

REPORT OF THE LEADER OF THE COUNCIL**FAIR FUNDING CAMPAIGN****Purpose of the Report**

1. To advise Members that the Council has given its support to Leicestershire County Council's renewed call for fair funding from the Government and to seek approval for regular updates to be submitted to Policy Committee.

Information and Advice

2. At the time of the Local Government Settlement for 2016-17, Government announced that there would be a review of the needs assessment formula that would underpin 100% business rate retention. Since then, the enabling legislation that would underpin business rates retention has fallen away. However, the understanding is that it is still the intention of Government to undertake a review of the needs assessment formula.
3. Nottinghamshire County Council responded to the Government's consultation on the fair funding review in September 2016. In that response the Council set out its view on the current "four block model" of funding and the need for a funding mechanism that is more forward looking and that incorporated measures to respond to demand led services such as adult and children's social care.
4. It is now widely recognised that there is some uncertainty in terms of how local government will be financed beyond 2020. Therefore, Nottinghamshire County Council has renewed its support to make a call on Government for the fair funding review and the development of a funding mechanism that is matched to a local area's need.
5. Leicestershire County Council has developed a new model of funding which allocates money based on factors that drive demand for local services, and narrows the gap between highest and lowest funded councils. Nottinghamshire County Council's funding is currently £730 per resident. Under Leicestershire's model this would increase by £44 per resident, equating to £35million in total.
6. Following consultation with the Chief Executive and the Section 151 Officer, the Leader of the Council wrote to Leicestershire County Council to pledge support for their fairer funding campaign. The correspondence fell between Policy Committee meetings and is therefore being reported to Committee after the event.

Other Options Considered

7. None

Reason/s for Recommendation

8. The Leader of the Council was contacted by the Leader of Leicestershire County Council to seek support for a renewed call for fair funding from the Government.

Statutory and Policy Implications

9. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

1) That members receive updates at future Policy Committee meetings on the progress of the Fairer Funding Review.

Councillor Mrs Kay Cutts MBE
Leader of the Council

For any enquiries about this report please contact: Anthony May, Chief Executive

Constitutional Comments (SLB 04/09/2017)

10. Policy Committee is the appropriate body to consider the content of this report.

Financial Comments (NS 04/09/2017)

11. There are no specific financial implications arising from this report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- <https://www.leicestershire.gov.uk/fair-funding>
- [Report to Finance and Property Committee – 19 September 2016](#)
 - [Report appendix](#)

Electoral Division(s) and Member(s) Affected

All