Responsibilities Working Group Update

1. The Responsibilities Working Group has had two meetings since the last steering group meeting. Progress can be summarised in three headings
   i. Analysis of what practical steps would need to be taken (especially any legislative requirements but also administrative or process changes and any information and data requirements) to implement each of the grants and responsibilities specifically identified in the summer consultation
   ii. More detailed consideration of public health, the issues of mandation and the ending of the ring fence for the current grant in 2018/19. (This discussion followed on from the consideration of public health under (i) above).
   iii. Progress on, and the approach to, the area of employment and skills

Progress on each is outlined below.

2. Analysis of specific responsibilities
   i. So far the group has looked at 8 of the specific grants and responsibilities listed in the summer consultation. As most of these are existing local government responsibilities this has been a relatively straightforward exercise and has not revealed any blockages or potentially serious problems; a general point was made that there is need to feed into the Needs and Redistribution group. The one area so far that was more complex was public health where the group has involved public health experts in the sector and will now engage more closely with Department of Health and Public Health England (see below).

3. Consideration of public health.
   i. Local authorities’ public health responsibilities include a number of mandated services (6 of 31 specified public health functions – the other 25 are non mandatory). The group wanted to understand how the mandation of services would fit with devolution of the funding for the functions – and whether local funding would affect this.
   ii. Currently although the whole grant is ring fenced, the government only monitors expenditure on the mandatory functions (though it has oversight of the non mandatory functions).
   iii. The group also considered the current basis for the distribution of the grant and agreed that this is something that needs to be flagged up for consideration by the Needs and Redistribution working group as part of the Fair Funding Review.
   iv. The group understood that there will always be mandation for the national elements of a service like public health (eg child measurement programme) and so the issue is how these are funded and managed. The group concluded that the most appropriate mechanism would be to deal with any increases to an established baseline via the new burdens process.
   v. This is something that will need to be dealt with as part of the removal of the ring fence from the grant in 2018/19, so work on that can be done in parallel with the work on business rates.
   vi. The group will now work with the sector, Department of Health and Public Health England on taking this forward.
4. Work on economic growth, skills and employment.
   i. The LGA is leading a fundamental review of the current employment and skills system, with the aim of publishing in the summer of 2017, and then feed into the work on business rates. This is in line with the brief for the project discussed at the last meeting of steering group. Since then, there have been some discussions with HM Treasury on how to produce a business case to provide evidence of how business rates could be used to fund employment and skills.
   ii. DCLG will work with the LGA on identifying current levels of funding / budgets and assisting in engaging with the other government departments affected.