

Closer to communities:

**The district council
prospectus for
transforming local
places**

July 2024

DCN
DISTRICT COUNCILS' NETWORK

District councils: our offer to the next Government

District councils are uniquely close to our communities. We have an unrivalled ability to transform the lives of the 19 million people we serve.

This is because we are England's most localised principal authorities, giving us street-by-street knowledge of our places and the people who live and work in them.

As the leaders of our places, we have unsurpassed convening power: we can reach every person, every business, every organisation in our community.

Districts have crucial housing, planning economic development, wellbeing, environmental, welfare, and community outreach powers. We use our strategic and preventative powers to improve prosperity and wellbeing in our communities.

We have a strong track record of supporting our residents when they need us. We act quickly and flexibly in times of emergency, as we proved during the Covid pandemic.

By collaborating across boundaries with our partners in local government, the NHS, business and the voluntary sector we have a unique ability to blend the local with the regional and the strategic.

Districts are the most trusted arm of government, with high levels of resident satisfaction.

We want to drive change locally in genuine collaboration with central government based on mutual trust. We want to be your partner in reimagining public services from the bottom up and rooting them in real places. We want you to empower us with much greater autonomy to deliver excellent services for the people we jointly serve and make quick, tangible progress on national priorities.

Together we can harness the transformative power of districts to:



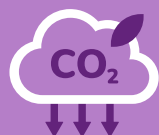
Build many more homes and drive down homelessness



Reduce pressure on the NHS and improve public health



Deliver jobs and sustainable, inclusive growth



Cut carbon emissions, tackle fuel poverty and grow the green economy



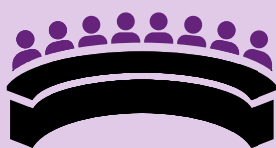
Ensure investment transforms local places

District councils: Key statistics



**164 district
councils**

**19 million
residents**



**6,792
councillors**

**49% of England
by area**



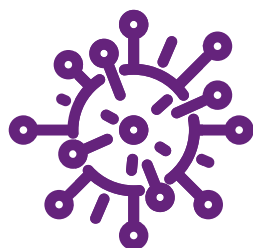
**34% of
businesses in
England**

**30% of national
GDP**



**£3.6 billion
revenue budget**

**£2 billion
regeneration
funding invested**



**£9 billion
Covid business
support grants**

**94% of leisure
centres tackling
health inequalities**



**400,000
homes built
since 2019**

**77,000 Afghans
& Ukrainians
welcomed**



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Housing and Planning



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**Devolution and Local
Growth**



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**Environment and
Sustainability**



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Funding and Investment





Almost **90,000** homes built in district areas in 2022-23 and **400,000** homes over the past 5 years.

Districts approved **86%** of all planning applications received in the last year.

Over **70,000** social and affordable rent homes delivered in districts in the five years to 2022-23.

Districts are delivering **41%** more social rent homes than in 2018-19.

Over ten years, only **55%** of the 24,000 council homes in district areas sold under Right to Buy were replaced.

Total district council spending on temporary accommodation increased by more than **200%** in five years to reach £220m in 2022-23.

51% increase in children living in temporary accommodation in district areas in the two years to December 2023.

Housing & Planning

How districts can help you

By forging a strong partnership between district councils and central government, we can:

Accelerate delivery of at least 1.5 million new homes in five years by leveraging our planning and economic development powers, local knowledge and community connections to unlock development at an unprecedented scale.

Boost supply of social and affordable housing through stronger local planning policies, smart use of government grants and proactively identifying development opportunities.

Prevent homelessness through critical support, tenancy sustainment initiatives, and innovative temporary accommodation and affordable housing models.

Integrate housing initiatives with wraparound support services, leveraging our close community ties to create sustainable tenancies, proactively tackle homelessness and promote resident wellbeing.

Strategically target funding and shape localised delivery models to provide the types of homes most needed in each community, combining local expertise with a holistic understanding of the distinct housing challenges and opportunities facing individual areas.

How central government can help us deliver

1. Empower councils to unleash a new generation of council housing

- Grant district councils full autonomy to retain and reinvest 100% of Right to Buy sale receipts in replacement social and affordable homes, and remove all restrictions on the use of receipts to achieve this goal.
- Empower district councils with the authority to set Right to Buy discount rates locally, reflecting market conditions and community needs.
- Introduce a 'Right to Pause' policy, allowing councils facing extreme housing pressures to temporarily suspend Right to Buy.
- Protect newly built social homes from being sold under Right to Buy.
- Commit to long-term, preferential borrowing rates for councils to drive investment in social homes.
- Provide certainty through a minimum 10-year social housing rent deal to enable long-term investment in building new social homes and upgrading existing homes.
- Fully finance council housing decarbonisation and quality improvements through a dedicated, non-competitive fund to deliver energy-efficient and cost-effective homes.

2. Reimagine funding for affordable housing

- Provide long-term, flexible grant funding, with higher per-home grant levels to address the market challenges undermining project viability.

- Allow a bigger proportion of Affordable Homes Programme funding to be used to acquire existing homes.
- Allow Affordable Homes Programme funding to be combined with other funding sources, including Right to Buy receipts, to maximise housing delivery.
- Streamline funding by combining multiple housing programmes into a single, flexible, multi-year pot.
- Unlock powers for councils to purchase stalled sites for affordable housing where developers face viability issues.
- Launch an ambitious £300 million national Empty Homes Programme, with direct financial support and powers for councils to unlock one million empty homes.

3. Empower councils through bold planning reforms to rapidly unlock new housing

- Urgently strengthen council powers to acquire stalled sites and to force developers to get building homes quickly on sites with planning permission, such as through streamlined compulsory purchase powers and robust council tax levies on developers.
- Grant district councils enhanced powers to approve affordable housing developments, designate land for affordable housing, and set higher local affordability requirements that reflect community needs.

- Reform permitted development rights to ensure all developments contribute to affordable housing and meet quality standards.
- Identify and release public land for affordable housing, enabling councils to acquire it at low cost for public benefit.
- Launch a new review of land value to ensure a much greater share is captured for local authorities to invest in much needed affordable housing and infrastructure.
- Invest £500m annually to boost the local planning profession and develop a new generation of planners.

4. Work with councils to help end homelessness

- Remove the housing benefit subsidy cap to fully fund the cost of council temporary accommodation services and ensure vulnerable families are properly housed.
- Commit to uprate the Local Housing Allowance annually to ensure it tracks local market rents, providing stability and affordability.
- Partner with districts to develop innovative temporary accommodation models, like modular homes, that are cost-effective and responsive to local needs.
- Create a new capital fund to assist councils to rapidly build or acquire new temporary accommodation and housing for homelessness.
- Boost the Homelessness Prevention Grant to adequately resource critical support and keep people in their homes.

5. Transform the private rented sector

- Introduce comprehensive tenant rights to ensure a secure, accessible, and affordable private rented sector, including the swift elimination of Section 21 'no fault evictions' to protect tenants from unjust evictions.
- Extend the eviction notice period from two months to four months to give renters enough time to find a new home and avoid homelessness.
- Extend the Decent Homes Standard to the private rented sector, with district councils leading on compliance to ensure quality homes for all.
- Expand the enforcement powers of district councils to guarantee a well-regulated and fair private rented sector.
- Implement a comprehensive national register for short-term lets and conduct a wider review to identify additional tools for local authorities to effectively manage the growth of short-term lets, such as powers to charge licensing fees.

Health & Prevention

How districts can help you



94% of district leisure centres used in schemes to tackle health inequalities.

79% of district leisure centres used in social prescribing programmes.

£23 in value created for every £1 invested in leisure and wellbeing services.

Health impact of poor housing costs the NHS **£1.4bn** a year.

Tangible local interventions make a big difference – a district-led hospital discharge scheme in Norfolk & Waveney saved nearly **13,000** hospital bed days in a single year worth more than **£8.5 million**.

By forging a strong partnership between district councils and central government, we can:

Reduce demand on frontline NHS services and save hundreds of millions of pounds for the NHS by focusing on preventative services and early intervention.

Improve healthy life expectancy and narrow the gap between the most and least deprived areas by leveraging our hyper-local community connections, leisure assets and ability to influence wider determinants of health.

Increase physical activity levels through targeted interventions and improve access to leisure services for harder-to-reach groups, unlocking health gains worth more than £9bn.

Spearhead the integration of leisure, wellbeing and community services with the NHS and social care, utilising our role as local leaders and convenors to enable holistic, personalised care and earlier intervention to prevent physical and mental ill health.

Target preventative initiatives for maximum impact on those with greatest needs by combining our deep understanding of local health inequalities with the ability to engage and support communities.

How central government can help us deliver

1. Make a bold strategic shift to prevention and empower districts

- Increase the share of NHS budget dedicated to preventative services by at least 1% over the next five years, as recommended in the Hewitt Review.
- Earmark a specific portion of prevention funding for district-level services that are tailored to meet the needs of local communities.
- Establish a cross-government strategy and delivery board focused on prevention and addressing wider determinants of health, with clear recognition of the role of district services.
- Provide a multi-year funding settlement for public health, leisure and community services to enable long-term planning and sustainability of preventative services.
- Devolve greater powers and budgets to district councils to address wider determinants of health such as housing, planning, and economic development, recognising our crucial role in creating healthier communities.
- Collaborate with districts, the NHS, and hospitals to expand supported and step-down accommodation, providing move-on options to prevent homelessness and reduce readmissions.

2. Embed physical activity as a key driver of public health

- Mandate the inclusion of physical activity measures and services within Integrated

Care System outcome frameworks and strategies.

- Launch a £100m national programme to scale up social prescribing to leisure services, engaging at least 500,000 people and improving health outcomes across communities.
- Unlock £1bn capital investment to upgrade council leisure infrastructure, ensuring accessible, high-quality facilities for all.
- Grant districts greater powers through planning and licensing to restrict junk food advertising and create environments that enable active living, tackling health inequalities at their root.

3. Strengthen partnership working between districts and the NHS

- Mandate district representation on Integrated Care System (ICS) partnership boards to ensure integration of leisure, wellbeing and wider services with health and care provision.
- Ensure districts have a strong voice in developing ICS strategies and allocating resources for prevention.
- Pilot new models of pooled budgets and joint commissioning between the NHS and districts for preventative services.
- Support shared training and roles to develop a workforce skilled in delivering integrated health services focused on prevention.

4. Empower people and communities to lead fairer, healthier lives

- Boost funding for community development, social infrastructure and the voluntary sector to build social capital and resilience in our most deprived areas.
- Expand access to education, skills and employment as key determinants of long-term health, working with districts to create local opportunities.
- Ensure fair funding for districts to provide accessible, affordable, and targeted leisure and wellbeing services that meet local needs.
- Empower district councils to lead on community mental health by providing dedicated funding for local mental health initiatives.
- Review the adequacy of the current welfare system to ensure that all households receive sufficient income to afford nutritious food, promoting health and wellbeing for the long term.

Devolution & Local Growth

How districts can help you



District councils have the lowest average number of electors per councillor: around **2,000** compared to 3,000 for all English local authorities.

District councils are home to **34%** of England's businesses.

District areas generate **30%** of national Gross Domestic Product.

Districts are investing **£2 billion** of central government regeneration funding.

By forging a strong partnership between district councils and central government, we can:

Create the local jobs that will be at the heart of driving local economic growth and tackle economic inequality through our close links to local businesses, economic development expertise and ability to convene local partners.

Attract substantial inward investment by accelerating the planning process for major investors, creating the local labour markets needed to sustain long-term investment and spearheading local partnerships.

Tackle skills shortages and promote opportunity for young people through our relationships with local employers and colleges.

Regenerate our high streets and town centres to restore local pride and help tackle antisocial behaviour and crime through our planning powers, investment levers and detailed understanding of what makes our places work.

Bring devolution close to local communities and maximise its democratic accountability by leveraging our close knowledge of our places, harnessing our powers to improve economic and health outcomes, and ensuring that regional strategic change remains rooted in real places.

How central government can help us deliver

1. Deliver a new deal for local government

- Enshrine a presumption in favour of devolution and local discretion on service delivery and funding.
- Improve engagement on devolution plans with all parts of local government.
- Adopt a new approach of close collaboration with all parts of local government in delivering central government's policy priorities.
- Create a fiscal framework between all local councils and central government, with regular budget engagement as a key element.

2. Prioritise an active and central role for district councils in all future devolution

- Strengthen the commitment to deeper devolution in non-metropolitan areas.
- Amend legislation to guarantee a full, constituent role for district councils in all existing and new combined authorities, devolution deals and sub-national government to harness the crucial levers districts have over housing, economic development, jobs, skills, health and the environment.
- Reassess the geographic parameters for devolution and choose the right footprint for further devolution, taking into account the economic circumstances of each area – ensuring that district councils have an active, formal role whatever geography is chosen.

3. Respect the sovereignty of district councils

- Commit to ending the top-down restructuring of local government and leave local areas free to choose the structures and governance that works best for them.
- Legislate to ensure there can be no reallocation of powers between different parts of local government without the consent of the local authorities affected and local people.

4. Increase funding and powers for local growth

- Preserve and deepen the primary role for district councils in investing regeneration funding in two-tier county areas, including the final phase of the Levelling Up Fund.
- Prioritise an ambitious, multi-year successor to the UK Shared Prosperity Fund and give district councils the primary responsibility for investing it in two-tier areas.
- Ensure all future regeneration funds avoid costly competitive bidding processes and reduce the restrictions and ring-fencing that apply to existing local growth funding pots.
- Extend dedicated local growth funding to district councils as local place-shapers to further our work to enhance economic growth in our local areas.



7 of the top 10 recycling authorities in England are district councils.

£300k average shortfall in capital funding needed for district councils to introduce weekly food waste collections.

21% average increase in district waste collection costs from introducing weekly food waste collections.

63% of private rental homes are below EPC C on average in district areas – with 25 councils having less than 30% of their stock at EPC C.

Only **54%** of districts with social housing stock have benefited from the Social Housing Decarbonisation Fund.

51% of applications for solar farms, battery energy storage and onshore wind between April 2010 and April 2024 were received in district areas.

Environment & Sustainability

How districts can help you

By forging a strong partnership between district councils and central government, we can:

Surpass the 65% recycling rate target by 2035 through innovative, locally tailored waste reduction and recycling initiatives that reflect the unique needs of our communities.

Spearhead the retrofit of many thousands more homes to lift residents out of fuel poverty, saving government money and increasing environmental benefits.

Build on existing partnerships between districts and counties to increase demand for residents to retrofit their homes.

Drive substantial cuts in local carbon emissions by capitalising on our ability to work closely with communities and business and to drive behaviour change.

Develop the green skills and supply chains we need to deliver low-carbon homes and retrofit at pace and at scale by partnering with local businesses, education providers and other public sector organisations.

Champion renewable energy generation in our communities, securing vital investment while ensuring developments are appropriate and beneficial to local areas.

How central government can help us deliver

1. Create a single framework for local government to deliver net zero in partnership with national government

- Devolve comprehensive powers and funding to local government to deliver climate change, recognising the primary role of districts in driving local climate action and green growth. Empower districts to deliver on housing, the environment and green growth.
- Introduce a statutory net zero duty for local government with powerful incentives and rewards for councils that excel in delivering retrofit and cutting emissions.
- Create a place-based, multi-year climate action fund to help councils cut emissions without the need for competitive bidding.
- Invest in building local expertise by providing long-term revenue funding for districts to develop local energy efficiency and sustainability skills and reduce reliance on consultants.

2. Implement an ambitious but realistic and fully funded package to increase recycling and reduce waste

- Ditch the one-size-fits-all approach to waste collection and give councils more flexibility to determine the frequency of collections to avoid unnecessary and wasteful rounds.
- Phase the implementation of weekly food

waste collections and give councils flexibility to implement up to March 2027 if they need it allowing for locally tailored approaches.

- Guarantee comprehensive transitional and ongoing funding for councils to introduce food waste collections and other new recycling services.
- Ensure that funding mechanisms do not penalise councils for innovating to improve waste collection services and increase recycling.
- Provide additional capital funding for councils to use electric vehicles for new services from day one, supporting the transition to clean energy in waste and other council services.
- Implement the Extended Producer Responsibility (EPR) scheme by the end of 2025, shifting the financial burden of waste management from local taxpayers to producers, giving them the incentive to cut waste at source.
- Review the plastic packaging tax to ensure this is a meaningful incentive for producers to invest in using recycled material, requiring a minimum recycled content of 60% by 2030.

3. Give local councils funding and freedoms to retrofit housing

- Accelerate the retrofit of social housing by providing landlords with multi-year funding allocations without competitive bidding and encouraging local government partnerships to deliver economies of scale.

- Introduce an outcome-based grant scheme for local authorities to increase energy efficiency of privately owned homes in their area – with funding based on local need and with local discretion to set eligibility requirements.
- Create a fund for local government to work with businesses to help them enter the market and to retrofit supply chains – with government providing the certainty for these investments.
- Involve councils in assessing the cumulative impact of multiple applications where these are decided at a national level to ensure that any impact on communities and food security are minimised.
- Amend national policy to ensure there are community benefits for all future energy developments whilst ensuring areas get comparable levels of investment from suppliers.

4. Enable us to deliver all new homes to a high environmental standard

- Improve the Future Homes Standard to ensure all new homes are much more energy efficient and avoid the need for expensive retrofitting in future.
- Repeal central government rules that prevent local authorities setting higher environmental standards than national planning policy even where they can demonstrate this will not stop new homes being built.
- Amend national planning policy to require renewable energy generation and storage in all new housing developments to alleviate the pressure on the grid and ensure new developments are self-sufficient.

5. Strengthen local planning powers over renewable energy developments

- Accelerate delivery of clean energy by empowering councils to approve renewable energy projects up to 1.5GW instead of relying on expensive National Significant Infrastructure Policy processes.



15% real-terms cut in district core spending power since 2015 compared to an 11% increase for local government as a whole.

Less than **10%** of the average council tax bill goes to district councils in two-tier areas – only £4 a week per household on average.

15% of district council funding comes from central grant – far less than for other types of council.

Districts retain and reinvest around almost **£1 billion** business rates income each year.

District councils had no choice but to deliver **10%** savings and service cuts in 2023-24 to balance their budgets.

Funding & Investment

How districts can help you

By forging a strong partnership between district councils and central government, we can:

Secure the long-term sustainability of district funding to underpin and enhance the wide range of frontline, value-adding services that make a difference for 100% of local residents.

Deliver the financial freedoms and flexibilities that will allow districts to respond to the local needs we are uniquely placed to identify.

Shift the focus to investing in the preventative services that deliver better outcomes for local people and avoid more expensive downstream interventions by the NHS and the state – spend today to save tomorrow.

Invest in strategic initiatives to drive inclusive local growth and reinvest the proceeds of growth for the benefit of our local places.

Knit together local funding and investment so that it is based around local places.

How central government can help us deliver

1. Immediately give councils the funding certainty that is essential for the delivery of long-term projects and sustained community benefits

- Make a permanent commitment to multi-year finance settlements, covering a minimum of three years at any time.
- Commit that finance settlements will provide for reasonable growth in the funding envelope each year and that the increase should not depend solely on council tax rises.
- Ensure the costs of complying with the National Living Wage across our workforce are reflected in future funding settlements.
- Roll all formula-based specific grants into the main local government finance settlement.
- Radically streamline one-off capital and revenue funding pots and remove competitive bidding in favour of bigger, flexible funding pots with maximum local discretion.

2. Give councils greater freedoms and flexibilities to raise income and support themselves

- Increase council tax referendum limits to at least 10% in 2025-26 as a first step to removing referendum limits altogether.
- Allow local housing authorities to retain all the extra income from the council tax supplement on second homes to respond to the impact on local housing markets.

- Empower councils to increase fees to recover the full cost of planning and licensing services.
- Increase penalty charges for environmental and other offences to act as a deterrent and ensure a greater proportion of the enforcement cost is covered.
- Review the council borrowing regime to remove unintended barriers to councils making responsible investments in housing and other vital local needs.
- Give councils more local control of business taxes and increase business rates retention to 75% of receipts.
- Strengthen the ability of councils to introduce tourist taxes and allow districts to retain the full proceeds in shire county areas.
- Launch a wider review of fiscal devolution to give district councils greater powers to raise income locally to reinvest in regenerating high streets, town centres and local places.

3. Ensure the long-term sustainability of Housing Revenue Accounts

- Provide certainty through a minimum 10-year social housing rent deal to enable long-term investment in building new social homes and upgrading existing homes.
- Commit to long-term preferential borrowing rates for councils to drive investment in social homes.
- Review the self-financing council housing regime (Housing Revenue Accounts) to

ensure councils can deliver on key social housing objectives.

4. Review the funding model for local government

- Ensure any fundamental reform of local government funding, including business rates, is developed in genuine collaboration with the whole local government sector and that district councils have an equal voice.
- Ensure future funding reform maximises investment in the preventative services provided by districts and other councils that deliver best value for money for the taxpayer.
- Build incentives into the funding model to capitalise on the power of districts to drive local growth.
- Implement a long-term solution to the funding of Internal Drainage Boards.
- Provide comprehensive transitional protection funding for all councils that 'lose' from any reform to the funding model and avoid 'cliff edge' reforms to the business rates regime and New Homes Bonus.

5. Remove centrally imposed barriers to efficiency in local government

- Commit to a rolling review of regulations and statutory guidance affecting local government to simplify processes, remove unnecessary steps and facilitate lower-cost service delivery.
- Review activities of regulatory bodies that seek 'to the letter' compliance with their statutory codes.

- Streamline and simplify the processes for submitting data returns to central government.
- Reduce the level of information that has to be included in annual accounts or published under the transparency code. This should include reviewing statutory overrides, such as the requirement to value assets every year.
- Allow council revenues and benefits teams to use all council and central government data to which they have access in order to pursue effective recovery.

For more information contact:

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