

## **Northern Housing Consortium – Fair Funding Review submission**

The Northern Housing Consortium is a membership organisation representing local authorities, housing associations and strategic authorities across the North of England. Our members own and manage nine out of ten affordable homes in the North, as well as administering the planning system, regulating the private housing sector and delivering a wide range of important local services.

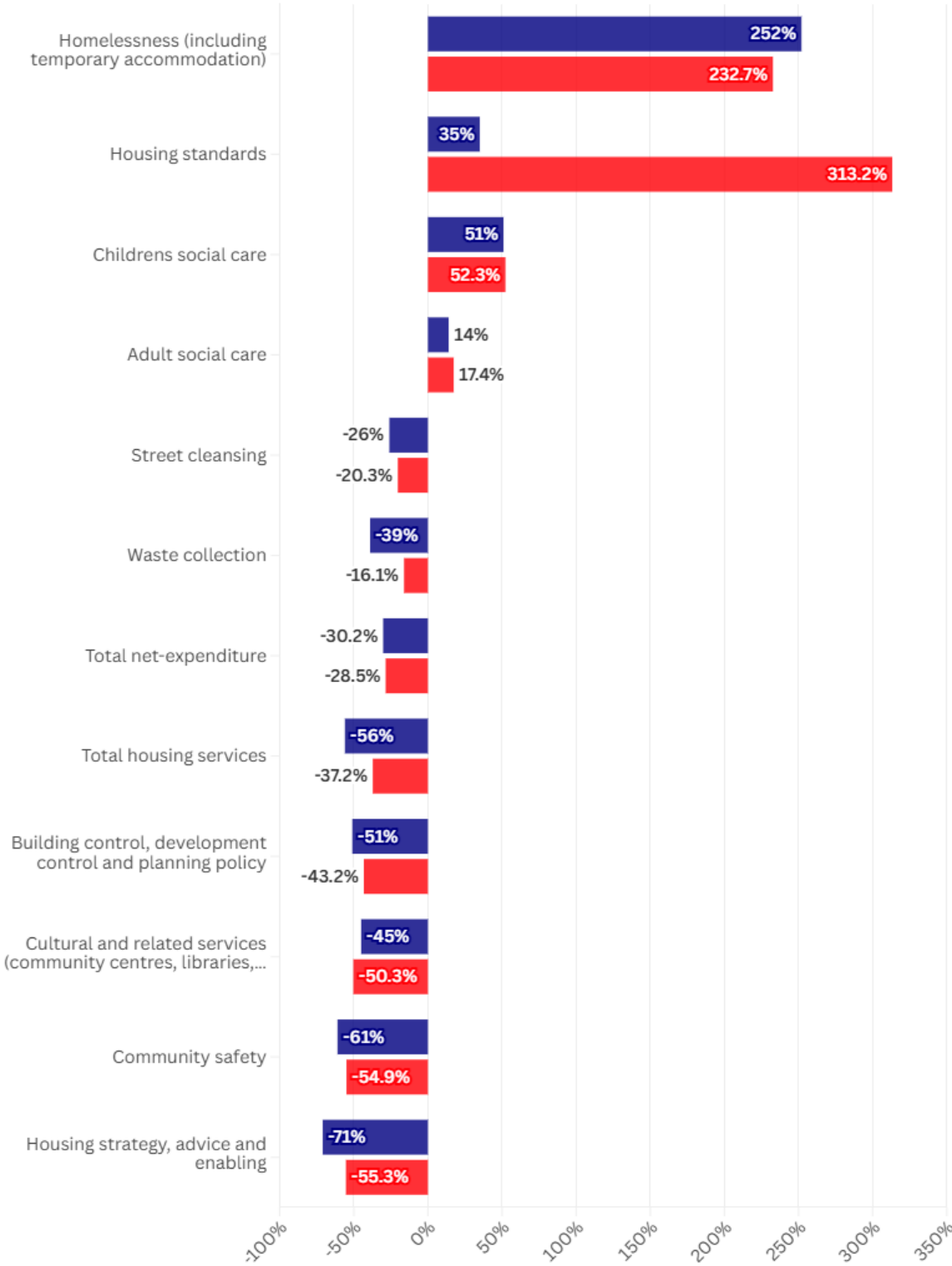
In the last 15 years, local authorities in the North have seen significant reductions in funding and capacity, especially in non-statutory services. We welcome the opportunity to respond to the Fair Funding Review consultation and hope that the Review can put local government finances on a long-term, sustainable footing.

Below are several key ‘principles’ and statistics that inform our response to this consultation:

- Local authorities in the North of England have seen larger reductions in funding than England as a whole. Total net-expenditure on local authority services has fallen by 30.2% since 2010/11 in the North, compared to 28.5% nationally. The Fair Funding Review should look to address this imbalance.
- The Fair Funding Review should aim to explicitly increase funding for areas that face higher levels of deprivation, which are disproportionately found in the North.
- Councils in the North are facing significant financial challenges due to the rising costs of statutory duties, including the provision of homelessness support and temporary accommodation. In the last five years, expenditure in this area has more than trebled to more than £270 million a year.
- Expenditure in various non-statutory services that are hugely valued by communities and residents across the North has reduced significantly in the last 15 years, including (the chart below demonstrates the extent to which funding has fallen in the below areas, and more, in comparison to across England):
  - Street cleaning
  - Waste collection
  - Community safety
  - Cultural and related activities (community centres, libraries, recreation, sport, heritage etc.)
  - Building control, development control and planning policy
  - Housing strategy, enabling and advice

**Change in local authority net expenditure in the North, in real terms, from 2010/11 to 2024/25**

■ North ■ England



Question 1 What are your views on the updated SFA resulting in zero allocations, and the use of mitigations to avoid zero allocations?

No view.

Question 2 Do you agree with how the government proposes to determine the Council of the Isles of Scilly's Settlement Funding Assessment

No view.

Question 3 Do you agree with the government's plans to simplify the grant landscape?

Support.

We strongly support the principle of simplifying the grant funding landscape for local authorities, consolidating funding streams, and moving away from competitive bidding for funding wherever possible. Where this is not possible, we support the government's proposal to allow for the costs of bidding for funding to be accounted for within the new burdens funding process.

We have no view on the proposal to move new burdens payments into quarterly payments rather than individual grants.

We support the government's specific proposal to combine homelessness and rough sleeping funding streams into a single Homelessness and Rough Sleeping Grant to reduce the administrative burden associated with multiple funding streams, and to separate this grant from allocated funding for temporary accommodation. This consolidated grant should look to give local authorities flexibility to deliver homelessness and rough sleeping support and focus on delivered outcomes as much as possible, rather than prescribing specific interventions. This is also the case for the Crisis and Resilience Grant, with local authorities needing to be empowered to quickly deliver funding interventions in the way that they expect to have the greatest impact once they have identified a household in immediate need.

The separation of temporary accommodation funding from the Homelessness and Rough Sleeping Grant will allow authorities to separately address the immediate issue of temporary accommodation demand while delivering wider homelessness prevention and relief work, including greater long-term planning, without these efforts being subsumed by the temporary accommodation crisis.

Question 4 Do you agree with the formulae for individual services the government proposes to include?

No view.

For temporary accommodation, it is important to use as up to date data as possible, so funding levels can quickly align with surges of demand which can occur. This will ensure that we do not end up in the position where unprecedented demand and unresponsive funding makes the situation unmanageable, threatening the financial sustainability of authorities, as has been the case in recent years.

Question 5 Do you agree with the areas of need the government proposes to no longer include in the assessment through the Foundation Formula?

No view.

Question 6 Do you agree with the government's approach to calculating the control total shares for the relative needs formulae?

No view.

Question 7 Do you agree with the Labour Cost Adjustment (LCA) and Rates Cost Adjustment (RCA) equations set out in this chapter?

No view.

Question 8 What are your views on the proposed approach to the Area Cost Adjustment (ACA)?

Disagree.

It is important to recognise that there are significant differences in the cost of delivery of local services depending on various local factors such as wages, rates costs and accessibility. It is therefore understandable that this is considered as part of the framework through the ACA.

However, the current proposals for the ACA risk negatively impacting the funding position both for the North and for the most deprived authorities in the country.

Rather than providing new funding for authorities with elevated service delivery costs, under the current proposals, the ACA will result in an effective redistribution of funding

from areas with lower assessed delivery costs, regardless of their local needs. Under the current proposals, 79 local authorities in England will see an ACA below 1 for their Foundation Formula, meaning their funding will be decreased below what their initial Relative Needs Formula (RNF) indicates. Of these 79 authorities, 46 (58%) are in the North of England. This means that 73% of authorities in the North will see a reduction of funding following their assessment of local service need, due to the ACA. Of the ten local authorities seeing the largest negative ACA adjustment, nine are found in the North of England. These numbers are similar for other funding allocations, including for adult social care and children's services which are currently placing significant strain on local authority finances in the North. As our submission makes clear elsewhere, local authorities in the North have experienced disproportionate reductions in funding in recent years, meaning they already enter this Fair Funding Review further behind other parts of the country, and the disproportionate impact of the ACA on the North risks widening this issue.

Furthermore, the ACA makes no explicit reference to local levels of deprivation, which also contribute to higher costs of delivering services, in addition to the labour, rates and accessibility metrics. The North currently has 3.6 million people living in relative poverty after housing costs with 31% of all children in relative poverty. The North also has disproportionately more of the most deprived neighbourhoods in the country, with one third of all neighbourhoods in the North West and North East in the top 10% for deprivation, with this figure being one fifth of neighbourhoods in Yorkshire and the Humber. These numbers are significantly higher than across the rest of the country.

The current design of the ACA will disproportionately impact deprived areas through reducing their funding allocations. In fact, all 18 of the most deprived local authority areas in the country will see a reduction in funding due to the ACA, with 13 of these being in the North. The local authority which will see the single largest reduction in funding due to the ACA also happens to be the single most deprived authority in the country: Blackpool.

At the other end of the scale, areas that benefit from the ACA are generally either London boroughs (e.g. Westminster, Tower Hamlets, Kensington and Chelsea, Camden), more prosperous areas in the South of England (e.g. West Berkshire, Three Rivers, Torridge, South Cambridgeshire) or large rural areas (e.g. Isle of Wight, North Devon). This is not to say that these areas do not need funding levels that reflect their elevated service delivery costs, but it cannot be right that the means to ensure this gives no explicit weight to respective levels of deprivation and, as it stands, essentially acts as a redistributive mechanism from the poorest areas of the country.

To address this issue, the ACA could be reformed to specifically incorporate levels of deprivation into any adjustment made to funding allocations, or alternatively, a floor

could be put in place to ensure that either all authorities, or those in the top 25% for deprivation, are not negatively impacted by the ACA.

Question 9 Do you agree or disagree with the inclusion of the Remoteness Adjustment? Do you have any evidence to support or contradict the theory that rural areas face additional costs due to separation from major markets?

No view.

Question 10 Do you agree with the government's proposal to set a notional Council Tax level at the national average level, to achieve the objective of full equalisation?

No view.

Question 11 Do you agree with the government's proposal to fully include the impact of mandatory discounts and exemptions in the measure of taxbase?

No view.

Question 12 Do you agree with the government's proposal to use statistical methods to proxy for the impact of Working Age Local Council Tax Support in the measure of taxbase?

No view.

Question 13 What are your views on the proposed statistical approach to proxy for the impact of Working Age Local Council Tax Support?

No view.

Question 14 Do you agree with the government's proposal to assume that authorities make no use of their discretionary discount and premium schemes in the measure of taxbase?

No view.

Question 15 Do you agree with the government's proposal to apply a uniform Council Tax collection rate assumption to all authorities?

No view.

Question 16 Do you agree with the government's proposal to split or allocate the resource adjustment in multi-tier areas according to the average share in Council Tax receipts in multi-tier areas?

No view.

Question 17 Noting a potential trade-off of an increased levy charged on business rate growth for some local authorities, do you agree that the level of Safety Net protection should increase for 2026-27?

No view.

Question 18 Do you agree with the government's proposal to end the New Homes Bonus in the Settlement from 2026-27 and return the funding currently allocated to the Bonus to the core Settlement, distributed via the updated Settlement Funding Assessment?

We agree with the government's view that the New Homes Bonus was not especially effective as a means of incentivising the development of new homes. Since Bonus payments are heavily influenced by the number of net-additions, the policy also did little to ensure that development within a local authority area aligned with local priorities or local need, including affordable housing need. The payment can also disincentivise local authorities to support regeneration, for which there is a great need in the North, through the influence given to net-additions when calculating Bonus payments. This is because, in many cases, successful regeneration schemes require the demolition of some homes that no longer meet local needs or have reached the end of their serviceable life.

While we strongly agree with the government's ambition of simplifying the funding framework for local government, and reducing the overall number of individual grants and funding streams that local authorities receive, we do not believe that the c.£290 million currently allocated to the New Homes Bonus should be returned to the core funding settlement. This is primarily due to the fact that local authority expenditure is now overwhelmingly directed towards statutory requirements, such as adult and

children's social care. If this funding is simply returned to the overall settlement, it may end up being spent on these obligations rather than making a positive contribution to housing delivery within local authority areas.

Between 2010/11 and 2024/25, local authority expenditure on housing strategy, advice and enabling has reduced in real terms by £146 million, or 71%, in the North. Expenditure on building control, development control and other planning policy has reduced by £109 million or 51% in real terms at the same time. These figures are both higher in the North than across England as a whole: housing strategy, advice and enabling has reduced by 55%, while expenditure on building control, development control and other planning policy has seen a 43% reduction across England.

In the North of England, our local authority members do not need a specific financial incentive like the New Homes Bonus to develop new homes, as they already support increasing development and growth, and the benefits it brings for their communities and the authority. Our members welcomed the reforms to planning introduced by the government, including changes to housing targets and a revised NPPF, while acknowledging that in some areas such an increase in delivery will be challenging. On the back of these changes, local authorities in the North want to play a more active role in supporting and planning housing and wider development, by both developing their own new council homes, and working with the private sector to effectively plan the growth of their areas, in line with their local priorities, and aligned with local infrastructure requirements. The key barrier to this currently, however, is the significantly reduced capacity within authorities, especially in areas of housing and planning, precipitated by reductions in funding.

Therefore, instead of returning funding currently allocated to the New Homes Bonus into the overall settlement, we believe that this funding should be used as a dedicated means to increase the capacity and ability of local authorities to contribute to housing growth and development within their areas, for at least the first three year funding period. This could be done through dedicated grants to local authorities to increase capacity, or through expanding existing government initiatives looking to grow local authority capacity in this area, such as the Council Housebuilding Support Service (CHOSS) and Council Housebuilding Support Fund, or a mixture of both.

Question 19 What measures could the government use to incentivise local authorities to specifically support affordable and sub-market housing?

It should be noted that the government has already made significant progress in this area, namely through the announcement of a new ten-year £39 billion Social and Affordable Homes Programme (SAHP), reforms to the Right to Buy, the commitment to review the threshold of properties managed at which local authority landlords will need



to open a Housing Revenue Account (HRA), confirmation of a new ten-year social housing rent policy of CPI+1%, several measures to increase local authority capacity and capability in housing and planning and a commitment to review the discounted Public Works Loan Board (PWLB) interest rate for HRAs, which will otherwise expire in March 2026.

The principal means for government to further incentivise the development of new affordable housing will be the next Social and Affordable Homes Programme. To specifically incentivise new affordable homes being developed by local authorities, Homes England should work with strategic authorities to develop bespoke funding rounds for local authority landlords who have not recently been developing at scale. These rounds would include higher grant rates and additional capacity funding so they can quickly develop new housing pipelines. This should be confirmed when the SAHP prospectus is published later this year, allowing local authorities to identify potential sites and establish a development pipeline that they could bring forward across this parliament. We also welcome the recently announced pilot scheme for local authorities to progress 'portfolios' of sites across their areas using Affordable Homes Programme funding, rather than only being able to apply for funding on a single site-by-site basis. We believe that this initiative could benefit many ambitious local authorities in the North looking to expand their own development programmes, by giving them greater certainty of grant income. If pilot schemes are successful, this should be rolled out quickly as an offer to all local authorities as part of the next SAHP.

On rents we support the re-introduction of rent convergence at £2 per week, in addition to the wider ten-year policy of CPI+1%, as a means to increase local government and housing association financial capacity. This could then enable further levels of development. We will be responding to the ongoing government consultation on this topic, in more detail, in due course.

Since 2023, developing local authorities across the North have taken advantage of the reduced borrowing rate available for HRA borrowing through the Public Works Loan Board (PWLB). This, alongside wider changes in the housing policy landscape, have been welcomed by the sector and we now have a positive trend of council development to build upon across the rest of this parliament. In 23/24, new home completions by local authorities in the North increased by 21% on the previous year. Allowing this reduced borrowing rate to expire, which is due to occur in March 2026, without replacement, will threaten scheme viability, further reduce the sustainability of Housing Revenue Accounts and limit the ability of councils to continue increasing development plans throughout this parliament. Instead, government could provide long-term confidence for local authorities looking to expand development by extending the period for which this discount is available until at least the end of the parliament. This could be

announced at the next Budget in line with the government's previous commitment to conclude a review of the policy by Autumn.

Beyond this, government can make a difference through a concerted effort to increase capacity and capability in local authority housing and planning teams beyond that which has already been announced. This will put councils in a better position to identify and bring forward their own housing sites and strengthen their hand in Section 106 negotiations with developers, so they can reliably obtain higher levels of developer contributions on private housing sites. We are supportive of previous announcements to recruit 350 new planners in local authorities, as well as programmes such as the Council Housebuilding Support Service, the Council Housebuilding Support Fund and the proposals in the Planning and Infrastructure Bill for local authorities to move towards a system of full cost-recovery for their planning departments. These measures are, however, relatively small when compared with the level of capacity lost from the local government sector in the last 15 years, and with respect to the moves towards full cost-recovery for planning departments, will take time to have a tangible impact and therefore improve capacity and delivery. If government wishes to have a significant impact on the ability of local authorities to deliver more affordable housing quickly, then additional funding for increasing capacity and capability is the best way to initiate this. This could take the form of specific grant funding to local authorities as part of the next funding settlement, increasing funding levels at support initiatives such as the Council Housebuilding Support Service and Council Housebuilding Support Fund, or a mixture of both. Beyond this, government could also look to provide specialist planning capacity at strategic authorities where they could support councils using pooled resource, as well as progress the government's plans to develop strategic planning through the Spatial Development Strategies.

Question 20 Are there any further flexibilities that you think could support local decision-making during the transitional period?

No view.

Question 21 What are the safeguards that would need to go alongside any additional flexibilities?

No view.

Question 22 Do you agree or disagree that we should move local authorities to their updated allocations over the multi-year Settlement? Please provide any additional

information, including the impact this measure could have on local authorities' financial sustainability and service provision.

No view.

Question 23 Do you agree or disagree that we should use a funding floor to protect as many local authorities' income as possible, at flat cash in each year of the Settlement? Please provide any additional information, including on: • The level of protection or income baseline, considerate of the trade-off with allocating funding according to the updated assessment of need and resources; and • The possible impacts on local authorities' financial sustainability and service provision.

If implemented as proposed by the government, we believe that a floor should be placed on funding received by local authorities following the Area Cost Adjustment, especially for local authorities in the most deprived areas – many of which are currently set to see a reduction in funding due to the ACA. This would allow the ACA to reflect additional costs faced by some authorities, without needing to reduce funding from areas with greater levels of deprivation, many of which are found in the North of England and have experienced disproportionately large cuts in expenditure in recent years.

Question 24 Do you agree or disagree with including projections on residential population?

No view.

Question 25 Do you agree or disagree with including projections on Council Tax level?

No view.

Question 26 Do you agree or disagree with including projections on Council Tax base?

No view.

Question 27 Please provide any additional information, including any explanation or evidence for your response and any views on technical delivery. If you agree, what is your preferred method of projecting residential population, Council Tax level and Council Tax base?

No view.

Question 28 Do you agree with the proposed above approach to determining allocations for areas which reorganise into a single unitary authority along existing geographic boundaries?

No view.

Question 29 Do you agree that, where areas are reorganising into multiple new unitary authorities, they should agree a proposal for the division of existing funding locally, based on any guidance set out by central government? Please provide any supporting information, including any further information areas would find helpful in guidance.

No view.

Question 30 Do you agree that the government should work to reduce unnecessary or disproportionate burden created by statutory duties? If you agree, what specific areas of statutory duties impose significant burden without significant value for residents? Please provide any examples of changes you would like to see to statutory duties, being as specific as possible.

Agree.

Since 2010, the North has seen dramatic reductions in spending on local government non-statutory services so that authorities can meet their statutory obligations in areas such as homelessness and care provision for both adults and children. It is no coincidence, therefore, that these areas are essentially the only services that have seen a real terms increase in expenditure over this period. For example, total net expenditure on local authority services in the North is now £10.2 billion lower in real terms than in 2010/11 (30.5%), compared with a 28.5% reduction in England. Furthermore, even larger respective reductions in expenditure can be found in areas such as housing strategy, advice and enabling (71%), cultural and related services (45%), community safety interventions (61%) and building control, development control and planning policy (51%), all of which are to some extent non-statutory.

Previous Northern Housing Consortium research into how residents perceive 'pride of place' in social housing communities across the North identified the crucial role that non-statutory local government services play in the day-to-day quality of life of social housing residents. The areas that made the largest contribution for whether residents were proud of where they live or not were the state of the local environment, including the presence of large quantities of litter and fly-tipping, access to local services including libraries, community spaces, heritage spaces and wider recreational

opportunities, and a feeling of safety or presence of crime and anti-social behaviour in their community.

A lot of resident's views demonstrate the consequences of the cuts to non-statutory services and the need for this capacity to be rebuilt. Many of views can be summed up by a resident from our Pride in Place report:

*“It’s like when I see graffiti on the walls, I don’t even know where to start. I rang the council but couldn’t get through to anyone. It would be good to just know what services there are and how to access them.”*

On the other hand, expenditure in statutory services has increased significantly in real terms in the North. Real terms spending on adult social care, for example, has increased by 14%, children’s social care by 51% and homelessness and temporary accommodation by a remarkable 252% in the North.

Adult and children’s social care especially places a disproportionate burden on local authorities in the North today, having increased from approximately 20% of net service expenditure in 2010/11 to over 33% in 2024/25. These services are incredibly important, providing vital support for the most vulnerable people in society and it is not that we believe funding in these areas should be reduced. The burden of statutory duties has, however, had a detrimental impact on the ability to plan long-term service delivery in areas such as housing, as well as meaning that some of the services delivered by local authorities that are the most visible and impactful for most of the population, yet relatively low-cost, such as public realm improvement and maintenance, have been cut to the bone. Beyond the wider quality of life arguments for investing in the public realm, local heritage, culture and wider recreation, there is a further democratic argument that large proportions of the population are increasingly less aware of the role that local government plays in their lives and, as a result, what their council tax contributions pay for. Our local authority members are all too aware of this issue and are sensitive to the fact that without change this will in turn breed discontent and frustration with local government, harm community cohesion, and likely have significant political ramifications in the future.

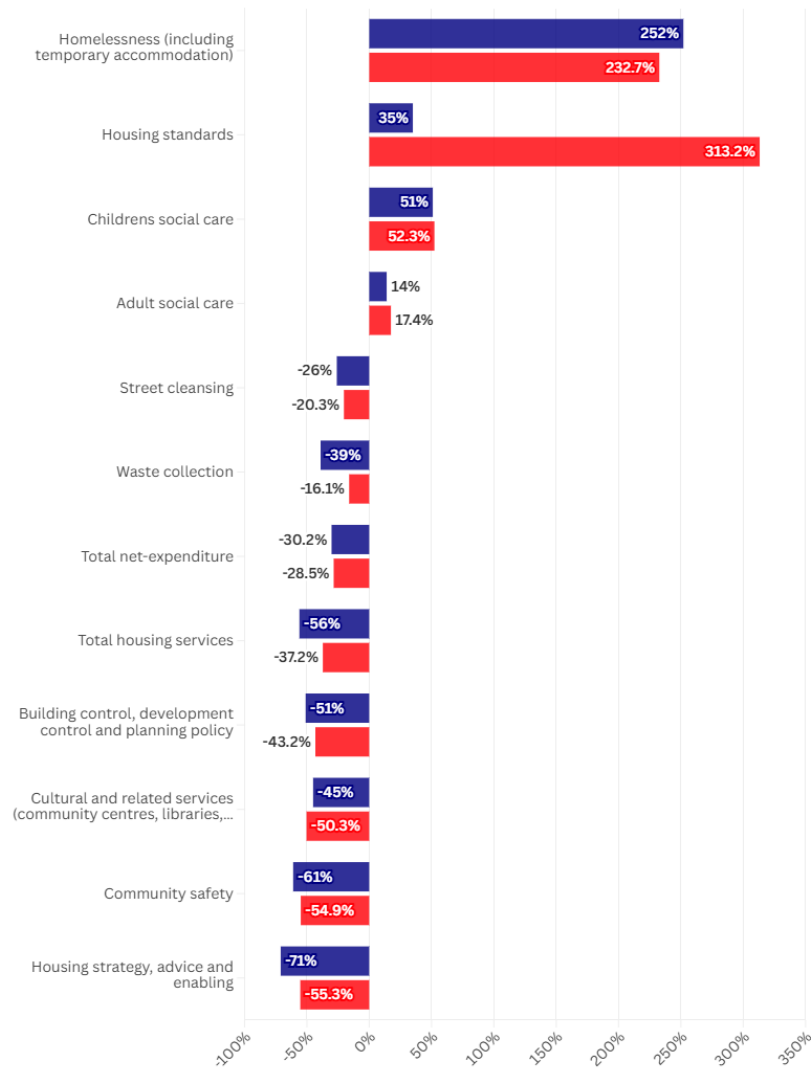
To fully restore the relative funding levels for local authorities in the North, in areas of culture, recreation, community centres, libraries, heritage and other related activities, as well as street cleansing, community safety and waste collection, would cost £1.1bn per year. For reference, this is equivalent to 3.3% of the 2024/25 local authority revenue budget for the North. The delivery of this funding would be transformational and start to repair left behind areas across the North, supporting our members to create better homes and places.

One final area where net expenditure has increased in recent years, both in the North and nationally, is in the enforcement of housing standards. In the North this has increased by 35% and by 313% across England since 2010/11. This period coincides with the introduction of new EPC requirements for properties in the private rental sector, and the increased use of selective licensing schemes to improve standards in privately rented homes. Increasing standards in the private rented sector and effectively enforcing them will be critical in improving the overall quality of our housing stock, especially in the North where there are acute issues with the quality of privately rented homes. For example, privately rented homes in the North West and Yorkshire & Humber are significantly more likely to have a Category 1 hazard under the Housing, Health and Safety Rating System (HHSRS) than England (20.7%, 19.7% and 11.9% of PRS homes respectively).

The recent increases in spending in this area, however, show that the introduction of new requirements for landlords and increasing housing enforcement activity does require increased levels of funding for local authorities and that these efforts are unlikely to become self-sustaining, cost-neutral initiatives, at least at first (figures shown are net of any financial payments paid by landlords such as licensing fees). This has significant implications for the government's ambition to apply the Decent Homes Standard in the private rental sector for the first time, apply new Minimum Energy Efficiency Standards for privately let homes, and the wider Renters Rights Bill agenda. While local authorities may generate additional revenue in the medium-term from registration fees paid by landlords when they join the private rental sector database, previous experience shows that this is unlikely to be sufficient to fund the level of housing enforcement capacity that will be required to effectively implement the government's agenda for improving standards in the PRS, and such enforcement capacity will need to be funded, at least in part, from central government.

**Change in local authority net expenditure in the North, in real terms, from 2010/11 to 2024/25**

■ North ■ England



Question 31 Do you agree with the proposed framework outlined at paragraph 11.2.3 for assessing whether a fee should be changed? Please provide any additional information, for example any additional considerations which would strengthen this proposed assessment framework, and any data which would be used to assess against it.

No view.

Question 32 The government invites views from respondents on how best to balance the need to maintain fee values and the original policy intent of the fee whilst minimising cost of living impacts for service users.

No view.

Question 33 Do you agree that the measures above provide an effective balance between protecting charge payers from excessive increases, while providing authorities with greater control over local revenue raising? Please provide a rationale or your response. We are also interested in any further mechanisms which could be applied to fees that are updated or devolved, that will help strike a balance between those objectives.

No view.

Question 34 Do you agree that we should take action to update fees before exploring options to devolve certain fees to local government in the longer term?

No view.

Question 35 Do you agree or disagree that these are the right Relative Needs Indicators? Are there any other Relative Needs Indicators we should consider? Note that we will not be able to add additional indicators for a 2026-27 update.

Agree.

Question 36 Do you agree or disagree with including population projections in the ASC formula, when published, that have been rebased using Census 2021 data?

No view.

Question 37 Do you agree or disagree with our proposal to include a Low-Income Adjustment (LIA) for the older adults component of the ASC RNF model?

No view.

Question 38 Do you agree or disagree that the overall ASC RNF should combine the two component allocation shares using weights derived from the national 102 ASC net current expenditure data on younger and older adults (in this case 2023 to 2024)? If you disagree, what other weightings would you use? Please provide details for why you would use these weights and what data it would be based on?

No view.



Question 39 Do you agree that ethnicity should be removed as a variable in the CYPS formula? Please explain your reasoning.

No view.

Question 40 Do you agree overall that the new formula represents an accurate assessment of need for children and family services? Please share any reflections or suggested changes.

No view.

Question 41 Do you believe that the components of daytime population inflow should be weighted to reflect their relative impact on demand for services?

No view.

Question 42 Do you agree with/have any comments on the design of the Foundation Formula?

Firstly, it is important to stress that local authorities in the North currently face significant financial pressures and increasing demands on their services that are threatening the sustainability of council finances. These include the well documented pressures caused by adult social care, children's care services and Special Educational Needs and Disabilities (SEND) support. Local authorities in the North also now face significant financial pressure due to growing demands for temporary accommodation and homelessness support. While this was originally a problem focused within London boroughs, this is no longer the case, and the problem is now impacting the North at an alarming rate of increase. In the five years to 2023/24 (the most recent year for which local data is available on actual spend), spending in the North on homelessness and temporary accommodation has more than trebled to more than £270 million a year. Future funding allocations in these areas will need to reflect this growing challenge and the design of the Foundation Formula cannot be viewed outside of this context, as these are the spending areas that have been cut by local authorities to ensure that they can continue to meet their statutory duties.

Secondly, local authorities in the North have seen their levels of service expenditure fall more than the rest of the country in recent years. Total net expenditure in the North is now £10.2 billion lower in real terms than in 2010/11, or 30.5%. This compares to a 28.5% reduction across England as a whole. To ensure that this does not negatively

impact the ability of local authorities in the North to tackle the challenges that they face, we believe that the Foundation Formula, and the wider Fair Funding Review, should explicitly aim to address this discrepancy.

Fundamentally, it is essential that the next round of local government funding, on a new three-year settlement, ensures that councils can deliver effective statutory services, especially in adult and children's social care and the provision of temporary accommodation, without these duties threatening councils' financial viability. However, the settlement will also need to enable councils to build back crucial non-statutory services, such as street cleaning, community safety, the provision of local community spaces such as libraries, museums, community centres and more, which will form part of the Foundation Formula. As our response to this consultation makes clear elsewhere, and our research into Pride in Place also shows, these services are highly valued by communities across the North.

Since 2010/11 it is these very services that have, however, seen some of the largest real terms reductions in spending power. Expenditure on community and related services, for example, has reduced by 45%, spending on community safety interventions by 61%, and spending on street cleaning and waste collection have fallen by 26% and 39% respectively.

Ensuring that while the government reforms local government funding, it also ensures that there is visible and tangible regeneration of place and improvement of services for residents, through ensuring there is funding for such services, is incredibly important. It is crucial to improving the quality of life for residents but also rebuilding trust in the ability for local providers like council's to visibly deliver day to day for communities. As our response has made clear elsewhere, our local authority members are aware that failure to improve in the delivery of these services will lead to increased frustration with local government, and the Fair Funding Review is the best opportunity that government have to put us on the right path.

In addition, as local authorities have reduced non-statutory service provision in the face of cuts to their funding, our housing association members have increasingly felt as if they are the last organisation left in a community, while other partners have had to retreat. In many areas, housing associations have tried to replace services historically delivered by the local authority, to the extent that this is possible. This is not a sustainable solution, however, especially given the extensive demands being placed on housing association finances, and the expectations from government for them to simultaneously improve the quality and energy efficiency of their existing homes and make a sizeable contribution to the government's target of building 1.5 million new homes across this parliament.

It is essential that in the future housing associations are not the only organisations left standing when it comes to providing community spaces and much valued local services. Ensuring there is a healthy and collaborative relationship between housing associations, local authorities and other third sector partners, with adequate levels funding, will be key to ensure long term rebuilding of pride in place for communities across the North.

As previously mentioned, the levels of funding required to take local government spending power for these services back to 2010/11 levels is relatively small as a proportion of total spending, reflecting 3.3% of local authority revenue net-expenditure in 2024/25.

Question 43 Do you agree with/have any comments on the design of the Fire and Rescue Formula?

No view.

Question 44 Do you agree with/have any comments on the design of the formula for Highways Maintenance?

No view.

Question 45 Do you agree with/have any comments on the design of the formula for Home-to-School-Transport?

No view.

Question 46 Do you have any views on the potential impacts of the proposals in this consultation on persons who share a protected characteristic

No view.