

LGA Lobbying Headlines 26/01/2023

Critical issues

Growing financial and service pressures – In the Provisional Local Government Finance Settlement on 19 December, the Government announced a £5.0 billion or 9.2 per cent increase in Core Spending Power for local authorities, £1.9 billion of which is based on the assumptions that the council tax base will grow in line with recent trends and councils will increase council tax by the maximum permitted according to new referendum limits. In a policy statement just before Christmas the Government ruled out a business rates reset or implementing the Fair Funding Review in this Spending Review period. The Government expects to set out plans for the New Homes Bonus before the 2024/25 settlement. We will continue to push the Government for sufficient, sustainable, multi-year settlements for local government and to provide clarity on the future of the New Homes Bonus and local government finance reforms.

The Government has published its [future offer of support on energy costs for businesses](#). Councils continue to be eligible for the basic level of support, following LGA lobbying, and [some services like libraries, museums, archives, and nature reserves](#) are eligible for enhanced support. However, leisure centres and swimming pools have been left off that list. The LGA is working with partners to encourage Government to reconsider this approach and is asking councils to contact their local MP to set out their financial pressures from energy costs.

Devolution, Economic Growth and Levelling Up – Economic growth is a clear priority of councils. We are pleased that the Government has re-confirmed its commitment to offer all of England the opportunity to benefit from a devolution deal by 2030, including a new mayoral deal with Cornwall Council. On 19 January, the Government announced allocations for Round 2 of the Levelling Up Fund. Cllr Kevin Bentley, Chair of the People Places Board, led a round of media interviews for the LGA, making the case for an evidence-led approach to funding, an end to competitive bidding and wider devolution. These comments received widespread support from across the political spectrum. The Government has committed to 'streamline' growth funding, and we are pressing for an announcement as part of the Spring Budget.

Cost of living pressures in communities – This continues to be a key cross-cutting priority for councils, with many places developing, updating, and implementing a wide range of support aimed at addressing financial hardship and reducing poverty. Current issues on which we are working with councils, Government and partners include administration of the alternative Energy Bills Support Scheme, which is once again placing additional pressure on revenues and benefits teams; and influencing the revised guidance for the Household Support Fund, promised in early February.

Housing standards – Following the tragic death of Awaab Ishak, the Secretary of State wrote to all councils directing local housing authorities to carry out specific actions in line with duties under section 3(3) of the Housing Act 2004. He urged councils to do "everything in their power" to prioritise the improvement of housing conditions for millions of private and social tenants.

A second letter from officials was sent to councils providing more information on what was required by November and January deadlines. The Government worked with local authorities and the LGA to develop a response form, and we have aimed to ensure that the data ask is clear and deliverable for councils but also that good quality and consistent data is collected. The form has been sent out by DLUHC and responses are required by 27 January 2023 (this follows the request for an initial response due by 30 November 2022). Government will then be reviewing the information to make recommendations.

Housing – Councils recognise the pressures on tenants and therefore support moves to keep rents as low as possible. The Chancellor announced in the autumn budget (2022) that rents will only be able to rise by a maximum of 7 per cent in 2023/24. It is our view that decisions on social rent setting should remain with councils.

LGA-commissioned research indicated that a 7 per cent cap over one year will amount to a resource gap of £321 million, with a cumulative loss of resources of £664 million in the second year. The lost income will have an impact on the ability of councils to build the homes our communities desperately need - which is one of the best ways to boost growth – deliver key maintenance and improvement works as well as retrofit existing stock in pursuit of net zero goals and more energy efficient homes.

We want to work with the Government on a suitable mechanism to mitigate for the shortfall in local authority income from the lower rent ceiling. We will continue to lobby the Government going forward on the need to enable the Housing Revenue Account to deliver key services.

Workforce capacity – Workforce capacity concerns continue to dominate councils' risk profiles as both senior leadership and front-line service delivery roles encounter challenges in recruiting and retaining staff. Maintenance of service delivery could be compromised in some areas as a result of the lack of sufficient suitable staff. According to our 2022 Workforce Survey more than nine in 10 councils are experiencing staff recruitment and retention difficulties.

We said that staff shortages risk having a serious impact on councils' capacity to deliver services, particularly those relied on by vulnerable people and those who urgently need support. The issues are also restricting councils' ability to help government meet key pledges, such as building more homes, boosting and levelling up economic growth and reforming adult social care. Councils are pulling out all the stops to tackle recruitment and retention issues. However, the local government workforce has a diverse range of skills, professions and occupations and the workforce challenges each face are equally complex.

Planning – We continue to lobby on the Levelling Up and Regeneration Bill as it progresses through parliament. The bill is now in the House of Lords, and we continue to brief on our asks, as well as working with public affairs to engage peers regarding tabling our amendments. To support our lobbying of the bill, we will be responding to the consultation on the National Planning Policy Framework. We welcome the Government's in-principle commitment that any new Infrastructure Levy will be non-negotiable and set at a local level and are seeking to ensure that the new system delivers more affordable homes than currently. We will continue to engage with DLUHC and the sector on the detail of the Levy. We are also encouraging government to bring forward more powers – in addition to commencement notices - to support councils to incentivise the timely build out of sites by developers. Whilst we have broadly welcomed the Government's proposed [reforms](#) to compulsory purchase, we are pushing for further change to remove hope value, to make the use of compulsory purchases orders more viable.

Adult social care – The Autumn Statement made up to £2.8bn and £4.7bn available for adult social care in 2023/24 and 2024/25 respectively. This extra funding is crucial given the significant pressures facing care and support and we are pleased that the Government put funding earmarked for the now-delayed charging reforms into the system itself as we requested. The funding is likely to address some, but not all, of the pressures facing adult social care. It is also not entirely clear what conditions, if any, will be attached to some of the component funding lines within the overall additional investment. It should also be noted that the investment falls short of the £13 billion we previously called for adult social care, £3 billion of which was identified for improving care worker pay to tackle the long-standing challenges around recruitment and retention. We continue to seek further clarity from officials on the funding announced in the Autumn Statement and press for a longer-term settlement so that councils (and their partners) have certainty beyond just a two-year horizon. We are also keen to ensure that adult social care continues to be seen as vital service in its own right in supporting people to live the lives they want to lead, rather than simply an extension of the NHS to help mitigate health service pressures.

We are calling for the Government support people with a learning disability and autism to live independent lives in their local communities through investment in community alternatives to institutionalised care so they can live the life they want to lead as active citizens.

Asylum and resettlement – The LGA has consistently raised concerns around impacts on councils and their communities of asylum dispersal, with many councils experiencing issues with engagement,

cohesion and safeguarding in emergency hotel use. The LGA Chief Executive is co-chairing a weekly cross government 'Oversight Group' with Simon Ridley, Second Permanent Secretary at the Home Office. This, alongside the existing quarterly group of regional Chief Executives asylum leads, also co-chaired by the LGA, aims to accelerate solutions on joint priorities. We are pressing for a longer-term and more equitable approach to increasing accommodation supply across all programmes jointly with councils, based on better data and sustainable funding. Regular engagement at political level is also needed, particularly given the impacts on councils of the Prime Minister's priorities around large site use, and clearing the backlog in asylum decisions outlined in December. Whilst we welcome these improvements in engagement at a national level, we continue to stress the need for actions that have real impact on local areas. We have been invited to sit on the Homes for Ukraine Delivery Board by the Ukraine Humanitarian taskforce where we will continue to press for improvements.

Data – The Government is progressing plans to create a new Office for Local Government (OFLOG). The Levelling Up White Paper made a commitment that this body should be codesigned with the sector given one of its key audiences would be councillors. Minister Lee Rowley attended the December Improvement and Innovation Board (IIB) where he highlighted that 'greater transparency' was the key priority for this project and affirmed his commitment to work with the sector, including to involve a cross-party sounding board of councillors. Officers are continuing to push DLUHC to establish this board and seek clarity from the department on a clearer vision for the body especially in light of the fact that LG Inform – the LGA's benchmarking tool – already provides councils with comparable information on thousands of service and financial indicators.

We also continue making the case that OFLOG should capture data on wider public spend (not just local authorities) and continue to underline the value of LG Inform. We understand that the appointment of the Chair of OFLOG is due to be announced shortly and the LGA will meet with them following their formal appointment.

Other issues of importance for the sector

Unaccompanied asylum-seeking children (UASC) – linked to asylum and resettlement above, we continued to flag issues with the use of hotels for UASC and the wider national transfer scheme, with the expectations on councils to take more unaccompanied asylum-seeking children more quickly placing pressures on already overstretched children's services. A weekly meeting with government, the LGA and the Association of Directors of Children Services is looking at current issues and potential solutions. We are pressing the need for a whole system approach that tackles challenges and an insufficiency of placements, alongside shortfall in funding to support UASC and former UASC care leavers. Additional one-off funding offered by the Government to enable councils to offer placements to children is having limited impact due to extremely challenging timescales and the scale of pressure on placements.

Covid and other diseases – Everyone over 50 is being offered a Covid booster vaccine this autumn. The UK Health Security Agency (UKHSA) predicted an influenza wave in the UK because there has not been a proper flu season since the start of the Covid pandemic which added to pressures in health and care systems. We are pressing for Directors of Public Health to be fully involved in planning for both sets of vaccines to maximise uptake by communities. The latest data from the UKHSA shows that scarlet fever cases continue to remain higher than we would typically see at this time of year, with a small number of deaths in children from Group Strep A. Reported cases of Monkeypox (now known as Mpox) are now in sharp decline.

SEND (Special Educational Needs and Disabilities) – We welcome many of the proposals set out in the SEND Green paper and will continue to lobby to ensure that councils have the funding, powers, and levers to act as leaders of local SEND systems and hold partners to account for their contributions to those systems. Implementing SEND reforms will take a number of years and in the meantime, we are calling for the Department for Education to develop a plan that eliminates the Dedicated Schools Grant deficit of every council.

Education – With the abandonment of the Schools Bill, we are calling for the Department for Education to bring forward alternative legislative arrangements to introduce a register of children being electively home educated, accompanied by sufficient powers for councils to check that home educated children are receiving a suitable education, where concerns have been raised that that is not the case. The Schools White Paper proposed that greater inclusion could be achieved by statutory regulation of the academy sector by the DfE, a proposal that was also included in the Schools Bill. In the Bill's absence we are calling for the Department to set out how similar outcomes can be achieved without the need for underpinning statutory powers.

Children's social care – Placement capacity and costs also remain a significant pressure, causing councils to overspend on budgets. Forthcoming changes to regulations around supported accommodation for young people will exacerbate this pressure and we have called on Government to delay the implementation of these reforms or risk making outcomes for children worse instead of better. Some councils are being forced to place children with the most complex needs in unregulated placements due to a lack of regulated placements, and we are aware that some Directors of Children's Services have been threatened with prosecution as a result of this. We have been seeking legal advice on this and raising our concerns with the DfE and Ofsted that this will have a negative impact on DCSs while failing to improve outcomes for children.

Waste and recycling – There are several large-scale reforms to the waste system. We are engaging with the Department for Environment, Food and Rural Affairs (Defra) on the progress of the Extended Producer Responsibility reforms, the waste consistency in collection (including proposals for free garden waste collections), and, though to a lesser extent, the Deposit Return Scheme. The Government is due to publish intended next steps on these matters soon. We are also in discussions with Defra on new burdens for mandatory weekly food waste collections coming soon. The delays in bringing forward reforms are causing significant issues for councils planning waste services. We continue to engage the Environment Agency and Defra on the challenge of processing sofas containing Persistent Organic Pollutants (POPs). We feel the EA guidance is unnecessary, that councils need additional funding, and that long-term planning for dealing with such waste in the future is necessary. The issue has recently seen some councils temporarily indicate to residents they cannot collect and dispose of sofas. We also continue to push our position on proposals for free DIY waste collections at recycling centres.

Environment – Nutrient neutrality, housing planning permissions have been put on hold in 70 local authority areas by a moratorium imposed by Natural England due to excess levels of river pollution, we estimate banning around 20,000 new homes a year. The LGA has set up a policy inquiry to find a long-term solution that protects the environment by improving water quality and reducing pollution, while also delivering the homes and infrastructure that the country needs. Other priority environment matters include continued engagement with Defra on the progress on implementing Biodiversity Net Gain, due to come in later in 2023, and the introduction of responsibilities on councils to prepare Local Nature Recovery Strategies also due in 2023. Both BNG and LNRS are significant undertakings, and we are discussing concerns with timeframes, funding, and guidance with Defra on these issues. Defra is also developing a land use framework, due in 2023.

Integrated Care Systems – There remains a great deal of work to be done to implement new arrangements for Integrated Care Systems. We continue to press to ensure that councils can play their full role as equal partners in the new arrangements, recognising the crucial role of place, the strategic role of Integrated Care Partnerships and aiming to avoid over-prescribing local arrangements. We will be engaging with the Hewitt review of how ICSs operate.

Mental Health – Demand for mental health support increased during the pandemic and is anticipated to increase further due to the cost-of-living crisis. We are calling for sustainable funding for local government statutory and non-statutory mental health services to put them on an equal footing with NHS clinical mental health services. The LGA are working with the Government, the NHS, and other partners to reform the Mental Health Act, implement the Community Mental Health Framework, shape the mental health and wellbeing plan, and introduce the Liberty Protection Safeguards (LPS).

The new Mental Health Act 2022 is due to be introduced in 2024 and our focus is to ensure councils and our partners are adequately resourced to support effective implementation. We continue to call for a system wide focus on early intervention and prevention to prevent mental health problems developing.

Learning Disabilities and Autism – The LGA continue to represent the key role that councils play in supporting people with learning disabilities and autistic people. We are a member of the national Autism Strategy implementation group. We support councils to implement any actions arising from the national strategy, we ensure that any new burdens arising are identified and fully funded. We are inputting into the development of the Down Syndrome Act 2022 guidance and will identify any new burdens arising. We are supporting implementation and identify new burdens of the new Oliver McGowan Mandatory Training for people with a learning disability and autistic people. We continue to be a key partner in the Building the Right Support programme.

Unpaid carers – An estimated 4.5 million additional people have become unpaid carers because of the pandemic. This is on top of the 9.1 million unpaid carers already caring before COVID-19. Carers, who are mostly women (57 per cent), are more likely to suffer depression, anxiety, and stress and two-thirds of carers have a long-standing health condition. The LGA continue to highlight unpaid carers' needs and contribution in all funding and social care reform work. We ensure that the pressures facing young carers, such as mental health stress and boundaries to education, are addressed in our policy and improvement work.

Loneliness and social isolation – We continue to promote councils' leadership role in addressing and preventing loneliness and social isolation and the role of public health, social care, and wider council services such as libraries and open spaces. We continue to highlight the importance of tackling loneliness and social isolation as part of a whole-place approach to preventing ill health and support wellbeing.

Homelessness – Councils are becoming increasingly concerned that the cost-of-living crisis may trigger an increase in homelessness as households struggle to pay bills. We are seeking an explicit, national-level focus on homelessness prevention work and an associated funding regime that enables and encourages councils to avoid residents reaching crisis and reduces demand for emergency responses.

Climate change – The critical role of local government was recognised in the Government's Net Zero Strategy and in the final declaration of COP27, and the UK's Nationally Determined Contribution. Further, the Chris Skidmore review into net zero once again backs the consensus view that councils are central to achieving net zero. We are working with BEIS on the Local Net Zero Forum, including establishing a political element to the forum. We are running projects on the complex challenge of heat and buildings, neighbourhood, and energy decarbonisation. We are in discussion with national grid and Ofgem about council's role in shaping energy planning into the future. We are due to refresh our renewable energy guide for councils wanting to develop wind, solar and hydro energy generation projects. We continue to press need for energy efficiency to support people in fuel poverty, including through new research and partnership with Energy UK and others. On adaptation, for the first time, we are leading a project looking at what councils need to lead the local climate change adaptation effort in places, focused on information the government's third National Adaptation Programme.

Transport – It is important that the Government commits to a future Transport Bill now that it has decided to shelve it in this session. We would welcome further measures, including funding, being brought forward to protect and enhance bus services, given the structural changes that have taken place in demand as a result of the pandemic, and a commitment to seeing through reforms as set out in the National Bus Strategy. We will also continue to lobby for further legislation to be brought forward to help councils tackle deal with obstructions that are a danger to pedestrians and vulnerable people (including pavement parking) and regulate the sale and use of private e-scooters. We will lobby for more funding for roads maintenance, where 20-25 per cent cost increases in the sector means repair backlogs and road quality deterioration will grow if funding does not match it.

Culture, Tourism and Sport – The implementation of the review of Destination Management Organisations is underway and a webinar will take place on 9 February to help councils understand the changes. The LGA's Commission on Culture and Local Government launched its report and recommendations on Thursday 8 December, demonstrating the ways in which councils are using culture to tackle health inequalities, grow a sustainable and inclusive economy, promote social mobility, and build pride in place. This builds on the 50 case studies launched last month and is accompanied by a new 'Forget what you think you know...' podcast on culture.

Digital – We are particularly concerned about the implications of the Public Switch Telephone Network (PSTN) switchover which will see the 1.7 million people who access technology enabled care and support, at risk of being left without a connection. While the PSTN upgrade is an industry-led process, the LGA is calling on the Department for Digital, Culture, Media, and Sport (DCMS) to coordinate the multiple bodies involved with the switchover. Coordination and accountability will be vital to align communications messaging and ensure sectors and consumers, including the most vulnerable, are protected and prepared for the upgrade process.

Civility in public life – We continue to press for government to amend the existing legislation on pecuniary interests, so that councillors may choose not to have their full home address on the public register, as they now can on the ballot paper when standing for election. The LGA launched its Debate Not Hate campaign toolkit at a parliamentary event (29 November) to help councils and councillors support the campaign and raise awareness.

Virtual council meetings – Councils are still calling for virtual council meeting flexibilities and this is becoming a live issue in some areas where councillors are invoking the Equalities Act in relation to disability and virtual attendance as a reasonable adjustment. The LGA continues to lobby government to publish their response to the Call for evidence on remote meetings which closed in June 2021.

Elections 2023 – Councils with elections next year are raising concerns about the implementation of Voter ID by May 2023. We are working with government and the Electoral Commission to amplify the public awareness campaign ahead of the May elections, and to publicise the Voter Authority Certificate for those without recognised photographic ID.