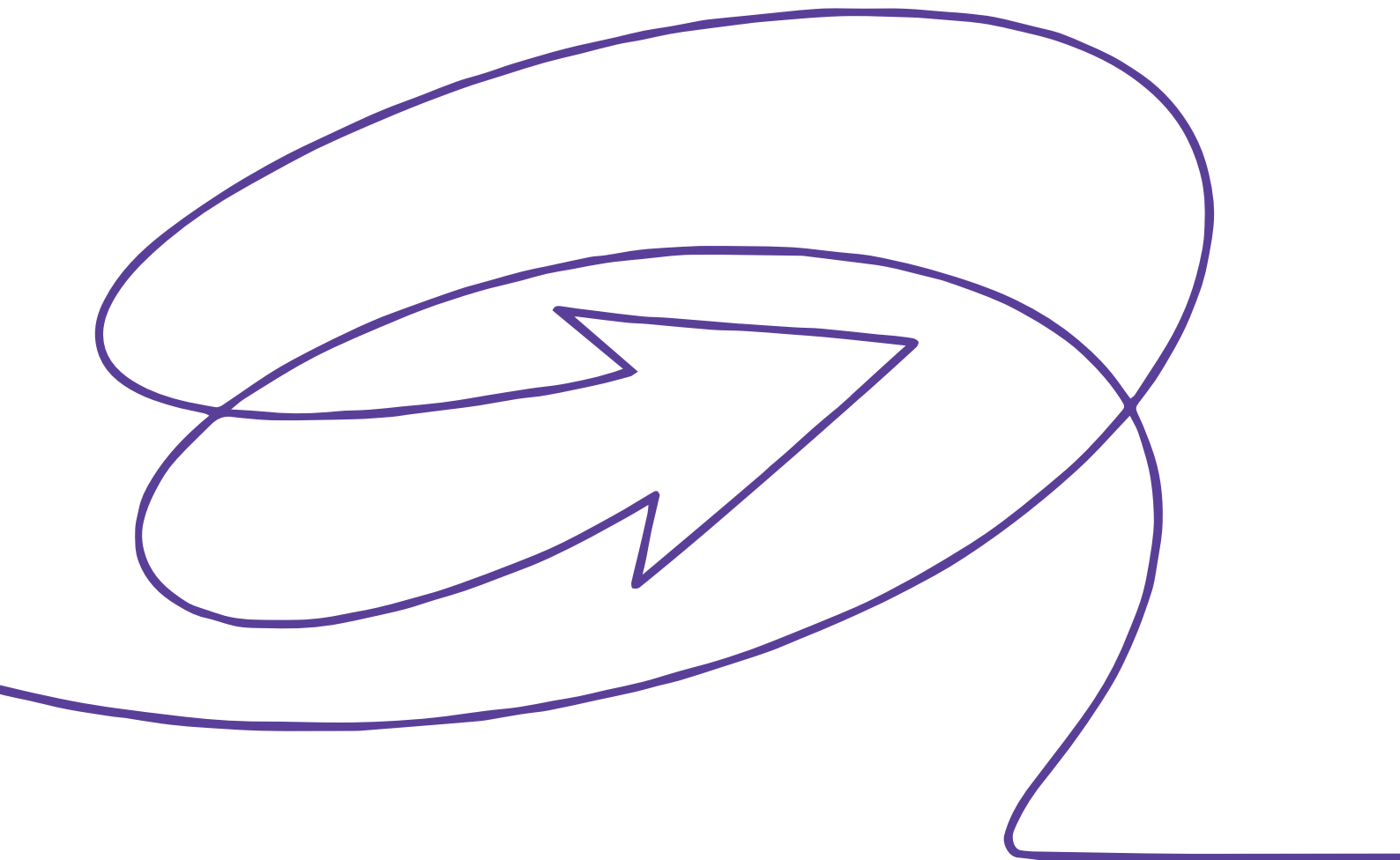


Moving the conversation on



This paper is the very start of our campaign ahead of the Spending Review.

We have published a series of papers, commissioned by LGA boards, which start the new thinking around building the case for long term, sustained investment in local government as well as laying out the positive outcomes this would deliver for the country:

- local government funding
- housing, planning and homelessness
- improving schools
- Brexit
- the future of non-metropolitan England
- a sustainable adult social care and support system for the long term.

Over the coming months, we will be seeking your thoughts and evidence to further strengthen the rallying call to Government.

Find out more at www.local.gov.uk/moving-the-conversation-on



Moving the conversation on

Every day, councils change lives for the better. Despite councils prioritising the most vital services, some are beginning to crumble and we've reached a point where councils will no longer be able to support our residents as they expect, including our most vulnerable, let alone help the country to prosper.

From morning until night, councils help grow places where people can thrive. They keep us safe and provide parks, libraries and open spaces for everyone to enjoy; they make sure families have access to good local childcare and schools; and they build affordable homes for us to live in. They help people live as independent and fulfilled lives as possible. They keep our streets clean, build roads and fix potholes, and make sure the food we eat is safe.

Councils provide the right training to help people get jobs, give them the tools to set up new businesses, support existing businesses to grow and ensure the local workforce has the right skills for its local economy. Councils are at the heart of communities that residents are proud to call home.

When people are struggling, councils are there to get them back on their feet – helping residents stay in their own homes and supporting families when they need it. They help keep young people away from crime, prevent homelessness so that people are not sleeping on our streets and support people into work.

Councils are our safety net, often when all else has failed.



77,000

homeless families are currently being housed in temporary accommodation by local authorities

A stark reality

All of this is now at risk.

We have long warned that vital and valued services were reaching the brink of collapse and would not be able to hang on for much longer.

But now this is today's reality. More and more councils are struggling to balance their books. Some are driven to make cuts that they know will increase demand on their own and other public sector services by inconsistent and perverse funding challenges. Others, meanwhile, are considering whether they have the funding to even deliver their statutory requirements.

We've now reached the point where councils no longer have the resources to support people in their communities and help local economies prosper.



An impact on everyone

Homelessness is increasing at an alarming rate because councils are restricted from building. More than a million households are stuck on social housing waiting lists in England. Local authorities are currently housing 77,000 homeless families in temporary accommodation, including more than 120,000 children.¹

Government rules mean that councils have only been able to replace a fifth of the homes sold under the Right to Buy Scheme since 2011/12 – a loss of 46,000 affordable homes.²

The number of children taken into care has nearly doubled in a decade.³ Last year saw the biggest annual increase in children in care since 2010 and councils are now starting 500 child protection investigations every day.⁴

Only 6 per cent of mental health spending is used on children and young people.⁵ Three quarters of young people experiencing a mental health problem are unable to access any treatment.⁶

Councils receive almost 5,000 requests for social care every day. But care home and home care companies are struggling to stay afloat. Over the last six months more than 8,300 people have been affected by care homes or home care providers either pulling out of contracts or closing completely.⁷

¹ Housing our homeless households, LGA 2017

² 'Right to Buy replacement will be all but eliminated in just five years', LGA, 2018

³ 'LGA responds to Children's Commissioner report on children in care', LGA, 2018

⁴ Characteristics of children in need: 2016 to 2017, Gov.uk, 2018

⁵ Children's Mental Healthcare in England, Children's Commissioner, 2017

⁶ A healthy state of mind: improving young people's mental fitness, Localis, 2017

⁷ ADASS budget survey, 2018

500

Councils are now starting **500 child protection investigations every day**

More than one million businesses have challenged their business rates since 2010 forcing councils to divert £2.5 billion from services to cover the risk of potential refunds.⁸

Nine million people lack literacy and numeracy skills, 16 per cent of England's workforce want a job or more hours, while one in 10 workers are in insecure employment. Local areas have very little say over one of the most centralised employment and skills systems in the world.⁹

There has been a long and steady decrease in bus services as councils struggle to protect routes. Over 2,000 bus services have been reduced, altered or withdrawn across the country since 2010.¹⁰

Councils fill a pothole every 21 seconds and more than 24,000 miles of local roads have been identified as needing essential maintenance next year. It would take more than £9 billion to clear our current local roads repair backlog.¹¹

Councils dealt with more than a million cases of fly tipping in 2016/17, more than a 41 per cent increase since 2012.¹²

An estimated 10 per cent of libraries have closed.¹³

Around 1,000 Sure Start children's centres have shut since 2009.¹⁴

603 youth centres have closed in four years.¹⁵

If, as a nation, we don't deal with this now, the impact on society – all places, all generations, every person – will be catastrophic.

Councils have done all they can.

In the last eight years, councils have lost 60p out of every £1 of Government funding for local services – a reduction of nearly £16 billion by 2020.

From 2020, Government grants are set to be replaced by business rates however, growth in local taxes is unlikely to meet the pressures on services like social care.

This means that, just to stand still and deliver the same services currently being provided – which have already been significantly cut in the last decade – councils would need an additional £7.8 billion more than they are expected to have by 2025.

Councils across the country have shouldered more than their fair share of austerity and have done all they can to reduce any impact on residents. But residents are now starting to feel the difference – our quarterly survey of the public shows that satisfaction with well-regarded council services has dropped to its lowest level since tracking started.

Local government has cut staffing by 629,000 over the last 20 years – that's 23 per cent of the council workforce gone – whilst central government staffing has increased by 31 per cent.¹⁶ Councils are sharing staff, buildings and delivering services together. Some have even merged to save money. Many have used money that was set aside for major investments.

⁸ Non-domestic rating: challenges and change, Gov.uk, 2018

⁹ Work Local, LGA, 2017

¹⁰ Buses in crisis, Campaign for Better Transport, 2017

¹¹ ALARM survey, Asphalt Industry Alliance, 2018

¹² Fly tipping incidents and actions taken in England, Gov.uk, 2017

¹³ Financial sustainability of local authorities, National Audit Office, 2018

¹⁴ Stop start, Sutton Trust, 2018

¹⁵ A future at risk, cuts in youth service, Unison, August 2016

¹⁶ Public sector employment UK, ONS, September 2017

1/5

of the homes sold under the Right to Buy scheme since 2011/12 have been replaced – a loss of 46,000 affordable homes

3/4

of young people experiencing a mental health problem are unable to access any treatment

5,000

requests for social care are received by councils every day

2,000+

bus services have been reduced, altered or withdrawn across the country since 2010

1,000,000+

cases of fly tipping in 2016/17 have been dealt with by councils

Democratic stability

People and local communities rightly look to their council to support them and their family and to be at the heart of their community. They trust their council to make the right decisions for their local area and expect to see local leadership and action. When they are worried about local schools, housing or waste they naturally turn to their democratically elected local representatives.

But, as national government decision making stretches council finances further and further to the point of collapse, the ability of locally-elected politicians to deliver against their democratic mandate is being restricted. Indeed, some councils are now at a point where they only have the funds to provide statutory responsibilities, let alone provide the multitude of other services important to individual communities. For example, one county council spends more in a week on adult social care than it spends in a year on highways.

The police prevent and detect crime; the fire and rescue service ensures our homes and businesses are safe; and if you are sick, you turn to the NHS. But councils are unique in that they touch every part of our daily lives.

And local government has more than proved it can play a leading role in supporting our nation through uncertain times and bind communities together.

- Council-maintained schools outperform academies in every area of the country.
- Councils are helping more people every day than hospitals do, and are out-performing the NHS on getting people out of hospital following treatment.
- Given the freedoms, councils can build more homes for generations to come without the need for any funding from Government.

By properly funding local services and giving councils the powers to work on behalf of their communities, local government can be the driving force for a new chapter in our country's history.

The time is now

By this time next year, Britain will have left the European Union. After Brexit, the country will be different. Brexit could provide the opportunity to fundamentally change the way decisions are made, paving the way for a new partnership between local and national government, and ensuring the powers we take back from Brussels aren't transferred to Whitehall but devolved to local areas instead, putting the people of our country first.

The success of Brexit will ultimately be judged by local people in their communities.

People expect things to be different. They expect to see a difference in their local area – in their own community – not at a national level.

The Government knows the challenges the country is facing. It is rightly consulting on social housing, adult social care and children's mental health. Each of these consultations, the opportunities provided by Brexit and next year's Spending Review present a once in a generation opportunity for the Government to urgently address the issues facing every one of us.

In the 2018 Spring Statement, the Chancellor committed to increasing public spending if public finances continue to improve.

In the Spending Review, if it is to deliver its own priorities, the Government must focus on funding for local services and work in partnership with councils. The risks of not doing so are too great.

By properly funding local services and giving councils the powers to work on behalf of their communities, local government can be the driving force for a new chapter in our country's history. Councils can be the solution to the challenges our country is facing.



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