

Written evidence – District Councils’ Network (PTC0029)

About the District Councils’ Network

The District Councils’ Network (DCN) is a cross-party member led network of 183 councils. We are a Special Interest Group of the Local Government Association (LGA) and provide a single voice for district services within the Local Government Association. District councils in England deliver 86 out of 137 essential local government services to over 22 million people - 40% of the population - and cover 68% of the country by area. District councils have a proven track record of building better lives and stronger economies in the areas that they serve.

Introductory remarks

District councils reflect the towns, cities and communities in which people live and businesses operate. They are embedded in the catchment areas for high streets and football teams, the travel areas for work and leisure; they know their local economies and hold a range of levers to get growth going; of which their role as the housing and planning authorities will be key. A district level response to the national recovery is key; evidence suggests the pandemic’s impact on jobs and growth will vary between district areas within county areas more than between county areas and core cities. And so, government policy must empower district councils and partners around the economic areas of our future. Districts are at the heart of:

- **Growing local economies** –the building blocks for growth with the levers to make it happen and the connections into economies. Working together in clusters that reflect functional economic geographies, connecting towns with cities, they can create one vision and should have a lead role in shaping UK Shared Prosperity Fund and Housing Infrastructure investments locally.
- **Revitalising our town centres** –lead authorities for the Levelling Up Fund, Welcome Back Fund, Towns Fund and Future High Streets Fund; already providing the leadership, partnership and local know-how and experience to remodel our town centres into thriving centres of community, leisure, and retail.
- **Housing delivery** – as planning authorities lead authorities in the Garden Communities Programme, and increasingly as house builders, districts are already at the heart of this agenda. Devolution should pass further powers for districts to ensuring developers build out sites with permission, to ensure utility companies move at pace, to lead spending on infrastructure and support SME builders, to allow districts to set planning fees locally, to make local decisions on Right to Buy schemes (including setting discounts) and to invest in new social housing (including maximising the use of Right to Buy receipts for this purpose).

- **Adapting our economies for Net Zero growth** – with their leading role on planning and the environment, districts are well placed to bring all partners together to deliver local priorities for the environment, sustainability, and community resilience. Districts should have powers to deliver zero carbon homes, and green infrastructure funding for sustainable places.

Response to the Committee’s Questions

Housing and green spaces – long term impact, impact on inequalities and action needed.

1. The pandemic has increased pressure on housing and homelessness services as covid support measures end, and in areas hit hardest economically, and which might be expected to recover more slowly – such as those areas heavily reliant on aviation for instance. DCN analysis shows that nearly 9 in 10 councils are expecting sharp increases in homelessness if some measures are pulled too fast. District councils know those in greatest need and have the mechanisms through direct help hubs, assistance schemes and local volunteer networks – such as with food banks and local charities – to quickly get help to those on the breadline. In our report, [‘Building back better – leaving no-one behind’](#), we call for covid protections to be withdrawn cautiously to avoid derailing the national recovery and prevent a surge in households unable to pay their bills or rent.
2. Alongside this pressure, communities face the potential loss of key social infrastructure that districts help to provide - such as the green spaces and leisure centres that support physical and mental health, such as swimming lessons for children, as increasing pressure on council finances, means some cannot afford to continue to operate these facilities. DCN analysis indicates over 1 in 3 districts are likely to close at least one leisure facility, which could see over 100 leisure centres at risk nationwide. And almost 60% of these could be lost within the next 12 months. A point illustrated by Solace, who confirmed in evidence to the Committee of Public Accounts *“without a sustainable settlement for local government in the next Spending Review vital leisure and wellbeing services – the assets we will look to get our population moving again, regaining their health, wellbeing and overall fitness to better equip us to fight this and other similar viruses – will sadly not exist.”*¹
3. Meanwhile further evolutions are expected in the nature of the way people live and access green spaces in town and city centres. We can expect to see a changing profile of home ownership, with increasing demand for homes with access to outside space, particularly in areas where the employment profile facilitates a higher proportion of homeworking, combined with an increase in demand for less urban areas, as people seek space, and continue to live and work more locally.

¹ [Covid-19 - Local Government Finance, Fourth Report, Committee of Public Accounts, May 2021](#)

4. And conversely, an increase in the quantity of housing in high street and town centre locations – driven by an accelerated decline in face to face retail, increase in homeworking, and made easier by the government's recent increases to permitted development rights that allow for change of use between commercial to residential. The concerns that districts hold here are that these conversions will not facilitate private or even communal access to green spaces, and that they may be in locations far from public access green spaces.
5. Districts already invest in community gardens and allotments, converting under used land into community assets, and are taking the short term steps to put in place green town centres for the future – Warwick for instance is using the Welcome Back fund to increase trees and planting into town centres, and in the longer term looking to develop cycle paths, walking trails and creating a 56-hectare country park call Tachbrook Park to link across the south of the district. With biodiversity loss and air quality issues of pressing concern, it is clear that existing green spaces must be protected if not enhanced. And the Marmott Review² highlighted how access to green spaces is already inequitable - people living in the most deprived areas faced the least favourable environmental conditions- including housing conditions, air quality and green spaces, and called for efforts to improve the availability of good quality open and green spaces across the social gradient. We refer the committee to the recent findings of a study for the [All Party Parliamentary Group on left behind neighbourhoods](#) which found the most deprived wards had disproportionately fewer public spaces, buildings, cultural assets and open spaces.
6. Government should consider that the profile of inequalities within towns and cities can be highly localised, and tackling them requires local place-based responses. Recently published mapping from the ONS³ confirms this. For instance – the least deprived neighbourhood in Adur has 2% of people income-deprived. But in its most deprived neighbourhood, 23.7% of people are income-deprived. A discrepancy masked by the overall income deprivation score for Adur of 10.8%. And which further demonstrates the need for local leadership, local decision making by district councils who are close to their communities but able to act at a strategic scale.
7. The pandemic has shone a light on the links between health & well-being and housing. While this affects anyone living in poor quality housing, Public Health England has identified how [existing inequalities](#) have become exposed and exacerbated during the pandemic. It was highlighted in the recent Women and Equalities Committee inquiry [on the unequal impacts of COVID-19 on a range of different groups](#), that overcrowding also disproportionately affects the BAME community, low-income household, older persons, renters and those with [disabilities](#). For instance, 9% of renters have built up rent arrears during the covid crisis.

² The Marmott Review, *Fair Society, Healthy Lives: Strategic Review of Health Inequalities in England post 2010*, February 2010

³ [Exploring local income deprivation](#), Office for National Statistics, May 2021

8. If government's levelling-up agenda is to tackle local inequalities, it will only succeed in reducing inequalities with a relentless long-term focus and local leadership working in partnership. While it is generally urban local authorities with a higher level of overall income deprivation that have the greatest internal disparities, both in terms of deprivation gap and income deprivation clustering, there are exceptions and as the ONS report states, every local area has its own unique profile of income disparity.
9. There are clear links between the loss of local government spending power since 2010 and poverty⁴. With the loss of central government grant, districts have maintained key services through generating income, making savings, and increases in council tax. The increasing dependency on council tax for spending power just entrenches regional disparities - increases will generate less funding for local services in poorer areas, and yet the burden weighs more heavily on individual households. We cannot ignore the impact of covid on the nation's finances, and the potential impacts this will mean for critical public spending in the years to come - of which decarbonising homes is just one looming challenge.
10. Government should take further steps to prioritise the supply of social housing. The introduction of affordable rent in 2010/11 has seen the proportion of those in the social rented sector spending more than a third of their income on housing rise, ⁵ with the number of homes for social rent diminishing from 33,491 additions in 2009-10, to just 6,287 in 2018-19. We endorse the findings of the Housing, Communities and Local Government Select Committee that England needs at least 90,000 net additional social rent homes a year, with investment from government that makes this a key priority. As the committee stated, *'The crisis has exposed our broken housing system. Families in overcrowded homes have faced worse health outcomes. Private renters have struggled to meet housing costs. A large social housebuilding programme will provide jobs, boost the economy, and help the Government meet its 300,000 homes a year target.* (Paragraph 70)⁶ .
11. Previous research by Capital Economics demonstrates investment in social housing 'could return £320 billion to the nation over 50 years⁷', and that 'each new social home would generate a saving of £780 per year in Housing Benefit and generate a fiscal surplus through rental income'.⁸ Districts should have the freedoms and flexibilities to set Right to Buy discounts locally and retain 100% of sales receipts to enable the delivery of more council homes - a conclusion shared by the Housing, Communities and Local Government Committee.⁹

The changing nature of employment – long-term impact for towns and cities, inequalities and action needed

⁴ The Levelling Up Policy – How Effective is it Likely to Be? Cllr Graham Chapman for the Special Interest Group of Municipal Authorities (SIGOMA) Nottingham March 2021

⁵ Housing costs, Joseph Rowntree Foundation

⁶ 3rd Report: Building more social housing, Housing, Communities and Local Government Committee, 27 July 2020

⁷ Delivery of council housing: a stimulus package post-pandemic, Local Government Association, June 2020

⁸ Setting Social Rent: Economic analysis of policy options for social rents after 2020 Capital Economics, June 2018

⁹ Building more social housing; 3rd report, Housing, Communities and Local Government Committee, July 2020 section 21

12. Our national economy is made up of many local economies, involving a mix of large and small businesses interconnected locally, nationally and internationally through various supply chains. Many of our best universities sit in district areas, as do our ports, airports, tourism, engineering, pharmaceuticals, and manufacturing. In shire areas, districts are the local leaders for economic development and regeneration, and strategic partners working with counties, LEPs and the 38 Growth Hubs, providing business advice and local intelligence, and attracting inward investment.
13. The different impacts of Covid are unique to places. Whilst there will be broader alignment on the impacts felt by rural compared to urban areas, there will also be impacts specific to region, or type of rurality. The longer term impacts on towns and cities will also depend on the speed and extent of the recovery for those areas particularly hard hit – areas reliant on hospitality, or aviation for example, as well as the structural changes to the way people live, work and travel that might remain after the pandemic. For instance, KPMG forecast that the percentage of jobs expected to continue being done from home post Covid ranges from 11% in Oxford, to 21% in Basingstoke. And the percentage of total employment at risk from accelerated online adoption on local high streets ranges from 21% of total retail employment in Burnley, to 39% of total retail employment in Basingstoke¹⁰. This signals the need for both generic and tailored place-based policy responses designed and governed by local leaders rather than behind closed doors in Whitehall.
14. Government support should be targeted at:
- Those sectors hit hardest, such as areas heavily dependent on tourism and hospitality, with the aim of safeguarding employment, upskilling the workforce, providing a secure safety net by making permanent the uplifts to benefits, investing in a green recovery, and building the homes the country needs. Measures to kickstart spending and revive footfall in our high streets and town centres, and support to diversify economies in areas heavily reliant on low-skilled, or seasonal employment, are necessary. For rural areas, it is important to retain the rural element within the proposals for the UK Shared Prosperity Fund, and provide certainty that the Rural Services Delivery Grant will continue with at least its present value. And;
 - Those sectors that represent the biggest opportunities for the future – linking to the government’s levelling up ambitions, the post-EU transition landscape, pandemic preparedness and the journey to Net Zero, and facilitating a move away from carbon-heavy industries, with the associated need for reskilling, and the longer-term challenge of ensuring our schools and colleges are preparing young people for a net zero economy.
15. And given the UK’s regional inequalities are ‘deep-rooted and complex’¹¹, overcoming them will be the work of many years or decades, and can only be achieved by true partnership between central and local government.

¹⁰ [The future of towns and cities post Covid-19](#), KPMG, January 2021

¹¹ [Levelling Up; Where and How](#), Alex Davenport and Ben Zaranko, Institute for Fiscal Studies, October 2020

16. Districts are proactively shaping local labour markets with devolved skills and local delivery of the Kickstart Scheme – with local payment mechanisms already in place, districts can make the case to the DWP to take on greater local responsibility for managing the entirety of local labour markets, and building on their relationships with employers well placed to leverage skills funding to help provide quality training linked to jobs.
17. The UK Shared Prosperity Fund should be devolved locally so that local areas can invest in bespoke, place-based interventions in jobs and skills, housing, and tackling climate change. The needs of rural communities are not the same as coastal areas, towns, and cities, and it is our local leaders who know these communities best and are best placed to deliver.
18. We can expect to see accelerated change to high streets and town centres – with KPMG analysis indicating we are unlikely to see a return to old commuting habits, with a significant proportion of people who are able to work from home, continuing to do so for at least part of the week. The associated savings in time and travel costs may lead to a further perception of being ‘left behind’ as workers in retail, hospitality and manufacturing are unable to benefit from this evolution.
19. There is a real opportunity here for town centres and cities to drive longer term change to the way people live, work and study – with a recent report from Demos¹² highlighting that areas with more remote working are likely to see higher levels of local spending – with over a third of people planning to spend more locally than they did before the pandemic, and this was even higher for those required to work from home – with the potential to spread spending over a much broader geographic area, and so contribute to levelling up. The threat remains however, that those areas with less home/remote working could be left further behind.
20. To deliver most effectively, the plethora of short-term, one-off funding pots with bureaucratic bidding processes must end, and instead government should equip democratically accountable local leaders with the resources they need to deliver. The UKSPF should tackle inequalities between communities by raising productivity, enabling strong public and private sector partnerships, and drive our jobs, skills and green recovery, especially in those parts of our country whose economies are furthest behind. With a strong local evidence base, district councils can target investments effectively to address local challenges. In this way, the UKSPF would also ensure local democratic control over funding to respond to local needs and priorities.
21. Future jobs, growth and productivity are highly dependent on a clear strategy and framework for delivering a Net Zero economy. As the Public Accounts Committee recently concluded; *‘Local authorities will also play a major role in the move to net zero, and Government will need to engage more with local authorities about how they can contribute, including ensuring they will have the necessary resources’*. Levelling up should include dedicated support on skills, particularly for those currently employed in sectors that will either decline as part of the transition to net

¹² *Post Pandemic Places* – from renew normal: the people’s commission on life after covid-19, Demos, Legal and General, March 2021

zero, such as oil and gas extraction, or will need to significantly change, such as mechanics who must transition to working primarily on electric vehicles¹³.

Public transport – impact of the pandemic on towns and cities, and inequalities, and action needed

22. As local planning authorities and as the local leads for economic development in shire county areas, district councils hold the levers to bring forward strategic, complex and holistic regeneration in towns and cities, working in partnership to deliver jobs and housing. For instance, [Gloucester City Council's](#) award-winning bus station opened in 2018, with further redevelopment of the railway station in partnership with the county council, Stagecoach, Kier, and BDP Architects, using funding from the Local Enterprise Partnership.
23. And enabled by the government's investment through the Levelling Up Fund, Future High Streets Fund and Towns Fund, a third of English cities and towns will benefit from significant investment to help local economies and town centres to adapt to new ways of working, including significant improvements in connectivity within and between towns and cities, such as this [example from Crawley](#), and using it as a springboard to tackle inequalities, such as in [Boston](#).
24. Complementing bus and train provision, district councils frequently support demand responsive transport and dial a ride schemes in their areas, as well as connecting people with volunteer car schemes.
25. In a climate of reduced council funding, the government's Bus Back Better Strategy is welcome investment, and districts look forward to working in partnership with local transport authorities and community transport providers to maximise this investment.
26. Cost and availability of public transport are the key factors that will impact government's ambitions to level up, with evidence indicating that people from ethnic minorities, young people not in education, employment or training, students, older people and women are particularly at risk of transport poverty, as are rural and small urban communities.

6 July 2021

¹³ House of Commons Public Accounts Committee [Achieving Net Zero Forty-Sixth Report of Session 2019–21](#) Report, House of Commons, 1 March 2021