

Report to the Finance Performance Management Cabinet Committee



**Epping Forest
District Council**

Report reference: FPM-006-2014/15
Date of meeting: 18 September 2014

Portfolio: Finance

Subject: Government Consultation on Finance Settlement

Responsible Officer: Bob Palmer (01992 564279).

Democratic Services: Rebecca Perrin (01992 564532).

Recommendations/Decisions Required:

To consider and amend where necessary the proposed responses to the Government consultation.

Executive Summary:

At the end of July the Government issued a technical consultation on the Local Government Finance Settlement 2015/16. The consultation runs for ten weeks to 25 September.

A brief summary of the consultation paper is provided in the report below, with the draft responses attached as a separate appendix. Some exemplifications have been provided to support the various proposals but it is not clear in some instances if this Council will benefit from a given change or alternative. Where it is unclear what the effect of a proposal will be or the case for it has not been well made in the consultation the suggested response is "No Comment".

Reasons for Proposed Decision:

To determine the responses to be made to the consultation.

Other Options for Action:

Members could decide to not respond, to respond in part or to respond in full to each of the six questions.

Report:

Technical Consultation – Local Government Finance Settlement 2015/16

1. This consultation seeks views on a limited range of detailed and technical issues concerning the 2015/16 Local Government Finance Settlement. Illustrative figures for the 2015/16 Settlement were published as part of the 2014/15 Settlement. Exemplifications are provided for potential changes arising from the consultation. Only one of the proposals changes the grant for this Council and that is the "Rolling in" of council tax freeze support and this would increase our Settlement Funding Assessment by £83,000 to £5,476,000.

2. It is something of a relief that the consultation has not proposed any additional reductions

in funding. However, it should be remembered that the Funding Assessment for 2014/15 is £6,375,000 and so the additional funds for 2015/16 mean that the reduction in Funding Assessment could be 14.1% instead of 15.4%.

3. The appendix lists the six questions and provides an explanatory comment and draft response for each question. Member's views are requested.

Resource Implications:

As the consultation sets out different options the resource implications are unclear but in constructing the MTFS a prudent view has been taken on each issue.

Whatever the outcome of the consultation it is clear that local authorities will suffer a further substantial reduction in their funding.

Legal and Governance Implications:

Changes following the consultation will be included in subsequent Local Government Finance Bills and will come into effect from 1 April 2015.

Safer, Cleaner and Greener Implications:

None.

Consultation Undertaken:

None.

Background Papers:

DCLG Consultation document –
a) Local Government Finance Settlement 2015/16

Copies of the above document are available on the DCLG website or can be obtained from the Director of Resources.

Risk Management:

There is a risk that if insufficient responses are made to consultations the Government will either stop consulting or will not act on the responses they receive.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

Date / Name	Summary of equality analysis
5/09/14 Director of Resources	The report is about responding to a Government consultation. Whilst the response is aimed at increasing overall resources it does not deal with the use of those resources and so has no equalities implications.