

**Classification:** Public

**Key Decision:** No

## **Gravesham Borough Council**

**Report to:** Full Council

**Date:** 6 December 2016

**Reporting officer:** Leader of the Executive  
Chief Executive  
Director (Corporate Services)

**Subject:** Government Multi-Year Settlement

### **Purpose and summary of report:**

To inform Full Council of confirmation received from Central Government for a multi-year financial settlement for Gravesham Borough Council.

### **Recommendations:**

This report is for information only.

## **1. Background**

- 1.1 At the Full Council meeting held on 11 October 2016, Members debated the offer from Central Government for a multi-year financial settlement. The offer covered Revenue Support Grant, Rural Services Delivery Grant and Transitional Grant and set out the funding the council could expect to receive for the four year period 2016/17 to 2019/20.
- 1.2 Full Council resolved to reluctantly accept the offer. This decision was relayed in writing to the Department for Communities & Local Government before the deadline of 5pm on Friday 14 October. The letter also made reference to the fact that whilst Elected Members acknowledged the certainty that acceptance of the offer provides, they were also keen for the department to recognise that this was not an easy decision for the council to take, and that there remained a significant level of uncertainty for future local government funding in relation to the implications of other areas of significant reform, such as 100% Business Rates Retention and the New Homes Bonus Scheme, both of which form a significant element of the council's total funding.

## 2. Confirmation of Multi-Year Settlement Offer

- 2.1 On 16 November confirmation was received that the council is now formally on the multi-year settlement and can expect to receive the allocations published as part of the 2016/17 local government finance settlement in 2017/18, 2018/19 and 2019/20, as set out below:

Settlement Funding Assessment	2016/17	Multi-Year Settlement		
		2017/18	2018/19	2019/20
Revenue Support Grant	£1,225,770	£590,150	£196,260	£0
Transitional Funding	£11,250	£11,210	--	--
<b>Total</b>	£1,237,020	£601,360	£196,260	£0

- 2.2 A copy of the confirmation letter is provided at Appendix 2.

IMPLICATIONS	APPENDIX 1
<b>Legal</b>	<p>Under section 151 of the 1972 Local Government Act, local authorities are required to make arrangements for the proper administration of their financial affairs.</p> <p>Under the Accounts and Audit Regulations 2015 the authority is responsible for ensuring that the financial management of the body is adequate and effective and that the council has sound arrangements internal control arrangements in place, including for the management of risk.</p>
<b>Finance and Value for Money</b>	<p>The report confirms that the council is now formally on the multi-year settlement and can expect to receive the allocations published as part of the 2016/17 local government finance settlement.</p> <p>The multi-year settlement does not directly affect New Homes Bonus payments or any local share of Business Rates generated from the Council opting to be part of the Kent Business Rates Pool. It also does not prescribe any future Council Tax Referendum Limits, used to determine thresholds to be applied to annual council tax charges.</p>
<b>Risk Assessment</b>	<p>The confirmation provides certainty of funding for the authority over the forthcoming period to 2019/20 and ability to plan for Medium Term Financial Plan purposes and provides the ability for the authority to plan ahead for any necessary savings that are required over the period, and take opportunities where these are presented. Risks still remain regarding the future design of the New Homes Bonus Scheme and government policy design of Business Rates Retention after 2019/20.</p>
<b>Equality Impact Assessment</b>	<b>Screening for Equality Impacts</b>
	<b>Question</b>
	<p>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? If yes, please explain answer.</p> <p>No direct implications</p>
	<p>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer.</p> <p>No direct implications</p>
<p><i>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</i></p>	
<b>Corporate Plan</b>	Corporate Plan Objective 4 – Sound & Self-Sufficient Council
<b>Crime and Disorder</b>	N/A
<b>Digital and website implications</b>	No direct implications.
<b>Safeguarding children and vulnerable adults</b>	N/A