

Rewiring Public Services: Parliamentary Activity

Purpose of Report

For information.

Summary

The LGA's *Rewiring Public Services* campaign was launched in July 2013. Since that time the LGA has undertaken a programme of parliamentary activity, linking opportunities to the wider campaign.

Recommendation

The Executive is asked to note the activity to date and confirm that it is content with the direction of travel.

Action

Officers to proceed according to Members' comments.

Contact officer: Laurence Meehan
Position: Head of External Communications and Campaigns
Phone no: 020 7664 3127
E-mail: Laurence.meehan@local.gov.uk

Rewiring Public Services: Parliamentary Activity

Background

1. The *Rewiring Public Services* campaign set out a number of propositions to reform public services and reinvigorate local democracy under the themes of financial sustainability, children's services, adult social care and health, and economic growth.
2. *Rewiring* has played, and continues to play, a key role in shaping our parliamentary activity. Key activity which has been undertaken since the launch of the campaign is captured in this paper.

Financial sustainability

3. *Rewiring Public Services* proposed a series of policies to create greater financial stability and sustainability for local public services. Our key recommendations included creating financial certainty by tying local government's financial settlement to the lifetime of a Parliament, giving councils greater flexibility over their tax and spend, and protecting local government from further spending cuts.
4. Since the publication of *Rewiring Public Services*, we have delivered a comprehensive programme of parliamentary activity which has built political support and profile for our policy platforms. This has included lobbying on the Local Audit and Accountability Act, securing debates on local authority financial sustainability and the Barnett Formula, and supporting a contact management programme with senior politicians for the Chairman in order to influence the Autumn Statement.
5. The Local Audit and Accountability Act establishes new arrangements for the audit and accountability of local public bodies, it amends the legislative framework for council tax referendums to include levying bodies when determining if a tax rise is above the threshold set by central government and provides measures to ensure compliance with the Publicity Code. The Act's passage through Parliament was an opportunity to highlight the challenging financial position of local government and the reasons for giving councils greater, not less, financial flexibility.
6. As a result of our work a new clause for the Act was secured which provides local authorities with the flexibility to procure their audit nationally should they wish to do so. Modelling demonstrates that central procurement and appointment could save the public purse more than £200 million over a five year period when compared against local appointment.
7. We opposed the provisions on council tax referendums, arguing that these were an unnecessary and costly burden that threatens growth generating investment. In the House of Lords, we worked with LGA Vice Presidents to secure an amendment that sought to remove the provision in its entirety. In addition, we supported amendments during the House of Commons stages that sought to limit the impact of the provisions on the City Deals and flood risk areas.

8. Whilst our opposition to extending council tax referendums was ultimately unsuccessful, we were able to use our network of supporters in Parliament to highlight the unintended consequences of provisions on City Deals, Integrated Transport Boards, flood defence and Pension Authorities. We also highlighted the unnecessary costs and instability created by further central government interference in the setting of council tax.
9. Alongside our work on the Local Audit and Accountability Act, we also worked with parliamentarians to secure and brief for a series of debates in Parliament to highlight our *Rewiring Public Services* recommendations on local government financial sustainability and stability.
10. This activity included debates in the House of Commons on funding for local authorities in October 2013; local authority holdbacks in December 2013; local authority financial sustainability in January 2014; and a House of Lords debate on the local government finance settlement in January.
11. For each debate, we briefed parliamentarians to provide bespoke analysis. The debates were a useful channel for promoting our recommendations on local government finance and public service reform. We secured high level parliamentary support for many of our propositions such as long term financial settlements, returning the excessive level of money held back from local government on New Homes Bonus, business rates and new burdens funding and ensuring sustainable funding for public services.
12. As part of our programme of work, we secured a debate on the future of the Barnett Formula and the LGA's recommendation that it be scrapped. Peers from across the political divide supported the LGA position that the present system for allocating funding across the UK is unfair and penalises English and Welsh councils. Whilst Treasury minister Lord Newby would not commit to reviewing the Barnett Formula in this Parliament, he did highlight the political consensus on the important role of place based finance and further devolution to local areas, both of which are policies promoted by the LGA. Our position that the devolution being offered to Scotland should also be given to English councils was quoted in the House of Lords and we are now seeking to develop these arguments.
13. We continue to submit written evidence to Select Committee inquiries related to financial sustainability. A particular highlight in this period has been the Political and Constitutional Reform Committee report that called for Government to produce five year spending reviews aligned to the lifetime of the Parliament, a key "ask" of *Rewiring*. In addition, the Communities and Local Government Committee and Public Accounts Committee have stated their support for many of our recommendations on community budgets and public sector transformation.
14. We have developed a contact management programme for the Chairman and senior LGA officials in the advance of the Autumn Statement 2013. This complemented our *Rewiring* work around financial sustainability and helped secure a number of wins for the sector such as ensuring no further cuts to local government core funding, a move towards longer term financial settlements for the sector, the returning of holdbacks on

the New Homes Bonus and additional financial support for the central government proposed extension of Business Rate Reliefs.

15. On welfare, we briefed parliamentarians in November ahead of a debate on the abolition of the social sector size criteria. The message to Government was that, unless more is done to generate jobs and build housing, local authorities will have to support households struggling with the spare room subsidy, diverting money away from local services. In line with *Rewiring Public Services*, MPs were asked to urge Government to give councils and their local partners more influence over employment schemes so that training providers give people skills that are closely matched to what local employers need.
16. MPs were briefed for a debate on welfare reform and poverty in January, drawing their attention to the fact that councils have a lead role in commissioning local support services and that this must be commissioned and delivered through local partners with an understanding of the local area and a track record in working together to meet complex or multiple needs. They were provided with a case study showing how Oxford County Council was working with Citizens Advice Bureau (CAB), Jobcentre Plus and a skills training organisation to support clients.

Reinvigorating local democracy

17. Officers have developed a Private Members' Bill calling for local government autonomy. Discussions have been held with parliamentarians about promoting and tabling the suggested legislation, which will be promoted at the LGA's 2014 annual parliamentary reception on 26 February.

Children's services

18. The LGA achieved significant success at Lords Report Stage of the Children and Families Bill, when the Government agreed to curtail a power in the Bill to remove all local authorities from adopter recruitment. An amendment requiring an active debate and vote in both Houses before its use was accepted by the Government, after significant campaigning. This was in addition to an earlier concession we achieved, delaying the proposal's implementation until 2015. We met with and briefed Peers from across the political benches and engaged directly with Department for Education civil servants to raise awareness of the issue.
19. We have also lobbied for changes to the Special Educational Needs (SEN) provisions in the Bill. As a result, the Government made a number of welcome amendments at Report Stage in the House of Lords. These include clarification of the circumstances in which health provision, such as speech therapy, should be treated as educational provision and confirmation that the education element of an education health and care plan may cease at an appropriate point between the ages of 19 and 25, in light of the best interests of the young person.
20. Clarification was sought from Ministers about the consequences of a clause which relates to the Secretary of State's powers of intervention in children's services, which had been inserted late on in the passage of the Bill. The concern was that the wide

drafting of the clause could have unintended repercussions for local authorities. At the LGA's suggestion, an amendment to provoke on the record clarification from the Government was tabled. During the debate that followed, the Minister allayed the concerns and confirmed the procedure on an intervention.

21. In addition to our work around the Bill, we have been briefing widely since the publication of *Rewiring Public Services* on issues related to children's services. This included briefing Ian Mearns MP (Labour, Gateshead), an LGA Vice President, ahead of a debate he had tabled, which took place in November, on the oversight of free schools. Mr Mearns highlighted the fact that local authorities do not have oversight of free schools and the government bodies with the duty of oversight were not sufficiently resourced. This echoed our position that councils are best placed to provide the local oversight needed to continue to drive up standards.
22. All MPs were briefed ahead of an Opposition Day debate in November on childcare. We highlighted local government's role in a childcare system which is affordable, high quality, supports parents getting back to work and, early on, helps children achieve their potential. We briefed on the need for councils to have flexibility to redesign services around individual and family needs, and promote effective early intervention. During the debate, MPs praised the services provided by local authorities to parents and children in their constituencies but many acknowledged that these had to be scaled back due to cuts in funding.
23. In respect to Select Committees, we have fed into the ongoing Education Select Committee inquiry into Residential Children's Homes, which focuses on whether the Government's proposed reforms are appropriate and sufficient. Cllr Robert Light, Deputy Chair of the LGA, gave oral evidence to the committee in November 2013.
24. Cllr David Simmonds, Chair of the LGA's Children and Young People's Board, gave oral evidence to the Education Select Committee's inquiry on Sure Start Children's Centres last September. We had previously provided the Committee with written evidence and a copy of our publication "*Bright futures – local children, local approaches*", which shows the different approaches to service delivery across the country. Our evidence highlighted the point that local areas need the flexibility to deploy programmes and approaches which will work for them and that recent health reforms present a huge opportunity for local authorities to work with health services to jointly commission, join up and integrate early year's services.
25. Written evidence was submitted to an Education Select Committee inquiry on academies which began in November 2013. The evidence emphasised greater autonomy for schools as a way of driving up standards and believes that giving frontline professionals the freedom to innovate and respond to the needs and priorities of local children and young people and their families will improve educational attainment and overall outcomes.

Adult social care and health

26. *Rewiring Public Services* called for place-based public service budgets, all health and social care to be sustainably funded, and an extension of joint commissioning. The announcement of the Better Care Fund, which was introduced as a result of our lobbying, has been central to our messaging and used as a strong example of *Rewiring* in practice.
27. Since the publication of our initial report in July 2013, the Care Bill has been the most high profile piece of parliamentary activity through which we have promoted our position on adult social care.
28. We have broadly supported the proposals set out in the Care Bill. However, we continue to highlight local governments concern that inadequate funding for the reforms and for the system itself will jeopardise the Bill's good intentions and the likely success of integrated working.
29. We successfully secured the tabling of three amendments on the adequacy of funding for the system; the development of an assurance mechanism through an annual report from the Care and Support Reform Programme Board to the Secretary of State to provide a further reassurance on the adequacy of funding; and the creation of a national body to manage the financial and reputational risk of the system of deferred payment agreements. These amendments secured a further reassurance from the Minister of State for Care and Support that the new system will be adequately funded under the New Burdens Doctrine. We are continuing to work with officials at the Association of Directors for Adult Social Services (ADASS) and the Care Support Alliance (CSA) to promote our recommendations.
30. In addition to our lobbying on the Care Bill, we have submitted evidence to the Health Select Committee on public expenditure on social care, at which Cllr Katie Hall, Chair of the LGA Community Wellbeing Board, gave evidence.
31. This was an opportunity to highlight that adult social care budgets are now being tested to their limit because of the overall reductions to council funding and growing demand on these services. We also promoted the principles, set out in *Rewiring Public Services*, which should underpin whole system reform. This meant calling for all health and social care to be consistently co-ordinated around the needs and wishes of individuals, within an approach that supports the whole community.
32. We also briefed for two parliamentary debates in January on dementia care and services, referencing the work of local government and our call for greater integration.

Economic growth

33. We have worked proactively in parliament to raise the issue of growth, and the related *Rewiring* messages related to the importance allowing areas the tools to generate investment and jobs.

34. In terms of Select Committees, we have proactively given oral and written evidence to a wide selection of inquiries. Since the launch of *Rewiring*, we have given evidence to three separate Transport Select Committee inquiries on local authority parking enforcement, defending the important work councils undertake to manage traffic in their local areas, and the support this offers local economic growth; the Strategic Roads Network. We used these opportunities to argue that economic growth could be adversely impacted on if the Local Road Network is not given equal attention and support to ensure sustainable economic growth; and local decision making on transport expenditure, highlighting the benefits to local economies if the decisions are taken at the local level, reflecting the individual nature of areas.
35. We also gave evidence this month to the Business Innovation and Skills Select Committee as part of the Committee's inquiry into adult literacy and numeracy, utilising the opportunity to discuss the need for greater local discretion in respect to commissioning of skills training.
36. In January we submitted evidence to the Communities and Local Government Select Committee inquiry into fiscal devolution to cities and city regions. In line with the recommendations of *Rewiring Public Services*, our submission argued that all areas in England should have greater financial powers and new arrangements should be fair across the country. The LGA is expecting an invitation to give oral evidence shortly.
37. We have also contributed to relevant All Party Parliamentary Group (APPG) inquiries, drawing strongly on the recommendations in *Rewiring Public Services*. This has for example included the Local Growth APPG's inquiry at the end of July 2013 which looked into Local Enterprise Partnerships; an inquiry commissioned by LGA President Lord Best and former Labour housing minister Nick Raynsford MP (Greenwich and Woolwich) into skills, youth employment and the construction sector, to which we gave oral evidence in December; and the Freight Transport APPG's inquiry into youth employment and skills last August.
38. We have been heavily involved in parliamentary discussions on high streets and how best to offer them support in order that they can evolve and grow economically. This included for example briefing MPs ahead of an Opposition Day debate in October specifically on high streets, in which MPs offered their support for the LGA's recommendation that local authorities receive powers to determine permitted development locally in keeping with local needs and aspirations. We used a further debate in November on retail and the high street to make similar points. Related to the high streets agenda, we briefed MPs in January ahead of an Opposition Day debate on Fixed Odds Betting Machines (FOBTs), including the implications for economic growth. Earlier on the same day, the Leader of the Opposition referenced the LGA and our concerns during Prime Minister's questions.
39. In terms of legislation, we continue to be active on the Deregulation Bill, which seeks to reduce unnecessary regulatory burdens on business and others, thereby supporting economic growth. We gave oral and written evidence to the Draft Bill Committee last November. Overall, we have supported the move by the Government to reduce the legislative burden on business, civil society, individuals and public

sector bodies, which is in line with *Rewiring Public Services*. More recently, we briefed MPs ahead of Second Reading earlier this month, and are currently working on amendments which seek to further appropriate *Rewiring* proposals, such as licensing reforms to better support business and growth.

40. We gave written evidence to Business, Innovation and Skills Committee in October to influence the Committee's consideration of the draft Consumer Rights Bill. The legislation seeks to consolidate existing consumer rights as well as enforcers' powers to investigate potential breaches of consumer law. During pre-legislative scrutiny, we raised concerns over the Bill's intended restrictions on the ability of trading standards officers to undertake unannounced inspections, where they have reasonable grounds to do so. As a result of campaigning by the LGA, the Government amended the provisions to address our concerns. Ahead of Second Reading of the Bill in January, the LGA briefed MPs on the two important functions of regulatory services: protecting local consumers and residents and supporting responsible businesses to thrive and grow, which were commended by MPs during the debate, alongside concerns around the potential impact of diminishing council budgets.
41. Housing and planning are also important strands of our work around economic growth and in parliament we have continued to influence the debate. In October we briefed MPs ahead of a debate in the House of Commons which covered subjects such as housing supply, local plans, neighbourhood plans and building on green belts. January, proved a busy month for this agenda. The LGA briefed MPs ahead of an Opposition Day debate in the Commons on housing, arguing that the planning system is not a barrier to housing development and that councils are now approving nine in every ten planning applications they receive. In addition, we restated that removing the housing borrowing cap would allow councils to build up to 60,000 new homes in the next five years. We issued similar messages for a debate on affordable housing in the Lords, and another Commons debate on planning reforms, majoring on the lack of weight being given to emerging Local Plans by the Planning Inspectorate, which was a theme picked up on by a number of MPs.

The big debate: can local public services be rewired?

42. In November, we held our Autumn 2013 Smith Square Debate in Local Government House specifically on *Rewiring Public Services*. Mayor Dorothy Thornhill (Deputy Leader of the LGA's Liberal Democrat Group) chaired the event, with an audience of councillors, officers, think tanks, public affairs and policy colleagues.. Ben Page, Chief Executive of IpsosMORI, opened the debate by giving an overview of funding and satisfaction levels with the services local government delivers. Sir Merrick was joined on the panel by Andy Sawford MP (Shadow Minister for Communities and Local Government) and Rt Hon John Redwood MP (Chairman of the Conservative Economic Affairs Committee). Sir Merrick led the debate by putting two key issues from *Rewiring* to the panel for discussion: the local government funding formula, mandated by central government, and revision of the Barnett formula, determining how funding is split between the devolved nations and England.

Party Conferences 2013

43. We proactively secured 107 speaking opportunities for member councillors across the three main party political conferences last autumn. Each member was offered a bespoke briefing ahead of every event, including related messages on *Rewiring Public Services*.
44. A corporate reception was held at each of the three main party political conferences to publicise the *Rewiring Public Services* campaign. *Central government speakers were secured for each event, including* the Deputy Prime Minister, Leader of the Opposition, and Secretary of State for Communities and Local Government.
45. We also held a fringe event at the Liberal Democrat party conference to debate the content of *Rewiring Public Services*. Panellists included: Mayor Dorothy Thornhill; Rt Hon Don Foster MP (at the time, Parliamentary Under-Secretary of State for Communities and Local Government); Lord Shipley; Annette Brooke MP (Co-Chair of Liberal Democrat backbench CLG Committee) and Cllr Ruth Dombey (Leader of London Borough of Sutton).

Next steps

46. *Rewiring* will continue to inform our activity, with the detail of our messages evolving to fit the direction given by members and Boards.
47. Wherever possible, we will continue to link any relevant parliamentary activity to the *Rewiring Public Services* campaign. Where this is not possible, we will continue to focus our resources in line with the priorities of members. For instance, in recent months, we have also been active in Parliament on the Pensions Bill, the recent floods, winter weather preparations, chief officers' remuneration and fracking.
48. The coming year will also present a number of opportunities to profile the work of *Rewiring*. Our annual conference in July will provide the ideal platform to launch the next stage of the campaign. Further LGA activity, such as upcoming Smith Square debates and our support for the Local Government Finance Commission will also provide platforms for us to promote the campaign.
49. In the period up until the 2015 general election we will continue to target the manifesto formulation process and will also begin to project forward into the work plans of whoever takes power and forms a new government.
50. The autumn party conference season will also provide an excellent opportunity to set out *Rewiring's* propositions and we will be holding a fringe at each, building on the successful event we held at the liberal democrat conference.

Financial Implications

51. There are no unbudgeted implications for the LGA.