

BUSINESS RATES RETENTION: TECHNICAL CONSULTATION

Splitting 2012-13 Formula Grant between the service tiers

Introduction

1. This paper is aimed at the 135 authorities that provide more than one of the four tiers of service so will be of particular interest to those authorities.
2. It sets out the results of applying the methodology the government proposes to use to notionally split the 2012-13 formula grant into a portion for each appropriate tier for each of the authorities involved.

Background

3. Chapter 13 of the technical consultation paper on business rates retention¹, published on 17 July, set out the Government's intention to scale the 2013-14 authority-level allocations of Revenue Support Grant to the level of the 2014-15 control total for services funded through the rates retention system.
4. It explained that ,since floor damping is calculated on a like-for-like basis, this means that the Department for Communities and Local Government will have to notionally split the 2012-13 formula grant into a portion for each appropriate service tier – upper-tier, lower-tier, police and fire and rescue.
5. The business rates retention consultation paper set out the methodology that the Government intends to use to do this and said that we would publish the results of applying the methodology so each of the affected authorities could check the calculations for their own authority.
6. Attached are five annexes to enable those affected to do this:
 - A A list of the 135 authorities involved, together with the tiers of service for which they have responsibility
 - B An exemplification showing how the 1990-91 assumed debt and new debt for every year since then has been split between tiers
 - C An exemplification showing how each of the Relative Needs Formulae (at sub-block level) have been allocated between tiers
 - D An exemplification showing the breakdown of formula grant, and how these have been allocated between tiers

¹ <http://www.communities.gov.uk/publications/localgovernment/businessratestechnical>

E An Excel model showing how formula grant has been allocated

Next steps

6. The Government would welcome your views on the methodology, in the response you make to the technical consultation paper on business rates retention.
7. Meanwhile , if you have a query about the calculations presented, please send an e mail to karen.sussex@communities.gsi.gov.uk
8. If you are not able to respond by email, please send your query to:

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Department for Communities and Local Government
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Annex A – Authorities Providing More Than One Tier of Services

Metropolitan Areas

Authority	Upper-Tier Services	Police Services	Fire Services	Lower-Tier Services
Barnsley Borough Council	✓			✓
Birmingham City Council	✓			✓
Bolton Borough Council	✓			✓
Bradford City Council	✓			✓
Bury Borough Council	✓			✓
Calderdale Borough Council	✓			✓
Coventry City Council	✓			✓
Doncaster Borough Council	✓			✓
Dudley Borough Council	✓			✓
Gateshead Borough Council	✓			✓
Kirklees Borough Council	✓			✓
Knowsley Borough Council	✓			✓
Leeds City Council	✓			✓
Liverpool City Council	✓			✓
Manchester City Council	✓			✓
Newcastle upon Tyne City Council	✓			✓
North Tyneside Borough Council	✓			✓
Oldham Borough Council	✓			✓
Rochdale Borough Council	✓			✓
Rotherham Borough Council	✓			✓
Salford City Council	✓			✓
Sandwell Borough Council	✓			✓
Sefton Borough Council	✓			✓
Sheffield City Council	✓			✓
Solihull Borough Council	✓			✓
South Tyneside Borough Council	✓			✓
St Helens Borough Council	✓			✓
Stockport Borough Council	✓			✓
Sunderland City Council	✓			✓
Tameside Borough Council	✓			✓
Trafford Borough Council	✓			✓
Wakefield City Council	✓			✓
Walsall Borough Council	✓			✓
Wigan Borough Council	✓			✓
Wirral Borough Council	✓			✓
Wolverhampton City Council	✓			✓

London Area

Authority	Upper-Tier Services	Police Services	Fire Services	Lower-Tier Services
Barking and Dagenham Borough Council	✓			✓
Barnet Borough Council	✓			✓
Bexley Borough Council	✓			✓
Brent Borough Council	✓			✓
Bromley Borough Council	✓			✓
Camden Borough Council	✓			✓
Common Council of the City of London	✓	✓		✓
Croydon Borough Council	✓			✓
Ealing Borough Council	✓			✓
Enfield Borough Council	✓			✓
Greenwich Borough Council	✓			✓
Hackney Borough Council	✓			✓
Hammersmith and Fulham Borough Council	✓			✓
Haringey Borough Council	✓			✓
Harrow Borough Council	✓			✓
Havering Borough Council	✓			✓
Hillingdon Borough Council	✓			✓
Hounslow Borough Council	✓			✓
Islington Borough Council	✓			✓
Kensington and Chelsea Borough Council	✓			✓
Kingston upon Thames Borough Council	✓			✓
Lambeth Borough Council	✓			✓
Lewisham Borough Council	✓			✓
Merton Borough Council	✓			✓
Newham Borough Council	✓			✓
Redbridge Borough Council	✓			✓
Richmond upon Thames Borough Council	✓			✓
Southwark Borough Council	✓			✓
Sutton Borough Council	✓			✓
Tower Hamlets Borough Council	✓			✓
Waltham Forest Borough Council	✓			✓
Wandsworth Borough Council	✓			✓
Westminster City Council	✓			✓

Shire Areas

Unitary Authorities

Authority	Upper-Tier Services	Police Services	Fire Services	Lower-Tier Services
Bath & North East Somerset Council	✓			✓
Bedford Borough Council	✓			✓
Blackburn with Darwen Borough Council	✓			✓
Blackpool Borough Council	✓			✓
Bournemouth Borough Council	✓			✓
Bracknell Forest Borough Council	✓			✓
Brighton & Hove City Council	✓			✓
Bristol City Council	✓			✓
Central Bedfordshire Council	✓			✓
Cheshire East Council	✓			✓
Cheshire West and Chester Council	✓			✓
Cornwall Council	✓		✓	✓
Darlington Borough Council	✓			✓
Derby City Council	✓			✓
Durham County Council	✓			✓
East Riding of Yorkshire Council	✓			✓
Halton Borough Council	✓			✓
Hartlepool Borough Council	✓			✓
Herefordshire Council	✓			✓
Isle of Wight Council	✓		✓	✓
Kingston upon Hull City Council	✓			✓
Leicester City Council	✓			✓
Luton Borough Council	✓			✓
Medway Council	✓			✓
Middlesbrough Borough Council	✓			✓
Milton Keynes Council	✓			✓
North East Lincolnshire Borough Council	✓			✓
North Lincolnshire Council	✓			✓
North Somerset Council	✓			✓
Northumberland County Council	✓		✓	✓
Nottingham City Council	✓			✓
Peterborough City Council	✓			✓
Plymouth City Council	✓			✓
Poole Borough Council	✓			✓
Portsmouth City Council	✓			✓
Reading Borough Council	✓			✓
Redcar and Cleveland Borough Council	✓			✓
Rutland County Council	✓			✓
Shropshire Council	✓			✓
Slough Borough Council	✓			✓
South Gloucestershire Council	✓			✓
Southampton City Council	✓			✓

Authority	Upper-Tier Services	Police Services	Fire Services	Lower-Tier Services
Southend-on-Sea Borough Council	✓			✓
Stockton-on-Tees Borough Council	✓			✓
Stoke-on-Trent City Council	✓			✓
Swindon Borough Council	✓			✓
Telford and the Wrekin Council	✓			✓
Thurrock Borough Council	✓			✓
Torbay Council	✓			✓
Warrington Borough Council	✓			✓
West Berkshire Council	✓			✓
Wiltshire Council	✓			✓
Windsor and Maidenhead Borough Council	✓			✓
Wokingham Borough Council	✓			✓
York City Council	✓			✓

County Councils

Authority	Upper-Tier Services	Police Services	Fire Services	Lower-Tier Services
Cumbria County Council	✓		✓	
Gloucestershire County Council	✓		✓	
Hertfordshire County Council	✓		✓	
Lincolnshire County Council	✓		✓	
Norfolk County Council	✓		✓	
Northamptonshire County Council	✓		✓	
Oxfordshire County Council	✓		✓	
Suffolk County Council	✓		✓	
Surrey County Council	✓		✓	
Warwickshire County Council	✓		✓	
West Sussex County Council	✓		✓	