

# District Councillor Report January 2025

## **Strategic Authority ‘devolution deal’ for Essex** - this Council notes:

- the success achieved for local residents in some other parts of England by the introduction of a directly-elected Mayor, particularly as they mature in post and negotiate further devolved powers and new funding from Government
- that in other parts of England, new Mayoral models have been less obviously beneficial to local residents, but instead represent an additional tier of government whose benefit is disproportionate to the extra cost to council taxpayers
- that the Government only gives the power to apply for a new Strategic Authority to existing upper tier councils, ie Essex County Council, Thurrock and Southend City Councils in Essex
- that whilst the Government makes only the same upper tier authorities ‘constituent members’ of such new Strategic Authorities, alongside the directly-elected Mayor, some existing district councils have negotiated seats round the table in these new Combined Authorities (as they have until now been known)
- that the White Paper makes it very clear that the Government is determined to move the just over half of English population in Mayoral Strategic Authority areas to 100% over coming years, and that this is effectively a done-deal for Essex, as it already appears to enjoy the support of Essex County, Thurrock and Southend City Councils.
- that Essex County Council’s potential application to central Government by their 10th January 2025 deadline to cancel the May 2025 County Council elections will mean that Uttlesford’s due and planned increase in representation from 4 county councillors to 5 this May will not happen, leaving Uttlesford’s significantly grown, and growing, population under-represented.

## **Local Government Reform for Essex** – this Council notes:

- that whilst the Government allows for consideration of Local Government Reform to be considered separately from a devolution deal for Essex (ie simply the introduction of a Mayoral-led Strategic Authority), they both allow for and actively encourage both matters to come about in parallel
- that within the scope of the Government’s intended new large scale Strategic Authorities, they seem dead-set on replacing the County, District and unitary councils with new unitary councils made up of 500,000+ population
- that the creation of any new unitary council in Essex to include Uttlesford’s just under 100,000 population would lead to a substantial risk that Uttlesford’s distinct rural character would be lost within a much larger council established to serve 500,000+ population
- that this risk of under-serving Uttlesford’s residents and typically rural communities increases proportionately to the larger the size of the new unitary council all the more so when including more urban communities
- the vast amount of work necessary over many years to merge existing councils and to disaggregate Essex County Council services, policies, IT systems, processes and finances across new unitaries
- that the diversion of officer and member resources over several years to the reorganizations will inevitably reduce, or even halt, planned and future improvements in services, planned costs savings, and delivery of new initiatives for local residents

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- that Council Tax payers will see their bills change adversely (ie potentially increase) directly as a result of council mergers, in circumstances where rates are levelled out between authorities that currently charge different sums, in order to fund the reorganization costs
- that district councils are restricted to annual tax rises of 2.99% resulting in this council having rises long term below inflation, but unitaries are allowed 4.99%.
- that the three most expensive councils in England are unitaries with band D tax of about £500 a year more than Uttlesford, and other rural, home counties or mixed rural/urban unitaries such as Buckinghamshire, Cornwall and North Yorkshire also charge more tax.

### **Local Government Finance Reform** – this Council notes:

- the clear intention of Government to continue to squeeze local government finances overall by its decision not to make the Ministry of Housing, Housing and Local Government a ‘protected department’
- the equally clear intention of Government as expressed in the Chancellor’s first budget and delivered in practice in the still-emerging financial settlement to move funding from rural areas of lower deprivation to urban areas of higher deprivation, this being evidenced by ending of the Rural Services Delivery Grant, making Uttlesford £400k pa worse off, and the early indication that additional funding supposed to compensate for the increase in Employers’ National Insurance Contribution rates made in the Chancellor’s budget is not a pound-for-pound recompense, but is part of a heavily weighted formula, with Uttlesford set to incur costs estimated at £337k pa but with only relief funding of £142k being made available.
- while minor devolution changes illustrated by Government, such as not having to decide cattle grid permissions, may be entirely logical and appropriate, the government has neither addressed nor devolved more fundamental matters such as its withheld strict controls and restrictions on most elements of local government finance and centrally regulated fees and charges.

**Planning Reform** – this Council notes: • that the new Government’s policy direction is clear: to deliver on its economic and environmental missions, it wants to make structural changes to the planning system to see more houses and more infrastructure built more quickly and with fewer constraints.

- that Government is equally clear: authorities with up to date Local Plans will continue to have much more power and influence over what gets built where locally than those without – meaning that Uttlesford with its Local Plan just submitted and awaiting Public Inspection is in a very good position to maximise its influence over coming years
- that the Government’s annual housing requirement for Uttlesford over the next 20 years have been increased for a second time by the Government since July 2024, and now stand at over 800 per year.

### **This Council believes:**

1. That creation of new unitary authorities must be based on all (awaited) material evidence, including local synergies, and it reaffirms its core intent always to work to achieve the best outcomes for both the current and future Uttlesford residents and businesses of a new unitary authority
2. That disruption and uncertainty to Uttlesford staff arising from merger into unitaries must be minimised.

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3. That as Essex County Council will not be disbanded for least two and possibly three years, and as setting up a new Mayoral-led Strategic Authority would be entirely separate to the normal work of councillors, the May 2025 County election should go on as scheduled; to cancel it would deny Uttlesford residents their vote including increased representation from the increase in number of electoral divisions covering Uttlesford; further, that as the proposal to cancel the election appears to have little evidential basis, it is politically motivated so as to keep the current administration in power for several more years without having to face the electorate.
4. That if there is robust evidence that a new Mayoral-led Strategic Authority would bring genuinely new funding, not just redirection of existing budgets, and effective strategic benefits in addition to what unitaries and/or the existing structures can achieve, and without significant extra burden on council tax payers, then it should be supported.
5. That district councils (and for so long as they exist) should have a direct say as voting members of a new Strategic Authority for Essex, alongside the proposed new directly-elected Mayor and the leaders of the county and current two unitary councils.
6. That rural and relatively-less-deprived council areas like Uttlesford's look set to continue to suffer from austerity as much under this government as the last, as evidenced by the removal of grants and the New Homes Bonus with no replacement, and that enforced mergers by government of district councils into unitaries may be a politically convenient substitute for reasonable and proper funding, and with any consequent financial difficulties able to be blamed on the new councils
7. That merging councils which are under financial pressure, including the largest element being the County, will not magic away existing financial difficulties and as the merger, dismantling and run-off costs of legacy assets and liabilities will not be met by government, those difficulties will be made worse and further cuts in facilities and services, but also tax rises, will be required.
8. That new, large unitaries are not inherently more financially efficient than district councils, and that their creation will lead to a pay spiral amongst the highest paid staff
9. That a majority of residents will pay more than they do at present through likely higher Council Tax bills for a new Mayoral-led Strategic Authority and a new unitary council than they do at present for a district council and a county council together.
10. That the provision of both current services and the delivery of new ambitions will be distracted over several years because of the unavoidable workload associated with merging into new unitary councils, and that this will continue for several years beyond the actual start ("vesting") date of the new unitary councils
11. That new unitary councils will struggle for financial viability unless the government devolves the setting of council tax rates and all fees and charges, and provides the vital long term financial stability which has frequently been promised and never delivered to district councils
12. The council must be represented at all meetings concerning devolution and local government reorganisation matters where Uttlesford residents would be affected.