

LGA Lobbying Headlines 31/05/2023

Critical issues

Growing financial and service pressures – Within the Final Local Government Finance Settlement on 6 February, the Government confirmed a £5.1 billion or 9.4 per cent increase in Core Spending Power for local authorities. £2 billion of this is based on the new 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 referendum limits. In a policy statement before Christmas, the Government ruled out a business rates reset or implementing the Fair Funding Review in this Spending Review period. In the Chancellor's 2023 Spring Budget, the Government committed to working, in the longer term, with interested local authorities on 100 per cent business rates retention. 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. We have also briefed for the Non-Domestic Rating Bill which should make the process of getting information from ratepayers easier, supporting business rates revaluations once every three years. The Bill has completed its passage through the Commons and will now go to the House of Lords.

Public swimming pools received £63 million in the Budget to help sustain them. £23 million of this will be for revenue costs to mitigate high energy prices, and £40 million will be capital costs to improve energy efficiency. Sport England has recently surveyed councils to get a clearer picture of their needs and we expect the funding round to be announced in the coming weeks. The process for allocation will be a bidding round, and not all facilities are expected to receive funding.

Cost of living pressures in communities and welfare - Councils in England received their allocation of the £842 million Household Support Fund on 1 April 2023. We continue to work closely with the DWP on this and are currently supporting councils in their delivery. We continue to share best practice via monthly webinars and commissioned a series of case studies, which have been added to our [cost of living hub](#). We continue to call on the Government to make local welfare funding permanent to help achieve improved, longer-term socioeconomic outcomes for people and communities.

The deadline for the Energy Bills Support Scheme Alternative Fund applications is 31 May 2023. The housing sector has raised concerns over low take up rates of the £400 grant, particularly among residents in supported housing and customers of district heat networks, who are more likely to be on a low-income. We plan to work with Government and partners to find a solution that both ensures households receive the support they are entitled to, and councils are compensated for any additional administration associated.

The DWP have sent all councils in receipt of data for the purposes of housing benefit and council tax reduction administration a new memorandum of understanding (MoU) to be signed by 10 July. The sector has raised significant concerns over the MoU and highlighted specific requirements that data-leads would be unable to sign at present due to current use of the data. We will push for an immediate extension of the deadline so that we can ascertain the most appropriate course of action.

Workforce capacity – Workforce capacity concerns continue to dominate councils' risk profiles as both senior leadership and front-line service delivery roles encounter challenges regarding recruitment and retention. According to our 2022 Workforce Survey more than 9 in 10 councils are experiencing difficulties in this area.

These issues are also restricting councils' ability to support government to meet its own 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. We are working with councils and professional bodies on

strategies to address the challenges for services experiencing the greatest difficulties and are pressing for flexibilities which will enable councils to invest in apprenticeships.

Asylum and resettlement – Concerns about how current programmes are being managed remain acute. We continue to press for a longer-term and more equitable approach to increasing accommodation supply across all programmes and for tangible progress on agreed priorities that have real impact on local areas. We are raising councils' concerns around housing and homelessness, cohesion and safeguarding as a result of recent policy and process changes by the Home Office, including HMO licensing exemptions, large site use, decisions on hotels, and the streamlined asylum process. We are working with Government on the impacts of the recent announcement that hotels with Afghan households will be closed at the end of August. The LGA Chief Executive co-chaired a cross-government 'Oversight Group' on 17 May 2023, attended by Chief Executive representatives and DLUHC. This reports to the existing quarterly group of regional Chief Executives asylum leads, also co-chaired by the LGA, which meets again on 7 June. We also continue to press more effective engagement at political level, with ministerial webinars and meetings planned for June.

Unaccompanied asylum-seeking children (UASC) – The number of children in hotels has reduced significantly but we expect this to rise again quickly as weather improves, placing further pressures on already overstretched children's services. We are pressing for a whole-system approach that tackles insufficient placements, alongside the shortfall in funding to support UASC and former UASC care leavers, including at the cross Whitehall UASC Task Force. Councils have highlighted tensions between provisions in the Illegal Migration Bill and their statutory responsibilities towards children in care.

Private rented sector reform

The Government has recently published the Renters (Reform) Bill which aims to improve the system for both private renters and landlords in England. Changes include: abolition of section 21 'no fault' evictions and a move to periodic tenancies; more comprehensive possession grounds so landlords can still recover their property and make it easier to repossess properties where tenants are at fault; a tenant appeal process for above-market rent increases; a new Private Rented Sector Ombudsman; and a new Privately Rented Property Portal to help landlords understand their legal obligations and demonstrate compliance. The changes will introduce new enforcement powers and duties for councils. We will be working with parliamentarians and stakeholders to represent sector views on the reforms. In particular we will be encouraging the Government to work with councils to undertake a realistic assessment of the resource's councils need to regulate effectively and develop an appropriate workforce strategy. This will need to be supported with appropriate new burdens funding.

Waste – We continue to engage government and councils on the range of waste reforms underway. Defra has been due to publish its next steps for reforming the consistency of waste collections and we are awaiting a firm date. These reforms concern proposals around how dry recyclables are collected, garden waste, and food waste. They may also look at issues such as frequency of residual waste collection.

Other waste reforms are progressing including: Extended Producer Responsibility, which puts requirements on industry to fund processing of packaging waste by councils, and the Deposit Return Scheme. We are also working with Defra on policy around DIY waste and Household Recycling Centres, safely disposing of soft furnishings containing chemicals dangerous to the environment, Emissions Trading Scheme and more. Throughout we highlight need for certainty, for coherence, for funding, and for national ambition to be met by local flexibility.

Adult social care – The LGA's Community Wellbeing Board discussed the Government's two-year plan for reforming adult social care 'Next steps to put People at the Heart of Care'. This covers the period 2023-2024 and 2024-2025 and follows the Government's white paper from December 2021. We are disappointed with the plan, which falls short of ensuring a more sustainable and refocused future for social care and are particularly concerned about the reductions in planned investment. We will be calling on the Government to ensure £600 million of unallocated funding is ringfenced for adult social care and given to councils directly.

We are also concerned about the single word gradings to be used as part of the new adult social care assurance regime that commenced on 1 April 2023. We are continuing to work closely with DHSC and CQC on this and other remaining issues that need to be resolved and aim to secure sufficient ongoing funding, so that all councils can continue to meet their public health responsibilities beyond 2023/24.

Public health funding and NHS pay deal 2023 - We continue to make the case for multi-year settlements and for more long-term certainty around public health funding. We are pushing for an increased focus on prevention, achieved through an uplift to the Public Health grant. This will support the Government's wider aims by improving health outcomes, reducing health spending, and putting social care and the NHS on a better footing for the long-term.

We are seeking clarity about the funding arrangements for NHS staff, on NHS terms and conditions, who are working in services which are commissioned by local authorities, such as health visiting, school nursing, social care nursing and drug and alcohol treatment. We are calling on the Government to fund all NHS pay rises in full or risk a reduction in essential, local public health services.

Data – The Government's Office for Local Government (Oflog) is due to launch in mid-June. Following extensive lobbying from the LGA on behalf of the sector around the need for clarity on the body's vision, Minister Lee Rowley has now written to all council leaders and chief executives setting out Oflog's strategic objectives and purpose. While the letter provides welcomed clarity, it is now evident the four proposed themes and accompanying metrics fall short of achieving its aims and this is something we continue to reiterate to the Minister.

The LGA continues to focus lobbying around; the fact LG Inform already captures vast amounts of data about council performance; the need for metrics to be accompanied by wider contextual information; and that Oflog would add value if it were to contain data around wider public sector expenditure in a local area. The Minister has responded recognising the benefit for local leaders in being able to maximise outcomes by joining up organisations and asked officials to work with the LGA to explore this further.

Other issues of importance for the sector

Devolution, Economic Growth and Levelling Up – Following the announcement in March of the proposed end of government funding for Local Enterprise Partnerships (LEP), we have responded to the Government consultation drawing on recent research into LEP transitions and the skills needs of economic development teams to ensure Government recognises the need for councils to have clarity, support, and sufficient resources to make the most of this opportunity.

We will also take forward the recommendations of our new Levelling Up Locally Inquiry report. We are supporting amendments in the Levelling Up and Regeneration Bill to provide better oversight of the national missions and for levelling up to better address social and demographic disadvantage.

Early education and childcare – Measures announced in the Spring Budget to extend access to free early education and childcare are welcome given pressures on families and the positive impact high quality childcare can have on children's development. However, the early years sector is currently facing financial and sustainability challenges and these changes will cause further pressure. These changes are also building on a complex and difficult to navigate system. They will place significant additional pressure onto council teams. We are speaking with the Government regarding the need for LA funding to support the market and parents and carers, workforce support and capital funding, as well as pressing for assurance that early entitlements will be fully funded to ensure the financial sustainability of the sector.

Climate change – In late March this year, the Government published its response to the Skidmore Net Zero Review and the legal challenge to its Net Zero Strategy. The critical role of local government continues to be recognised. The LGA is developing its local climate action campaign work to demonstrate the importance of enabling councils to fulfil their potential in reducing place-based carbon emissions. We are continuing to engage in the Local Net Zero Forum, bringing together stakeholders

within local government to develop the policy case for devolution and simplification of funding on climate action. The next Forum meets in July, with the Ministerial level Forum in September. We have held an event on the future of the electricity system and are doing more work in this area.

Building Safety – We continue to work closely with the Department of Education (DfE) and the Office of Government Property around the presence of Reinforced Autoclaved Aerated Concrete (RAAC) in public buildings. DfE ministers committed this week to publishing their RAAC survey of schools before the summer recess, and we will be seeking information on how much RAAC has been identified in local authority schools, and push government to devise a coherent plan for dealing with RAAC in schools and other public buildings.

Children's social care – The Government published its children's social care implementation strategy on 2 February. Our response to the strategy welcomes much of the direction but raises significant concerns over the available funding for reform and the pace of change, we are unclear how the strategy will address the most significant challenges around placement capacity, workforce, funding and access to mental health services. Forthcoming changes to regulations around supported accommodation for young people will exacerbate pressure on placement capacity especially for unaccompanied asylum-seeking children. We have called on Government to delay the implementation of these reforms or risk making outcomes for children worse. We have responded to the children's social work workforce consultation which aims to tackle issues around the agency workforce.

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 engaging peers on proposed amendments.

We have responded to the consultation on planning fees, highlighting that whilst the proposed national increase in fees is welcome, it will still not bridge the funding shortfall for planning departments. We will shortly be responding the consultation on the new proposed Infrastructure Levy.

Two consultations on short-term lets are open until 7 June – one proposing a registration scheme for short-term lets, and one for introducing a use class for short-term lets that councils will be introduce through an article 4 direction. The LGA is responding to both consultations.

SEND (Special Educational Needs and Disabilities) – Our response to the SEND and Alternative Provision Improvement Plan can be found [here](#). We welcome the proposed national standards, which will clarify the support available and who will be responsible for delivering it, as well as the focus on early identification of needs and support. The focus on improving levels of mainstream inclusion is also welcome and will be crucial to both improving outcomes for children with SEND and reducing pressures on high needs budgets. We are however concerned the proposals set out in the improvement plan do not go far enough; there are no plans to give councils additional powers to lead local SEND systems and hold partners to account for their work to support children and young people with special needs. While proposed powers to intervene in schools not supporting children with SEND are welcome, we are calling for these powers to sit with councils and not the Department for Education.

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 provision, where concerns have been raised that this 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.

Environment – Environment matters focus on the wider strategy for the protection and growth of natural environment, including Local Nature Recovery Strategies, which Defra published regulation and guidance for in March 2023. Defra has also published further details on Bio-diversity Net gain becoming mandatory in November 2023, though a delay in small sites until next year. We're planning to make

further representations on the delays around the details needed by councils for the scheme to be successful. At the Budget the Government announced more funding support for areas impacted by nutrient neutrality, being brought forward through a Local Nutrient Management Fund, this followed the publication of the final report of our policy inquiry which made this recommendation. We estimate this will ban around 20,000 new homes a year.

Integrated Care Systems - The Hewitt Review of the autonomy and accountability of Integrated Care systems was published on 4 April 2023. The LGA broadly welcomed the key recommendations of the review, and we will continue to work closely with DHSC to ensure that the recommendations on the autonomy and accountability of ICSs are implemented fully and without delay. We expect the Government to publish their response in the next few weeks.

Adults with care and support needs – We continue to highlight the key role that councils play in supporting people with learning disabilities, autism and dementia in the community and the need to fund services to meet demand. We also highlight council's role in ensuring the key principles are embedded in policy and service delivery.

We are calling for a system-wide focus on early intervention and prevention to reduce the development of mental health crises and to ensure the new Major Conditions Strategy reflects local governments' contribution to supporting mental health and dementia. We are also pressing 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. Alongside this, we are making the case for a mental health workforce plan and related funding to address staff shortages and high workload in the sector.

The LGA highlight unpaid carers' needs, value, and their contribution to caring in all funding and social care reform work. We ensure that the pressures facing young carers are addressed in our policy and improvement work as well as promoting councils' leadership role in addressing and preventing loneliness and social isolation.

We are pushing for an increase of funding for home adaptations so that councils can upgrade existing stock, as well as pressing for simplification of the Disabled Facilities Grant process.

We are calling for Government to invest in therapeutic-led reablement as intensive short-term interventions with follow-up support can support recovery after time spent in hospital. We are also calling for a focus on prevention and recovery services to reduce pressures in hospitals ahead of Winter, including steps to support the voluntary sector to provide fast, low-level support.

Supported housing – We are a major stakeholder for the consultation work on the Supported Housing (Regulatory Oversight) Bill, reflecting the need for a locally-led fully funded oversight and enforcement regime for exempt accommodation within a strengthened national regulatory framework. We do have some concerns about the potential capacity challenges for councils if new responsibilities are introduced as a result of the Bill and highlighting that significant resource will need to be given to a licensing scheme and enforcement of new National Supported Housing Standards.

Homelessness – Councils are becoming increasingly concerned that the rising cost of living 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.

Transport – Government must commit to bringing forward the new Transport Bill after shelving it in this session. We continue to lobby for powers within any new Transport Bill to help councils deal with obstructions that are a danger to pedestrians and vulnerable people on the carriageway and pavement. We understand that the Government is not looking to pursue these issues in this parliament. We are pushing for the Bill to regulate the sale and use of private e-scooters and continue to push for wider funding and certainty.

Following pressure from the LGA and partners, the Government have committed to a further three months of funding (August – October 2023) for the £2 fares cap as a cost of living measure. Thereafter, bus fares will be capped at £2.50 until November 2024. A further £300 million of funding from June 2023 (£160 million to councils, and £140 million to operators) is confirmed until 2025 to protect vital routes, allocations for this have been announced. This dual extension of funding will help in keeping costs down, but operators have warned that this will not prevent further erosion of services. The LGA will continue to call for longer-term, multi-year certainty of funding to help patronage levels to recover and grow and to stick to commitments in the National Bus Strategy. We have called for the Government to reverse its decision to reduce active travel spending by over £200 million over the next 2 years and we continue to lobby for more funding for road maintenance as 20-25 per cent cost increases in the sector has resulted in increased repair backlogs and a deterioration of road quality.

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. We have launched a [digital switchover hub](#) with resources to support councils and their residents. While the PSTN upgrade is an industry-led process, the LGA is calling on the Department for Science, Innovation and Technology (DSIT) 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 sensitive interest, so that councillors may choose not to have their full home address on the public register in line with MPs registers and to support the sector to improve provision for the safety and security of councillors, particularly in relation to the police. In June 2022, the LGA launched the Debate Not Hate campaign to raise awareness of the issue and improve support locally. The campaign has over 550 individual signatories to our public statement and over 20 councils who have signed up to the campaign as a whole. We plan to publish a new report looking at the support offered to councillors by local agencies, such as the council and the police in June 2023.

Virtual council meetings – Councils are still calling for virtual council meeting flexibilities and some individual councillors are requesting virtual attendance as a reasonable adjustment under the Equalities Act. This is not possible because the 2021 High Court judgement confirmed that the Local Government Act 1972 requires in-person attendance in a physical place. Recent proposed amendments to the Levelling Up Bill to allow virtual council meeting has been opposed by the Government, their view is that “physical attendance is important for delivering good governance and democratic accountability”. The Government Call for evidence on remote meetings closed in June 2021 and despite ongoing requests and an FOI request from ADSO, no response or analysis has been published. The LGA is planning to mark the two year anniversary of the Call for evidence closing with a new survey.

Elections 2023 – The May local elections have passed with all councils with elections delivering against the new voter ID requirements. The Electoral Commission will be publishing an interim report on the implementation of voter ID in June 2023.