**Resources Board – End of Year Report 2022/23**

## Purpose of Report

For information.

Is this report confidential? No

## Summary

This report provides an overview of the work of the Resources Board in the period between September 2022 to August 2023. It also looks forward to consider the areas of focus for the Board in the coming year.

LGA Plan Theme: A sustainable financial future

## Recommendation

That the Board notes and comments on achievements and forward look

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Resources Board - End of Year Report 2022-23

## Background

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 2022 and consider possible areas of work for 2023/24.

## Achievements against priorities for 2022/23: Local Government Finance

*Council Funding*

1. We continued to lobby on the impacts of high levels of inflation on councils in the run up to the [2022 Autumn statement](https://www.gov.uk/government/topical-events/autumn-statement-2022). LGA’s lobbying included [a submission](https://www.local.gov.uk/parliament/briefings-and-responses/lga-submission-governments-medium-term-fiscal-plan), [letter to the Chancellor](https://www.local.gov.uk/topics/finance-and-business-rates/budgets-spring-autumn-statements-and-spending-reviews/letter-lga), and [media](https://www.local.gov.uk/about/campaigns/save-local-services) and parliamentary activity. We also published a series of explainers on [cost pressures](https://www.local.gov.uk/about/campaigns/save-local-services/save-local-services-council-pressures-explained), [reserves](https://www.local.gov.uk/about/campaigns/save-local-services/save-local-services-council-reserves-are-not-solution), and how [council funding is spent](https://www.local.gov.uk/about/campaigns/save-local-services/save-local-services-how-ps1-council-funding-spent). The 2022 Autumn Budget contained several wins for local government as outlined in our [on-the-day briefing](https://www.local.gov.uk/parliament/briefings-and-responses/autumn-statement-2022-lga-briefing-0). Notable amongst these was a substantial increase in adult social care funding, and a higher than anticipated social rent cap.
2. The outcome of the Autumn Statement fed through into the Local Government Finance Settlement. The final settlement included an above inflation increase in Core Spending Power of 9.4%, the largest increase in spending power since the creation of this metric in 2011/12. We [welcomed](https://www.local.gov.uk/about/news/local-government-finance-settlement-lga-statement) this but recognised it fell short of addressing the sector’s underlying problems.
3. The LGA has long argued that councils need greater certainty on future funding. In recognition of this, prior to the provisional settlement the Government published a [local government finance policy statement](https://www.gov.uk/government/publications/local-government-finance-policy-statement-2023-24-to-2024-25) settlement which provided information on the 2023/24 settlement and provided certainty on a number of key elements of Core Spending Power for 2024/25. The LGA continues to push for certainty on other elements of the 2024/25 settlement including the New Homes Bonus.
4. The LGA hosted a successful [annual conference on local government finance](https://www.local.gov.uk/lga-local-government-finance-conference-2023-tuesday-10-january-2023-london) on 10 January. The sold-out in-person event, chaired by the Chair of Resource Board, was attended by senior politicians and officers and received positive feedback from delegates.
5. The Chairman and Group Leaders [wrote](https://www.local.gov.uk/topics/finance-and-business-rates/budgets-spring-autumn-statements-and-spending-reviews/letter-lga) to the Chancellor ahead of the [2023 Spring Budget](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1144441/Web_accessible_Budget_2023.pdf). Given the substantial new funding provided in the Settlement it was not surprising that the Budget did not include any additional core funding for councils. However, as set out in our [on the day briefing](https://www.local.gov.uk/parliament/briefings-and-responses/spring-budget-2023-day-briefing), there were other finance wins on borrowing and business rates. There was also evidence in the Budget of the Government’s growing recognition of the need for further financial certainty and devolution. This included the announcement of single, multi-year settlements for two combined authorities, and a commitment to expand the local retention of business rates to more areas in the next Parliament and to work closely with interested councils to achieve this.
6. The LGA [published its cost pressures work in June](https://www.local.gov.uk/about/news/lga-analysis-councils-face-almost-ps3-billion-funding-gap-over-next-two-years), and lobbying on this will continue in 2023/24 considering the continued high inflation environment and continuing pressures facing councils.

*Local Taxation*

1. Following a consultation in 2022, the government introduced the [Non-Domestic Rating Bill](https://www.gov.uk/government/news/new-bill-to-modernise-business-rates-system) on 29 March. This contains numerous provisions the LGA has called for, including more frequent revaluations and improved information sharing between councils and the Valuation Office Agency (VOA). The LGA issued a [briefing](https://www.local.gov.uk/parliament/briefings-and-responses/non-domestic-rating-bill-second-reading-house-commons-24-april) ahead of the Bill’s Second Reading in the House of Commons on 24 April and its [Second Reading in the House of Lords](https://www.local.gov.uk/parliament/briefings-and-responses/non-domestic-rating-bill-second-reading-house-lords-19-june-2023) on 19 June..
2. The [business rate revaluation](https://www.gov.uk/introduction-to-business-rates/revaluation) went ahead from 1 April 2023, with a transitional relief scheme funded by the Government. This was welcome as something in LGA had called for in its [consultation response](https://www.local.gov.uk/parliament/briefings-and-responses/business-rates-revaluation-2023-consultation-transitional).
3. The LGA responded to a number of consultations into ongoing elements of local taxation, including on [disclosure of business rate valuations](https://www.local.gov.uk/parliament/briefings-and-responses/consultation-disclosure-sharing-information-business-rate), [digitalising business rates](digitalising%20business%20rates), and [council tax valuation of houses in multiple occupation](https://www.local.gov.uk/parliament/briefings-and-responses/council-tax-valuation-houses-multiple-occupation-hmos-march-2023) (HMOs).
4. The Government promised at the 2023 Spring Budget to consult on measures to reduce business rates avoidance and evasion, which is something the LGA has long pushed for. This consultation is expected shortly.

*Capital and Audit*

1. The LGA has continued discussions with DLUHC and CIPFA and has responded to consultations on changes to capital framework, including:
	* [Response to Future of the IFRS 9 statutory override: mitigating the impact of fair value movements of pooled investment funds](https://www.local.gov.uk/parliament/briefings-and-responses/future-ifrs-9-statutory-override-mitigating-impact-fair-value). This resulted in an extension of the statutory override until 2025.
2. Local audit is a complex area. The continuing crisis in local audit is creating problems for councils and finding solutions to address audit delays remains a priority. There has been some progress – for example with a temporary solution being put in place to the problems of accounting for infrastructure assets, and the appointment of the Director of Local Audit at the Financial Reporting Council (FRC) as system leader. In April, following a proposal from the LGA, two roundtables took place hosted by the Local Government Minister. These discussed long-term solutions to the problems with local audit. There was broad agreement amongst attendees on the urgent need to address the audit backlog and following this the Director of Local Audit at the FRC has been working with stakeholders across the local audit system to develop proposals to address the current crisis in local audit, and particularly to address the current backlog.
3. The LGA has responded to numerous consultations around audit and accounts over the year, including:
	* [Response to Public Audit Forum consultation on Practice Note 10 2022](https://www.local.gov.uk/parliament/briefings-and-responses/public-audit-forum-consultation-practice-note-10-2022-lga)
	* [Response to PSAA consultation on audit scale fees for 2022/23](https://www.local.gov.uk/parliament/briefings-and-responses/response-public-sector-audit-and-appointments-psaa-1)
	* [Response to DLUHC consultation on statutory override for infrastructure assets accounting](https://www.local.gov.uk/parliament/briefings-and-responses/response-dluhc-consultation-statutory-override-infrastructure)
	* [Response to DLUHC request for views on deadline draft unaudited accounts](https://www.local.gov.uk/parliament/briefings-and-responses/lga-response-dluhc-request-views-deadline-draft-unaudited)
	* [Response to HM Treasury review of non-investment asset valuations](https://www.local.gov.uk/parliament/briefings-and-responses/hm-treasury-review-non-investment-asset-valuations)
	* [Response to CIPFA Survey – “Impact of the Move to Improve the Reporting of Infrastructure Assets including a (possible) move to a Depreciated Replacement Cost Measurement Basis](https://www.local.gov.uk/parliament/briefings-and-responses/lga-response-cipfa-survey-impact-move-improve-reporting).
4. The LGA has also provided written evidence to the [PAC inquiry on Timeliness of Local Auditor reporting on Local Government in England](https://committees.parliament.uk/writtenevidence/118875/pdf/) and the [Levelling Up and Housing Committee enquiry into Financial Reporting and Audit in Local Authorities](https://committees.parliament.uk/writtenevidence/120189/pdf/), as well as providing oral evidence to the latter enquiry.

*Pensions*

1. We have continued to support councils in their role as LGPS administering authorities, including in relation to new statutory requirements on climate change risk and reporting. Legislation expected in 2022/23 to implement these requirements in the LGPS was not forthcoming from DLUHC, and we continue to work with them to ensure their proposals are workable.
2. We have continued to work with CIPFA and regulatory bodies as well as actuarial and audit firms 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.

## Local Government Finance Priorities for 2023/24

*Council Funding*

1. Continue to work on modelling service cost pressures 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.
2. Work with local and Central Government on a system of local government funding that supports long-term planning, and is evidence-based, simpler, with fewer pots and less bid-based funding and more transparent with appropriate transition mechanisms.

*Local Taxation*

1. Press for freedoms that lead to greater local financial autonomy with a view to achieving local control over both council tax and business rates.
2. 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.
3. Consider potential work on new local taxes, reform of existing local taxes and control over fees and changes to fully recover cost.

*Capital and Audit*

1. 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.
2. 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.
3. Continue to work with central and local government to support councils and to urgently address the current crisis in local audit, and in the longer-term work on simplifying local audit processes, including improving and developing an audit framework appropriate for the sector.

*Pensions*

1. We will work to ensure that the Economic Activity of Public Bodies (Overseas Matters) Bill (also known as the Boycotts, Divestment and Sanctions Bill), now introduced, will not interfere with the ability of administering authorities to make appropriate investment decisions in relation to their pension fund.
2. We will continue to work with DLUHC to try to implement separation of pension fund accounts from full council accounts. This would help to ease delays to the publication of otherwise finalised pension fund accounts.
3. We will also continue discussions with CIPFA, other regulatory bodies, scheme actuaries and auditors to ensure the audit process operates as smoothly as possible, acknowledging current systemic issues.

## Achievements against priorities for 2022/23: Workforce

*Collective Bargaining Issues*

1. Pay negotiations for the local government workforces concluded in November 2022 when UNISON and GMB accepted the National Employers’ pay offer of an increase of £1,925 on all NJC pay points, an increase of 4.04 per cent on all allowances (both effective from 1 April 2022), an increase of one day to all employees’ annual leave entitlement and deletion of pay point 1 from the NJC pay spine (both effective from 1 April 2023).
2. Agreement was reached on 10 November 2022, backdated to 1 April 2022, for an increase of £1,925 on basic salary and 4.04 per cent on allowances for all local authority (‘Red Book’) Craftworkers.
3. Final offers made by the National Employers for a £1,925 increase on basic salary for both Chief Executives and Chief Officers, backdated to 1 April 2022, were accepted in November 2022.
4. Agreement was reached to deliver an increase for Youth and Community Workers of £1,925 on basic salary and 4.04 per cent on allowances (both with effect from 1 September 2022).
5. Agreement was reached within the Joint Negotiating Committee for Coroners that with effect from 1 April 2022, local salaries and day rates for individuals derived from the JNC arrangements will be increased by 1.56 per cent.
6. Agreement was reached within the NJC for Local Authority Fire and Rescue Services on a two-year pay deal covering uniformed employees from firefighter to middle managers. The agreement, which provided a 7 per cent increase backdated to July 2022 and a 5 per cent increase with effect from July 2023, also ensured that strike action would not take place.
7. In Schools, DfE published its response to the STRB’s 32nd Report including a 5 per cent increase for most teachers and leaders, with bigger increases for early career teachers (max 8.9 per cent outside London), which supports the government commitment to reaching a starting salary of £30k. the dispute over the 2022 award is ongoing. Despite the Government entering into negotiations with the unions outside of the established independent pay review process, their offer of an additional fully funded one off payment of £1000 (pro rata for part time teachers) for 2022, alongside an average pay increase of 4.5 per cent for teachers for 2023/24 including other non-pay elements was rejected by the unions. Industrial action followed. Discussions on teachers’ pay for 2023-24 now continue through the independent pay review process (School Teachers’ Review Body – STRB).
8. The National Employers on the Soulbury Committee remain in dispute with the Trade Unions on pay for 2022. A final offer of £1,925 was made in November 2022. The Association of Educational Psychologists (AEP) has decided to progress to a formal ballot for industrial action. The other unions (NEU and Prospect) on the Officers’ Side will decide their next steps in furtherance of this dispute. The National Employers remain in engagement and discussion with the Trade Unions to seek a resolution.
9. Pay negotiation activity in local government bargaining groups started early in 2023. The National Employers made a full and final one-year (1 April 2023 to 31 March 2024) pay offer to the unions representing local government services ‘Green Book’ employees (UNISON, GMB and UNITE) on 23 February 2023, as follows:
* *With effect from 1 April 2023, an increase of £1,925 (pro rata for part-time employees) to be paid as a consolidated, permanent addition on all NJC pay points 2 to 43 inclusive*
* *With effect from 1 April 2023, an increase of 3.88 per cent on all pay points above the maximum of the pay spine but graded below deputy chief officer (in accordance with Green Book Part 2 Para 5.4)*
* *With effect from 1 April 2023, an increase of 3.88 per cent on all allowances (as listed in the 2022 NJC pay agreement circular dated 1 November 2022)*
1. The national committees of all three unions rejected the employers’ final offer. All three unions are in the process of balloting for industrial action.
2. The National Employers also made full and final one-year (1 April 2023 to 31 March 2024) offers to the trade unions representing local authority chief officers and local authority chief executives. Both offers were for a 3.5 per cent increase on basic salary. The offer to chief officers was accepted on 5 May 2023, however, the staff side for chief executives responded to the National Employers in June 2023, describing the offer as ‘not acceptable’ and indicated that they ‘*will not accept any pay offer for April 2023 until the outcome for NJC staff is known’*.
3. We submitted written and oral evidence to the Low Pay Commission as part of both their 2023 and 2024 consultation processes on the level of the National Living Wage.

*Workforce Improvement Support*

1. We have provided targeted workforce transformation support and advice to councils, including specialist HR and employment law advice, mediation and investigation support as carried out as part of the Joint Negotiating Committee procedure.
2. We have also provided key workforce information, including FAQs, guides, and workforce bulletins delivering guidance and information. Learning and resources have also been developed and provided to support furthering equality, diversity and inclusion objectives and the application of equalities duties among councils through an expanded EDI hub, including case studies and guidance publications as well as action learning sets for councils around the co-design of policies and services.

*Apprenticeships Programme*

1. 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.
2. Across our apprenticeships programme in 2022-23, we have:
	* Conducted our annual Apprenticeship Survey of the sector. A record 172 councils took part and will, for the first time, receive individual reports during June providing them with benchmarking and comparative data.
	* Conducted a separate Health and Wellbeing Survey of apprentices in our sector, attracting 3,229 responses from apprentices in councils across England
	* Delivered Apprenticeship MOT Health checks to councils and held online expert surgeries on request
	* Supported our apprenticeship network of practitioners across local government by issuing monthly apprenticeship newsletters and additional ad hoc updates on key issues
	* Held 8 webinars and one virtual online forum for councils on key topics of interest, reaching officers from 132 councils
	* Developed new tools for the sector, including the Apprenticeship A-Zs and Pathways for several key skills shortage areas like social work, digital and accountancy / finance
	* Revised and updated our Apprenticeships Maturity Model
	* Delivered the 2023 Apprentice of the Year event with partners East of England LGA and South West Councils
	* Directly led or supported policy colleagues and elected members in meetings with the Apprenticeships and Skills Minister, Officials at DfE, HMT, DLUHC and the Institute for Apprenticeships to highlight challenges, fix problems and discuss our proposals for reform of the Apprenticeship Levy.

*Combined Authorities’ HR Network*

1. 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)*

1. LGA workforce have run a series of EDI round tables this year, bringing together practitioners in interactive workshops to do deeper dives into the [Diverse by Design](https://www.local.gov.uk/diverse-design) steps. Topics have included supporting inclusive leadership, encouraging diversity in recruitment, financial wellbeing, engaging staff in workforce equalities, how to talk about equality, measuring wellbeing and mental health after COVID-19.
2. We have worked with Solace leads to gather data on ethnic diversity at senior levels in local authorities and to develop a plan of joint work (including other relevant national partners and LGA colleagues) to support greater diversity.
3. We have worked with councils and partner organisations to continue to produce EDI and wellbeing focussed blogs and case studies, for example the London Borough of Camden sharing their anti-racist work as part of Black History Month.

*Social Work Health Check*

1. 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 we received over 16,000 responses from 140 organisations and is now available [online](https://www.local.gov.uk/publications/national-summary-report-employer-standards-survey-registered-social-workers-202223). It compared the standards with the previous year’s survey (2021) and summarised some key findings that have emerged from the responses.

*Employment Law Advice*

1. 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.
2. Our popular annual employment law conference took place on 25 April with over 200 delegates attending to hear the latest news on case law, legislation, local government pay and HR policy for local government.
3. Our employment law team have updated our [information](https://www.local.gov.uk/our-support/workforce-and-hr-support/employment-relations/employment-relations-faqs/industrial) around industrial action ballots, FAQs, notice periods, and picketing. We have continued to provide specific updates on key employment law and case matters, including further updates regarding the BRAZEL consultation, a range of on-line webinars on employment law, support to councils going through LGR with advice on TUPE, various legal/policy advice direct to councils and specialist support to schools through our education employment law online events working with regional employers.

*Supporting Early Careers*

1. LGA Workforce Team provides a programme to help councils promote local government as a career destination. The work includes a 2-year project to provide support to councils to work with their local T level provider to provide **T level industry placements** to 16-19 years-olds. Launched in December 2021 we have supported over 50 councils to be early adopters and providers of T Level industry placements. The programme is supported by a joint partnership between Gatsby Charitable Foundation, Department of Education and the LGA.
2. The LGA is working in partnership with Youth Employment UK and provided careers information to promote the sector to schools and young people under 19. This includes virtual work experience and on-line materials. A beta site is currently in development.
3. Through our **Early Careers** work we have created information to support both councils and young people in understanding the landscape of [early careers routes into local government](https://www.local.gov.uk/our-support/workforce-and-hr-support/early-careers-local-government). The [early careers toolkit](https://www.local.gov.uk/our-support/workforce-and-hr-support/early-careers-local-government/early-careers-toolkit) includes guidance and resources to help engage with providers and young people.

*Workforce Planning*

1. The LGA provides support to councils to improve how they undertake workforce planning. We run a practitioners' network of over 100 workforce planners sharing approaches and using the LGA’s workforce planning guidance and model. The programme delivers online workshops as well as direct support to councils.
2. In 2022-23 the LGA provided support to Adult Social Care teams in 9 councils helping them to better understand their workforce data so they could plan and take the most appropriate actions to address short- and long-term needs. The LGA is currently supporting a workforce planning pilot project across Essex to address acute town planning skill shortages.

*Workforce Intelligence (workforce data and surveys)*

1. The LGA Workforce Team continues to collect crucial workforce data from across councils in England to help inform policy and practice to enable effective representation of the sector back to central government.

The LGA published the latest Local Government Workforce Survey in January 2023. The report provides information on key elements of the workforce within local authorities in England and demonstrates the challenge across the workforce.

*Pensions*

1. We have continued to support councils with the implementation of the McCloud age discrimination remedy into public service pension schemes. This has involved publishing guidance as well as liaising with DLUHC on their regulatory proposals to ensure they are workable and deliverable for councils.
2. We have continued to provide specialist support, advice and training to councils to administering the Local Government Pension Scheme.

## Workforce Priorities for 2023/24

*Local government workforce capacity*

1. We have analysed data from across the sector to better understand the scale and nature of the significant recruitment and retention challenges which are increasingly impacting local government. We continue to provide targeted support to councils to help with their workforce planning, disseminating good recruitment and retention practice through engagement with regional networks. We are additionally working with relevant bodies to develop and implement plans to address capacity challenges in councils’ most affected service areas.

*Workforce Research and Data*

1. Workforce research and data projects, including quantitative and qualitative data on council use of agency staff, pay, capacity and HR indicators to inform wider understanding and responses to capacity issues. The LGA will work with regional employers to maximise the usefulness of this data.
2. Additional intelligence on workforce challenges, including draft metrics, will be shared with DLUHC by the end of March 2024.

*Apprenticeship Support*

1. Apprenticeship support to help councils respond to the capacity challenges by supporting councils to recruit school leavers and career changers enter the sector. This includes delivering a sector-wide Apprenticeship Health Check survey and providing individual reports to all participating councils to assess where each council is based on the Apprenticeship Improvement Tool (Maturity Model) by the end of March 2024.
2. We will also deliver at least 9 Apprenticeship Pathway support events by the end of March 2024.

*Skills Shortages*

1. This programme of work is targeted at skill shortage areas and provides additional capacity to help local authorities to work together in their place. This support brings local authorities together to work collaboratively rather than on an individual basis and assists councils with workforce planning. This work will deliver support to councils to establish skills initiatives such as skills hubs or skills academies, produce Skills Pathway plans and join up existing solutions.
2. Through this work we will support at least 45 local authorities across all regions to develop approaches to skill shortages. This will include creating five pilot areas (working with at least 6 councils per area) to help these authorities develop Skill Pathway plans with solutions identified and the majority started by the end of March 2024.

*Targeted Workforce and Transformation Support*

1. Provision of targeted workforce support, including transformation support to local authorities to address workforce challenges, based on individual need.
2. Targeted workforce support or advice provided to at least 40 councils, including support for councils with the most significant challenges – by end of March 2024

*HR and Employment Law Support*

1. Provision of HR and employment law support, including bespoke advice and updates and guidance shared through Employment Law Advisory Bulletins and Workforce Bulletins. This offer will also deliver support and facilitation of a HR network for Combined Authorities (CA), providing opportunities to share learning and good practice relating to capacity and other workforce challenges. Updates and guidance will be shared through 11 Employment Law Advisory Bulletins and 12 Workforce Bulletins by the end of March 2024
2. 6 Combined Authority network meetings will also be held with HR professionals, informing a thematic report for DLUHC by the end of March 2024

*National Collective Bargaining*

1. The pay and terms and conditions negotiations support offer provides successful leadership of national collective bargaining arrangements for all bargaining units relating to councils. This role involves provision of tools and resources to support effective industrial relations and pay benchmarking support to councils, delivered through the LGA’s secretariat and officer function for National Employers.
2. This offer will also provide data to support the possible redesign of the local government pay spine, including the number of people at each point of the spine and types of roles at different points.

*Pensions*

1. We will continue to support councils with the implementation of the McCloud age discrimination remedy into public service pension schemes, as remedy becomes legally effective from 1 October 2023.
2. We will continue to engage with HM Treasury and DLUHC to ensure that any return of exit cap legislation provides the appropriate flexibly for employers in workforce reorganisations.

## Achievements against priorities for 2022/23: Support for low-income households

1. 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

1. The impact of the rising cost of living on local communities, and the support that councils provide to households, has been a significant priority for the sector throughout the year. Resources Board members identified the need to integrate their work – primarily focused on the welfare system and financial inclusion – with relevant work from other Boards. They also highlighted the need for colleagues across the LGA to take an integrated approach, and to support councils – and press Government – to do the same.
2. We set up a cross-cutting member advisory group, which has an informal role in joining up work across the Boards. We have also developed a comprehensive [Cost of Living Hub](https://www.local.gov.uk/our-support/cost-living-hub) that includes a wide range of up-to-date examples and case studies from across the sector. We have developed a sector-wide network, a monthly bulletin and monthly webinars, which are regularly attended by around 300 participants. This enables us to promote excellent real-time learning and information sharing across councils, and has also proved invaluable in informing government policy development and contributed to a wide range of research and policy proposals.
3. We regularly engage with a wide range of stakeholders, for example in the advice and financial services sectors. This has supported good, efficient working relationships and a better understanding between councils and the voluntary and community sector, for example on how to improve referrals to local financial support and advice. It has also enabled us to present a consistent view to Government when our views / objectives are aligned, for example on the benefits of taking a ‘cash first’ approach to local welfare provision or recognising the links between financial security and health.
4. The LGA helped to secure a further £1bn for Household Support Fund (HSF), for the full year 2023 – 2024, in the November 2022 Autumn Statement. This followed consistent, well-evidenced engagement from the LGA with DWP officers and ministers, as well as with a wide range councils and partners. In April 2023 the DWP also implemented the LGA’s recommended improvements to the HSF guidance. We continue to work closely with the department and the sector as we make the case for local welfare funding to be put on a sustainable footing, and for the emphasis to be shifted over time from crisis to prevention.
5. We continue to maintain and update our [financial hardship and economic vulnerability](https://lginform.local.gov.uk/reports/view/lga-research/ficlga-research-report-financial-hardship-and-economic-vulnerability?mod-area=E92000001&mod-group=AllRegions_England&mod-type=namedComparisonGroup) report on LGInform. This resource brings together a wide range of relevant data to support councils in understanding the pressures on households in their area, and to help them to effectively target support.
6. We work closely with the DWP and councils on the day-to-day design and delivery of the benefits system, as well as policy decisions that impact on councils’ revenues and benefits services, advice provision and wider support for low-income households. This includes ongoing work on Supported and Temporary accommodation and local discretionary support. We are currently working with the department to ensure that councils are appropriately supported to meet the requirements of the data-sharing MoU – which is intended to enable councils to use DWP data to support local services such as targeted financial support, advice and homelessness prevention, but which also places a number of additional requirements on councils which will take time and support to address.
7. We have commissioned Trueman Change to work with us to build a pilot ‘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

## Support for low income households priorities for 2023/24

1. We hosted a successful workshop session at last year’s annual conference on engaging people with lived experience of poverty to inform council decision-making and service design. We have also developed case studies and shared learning from councils who have used the approach to inform their cost of living (or similar) strategies locally. There is increasing interest in the sector in how to ‘design out’ poverty, as for example seen in recent research by the Joseph Rowntree Foundation and New Local, who worked with a range of councils and stakeholders – including the LGA – to explore how councils engage and integrate with their local communities to address severe hardship. This has also emphasised the importance of linking the LGA’s work on community engagement and local democracy with our work on the cost of living. We will build on this in the coming year and – taking our lead from councils – continue to share learning across the sector as local approaches develop.
2. 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 housing benefit claimants via ‘Move to UC’, which will begin piloting with councils this year.

1. We will work with Trueman Change, councils and partners including the Money and Pensions Service, debt advice charities, government departments and the Enforcement Conduct Board to deliver a pilot Debt Maturity Model by March 2024. We will then aim to secure funding from partners to deliver a sustainable online tool that can be used by the sector to continue to benchmark and strengthen local approaches as we work towards wider integration of debt recovery and support across the public, private and voluntary sectors, and improve outcomes for low-income households.
2. We will continue to press for local welfare funding – currently delivered in the form of Household Support Fund and Discretionary Housing Payment – to be put on a permanent, sustainable footing with a greater emphasis on preventative services and the promotion of households’ financial resilience. This will sit alongside work to strengthen the role of councils in promoting financial inclusion, for example through partnerships with the financial services sector, utilities companies and advice providers.
3. We will continue to work closely with councils, partners and the Money and Pensions Service on the development of the revised UK Strategy for Financial Wellbeing, which is currently due to be published in 2024. This will also include work on local debt advice commissioning.

## Implications for Wales

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

## Financial Implications

1. There are no immediate financial implications

## Equalities implications

1. 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.

## Next steps

1. A draft work programme for 2023/24 will be brought to Board in September and this will reflect any comments made by Members at the Board meeting.