

Resources Board – End of Year Report 2021/22

Background and Context

1. The LGA's Resources Board shapes and develops the Association's policies and programmes in relation to Local Government Finance; Support for Low Income Households; Workforce and Pension issues.
2. Members are asked to consider the achievements of the Board over the last year against the priorities that were set at its meeting September 2021 and consider possible areas of work for 2022/23.

Achievements against priorities for 2021/22: Local Government Finance

Council funding

3. The LGA's lobbying ahead of the 2021 Spending Review, including a [Spending Review submission](#). [The LGA secured nearly £2 billion](#) of additional grant funding in 2022/23 in addition to council tax flexibilities.
4. We [responded](#) to the [2022/23 provisional local government finance settlement](#) and raised key concerns with the Local Government Finance minister during a meeting on the settlement. As a result, the minister offered the LGA regular cross-party meetings on local government finance which have been taking place. We [briefed parliamentarians](#) in advance of the debate on the final local government settlement.
5. An update to the LGAs cost pressures was published on 30 June. Work will continue to influence the Government and achieve further financial assistance in light of sharp inflationary pressures and to press for certainty and clarity on local government finance reform.
6. The LGA annual conference on local government finance was a success and received positive feedback from delegates.

Local taxation

7. HM Treasury acknowledged the role of the tax as an important part of the local government finance system as part of the [Fundamental Review of Business Rates](#) and announced positive changes, such as a move to more frequent revaluations and time limits for appeals. We responded to a number of consultations, such as a [technical consultation on business rates](#) and a consultation on an [online sales levy](#).
8. A Non-Domestic Rating Bill was announced in the [Queen's Speech](#) and is expected to be introduced before the summer recess. This is expected to contain measures including those concerned with the implementation of revaluations every three years including new duties for ratepayers to give information to the Valuation Office Agency. The duty to

report information on changes in ratepayer circumstances is something we have been calling for.

9. New rules tightening up the criteria for self-contained accommodation qualifying for business rates as opposed to council tax will be introduced on 1 April 2023; this is something we had [called for](#).
10. The LGA has also been involved in discussions on technical changes to business rates including digitalisation, compliance and on reliefs.
11. A report on options for the future financing of local government commissioned from WPI Economics was published on 13 January to coincide with the LGA's Finance Conference.

Capital and audit

12. We have continued to make the case for the capital financing framework to be enabling, and for the audit framework to be appropriate to the sector.
13. We have responded to and influenced the outcome to the following consultations on changes to the capital framework and we were able to make a successful case for mitigation to proposed changes to several aspects that could have had negative unintended consequences for the sector.
 - 13.1. [Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes](#).
 - 13.2. [Prudential Code for Capital Finance in local authorities](#).
 - 13.3. [Changes to the capital framework: Minimum Revenue Provision](#).
14. Local audit continues to experience significant complex problems and we continue to work with the Government and other relevant bodies to address this and to work with them on setting up a new framework that is appropriate for the sector. This year we have responded to the following consultations:
 - 14.1. [Local Audit Framework technical consultation \(ARGA as system leader\)](#).
 - 14.2. [Emergency consultation on temporary changes to the accounting code 2021/22 and 2022/23](#).
 - 14.3. [Urgent consultation on temporary changes to the accounting code \(infrastructure assets\)](#).
15. In November we submitted [written evidence to the Public Accounts Committee inquiry into the Local Government Finance system](#) which covered commercial investments and local audit, as well the overall sustainability of local government finance.

Local Government Finance Priorities for 2022/23

Council funding

16. Continue to work on estimating the pressures on all services and press for funding that reflects current and future demand, particularly for housing, homelessness, adult social care and children's services, lobbying Government to provide sustainable funding to meet these needs.
17. Work with local and central government on a system of local government funding that supports long-term planning, is evidence-based, simpler and more transparent with appropriate transition mechanisms.

Locally raised resources

18. Press for freedoms that lead to greater local financial autonomy with a view to achieving local control over both council tax and business rates.
19. Lobby for improvements to business rates to help tackle business rates avoidance and develop proposals to improve the system, including valuation and the appeals process.
20. Consider potential work on new local taxes, reform of existing local taxes and control over fees and changes to fully recover costs.

Capital investment

21. Further develop policy on capital financing and investing and contribute to national reviews in these areas so that they support and enable prudent investment and financial management.
22. Contribute to reviews of the accounting and financial regulatory framework for councils to ensure it is appropriate, not over restrictive and balanced with local freedom and accountability.

Pensions

23. We will continue to support councils in their role as LGPS administering authorities to meet new statutory requirements on climate change risk and reporting, with regard to the investment strategy of the pension fund and considering integration of those strategies with local climate policies.
24. We will work to amend the Boycotts, Disinvestment and Sanctions Bill, once introduced, to maintain the ability of councils to make unfettered investment decisions.
25. We will continue to work with CIPFA to support councils in their role as LGPS administering authorities to find ways to ease delays signing off full council accounts which impact on and delay the publication of otherwise finalised pension fund accounts.

Achievements against priorities for 2021/22: Workforce

Collective Bargaining Issues

26. Pay negotiations for the local government workforces concluded on 28 February 2022 when the Trade Union Side accepted the National Employers offer of 2.75 per cent pay offer for staff on NJC pay point 1 and 1.75 per cent on all other pay points. Agreements had previously been reached with chief officers and chief executives to accept the National Employers offer of 1.5 per cent.
27. A 1.5 per cent pay deal was agreed for employees covered by the National Joint Council for Local Authority Fire and Rescue Services (ranging from fire fighters to middle managers). A separate agreement was also reached on a 1.5 per cent pay award for senior managers in fire and rescue services. This agreement covers all who fall within the scope of the National Joint Council for Brigade Managers of Local Authority Fire and Rescue Services.
28. We also act as the Secretariat for the Employers' Side of the Police Staff Council. A pay agreement was reached for police staff in May 2022 that includes a 2.1 per cent pay increase with effect from 1 April 2022 and a £250 pay increase for those earning under £24,000 effective from 1 September 2021. The next pay review date will be 1 September 2023.
29. In Schools, the School Teachers Pay and Conditions Document (STPCD) 2021 sets out teachers' pay and was published on 1 October. The National Employers Organisation for School Teachers (NEOST) submitted evidence in response to the government's consultation on teachers' pay 2021. As a direct result of the feedback included in this submission from councils, additional wording was included in the final STPCD to clarify the criteria relating to an allowance for tutoring under the catch-up program. All qualified teachers were included in the public sector pay freeze policy in 2021 apart from a relatively small number of qualified teachers who earned below £24k attracting a £250 consolidated uplift.
30. The National Employers and the Staff Associations on the Soulbury Committee reached a pay agreement for a 1.75 per cent increase for all officers within scope of the Soulbury Committee. The pay award is applicable from 1 September 2021. Soulbury Officers are Education Improvement Professionals, Educational Psychologists and Young People's Community Service Managers.
31. An agreement was reached in September within the Joint Negotiating Committee for Coroners to increase salaries and pay rates by 1.5 per cent, with effect from 1 April 2021.
32. Pay agreements for 2021 have not yet been reached for either the Craft or Youth and Community bargaining groups.
33. Pay negotiation activity in local government bargaining groups has commenced for 2022-23, with the National Employers consulting with local authorities in March ahead of receiving the trade unions' claim in June 2022. A further round of regional consultations with employers took place in June/July. National Employers are considering their response, and negotiations will continue over the coming months.

34. We have submitted written evidence to the Low Pay Commission as part of both their 2022 and 2023 consultation processes on the level of the National Living Wage. Due to the significant challenges local government will face now that the projected rate for the NLW on 1 April 2023 and 1 April 2024 has hit its highest level yet, we have also written to six government departments to highlight the impact this will have for service provision that fall under their responsibilities.

Fire

35. Following the Government's decision to create an additional bank holiday for the Queen's Platinum Jubilee, the NJC agreed to award the bank holiday and for it to be treated in the same way as other such holidays in the Grey Book for leave and pay purposes (there was no automatic entitlement under the conditions of the Grey book).

36. Agreement was reached between the LGA and the Fire Brigades Union on a memorandum of Understanding and Framework in respect of pension Immediate Detriment issues related to the Sargeant/McCloud legal judgment.

Schools

37. We held several webinars this year in place of our annual schools' workforce conference. Topics included school-based pay, employment law and flexible working and were delivered in partnership with DfE in June and July 2021.

Targeted Workforce Support

38. We provided targeted workforce support throughout the year to 75 local authorities throughout England (achieved by end of March 2022).

39. In addition, Croydon Council has throughout this year, and including this quarter, received detailed support from the Workforce programme as they respond to their financial and organisational challenges.

40. We delivered three hybrid working roundtable workshops attracting 135 councils to participate in a research project to understand and share good practice and lessons learned on new ways of working arising out of COVID19 restrictions.

41. We also ran a webinar in March 2022 on 'Harnessing young talent and producing the workforce of the future' to support our work on apprenticeships, T Levels and routes into local government for younger people.

Apprenticeships Programme

42. Our apprenticeships programme continued to provide councils with a support offer that was a mixture of encouragement, guidance and practical support designed to help councils increase their apprenticeship numbers and maximise their levy investment.

43. Across our apprenticeships programme in 2021-22, we have:

- 43.1. Delivered 12 Apprenticeship MOT Health checks to councils in England
- 43.2. Held 23 expert surgeries for councils
- 43.3. Supported our apprenticeship network of practitioners across local government, growing the network from 500 to 640 officers at councils and combined authorities.
- 43.4. Issued 7 apprenticeship newsletters and a further 3 updates
- 43.5. Held 8 webinars on key topics of interest for councils
- 43.6. Completed an action learning programme for 32 local authorities
- 43.7. Revised and updated our Apprenticeships in Schools Toolkit
- 43.8. Delivered the 2023 Apprentice of the Year event with partners East of England LGA and South West Councils
- 43.9. Completed our annual apprenticeship survey

Combined Authorities' HR Network

44. We supported Combined Authorities with an HR leads network, improving capacity and capability of Combined Authorities to deliver on their devolution deal objectives. A special report on hybrid working in the pandemic recovery phase has been commissioned for the group, with a particular emphasis on equalities issues and value for money.

Wellbeing, Equalities, Diversity and Inclusion (EDI)

45. We launched 'Diverse by Design', a comprehensive EDI guide for supporting improved workforce diversity and more inclusive practices and behaviours in councils.
46. New mental health resources were published on the website and advice was provided to councils on managing long-covid as part of ongoing programme of support to councils on good management of wellbeing post-COVID
47. Delivered an Inclusive Leadership expert surgery/coaching interactive event in September 2021 that was attended by over 100 different councils (174 delegates in total).
48. Delivered 5 equality-themed webinars in partnership with ACAS between July and December 2021. Each webinar focused on different equality characteristics to help employers understand and support the different needs of their staff to aid recruitment, retention and productivity. Over 1,000 delegates booked to attend the series and feedback showed that 95% of delegates were satisfied or very satisfied with the webinars.
49. We ran a menopause workshop on 26 January for 100 delegates, 95 per cent of whom told us they were satisfied or very satisfied with the content and delivery of the workshop.

50. The Employment Relations Unit have also developed a set of FAQs that cover some key wellbeing issues including managing clinically extremely vulnerable staff as restrictions are eased, managing self-isolating staff and managing staff who have long covid.

Social Work Health Check

51. We completed our annual Social Work Health Check report on the national Standards for Employers of Social Workers, which supports councils with the effective delivery of social work. In total 137 councils took part and these councils have received their individual performance reports on how their employment and management of social workers compares to the national standards.

Employment Law Advice

52. We continued to provide individual support to councils on a wide range of subjects dealing with all aspects of workforce transformation and improvement, including employment law support on contractual issues, advising on redundancy and reorganisations, hybrid working implications and workforce planning.
53. Our popular annual employment law conference took place on 10 March with over 200 delegates attending to hear the latest news on case law and HR policy for local government
54. Our employment law team worked with a selection of councils to submit a response on behalf of our sector representing our views on the Government's consultation on statutory disability workforce reporting.

T Levels

55. Working in partnership with the Gatsby Foundation and the Department for Education we are providing support to help councils host T Level Industry placements. We are working with 38 councils so far and have capacity to support 75. General advice and guidance on T Levels is being provided to all councils who have also been given access to an employer T Level Toolkit.

Workforce Planning

56. We have been running a support network for 70 council workforce planners throughout 2021-22. Since April 2022 this network has been open to all councils to join, with meetings focussing on a range of workforce planning issues, driven by council needs.
57. We have launched a workforce planning support programme for 2022 to provide support to Principal Social Workers to undertake workforce planning. Funded through the DLUHC improvement grant, Adult Social Care teams will be able to access on-line workshops to analyse their workforce needs. Funding is available to work with ten councils.

Commercial Activity

58. During 2021/22 we undertook a series of commercial projects for more than 16 councils, which together with other linked employers within the local government sector brought in around £150,000 in income. This sum was generated by work including DMA, pay benchmarking, employee engagement surveys, job evaluation, workforce planning, HR service reviews, and other bespoke projects.

Workforce Priorities for 2022/23

59. Some of the workforce priorities stem from the DLUHC Grant Determination Letter, others relate to direct grant programmes undertaken with government departments. Workforce also has some income generation objectives and provides additional support to the LGA's policy agenda.

60. The workforce offer set out in the DLUHC Grant Letter will involve management of national pay negotiations on behalf of all relevant employers relating to the 2022 pay award and taking forward 2023 negotiations, with joint circulars on relevant issues agreed with Unions.

61. This offer will also support councils to build skills, enhance capacity, address challenges, including issues relating to retention, recruitment and new ways of working, including workforce planning. All councils will be able to benefit from individual support and advice on mediation, investigation, employment law issues and HR matters.

62. The 2022-23 programme consists of three parts. The 'Supporting Workforce' offer will deliver:

62.1. Apprenticeship Support, including a programme of general advice and guidance, a webinar programme, updates and expansions of the LGA guidance notes and toolkits.

62.2. Targeted workforce support or advice, including bespoke support around workforce planning, provided to at least 50 councils (including intensive support for 10) receiving positive satisfaction ratings.

62.3. Work to support the development of local government workforce capacity, including on recruitment and retention issues and employee engagement.

62.4. Specialist HR and employment law advice, as well as mediation and investigation support, carried out as part of the Joint Negotiating Committee procedure; and promoting, researching and supporting councils' internal equalities, diversity and inclusion work.

62.5. Provision of key workforce information, including FAQs, guides, workforce bulletins to deliver guidance and information regarding key local government workforce developments.

63. The 'National Collective Bargaining and Industrial Relations' offer will deliver:

- 63.1. The LGA continuing to manage collective bargaining on behalf of the local government sector.
- 63.2. The LGA will continue to provide the secretariat and officer function (providing advice, research and stakeholder management) for National Employers in the various collective bargaining units within the local government workforce (local government services, LG chief officers, LG chief executives, craft workers, firefighters, fire brigade managers, police staff, coroners, Soulbury, youth and community staff).
- 63.3. Additionally, activity will involve renegotiating the core National Joint Council pay spine to ensure compliance with the National Living Wage and provide consequential implementation support to councils impacted by the changes.
64. The 'Equality, Diversity and Inclusion' offer will deliver:
- 64.1. Targeted and updated resources, information guides, webinars and additional support to develop the knowledge base and the application of equalities duties among councils. This support will include an expanded EDI hub, guidance on the Public Sector Equality Duty, equality action plans and service design that embeds equalities.
- 64.2. Action learning sets for councils around the co-design of policies and services, including how they substantially integrate equalities considerations within these processes.
65. We will continue to support councils in the implementation of the McCloud age discrimination remedy into public service pension schemes.
66. We will continue to engage with HMT and DLUHC to ensure that the return of exit cap legislation provides the appropriate flexibility for employers in workforce reorganisations.
- Achievements against priorities for 2021/22: Support for Low Income Households**
67. We have continued to provide support to the sector, and collaborated with Government and partners on the funding, design and delivery of the Household Support Fund, including a series of Action Learning sessions with Shared Service Architects during 2022
68. We are in discussion with DLUHC on the development of an 'Early Help' peer review in partnership with the Supporting Families programme
69. We have collaborated with Cabinet Office and partners on the development of a debt vulnerability toolkit. We have also identified and shared good practice on a single customer view of debt; engaged with set-up of the new Enforcement Conduct Board and engaged with the sector and partners to set out the framework for a debt maturity model
70. We have strengthened collaboration across the LGA on approaches to financial resilience and developed a new cross-cutting web resource on cost-of-living pressures

71. We have worked closely with colleagues in Housing and Adult Services to secure an improved approach to cost management and quality of Supported Housing, which includes consideration of the integration of support costs with Housing Benefit

Support for Low Income Households Priorities for 2022/23

Cost of Living Pressures

72. Support collaboration across the LGA, Government, councils and the wider sector to help councils to deliver fair, efficient and effective support for households affected by the significant rise in the cost of living
73. Engage with other LGA Boards to develop a cross-cutting approach to financial resilience and wellbeing beyond the welfare system and financial services / support. Examples include: fuel efficiency and retrofitting; housing affordability; local economic strategies and recovery; devolution of employment and skills; health disparities; children's wellbeing and attainment; money and mental health; access to healthy affordable food - local food partnerships and environmental sustainability
74. Member collaboration and advice to link to delivery of improvement support on key areas including local welfare delivery and debt management / recovery
75. Strengthen the collection, use and sharing of data to understand and address impacts on particular groups
76. Integrate with wider LGA work on integrating 'lived experience' into service design and delivery, for example through the use of poverty truth commissions or similar

Welfare delivery

77. Ensure councils can collaborate effectively and share views with the Department for Work and Pensions on the continued implementation of Universal Credit, in particular the move of long-standing legacy claimants via 'Move to UC'
78. Continue to press for long-term, flexible and adequate funding for local welfare support, with an emphasis on building resilience to reduce demand for crisis support in the longer-term

Fair and effective debt management

79. Development of a 'debt maturity model' to enable councils to benchmark and identify areas for development, collaboration and improvement, with a particular emphasis on supporting households impacted by the pandemic and the rising cost of living

Implications for Wales

80. We will continue to work with the Welsh LGA to share good practice and information.

Implications for Equalities

81. There are equalities issues arising from the policies and work presented in this paper.
These are considered in more detail in the separate papers to Resources Board.

Financial Implications

82. There are no immediate financial implications

Next steps

83. A draft work programme for 2022/23 will be brought to the Board in September and this will reflect any comments made by Members at the Board meeting.