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**LGA Conference and Exhibition 2018: Speech by Councillor Nick Forbes,
Leader of LGA Labour Group**

Welcome, and thank you for being here.

In an increasingly polarised and fractured political landscape, it is important that we have this chance to come together and work to create a better future for the people that we serve.

As Gary would say, it doesn't matter whether you play for the red team or the blue team or any of the other teams in the LGA family, at heart what we all want are empowered communities, individuals who are supported to live independent lives, and economies that support prosperity and inclusion.

So a genuine thank you for being here as we seek to create a nation in which we can all thrive.

Of course, we're gathering in the home city of Councillor Ian Ward, so a big thank you to him and all the councillors and officers at Birmingham City Council for hosting us this week.

It's been a great year for Birmingham – not only do they get to welcome us all back to the city, but the council also secured the 2022 Commonwealth Games.

And this conference wouldn't be possible without all of our sponsors, so I would like to say up front a big thank you to them for their support.

In particular, I would like to thank CCLA, who, for the sixth year running, are our main sponsor this week. It's also a special year for them, as they are celebrating 60 years managing investments for the public sector.

I would also like to thank our media partner, the MJ.

And thanks to our Chairman, Lord Porter. When Gary stood on this stage last year, he praised council leaders in helping strengthen our impact as a sector.

And nobody has done that more in the last year to do that than Gary. He has fought our corner on the national stage – whether that be in the Lords chamber, defending and promoting councils in the media, or in his frank, sometimes very frank, conversations with Secretaries and Ministers of State. He's joined us today as he continues his recovery and I know we're all hoping he's fighting fit again soon, so he can continue fighting our corner.

I know I speak for our Chairman and all the Group Leaders at the LGA when I say that we are proud to have played our small part in the local government family where all councils – counties, districts, London boroughs, mets and unitary authorities – have continued to make a difference to people's daily lives.

The last 12 months have seen some great successes but they have to be framed in terms of showing just how much more there is still to be achieved.

Thanks to our campaigning, housing is a top priority for the Government. The Local Housing Allowance won't apply to Supported Housing or the wider social rented sector, an extra £2 billion has been added to the Affordable Homes Programme, and we are moving at last in the right direction on borrowing to build.

But the last 12 months must also be seen in the shadow of Grenfell, and the tragic loss of life.

Councils have added their voices to those of residents and community leaders in saying that this must never happen again.

And our voice was also loud and clear in the battle to protect people from the danger and addiction that can come from fixed odds betting machines.

The LGA, your LGA, saw how these were ruining people's lives and we fought hard to secure from government a new £2 maximum stake.

That's the sort of real world victory that makes local government a life changing force.

Indeed, we could all give examples of how over the last 12 months our own councils have changed lives for the better.

But as we make clear in our research published today, some councils are beginning to crumble and we have reached the point where councils will no longer be able to support our residents as they might expect.

And I speak here of services that exist for more than just their individual social role.

We are the glue that holds our communities together.

We work behind the scenes to keep our neighbourhoods strong, and we're the first responder when things go wrong.

Time and time again we see councils co-ordinate relief efforts in times of need, whether that is in response to flooding in Yorkshire or to acts of terrorism in Manchester, and right now we know councils are working to help co-ordinate efforts as fire rages across Saddleworth Moor and Winterhill Moor.

The role of the council here is crucial in pulling together other agencies, with council staff frequently going the extra mile.

We're here every day getting the basics right and standing strong in moments of need.

But we carry out that role with increasing difficulty. This week the LGA reveals the figures that prove the bank of local government is running on empty.

Our new analysis shows that just to stand still and deliver the same services we are currently providing, councils need an additional 7.8 billion pounds by 2025. This money isn't to re-open the libraries or the Sure Start centres that have closed in recent years, and it won't fill the pothole backlog. This 7.8bn would only allow us to stand still. To keep applying the sticking plasters.

For too long, central government has relied on local government to deliver the world class public services our residents rely on, but forced us to do this on a shoestring.

As is always the case in local government, we have stepped up to the plate.

And I know, we all know, this hasn't been easy.

Councils have innovated, reimagined and reinvented themselves in every way we can – and this has delivered significant savings and efficiencies.

But despite our best efforts, the scale of government funding reductions and increasing demand for services means there is only so much more we can do.

We are now reaching the point where some councils will no longer be able to deliver for government, will no longer be able to deliver for businesses. And they will no longer be able to deliver for residents.

I suspect, though, that Whitehall will only realise this too late. Right now, national government appears to be devoting its entire political bandwidth to Brexit, and as a result is simply unable to actively engage with us on the big policy and financial challenges that we are grappling with.

But while Brexit comes ever closer, we know that local government finance is creaking at the seams.

Revenue Support Grant has all but gone, some councils will soon be in negative RSG, and with it we risk losing the built-in acknowledgment that local government and central government work best as a partnership.

By breaking this funding relationship the government prevents councils from being able to do more in future.

Instead, we run the risk of central government passing legislation which places new burdens on local authorities, but without the funding to actually deliver what is being asked of us.

The looming 7.8 billion pound funding gap I speak of shouldn't be seen as just another number in this debate – as big as a number as it may be.

This shortfall is the money we need to support our older and disabled residents, ensure our children have a bright future, and ensure no person is without a roof over their heads.

If we look to our care services we see the dangerous disconnect with residents that this funding gap threatens.

Historic funding reductions, rising demand and increasing cost pressures have created a perfect storm of an increasingly perilous provider market, growing unmet and under-met need, further strain on informal carers, less investment in prevention, and continued pressures on an already overstretched workforce.

We just can't go on like this – because the 5000 people who request support from their local council's adult social care team every day simply can't wait for a solution.

I'm proud, we are all proud, that our country had the collective vision to create the NHS 70 years ago this week.

But, decades on, the changing demographics of our population means that the financial needs of our care and support system are just as great as, if not greater than, those facing the NHS.

And we need our national politicians to remember that. The sticking plasters of recent years are not comparable to the wholesale reform that is urgently needed.

We see a similar situation for children's services. More and more families are finding themselves in the situation where they need help from their local council.

When we talk of growing demand pressures what mean is there are now 90 children entering the care system every single day, compared to 66 a decade ago.

Meanwhile, the massive financial pressures facing these services means councils are having to shift money meant for early intervention so they can spend it on protecting those in real danger of harm right now.

We know the Government has ring-fenced a number of departments, and local government has been squeezed as a result.

But what we also know is that virtually every upper tier council has protected adults and children's care, and had to squeeze other services as a result.

And while rightly we focus on supporting the vulnerable it is very clear that the patience our electorate has with this approach is wearing thin.

It is simply not acceptable for the public to pay more and more in council tax and feel they are receiving less and less in return.

Most people don't realise that councils with social care responsibilities spend in the region of two thirds of their budget on supporting vulnerable adults and children.

One of our nation's priorities has to be to put social care on a long term sustainable financial footing.

That is how we ensure not only that councils meet the needs of the vulnerable, but how we will also meet the expectations of the rest of the population with the services they have a right to.

Because the role of our councils must not be reduced to merely that of an underfunded care provider.

We see, don't we, the potential of councils in so many day to day aspects of our nation's life. In housing, for example, we know that in both supply and affordability there is a crisis which local authorities are uniquely placed to solve.

Far too many people in this country can't access the secure, affordable, high quality housing they need.

Over the past few years the number of homeless households supported by councils grew almost 11 times faster than the total population.

Behind these numbers are real people. Children who can't get the best start in life, older and disabled people who can't live as independently as they would like, and whole sections of the population who can't progress at work.

We know this is bad for residents, and we know this is bad for the economy.

But successive governments have chosen to treat the symptoms of the housing crisis, rather than the cause.

The last time our country delivered 300,000 homes was in the 1970s, when councils were responsible for delivering more than 40 per cent of them. If we want to get this country building again, it essential that councils have the power to borrow to build.

The answer to the housing crisis is to see local government as part of the solution, not the problem.

We know the private sector is at capacity, and that the only additional new homes will have to be those planned and delivered by councils.

We don't need further tinkering with the planning system. What we need is to be freed up to get on and deliver. And to do that we need the government to raise the HRA borrowing cap for us all so we can make the prudent long term investments in our local communities, delivering the homes we are all desperate to see built.

This is the only way to tackle homelessness, the only way to reduce the ballooning housing benefit bill, and the best way to boost our economy.

So whether it's the tools we need to build more homes, or the funding we need to keep services on track, we are all clear about what needs to be done.

But the same cannot be said about the challenge of Brexit.

While we wait to see the economic impact, we also look to see what will happen to powers and money transferred back to the UK.

By this time next year, Britain will have left the European Union, and, crucially, Brexit will be a reality that simply has to work.

People will expect things to be different. That's what they voted for; they voted for change.

They will expect to see a difference in their local area,

they will expect to see more housing,

they will expect to see better local public services.

Now, we didn't paint these claims on the side of a bus, but they are the expectations we will have to deal with nonetheless.

I don't think these changes can be delivered by any central government, because they have never been delivered by any central government.

It will be us that has to act on them.

And to do that, we as local government need a new settlement from central government, one that devolves powers and finances down to local communities.

It is simply not feasible for Whitehall to absorb back money and decision making powers from Brussels.

This must be the start of a serious and mature conversation about devolution of powers within England and the devolved nations.

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

We know the difficulties our councils have faced, and we know that despite achieving efficiencies and savings that are the envy of the public sector, there is more pain to come.

£7.8 billion pounds worth of further pain.

But we have hope. Councils are showing daily that we are far more than just public service providers.

We walk alongside and support our communities in times of difficulty.

We promote and champion our businesses as they grow and thrive.

We challenge our public sector partners to work collaboratively and do more to get value out of every public pound.

We have more than proven our worth and value over the last eight years.

And we're ambitious to do more.

We stand ready to play a leading role in supporting our nation through uncertain times, but to do that we need a new compact with Government.

One that treats us, councils and councillors, with dignity and respect, one that values the local leadership we bring, and supports us in achieving all we can for our communities,

A new compact which sets us free to deliver rather than seeking to bind our hands.

The next few years will be a period of great uncertainty and change for our country.

The LGA, our LGA, is standing shoulder to shoulder with you, ready to fight for councils, and to be your voice on the national stage.

Our nation's future direction is not yet settled or clear.

But we stand ready to provide the stability and confidence needed now, more than ever.

We are ready to deliver. And we stand ready to serve.

Thank you.