

Open Report on behalf of Tony McArdle, Chief Executive

Report to:	Executive
Date:	03 October 2017
Subject:	A Fair Deal for Lincolnshire
Decision Reference:	I014448
Key decision?	No

Summary

At its last meeting, Council approved a proposal to engage in a lobbying strategy to achieve an improved funding deal, not just for Lincolnshire County Council but for the Greater Lincolnshire area. Following this decision, on 22 September the Greater Lincolnshire Leaders and Chief Executives met to discuss 'A Fair Deal for Lincolnshire'. The Executive is invited to note and approve the outcome of that discussion.

The current position

The Government has committed to conducting a fairer funding review. Depending upon how this proceeds, it has the potential to radically alter the funding profile for Lincolnshire local authorities.

In outline, net revenue expenditure in Greater Lincolnshire in 2017/18 was £1.3bn. On a per household basis this works out at 9 per cent below the England average.

Referring to figure 1, we can see that to bring Greater Lincolnshire in line with the England average for all areas, there is a gap of £116.2m in 2017/18.

Figure 1 - Additional/Reduction in Local Authority Funding if Lincolnshire was in line with England/class average
Source: Core Spending Power: Local Government Finance Settlement, DCLG; Lincolnshire County Council Analysis

Local Authority Areas	Net Revenue Expenditure (£m, 2017/18)	Additional Funding (based on England average, £m, 2017/18)
Lincolnshire Area	905.3	94.7
Unitary Authorities Area	399.1	21.5
Greater Lincolnshire Area	1304.4	116.2

This is a significant imbalance and it is clearly right that it should be addressed. It has to be recognised however that any changes to the current system will produce winners and losers, and it is therefore in the interests of some others to limit the degree to which this imbalance is addressed. In order to secure fairness for Lincolnshire, it will be important to bring pressure to bear on those who can

affect change. This will include Ministers, local MPs, DCLG and the LGA.

Consideration by Greater Lincolnshire Leaders and Chief Executives:

It was agreed that the thrust of this campaign is fairness. Whilst attracting extra funding to Lincolnshire as a whole is the aim, it was recognised that the effects of the current funding imbalances vary in respect of individual authorities.

Any agreement would necessitate the production of a distribution formula for the disbursement of any additional funds received on a 'no detriment' basis.

The Greater Lincolnshire Leaders therefore agreed in principle the proposal to join the campaign, subject to clarification on the mechanism for achieving the 'no detriment' outcome and for the fair distribution of additional funds. Further to resolution of this issue, a motion will be presented at each of the remaining seven Councils (LCC, West Lindsey DC and North Kesteven DC have already agreed the motion) to gain full support.

Additionally, all leaders agreed to write to the LGA requesting its most strenuous efforts are made to inform and influence the Fairer Funding Review. All leaders agreed to individually engage with their relevant organisations for example, CCN, DCN, to elicit their full support for the Fairer Funding Review.

The leaders agreed to individually engage with their local MPs and Government Ministers to strongly set out the case for Lincolnshire. A briefing (co-ordinated by LCC) will be arranged for all local MPs to attend. This briefing will include an open letter for all MPs to sign along with all 10 Council leaders, both PCC's, both University Vice Chancellors, the Chairs of the Greater Lincolnshire LEP, Chamber of Commerce, FSB and IOD. Cllr Martin Hill has already met with representatives of the Lincolnshire Chamber and the FSB.

In support of the campaign, and to elicit as much publicity as possible all leaders have agreed to write to their Parish Councils to invite their support and to encourage them to publicise it by way of parish magazines/newsletters.

A campaign poster, once agreed, will be displayed across the region including on bin lorries, petrol nozzles and in council-owned buildings, giving the public the message of the difference the extra £116 million funding could make to residents and businesses in Lincolnshire. Alongside this, councils will use their own established channels of communications including staff and councillor briefings, public newsletters and magazines, websites and social media, and regular columns in local media. Business leaders have also been engaged to be advocates for the campaign and will feature the campaign in their publications.

As the campaign develops there will be targeted media opportunities in all the Districts to further engage the public and the local MPs.

Recommendation(s):

That the Executive approves the approach and receives further updates as the campaign develops.

Alternatives Considered:

1- Not to carry out the campaign. However, there is National recognition that the current local government funding system is unfair, and a campaign is required to strongly encourage the Government to make the commitment to review the allocation with some urgency.

Reasons for Recommendation:

The Government accepts this. It has committed to review the funding arrangements in order to bring about 'Fairer Funding'. Greater Lincolnshire as a whole loses out significantly under the present arrangements. It is therefore considered imperative that the opportunity afforded by this review is grasped to the full. To bring Greater Lincolnshire in line with the England average, to be fair and to permit the Greater Lincolnshire Authorities to spend on every resident the average amount that is spent elsewhere in England, the total level of Government funding to the 10 Councils needs to increase by £116m per annum.

2. Legal Issues:Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- * Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
- * Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- * Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- * Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic
- * Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it

* Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding

Compliance with the duties in section 149 may involve treating some persons more favourably than others

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process

These matters have been reviewed and there is not considered to be any direct impact of the decisions called for by this Report on the Equality Act duty or any of the strategies and obligations. The paper is aimed at lobbying for an improved funding package for the Greater Lincolnshire area and, if successful, should provide additional funding to deal with equality related matters. Funding decisions will continue to have regard to equality act obligations and the various strategies and obligations referred to as they are taken.

Joint Strategic Needs Analysis (JSNA and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Well Being Strategy (JHWS) in coming to a decision

The Joint Strategic Needs Analysis have been considered and there is not considered to be any direct impact on this matter as a result of the decisions called for by this Report. The paper is aimed at lobbying for an improved funding package for the Greater Lincolnshire area and, if successful, should provide additional funding to assist with these obligations. Funding decisions will continue to have regard to JSNA/JHWS obligations and the various strategies and obligations referred to as they are taken.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area

Section 17 of the Crime and Disorder Act 1998 have been considered and there is not considered to be any direct impact on this matter as a result of the decisions called for by this Report. The paper is aimed at lobbying for an improved funding package for the Greater Lincolnshire area and, if successful, should provide additional funding to assist with these obligations. Funding decisions will continue to have regard to Section 17 obligations and the various strategies and obligations referred to as they are taken.

3. Conclusion

All councils in Greater Lincolnshire continue to face significant budget shortfalls and pressures in future years exacerbated by reducing funding from Government. There is clear evidence that, collectively, the councils in the Greater Lincolnshire area are not presently funded on a fair basis compared to other local authorities.

Given the Government is undertaking to review the funding basis for local government now is an appropriate time to undertake proactive lobbying activity to ensure a better financial deal for the people in Greater Lincolnshire as a whole.

4. Legal Comments:

The Council has the power to press its case in relation to fair funding and to do so on the basis of fairer funding for the Greater Lincolnshire area. In issuing communications to the public or a section of the public the Council will need to have regard to the Code of Recommended Practice on Local Authority Publicity.

5. Resource Comments:

There are no material financial implications from accepting the recommendations in this report. Clearly the recommendation is, in itself, important in seeking to achieve an improved funding settlement from Government for the Councils in Greater Lincolnshire.

6. Consultation

a) Has Local Member Been Consulted?

N/A

b) Has Executive Councillor Been Consulted?

N/A

c) Scrutiny Comments

There has been no pre-decision scrutiny of this matter.

d) Have Risks and Impact Analysis been carried out?

No

e) Risks and Impact Analysis

N/A

7. Appendices

N/A

8. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Tony McArdle, who can be contacted on 01522 552000 or tony.mcardle@lincolnshire.gov.uk .