Local Government Association
2019 Spending Round: On the Day Briefing

4 September 2019

Local Government Association

Briefing

The 2019 Spending Round outlines the Government's spending plans for 2020/21 by setting budgets for each central government department. The full set of documents is available on the Treasury website.

The LGA has published a media statement responding to the announcements.

Key messages

- The 2019 Spending Round has provided councils with much of the funding certainty and stability they need for next year. The Chancellor has announced a funding package of more than £3.5 billion for vital council services. This is the biggest year on year real terms increase in spending power for local government in a decade. This funding will allow councils to meet the increase in cost and demand pressures they face in 2020/21, which we assess as amounting to £2.6 billion.

- We are pleased the Government has responded to our calls and provided desperately-needed new money, including £1 billion for social care and £700 million for children and young people with special educational needs and disabilities. The Chancellor confirmed that key grants to local government will also continue next year.

- With this investment councils will be better able to ensure older and disabled people can live the lives they want to lead. Councils will also be better able to support our most vulnerable young people, and to continue to improve their local areas.

- The proposed council tax referendum limit of two per cent will raise £1.1 billion after taking into account the increase in the tax base. The ability to levy an adult social care precept for a further year gives councils the potential to raise a further £500 million to help people in our communities who need care and support. However, council tax cannot provide a long-term solution to funding social care, as council tax raises different amounts of money in different parts of the country, which is not necessarily related to need.

- It is helpful that the Government has clarified its intention to introduce 75 per cent business rates retention and the Fair Funding Review in April 2021. This will allow time for the remaining decisions over the design of the reforms to be made by the Government including consultation with councils.

- This Spending Round shows that the LGA and councils are successfully making the case that investing in local government is good for the nation's prosperity, economic growth and health and wellbeing. The evidence shows that giving councils the freedom and funding to make local decisions improves national outcomes.

Lee Bruce, Head of Public Affairs and Stakeholder Engagement
Email lee.bruce@local.gov.uk
Tel 020 7664 3097
www.local.gov.uk

- We will work with the Government on how its Queen's Speech can reignite the devolution process so councils can continue to lead their local areas and improve the lives of their residents. Over the coming year we will continue to press for long-term financial certainty and sustainable funding for local government.

The Spending Round in detail

Public finances and general funding for local government

The Chancellor announced that:

- The Government has set Total Managed Expenditure in 2020/21 at £878.6 billion, a 2.4 per cent increase in real terms. Of this, £352.3 billion will be allocated to day-to-day budgets for Government departments (an increase of 4.1 per cent in real terms).

- Local authority core spending power is projected by the Government to rise by 4.3 per cent in real terms, or £2.9 billion in cash terms in 2020/21. Combined with announcements on high-needs funding for schools, public health funding and the increase to the NHS contribution to adult social care through the Better Care Fund, local authorities can benefit from more than £3.5 billion of additional resources.

- If local tax income is excluded, the underlying general funding to local government (also known as the local government Departmental Expenditure Limit (LG DEL)) will rise by £1.1 billion, or 12.4 per cent in real terms. This compares to a 3.1 per cent real terms increase to NHS England and a 3.3 per cent real terms increase to education.

Measure	2019/20, £bn	2020/21, £bn	Change, £bn	% change, real terms
Local government core spending power*	46.2	49.1	2.9	4.3%
LG DEL	7.5	8.6	1.1	12.4%
NHS England, day-to-day	123.7	129.9	6.2	3.1%
Department for education, day-to-day	64.0	67.8	3.8	3.3%
Total managed expenditure	842.8	878.6	35.8	2.4%

* Subject to data changes, the final figures will be published in the 2020/21 local government finance settlement

Source: (LGA analysis of Spending Round book figures: table 1.1, page 5, table 2.1, page 9, table 2.2, page 10, table 2.12, page 16, and associated footnotes; page 17, paragraphs 2.30-2.32)

LGA view

- This is the biggest year on year real terms increase in spending power for local government in a decade. This funding will allow councils to meet the rising cost and demand pressures they face in 2020/21.

- This Spending Round shows that the LGA and councils are successfully

making the case that investing in local government is good for the nation's prosperity, economic growth and health and wellbeing. The evidence shows that giving councils the freedom and funding to make local decisions improves national outcomes and saves money for the public purse.

- The increase in government grant funding for adult and children's social care recognises our view that the full burden of increasing costs of these vital services should not have to be met by council tax payers.

- We look forward to working with the Government to ensure that the 2020 Spending Review builds on this Spending Round by ensuring sustainable long-term funding for local services. We will continue to build the case for local government through our CouncilsCan campaign.

Business Rates and the Fair Funding Review

The Chancellor announced:

- Local Government's business rate baseline funding levels will increase in line with inflation. *(Page 17, paragraph 2.28)*

- The Government has written to councils announcing that a decision has been taken to delay the implementation of 75 per cent business rates retention and the Fair Funding Review until April 2021.

LGA view

- It is helpful that the Government has clarified its intention to introduce 75 per cent business rates retention and the Fair Funding Review in April 2021. This will allow time for the remaining decisions over the design of the reforms to be made by the Government including consultation with local authorities. The Government should commit to removing the impact of appeals on local authorities as part of the reforms.

- To enable authorities to effectively plan for the changes, councils need exemplifications of what the reforms mean for their financial position as soon as possible.

- Appropriate transition mechanisms will also need to be put in place to avoid unsustainable shocks to any one local authority. This includes ensuring that no council sees their funding reduce.

Council tax

The Chancellor announced that:

- The Spending Round assumes a two per cent Core Referendum Principle and a 2 per cent Adult Social Care Precept for illustrative purposes. As is customary, the government will consult on Council Tax Referendum Principles later this year as part of the Local Government Finance Settlement. *(Page 17, paragraph 2.28, note 5)*

- The government will consult on a 2 per cent Adult Social Care precept that will enable councils to access a further £0.5 billion. *(Page 17, paragraph 2.28)*

LGA view

- The LGA will respond as usual to the consultation on the referendum principles in the Local Government Finance Settlement. We have always maintained that the council tax referendum limit should be abolished so councils and their communities can decide how local services are paid for, with residents able to democratically hold their council to account through the ballot box.

- Whilst it is good that there will be flexibility for councils to raise the adult social care precept by a further two per cent in 2020/21, this is not a sustainable solution. Increasing council tax raises different amounts of money in different parts of the country, unrelated to need. This also adds an extra financial burden on already struggling households.

Social care

The Chancellor announced:

- An additional £1 billion will be made available for adult and children's social care next year. *(Page 9, paragraph 2.3)*

- This is in addition to maintaining £2.5 billion of existing social care grants. *(Page 17, footnote 4)*

- The Government will consult on a 2 per cent adult social care precept that will enable councils to access a further £500 million funding. *(Page 9, paragraph 2.3)*

- The NHS contribution to adult social care through the Better Care Fund will increase by 3.4 per cent in real terms *(Page 17, paragraph 2.31)*

LGA view

- An additional £1 billion for social care (children's and adults) is very welcome and shows that the Government has listened to our, and our partners', repeated calls for urgent investment to stabilise these vital services. Councils have a deep understanding of their local communities' needs and therefore need maximum discretion to direct this new funding; we therefore seek clarification that the funding will be un-ringfenced.

- As the £1 billion comes on top of existing grants, this confirms that key grants, including the improved Better Care Fund and winter pressures funding, will continue next year. This is very helpful and provides the much-needed certainty of funding that we and our member councils have been calling for.

- The continuation (subject to consultation) of the adult social care precept also helpfully gives councils potential to raise a further £500 million next year. This will help to ensure people's needs are met with good quality and responsive services and shore up the provider market. Although the distribution of council tax income does not necessarily relate to where the needs lie.

- The Spending Round is positive for social care and will help in the coming year. However, with people living longer, pressures will continue to rise. If people of all ages are to fulfil their potential, maximise their independence and live the lives they want to lead then we need national solutions to how we fund

care and support for the long-term. The Government must publish its proposals for the future of adult social care at the earliest opportunity and work on a cross-party basis to spark a truly nationwide public debate about the value of social care and how, as a nation, we will pay for it in the years ahead.

- The issue of relatively low pay in the social care sector is highlighted regularly and this settlement provides resources to begin to address this challenge. In the long term the low pay issues needs to be addressed as part of the arrangements for the future funding of both adult and children's social care.

- The Better Care Fund (BCF) is important in funding adult social care and integrated services. The protection of adult social care funding has always been a national condition of the BCF. We support local systems to improve safe and timely discharge from hospital but the disproportionate focus on delayed transfers of care (DTOC) is having a negative impact on community and social care provision by directing funding away from these vital services.

- The LGA will work with Government to seek to return the BCF to its original aims of protecting adult social care, supporting prevention and community based support, and promoting integration.

Public health

The Chancellor announced:

- A real terms increase to the Public Health Grant budget, which will ensure local authorities can continue to provide prevention and public health interventions. *(Page 2, paragraph 1.9 – amount to be confirmed)*

LGA view

- A real terms increase for public health is a welcome change of direction and recognises councils' record on public health improvement, which means this will be money well spent. In the long term we will continue to work with the Government to address the additional financial pressures on public health services.

- We strongly believe that prevention is better than cure and councils need adequate funding for their public health services to help achieve a healthier, more equal and prosperous society.

- Improving the health of the population and the success of the NHS plan are dependent on a significant increase in preventative activity and councils' public health functions must be sustainably funded to support this ambition.

Education and children

The Chancellor announced:

- The schools budget will rise by £2.6 billion in 2020/21, £4.8 billion in 2021-22 and £7.1 billion in 2022/23, compared to 2019/20 funding levels. Separate to this, each year the government will provide almost £1.5 billion of funding to compensate schools for the increased cost of employer pensions contributions. *(Page 10, paragraph 2.6)*

- The government will ensure that per pupil funding for all schools can rise in line with inflation (1.8 per cent) in 2020/21. For schools already on their National Funding Formula allocation, the per-pupil values in the formula will increase by at least 4 per cent in nominal terms in 2020/21. The minimum per pupil amount for 2020/21 will increase to £3,750 for primary schools and £5,000 for secondary schools, with the primary schools minimum then rising to £4,000 in 2021/22 in line with the government's commitment. *(Page 10, paragraph 2.7)*

- This settlement also provides over £700 million more in 2020/21 compared to 2019-20 funding levels to support children and young people with special educational needs to ensure all receive a high-quality education and reach their potential. *(Page 10, paragraph 2.8)*

- An increase to early years spending of £66 million to increase the hourly rate paid to childcare providers through the government's free hours offers. *(Page 10, Paragraph 2.10)*

- An additional £30 million to safeguard children from child sexual exploitation and abuse. Increasing funding for cutting-edge technology and the best intelligence and law enforcement capabilities will enable police officers to continue to target the worst and most sophisticated offenders. *(Page 11, paragraph 2.12)*

- DCMS will develop proposals for a new Youth Investment Fund to set out plans to build more youth centres, refurbish existing centres, and deliver high quality services to young people across the country. (Chancellor's speech)

LGA view

- The LGA welcomes the Government's announcement to increase schools budgets by £7.1 billion by 2022/23, as well as an additional £700 million for council high needs budgets to support children and young people with Special Educational Needs and Disabilities (SEND) for 2020/21.

- We are pleased that the LGA's call for more money to be made available to support children with SEND has been recognised and in the longer term we are keen to work with the Government to tackle the high needs funding gap facing councils as demand for support continues to increase. We want to see all schools become more inclusive so that more children with high needs can be appropriately supported in mainstream schools.

- Feedback from the early years sector and our own research showed that funding for implementing the early years offer is insufficient so the announcement that there will be an increase in funding in early years is positive. We look forward to more information and detail on how these extra resources will be allocated and distributed.

- The extra funding to safeguard children from sexual exploitation and abuse is positive. We look forward to further clarification and detail on how these resources will be used to strengthen national, regional and local infrastructure so that we can ensure that all children and young people can be safe from harm.

- We await details of the amount of additional funding proposed for the Youth

Investment Fund and will work with the DCMS and other national youth bodies to shape this fund and ensure the development of an effective, efficient, high quality youth services.

Additional funding for Health Education England

The Chancellor announced:

- A 3.4 per cent real terms increase in the Health Education England (HEE) budget. This will include an additional £150 million for Continuing Professional Development (CPD), providing a £1,000 central training budget for each nurse, midwife and allied health professional over three years, as well as increased funding for wider education and training budgets to support delivery of the NHS Long Term Plan. *(Page 9, paragraph 2.2)*

LGA view

- Local government needs confirmation that the £210 million set aside for nurses' continuing professional development will extend to the public health nursing workforce, such as health visitors and school nurses, and health professionals employed in the health sector. This funding should be open to them, regardless of whether they are directly employed by the NHS, local authorities, or social and private enterprises.

Housing and homelessness

The Chancellor announced that:

- The MHCLG settlement will include £422 million resource funding to help reduce homelessness and rough sleeping, including an additional £54 million in 2020/21. This represents a real terms increase of 13 per cent compared to 2019/20. *(page 16, paragraph 2.26)*

- MHCLG will consult on mandatory accessible housing standards in building regulations, ensuring new properties are built with good accessibility standards to reflect the needs of older and disabled people. *(Page 36, paragraph B.9)*

LGA view

- The LGA is pleased that the Government has listened and is providing this vital additional resource for the year ahead. This will enable local authorities to continue to prevent people from becoming homeless, and relieve homelessness for those who have already reached crisis point.

- However, with levels of statutory homelessness continuing to rise, a long term solution is needed to allow councils to place homelessness services on a sustainable footing and prevent people from losing their home.

- Further, with 1.1 million people on council waiting lists, it is important that councils have powers to invest in new homes for those that need them. This includes urgent reform to the Right To Buy scheme, to enable councils to retain all sales receipts and set discounts locally.

- New homes should be accessible or easily adaptable for people of all ages

and needs. It is vital that national rules incentivise the building of accessible homes. This will support people to live well for longer in their own homes and, alongside adapting existing housing where the majority of people live, will help to relieve pressure on health and social care.

Discretionary Housing Payments

The Chancellor announced:

- £40 million additional funding for Discretionary Housing Payments to tackle affordability pressures in the private rented sector in England and Wales *(Page 21, paragraph 2.42)*

LGA view

- There is an urgent need to address affordability in the private rented sector. Our core ask has been, and remains, for the Government to restore Local Housing Allowance rates to cover at least the cheapest third of private rents (the 30th percentile) when the freeze ends in 2020, at an estimated cost of £820 million for 2020/21.

Universal Credit

The Chancellor announced:

- £23 million to fund a range of other measures, including support for vulnerable claimants and people with complex needs migrating to Universal Credit, additional outreach activities to support those who are homeless, and increasing the number of Armed Forces champions to support veterans when entering the labour market. *(Page 21, paragraph 2.42)*

LGA view

- Government should properly recognise and resource the vital role which councils play in providing a local safety net. We would like the Department for Work and Pensions to more effectively integrate support for claimants with wider support that councils and their partners fund and provide at a local level.

- The Department for Work and Pensions should engage closely and effectively with the LGA, councils and their local partners in designing and implementing these measures.

Home ownership and the Help to Buy Equity Loan

The Chancellor announced:

- There will be continued support to increase home ownership through the Help to Buy equity loan and other housing programmes, including providing Homes England additional funding to deliver more homes where people need them (*Page 16, paragraph 2.26*)

LGA view

- Councils are supportive of home ownership and of promoting options that work for local communities.

- The current Housing Infrastructure Fund administered by Homes England is critical to the delivery of new homes. It is crucial that this funding is allocated to councils quickly so that works can commence as soon as possible.

Building Safety Programme

The Chancellor announced:

- £24 million additional funding for the Building Safety Programme to support the new building safety regime and help prevent a tragedy like Grenfell happening again. This comes on top of £600 million of Government funding for the removal of aluminium composite material (ACM) cladding in the private and social residential sectors. *(Page 16, paragraph 2.26)*

LGA view

- Local authorities are now engaged in identifying what, if any, cladding systems are on the outside of all high-rise residential buildings. This is a substantial task involving inspecting over 10,000 buildings. While the additional funding to support the new building safety regime is welcome, councils need to be funded to undertake this work, and we will be pursuing new burdens funding with the Government.

- The allocation of £600 million for the removal of ACM cladding in the private and residential sectors has been vital in ensuring high-rise residential buildings are made safe without the cost falling on residents. However councils will also need funding to address other building safety issues, including replacing other dangerous cladding systems and fire doors that do not meet the required standard.

- The Government needs to give consideration to taking a holistic approach to addressing these fire safety issues and for example funding building owners to also remove HPL cladding systems.

Fire and Rescue Service

The Chancellor announced:

- A 6.3 per cent increase in real terms to the Home Office's resource budget from 2019/20 to 2020/21. This is the largest planned annual growth rate in at least 15 years. *(page 11, paragraph 2.12)*

LGA view

- The LGA is seeking more detail from the Home Office on what this increase will mean for Fire and Rescue Services. The LGA has been working with the Home Office to make the case for further funding to answer the cost pressures felt by the service due to risk and demand.

Tackling serious violence

The Chancellor announced that:

- A 6.3 per cent increase in real terms to the Home Office's resource budget from 2019/20 to 2020/21. *(Page 11, paragraph 2.12)*

- An extra £750 million for policing to begin delivery of the government's commitment to recruit 20,000 additional officers by 2023 (up to 6,000 officers are to be in place by the end of 2020/21), providing them with the resources they need to tackle serious violence. *(Page 11, paragraph 2.12)*

LGA view

- It is positive to see additional funding being made available to tackle the serious violence in our communities.

- Given rates of knife crime, significant cuts to trading standards budgets and the extra activity needed to enforce the Offensive Weapons Act, the Home Office should use its additional resources to increase its Prosecutions Fund and extend it to more councils. The fund has assisted councils to tackle illegal knife sales and help protect people from harm by prosecuting retailers flouting the law. Further investment in the fund would increase the number of prosecutions.

Serious and organised crime

The Chancellor announced:

- The Government will undertake a formal review of the powers, capabilities, governance and funding needed across the policing and law enforcement landscape, including the National Crime Agency and the wider justice system, to enable it to improve its response to serious and organised crime in all its forms. This will report in advance of Spending Review 2020. The terms of reference for the review will be agreed between HM Treasury and Home Office and announced in due course. *(Page 12, paragraph 2.14)*

LGA view

- Councils have an important role in tackling serious and organised crime groups, using the wide range of powers available to them such as those given to trading standards. Councils' work targeting the sale of counterfeit tobacco or financial investigations help identify criminal networks and the location of assets for confiscation purposes.

- This work relies on councils being able to access crucial intelligence through Suspicious Activity Reports (SARs) identifying potential money laundering. However, councils' access to SARs has recently been reduced by the National Crime Agency.

- It is vital that councils' long term access to the SARs database is secured, and that trading standards services are resourced to play their part in tackling serious and organised crime.

- The review announced by the Chancellor must link in with ongoing work to reform SARs and ensure that all councils are able to access intelligence from the SARs database without this creating a new burden.

Reducing reoffending

The Chancellor announced:

- Additional funding to support the ongoing reform of the probation system, which will help reduce reoffending and improve the quality of post-custody supervision. *(Page 12, paragraph 2.15)*

LGA view

- Reducing re-offending is critical to the creation of safer and stronger communities. We therefore welcome the additional funding to support the ongoing reform of the probation system.

- Reducing re-offending requires an integrated multi-agency approach drawn from health, police, probation, prisons, local authorities, Jobcentre Plus, housing associations and other key partners. The Ministry of Justice should consider how this additional funding is used to support council services that contribute to reducing re-offending and cutting crime. It should also consider how the number of people entering the criminal justice system can be minimised through a greater emphasis on prevention and early intervention.

Troubled Families programme

The Chancellor announced:

- Continued funding for the Troubled Families programme, which is transforming the way public services are delivered to support families with complex needs. *(Page 16, paragraph 2.26)*

LGA view

- The LGA is pleased that the settlement for the Ministry for Housing and Local Government includes continued funding for Troubled Families, recognising the value and importance of the role that councils have played in delivering effective preventative public services.

- The LGA supports an integrated approach to early help. It is vital that the department continues to work closely and effectively with councils and their partners to deliver sustainable improvements in outcomes for families with complex needs.

English as a second language

The Chancellor announced:

- £10 million additional funding for English as a second language provision. This will enable the second wave of the Integration Areas Programme. *(Page 16, paragraph 2.26)*

LGA view

- We are pleased that funding for the Integration Areas programme will continue into next year. However it is important that the focus for the programme continues to address a range of issues essential to building integration.

- The Integration Areas programme provides real opportunities to develop ambitious and comprehensive approaches to building cohesion and integration. It is important that the outcomes from the programme are shared more widely beyond the five pilot areas.

EU funding

The Chancellor announced that:

- In the event the UK leaves the EU without a deal, the government has guaranteed funding for UK organisations in receipt of money from EU programmes, if required. *(Page 3, paragraph 1.12)*

LGA view

- We have worked with Government to prepare councils for the UK's exit from the EU, including seeking a guarantee of EU funding in a no deal scenario. The LGA welcomes the Chancellor's reiteration of the Government's guarantee of funding, which provides clarity for programmes and projects funded by the European Structural and Investment Funds Programme (ESIF) 2014/20.

UK Shared Prosperity Fund

- The Chancellor made no announcements on the UK Shared Prosperity Fund (UKSPF).

LGA view

- We have continually urged the Government to set out the detail of the UKSPF – the Government's replacement of EU funding. Today's spending round lacks any further detail on the overall quantum of funding, allocation and distribution of UKSPF and how it will align with other growth funding. The LGA is keen to work with the Government to co-design the new programme. It should be a viable, locally driven and democratically accountable programme that is at least equal in value to the funding streams it is replacing.

- EU funding has, and continues to be, a critical funding resource utilised by local authorities, Local Enterprise Partnerships, businesses and the community and voluntary sector to create jobs, support small and medium enterprises, deliver skills, build infrastructure and boost local growth in all types of areas across the country. The ESIF Programme has provided £5.3 billion of EU funding to local areas in England and it is essential there is not a gap before the introduction of a domestic replacement.

Trade and investment

The Chancellor announced that:

- The Department for International Trade settlement includes funding for the new trade policy framework as the UK leaves the EU. *(Page 20, paragraph 2.41)*

- The Department for International Trade settlement includes funding for the DIT overseas network, regional and sector teams and programme of activities to support UK businesses around the world, break down barriers to trade and strengthen the UK's leading position as a destination for inward investment. (*Page 20, paragraph 2.41)*

LGA view

- Exports and inward investment play a crucial part in driving the national economy. With their knowledge of local economies, powers over local infrastructure planning and strong track record of building connections with localities across the world, councils are uniquely positioned to attract inward investment and work with small and medium sized businesses to increase exports to foreign markets.

- It is essential that the development of a new trade policy framework recognises the important contribution of councils in this space and local government must be meaningfully engaged throughout this process. This is in line with the International Trade Committee's recommendation that local government should have a voice in all aspects of the trade policy process.

Replacement of the Common Agricultural Policy

The Chancellor announced:

- An additional £20 million to support delivery of Defra's replacement for the Common Agricultural Policy in England, which will prioritise environmental outcomes. *(Page 19, paragraph 2.38)*

LGA view

- The replacement of the Common Agricultural Policy presents an opportunity to provide a more place-based approach to land-use planning that better aligns with local priorities and environmental outcomes. Councils must have a voice in the development of a new national land management policy to ensure greater accountability in any new scheme.

Tourism

The Chancellor announced:

- The Department for Digital, Culture, Media and Sport settlement includes continuation of the Discover England Fund to promote inbound tourism and showcase visitor destinations across England. *(Page 19, paragraph 2.36)*

LGA view

- This is positive and will allow more councils and local partners to access funding to boost tourism and local economic growth. Local areas must have the flexibility to use the funding in line with local priorities.

Town centres and high streets

The Chancellor announced that:

- A total of £241 million from the Towns Fund in 2020/21 to support the regeneration of high streets, town centres and local economies *(Page 16, paragraph 2.26)*

LGA view

- This funding will help councils to revitalise and repurpose their high streets and town centres. In order to enable councils to get the best long term outcomes for local communities and businesses it will be important that the fund is flexible and that any processes for bidding are kept simple and proportionate.

Buses

The Chancellor announced:

- Over £200 million of increased funding to transform bus services, making best use of technology and promoting decarbonisation, to help people make the everyday journeys that matter most to them. *(Page 17, paragraph 2.33)*

LGA view:

- This funding will help to support the bus industry and make bus travel more attractive and greener. We await details of how it will be allocated and what proportions will be available to meet which priorities.

- However, it does not address the £652 million funding gap in the concessionary fares scheme which councils have to fund from their own resources. This gap should be addressed through additional funding and greater scheme flexibility at the local level. We would also like Bus Services Operating Grant to be devolved to councils.

Air Quality

The Chancellor announced:

- More than £30 million increase in funding for air quality. *(Page 19, paragraph 2.38)*

LGA view:

- These additional resources will help efforts to improve air quality. We have previously stated that the additional activity envisioned in the Government's air quality strategy will need significant extra investment. We look forward to seeing the details of how this money will be allocated and how it will fit with any changes to councils' roles through the forthcoming Environment Bill.

Environment

The Chancellor announced:

- The Department for Business, Energy and Industrial Strategy (BEIS) will have an additional £30 million to accelerate progress on developing decarbonisation schemes that will help to move the UK towards its Net Zero greenhouse gas emissions target by 2050. *(Page 18, paragraph 2.34)*

- The Department for Environment, Food and Rural Affairs (DEFRA) will have an additional £30 million for terrestrial and marine biodiversity measures, to support the maintenance and restoration of vital habitats for wildlife, progress nature-based solutions for climate change mitigation and adaptation, and deliver the 25 Year Environment Plan. *(Page 20, paragraph 2.38)*

LGA view

- Over 200 councils have now declared a Climate Emergency. Councils are committed to achieving zero carbon emissions, but this will require resources and additional powers. We will work with DEFRA and BEIS to seek more detail on the funding and the role of local government.

- Councils can play an important role in increasing biodiversity through the planning process. The next steps for biodiversity net gain proposals must address the capacity issues in council planning departments and the need to increase ecological expertise.

Armed Forces Veterans

The Chancellor announced:

- £5 million for the new Office for Veterans' Affairs, which will coordinate across the public sector to improve support for veterans – from ensuring they get the medical treatment they require, to further training and skills after they have transitioned from service to keep them in good jobs, to targeted interventions to prevent veteran homelessness. *(Page 22, paragraph 2.46)*

LGA view

- Confirmation of funding for the Office of Veterans' Affairs is a positive step and an opportunity to build upon the support councils and local partners already offer to veterans, including housing, money advice, employment, skills, health and care. Veterans deserve the best support, and councils look forward to working with the Government to ensure that they receive that.

Digital Infrastructure

The Chancellor announced:

- Further detail on how the UK will make progress towards its ambitious targets for full fibre broadband will be set out in the National Infrastructure Strategy this autumn. *(Page 19, paragraph 2.37)*

LGA view

- We look forward to seeing the detail of how the Government will meet its universal full fibre broadband target, which by its own estimates will require an additional £5 billion funding. The forthcoming strategy is also an opportunity to

address poor 4G mobile coverage in rural areas. The LGA has asked Government to work with Ofcom to launch a mobile roaming scheme for rural areas should 4G geographic coverage not reach 95 per cent by 2022.

Regulatory services

The Chancellor announced:

- Increased funding in line with inflation for the Competition and Market Authority's work supporting competition and consumers, including taking over responsibility for the largest and most complex competition cases from the European Commission when the UK leaves the EU. *(Page 24, paragraph 2.54)*

- Funding for the Food Standards Agency to protect its core function in maintaining food safety and standards, including after the UK leaves the EU. *(Page 24, paragraph 2.54)*

LGA view

- It is positive that the Government has announced additional funding to protect residents, consumers and responsible businesses by supporting vital regulatory work.

- However, the work of national regulators is often reliant on the delivery of local trading standards and environmental health. Budgets and staffing in these services have been cut by around half since 2010.

- There is a pressing need for the Government to come up with a sustainable funding model for food and other vital areas of regulation. This either needs to be through businesses meeting the costs of regulation, or through councils being properly funded to fulfil their regulatory responsibilities.

Public Value Framework

The Chancellor announced that:

- The government is embedding a new Public Value Framework to maximise the value the government delivers with the money it spends, based on the recommendations of Sir Michael Barber's report 'Delivering better outcomes for citizens'. These reforms will mean future spending decisions, including the multi-year spending review next year, will be shaped by a greater focus on the outcomes to be delivered and informed by better evidence on performance and impact. They will help ensure the government delivers the best value for taxpayers' money, and will put the UK at the forefront of international approaches to driving public value. (*Page 6, paragraph 1.24)*

LGA view

- Councils work hard to deliver best value services for residents and local government is widely acknowledged as the most efficient part of the public sector. Through the Sector Led Improvement programme the LGA supports councils to deliver the best services they can with the resources available, mirroring key aspects of the Public Value Framework in our corporate peer challenges. The Framework is reflected in our Transformation and Information Exchange (TIEX) which we launched at LGA conference in July.