'other services' (which in many cases is where councils accounted for the grants they received to deal with the pandemic response).
6. Against these reductions in spending, there have been increases in demand for most services. For example:
 - The number of looked after children increased by 25 per cent¹, those being assessed because they are believed to be at risk of significant harm increased by 99 per cent², and Ofsted noted that the complexity of cases has increased since

¹ www.gov.uk/government/collections/statistics-looked-after-children#looked-after-children

² https://lginform.local.gov.uk/reports/lgastandard?mod-metric=8915&mod-period=12&mod-area=E92000001&mod-group=AllRegions_England&mod-type=namedComparisonGroup

the pandemic began, meaning rising workloads even where the number of children on the caseloads has remained stable³;

- The number of requests for adult social care from new working age clients increased by 11 per cent⁴;
- The number of fly tipping incidents increased by 20 per cent⁵.

7. It has also been estimated that, due to demographic changes, an estimated 490,000 more people will need to be working across all providers of adult social care in England by 2035⁶.
8. As demands have increased, the size of the local government workforce has decreased. Between 2009 and 2022 the English local government staff headcount fell from 2,254,700 to 1,346,400 (full-time equivalent totals for the same periods falling from 1,584,200 to 1,022,000)⁷. This is only partly explained by academisation, as individual services have been demonstrably reduced: for example, the number of local government adult social services jobs in September 2021 was 115,100, a decrease from 159,400 in September 2011⁸.
9. The only area where staffing has clearly grown over the period is in children and families social workers, where staff levels were 25,515 in December 2011, increasing to 32,502 by September 2021⁹.
10. The picture of reducing staff numbers is worsened by problems with recruitment and retention for those posts which remain. The LGA's most recent research shows that 92 per cent of councils were experiencing recruitment difficulties in at least one occupation and 83 per cent were experiencing retention difficulties in at least one¹⁰. Recruitment problems have affected all types of authority and all types of service. Figure 1 shows, as a proportion of all councils, the most difficult to recruit occupations/ roles:

³ www.gov.uk/government/publications/childrens-social-care-2022-recovering-from-the-covid-19-pandemic/childrens-social-care-2022-recovering-from-the-covid-19-pandemic

⁴ <https://digital.nhs.uk/data-and-information/publications/statistical/adult-social-care-activity-and-finance-report/2021-22>

⁵ www.gov.uk/government/statistical-data-sets/env24-fly-tipping-incident-and-actions-taken-in-england

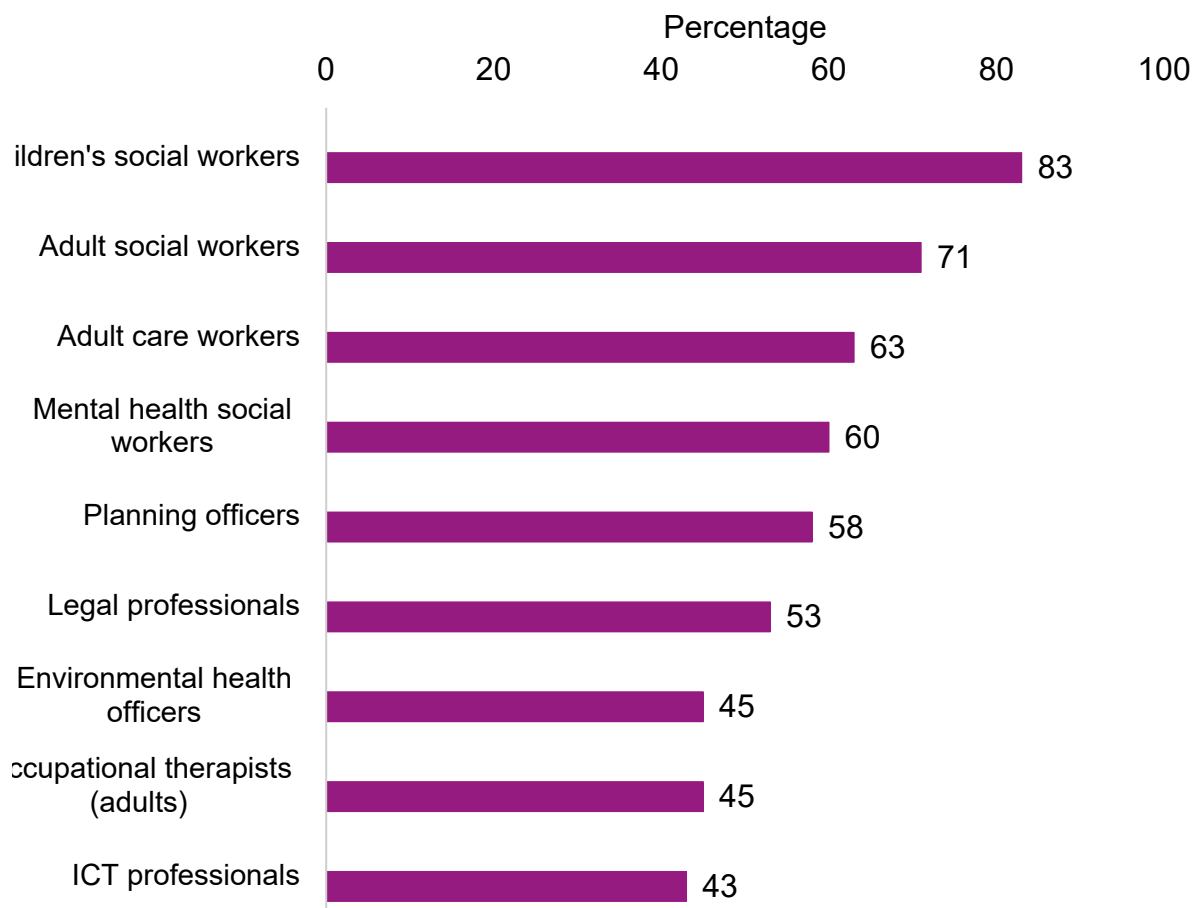
⁶ www.local.gov.uk/our-support/sector-support-offer/care-and-health-improvement/adult-social-care-workforce/asc-reform

⁷ www.local.gov.uk/publications/ons-quarterly-public-sector-employment-survey

⁸ www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/publications/Data-and-publications.aspx

⁹ <https://explore-education-statistics.service.gov.uk/find-statistics/children-s-social-work-workforce>

¹⁰ LGA Workforce Survey 2021/22 (publication imminent) (2022)



Base: all councils (119 overall, but number varies by occupation/role as the results are calculated for the type of council that holds responsibility for them).
 Source: LGA Workforce Survey 2022

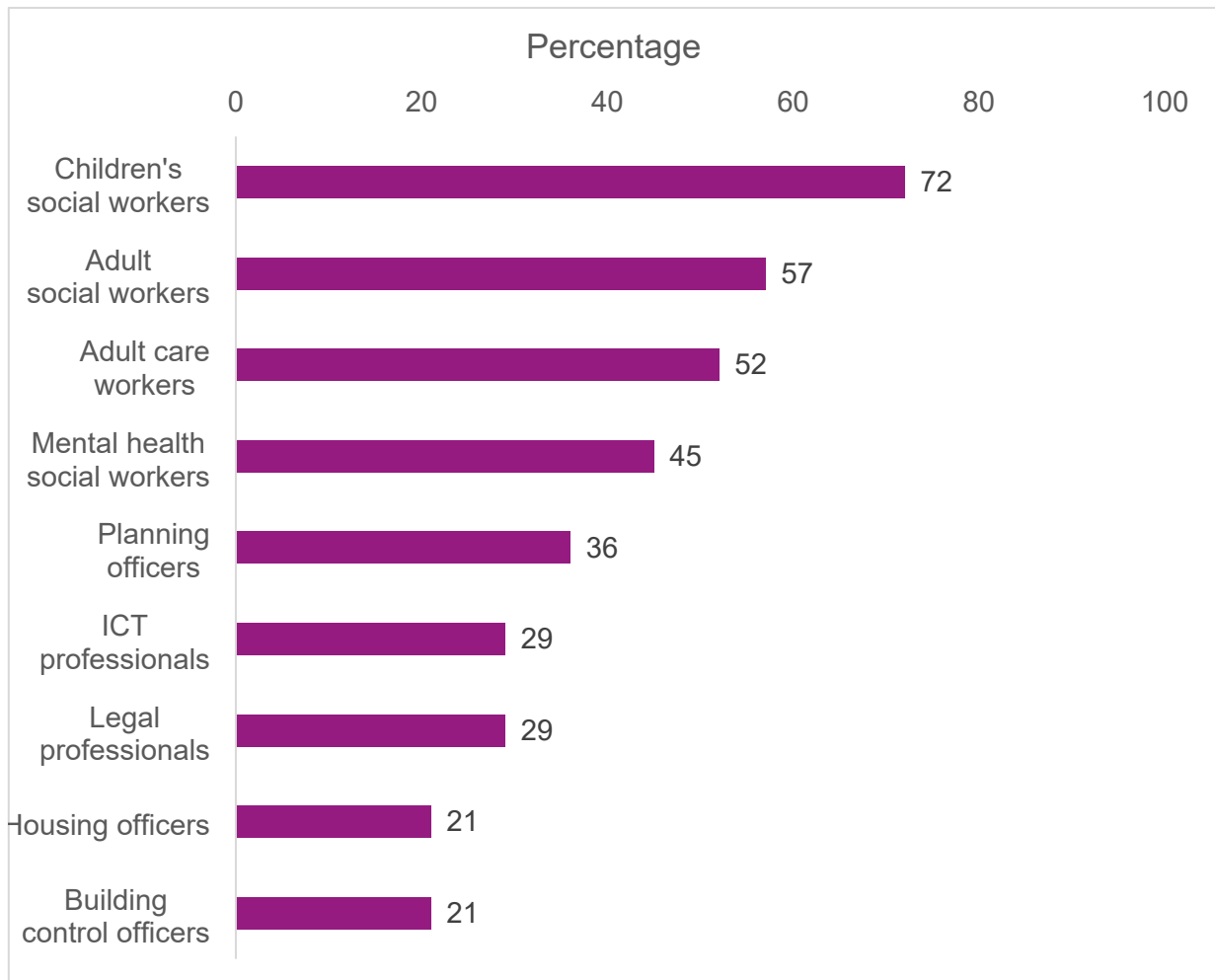
11. A further survey showed that 63 per cent of councils had experienced difficulties recruiting or retaining LGV/ HGV drivers over the past year or anticipated such difficulties¹¹. From our discussions with the Association of Chief Trading Standards Officers, it is also clear that trading standards services are experiencing challenges in recruitment.
12. The vacancy rate for children and family social workers was 16.7 per cent in September 2021¹², and 94 per cent of local authorities in early 2022 found it difficult or very difficult to fill vacancies for experienced children’s social workers¹³. The number of vacancies across all providers of adult social care increased by 52 per cent in 2021/22, by 55,000 to 165,000¹⁴.
13. Figure 2 shows that, as a proportion of all councils which run the service, the most difficult to retain occupations/ roles are often those which are challenging to recruit:

¹¹ www.local.gov.uk/publications/local-highways-weather-resilience-survey-2022

¹² <https://explore-education-statistics.service.gov.uk/find-statistics/children-s-social-work-workforce>

¹³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1123954/Childrens_services_Survey_Wave_6_Dec22.pdf

¹⁴ www.skillsforcare.org.uk/Adult-Social-Care-Workforce-Data/Workforce-intelligence/documents/State-of-the-adult-social-care-sector/The-state-of-the-adult-social-care-sector-and-workforce-2022.pdf



Base: all councils (119 overall, but number varies by occupation/role as the results are calculated for the type of council that holds responsibility for them).

Source: LGA Workforce Survey 20/22

14. Analysis of insights and research from services experiencing capacity challenges has identified the following causes (this is not a comprehensive list):
- i) **Low pay:** this is a factor in all service areas. In some parts of corporate services and in planning, people are moving to better-paid jobs in the private sector. In some areas of the country, the affordability of housing and availability of public transport impacts on the ability of councils to recruit.
 - ii) **Better hours and working conditions elsewhere:** this is a motivation for social care and public health workers, for example, who have also reported feeling burnt out and stressed. There is a perception of a lack of parity of esteem compared to the NHS workforce. Post COVID-19, planners and environmental health officers are also reported to be taking early retirement and leaving the profession and can find work in the private sector. There are also recruitment and retention challenges in housing and homelessness services where officers now have increased workloads due to Homes for Ukraine and other resettlement schemes. Some planners choose to work for agencies where they feel less personally visible in the context of politically charged decision-making and children's social workers value the flexibility provided by agency work.

- iii) **Reductions in staffing and other budgets** have led to reductions in supervision, support, learning and development as well as increased workloads. While some measures (such as moratoriums on training and recruitment freezes) were intended to be temporary in the early years of austerity, these have become permanent with long-term consequences. These can all impact on staff retention and the ability for professionals to develop additional expertise. Similarly, pressure on manager time is sometimes seen as a disincentive to taking on apprentices or other more junior roles.
- iv) **Local government is not perceived as an attractive career.** Other sectors are perceived as providing more attractive career options in light of the above, with a perceived lack of appreciation and recognition and either low public profile or negative perceptions arising from financial challenges and service failures in the sector generally. Some planners and children's social workers are exposed to significant public criticism, including via social media, without right of reply.

15. Recruitment and retention challenges are leading to the following further impacts and consequences:

- i) Because councils are competing with each other to to recruit from an increasingly limited pool of skilled officers, they are **using market supplement payments** (which were not necessarily budgeted for) to support recruitment and retention. Eighty-one per cent of councils pay them for some occupations¹⁵;
- ii) Councils are increasingly **relying on agency staff** to fill gaps:
 - Sixteen per cent of children's social workers are agency staff and proportions in some councils are at 48 per cent¹⁶ (this does not include where agencies provide entire 'project teams');
 - The Planning Advisory Service has found that some planning services have up to 80 per cent of their staff provided by agencies;
 - Twenty per cent of London authorities reported routinely using agency staff to meet capacity needs in place-shaping services¹⁷.

High turnover of social workers and residential workers and reliance on agency staff can lead to a lack of stability in relationships for children and their families¹⁸. Recent analysis for the DfE estimated that the additional cost of employing agency staff means that there is a loss of over £100 million per year that could be better spent on front-line activity to support children and families¹⁹.

- iii) It can be **difficult to recruit managers** with the required skills and experience; and pay restraint is acting as a disincentive for people to seek promotion to

¹⁵ LGA Workforce Survey 2022 (publication imminent)

¹⁶ <https://explore-education-statistics.service.gov.uk/data-tables/permalink/454afee-eb35-4226-5de6-08dad5210ff4>

¹⁷ www.london.gov.uk/what-we-do/regeneration/advice-and-guidance/helping-london-authorities-deliver-placeshaping-capacity-survey

¹⁸ www.gov.uk/government/publications/ofsted-annual-report-202122-education-childrens-services-and-skills

¹⁹ <https://childrensocialcare.independent-review.uk/final-report/>

supervisory roles. The reduction in staff numbers can lead to bigger portfolios for managers, making it difficult for them to find time to use their skills effectively. Newly qualified staff now make up a greater proportion of posts in children's social care²⁰: since newly qualified staff require more oversight and support, this places additional work on managers and may introduce risk when expertise and practical experience is needed to make effective decisions about children and their families²¹.

Ninety per cent of councils reported at least one capability gap in their management team and 83 per cent reported at least one capacity issue²².

- iv) Around 40 to 50 per cent of councils have consistently reported minor **disruption to their services** as a result of not having the right staff (in numbers or skills to meet demand) to run normal services. Around 10 to 20 per cent reported moderate or severe disruption for the same reason²³.

Disruption due to staffing issues has tended to affect key services, most notably those that require professional qualifications. The most recent research showed that the most disrupted services for single tier and county councils were:

- Directly employed adult social care (74 per cent)
- Schools (70 per cent)
- Children's services (58 per cent)
- Public health (52 per cent)

For district and single tier councils, the most disrupted services were:

- Doorstep collection of household waste (45 per cent)
- Environmental health (33 per cent)
- Planning (31 per cent)

- v) As new policies and duties emerge, there can be a lag in the provision of **new burdens funding** to support recruitment of posts to deliver new responsibilities, as well as a **need to develop associated expertise and capacity**. For example, 38 per cent of local planning authorities reported that they could not administer and deliver new 'No Net Loss/ Net Gain' and Biodiversity Offsetting policies and, of

²⁰ www.gov.uk/government/publications/childrens-social-care-2022-recovering-from-the-covid-19-pandemic/childrens-social-care-2022-recovering-from-the-covid-19-pandemic

²¹ www.gov.uk/government/publications/national-review-into-the-murders-of-arthur-labinjo-hughes-and-star-hobson

²² LGA Workforce Survey 2022 (publication imminent). A capability gap was defined as 'the council has managers, but they require additional training and development/support to close their skills gap'. A capacity gap was defined as 'the council has managers with these skills, but they have no capacity to utilise them effectively'.

²³ www.local.gov.uk/covid-19-workforce-survey-research-reports. These regular surveys were conducted fortnightly during the pandemic in 2020, then monthly until January 2022.

these, 62 per cent identified lack of staffing resource as the reason²⁴. A lack of in-house ecological expertise is cited as a major obstacle;

vi) There are also **direct negative consequences** both for staff as individuals and for councils' ability to deliver services and/or introduce new operating models:

- Two-fifths of Heads of Human Resources (HR) said that there was a moderate and 11 per cent said there was a high risk that workforce capacity may negatively affect their council's ability to deliver services²⁵;
- Two-thirds of adult and children's social workers in January 2022 said they were experiencing deteriorating mental health because of their roles²⁶;
- Ofsted has noted that children's social care workloads are high and the demands of an already challenging job can be unsustainable. In the year leading up to September 2021, 9 per cent of all local authority children's social workers left local authority social work, an increase from 7 per cent the previous year²⁷;
- Thirty-one per cent of Heads of Environmental Services said that some services had been stopped in their authority over the last six years, with many reducing services to the statutory minimum²⁸;
- There is a loss of specialist expertise in a number of areas of local regulatory services, with many officers now taking on generalist roles as councils are unable to carry specialist posts within their headcounts: in some places there is concern about the predominance of food work over other areas of regulation²⁹;
- Given the responses given to the Chartered Institute of Environmental Health workforce survey³⁰, it may be expected that work currently underway to review housing conditions (particularly in the private rented sector) will place further pressure on already-strained capacity in environmental health, with both environmental health and trading standards facing challenges to effectively deliver their broad range of responsibilities, and concern about the future pipeline of officers in each service;
- The King's Fund argues that COVID-19 has made enormous demands on Directors of Public Health and their (usually small) teams and many are exhausted³¹. This has implications for the full range of public health systems and functions, including emergency planning³²;

²⁴ <https://cieem.net/wp-content/uploads/2021/09/LPA-Survey-Full-Report-Aug-23-2021-FINAL.pdf>

²⁵ www.local.gov.uk/publications/covid-19-workforce-survey-week-ending-14-january-2022

²⁶ <https://campaigncollective.org/2022/01/25/social-workers-case-loads-putting-vulnerable-at-risk/>

²⁷ www.gov.uk/government/publications/ofsted-annual-report-202122-education-childrens-services-and-skills

²⁸ www.cieh.org/policy/campaigns/workforce-survey-england/

²⁹ Identified by a cross-government task and finish group convened by DLUHC post-pandemic looking at issues in local regulatory services

³⁰ www.cieh.org/policy/campaigns/workforce-survey-england/

³¹ www.kingsfund.org.uk/blog/2021/08/public-health-workforce

³² www.fph.org.uk/media/3031/fph_systems_and_function-final-v2.pdf

- Seventy per cent of local planning authorities surveyed by the Royal Town Planning Institute said that they had had difficulty recruiting enforcement officers over the past five years³³;
- Heads of library services at a Libraries Connected basecamp reported that libraries have limited ability to respond to corporate priorities such as climate change and the cost of living, despite councils increasingly seeing libraries as a trusted core delivery vehicle for providing community support and engagement.
- The Chief Culture and Leisure Officers Association advises that leisure centres have typically covered their own running costs and generated a surplus for councils, but staff shortages, particularly for lifeguards (reported by 73 per cent of employers), are forcing them to move to shorter opening hours or close (50 per cent of employers with shortages)³⁴. This is compromising a business model that is already under pressure from reduced footfall post-COVID-19. Libraries are similarly affected: individual staff sickness now often leads to branch closures as there is no replacement pool of staff to redeploy. This is affecting public opinion of the stability and reliability of these universal and very visible council services.
- The Grenfell Tower disaster and subsequent revelations about the state of the built environment dramatically illustrated the important role of effective building control regulation. Local Authority Building Control (LABC) reports that there are very few council building control departments which have a full complement of staff. Those who do are likely to be operating a reduced establishment than in previous years because of pressure on budgets. As a result, councils regularly have to resort to agency staff: LABC estimate that 50 per cent of London Boroughs have used an agency surveyor at some point over the last twelve months³⁵. LABC and Government funding has provided training to improve competence, but the advent of the new post-Grenfell regulatory system will put additional – as yet unquantified – stress on council teams with oversight from what will in effect be a new inspectorate (HSE). HSE has noted under-resourcing of teams as a key risk to good practice, and therefore good outcomes, following research into current operation and practices of the profession³⁶.
- Revenues and Benefits services have faced considerable change and uncertainty throughout the implementation of wide-ranging welfare reforms and the administration of vital support throughout the pandemic and the cost-of-living crisis – often and very short notice and with evolving funding, policy and partnership arrangements. The LGA has heard, through attendance at DWP engagement forums with Revenues and Benefits practitioners, that this has

³³ www.rtpi.org.uk/research/2022/november/planning-enforcement-resourcing/

³⁴ Chartered Institute for the Management of Sport and Physical Activity Employer Pulse Check 2021 (unpublished)

³⁵ Views supplied to the LGA by LABC

³⁶ www.hse.gov.uk/research/insight/building-control-pubn-summary.pdf

impacted on recruitment, retention, morale and capacity and placed considerable pressure on these services.

16. Anecdotally, the LGA's Workforce team is aware that councils have reduced corporate support services due to financial pressures and this has resulted in a lack of capacity to support recruitment, development and other human resource related activity, exacerbating the challenge to address the issue at hand.
17. The cost of living crisis is increasing the scale of the challenge. Nearly all (95 per cent) of the respondents to a Homecare Association Survey said that their staff had expressed anxiety about the rising cost of living and 21 per cent reported that staff were looking for work elsewhere because they cannot afford fuel and other costs: this may impact on councils' ability to commission services from social care providers. Increasing pay rates for tradespeople lead to consequences not only for councils' ability to let contracts for maintenance and construction work but also contracts being handed back prior to completion.
18. This in turn will put pressure on national negotiations for the annual pay awards for local government workers, compounding a pre-existing issue for the sector from a rapidly escalating National Living Wage (NLW). Last year it was announced that the NLW would increase by 9.7 per cent, to take effect on 1 April 2023: forecasts from the Low Pay Commission (who recommend the NLW level to Government) suggest that for April 2024 the NLW could increase a further 8.8 per cent to £11.35. The high proportion of local government staff who are at or near this point means that a significant proportion of any pay award has and will continue to be consumed by legal compliance with the NLW. Without additional funding to meet this cost there will be no capacity to meet the pay-related challenges of those further up the pay scale – the specialists and professionals referenced in this paper. In fact, their pay position is likely to worsen in comparison with the wider public sector and private sector.

Progress to date

19. The National Employers for local government took the unprecedented step in 2022 of writing to the Secretary of State for the Department of Levelling Up, Housing and Communities (DLUHC), highlighting the need for additional funding to meet the NLW cost. Government declined to recognise the issue and the particular position of local government within the public sector in relation to the NLW. The additional funding made available from 2023/24 may assist with the challenge of meeting the NLW cost in 2023/4 but leaves the cumulative cost highlighted in 2022 unmet: it is therefore unlikely that this will provide much support for councils in meeting their workforce capacity challenges.
20. While the 9.2 per cent increase in local government core spending power announced in the 2023/24 Provisional Local Government Finance Settlement will help councils deal with inflationary and other cost pressures, the LGA will continue to make the case for the underlying and existing pressures that remain. Many councils will also see much lower increases in Core Spending Power in the next financial year.
21. The LGA and our partners have had some success in highlighting the scale and nature of workforce capacity issues in the sector. For example:

i) The Government has announced:

- £500 million for measures to support the adult social care workforce (December 2021 white paper on adult social care);
- its intention to publish a comprehensive workforce plan for the NHS (November 2022 Autumn Statement). In response, the LGA has stressed the need to expand the scope of the plan to include the adult social care workforce;
- it would delay the rollout of adult social care charging reform in light of concerns from the sector that underfunded reforms would have exacerbated significant ongoing financial and workforce pressures (November 2022 Autumn Statement).

ii) The Government has also announced:

- its intention to consult on increases to planning fees to improve capacity in the local planning system;
- its commitment to developing a comprehensive resources and skills strategy for the sector (August 2020 'Planning for the Future white paper).

iii) The Government has now launched consultation on the introduction of a set of national rules on the engagement of agency social workers in children's social care, following concerns raised by the LGA about the agency market and malpractice. The growing prevalence of managed teams in the market has led to concerns about a lack of vetting assurance associated with these teams, and a reduction in the availability of agency social workers for 'standard' appointments.

iv) New Government strategies on libraries and sport are being developed. The Government has committed that these will include actions on workforce issues, while the LGA has been commissioned to deliver a workforce mapping survey on the library, archives, records, information and knowledge sector to inform these.

22. The experience of the regulatory services task and finish group, in 2021, however, offers some indication of the possible challenges. The LGA was successful during COVID-19 in highlighting the demands on regulatory services and implications for the future pipeline of officers, leading to the creation of the task and finish group and cross-Whitehall engagement with a proposal for a £15 million regulatory services apprenticeship fund, which achieved some support. The proposal was not subsequently approved and the Department for Levelling Up, Housing and Communities (DLUHC) has subsequently stepped back from the role it was playing on regulatory services. While the Food Standards Agency is continuing to look at this issue, there are challenges linked to the split interest in environmental health and trading standards across different Government departments.

23. The LGA continues to work with professional and regional bodies and to meet with relevant Government departments, to discuss relevant issues and possible solutions.

24. However, in comparison to significant Government investment in recruitment campaigns for professions such as teaching and defence, there has been minimal investment in local government as a 'brand'. Successive years of reductions in

Government funding and significant challenges have diminished the attractiveness of the sector as an employer. Given the wide variety of professions employed in local government, the potential to make a difference to local communities and places, and the pride experienced by many working in the sector, there is potential to promote the value and benefits of a career in local government sector, with the aim of appealing both to those entering their professions and to those seeking a career change.

Policy offers and asks

25. Local government has a number of workforce capacity policy offers and asks, which are relevant to the priorities in the [LGA business plan 2022-25](#), as set out below.

A sustainable financial future – continue to highlight the cost pressures on all council services and press for longer term funding that reflects current and future demand for services.

Councils need more resources to undertake workforce planning so they can make better use of public resources and engage effectively with the skills system in the UK in the future

26. The reduction in funding to local government for over a decade has prevented long-term investment in the workforce, with funds reprioritised to solve immediate challenges. Due to high attrition rates and scarcity of skills in key occupational areas councils are now facing a perfect storm of a lack of supply (from the UK skills system) and a lack of long-term investment. Working with further and higher education sectors, learning and training routes can be built back in skill shortage areas for local government. This can only be done effectively if councils can project their workforce needs through effective workforce planning over a one to five year period.
27. As large employers covering the entire country, councils are strategically placed to create local employment opportunities where they have skills needs: targeted investment would enable councils to help level up skills gaps through their own employment and training pathways, boosting their local economy and therefore building back capacity. This starts with better workforce planning across each place, working in partnership with employers and training providers.

Councils need extra funding to enable provision of placements, supervision, apprenticeships and training for professions and service areas experiencing capacity challenges

28. In light of the challenge to recruit specialist and technical roles, many councils are looking to develop their existing staff to close their immediate skills gaps, i.e. to 'grow their own' talent. Training is also necessary to support the development of new ways of working, including digital skills. In the context of significant budget reductions, there is little funding or capacity to support this. The LGA is pressing Government to provide similar investment in training and development programmes to that provided in other parts of the public sector, to address specific skill shortages now in children's services, regulatory services and waste management.

Councils need funding for professional bursary schemes to boost capacity in skill shortage areas and to attract and retain professional talent

29. Many of the local government skill shortage areas (including those in statutory services) require graduate or professional qualifications to enter and progress in that career. Investment in bursary schemes such as [the NHS](#) and those for schools ([Teach First](#)) delivers much needed skills to those sectors. The LGA is working with the Government and professional bodies to identify the key success factors and support required and press for short term targeted funding in the system to boost supply of much needed undergraduate, postgraduate and professional bursary schemes designed specifically for local government.

Councils can improve the responsiveness of the national employment and skills system

30. [Work Local](#) is the LGA's longstanding, ambitious yet realistic vision for progressive devolution and integration of employment and skills services. The campaign sets out:

- how a centrally driven and fragmented approach is suboptimal and costly;
- how a place-based system, coordinated by local government has the potential to support more people into work and result in increases in residents' skills and employment outcomes at less cost.

Councils need flexibilities in implementing apprenticeships

31. Councils employ approximately 27,000 apprentices across all levels of the workforce from new starters to individuals on graduate apprentice schemes into skill shortage areas. The apprenticeship route offers councils the ability to create development and training pathways into roles at all levels but more flexibility is needed in how the apprenticeship levy can be spent. Since the introduction of the levy in 2019 (£150 million per annum for councils in England), councils have transferred £3.25 million per month unspent to HMRC and this figure is increasing. The LGA has operated an apprenticeship support programme to help councils maximise their levy spend, transfer their levy to other employers and build capacity to grow more apprentice schemes and create more apprentice standards that are needed by councils.

32. The LGA is seeking increased flexibilities in how the apprenticeship levy can be spent: currently the levy can only be used to pay for training. Councils report they would use levy to fund extra capacity in their council to better manage the levy process and to backfill wages when staff on apprenticeships attend training.

33. Council-maintained schools have been disproportionately affected by the levy as they were unable to spend it effectively since the relevant standards did not exist. The LGA has supported the development of apprenticeship standards in schools but much more needs to be done to use the levy to create new apprenticeship routes for higher teaching assistants, teachers and SEND roles.

Councils need investment to support economic development

34. Councils' economic development (ED) teams promote prosperity amongst communities, residents, and businesses, and have latterly been entrusted as 'lead authority' to work with Government to determine how multiple economic growth-related funding streams, are targeted in local areas. The Chief Economic Development Officers Society (CEDOS) published a report³⁷ earlier this year which identified recruitment challenges and skills gaps in light of changing demands on the service.
35. The LGA has commissioned Shared Intelligence (Si) to build on CEDOS' research and engage different parts of local government through our partner organisations. Si's report, due in March 2023, will capture skills and capacity challenges ED teams face in delivering local and national priorities and suggestions for further support to enable ED teams to deliver more. Interim findings will be presented to the City Regions and People and Places Boards in January, and we will explore links with the EEHT Board. Based on the outcome of this project, more detailed support may be required.

We are currently also planning to commission research into capacity and priorities, and to develop recommendations for the future of revenues and benefits services, to ensure the right support and safety net underpins inclusive local economies.

Putting people first – the reform of adult social care gives councils the resources to address their funding pressures.

Councils need a ten-year workforce strategy for health and adult social care

36. The Autumn Statement included a commitment for the publication of a comprehensive workforce plan for the NHS in 2023, including independently verified forecasts for categories of professionals required. In response, we have called for this plan to be extended to include the non-NHS health workforce commissioned or directly employed by councils, the adult social care workforce and those in the community and voluntary sector without whose support the NHS would not be able to operate. We are willing to work with the Government to achieve this, alongside ADASS and other representatives of care and support service users, employers, workers, inspectors and commissioners. This plan should include investment in training, qualifications and support; career pathways and development; effective workforce planning across the whole social care workforce and staff recognition, value and reward. This would enable a holistic view of the needs of the whole workforce, for example enabling social care workers to access resources to aid retention such as NHS Wellbeing Hubs.

Councils need an independent review of care worker pay

37. The social care workforce must be developed in a manner equivalent to the NHS as part of a stable, sustainable solution to long-term funding problems. This must involve 'parity of esteem' for social care staff with their NHS colleagues. Research and deliberation is needed on the coordination of terms and conditions and the introduction of an effective mechanism for implementation and uprating pay. To achieve those aims with a reasonable degree of consensus across the sector, we continue to

³⁷ www.cedos.org/future-of-economic-development-research/

urge Government to commission an independent review to promptly review the existing pay levels in the sector and the mechanism for ensuring they support the recruitment and retention of the high-quality workforce the public requires.

Councils need financial support to address significant challenges in adult social care recruitment and retention

38. The LGA argues that, although additional funding for adult social care announced in the Autumn Statement is welcome, it falls significantly short of the £13 billion we have called for to address the severity of the pressure facing the service: this includes £3 billion towards tackling significant recruitment and retention problems by increasing care worker pay. While we have produced [guidance to support social care providers to maximise opportunities from overseas recruitment](#), financial support is also required to meet additional costs associated with this route (approximately £6,000 per person).

Councils need a knowledge and skills framework for adult social care

39. The LGA welcomed the commitment in 'People at the Heart of Care', the adult social care reform white paper, to a knowledge and skills framework to support career structure and progression and now calls for its implementation. This framework should be across health and care to enable people to maximise opportunities and build knowledge and understanding of different roles (subject to the current pay differential between health and care being addressed so that the current one-way flow of staff from social care to health is ceased).

Councils need the removal of barriers to swift 'onboarding' of new staff

40. Capacity gaps in adult social care are being exacerbated by lengthy Disclosure and Barring Service (DBS) processes and a lack of portability of existing checks. It is proposed to seek the support of DLUHC to convene relevant Government departments and professional bodies to consider revisions to processes to reduce lengthy recruitment periods and additional costs.

Putting people first – councils have the powers and funding to meet the needs of all local children and people.

Councils need a holistic workforce strategy for children and family services

41. The scale of the challenge, and the interrelationships across all elements of children and family services, requires a holistic strategy. We are calling on the Department for Education, in consultation with the sector, to develop a shared 10-year workforce strategy and a sustainable approach to pay with clear actions at national, system, place and provider level. This will help the sector plan for and attract the right people we need to meet demand, create new entry routes into social work, focus on prevention rather than crisis, enable us to reward people appropriately and set out explicit skills and competency frameworks.

Championing climate change and local environments – deliver a waste and resource system that meets local needs

Councils need long-term policy and funding certainty to invest in climate change response and a national technical assistance strategy

42. Councils have some influence over 80 per cent of local greenhouse gas emissions, through housing, transport and energy solutions. All private and public sector partners are learning and growing experience around climate change mitigation and adaptation. Councils are no different, but messy and uncertain funding and policy environment can make it difficult for councils to invest in the technical, financial and managerial experience to lead the local long-term effort, and support from Local Net Zero Hubs is patchy at best. Councils need clarity so they can invest in their capacity, and a strategy to pool technical assistance locally, sub-nationally and nationally which councils can draw on.

Councils need a resources and skills strategy for planning and place-making

43. The LGA welcomes the commitment in 'Planning for the Future', the planning white paper, to a comprehensive resource and skills strategy for the planning sector and now calls for its urgent implementation. As outlined earlier in this report there is considerable concern from councils about their already stretched capacity and recruitment and retention challenges. Councils will need the necessary resources to upskill officers to implement reforms to the planning system to ensure they are equipped to create great communities through community engagement and proactive place-making.

Councils want to work with government and industry to grow the environmental skills to deliver the Environment Act

44. Public concern with environmental quality will grow and the Environment Act introduces a range of ambitious policy reforms that councils want to help succeed. Councils are encountering real challenges in finding and recruiting the skills in preparing for their duties around Bio-Diversity Net Gain, the development of Local Nature Recovery Strategies, wider nature recovery, and wider waste and recycling policy reforms. In particular, the government, industry and councils should work together grow the number of ecologists across all partners and ensure that local government is an attractive to new ecologists.

Councils need the removal of barriers to recruitment and retention of HGV drivers

45. Forty-one per cent of councils state that allowing renewal of the certificate of professional competence (CPC) at no cost to drivers would help to alleviate HGV driver shortages³⁸. We therefore propose to call on the Department for Transport to remove CPC renewal costs to aid recruitment and retention of workers in the sector.

Improvement and support offers

46. The LGA currently provides the following advice and support to councils which can assist with recruitment and retention challenges:

³⁸ www.local.gov.uk/publications/covid-19-workforce-survey-week-ending-14-january-2022

- i) Resources to help local government employers to address recruitment and retention challenges, accessed via the [LGA website](#);
- ii) [New promotional materials](#), developed with Youth Employment UK, to help councils promote employment in local government to 14-19 year olds;
- iii) Information and best practice sharing (including new ways of working and support for health and wellbeing) with local authorities' HR professionals;
- iv) Targeted 'employee healthcheck' surveys for qualified social workers, occupational therapists and non-registered social care practitioners supporting the delivery of social care to inform workforce planning and support;
- v) Tools and consultancy to support councils to make efficient use of staffing resources and workforce planning;
- vi) Training to support new managers and aspiring leaders in arts, culture, libraries, sport and physical activity, funded on a rolling basis by Arts Council England and Sport England.

47. The LGA has identified a number of additional support offers that it could provide to councils, subject to the identification of funding. These could include:

- i) developing a recruitment campaign for local government
- ii) research into career pathways to inform planning of qualifications and training provision
- iii) development of apprenticeship pathways into skills shortage areas
- iv) development of returners programmes and support for early careers
- vii) further collation and promotion of best practice to the sector.

LGA political governance

48. The Resources Board has the overall lead for workforce support as well as the policy lead for financial sustainability in the sector and the capacity and capability of the finance workforce. Each LGA policy board considers workforce issues as relevant to their terms of reference and in particular:

- Children and Young People Board: children's social care;
- Community Wellbeing Board: adult social care;
- Environment, Economy, Housing and Transport Board: waste, climate change, housing, planning;
- Safer and Stronger Communities: regulatory services such as environmental health and trading standards (these services also support the objectives of other boards);
- Culture, Tourism and Sport: Libraries, leisure centres and parks;
- City Regions Board: economic development, employment and skills;

- People and Places Board: economic development, employment and skills.

The Improvement and Innovation Board also has a role in overseeing the delivery of workforce improvement support activity funded by DLUHC.

49. All of the above boards are therefore asked to consider this report and provide feedback on priority issues related to this theme. Following the Resources Board discussion, the expectation is that Executive Advisory Board will then be asked to consider the LGA's work on the theme in the round.

Implications for Wales

50. Wales faces very similar issues with workforce capacity as are evident in England. Through the workforce team's regular engagement the WLGA feeds into discussions and the sharing of good practice and experience. The working assumption used is that any steps to improve capacity in England would also be applicable in Wales, taking note of relevant responsibility devolution.

Financial implications

51. The LGA activities listed at paragraph 46 will be implemented within existing budgets. Improvement and support proposals referenced at paragraph 47 are subject to negotiation with DLUHC as part of the 2023/4 sector support programme.

Equalities implications

52. Capacity gaps in councils' workforce have the potential to have negative impacts on people with protected characteristics: for example, an inability to meet demand for adult social care can impact older people and people with disabilities.
53. Addressing equalities considerations is a crucial part of work to maximise the potential pool of local government workers and aid retention: support to councils to consider equalities good practice is an important part of the workforce provided by the LGA.
54. By working with councils and with relevant professional bodies, the LGA will target its policy and improvement work to address workforce capacity challenges towards those service areas where it is most needed, with particular consideration of impacts on people with protected characteristics.

Next steps

55. A report incorporating feedback from policy boards will be brought to Executive Advisory Board for consideration on 9th March 2023.

By virtue of paragraph(s) 4 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 4 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 4 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 4 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Minutes of last Resources Board meeting

Resources Board

Tuesday, 15 November 2022

Hybrid Meeting - 18 Smith Square and Online

Attendance

An attendance list is attached as **Appendix A**

Item	Decisions and actions
------	-----------------------

1	Welcome, Apologies and Substitutes, Declarations of Interest
----------	---

Cllr Richard Wenham (as Chairman) welcomed members to the Resources Board meeting.

Apologies were received from Cllr Andrew Western and Cllr Rory Love OBE.

Cllr Kate Groucutt and Cllr Andrew Jamieson were in attendances as substitutes.

The Chairman congratulated Cllr Sharon Taylor, who had previously been a member of the Resources Board, for being awarded a peerage.

No declarations of interest were made.

2	LGA Plan 2022-25
----------	-------------------------

The Chairman invited Sarah Pickup to introduce the LGA Plan 2022-25. The LGA Board signed off a new 3-year business plan which set out the direction for the LGA as a whole.

Following comments, it was noted that promoting a sustainable financial future as set out in the LGA Plan 2022-25 threaded through many different issues raised such as adult social care, bus services and cost of living work as raised by Members.

Decision:

Members **noted** the LGA Plan 2022-25.

3	Local Government Finance Update
----------	--

The Chairman invited Nicola Morton, Head of Local Government Finance, to present the report which provided a summary of the work by the LGA

on funding and finance issues since the previous meeting including business rates, audit and capital.

The consultation responses seen at the previous Resources Board meeting had been submitted and a consultation response from the Department for Health and Social Care (DHSC) on the distribution of funding to support the reform of the adult social care charging system in 2023 to 2024 had been submitted.

Since the circulation of the report, the LGA had responded to a consultation on the temporary override on infrastructure assets and received positive response from PSAA on points made in the consultation response on the audit fees.

In response to queries from members, it was clarified that

- There was a statutory requirement for revaluation information to be published by the end of December 2023. The LGA had been calling for an earlier release by the end of November 2022 but it was not clear when it would be published.
- The LGA was pressing for Government to delay elements of the adult social care reforms and keep the funding for the reforms in the sector so they can be used to meet current inflationary and national living wage pressures.

Action:

That a link to an LGA report on the wider impact of local government spending on public services be circulated to members.

Decision:

Members **noted** the update.

4 The 2022 Autumn Statement

The Chairman invited Nicola Morton, Head of Local Government Finance, to present the report which outlined the ongoing steps taken by the LGA ahead of the forthcoming Autumn Statement. There was also a summary of the main elements of the 2023/24 local government finance settlement.

Members discussed how to lobby central government for additional funding to meet cost pressures for 2022/23 and future funding gaps. There were some members who felt that the LGA needed to be stronger in representing the challenges facing councils. It was noted that the links in the report provided more detail on lobbying lines and that LGA had been campaigning through various media engagements, although it can be hard to identify what the media will pick up on. Members were reminded that local authorities were welcome to provide case studies as this helped with messaging.

Action:

Officers will consider how we can give the Board a summary insight into

current activity for future reports

Decision:

Members **noted** the update.

5 Workforce Update

Please refer to the confidential minutes documents for information relating to this item.

6 Minutes of the previous meeting held on 22 September 2022

Members agreed the minutes of the previous meeting as an accurate record with the addition of the substitutes listed in item 1 added to the attendance list as set out in Appendix A to the minutes.

7 Any Other Business

Rose Doran, Senior Adviser informed members that a paper on Cost of Living would go to the Executive Advisory Board.

Appendix A -Attendance

Position/Role	Councillor	Authority
Vice-Chairman	Cllr Richard Wenham	Central Bedfordshire Council
Deputy-chairman	Cllr Keith House	Eastleigh Borough Council
	Cllr Jason Zadrozny	Ashfield District Council
Members	Cllr David Leaf	Bexley Council
	Cllr Mark Hawthorne MBE	Gloucestershire County Council
	Cllr Nicholas Jones	Bury Metropolitan Borough Council
	Cllr Phillip King	Harborough District Council
	Cllr Roger Phillips	Herefordshire Council
	Cllr Andrew Jamieson	Norfolk County Council
	Cllr James Lewis	Leeds City Council
	Cllr Cathy Mitchell	Warrington Borough Council
	Cllr Ed Turner	Oxford City Council
	Cllr Peter Mason	Ealing Council
	Cllr Shama Tatler	Brent Council
	Cllr Terry Paul	Newham London Borough Council
	Cllr Kate Groucutt	St Helens Metropolitan Borough Council
	Cllr Richard Kemp CBE	Liverpool City Council
	Cllr Phelim Mac Cafferty	Brighton & Hove City Council
Apologies	Cllr Rory Love OBE	Kent County Council
	Cllr Andrew Western	Trafford Metropolitan Borough Council



In Attendance

Cllr Stephanie Cryan

Southwark Council

LGA Officers

Greg Burns
Claire Christopher
Naomi Cooke
Jo Donnelly
Rose Doran
Mike Heiser
Bevis Ingram
Laura Johnson
Hannah Lazell
Nicola Morton
Emilia Peters
Sarah Pickup
Jamie Saddler
Rodrigo Sanchez
Sam Swift

Document is Restricted

