

7 March 2019

## **Resources Board – report from Cllr Richard Watts (Chair)**

### **Local Government Finance**

#### 2019-20 Local Government Finance Settlement

1. The Government announced the 2019/20 Final Local Government Finance Settlement on 29 January in the form of a [written ministerial statement](#) and [published associated documents on the MHCLG website](#). On the day of the settlement, we issued a [media statement](#). There were no major changes to the final settlement compared to the provisional settlement published in December 2018. The settlement was debated and approved in the House of Commons on 5 February. We briefed parliamentarians for the debate, and several MPs referred to information in our briefing including our analysis of the funding gap facing local services in 2019/20 and beyond, including Chair of the HCLG Committee, Clive Betts MP; LGA Vice-President, Andrew Lewer MP; and the Shadow Secretary of State.
2. Following the debate Cllr John Fuller, Vice Chairman of the LGA's Resources Board, was interviewed live on the BBC News channel.

#### Business Rates Retention and the Fair Funding Review

3. I chair the cross party, cross board Business Rates Retention and Fair Funding Review Task and Finish Group, which reports to the LGA Leadership Board and Executive.
4. The LGA's [responses](#) to the consultations on [Business Rates Retention](#) and the [Fair Funding Review](#) were submitted in February. The responses were shaped by the Task and Finish Group and then discussed by the LGA's Leadership Board and Executive and finalised by the LGA's Chairman and Group Leaders.
5. In conjunction with MHCLG, we ran a series of free regional events in January and February for councils to hear about the proposals in the two consultation documents and to feed in their views. These were attended by over 220 delegates from over 150 member authorities.

#### 2019 Spending Review

6. On 1 February, the LGA launched its 2019 [Spending Review campaign](#), with information on the reductions in resources to councils since 2010, the funding gap facing the sector and the discretionary services at risk, such as bus services and council tax support. In February I was interviewed on the BBC News channel and TalkRadio, warning about how the funding gap could mean that communities could see popular services reduced as councils divert funding to duties they have to provide by law. I also recorded a [podcast](#) for the Local Government Information Unit, discussing new analysis from a national survey of councils' finances.
7. In conjunction with MHCLG we are organising a series of round tables at officer level as an opportunity for key representatives across the sector to discuss a number of cross-cutting and service-specific themes relating to the Spending Review directly with relevant

7 March 2019

Government department officials. The first round table covered Special Educational Needs and Disabilities and Dedicated Schools Grant and the second covered welfare reform, temporary accommodation and homelessness. Further topics are planned to be covered in the forthcoming months covering topics including adult social care, children's social care, financial sustainability and place based services.

#### Spring Statement

8. The Government has confirmed that the Spring Statement will be announced on 13 March 2019. Like last year, the Government is not seeking submissions in advance of the Spring Statement. In line with last year the annual 'major fiscal event' is the Autumn Budget rather than the Spring Statement.

#### Business rates treatment of self-catering accommodation

9. Following consideration by Resources Board at its last meeting an [LGA responded](#) to the [consultation on the business rates treatment of self-catering accommodation](#). The LGA response welcomes the Government proposals and calls on the Government to take action more broadly on business rates avoidance. It also calls on the Government to assess how a similar scheme is working in Wales and ensure that any lessons are incorporated into the scheme for England.

#### Review of enforcement agent (bailiff) reforms: call for evidence

10. The LGA made a [submission](#) in response to a Ministry of Justice [call for evidence on enforcement agent \(bailiff\) reforms](#). Lead Members of Resources Board cleared the submission. It is important local authorities are able to collect income that is due to them otherwise valuable local services including those that help protect children and vulnerable adults may need to face further cuts. The submission recognised the steps councils make to help people in financial difficulty, whether through signposting to free debt advice, or through the joint [Council Tax Protocol](#), which the LGA has developed alongside Citizens Advice.

#### Workforce

##### Teachers Pay 2019

11. The National Employers' Organisation for School Teachers ([NEOST](#)) submitted its [written response](#) in January calling for a fully funded pay award in 2019. The [remit for School Teachers' Review Body \(STRB\)](#) particularly welcomed consultees' views on affordability and any further targeting of pay.

##### Term Time Employees (NJC for Local Government Services)

12. The NJC has produced the first tranche of [guidance](#) on working arrangements for Term-Time only employees which will be incorporated as Part 4.12 into the next updated version of the National Agreement ('Green Book').

#### EU Funding and the UKSPF

7 March 2019

13. Colleagues from MHCLG and DExEU attended the Board meeting in February to discuss European Regional Development Fund plans under a deal and no deal scenarios.

**Media Roundup**

14. Since the last Forum, I have given comments in the following press releases on behalf of the Board:

- 14.1 [LGA responds to HCLG committee report on high streets and business rates](#)
- 14.2 [Local safety net uncertainty risks households facing debt and financial exclusion](#)
- 14.3 [Response to LGIU/MJ local government finance survey](#)
- 14.4 [Response to the IFS report on the Spending Review](#)
- 14.5 [LGA responds to Citizen's Advice report on impact of Universal Credit](#)
- 14.6 [Response to PAC report on local government spending](#)
- 14.7 [LGA responds to IFS report on council tax support](#)

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