Resources Board – report from Cllr Claire Kober OBE (Chair)

**2017/18 Local Government Finance Settlement**

1. The LGA [responded](http://links.govdelivery.com/track?type=click&enid=ZWFzPTEmbXNpZD0mYXVpZD0mbWFpbGluZ2lkPTIwMTcwMTIzLjY5MDU2NjYxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE3MDEyMy42OTA1NjY2MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE2ODk0NjQ5JmVtYWlsaWQ9bWFyay5qb2huc29uQGxvY2FsLmdvdi51ayZ1c2VyaWQ9bWFyay5qb2huc29uQGxvY2FsLmdvdi51ayZ0YXJnZXRpZD0mZmw9JmV4dHJhPU11bHRpdmFyaWF0ZUlkPSYmJg==&&&104&&&http://www.local.gov.uk/documents/10180/8150261/Local+Government+Finance+Settlement+1718+LGA+response.pdf/dd8d32e1-ec9f-4314-8121-7aae2195f89f) to the [consultation](https://www.gov.uk/government/consultations/provisional-local-government-finance-settlement-2017-to-2018) on the provisional 2017/18 local government finance settlement, which closed on 13 January. Our response highlighted the serious pressures facing adult social care services and called for new additional funding to tackle this growing crisis. We also called on the Government to reverse the reductions in the New Homes Bonus and use new money to fund the adult social care grant in 2017/18. Following our submission, the Chairman and Group Leaders met with the Secretary of State to highlight the key concerns identified in our response and we also held a briefing session on the settlement in Westminster for parliamentarians, ahead of the debate on the final local government finance settlement.
2. At the time of writing, the final local government settlement had not been published by the Department for Communities and Local Government (DCLG). However, the parliamentary debate and final approval of the settlement by the House of Commons were not expected to take place until after 20 February, when Parliament returns from recess.

**Spring Budget 2017**

1. The LGA submitted a [response](http://links.govdelivery.com/track?type=click&enid=ZWFzPTEmbXNpZD0mYXVpZD0mbWFpbGluZ2lkPTIwMTcwMTIzLjY5MDU2NjYxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE3MDEyMy42OTA1NjY2MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE2ODk0NjQ5JmVtYWlsaWQ9bWFyay5qb2huc29uQGxvY2FsLmdvdi51ayZ1c2VyaWQ9bWFyay5qb2huc29uQGxvY2FsLmdvdi51ayZ0YXJnZXRpZD0mZmw9JmV4dHJhPU11bHRpdmFyaWF0ZUlkPSYmJg==&&&110&&&http://www.local.gov.uk/documents/10180/11411/2017+Spring+Budget+-+Local+Government+Association+submission.pdf/d0ad569b-c19e-4202-a223-5331b1deb6a3) to the Government’s call for representations on the Spring Budget 2017, which the Chancellor will deliver on 8 March. Our submission calls for new Government funding to help support people to live independent, fulfilling lives, in quality homes that meet their needs, and in communities that are more economically prosperous.

**Business Rates Retention**

1. The LGA has been engaging with MPs and Peers as the [Local Government Finance Bill](http://services.parliament.uk/bills/2016-17/localgovernmentfinance.html) begins its passage through Parliament. The Bill will provide the enabling legislation for further business rates retention, which the Government wishes to implement from 2019/20. Ahead of the Second Reading, we published a [briefing](http://www.local.gov.uk/briefings-and-responses/-/journal_content/56/10180/8179375/ARTICLE) for MPs outlining our key messages on the Bill. We have also submitted a number of amendments to the Bill and briefed MPs for the Committee Stage which is, at the time of writing, underway.
2. The LGA’s Senior Vice-Chair, Cllr Nick Forbes, gave evidence to the Local Government Finance Bill Committee. He welcomed powers in the Bill to allow for central funding of appeals and emphasised the importance of wider reforms to reduce the number of speculative appeals. MPs also asked questions on needs and redistribution, responsibilities and the capacity of councils to deliver the Bill’s provisions. Separately, our Chairman also met the Secretary of State and the Minister for Local Government to discuss the LGA’s views on the Bill.
3. As the Bill progresses through Parliament, we will continue to work with MPs and Peers to ensure local government’s views are represented. The Government is expected to publish its response to the summer consultation on business rates retention, and a further more detailed technical consultation, shortly.

**LGA Local Government Finance Conference**

1. I chaired the LGA’s annual [local government finance conference](http://www.local.gov.uk/web/guest/past-event-presentations/-/journal_content/56/10180/8141310/ARTICLE) on 5 January at the Coin Street Conference Centre in Waterloo, London. The conference focussed on the proposals for further business rates retention and the provisional local government finance settlement for 2017/18. Over 90 delegates heard from speakers including our Chairman, Lord Porter, as well as other members and officers from the LGA, DCLG, CIPFA and local authorities.

**Consultation Responses**

1. In addition to the consultation on the provisional settlement, the LGA has responded to a number of other consultations on local government finance issues in recent weeks.
2. We [responded](http://links.govdelivery.com/track?type=click&enid=ZWFzPTEmbXNpZD0mYXVpZD0mbWFpbGluZ2lkPTIwMTcwMTIzLjY5MDU2NjYxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE3MDEyMy42OTA1NjY2MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE2ODk0NjQ5JmVtYWlsaWQ9bWFyay5qb2huc29uQGxvY2FsLmdvdi51ayZ1c2VyaWQ9bWFyay5qb2huc29uQGxvY2FsLmdvdi51ayZ0YXJnZXRpZD0mZmw9JmV4dHJhPU11bHRpdmFyaWF0ZUlkPSYmJg==&&&113&&&http://www.local.gov.uk/documents/10180/8150261/LGA+submission+-+Local+Infrastructure+rate+consultation+FINAL+CLEARED.pdf/2c6355c0-1695-41c7-83dd-8aad55f6968b) to HM Treasury’s [consultation](https://www.gov.uk/government/consultations/local-infrastructure-rate) on the introduction of Local Infrastructure Rate, first announced in the Autumn Statement 2016. Under the Government’s proposals, local authorities would be able to borrow at a lower rate from the Public Works Loans Board (PWLB). We also submitted a [response](http://links.govdelivery.com/track?type=click&enid=ZWFzPTEmbXNpZD0mYXVpZD0mbWFpbGluZ2lkPTIwMTcwMTIzLjY5MDU2NjYxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE3MDEyMy42OTA1NjY2MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE2ODk0NjQ5JmVtYWlsaWQ9bWFyay5qb2huc29uQGxvY2FsLmdvdi51ayZ1c2VyaWQ9bWFyay5qb2huc29uQGxvY2FsLmdvdi51ayZ0YXJnZXRpZD0mZmw9JmV4dHJhPU11bHRpdmFyaWF0ZUlkPSYmJg==&&&115&&&http://www.local.gov.uk/documents/10180/11531/LGA+submission+-+MIFID2+consultation+from+FCA+final+for+submission.pdf/e2a99976-eaae-44b1-aeaf-5999b6985c53) to the Financial Conduct Authority's (FCA) [consultation](https://www.fca.org.uk/sites/default/files/cp16-29.pdf) on the implementation of the MiFID2 directive. The proposals will impact on local authorities’ treasury management activities and have serious implications for pensions management.
3. We also submitted a response Public Sector Audit Appointments’ (PSAA) [consultation](http://www.psaa.co.uk/audit-and-certification-fees/201718-work-programme-and-scales-of-fees/) on proposals for the work that external auditors will undertake and the associated scale of fees for 2017/18.

**Sector-led Improvement**

1. Croydon Council have recently been awarded Timewise Council status, becoming the fifth London Council to be recognised. Read more about their award and what it means to them [here](http://news.croydon.gov.uk/timewise-accreditation-for-croydon-councils-flexible-working-plans/).
2. We have made a variety of updates to the [national website](https://lgpsmember.org/) for members of the Local Government Pension Scheme (LGPS) including the introduction of three new interactive calculators, greater accessibility functionality and a mobile version of the site.
3. We have held discussions with DCLG on the planned next steps for a consultation on the LGPS undertaken by the Department in Summer 2016. A further consultation on Fair Deal is likely but other proposed changes may proceed and will be considered case-by-case.

**Britain's Exit from the EU**

1. We have responded, via the LGPS advisory board, to a FCA consultation on the EU’s Markets in Financial Instruments Directive (MiFID) due to come into force in January 2018.

**Children, Health and Schools**

1. We have worked with colleagues at DfE and DCLG on the development of a guide to the LGPS aimed at academies. The guide is due to be published in early Spring 2017.
2. Regarding the gender pay gap, the LGA has made representations aimed to persuade the Government to amend its proposals such that authorities will not now have to include most school-based staff that they employ in their reporting figures.

|  |  |
| --- | --- |
| **Contact Officer:** | Nicola Morton / Sarah Messenger / Rose Doran  |
| **Position:** | Heads of Programmes / Senior Advisor |
| **Phone no:** | 020 664 3109 / 020 7664 7342 / 020 7664 3073  |
| **E-mail:** | Nicola.Morton@local.gov.uk / Sarah.Messenger@local.gov.uk / Rose.Doran@local.gov.uk  |