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Resources Board Priorities and Work Programme 2019/20

Purpose

For discussion and agreement.

Summary

This report outlines proposals for the Board's priorities and key areas of work, set against the available resources.

Recommendation

That Members of the Resources Board agree its priorities and work programme for the 2019/20 meeting cycle.

Action

Officers to take any actions as required.

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Resources Board Priorities and Work Programme 2019/20

Background

1. The Local Government Association's (LGA) Boards engage with and develop a thorough understanding of councils' priorities in relation to their particular programme area. They also help shape our business plan and, through extensive engagement with councils, oversee programmes of work that deliver the strategic priorities set by the LGA Executive.
2. The LGA's Resources Board shapes and develops the Association's policies and programmes in line with the LGA priorities in relation to: Local Government Finance; Welfare Reform; EU Funding; and Workforce.
3. At this first meeting of the Resources Board for the 2019/20 meeting cycle, members are asked to consider the policy priorities for the work programme for the coming year. In making these decisions, members are asked to consider specific policy priorities based on the remit of this Board, as well as the wider priorities of the LGA.

Board Work Programme and Resources

4. This report sets out a suggested work programme for the Board that will help deliver the LGA's Business Plan priorities. Members are asked to consider the following priorities and projects listed below as the Board's focus for the coming year.

Workforce

5. Priorities for Workforce come under the Ministry of Housing, Communities & Local Government (MHCLG) memorandum of understanding (MoU), which helps inform the work and priorities of the Resources Board.
6. The MoU sets out that programmes to deliver this overall outcome will follow the priorities set out in the recent Workforce Focus publication which will drive our work over the next few years and will take into account the potential workforce issues that may arise from Brexit. The five priorities set out in Workforce Focus as a result of consultation in the sector are:
 - 6.1 organisational development;
 - 6.2 skills development;
 - 6.3 Leadership;
 - 6.4 Recruitment and retention; and
 - 6.5 Pay and reward.
7. The general objective for the next year in the MoU is: "Councils are supported to address current and future workforce changes associated with public sector reform, the

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practical implementation of current employment legislation etc., to modernise and transform the way they work, developing workplace cultures that motivate and value staff at all levels and to increase diversity and inclusion.”

8. Specific deliverables under this objective will include:
 - 8.1 Help councils to address inequalities, gender pay gap, ethnicity gap and the roll out of Disability Confident.
 - 8.2 Support over 50 councils to transform their workforces and modernise the way they are managed through a range of HR/OD initiatives and in line with sector priorities.
 - 8.3 Identify the five occupations with the most significant recruitment and retention problems and target advice and support on those areas.
 - 8.4 An apprenticeship programme (of encouragement and practical support) designed to help councils increase the number of apprentices and maximise their levy investment.
9. There is an additional objective under the MoU to ensure *that “Pay settlements are agreed and workforce disruption minimised”*. Deliverables to include: maintaining the national negotiating machinery on pay and workforce issues, facilitating the negotiation of a pay agreement that builds on the progress made in introducing a new pay spine for local government that addressed the challenge of the National Living Wage and avoids the duplication of single employer negotiations. To deliver pay agreements for other occupational groups that are not in the middle of current two-year agreement.
10. The Workforce team will continue to develop and provide advice on employment law issues and to respond on behalf of the sector to legislative and regulatory consultations.
11. The team has a special responsibility for resolution of complex senior employee relations cases which continues to grow
12. The team also has an income-generating responsibility which will continue to focus on:
 - 12.1 Providing bespoke consultancy on recruiting, organising and rewarding senior management teams.
 - 12.2 Job evaluation.
 - 12.3 Enhancing and growing the information and support subscription service provided to associated employers such as academy trusts through the “Employer Link” programme.

Local Government Finance

Spending Review 2020

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- 13 Working with other Boards to develop and deliver a high profile campaign and reports in advance of the 2020 Spending Review that make the case for adequate resources for local government and the additional freedoms and flexibilities needed.
- 14 This is a high priority for the LGA and is being led by Leadership Board and Executive with contributions from all relevant boards.

Business Rates Retention

- 15 A long-term work programme on increasing local government retention of business rates and redesign of the retention system to more effectively manage risks.
- 16 This is high priority work for the Local Government Finance Team. This work is being led by the Business Rates Retention and Fair Funding Review Task and Finish Group, Leadership Board and Executive.

Review of Relative Needs and Resources ('Fair Funding Review')

- 17 Work to ensure the Government conducts its review in an open, transparent and timely fashion with all parts of local government having an opportunity to provide evidence and make their case. The results of the review will contribute towards setting individual local authority funding levels in the next decade.
- 18 This is a high priority for the LGA. This work is being led by the Business Rates Retention and Fair Funding Review Task and Finish Group, Leadership Board and Executive.

Other Business Rates Issues

- 19 Work includes changes to the system of business rates including more frequent revaluations and flexibility around reliefs and pressing for changes to reduce business rates avoidance. Given the impact of these changes on local authority income this work is a priority.

Local Government Set Pieces

- 20 To understand and debate the financial challenges facing councils and support the Leadership Board and Executive in developing policy and funding asks in response to the annual local government finance settlement and Autumn Budget.

Council tax and other local financial flexibilities

- 21 Press for freedoms that lead to greater local financial autonomy with a view to achieving local control over council tax, councils being able to raise more funds locally including the right to determine new local taxes and set fees and changes which fully recover costs.

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Capital Financing

- 22 Contributions to national reviews so that they enable rather than restrict prudential financial management.

Other Finance Policy

- 23 To influence thinking, formulate policy and respond on behalf of the local government sector so that councils are supported by an appropriate financial framework that is appropriate, not over restrictive and balanced with local freedom and accountability. This will include responding to ad hoc financial consultations and reports that impact on local government, including but not limited to, accounting practices, audit policy, treasury management, and other related issues.

Contribute to wider LGA objectives

- 24 Provide local government finance support to other Boards on service-specific issues.

EU Funding

- 25 The Board's two priorities for 2019/20 will be to ensure that current EU funding is fully spent until the end of 2020, and any local economic issues arising from the UK's exit from the EU. The second is to ensure that there is a smooth transition from ESIF to the domestic replacement, the UK Shared Prosperity Fund (UKSPF). The LGA is lobbying for this to be a localised, place based fund, which affords maximum flexibility to target local needs and tailor support where it has best impact.

Welfare Reform

- 26 Build on the DWP / LG annual 'cost refresh' exercise to ensure that councils are fully reimbursed for their role in delivering Housing Benefit and administrative work related to Universal Credit, including emerging requirements in relation to Temporary Accommodation and Supported Accommodation.
- 27 Continue to ensure that all challenges arising from the implementation of Universal Credit are recognised and funded, and that councils have both the information and the funding to support claimants, particularly in relation to 'move to UC' of claimants on legacy benefits, with the Harrogate pilot commenced in July 2019.
- 28 Make the case, and develop the evidence base, for the private sector Local Housing Allowance (LHA) rate to adequately and appropriately meet housing costs for low income households in the PRS. Including commissioned research, partnership working with key stakeholders, liaison with DWP and HMT ministers and work with councils. Link this wider work on housing and homelessness in partnership with EEHT Board.

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- 29 Deliver the LGA's commissioned 'reshaping financial support' action learning programme. This programme is being funded by LGA improvement budget and contributions from partners and will be delivered with four core councils for 12-18 months from Autumn 2019.
- 30 Contribute to emerging policy development and implementation on financial inclusion and sustainability including the cross-Government debt strategy, new approaches to CT recovery and HMT's Breathing Space initiative.
- 31 Continue to make the case for an appropriately recognised and resourced local safety net, including work with partners on developing local approaches to crisis support and the future funding and use of Discretionary Housing Payment.
- 32 Ensure that the LGA's work on welfare reform is effectively integrated with work on housing, employment and health and continue to press Government for a more integrated approach to improving life chances and promoting social mobility. Make the necessary links with the Troubled Families programme on outcomes for disadvantaged households.

Financial implications

- 33 This programme of work will be delivered with existing resources. Additional supporting projects may be commissioned subject to funds being available from a directorate / team budget.