

## Note of last Resources Board meeting

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**Title:** Resources Board  
**Date:** Thursday 14 January 2021  
**Venue:** Online via Zoom

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### Attendance

An attendance list is attached as **Appendix A** to this note.

Item	Decisions and actions	Action
<b>1</b>	<b>Welcome, Apologies &amp; Declarations of Interest</b>  Cllr Richard Watts (Chair) welcomed members to the meeting.  The following declarations of interest were noted:  Item 5: <ul style="list-style-type: none"><li>- Cllr Keith House noted his membership on the PSAA Board.</li><li>- Cllr Amanda Serjeant noted that she was a current serving Secondary School Teacher.</li><li>- Cllr Roger Phillips noted that he was Chairman of the LGPS and a member of the PSAA Board.</li><li>- Cllr Sharon Taylor OBE noted that she was a member of the NJC's negotiating team.</li></ul>	
<b>2</b>	<b>Local Government Finance Update</b>  The Chair invited Douglas Olley (Adviser - Local Government Finance) and Sarah Pickup (Deputy CEO, LGA) to provide an update in relation to Local Government Finance.  Douglas introduced the report which included key information on the spending review settlement, COVID-19 funding, and the upcoming budget, as well as detail on the announcements in the spending review and settlement.  <ul style="list-style-type: none"><li>- Members expressed their concerns in relation to the financial burden on local authorities as a result of additional COVID-19-related pressures and loss of income and the need to press government for a comprehensive third-way funding package for local government to manage the ongoing, severe financial pressures.</li><li>- It was acknowledged that communities and families all over the country had been hard-hit by the additional COVID-19-related pressures and increases in council tax and that relief should come from government funding, not by increasing council taxes. In many councils, there was a significant decrease in the amount of</li></ul>	

recoverable council tax and an increase in families applying for council tax support schemes.

- Members commended local government staff and public health colleagues for their continued efforts in being resilient, hard-working, and flexible throughout the COVID-19 pandemic.
- It was noted by Members that the amount of administration allowance received by councils from government was not significant enough to cope with the ever-changing lockdown and tiering system and that there was not an adequate amount of data available to support businesses and business owners.
- The contain outbreak management fund had been allocated to upper-tier authorities and was not, in many cases, being passported down to district councils.
- Members emphasised the importance of ensuring that those in need of temporary/emergency accommodation were supported, as well as colleagues in Revenues and benefits teams who were under a significant amount of pressure managing rent arrears and the additional costs associated.
- The importance of ensuring that public health services received adequate funding during the COVID-19 pandemic was noted by Members.
- Members acknowledged that businesses and business owners had been hard-hit by the lockdown measures that had been put in place as a result of the COVID-19 pandemic, and that many businesses were not eligible for the business support schemes. It was noted by Members that many councils had been instructed by government to use additional restrictions grants to support businesses and business owners, despite the grant needing to last until March 2022. Members also noted that the grant system needed to be simplified and more comprehensive to ensure that all businesses and business owners were supported.
- Although Members were mindful that every council faced different pressures in relation to service provision and funding, it was noted that an equitable scheme, suitable in all tiers of local government and all parts of the country, was much needed.
- Members were keen for further information in relation to planning and preparing for the recovery phase of COVID-19, both in terms of the immediate support for staff, businesses, and business owners and what the current pressures would mean for future local authorities' budgets.
- Members emphasised the importance of focusing on future direction in relation to the spending review and the local government finance settlement.
- Members acknowledged that spending additional monies during these unprecedented times would have a severe impact on future

social, economic, and environmental costs and that there was a fundamental need to push back to government for extra financial support.

- Sarah referred to the LGA's reflection on the local government finance settlement and stated that whilst it was better than expected, and councils were granted more flexibility and power, it still meant that councils would face difficult decisions in terms of raising council taxes and placing a financial burden on residents.
- In relation to ensuring that all COVID-19-related costs and lost income were covered by government, Sarah confirmed that the LGA continue to work closely with the Ministry of Housing, Communities and Local Government (MHCLG) to explore the returns on expenditure and income losses, lobby for additional funds where necessary and to ensure that funding for new burdens is addressed adequately.
- Sarah emphasised the importance of continuing to address current pressures and briefly touched upon two key issues:
  - Adult Social Care (ASC) funding reform -
  - The need to diversify funding sources for councils.

A task and finish group on Local Government Funding (chaired by Cllr Richard Watts) would scrutinise and submit feedback to the Executive Advisory Board in relation to the range of work required going forward.

- Sarah reassured Members of the Board that their comments would continue to be taken onboard and fed into discussions which related to the local government finance settlement.
- In relation to the public health grant, Douglas confirmed that the LGA would continue to push for the grant to be announced as soon as possible and that discussions which related to the proliferation of the grants would continue.

The Chair summarised the discussion and stated that making a case to government, which emphasised the fact that council tax would not be an appropriate way of funding ASC long term, was crucial.

### **Decision**

Members of the Resources Board noted the update.

## **3 Support for Low Income Households Update**

The Chair invited Rose Doran (Senior Adviser) to provide an update in relation to support for low income households. Rose summarised the following three key points:

1. A survey was being conducted to look at the support that councils across the country continued to provide to low income households and capturing some of the pressures that they had been faced

with.

2. The re-shaping of financial support programme which was progressing well.
3. Self-isolation payments and the need for additional funding to effectively manage admin pressures and provide wider support to self-isolation households.
  - In relation to self-isolation payments, Members raised concerns which related to individuals switching off the test-and-trace app so that they were not traced and tested, because if they were, they would not get paid for their trade work and cannot afford to take time off to self-isolate. Members noted the need to highlight the issue to government that the entire funding that they provide to councils for self-isolation should be discretionary to allow councils to decide where it is allocated.
  - It was noted by Members that admin pressures on Housing Benefits and Council Tax Support teams were severe.
  - Members welcomed the additional funding and were in favour of the eligibility criteria review as a large number of people that needed the support grant were applying for it and did not meet current criteria.
  - With regards to people reluctant to self-isolate as they could not afford to cease working, Members questioned whether there was specific data available to help both local and national government address the issue.
  - Rose stated that the Department of Health and Social Care (DHSC) had been collecting data by the dashboard which highlighted challenges in relation to the need for local discretion. The data collation examined case studies in terms of how councils had approached wider support to households who had been asked to self-isolate. She encouraged Members to share data from their own areas to feed into the DHSC's data collation. She added that work with colleagues in Public Health and the Community Wellbeing Board in relation to supporting low income households continued.
  - Rose reassured Members that all of the comments and concerns that had been raised, particularly in relation to eligibility, would be built into the ongoing conversations that LGA colleagues continued to have with public health colleagues and the DHSC.

#### Decision

Members of the Resources Board noted the verbal update.

#### Action

Officers to provide a brief written, bullet-pointed update for Board members to summarise the action being taken to support low income households.

#### **4 Redmond Review**

The Chair briefly introduced the report which outlined the main points in the response from the Government to the recommendations in the Redmond Review. He then invited Bevis Ingram, Senior Adviser, to provide an update.

Bevis stated that the Department for Communities and Local Government (CLG) were implementing some of the recommendations outlined. The LGA continued to work with CLG and welcomed comments and questions from Members of the Board.

- Members noted a number of concerns in the response to government, particularly in relation to audits. Cllr Sharon Taylor, in her role as Finance Lead for the District Councils Network, had requested a meeting with the Public Sector Audit Appointments Limited (PSAA) to discuss the increasing delays in producing audits and the complex issues that auditors continued to face.
- Reference was made to the Public Works Loans Board (PWLB) loans and Members emphasised the importance of local decision-making and budget management. The hard work being undertaken throughout the COVID-19 pandemic by local government staff was commended by Members.
- The Chair confirmed that the engagement work with central government would continue.

#### **Decision**

Members of the Resources Board noted the contents of the report and the need to continue to engage with MHCLG on the implementation of recommendations and further consideration of system leadership options.

#### **5 Workforce Update**

The Chair invited Naomi Cooke (Head of Workforce) and Jeff Houston (Head of Pensions) to provide an overview of recent activity. In their update, Naomi and Jeff raised the following points:

- In relation to schools, Naomi referred to teachers' pay outlined within the report and stated that the LGA had been heavily involved in discussions with the Department for Education (DfE), unions, councils, and other school employer groups to produce guidance as and when possible.
- With regards to school support staff, covered by the National Joint Council (NJC) for Local Government Services, the LGA continued to work on some joint guidance which related to the redeployment of support staff. The LGA continued to reflect to the DfE that some schools across the country were under severe strain due to the combination of increased staff absence, increased use of critical worker provision and the extension of access to children with insufficient access to I.T equipment.

- A COVID-19 workforce survey had recently been circulated and the LGA would use the data collected from the survey to support discussions with the DfE.
- With regards to local government pay, Naomi informed Members that the LGA expected the claim from trade unions to be sent to the National Employers towards the end of the month. The National Employers would then convene to discuss next steps.
- Jeff outlined ongoing work in relation to the judicial reviews and confirmed that three applications for judicial review in relation to exit regulations had been given permission for hearing. The hearings would all take place together over a 2-day period on or after 16 March 2021.
- Jeff stated that the awaited new MHCLG regulations would prevent the ombudsman from reviewing other cases until the hearings had been completed, which meant potential legal uncertainty continuing into the new financial year. The LGA continued to support councils by regularly updating guidance in relation to the actions that needed to be taken and the communication that needed to be relayed to employees.

#### **Decision**

Members of the Resources Board noted the report.

## **6 EU Funding Update**

The Chair invited Paul Green (Adviser) to provide an update in relation to Local Government Preparedness for EU Exit.

Paul introduced the report which updated the LGA Resources Board on UK-EU Trade and Cooperation Agreement, and the work that the LGA had undertaken to support councils in preparing for Britain's exit from the EU and the end of the transition period. He highlighted several key issues which were a result of the end of transition period and explained in detail the work being undertaken to address the issues.

- A Member referred to paragraph 17 within the report, which related to setting up task groups to support UK Shared Prosperity Fund (UKSPF) conversations, and asked about the work that had been undertaken by the LGA in terms of agreeing the membership of the task groups.
- Members expressed their views in relation to the role of Local Enterprise Partnerships (LEPs) regarding EU Exit funding.
- It was noted by Members that local authorities needed an adequate voice in relation to the way in which the UKSPF was allocated.

- In relation to the membership of the local government UKSPF task groups, Paul confirmed that the terms of reference, proportionality and membership had not yet been determined. He added that more information would be circulated to Members of the Board in due course.
- Paul referred to the European Structural and Investment Funds (ESIF) programme regarding the EU Social Fund, the LGA had joined a working group to discuss the remainder of unallocated funding, the way in which the funding could be processed faster, and the way in which the LGA could use national programmes to distribute money from the Department for Work and Pensions (DWP) as quickly as possible.

### **Decision**

Members of the Resources Board noted the report and made comments on the current work being undertaken by the LGA.

### **Action**

Officers to circulate further information to Members of the Board in relation to the membership of the local government UKSPF task groups, once determined.

## **7 Minutes of the previous meeting held on 17th November 2020**

Members of the Resources Board agreed the minutes of the previous meeting on 17<sup>th</sup> November 2020 as an accurate record.

## Appendix A - Attendance

Position/Role	Councillor	Authority
Chairman	Cllr Richard Watts	Islington Council
Vice-Chairman	Cllr Tim Oliver	Surrey County Council
Deputy-chairman	Cllr Keith House	Eastleigh Borough Council
	Cllr Jason Zadrozny	Ashfield District Council
Members	Cllr Philip Atkins OBE	Staffordshire County Council
	Cllr David Finch	Essex County Council
	Cllr Daniel Humphreys	Worthing Borough Council
	Cllr Peter Jackson	Northumberland Council
	Cllr Roger Phillips	Herefordshire Council
	Cllr Richard Wenham	Central Bedfordshire Council
	Cllr Bev Craig	Manchester City Council
	Cllr Erica Lewis	Lancaster City Council
	Cllr Amanda Serjeant	Chesterfield Borough Council
	Cllr Peter Marland	Milton Keynes Council
	Cllr Adam Paynter	Cornwall Council
Cllr Phelim MacCafferty	Brighton & Hove City Council	