Meeting: Executive Advisory Board

Date: 20 October 2022



2022 Autumn Fiscal Event

Purpose of report

For direction

Summary

The purpose of this report is to advise Executive Advisory Board of the LGA's work in advance of an Autumn Fiscal event in October 2022 and seek the Boards views on further activity.

Recommendations

That the Executive Advisory Board notes the LGA submission to an Autumn fiscal event and recommends further activity in advance of an October announcement and the 2023/24 Local Government Finance Settlement.

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Chairman: Councillor James Jamieson OBE Chief Executive: Mark Lloyd CBE President: Baroness Grey-Thompson

2022 Autumn Fiscal Event



Background

- 1. In September the Government announced that it would set out its medium-term fiscal plan on 23 November. This month the Chancellor confirmed that this will be brought forward to 31 October 2022 and will include an economic and fiscal forecast and medium-term fiscal plan. On 17 October the Chancellor reversed a number of tax decisions that had previously been announced in the mini-budget on 23 September. The Chancellor also confirmed that he would set out a costed plan to reduce debt as a share of the economy as part of the 31 October announcement. The Chancellor made reference to the need to take "difficult decisions" to achieve this.
- 2. The Chairman and Group Leaders <u>wrote to the new Chancellor</u> on 14 October congratulating him on his appointment and sent him the <u>LGA's submission</u> to the Autumn 2022 fiscal event. This report summarises the LGA's approach to the Autumn event which at the time of writing is due to take place at the end of October.

LGA Submission

- 3. Over the summer, the LGA has been developing a submission in advance of a 2022 Autumn Budget. The Chairman and Group Leaders recommended that the submission should be a focused document, with a small number of priority themes, and strong messaging on the cost pressures facing councils as a result of inflation, wage and energy costs, and a clear ask for additional funding to meet cost pressures for 2022/23 and future funding gaps.
- 4. The original plan was to develop and clear the submission with the Executive Advisory Board but this was disrupted by the cancellation of the September meeting and the bringing forward of the fiscal announcement to the end of this month. Therefore, the submission was cleared by the Chairman, Group Leaders and Lead Members of Resources Board.
- 5. The <u>submission</u> includes the clear message that devolution to councils offers better value for money than the current centralised approach, is consistent with a smaller central state, and can help the new administration to deliver its ambitions. However, councils need to be appropriately resourced both in the short and longer term. The submission includes the following key areas:
 - The cost pressures facing councils: We press the Government to meet the
 cost pressures and fundings gaps, that have arisen since the 2021 Spending
 Review, with longer term funding for local government alongside the need for
 greater devolution of funding and powers.

People focused issues:

- i. **Adult social care:** Social care reforms must be properly funded, with elements of the reforms deferred in favour of a phased implementation approach.
- ii. **Children's services:** The Government should meet the cost pressures already in the system, and target additional funding at additional support for families, children's mental health services and extend family hubs to all areas.
- iii. **Cost of living:** Calls for support for people experiencing financial crisis and longer terms measures on skills and employment, housing and retrofitting.
- **Economic growth**: Sets out how devolution deals for every area, consolidating growth funding and expediting investment programmes and refining capital funding will help local areas to deliver economic growth.
- **Net zero:** The Government should support councils to lead place-based approaches to hit net zero targets, which cost less than a centralised approach and deliver twice the social and financial returns.
- 6. Over the summer the LGA sent a survey to a sample of councils to gather further information on the cost pressures they are facing and their implications for council finances and services. The interim results of the survey have been included in the LGA submission to the Autumn fiscal event. The survey was reopened at the end of September to encourage more councils to respond. The LGA will use the results of this survey to help make the case for funding to meet the pressures councils are facing.

Other LGA work

- 7. The LGA has and will continue to use campaigning tactics with a planned series of media, collective social media, stakeholder and parliamentary engagement to maximise visibility of key messages and facts, highlighting in particular the impact of existing cost pressures and the risks of spending cuts. Our communications and campaign objectives are to ensure the threats to local government remain high on the political agenda and in the news cycle, and to identify and work with the sector and partners to collectively raise our voice on this issue.
- 8. We will be focusing on the following activities:
 - Repeatedly getting our messages and highlighting the risks out in front of opinion formers and the public via the media through interviews, opinion pieces and statements.
 - Producing and sharing content and messaging which the LGA, our members and other supporters can use across their channels so we can collectively and consistently raise our voice in the run up to the fiscal event.

 Using the resumption of parliament to actively engage MPs and Peers to ask questions and use parliamentary channels to ensure visibility of the LGA's campaign.

9. This includes the following media activity:

- Chairman Cllr James Jamieson was interviewed about the cost pressures facing local government on BBC Radio 4's World at One and BBC News, while Senior Vice Chair was also separately interviewed by BBC News.
- Cllr Jamieson has written a comment piece for Politics Home warning about the urgent need for financial certainty to protect against further cuts to local government funding. This will also be published in LGA first magazine this month.
- The Guardian, LGC and MJ reported our lines in response to the Institute for Fiscal Studies report on the fiscal options available to the Chancellor on October 31. We were also quoted in an MJ feature on the views of the sector on the need for a multi-year financial settlement.
- We are talking to numerous councils about the financial pressures they are facing, with a view to lining up further broadcast media packages with real-life council case studies and examples.
- Every week we are reaching out to producers on key political programmes, including the Laura Kuenssberg and Sophy Ridge on Sunday and regional political shows, to brief LGA lines ahead of interviews with key politicians.
- We are using our established relationships with national journalists, including the Sunday Telegraph and Sunday Times, to try and arrange LGA interviews and briefings ahead of the Fiscal Plan.

10. Activity in Parliament includes:

- Briefed Peers ahead of a House of Lords debate on the economy which took place on Monday 11 October.
- Worked with Andrew Lewer MP (Conservative), LGA Vice-President and Member of Levelling Up, Housing and Communities Committee on written questions calling for a multi-year funding settlement and the affordability of adult social care reforms.
- Also working with Andrew Lewer on a piece for either Conservative Home or House Magazine on local government financial pressures.
- Worked with Mike Amesbury MP (Labour), LGA Vice President, to table an oral question on 17 October at Department for Levelling Up, Housing and Communities highlighting the impact of funding for local government not keeping up with inflation, energy costs and increases to the National Living Wage.
- Working with Bob Blackman MP (Conservative), LGA Vice-President and Member of Levelling Up, Housing and Communities Committee on written questions regarding local government finance.

- Working with Levelling Up Committee Clerk and Chair of the Levelling Up Committee, Clive Betts MP, on providing them with suggested questions and council case studies ahead of Simon Clark's (Levelling Up Secretary) appearance at the Committee.
- Briefed Vice-Presidents and other relevant Parliamentarian's on the Chairman's comment piece in Politics Home.
- Will be continuing to engage with relevant MPs and Peers right up until the Budget on 31 October. This includes approaching Opposition Ministers and Liberal Democrat spokespeople for meetings and suggestions for engagement.
- 11. Other audience engagement activity incudes:
 - Creating a toolkit for councils to support local lobbying which will include graphics
 for all councils to share on their social media and websites; hashtag for use by
 councils, stakeholders and the public; and a short summary of the key issues
 which can be shared locally, including local MPs. A second toolkit will be created
 to engage other targeted stakeholders.
 - The LGA will continue a drumbeat of messages with regular social media in run
 up to 31 October to highlight the impact on the public, focusing on general
 budget pressures and service specific impacts, such as adult social care.
 - We will develop a web hub to collate activity in one place and act as a single point for more information.

Implications for Wales

12. The outcome of the Autumn fiscal event could have implications for Welsh local authorities. We will work with the Welsh Local Government Association (WLGA), the Convention of Scottish Local Authorities (COSLA) and the Northern Ireland Local Government Association (NILGA) and keep them updated on our work and plans and consider possibilities for joint work.

Financial Implications

13. The work in this report is included in the LGA's core budget.

Equalities implications

14. There are equalities issues arising from the policies and work presented in this paper. These are considered separately by individual boards as and when LGA policy is developed in these areas.

Next steps

15. The LGA will:

- Act on recommendations by the Executive Advisory Board for further work.
- Continue to lobby in the run up to the Autumn fiscal event and the 2023/24 Local Government Finance Settlement.
- Keep members up to date on LGA work and brief on relevant announcements in the fiscal plan.