

TONBRIDGE & MALLING BOROUGH COUNCIL
FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

24 September 2014

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 LOCAL GOVERNMENT FINANCE SETTLEMENT 2015-16: TECHNICAL CONSULTATION

In July 2014 the Department for Communities and Local Government published the Local Government Finance Settlement 2015-16: Technical Consultation.

1.1 Introduction

1.1.1 The consultation outlines the proposed changes to the illustrative 2015-16 local government finance settlement which was published alongside the 2014-15 settlement in February 2014. The return date for responses to the consultation is 25 September 2014.

1.1.2 As the return date is tomorrow, I did ask and obtain the approval of the Leader, Cabinet Member for Finance and Innovation and your Chairman to my response to the consultation. A copy of the response can be found at **[Annex 1]**.

The paper can be found at the following link:

<https://www.gov.uk/government/consultations/local-government-finance-settlement-2015-to-2016-technical-consultation>

1.2 Overview

1.2.1 The key points from the technical consultation are:

- Continued compensation for the reduced income from business rates as a result of the 2% cap on the small business rates multiplier.
- To roll in three specific grants into the Revenue Support Grant (in line with previous years). These grants are 2014/15 Council Tax Freeze Grant, Efficiency Support Grant and Rural Services Delivery Grant.

- To remove £6.4m in funding from authorities that have fallen below the threshold for participation in the Carbon Reduction Commitment Energy Efficiency Scheme.
- Planned deductions will be unchanged, i.e. New Homes Bonus and the Safety Net.

1.2.2 What matters of course is how these proposals shake out to individual local authorities and included in the consultation are indicative Settlement Funding Assessments (SFA) for 2015-16. As none of the proposed changes outlined in the consultation are relevant to this Council you would expect our indicative SFA to be unchanged, i.e. £3,684,595, and it is.

1.2.3 The provisional settlement for 2015-16 will be consulted on in the usual way in Autumn 2014.

1.3 Pooling Prospectus

1.3.1 The DCLG have also issued the Business rates retention scheme: pooling prospectus. This sets out the opportunities that pooling presents for local authorities under the business rates retention scheme and the process for formally designating pools.

1.3.2 It invites local councils who are seeking to establish a pool for 2015/16 to come forward with their pooling proposals by 31 October 2014.

1.3.3 It can be found at the following link:

<https://www.gov.uk/government/publications/business-rates-retention-scheme-pooling>

1.4 Legal Implications

1.4.1 None.

1.5 Financial and Value for Money Considerations

1.5.1 As set out above.

1.6 Risk Assessment

1.6.1 None.

1.7 Equality Impact Assessment

1.7.1 See 'Screening for equality impacts' table at end of report

1.8 Recommendations

- 1.8.1 Members are requested to **endorse** the response to the consultation as previously agreed with the Leader of the Council, Cabinet Member for Finance Innovation and Property and your Chairman.

The Director of Finance and Transformation confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and policy Framework.

Background papers:

contact: Neil Lawley

Nil

Sharon Shelton
Director of Finance and Transformation

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	This report sets out our response to a consultation paper published by the Department for Communities and Local Government.
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	See above.
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		Not applicable.

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.