



Department for Communities and Local Government

1 August 2014

The Chief Executive
County Councils in England
District Councils in England
London Borough Councils
Greater London Authority
Council of the Isles of Scilly
The Town Clerk, City of London
The Clerk
Fire and Rescue Authorities
Combined Fire and Rescue Authorities

LOCAL GOVERNMENT FINANCE: STATUTORY NOTICE OF DATA COLLECTION ***Local Government Finance Act 1988, section 139A*** **Data required from local authorities**

1. **We collect indicator data in order for the Secretary of State to keep under review the distribution of Revenue Support Grant, and assist with any future calculations and analysis. This letter gives statutory notice of data required from the authority by 1 October 2014, or other such date specified, in Annex A. Hard copies of the letter are available on request.**

Background

2. The new business rates retention system came into force on 1 April 2013 and enables local authorities to retain a share of business rates, and increases on that share, giving them a significant financial incentive to help deliver growth locally. Full details are available on our website:

<http://www.local.communities.gov.uk/finance/1314/settle.htm>

3. Indicator data collected from local authorities and other sources during 2012 were used for the calculation of the 2013-14 settlement and to establish the start-up funding assessments for the new business rates retention system. Details of the indicators and data values used in calculating the 2013-14 settlement are available on our website:

<http://www.local.communities.gov.uk/finance/1314/TABS1314dat.htm>

4. In order to maximise the growth incentive, it is intended that the next reset will occur in 2020. The baseline funding level, on which the safety net payments are based, and tariffs and top-ups will therefore simply be uprated by the Retail Price Index.
5. The 2014-15 settlement was calculated by scaling back the 2013-14 authority level allocations of Revenue Support Grant and did not use indicator data. It is proposed that the 2015-16 settlement should be calculated by scaling back the 2014-15 settlement allocations in the same way. However we intend to continue our collection of data and maintain our time series which will assist with future calculations and analysis. Annex A sets out the data required.
6. The Government is consulting on the methodology for the calculation of the 2015-16 settlement. Consultation on these proposals was announced on 22 July 2014. The closing date for responses is 25 September 2014:

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

7. The Secretary of State expects to notify the local authority associations and make an announcement in the House of Commons of the draft settlement for 2015-16 in December, following established practice. Notification marks the start of the period of statutory consultation on the proposed settlement before the final 2015-16 settlement can be approved by Parliament.

Statutory Notice

8. We intend to continue to collect indicator data and maintain the time series in order for the Secretary of State to keep the distribution of Revenue Support Grant under review and assist with any future calculations and analysis. This letter gives statutory notice of data required from the authority by 1 October 2014, or other such date specified in Annex A.
9. Therefore in accordance with section 139A of the Local Government Finance Act 1988 (as inserted by paragraph 68 of Schedule 5 to the Local Government and Housing Act 1989, and amended by paragraph 77 of Schedule 13 to the Local Government Finance Act 1992 and section 109(2) of the Greater London Authority Act 1999), the authority is hereby required, **if it has NOT already done so**, to supply in writing to the relevant departments the information listed in Annex A to this letter for authorities in its class. The information is to be supplied on or before 1 October 2014, or such other date specified in Annex A.
10. You should be aware that, if an authority cannot supply the required information on or before 1 October 2014 (or such other specified date), the Secretary of State may, pursuant to section 139A(3) of the Local Government Finance Act 1988, assume the information required to be such as he sees fit.

Practical implications

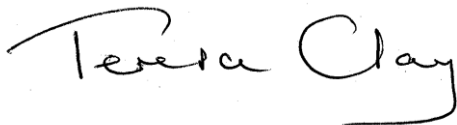
11. The authority may already have submitted the forms specified in Annex A. **There is NO need to provide the same information a second time.** But you may wish to re-check this data. If any amendments are required, they must reach the relevant government department by 1 October 2014 (or such other specified date).

12. Forms should be returned to the address specified for them; there is **NO** need to **send further copies to this part of the Department for Communities and Local Government**. Where a Government department has set a date for the return of a form, that date remains relevant for purposes other than in relation to the local government finance settlement analysis.
13. In accordance with previous practice, if the Secretary of State considers it appropriate to do so, he may rely on estimates based on information supplied to the relevant department at a date earlier than 1 October 2014.
14. If you have any enquiries **relating to particular forms or data** please contact the person who deals with those data. A list of these contacts is at Annex B. If you have any **general enquiries** arising from this letter, please contact Shafi Khan or Gavin Sayer:

shafi.khan@communities.gsi.gov.uk or gavin.sayer@communities.gsi.gov.uk

Electronic dissemination of consultation documentation

15. We intend to continue to publish local government finance settlement documentation on our website. In order to inform authorities when information is available we need up to date contact addresses. A blank version of the form (i.e. without each authority's details as we currently have them) can be found on our website. I would be grateful if you could send any amendments to karen.sussex@communities.gsi.gov.uk.



TERESA CLAY

Local Government Finance – Business Rates and Settlement