

Autumn Budget 2017 Update

Purpose of report

For information.

Summary

The LGA has submitted a formal response to the Government's consultation on the Autumn Budget. This report updates Members on our activity to date and the work we will be undertaking in the run up to the Chancellor's announcement on the 22 November.

Recommendation

That members of Executive note the contents of the report.

Action

Officers to proceed as directed.

Contact officer:	Sarah Pickup / David Holdstock
Position:	Deputy Chief Executive / Director of Communications
Phone no:	0207 664 3141 / 0207 664 3212
Email:	sarah.pickup@local.gov.uk / david.holdstock@local.gov.uk

Autumn Budget 2017 Update

Background

1. The LGA submitted its [representation to the Autumn Budget](#) on 22 September 2017. This included a series of recommendations on local government finance, public service reform and economic growth.
2. This report updates on the LGA's activity to influence the Budget and make the case for local government. Members of LGA Executive are asked to note this report.

Content of the submission

3. The LGA's Autumn Budget submission paper follows the direction of travel set in the LGA's publication *Growing Places*, but focuses on financial aspects.
4. The key points included in the submission are proposals for the Government to:
 - 4.1. Meet the £5.8 billion funding gap facing existing local services by 2019/20 and the £1.3 billion pressure to stabilise the adult social care provider market today either through further business rates retention or grant funding.
 - 4.2. Ensure that the Fair Funding Review does not result in any local authority seeing its funding reduce. Instead, the new funding baselines should be introduced through the additional resources provided by greater business rates retention.
 - 4.3. Provide councils with the financial flexibilities to build new homes by devolving funding, localising planning fees and removing the cap on HRA borrowing.
 - 4.4. Bring forward urgently a cross-party review of adult social care.

Promoting the messages of the submission

5. We are engaging with Government departments on the proposals in the Budget submission through various means of communication. For example:
 - 5.1. Funding challenges facing children's services were highlighted in [Lord Porter's letter to the Chief Secretary to the Treasury](#).
 - 5.2. Proposals regarding business rates retention and the fair funding review are being promoted by officers as part of the joint work between LGA and DCLG officials and the various officer working groups looking at different aspects of the reform. They have also been highlighted in [the Chairman's letter to the Secretary of State for Communities and Local Government](#).

Parliamentary and Public Affairs

6. Over the course of the autumn party conferences our councillors have contributed to 65 debates, roundtables and other events with over 50 stakeholders from the private, charitable and non-profit sectors. These events covered a wide range of topics and were an opportunity to make the case for local government to have the right financial freedoms and adequate funding. Of particular note in relation to our Budget submission were events on the following subjects:
 - 6.1. A LGA hosted debate on the skills gap facing our country. This was an opportunity for us to promote Work Local, our positive vision for the future of skills and employment services. Work Local is a key priority in our Budget submission.
 - 6.2. Debates and roundtables on affordable housing, solutions to the housing crisis, and modular homes.
 - 6.3. Debates and roundtables on the future of health and social care, including discussions on integration, ageing and loneliness, and mental health.
 - 6.4. Debates and roundtables on youth services and social investment.
7. We also used Twitter's geo-targeting to promote tweets in delegates' timelines. This resulted in around 100,000 impressions.
8. The Chairman, Group Leaders and Lead Members have also been meeting key political contacts to push for positive changes that will support councils in the work they do. This includes meetings with Secretaries of State and Ministers in the Treasury, Department for Communities and Local Government, Department for Work and Pensions, Department for Exiting the EU and Defra. Working with our Political Groups, we also have regular engagement with their shadow ministerial teams and are constantly briefing them on the issues we face as a sector.
9. Alongside this engagement, it is also worth noting that LGA officials are meeting with their counterparts in Whitehall to make the case for our proposals and develop solutions that will deliver on our policy positions.
10. We are also in the process of writing to relevant Government ministers and their Opposition counterparts to share the submission directly.

Media and Campaigns

11. Our media work on our Budget submission so far has included proactive press releases calling for councils to be able to significantly invest more in house building, while also urging greater curbs on gambling advertising.
 - 11.1. We highlighted our new analysis revealing that the average house price is now almost eight times the national wage and that despite councils approving nine in 10 planning applications, they are still restricted in their ability to borrow to invest in new housing. In addition to calling for the borrowing cap to be lifted, we also reinforced our call for councils to be able to keep 100 per cent of their receipts from Right to Buy.
 - 11.2. Our press release calling for greater restrictions on betting advertising to help protect young people from developing possible gambling problems as they grow older was reported in the Telegraph, [Mail](#), i paper and [ITV Online](#). We echoed our budget submission asks for maximum stakes on fixed-odds betting terminals (FOBTs) to be reduced from £100 to £2 in line with other high street gaming machines, and for cumulative impact tests to enable councils to reject applications for new betting shops where there are already existing clusters of shops. LGA Vice Chair Cllr Marianne Overton was interviewed live on LBC on the issue while Deputy Chairman Cllr Peter Fleming featured on Sky News Radio, clips of which were broadcast across commercial radio station news bulletins.
 - 11.3. We have also highlighted our Budget asks for councils to be able to borrow to invest in housing and keep 100 per cent of Right to Buy receipts in response to the Prime Minister's Conservative Party Conference speech on council housebuilding. Our statement was reported on BBC Online, Sky News Online, in the Times and on Independent Online, FT Online and Guardian Online. We also placed a comment piece from Lord Porter on the speech, and the vital role councils need to play in building homes, in the popular daily Times Red Box bulletin. This also ran on the Times website. Lord Porter was interviewed on BBC Radio 5 Live and our response was reported on Sky News.
 - 11.4. Between now and November 22, the media team will continue working through a planned proactive story grid to push key asks from our budget submission. This will include stories on adult social care and children's funding during the week of the National Children's and Adults Conference.

12. Officers have promoted the Budget Submission across the LGA's digital channels.
 - 12.1. So far, we have tweeted eight times, resulting in 20,941 impressions and 283 engagements. We also posted to our Facebook and LinkedIn pages.
 - 12.2. In addition, we produced [a short video](#), detailing our key asks, which has already been watched more than 300 times.
 - 12.3. The Budget Submission has appeared at the top of the homepage since its publication.
 - 12.4. The document is being promoted across all of our email bulletins.
13. The culmination of this work has, to date, seen more than 800 page views of the Budget Submission summary page and 619 downloads of the document.

Next steps

14. The LGA will continue to promote the messages of the Budget submission until 22 November.
15. Officers are undertaking further analysis to highlight the financial challenges facing local government. This includes, for example, analysing how the use of council tax to finance local services has changed since the start of decade and how it could change through the rest of this decade.
16. In Parliament we will be working with our Vice-Presidents and supportive Members of Parliament and Peers to ensure they are briefed on the LGA's Budget submission and in a position to help us deliver for local government. In the autumn parliamentary session particular highlights will include:
 - 16.1. Using our lobbying on the EU (Withdrawal) Bill to promote our call for a successor to the EU funding that will give local areas greater say over how to target the money so that projects benefit local people and economies, and best support infrastructure, environment, enterprise and social cohesion.
 - 16.2. Providing evidence to parliamentary committee inquiries on subjects including housing, waste management, council finances, social care and air quality.
 - 16.3. Providing regular briefings to parliamentarians, including the Chairman and LGA Vice Presidents, to support them in raising key issues contained in the submission in Parliament.

16.4. Hosting roundtable briefings for our Vice-Presidents so that they are briefed on our Budget submission and our policy recommendations.

17. Between now and November 22, the media team will continue working through a planned proactive story grid to push key asks from our Budget submission.

Implications for Wales

18. Officers consulted on the content of the submission with the Welsh Local Government Association. However, the content of the submission, and the activity plan above, focusses on English local government.

Financial Implications

19. This work is part of the LGA's core programme in 2017/18 and has been budgeted for.