

Agenda

Thursday, 26 January 2023 2.15 pm

Smith Square 1&2, Ground Floor, 18 Smith Square, London, SW1P 3HZ

There will be a meeting of the Executive Advisory Board at **2.15 pm on Thursday, 26 January 2023** Smith Square 1&2, Ground Floor, 18 Smith Square, London, SW1P 3HZ.

LGA Hybrid Meetings

All of our meetings are available to join in person at <u>18 Smith Square</u> 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:

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

Conservative: Group Office: 020 7664 3223 email: lgaconservatives@local.gov.uk

Labour: Group Office: 020 7664 3263 email: labqp@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:

Amv Haldane

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

Carers' Allowance

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



Executive Advisory Board – Membership Click here for accessible information on membership

Councillor	Authority
Conservative (16)	
Cllr James Jamieson OBE	Central Bedfordshire Council
(Chairman)	
Cllr Izzi Seccombe OBE (Vice	Warwickshire County Council
Chairman)	
Cllr John Fuller OBE (Deputy	South Norfolk District Council
Chairman)	51 1 2 2 2
Cllr Robert Alden (Deputy	Birmingham City Council
Chairman)	P 1 0 "
Baroness Teresa O'Neill OBE	Bexley Council
(Deputy Chairman)	
Cllr David Fothergill (Board	Somerset County Council
Chair)	
Cllr David Renard (Board Chair)	Swindon Borough Council
Cllr Kevin Bentley (Board Chair)	Essex County Council
Cllr Abi Brown (Board Chair)	Stoke-on-Trent City Council
Cllr Marc Bayliss (Regional	West Midlands
Representative)	
Cllr Matthew Hicks (Regional	East of England LGA
Representative)	
Cllr John Hart (Regional	South West Councils
Representative)	2 " 5 12 "
Cllr Nicolas Heslop (Regional	South East Councils
Representative)	F (M) II 0 1
Cllr Christopher Poulter	East Midlands Councils
(Regional Representative)	District Occursilla Nationals
Cllr Sam Chapman-Allen	District Councils Network
Cllr Tim Oliver	County Councils Network
Labour (14)	
Cllr Shaun Davies (Senior Vice-	Telford and Wrekin Council
Chair)	
Cllr Tudor Evans OBE (Deputy	Plymouth City Council
Chair)	
Cllr Michael Payne (Deputy	Gedling Borough Council
Chair)	
Cllr Georgia Gould (Deputy	Camden Council
Chair)	
Cllr Anntoinette Bramble (Deputy	Hackney London Borough Council
Chair)	, , , , , , , , , , , , , , , , , , , ,
Cllr Peter Marland (Board Chair)	Milton Keynes Council
Cllr Nesil Caliskan (Board Chair)	Enfield Council
Cllr Louise Gittins (Board Chair)	Cheshire West and Chester Council
Mayor Marvin Rees (Board	Bristol City
Chair)	,
Cllr Robert Stewart (Regional	WLGA
Representative)	
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Association	
Cllr Graeme Miller (Regional	North East of England
Representative)	-
Cllr David Baines (Regional	North West Regional Leaders' Board
Representative)	
Cllr Shabir Pandor (Regional	Yorkshire and Humber Region
Representative)	
Sir Stephen Houghton CBE	SIGOMA
Substitutes	
Liberal Democrat (3)	
Cllr Joe Harris (Vice-Chair)	Cotswold District Council
Cllr Bridget Smith (Deputy Chair)	South Cambridgeshire District Council
Cllr Gerald Vernon-Jackson CBE	Portsmouth City Council
(Board Chair)	
Substitutes	
Independent (3)	
Cllr Marianne Overton MBE	North Kesteven District Council
(Vice-Chair)	
Cllr Hannah Dalton (Deputy	Epsom and Ewell Borough Council
Chair)	
Cllr Paul Woodhead (Balancing	Cannock Chase District Council
Member)	
Substitutes	



Agenda

Executive Advisory Board

Thursday, 26 January 2023

2.15 pm

Smith Square 1&2, Ground Floor, 18 Smith Square, London, SW1P 3HZ

	Item	Page
1.	Welcome, Apologies and Declarations of Interest	
2.	Minutes of the previous meeting	1 - 6
3.	Lobbying document	
4.	2023/24 Provisional Local Government Finance Settlement	7 - 14
5.	Anti-social behaviour	

Date of Next Meeting: Thursday, 9 March 2023, 2.15 pm, Westminster Suite, 8th Floor, Local Government House, Smith Square, London, SW1P 3HZ



Bout o hit sentMinutes of last Executive Advisory Board meeting

Executive Advisory Board

Thursday, 8 December 2022

Smith Square 1&2, Ground Floor, Local Government House, Smith Square, London, SW1P 3HZ

Attendance

An attendance list is attached as Appendix A

Item Decisions and actions

8 Welcome, apologies and declarations of interest

The Chairman congratulated Cllr Samantha Dixon who had been elected to parliament and held a moment of silence to remember Cllr Judi Billing who had passed away.

Apologies for absence were received from Cllr Izzi Seccombe, Cllr David Baines, Cllr John Fuller, Cllr Antoinette Bramble, Cllr Michael Payne, Cllr Hannah Dalton and Cllr Andrew Western.

There were no declarations of interest.

9 Lobbying Headlines

The Chairman invited Mark Lloyd, Chief Executive to address the Executive Advisory Board.

Mark noted that the LGA had published a new business plan, The LGA Plan, which set out priorities for the following 3 years for supporting, promoting and improving local councils. The LGA Plan also included plans for horizon scanning and shaping influence over this time period.

Mark raised six major issues facing councils that were highlighted in the report but not mentioned elsewhere on the agenda.

- The recent death of a child in Rochdale as a consequence of damp and mould, housing conditions – officials and monitor solution to housing conditions rather than blaming councils and housing providers. Constructive way forward
- Data collection Michael Gove's return to DLUHC puts the creation of an office for local government back on the agenda. LGA lobbing to make sure this will be helpful to the sector and encourage better use data already available e.g. LG Inform. Mark



asked members if the sector should do more of its own assurance rather than wait for Whitehall to shape its destiny

- Asylum and resettlement, particularly the use of hotels, were continuing issues but progress had recently been made. Weekly meetings with Government officials co-chaired by the LGA to improve and get action on safeguarding, accommodation, health, data and engagement & communications were ongoing.
- Government was rumoured to be dropping the Education Bill, however the LGA would continue work to create a register of children being electively home educated despite the lack of legislative framework
- Operational concerns regarding elections in May 2023 and Voter ID. The LGA had agreed its submission to government on these concerns which would be highlighted publicly, and any progress would be reported at a future meeting
- Supporting councils with local government's contribution to the Covid Inquiry. The LGA successfully lobbied for the Rule 9 evidence request not to be applied directly to Councils but to do this through the LGA. The Survey had produced a 100% return rate, this had reduced the burden on councils and eliminated legal consequences

During the discussion, Members raised the following points:

Safety and security concerns regarding Voter ID at local elections if implemented in May 2023 as electoral administrators in rural areas had expressed concern about police support on polling day with some being advised to ring 999 highlighting the potential danger to persons and democracy.

Safety of Unaccompanied Asylum-Seeking Children (UASC) following reports that 8 children under the age of 18 had been incorrectly processed and found among a group of men housed in a hotel. These errors in processing were causing safeguarding and health issues and placing an extra care burden on local authorities.

Concern regarding the future of sector led improvement with DLUHC's Assurance methodologies being unknown.

The Cost-of-Living crisis may increase homelessness which had risen by 15% in some areas. A view was expressed that the LGA should lobby to remove the Local Housing Allowance freeze.

Decision

The Executive Advisory Board **agreed** to note the report.

10 Cost of Living

Sally Burlington, Director of Policy (People), introduced the report outlining



the LGA's approach to shaping policy and supporting councils with the impact of cost-of-living pressures and socioeconomic inequality on people and communities.

A task and finish group on Cost of Living was suggested by members. It was recommended that Group Leaders consider proposed terms of reference for the Member Advisory Board in January 2023. It was requested that representatives from each of the LGA's policy Boards be included.

Rose Doran, Senior Adviser, explained that research on private rented sector accommodation had been commissioned jointly by the Resources and Environment, Economy, Housing and Transport Boards. It was disappointing that the Local Housing Allowance rate has not been increased in the Autumn 2022 Budget.

Decision

The Executive Advisory Board agreed to note the report.

Action

In January 2023, officers will present Group Leaders with options for effective leadership on the Cost-of-Living crisis.

11 Autumn Statement 2022

The Chairman welcomed Sarah Pickup, Deputy Chief Executive, to the meeting. Sarah gave a summary of the key local government finance announcements in the 2022 Autumn Statement.

In the discussion, members raised concern over business rates the rise during an economic downturn and council tax rises in context of a reduction in services. Regret was expressed that the Local Housing Allowance had not been raised.

Decision

The Executive Advisory Board agreed to note the update and report.

Action

Officers will proceed with the delivery of the LGA's work on local government finance, including the 2023/24 Local government Finance Settlement.

12 Minutes of the previous meeting

The Executive Advisory Board agreed the minutes of the meeting held on Thursday 20 October 2022.



Appendix A -Attendance

Position/Role	Councillor	Authority
Chairman Vice-Chairman Deputy-chairman	Cllr James Jamieson OBE Cllr Joe Harris Cllr Marianne Overton MBE Cllr Tudor Evans OBE Cllr Georgia Gould	Plymouth City Council Camden Council
Members	Cllr Bridget Smith Cllr Robert Alden Baroness Teresa O'Neill OBE Cllr David Fothergill Cllr David Renard Cllr Kevin Bentley Cllr Shaun Davies Cllr Nesil Caliskan Cllr Louise Gittins Mayor Marvin Rees Cllr Christopher Poulter Cllr Shabir Pandor Sir Stephen Houghton CBE Cllr Tim Oliver	South Cambridgeshire District Council Birmingham City Council Bexley Council Somerset County Council Swindon Borough Council Essex County Council Telford and Wrekin Council Enfield Council Cheshire West and Chester Council Bristol City East Midlands Councils Yorkshire and Humber Region SIGOMA County Councils Network
Apologies	Cllr Izzi Seccombe OBE Cllr John Fuller OBE Cllr Abi Brown Cllr Michael Payne Cllr Anntoinette Bramble Cllr Andrew Western Cllr Gerald Vernon- Jackson CBE Cllr Hannah Dalton Cllr Paul Woodhead Cllr Robert Stewart Cllr Marc Bayliss Cllr Matthew Hicks Cllr John Hart Cllr Graeme Miller Cllr Nicolas Heslop Cllr David Baines Cllr Sam Chapman-Allen	Warwickshire County Council South Norfolk District Council Stoke-on-Trent City Council Gedling Borough Council Hackney London Borough Council Trafford Metropolitan Borough Council Portsmouth City Council Epsom and Ewell Borough Council Cannock Chase District Council WLGA West Midlands East of England LGA South West Councils North East of England South East Councils North West Regional Leaders' Board District Councils Network
In Attendance		
LGA Officers	Mark Lloyd Ian Hughes Sally Burlington Sarah Pickup Dennis Skinner Nicky Old Nicola Morton	



Claire Holloway
Pete Robbins
Angela Page
Sonika Sidhu
Anna Morrell
Charlotte Maguire
Claire Christopher
David Pealing
Jacqui Smale
Lizzie Nugent
Mike Heiser
Rose Doran
Sam Swift
Alexander Saul



26 January 2023

2023/24 Provisional Local Government Finance Settlement

Purpose of report

For information.

Summary

This report provides a summary of the work by the LGA on the Provisional 2023/24 Local Government Finance Settlement and approach to the 2023 Spring Budget.

Recommendation

That Members of the Executive Advisory Board note this update.

Action

Officers will proceed with the delivery of the LGA's work on local government finance.

Contact officer: Sarah Pickup

Position: Deputy Chief Executive

Phone no: 020 7664 3141

Email: sarah.pickup@local.gov.uk



26 January 2023

2023/24 Provisional Local Government Finance Settlement

Introduction

- 1. This report provides a summary of the work by the LGA on the Provisional 2023/24 Local Government Finance Settlement and approach to the 2023 Spring Statement / Budget.
- 2. As we reported to your December meeting, the LGA campaigned heavily in advance of both the Autumn Statement and the provisional Settlement to maximise visibility of key messages and facts, highlighting in particular the impact of existing cost pressures and the risks of spending cuts overall and in particular services. Activity included letters to the new Prime minister, <u>Chancellor</u> and ministers, <u>the LGA's Autumn Budget submission</u>, press releases and media coverage including broadcast media, engagement with parliamentarians, explainers on <u>cost pressures</u>, <u>reserves</u>, and how <u>council funding is spent</u> as part of our <u>Save Local Services campaign</u>.

Summary of the Provisional Local Government Finance Settlement

- 3. On 19 December the Secretary of State for Levelling Up, Housing and Communities delivered the Provisional Local Government Finance Settlement for 2023/24 via a <u>written ministerial statement</u>. The <u>published figures</u> set out details for all local authorities across England, including fire and rescue authorities.
- 4. The funding announcements for 2023/24 follow the 2022 Autumn Statement. There will be a potential increase of 9.2 per cent in Core Spending Power available to local authorities in 2023/24, assuming all councils raise council tax by the maximum allowable limit without a referendum¹. This includes:
 - 4.1. An increase in Revenue Support Grant of 10.1 per cent in line with the September 2022 Consumer Prices Index (CPI). Retained business rates income also rises by 10.1 per cent. The business rates multiplier is frozen at the 2022/23 level, but due to the 2023 revaluation, the Baseline Funding Level rises by 3.7 per cent; the remaining 6.4 per cent is provided through an increase in the multiplier underindexation grant.
 - 4.2. Over £2 billion of new grant funding for social care, including:
 - 4.2.1. A £1.3 billion increase in the social care grant which can be used for both adults and children's social care (delivered by allowing councils to retain the funding previously allocated for charging reforms which have now been delayed)

¹ For fire and rescue authorities and for the Greater London Authority provisional Core Spending Power does not reflect the published referendum principles; we would expect this to be updated in the final settlement.



26 January 2023

- 4.2.2. £400 million of new grant funding within the £562 million Adult Social Care Sustainability and Improvement Fund, which also incorporates the previous £162 million Market Sustainability and Fair Cost of Care Fund.
- 4.2.3. A new £300 million Adult Social Care Discharge Fund.
- 4.3. New Homes Bonus (NHB) provisionally worth £291 million for 2023/24. There will no longer be any NHB legacy payments.
- 4.4. A reduction in the un-ringfenced Services Grant from £822 million in 2022/23 to £464 million in 2023/24.
- 4.5. A new Funding Guarantee of £136 million which will give all authorities an increase of 3 per cent in Core Spending Power before any decisions about council tax levels for 2023/24. This will go to 161 councils, of which 154 are shire districts, 5 are fire and rescue authorities and 2 are unitary authorities.
- 4.6. Continuation of the Rural Services Delivery Grant at its 2022/23 level of £85 million.
- 4.7. Council tax referendum principles of:
 - 4.7.1. a core increase of 3 per cent for all councils, with a 3 per cent or £5 increase (whichever is higher) for shire districts;
 - 4.7.2. an additional 2 per cent adult social care precept for authorities with social care responsibilities;
 - 4.7.3. a £5 increase for fire and rescue authorities;
 - 4.7.4. a £15 increase for Police and Crime Commissioners;
 - 4.7.5. a £23.55 increase for the non-police element of the Greater London Authority;
 - 4.7.6. No referendum principles for Combined Authorities or town and parish councils.
- 5. Four grants previously paid separately, worth a total £239 million, will be consolidated into the settlement. All of the four grants will keep their existing distribution. Three of these grants, including the Local Council Tax Support Administration Subsidy grant, will roll into the Revenue Support Grant and the fourth grant, the Independent Living Fund, is being rolled into the Social Care grant.
- 6. An additional £100 million 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. This is not in Core Spending Power. <u>Guidance</u> for the fund was issued by DLUHC on 23 December along with funding allocations.

Other Funding

7. The settlement included no information on public health funding for 2023/24.



26 January 2023

8. On 16 December 2022, the DfE set out the <u>detail</u> of the allocation of an additional £1.9 billion for schools and high needs funding for 2023/24. This is made up of £1.45 billion in schools block funding and £400 million of high needs funding. DLUHC also confirmed that the statutory override for the Dedicated Schools Grant will be extended for the next three years from 2023/24 to 2025/26. The override had been due to expire at the end of March 2023.

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

- 9. On 12 December the Government published a <u>local government finance policy statement</u> 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:
 - 9.1. Confirmation that 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.
 - 9.2. 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.
 - 9.3. 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).
 - 9.4. The Social Care Grant and other social care grants will increase as set out at the 2022 Autumn Statement.
 - 9.5. 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.

LGA activity on the day of the provisional settlement and our response

11. On the day the provisional settlement was announced, we issued a <u>press release</u> and an <u>on the day briefing</u>, highlighting key information from the settlement. We responded to the settlement consultation by the 16 January deadline. The response was cleared by the LGA Chairman, Group Leaders and Resources Board Lead Members.



26 January 2023

- 12. We made the following key points:
 - 12.1. The increase in local government core spending power will help councils deal with inflationary and other cost pressures next year. However, we continue to have concerns that the increase in spending power has been achieved through a combination of measures that still do not address many of the underlying financial pressures local authorities face in funding and protecting vital local services.
 - 12.2. While the Local Government Association welcomes an overall increase in baseline funding for local authorities, we express concern that a significant proportion of the increase in core spending power for 2023/24 has been achieved through a combination of potentially one-off grants, ring-fenced funding, re-allocation of existing funding, and the assumption that local authorities will implement council tax increases. We continue to make the case for multi-year settlements and for more long-term certainty around funding and budgets.
 - 12.3. Shire districts, which provide vital services like planning and waste and recycling collection, and some unitary authorities, will see a lower core spending power increase next year, due to a number of factors including the discontinuation of the Lower Tier Services Grant. This is something the Government should address in the final settlement.
 - 12.4. Core Spending Power increases are based on the assumption that councils will raise their council tax by the maximum permitted without a referendum. This leaves councils facing the tough choice about whether to increase council tax bills to bring in desperately-needed funding at a time when they are acutely aware of the significant burden that could place on some households during a cost of living crisis.

Further activity and next steps

- 13. The LGA held a sold out local government finance conference on 10 January where a range of speakers from Government, the Opposition and local government discussed the 2023/24 settlement and the longer-term outlook for local government in the current economic climate.
- 14. The settlement remains provisional until the Government has concluded the consultation on the proposals. The final settlement is expected to be published in late January or early February and will be debated and voted on in the house Commons as per usual practice. The LGA will provide a briefing for the parliamentary debate on the settlement.

Spring Statement/Budget 2023 submission

15. 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. The Government has invited representations to be submitted to HM Treasury by 1 February.



26 January 2023

- 16. Given the short timescales between the Autumn Statement, 2023/24 Finance Settlement and the 2023 Spring Budget, and the fact that significant 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 should be a letter focussing on some key priority areas. These will include children's and adults social care, housing, devolution of powers to local government, net zero and local government finance.
- 17. The letter in advance of any Spring announcement will be signed off by the Chairman and Group Leaders.

Next steps

- 18. Members are asked to note this update.
- 19. Officers will proceed with the delivery of the LGA's work following the Local Government Finance Settlement, and in advance of the Spring Budget.

Implications for Wales

20. Information on funding to Welsh local authorities was <u>published</u> in the provisional Welsh local government finance settlement. 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.

Financial Implications

21. The work described in this paper is part of the LGA's core programme of work and is funded from core LGA 2022/23 budgets.

Equalities Implications

22. The draft Policy Impact Statement that was published alongside the Provisional Settlement states that as local authorities decide on how their resources are allocated it is not possible to say for certain how changes in funding will affect specific groups of persons sharing a protected characteristic. It goes on to state that improving the funding position of councils should help them to be able to fund services that are provided to their residents.



26 January 2023

23. The <u>LGA response</u> recommends that, in addition to the draft policy impact statement, the Government should review whether their distribution methodology leads to disparities on the basis of protected characteristics (for example in terms of resource going to areas with higher Black, Asian and minority ethnic (BAME) communities. It also notes that socioeconomic status should be considered, particularly given the strong evidence of health inequalities and economic impacts. This is in order to mitigate economic and financial inequality and ensure all communities are supported through economic recovery. Finally, it refers the Government to responses of individual member authorities.