Millions of rural residents face 'chronically unfair' postcode lottery on funding for their local services

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Millions of rural residents receive almost 50% less funding for their public services compared to their neighbours in England's largest cities, leading to calls for an end to the postcode lottery of government funding and for a 'new deal' for county areas.

Collectively, England's 37 county areas received £3.2bn less than the English average (including London and towns and cities outside rural areas) this year, new statistics reveal.

This means that on average, county councils received £650 per person in 2017/18 for public services such as adult social care, buses, libraries, bin collections, pothole repairs, and children's social services. In contrast, a city or metropolitan borough resident receives £825 for their services, whilst those in inner London enjoy £1,190 per person.

Leaders of England's largest rural councils are gathering today and tomorrow at the County Councils Network Annual Conference, where they will tell government ministers in attendance that they need a new deal for their rural areas and communities otherwise frontline public services will have to be cut.

This is because county authorities face a funding black hole of £2.54bn by 2021, due to austerity and these funding inequalities between rural and urban areas.

Just days before Chancellor's Autumn Budget, **Cllr Paul Carter, Chairman of the County Councils Network and Leader of Kent County Council,** will tell delegates today:

"Our services are threatened and under pressure like never before. Unless these inequalities are addressed, many of the highly valued services to our public will diminish or disappear.

"For too long now, the 26 million people in England's shire counties have not received a fair share of national resources.

"This means our shire heartlands are receiving an eye-watering £3.2bn less than other parts of the country for services.

"This impacts on the daily lives on our residents, all whilst they unfairly subsidise services enjoyed in other parts of the country through higher council tax bills. This is outdated and chronically unfair."

He will warn the gathering of predominately Conservative councillors that there are growing concerns that the government's review of local government finance will not resolve historical inequalities, and 'fudge' the issue, a situation he argues, will not be tolerated by county MPs.

These historical inequalities have led to a number of geographical quirks where residents are playing a postcode lottery in funding for their local services.

For example, a rural taxpayer in Leicestershire gets £428 per person for their public services, but those living, in some cases, less than a mile away in Leicester (a unitary city council) receive £1,107 per person for their services – 61% more.

With county leaders having little choice but to raise council tax to make up the shortfall, they warn that their residents are unfairly subsidising the services enjoyed in other parts of the country.

The average county council tax bills is now £1,661; whilst councils such as Westminster and Kensington & Chelsea have been in a position to freeze their bills, last year offering residents in multi-million pound homes rates as low as £669 and £1,059 for average Band D properties.

ENDS

Notes to editor

- CCN is the national voice for England's county councils. It represents all 27 county councils and 10 county unitary authorities. Collectively, they represent 26 million people, or 47% of the country's population. It is a special interest group of the Local Government Association. For more information, visit www.countycouncilsnetwork.org.uk.
- CCN Annual Conference is one of the premier local government events of the year, attended by over 150 council leaders, chief executives, and cabinet members, plus government ministers, MPs, and prominent speakers. This year's event takes place in Marlow, Buckinghamshire, from 19-21 November.
- Download a copy of CCN's advocacy document, *'a new deal for counties'*, here.

National and regional breakdowns of funding per local authority type/area:

Council type	Average funding per head
Inner London	£1,190
Outer London	£944
Metropolitan Borough	£825
London Borough	£675
Unitary	£675
County areas	£650

East Midlands

County	Funding per head

Derbyshire

Nottinghamshire

Lincolnshire

Northamptonshire

Leicestershire

Average

East of England

County

Essex

Suffolk

Norfolk

Cambridgeshire

Hertfordshire

Central Bedfordshire

Average	£627

South East

County	**Spending per head**
Buckinghamshire	£910
East Sussex	£636
Hampshire	£720
Kent	£655
Oxfordshire	£521
Surrey	£589
West Sussex	£658
Average	£662

South West

County	**Spending per head**
Cornwall	£591
Devon	£609

Dorset

£742

Leicestershire

£640

£541

Somerset

Wiltshire

£555

Average

£610

West Midlands

Lending per head

Staffordshire

£592

Warwickshire

£602

Worcestershire

£554

Herefordshire

£557

Shropshire

£655

Average

£597

North West

Lending per head
£892
£729
£827
£562
£800

North East

Lending per head
£895
£762
£845

Yorkshire & Humber

Lending per head

North Yorkshire £836

East Riding £631

Average £794

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