Local Government Association

FUTURE FUNDING
YOUR LOCAL AREA

A shared commitment

Local government and the Spending Review

June 2015

www.local.gov.uk

Foreword

Cllr Gary Porter
Chairman, Local Government Association

The Government has set out an agenda for economic and social reform to drive growth and ensure all parts of the UK share in its benefits. At the same time, the economy is improving, but significant further work is still required to put the public finances on a sustainable footing.

The upcoming Spending Review will solidify these ambitions and present an opportunity to chart the course of the next 10 years of public service delivery.

Local government stands ready to work in partnership to deliver on these goals. Indeed councils have an indispensable role to play in achieving these ambitions, but they need the right conditions to be put in place.

The last five years demonstrated that councils are capable of taking tough choices when called on to do their part in keeping public finances under control. Local government received a larger reduction in funding than the rest of the government yet continued to deliver core services by finding new ways of working and demonstrated ourselves to be the most efficient part of the public sector.

Looking ahead, our refreshed Future Funding Outlook analysis suggests if things do not change, local government is set to face a funding gap of £9.5 billion by 2020. With limited scope for further efficiencies, this can only put at risk valued public services which look after the vulnerable, keep residents healthy, prepare people for work and build stronger, safer, more vibrant communities.

We believe the solution is clear. The goal should be to spend smarter and councils can hold the key. By developing a more trusted partnership between central and local government, one that allows councils to be all they can be, we can unleash the full potential of local communities, and consequently also relieve pressure on the Exchequer.

A new deal between national and local government will transform the way public services are delivered. A radical shift in how public money is raised and spent combined with proper devolution of decision-making to local areas for infrastructure, transport, housing, skills, social care and health would allow councils to build new homes, help young people improve their skills, increase employment and support elderly and disabled people to live healthy, independent lives.

Furthermore, the measures contained in this submission would deliver almost £2 billion worth of savings to the public purse.

The old equation was that councils had to protect services while cutting budgets. The new partnership would allow them to improve outcomes for people, drive growth, and in so doing, save the taxpayer money at the same time. It would allow councils to tackle the big issues facing their residents and, by working locally, boost the prospects of the nation as a whole.

Local Government Association Conservative Group

Local Government Association Labour Group

Local Government Association Independent Group

Local Government Association Liberal Democrat Group

Contents

1. Introduction

A strong partnership with local government will support the Government in tackling the significant challenge of reducing the national deficit over the period of this parliament, while at the same time ensuring the quality front line services that the public want and need.

This partnership can be based on a shared commitment to achieving agreed outcomes in three areas:

Resources: a commitment from local government to continue joining up with other public services to ensure that the local pound stretches as far as possible. This will require adequate and fair funding across public services and the will at both the national and local level to drive reform, increase productivity and share the costs and risks.

Public service reform: both local and central government can agree on more efficient public services that deliver improved outcomes by decentralising powers and responsibilities to local public service leaders.

Growth: a recognition that passing responsibility to local government and businesses for improving infrastructure, skills and employment opportunities would drive local growth and lead to a wider national benefit.

If our partnership is successful and truly promotes decentralisation, public service reform and increased economic prosperity across all parts of the country then local government can deliver more than £80 billion in economic growth[1] and almost £2 billion savings to the public purse.

2. Resources

The existing local government finance system is the foundation for how councils across England receive funding to provide services. It is formed of core government grants, council tax, locally retained business rates, special grants such as the public health grant, fees and charges.

Cities and towns in key competitor nations across the globe have access to a fuller range of financial powers than English local government. Greater fiscal autonomy, starting with fiscal retention, at the sub-regional level will enable more places to invest in the infrastructure needed to unlock growth and deliver public services that meet the needs of a 21st century society and economy. This is better for local accountability and essential to underpin the new ways of working needed to protect service outcomes to residents at a time of public funding austerity.

This aspiration was supported by the Independent Commission on Local Government Finance. In its final report,[2] it set out a vision that councils as a whole can achieve full financial autonomy in the long term. We recognise that the path towards this goal needs to be carefully planned, with proper consideration of fair funding and equalisation needs.

The decisions in the Spending Review will affect this balance. Further reductions in government grants will result in councils having to make serious choices about provision. For example whether to close a children's centre to keep looking after vulnerable elderly people, or whether to switch off street lights to fix potholes in local roads.

Funding adult social care

Adult social care is under extreme financial pressure and is one of the main drivers of the current position councils find themselves in. Over the course of the 2010 Spending Review period – and as a result of the wider cuts to local government funding – adult social care was kept under control through departmental budget savings of 26 per cent (worth £3.53 billion); the NHS transfer of £1.1 billion; and cuts to other budgets, such as planning, libraries and children's centres of at least £900 million in 2013/14. These 'cross-subsidy' savings will have inevitably impacted on councils wider 'wellbeing' services that help keep people out of the formal adult social care system in the first place.

Furthermore, there are a number of pressures on the social care system:

- Since 2013/14, the adult social care funding gap has continued to grow by at least £700 million a year due to demographic pressures, inflation and reduction in grants – and will continue to grow for the rest of the decade unless the situation changes. While the NHS could have dealt with such a funding gap by overspending and receiving a government bailout, councils have continued to limit adult social care's exposure to the impact of the reduction while still setting balanced budgets.
- If not funded fully, the impact of the reforms introduced by the Care Act, such as the cap on the costs of care or increased demand for carers' assessments and services, will cause further financial pressure. We previously estimated there could be a potential £50 million shortfall in funding for the reforms that

were implemented from April 2015, with costs and funding for reforms due to go live from April 2016 still uncertain.

- Pressures posed by the 2013 Supreme Court ruling on Deprivation of Liberty Safeguards (DoLS) assessments are also still not addressed. The cost of this to councils is estimated to be £100 million a year.
- There is continued pressure on the care market, with associated concerns about provider viability and the quality, quantity and duration of commissioned care – all of which adds to the concerns about unfunded pressures and the sustainability of the care system.
- Seasonal pressures demonstrate the essential role that adult social care plays in supporting the NHS to manage its demand. However, if social care is to continue playing this role it needs to be adequately funded to ensure the availability of timely assessments, homecare packages and residential care places. Currently, delayed transfers attributable to social care account for around a quarter of total delays yet funding is skewed heavily towards the NHS. For example, last winter councils received only £37 million while the NHS received £700m of winter pressures funding.
- There is growing concern that the Care Act 'duty to arrange' could result in significant further funding pressures on the care system. With the differential between council and self-funder rates made more transparent it is likely that either providers will have to accept and absorb lower fees or councils will have to increase their rates to providers. Neither option is sustainable.
- Pressure on providers is likely to have an inevitable impact on staff recruitment, retention and training at a time when it is predicted that a considerably larger workforce is needed to help meet demand.

The Government can address this unsustainable situation by:

- **Closing the social care funding gap that is already present in the system and growing by at least £700 million a year, to put the service on a long-term stable footing and help mitigate pressures on providers.**
- **Monitoring and funding in full the impact of the pressures outlined above.**

By implementing these measures we can protect vital services that support some of our most vulnerable residents; alleviate further pressure on councils' overall budgets; allow councils' to properly implement the necessary Care Act reforms; and prevent further strain on a provider market that is already under significant pressure.

An adequately funded adult social care system is also essential to a sustainable NHS, a fact that is recognised by senior NHS leaders. In a recent poll of more than 300 top managers and directors of NHS care bodies, 99 per cent warned that cuts to social care funding are loading extra pressure on the health service and 92 per cent said such cuts are hitting their own organisations. Asked if they would support a binding agreement on social care spending as well as on health, 86 per cent said yes – more than those supporting a binding agreement on NHS spending alone.[3]

The 'NHS Five Year Forward View' supports this view as well by saying that it will only be possible for the NHS repeatedly to achieve an extra two per cent net efficiency/demand saving across its whole funding base each year for the rest of the decade if social care services are sustained. This was explicitly recognised by Simon Stevens, NHS England Chief Executive at the March 2015 NHS England Board:

"When the much-heralded £8 billion [NHS funding gap] figure that people have inferred from the Forward View is talked about, one of the important provisos for that was that there was not a further substantial offset in the availability of social care across the country. And to the extent that is the case that will, of course, produce more demand in the NHS.

We have a shared agenda for ensuring that health and social care is contemplated in the round as we go into the next five years and the next Parliament".[4]

Funding public health

Against an increasingly difficult financial and economic backdrop, councils place great emphasis on the need to change the way that public health in local government is being delivered, to deliver better services and improve value for money. Public health is a crucial element in preventing ill health and helping people to remain well, keeping pressure off the NHS.

Yet public health spending has been deemed a lower priority by the Department of Health. In 2014/15, local public health budgets were the only part of the NHS not to be given a one per cent uplift. This year, local authority public health services will have to absorb an unexpected in-year reduction of £200 million, more than seven per cent of the total, whilst Department of Health and Public Health England bureaucracy remained untouched. This will have some impact on councils' ability to improve the public's health and wellbeing and reduce demand for hospital, health and social care services.

In times of public spending constraints, it is important that bureaucratic rules around how the money is spent are minimised. **The rules around spending the public health grant should be relaxed to allow councils to use the grant as part of wider integration of local services**. For example, this would allow the grants to form part of the combined health and social care system, as part of an expanded integrated system of delivery together with adult social care, primary and out of hospital care budgets.

In 2013/14, less than £2.7 billion of the total £5.8 billion public health budget was allocated to local authorities as the ring-fenced grant. Just over £2.6 billion of the remainder was given to NHS England via Public Health England for services such as immunisation and vaccination, screening and health visiting, with almost £600 million retained by Public Health England and the Department of Health for other purposes, such as paying for back office services.

There should be an immediate and fully transparent review, with local government involvement, of how the £600 million of centrally held public health funding is being spent. Any realised savings could go towards funding the real terms protection of public health frontline services.

The transfer of new responsibilities for providing public health to children aged five and below needs to be resourced appropriately. **The work to allocate 0-5 years public health funding according to need rather than history should be accelerated**. This should be achieved through different speeds of increases in funding so that no council would see their allocation reduce as a result of the adjustments.

Improving council tax

Council tax is subject to significant central control, much of which is enshrined in primary legislation. This one-size-fits-all approach is out of date and does not result in fair bills for taxpayers. Local freedoms around council tax are also in line with the principle of localism, and would increase local accountability of politicians at the ballot box. The following proposals would go a long way toward re-establishing council tax as a local tax, and allow councils to spread the burden of taxation fairly.

Currently, English council tax bills are based on a register of properties that has not been reviewed for 24 years. Since 1991, values of any new properties had to be estimated on the basis of what they would have been worth that year. As a result, retrospectively assumed property values of new housing are likely to be out of step with the current state of the housing market. **Local areas should be able to revalue properties should they choose to do so**.

The parameters could either ensure a constant yield from the tax or some redistribution of grant to ensure the rest of the local government finance system stays balanced.

Currently, local authorities cannot vary the relative burden of council tax between different bands of property values as the ratios are set in stone by primary legislation, with a Band H household paying three times the tax in comparison to a Band A household in every area. These ratios have not been reviewed since council tax was introduced and are no longer reflective of the shape of local housing markets, which are markedly different in places across England. **Local areas should be allowed to change the relative liabilities of council tax bands and introduce new bands where needed**.

The current system of referenda on council tax increases goes against the established relationship voters have with their council through the ballot box. No referendum is necessary for any of the taxes set by central government on the grounds that the General Election provides politicians the mandate to set taxes for the length of the Parliament. It is therefore perverse to not apply the same logic to democratically elected councillors, especially when a council tax referendum carries a £100,000 price tag for an increase in council tax that might be as low as 38 pence per week.

Council tax referendum limits should be abolished to bring council tax in line with other taxes in the United Kingdom. Failing this, there should be more flexibility in the way a council tax referendum is conducted, to ensure that an informed and considered conversation about the choice takes place before voting. In particular:

- there should be flexibility for the referendum question to be expressed in monetary, not percentage terms
- there should be more flexibility on the date the referendum is held
- councils should be allowed to provide information about the referendum and its implications until the day of the ballot.

Even with these reforms, poorer residents often struggle to pay their council tax bill. Council tax support has not truly been localised due to a number of restrictions on criteria of eligibility. The transfer has also been subject to funding reductions – amounting to £1 billion by April 2016. As a result, councils now have to reduce budgets elsewhere or increase council tax in order to provide the same level of council tax support to all recipients. This means that some council taxpayers are now funding council tax support for others.

Due to centrally imposed limits and requirements that need to be followed in local schemes, in some cases those receiving discounts do not really need them as much as other people who are excluded from the system due to financial constraints faced by councils. **Council tax support eligibility restrictions should be removed** to rectify the challenges around fairness and sustainability of the support packages.

Even council tax discounts and their terms are set by Parliament. A prime example of this flawed system is the single person's discount, worth 25 per cent of the total bill and applied to all households where there is only one liable occupant. Regardless of their means to pay, university students are also exempt from paying council tax – a feature of the system that councils were previously compensated for but no longer are. **Councils should be allowed to vary council tax discounts** to make sure the tax system is fair to everyone according to local circumstances. This would allow councils to ensure that the council tax support system and the discount system help achieve shared goals and priorities.

Reforming business rates

Council funding is increasingly reliant on ensuring strong economic growth of the local area, primarily through the retained rates system. However, aside from their economic development and planning services, councils do not have many financial levers to encourage economic growth and shape places by planning for certain types of businesses and exploiting competitive advantages.

Only a localised business rates system, with sufficient protection for councils against the risk of business rate appeals can ensure councils have the best tools to unlock the economic potential of places.[5]

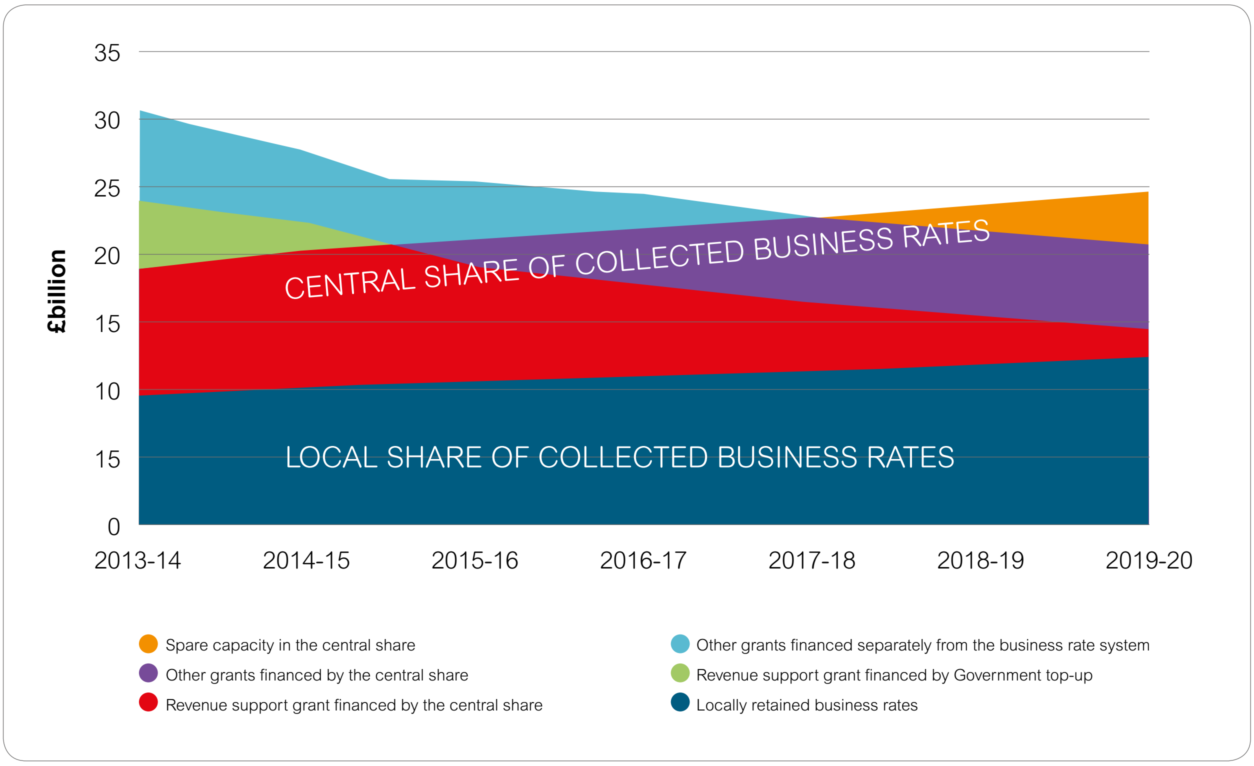
We welcome the Government's commitment to reform the business rates system and continue to contribute to the process of the review, expected to report by Budget 2016. Our most recent contribution is our official submission to the review,[6] which includes more information about the proposals contained below.

Business rates raise £23 billion and are an important source of income for local government, on a par with council tax. The Government is legally required to spend business rate income on funding local services.

The package of changes to business rates should be revenue neutral, with a consideration of the potential impact on the current 98 per cent rate of collection.

The revenue support grant has sustained continuous cuts and this year is worth less than the centrally retained share of business rates for the first time (see chart 1). At the same time, the Budget in March 2015 included a commitment to allow Greater Manchester and Cheshire and Cambridgeshire and Peterborough to retain more of locally raised business rates. **The locally retained share of business rate income should be gradually increased to 100 per cent for all areas** to enhance incentives for economic growth, promote the vision of self-sufficiency and fund local services. This should be accompanied by revised top-ups and tariffs to ensure no area is left behind.

CHART 1 – Revenue support grant became less than centrally kept business rates in 2015/16



One of the main sources of financial uncertainty for local authorities is the appeals system for business rates. As it stands, there are no effective barriers to launching an appeal. This encourages speculative appeals with little evidence to back up the challenge, causing increased pressures for the Valuation Office Agency, already dealing with 110,000 unresolved challenges as at September 2014[7] and uncertainty to councils which have to plan budgets on a prudent basis and so have to assume success of many of such appeals just to be on the safe side. **The appeals system should be reformed to minimise undue risk to local government.**

Finally, evidence shows that after an underlying loss of £201 million in 2013/14, the business rate system is rebounding, with expected surpluses of £442 million and £604 million in 2014/15 and 2015/16 respectively. The funding the Government has taken away from councils to prop up the safety net mechanism is becoming unnecessary. **Top-slicing the local government finance settlement for the safety net should be stopped** and any funding not used by previous topslices returned to councils immediately.

Funding planning services fairly

According to the LGA's analysis of financial statistics, councils raised £7.4 billion in fees and charges in 2013/14.[8] While this is clearly not a sufficient source of income to meet the funding gap for all council services which keeps rising by £2 billion each year, it is nevertheless an important part of the financial landscape and should be utilised to its fullest potential. One area where the charging mechanism could be improved markedly is planning.

The planning system plays a vital role in shaping communities, unlocking economic growth and delivering the homes and jobs we need whilst people have a say in development that affects them.

However, taxpayers are subsidising 32 per cent of the estimated cost of processing all planning applications in England because nationally set planning fees do not fully cover the costs. Since April 2012, the cost to councils of subsidising the processing of applications has been in excess of £400 million.[9] **The Government must correct this by allowing councils to set planning fees locally on a cost recovery basis**. At the time of writing we are consulting with developers on how this could best be implemented and what improvements to the service would be required in the context of devolution.

Funding council efforts to deliver housing

Building more homes can increase home ownership and meet housing need, both of which support the Government's wider housing agenda. Local government has a central role to play in expanding the stock of housing as the housing crisis cannot be solved by volume builders alone.

There are various benefits to more affordable housing being built:

- a reduction to the £24 billion housing benefit bill[10]
- a reduction in the £2.5 billion cost of poor quality housing to the NHS[11]
- a boost to employment in the construction industry and wider supply chains through rejuvenated house building and training of a skilled workforce through new apprenticeships
- support to local economies through providing homes for workers that businesses need to grow.

Councils are ambitious to drastically increase the number of houses that are built. In 'Investing in our nation's future'[12] we set out proposals which would help councils deliver 500,000 homes over the lifetime of this Parliament, and this ambition is at the heart of the proposals set out below.

Currently, funding for housing and infrastructure is fragmented across many funding streams to address specific housing issues or Government initiatives. This works against a strategic approach to investment, dilutes economies of scale and wastes time and resources in bidding processes. **Funding for housing and infrastructure has to be a central feature of devolution**. This would help drive innovation, encourage bold and ambitious proposals and partnerships to ensure that funding is better targeted to meet local housing challenges and leverage substantial amounts of private investment.

Councils and developers are often portrayed as being on opposing sides, but this is seldom the case. Both have a common aim which is to see good quality homes provided within sustainable communities. While the principle of the planning process is sound we know that in practice negotiations can be challenging. There are measures which could support both councils and developers in their shared aim to bring forward housing:

- **streamlining and simplifying Community Infrastructure Levy (CIL) regulations and guidance**
- **removing the restriction on pooling section 106 contributions for strategic sites identified in local plans**
- **removing national exemptions to section 106 contributions and CIL, to be replaced by more robust and transparent local viability assessment process.**

Councils have a good record in managing their property portfolios and this includes selling assets as required with council asset sales forecast to total £13.3 billion from 2015/16 to 2017/18.

Councils should be at the heart of the rationalisation of the whole of the local public estate and releasing surplus public land for development in their area. In particular, it should take forward discussions of proposals for a new deal with central government on public land and property to drive a more joined up approach to disposal of public land including giving councils powers to direct use of surplus public land and retain a proportion of receipts for reinvestment locally.

Greater stability and flexibility over the control and disposal of assets extends to the Right to Buy (RTB) scheme. The number of homes sold under RTB has doubled to 11,260 since 2012.[13] However, a recent survey of councils showed that 73 per cent of respondents felt that the current system only allows them to replace half or fewer of homes they have sold.[14] To ensure that housing sold through RTB is replaced quickly and effectively, **councils should have the freedom to set RTB discounts, retain 100 per cent of the receipts locally and have greater flexibility to combine the receipts with other grants, funding and land.**

Housing will be a major strand of the investment and regeneration programmes that councils and their partners are developing and implementing over the next five to 10 years. Proposals that would require councils to sell their assets to fund the extension of the Right to Buy to Housing Association tenants should consider the impact on these investment plans.

We would welcome further discussion with Government about the potential impact of these proposals. Receipts from sales of council housing must continue to benefit the availability of housing in the local area, with all homes replaced according to local need.

Ninety per cent of councils with their own housing stock are planning to directly fund the building of new housing through the Housing Revenue Account.

However, many are restricted in their ability to invest by centrally imposed caps on borrowing for housing. **Housing borrowing limits should be lifted to allow councils to invest in one of the safest ways possible in the times of high demand for housing**. This alone would deliver more housing quickly and at scale – an additional 80,000 homes over five years – if housing borrowing would be subject to controls that apply to any other council borrowing.

Finally, while all of the measures above would contribute to an increased rate of building across England, there is an acute shortage of skilled workers to undertake and complete building projects. **We need to ensure that there is a sufficient skilled workforce available to accommodate the increase rate of building**. Our proposals on skills and employment are set out later in the paper.

3. Public service reform

Local government is the most efficient part of the public sector, a fact which has been recognised by the Prime Minister.[15] Councils have been increasingly inventive in managing costs through collective purchasing, shared services and smarter contract management. Their appetite for innovation has been a major contributing factor to the success in tackling cuts.

Working on their own and in partnership with other councils and organisations, councils have repeatedly demonstrated their ability to do things differently, save money and improve the services on which our residents rely. For example, there are at least 383 shared service agreements across England, with at least 337 councils participating in them.[16]

Through its proposals on devolution in England, the Government has already recognised that local government has the capacity to lead public service improvement and enhance national prosperity. Residents are confident that local government can take on this challenge, with more than seven out of every 10 people saying they trust councils to decide how services are provided in their area.

The track record is strong. Councils have played a transformative role through Community Budget pilots, Troubled Families and the Better Care Fund. Modelling by Ernst & Young (EY) showed that adopting the lessons of Community Budget pilots in all local areas would save between £9.4 billion and £20.6 billion over five years across local and central government.[17]

Other commentators agree. For example, Sir John Peace's Non-Metropolitan Commission identified £12 billion savings to the taxpayers arising from a locally led, more joined-up way of working across the public sector.

The new Government should take this approach in all decisions on local public services. Councils can be freed up further to improve the way services work by removing the barriers that stand in their way to taking on more strategic responsibility, so that they can work ever closer with partners in new ways. They are the democratically elected shapers of places, and should be recognised as such.

Expanding the size and scope of the Better Care Fund

It is vital to make the experience of recipients of care and support better, remove the duplication in services, and avoid false economies such as cost shunting from one part of the system to another, or prioritising new resources just to the NHS.

While councils continue to keep their budgets under control, the productivity of the NHS has been falling since 2012.[18] The unequal nature of winter pressures funding is illustrative of a health and care system that continues to prioritise the former over the latter, despite social care playing a vital role in a strong NHS.

This must be addressed if both sides of the system are to function effectively and meet demand with quality services while reducing costs.

The introduction of the Better Care Fund marked a significant change in how care and health interact in a place, with residents being placed at the heart of the change. The fact that the nationally set £3.8 billion Better Care Fund was increased by an additional £1.5 billion from local care and health budgets shows areas are ready to take responsibility locally. Expected savings to the NHS and councils are estimated at £500 million this year alone – almost 10 per cent of the upfront investment.

In order to build on this ambition, the Better Care Fund should be expanded. We propose pooling public health and social care funding as part of an arrangement where health and local government contribute similar proportions of their budget, as suggested by EY in its recent analysis.[19] If all spending on public health and adult social care was pooled with NHS spending on long term conditions in this way, the expanded fund would be worth at least £55 billion. Even a five per cent saving on this would result in further significant financial benefits which can be reinvested, up to £3 billion in steady state. This would provide a foundation for movement towards full pooling of health and social care spending where there is local appetite.

The expanded Better Care Fund would enable local areas to provide more preventative, joined up, community based support to reduce demand and keep people out hospitals and care homes. To support this, **five-year funding settlements for councils and health services would provide the certainty needed to jointly plan activity and spending**.

It could be overseen by local health and wellbeing boards as they are best placed to direct integrated plans. As part of the deal, **health and wellbeing boards would need to clearly state their key priorities for health improvement, aligned to a single outcome framework for the NHS, public health, children and young people and adult social care**.

We need to shift from a service that reacts when people have acute needs to one which focuses on prevention to reduce demand on acute services. An additional fund is necessary to provide a stable funding environment for existing services and make this shift to a system geared more towards prevention which would include easing the transition from hospital to community-based services.

A separate transformation fund, worth at least £1 billion annually, should be rolled into the expanded Better Care Fund. This would enable some double running of new investment in preventative services alongside 'business as usual' in the current system, until savings can be realised and reinvested as part of wider local prevention strategies. This transformation fund for prevention should sit alongside additional and similar transformation funding for the NHS and could be funded through a share of VAT raised from sugary drinks and snacks.

In times of rising demand and decreasing financial means, **all parts of the public sector should consider how public services could be used to focus on prevention** as this could lead to more efficient and effective outcomes for our communities. For example, ensuring that the health and social care system is able to harness the 700,000 targeted home visits undertaken by the fire and rescue service every year to channel public health and social care support can lead to reductions in the use of acute services.

Obesity is rising across England with serious long-term health implications, including increased risk of diabetes, coronary heart disease, stroke, arthritis and some cancers. Two thirds of adults and a quarter of two to 10 year olds are overweight or obese. Treating the consequences of obesity costs £5.5 billion a year to the health and social care system and has significant impacts on the quality of lives of people.

The Chief Executive of the NHS has warned that obesity will bankrupt the health service unless Britain gets serious about tackling the problem.[20] The UK has higher levels of obesity and overweight people than anywhere in Western Europe. Reducing obesity and sustaining a healthier weight amongst the adult and child population is therefore a priority area for local government and for the NHS.

The NHS spends about four per cent of its annual budget on prevention, while local government spends about seven per cent of its adult social care budget for that purpose. The NHS would have to spend £1.3 billion extra to bring its prevention efforts to a par with local government.

Supporting England's six million carers

Carers provide invaluable support to some of most vulnerable people in society. In addition, they help save taxpayers' money by relieving the pressure on health and care services.

Their contribution to the economy is valued at £119 billion per year.[21] It is vital to recognise the importance of carers, and to look after their interests appropriately. This is in the interest of the whole society.

Given the challenging funding landscape of local government, **the Government should provide the initial investment in a new council tax discount for carers**. Those who provide at least an hour of unpaid care a week (which would currently cost £17 on average) should be entitled to a council tax discount of £100 a year. A fully subscribed discount fund of £25 million would support at least a quarter of a million hours of unpaid care per week, saving up to £220 million a year.

These savings can be used to fund further services for carers themselves. Carers are more likely to suffer from mental and physical health problems than the wider population and the Healthcheck programme could help identify those carers in most need of our support. **The savings identified above should be used to extend Healthchecks to working-age carers** to further bolster the offer of support available to them. This would cost up to £55 million for existing carers who are currently not eligible and could be spread over a number of years to make the offer more manageable.

Unlocking investment in early intervention

Nationally, councils are prioritising social care services for both children and adults at a time of unprecedented cuts and increasing demand. Department for Education data shows that the overall number of looked after children has gone up by 12 per cent from 2009 to 2013.[22]

While councils prioritised the children's social care budget by keeping it constant in real terms in the same period, even that is not enough to keep pace with demand.

Children's mental health is another growing problem. As many as one in 10 children under 15 will suffer from a mental health disorder.[23] This can have a huge impact on the life chances of those children and young people.

The Government recognises that early intervention approaches to delivering public services work and provide significant social benefits to those in demand of public services and economic benefits to the taxpayer. In particular, early intervention approaches in the context of children's health and care have been shown to be particularly productive.

Nevertheless, early intervention funding was cut by 48 per cent during the last Parliament, from £2.7 billion in 2010/11 to £1.4 billion in 2015/16. This cut has stopped councils from investing in services which improve children's lives and reduce demand for more costly interventions. Councils are being forced to reduce non-statutory early intervention services – for instance, with a third of children's centres in England at risk of closure in 2014 despite a 65 per cent rise in child protection plans since 2008.

While the financial payoff of early intervention may not manifest itself for a longer period of time, it is clear that stopping problems from happening is preferable to just dealing with the damage within communities which can be expensive and long-lasting.

One way to reinvigorate investment in early intervention while protecting the taxpayer from significant upfront costs is to energise the market for social impact bonds. **We call on the Government to work closely with local bodies and the third sector to establish a viable social investment market for early intervention**. Initial steps were made in the last Parliament, but now we need to go further.

A programme of investment in early intervention should be aimed at helping to reduce the number of children who need to be looked after. If through extra support to families and early intervention, it was possible to reduce the proportion of looked after children back to 2009 levels, this would generate a saving to the public purse of £335 million annually.

Ensuring Ofsted is fit for purpose

Public confidence in Ofsted has been undermined by re-inspecting schools when they hit the headlines, only to downgrade them from 'good' or 'outstanding' to 'inadequate'. Five of the schools involved in the 'Trojan Horse' incident in Birmingham are among a number nationwide which have been downgraded to 'inadequate', the lowest Ofsted category, in some cases in less than a year.

This raises questions as to the validity of the inspectorate's judgments, as it is quick to re-inspect – and often downgrade – schools which are embroiled in a scandal, even if it is an historic report. Ofsted appears to be focused on reacting to issues, as opposed to preventing them from arising in the first place. This, in turn, requires schools and councils to focus resources on more expensive late intervention rather than early intervention.

An independent review of Ofsted's operations should be commissioned to understand what has gone wrong and to re-establish the credibility of an organisation which seems to have become media-driven, rather than focused on the experiences and outcomes of children and young people.

Securing a sustainable reduction in welfare bills through devolution and local partnerships

The Government has set itself a target of £12 billion of savings from working age welfare benefits. However, as the experience of the previous administration has shown, obtaining savings has not been straightforward. The projected savings originally set out in Autumn Statement 2010 were not fully realised as spending on welfare in 2014/15 was £13 billion higher than planned at the time.

Analyses of spending of working age benefits over the lifetime of the last Parliament have shown that they have managed to control welfare spending to some extent through reductions in the generosity of individual entitlements. However, extensive analysis shows that external economic factors, employment, wages and housing costs, remain the key drivers.

This shows that to reduce the working age welfare bill, key responsibilities and budgets need to be devolved to local areas to provide more responsive and tailored support that helps to reduce demand on the welfare bill. In particular, this could include support for job seekers and those on low incomes to find or improve employment and provision of affordable housing in order to bring down the overall housing benefit bill. Our detailed proposals on skills, employment and the housing supply are set out elsewhere in this paper.

Local government will retain some housing benefit working age claimants until the transfer of housing benefit to Universal Credit is completed in 2018. Pension Age housing benefit is also remaining with councils for the foreseeable future. **The housing benefit administration subsidy must continue for an appropriate amount of time to ensure councils are properly resourced to carry this function out until it is fully transferred over**.

Local welfare schemes, introduced by councils from 2013, have helped hundreds of thousands going through a time of crisis or transition. This has included people facing the threat of homelessness, families struggling to put food on the table and care leavers setting up home for the first time. They have successfully managed demand, reduced the scope for abuse and moved resources to prevent longer-term problems rather than simply meeting crisis needs.

The provision of £74 million of funding in 2015/16 will help councils to continue to provide support to some of their most vulnerable residents. However, it represents a reduction of almost £100 million in government funding from the previous year. This is despite demand remaining high from the ongoing impact of the welfare reforms. **Local welfare assistance funding should continue at least at the current level** to safeguard people who rely on this vital safety net.

Ensuring that every child has a school place when they need it, where they need it

Department for Education data predicts there could be 900,000 extra pupils in English schools over the next decade. Creating these places could cost £12 billion.[24] The Government has already committed £7.35 billion to create extra school places, but this still leaves a significant shortfall in addition to an increased use of the costly appeals process.

In its December 2013 review of the free schools policy, the National Audit Office found that 87 per cent of primary school places provided by free schools were in areas of highest need, compared to only 19 per cent of secondary school places provided by free schools.[25] In addition, councils are unable to require academies to expand but more than half of secondary schools are now academies.

The hands of councils are also tied in building new schools, which have to be opened as academies, with all the final decisions about proposals and sponsors resting with the Secretary of State for Education.

The LGA has developed a five point plan[26] to ensure that councils receive the flexibility they need to deliver and fulfil their duty to offer places to all pupils:

- There should be a single schools capital pot locally to allow councils and schools to work together to make the best possible use of the limited capital funding available for repairing, rebuilding and building new schools.
- Spending Round 2013 announced a £21 billion schools capital allocation for the whole of this Parliament. This commitment must be supported by a corresponding indicative five-year allocation to councils.
- Decision-making on the provision of new schools should be transferred to the local level, as it was prior to the Academies Act 2011.
- Councils should be given a greater role in judging and approving free school proposals to ensure that new free schools are established where they are needed and in a way that supports councils in their place planning duties.
- Councils must be given the flexibility to deliver whatever new type of school is required to fulfil their statutory duty to offer places, including the option to establish community schools if that is the locally preferred option.

Spending on schools was protected over the last Spending Review period, with a cash flat settlement protected within the ring-fenced Dedicated Schools Grant (DSG). The DSG, at £40 billion, is now larger than the total government grant for all council services. Council children's services budgets have been further squeezed by significantly increasing demand. Recent reforms have reduced the scope for schools, by agreement, to make a contribution to early help approaches through a 'top-slice' or pooling of DSG resources at a local authority level. This flexibility previously allowed councils and schools to work together to ensure children were school ready, reduce drop-out rates and improve children and young people's physical and mental health.

It is no longer sustainable to continue to protect the budgets of schools while reducing funding for services provided by councils which contribute to the educational attainment and wellbeing of children attending school. **Obstacles to schools and councils pooling resources should be removed** to improve the safety, wellbeing and educational attainment of local children and young people.

4. Growth

In its manifesto, the Government set out an ambition to create three million apprenticeships, two million new jobs and abolish youth unemployment. The upcoming Full Employment and Welfare Benefits Bill and the re-commissioning of the Work Programme in 2016 provide the opportunity for this process of localisation to go further and faster than ever before, securing the outcomes sought by the Government. Without a local approach to employment support, those objectives cannot be achieved.

We welcome the renewed process of Growth Bids, but there is a need to make them more effective. The current system for funding local growth and regeneration continues to be fragmented and bureaucratic, imposing unnecessary cost burdens on councils and businesses. There were over 100 funding schemes for local growth and regeneration in 2013/14,[27] amounting to over £22 billion across 20 government departments and agencies. Business groups have pointed out that having so many different funding streams each with their own timetables and objectives makes it very difficult to develop schemes to benefit their local area.

The establishment of the £2 billion annual Local Growth Fund under the previous government was a step in the right direction, but it amounts to less than 10 per cent of central government funding for local economic activity. The clear consensus amongst independent experts including the City Growth Commission and the Non-metropolitan Commission is that councils and their partners need far more long-term funding in order to make the public pound go further.

The following proposals set out practical steps towards achieving this vision.

Joining up advice, employment and training support for young people locally

Overall falls in unemployment mask long-term structural youth unemployment, underemployment and disengagement, which have increased during periods of growth. The proportion 16 to 24 year olds not in employment, education or training has not dropped below 12 per cent at least since 2001.[28]

Local approaches work and have succeeded in reducing 16 to 18 year old disengagement to eight per cent in June 2014, an all-time low. By contrast successive governments have struggled to reengage the same level of 19 to 24 olds, in June 2014 16 per cent of young people over 19 were not in work or learning.[29] The repercussions are significant, having long-term scarring effects on young people, the economy and the Government.

Councils identify three public service challenges that need addressing.

- Not enough young people are in vocational learning that best equips them as individuals for the world of work locally.
- Young people looking for work are poorly supported by an adult benefits system designed to get them into any job as soon as possible.

- The whole system is fragmented across 30 interventions from 10 national organisations making a coherent working relationship with employers or around each young person impossible.

Local government has the statutory duty to support the Raising of the Participation Age but no powers to resolve the challenges identified. We therefore propose aligning services in a way that enables councils to deliver on their duties and on the ambitions of this Government. In particular we recommend the Government should:

- **Meet the ambitions of the youth Allowance by establishing a new youth offer, separate to the adult benefits system, that enables all 14 to 21 year olds to access independent careers and employment advice and experience while in education, training or work, and also guarantee every young person not learning or earning support into training, an apprenticeship or sustained employment.** The youth offer would be planned and delivered locally by partnerships of councils and Jobcentre Plus, and funded using existing budgets.
- **Enable partnerships of schools, colleges and councils to collaborate around the local skills needs of employers and young people by transferring the post-16 education budget from the Education Funding Agency to those local areas that are ready to design, commission and be accountable for 16 to 19 provision** - as was the original intention of the Apprenticeship, Skills, Children and Learning Act.
- **Develop a new model for building long-term, coherent, and sophisticated relationships with local employers by expanding and devolving the Apprenticeship Grant for Employers** enabling local areas to offer subsidies to locally significant sectors and develop new apprenticeship hubs that bring all public service partners together to match the needs of employers and talents of young people.

Over the course of the Parliament, we would expect these reforms to half youth unemployment and significantly reduce youth disengagement with the ambition to have 95 per cent participation in some kind of work, training or activity.

Taking a local approach to realising talent of all adults by helping them gain employment and skills

Growth and employment rises are masking employment and skills disparities across and within local areas in England. By 2022, this skills mismatch will result in the low skilled losing out as 9.2 million people chase 3.7 million jobs, with 5.5 million unemployed, with similar patterns for people with intermediate skills.

Conversely, there will be a shortage of 2.9 million higher skilled people. If employers cannot recruit the skills and capabilities they need, up to 25 per cent of growth – £375 billion – could be lost, £174 billion of which will be lost in tax.[30]

Councils are being bypassed by the £13 billion employment and skills budget, spent annually through 28 national programmes and funds which are not efficient. For example, the national one size fits all Work Programme job outcomes vary hugely across the country from 28 per cent below the average to 44 per cent above it. While the average job outcome is 23 per cent, for Employment and Support Allowance (ESA) claimants – those with disability or health problems – it is just 10 per cent.

Local areas need powers, funding and responsibilities to plan employment and skills investment in their local area. In return, councils can reduce long-term unemployment and better serve local employers' current and future skills demands.

The Government can achieve this through the introduction of Local Labour Market Agreements across England by 2016/17. They should include devolution or co-commissioning of almost £3 billion employment and skills funding, including the £100 million Flexible Support Fund, the £2 billion adult skills budget and a dual scheme replacement for the £620 million Work Programme.

If these proposals are adopted, councils can deliver on the ambition to cut long term unemployment by a third, first set out in 'Investing in our nation's future'. This would reduce the welfare bill by up to £1 billion, contribute to reinstating £374 billion of lost growth as set out above and make the workforce more resilient in the future.

Funding public transport

The concessionary fares scheme is vital in making sure that elderly and disabled residents are not cut off from the local area due to the cost of public transport which might prove prohibitive for those on a low income, with a potential impact on those reliant on care and health services. However, funding for this nationally prescribed scheme has decreased by 27 per cent between 2010/11 and 2014/15. According to the Passenger Transport Executive Group, funding for the scheme has reduced, whilst the cost of the scheme has increased by around five per cent over the same period.

This results in councils having to divert funding from other council funded bus services to pay for the gap in the costs of concessionary fares. This is not fair for other bus users and for council taxpayers who do not have any say in how the scheme is delivered. **The concessionary fares scheme should be funded in full**. The only other option is allowing councils to manage the accessibility of the scheme based on local priorities within a looser but shared set of national outcomes.

Seventy per cent of councils have cut funding for bus services. Since 2010 over 2,000 bus services have been cut, altered or withdrawn entirely,[31] affecting all people who rely on public transport for accessing jobs and services. **The Bus Service Operators Grant should be devolved to be managed locally** so that commercially viable bus routes are not supported by public money, and public subsidies can be better targeted at providing public transport which provides a clear public benefit but which may not be commercially viable.

Funding investment in road repairs

Councils are facing a backlog of road repairs estimated to be greater than £12 billion.[32] It will take 12 years to deal with this challenge. Councils are doing all they can to focus their resources on more cost effective preventative measures rather than more expensive reactive action such as filling potholes.

However current funding levels are, at best, only keeping pace with repairs but are doing nothing to help tackle the backlog. It is no surprise that the UK is ranked only 30th for quality of roads in the Global Competitiveness Index compiled by the World Economic Forum,[33] harming the UK's prospects in the global economic race.

Part of the reason of the backlog is successive years of severe winter weathers which is not something that can be controlled. However, local roads have also been a lower priority to Whitehall.

The amount spent over the lifetime of the last Parliament on maintaining a mile of a national road has been more than fourty times higher than that spent on a mile of a local road. Highways England has been given a strategic network maintenance budget of £1.4 million a mile over the lifetime of this Parliament.

In comparison, local road maintenance was funded at £32,000 a mile over the same period.[34]

This disparity must be addressed. **Funding for roads maintenance should be pooled, with councils co-commissioning repairs together with Highways England where there is an impact on local roads**. The boundary between what is considered to be a strategic road and a local road can at times be unclear, especially in the case of various dual carriageways. In such cases, decisions on how roads are maintained should be taken collectively. Any savings arising from such devolution of national road maintenance funding could be repurposed for local road maintenance with no overall impact to the Exchequer.

This would ensure that road maintenance undertaken by councils and Highways England would be joined up, contribute to tackling the local road maintenance backlog and help bring the gap between funding for our strategic roads network and local roads network closer. This would also provide maximum certainty of funding for roads maintenance as enjoyed by Highways England to help them plan maintenance more cost effectively.

5. The financial impact of our proposals

Our case focuses not on how much money is spent, but on whether the money is spent efficiently in the first place.

This is why the proposals contained within this submission are fiscally balanced over the life of the Parliament. They deliver directly cashable savings to the Exchequer of almost £2 billion by the end of the Parliament, improved prospects for economic and housing growth, employment and better outcomes for those in need of support.

The table below provides a summary of expected costs and benefits of these proposals over the lifetime of this Parliament.

The costs of our proposals to the public purse

Proposal	Cost, £m				
	2016/17	2017/18	2018/19	2019/20	2020/21
Protecting adult social care funding	700	1,400	2,100	2,800	2,800
Deringfencing public health funding	0	0	0	0	0
Review of PHE-held public health funding	0	0	0	0	0
0-5 public health funding transition	0	0	0	0	0
Council tax reform	0	0	0	0	0
Business rate reform	0	0	0	0	0
Flexible fees for planning services	0	0	0	0	0
Making councils coordinators of the local public estate	0	0	0	0	0
Full retention of Right to Buy receipts	200	200	200	200	200
Lifting of the Housing Borrowing Cap	0	0	0	0	0
Other proposals on housing	0	0	0	0	0
Expanding the Better Care Fund (reinvested savings)	0	200	900	1,600	2,300

Proposal	Cost, £m				
	2016/17	2017/18	2018/19	2019/20	2020/21
Introducing a transformation fund to support the Better Care Fund transition, funded through a share of VAT on sugary products	1,000	800	100	0	0
Council tax discount for unpaid carers	25	25	25	25	25
Extension of Healthchecks to working-age carers	11	11	11	11	11
Social investment in early intervention – interest paid to providers	0	84	168	251	335
Review of Ofsted	0	0	0	0	0
Continued provision of housing benefit administration and local welfare assistance funding	0	0	0	0	0
Implementation of the five point plan for school places	0	0	0	0	0
Allowing pooling of funds between schools and councils	0	0	0	0	0
Devolution of funding for skills and employment for adults of all ages	0	0	0	0	0
Full funding of the concessionary fares scheme	200	200	200	200	200
Devolution of the Bus Services Operators' Grant	0	0	0	0	0
Collaboration on road repairs	0	0	0	0	0
Grand Total	**2,136**	**2,920**	**3,704**	**5,087**	**5,871**

The savings/income to the public purse as a result of our proposals

Proposal	Savings/income, £m				
	2016/17	2017/18	2018/19	2019/20	2020/21
Funding reductions to unprotected departments to protect adult social care funding	700	1,400	2,100	2,800	2,800
Deringfencing public health funding	0	0	0	0	0
Review of PHE-held public health funding	0	0	0	0	0
0-5 public health funding transition	0	0	0	0	0
Council tax reform	0	0	0	0	0
Business rate reform	0	0	0	0	0

Proposal	Savings/income, £m				
	2016/17	2017/18	2018/19	2019/20	2020/21
Flexible fees for planning services	80	160	240	320	400
Making councils coordinators of the local public estate	0	0	0	0	0
Full retention of Right to Buy receipts	0	0	0	0	0
Lifting of the Housing Borrowing Cap	0	0	0	0	0
Other proposals on housing	0	0	0	0	0
Expanding the Better Care Fund (underpinned by transformation funding)	200	900	1,600	2,300	3,000
Council tax discount for unpaid carers	220	220	220	220	220
Extension of Healthchecks to working-age carers	0	0	0	0	0
Social investment in early intervention – savings generated	0	84	168	251	335
Review of Ofsted	0	0	0	0	0
Continued provision of housing benefit administration and local welfare assistance funding	0	0	0	0	0
Implementation of the LGA's five point plan for school places	0	0	0	0	0
Allowing the pooling of funds between schools and councils	0	0	0	0	0
Devolution of funding for skills and employment for adults of all ages	0	700	800	1,000	1,000
Full funding of the concessionary fares scheme	0	0	0	0	0
Devolution of the Bus Services Operators' Grant	0	0	0	0	0
Collaboration on road repairs	0	0	0	0	0
Grand Total	**1,200**	**3,464**	**5,128**	**6,891**	**7,755**
Overall balance	**-936**	**544**	**1,424**	**1,804**	**1,884**

References

1 Independent Commission on Economic Growth and the Future of Public Services in Non-Metropolitan England, Independent Commission on Economic Growth and the Future of Public Services in Non-Metropolitan England, March 2015 www.local.gov.uk/documents/10180/6869714/Devolution+to+Non-Metropolitan+England+-+Seven+steps+to+growth+and+prosperity.pdf/d2154c5b-230d-4680-905f-6c06b49e268c

Unleashing metro growth: Final recommendations of the City Growth Commission, Royal Society of Arts, October 2014 www.citygrowthcommission.com/wp-content/uploads/2014/10/City-Growth-Commission-Final-Report.pdf

Financing English Devolution, Independent Commission on Local Government Finance, February 2015 www.localfinancecommission.org/-/media/iclgf/documents/iclgf_final_report.pdf?la=en
Creating a better care system, Ernst & Young, June 2015

2 Financing English Devolution, Independent Commission on Local Government Finance, February 2015 www.localfinancecommission.org/-/media/iclgf/documents/iclgf_final_report.pdf?la=en

3 NHS cannot take more cuts to social care, say healthcare leaders, The Guardian, June 2016 www.theguardian.com/healthcare-network/2015/jun/02/nhs-no-more-cuts-to-social-care

4 NHS England Board Meeting - Item 8, 26 March 2015 http://youtu.be/QR_GV4H2uz4

5 Business rates retention: the story continues, LGA, March 2015 www.local.gov.uk/documents/10180/11309/L15-127+Business+rates+retention_v03+(7).pdf/25da4d89-5a12-482a-a83c-69eac0555d9b

6 Business Rates Review: terms of reference and discussion paper, LGA, June 2015 http://134.213.15.24/documents/10180/11411/Business+rates+review+response/29cb938c-2616-46a2-bd00-86f718790263

7 Central & local rating lists: Non-domestic rating in England & Wales, Valuation Office Agency, December 2014 www.gov.uk/government/statistics/central-local-rating-lists-non-domestic-rating-in-england-wales

8 LGA analysis of Local authority revenue expenditure and financing England: 2013 to 2014 individual local authority data – outturn, DCLG, August 2014 www.gov.uk/government/statistics/local-authority-revenue-expenditure-and-financing-england-2013-to-2014-individual-local-authority-data-outturn

9 LGA analysis of Local authority revenue expenditure and financing, DCLG, November 2014 www.gov.uk/government/collections/local-authority-revenue-expenditure-and-financing

10 Department for Work and Pensions Annual Report & Accounts 2013-14, March 2014 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/323953/dwp-annual-report-accounts-2013-2014.PDF

11 The cost of poor housing to the NHS, Building Research Establishment, 2015 http://www.bre.co.uk/filelibrary/pdf/87741-Cost-of-Poor-Housing-Briefing-Paper-v3.pdf

12 Investing in our nation's future: The first 100 days of the next government, LGA, July 2014 www.local.gov.uk/documents/10180/6341755/LGA+Campaign+2014+-+100+Days/8255560f-7c96-432f-bbfe-514d3734a204

13 Keeping pace: right-to-buy sales, LGA, April 2015 www.local.gov.uk/documents/10180/49942/Keeping+pace+-+replacing+right+to+buy+sales.pdf/793b5335-109c-486a-9620-7ac402e14313

14 Keeping pace: right-to-buy sales, LGA, April 2015 www.local.gov.uk/documents/10180/49942/Keeping+pace+-+replacing+right+to+buy+sales.pdf/793b5335-109c-486a-9620-7ac402e14313

15 Cutting the cost of politics, David Cameron, September 2009 http://conservative-speeches.sayit.mysociety.org/speech/601316

16 National map of shared services, LGA www.local.gov.uk/productivity/-/journal_content/56/10180/3511353/ARTICLE

17 Whole Place Community Budgets: A Review of the Potential for Aggregation, Ernst& Young, January 2015 www.lgcplus.com/Journals/2013/01/10/c/l/x/LGA-and-EY-Community-Budgets-Report-.pdf

18 A mountain to climb for NHS finances, The Health Foundation, April 2015 www.health.org.uk/blog/mountain-climb-nhs-finances

19 Creating a better care system. EY, June 2015

20 Obesity could bankrupt the NHS if left unchecked, The Guardian, September 2014, http://www.theguardian.com/society/2014/sep/17/obesity-bankrupt-nhs-warning

21 Unpaid carers save £119 billion a year, Carers UK, May 2011 www.carersuk.org/news-and-campaigns/press-releases/unpaid-carers-save-119-billion-a-year

22 Children looked after in England, including adoption, Department for Education, September 2013 www.gov.uk/government/statistics/children-looked-after-in-england-including-adoption

23 The Office for National Statistics Mental health in children and young people in Great Britain, 2005. http://www.mentalhealth.org.uk/help-information/mental-health-statistics/children-young-people/

24 LGA, 2015: http://www.local.gov.uk/media-releases/-/journal_content/56/10180/6893341/NEWS

25 Establishing free schools, National Audit Office, December 2013 www.nao.org.uk/wp-content/uploads/2013/12/10314-001-Free-Schools-Book.pdf

26 The council role in school planning, LGA, March 2014 www.local.gov.uk/documents/10180/5854661/The+council+role+in+school+place+planning/998e5667-6218-4a94-aa57-2633010edc51

27 Fragmented Funding, LGA and Shared Intelligence, April 2014 http://www.local.gov.uk/documents/10180/11527/Fragmented+funding+report.pdf/093d08d2-e425-4b1c-81f6-e01e80f94746

28 Office of National Statistics, May 2015 http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-393099

29 Neet Quarterly Brief – April to June 2014, Department for Education, August 2014 www.gov.uk/government/uploads/system/uploads/attachment_data/file/346024/Quarterly_Brief_NEET_Q2_2014_FINAL.pdf

30 Realising Talent: employment and skills for the future, Research for the LGA by the Centre for Economic and Social Inclusion (CESI), July 2014 www.local.gov.uk/documents/10180/11431/Realising+talent+-+employment+and+skills+for+the+future/be9a4027-7cc6-47bc-a3d7-7b89eafae69

31 Buses in crisis: A report on bus funding across England and Wales 2010 – 2015, Campaign for Better Transport www.bettertransport.org.uk/sites/default/files/pdfs/Buses_In_Crisis_Report_2014_Final.pdf

32 Better roads for England, LGA, September 2014 www.local.gov.uk/documents/10180/5854661/L14-473+Better+Roads+for+England_11.pdf/a7a5fec1-dd21-4220-a9f4-f9d4c2cee778

33 Competitiveness Rankings, World Economic Forum, http://reports.weforum.org/global-competitiveness-report-2014-2015/rankings/

34 Better roads for England, LGA, September 2014 www.local.gov.uk/documents/10180/5854661/L14-473+Better+Roads+for+England_11.pdf/a7a5fec1-dd21-4220-a9f4-f9d4c2cee778

Local Government Association
Local Government House
Smith Square
London SW1P 3HZ

Telephone 020 7664 3000
Fax 020 7664 3030
Email info@local.gov.uk
www.local.gov.uk

For a copy in Braille, larger print or audio,
please contact us on 020 7664 3000.
We consider requests on an individual basis.

L15-252