Response to Local Government Finance Formula Grant Distribution

Question 11

Do you agree that foreign visitor nights is a suitable replacement for day visitors in the district-level and county-level EPCS RNFs (EPCS1)?

Answer

No, day visitors is a more appropriate indicator and the modelling for it should be updated.

Question 12

Do you agree that the new GIS-based flood defence formula should be used (EPCS2)?

Answer

No, expenditure based data is more relevant and reliable.

Question 13

Do you agree that the new GIS-based coast protection formula should be used (EPCS3)?

Answer

No, as stated above, expenditure based data should be retained.

Question 14

Do you agree with the proposal to update the weights given to the labour costs adjustment (ACA1)?

Answer

No, the Area Cost Adjustment has always failed to accurately reflect the additional costs faced by districts close to London and this proposal would exacerbate that problem.

Question 15

Do you think that the scaling factor for the central allocation should be close to one, so that equal importance is attached to the amounts above and below the threshold?

Answer

Yes, any movement away from one is likely to lead to distortions in the distribution of grant.

Question 16

If so, would you prefer Ministers to be able to set judgemental weights for the Relative Needs Amount, as in option CAS1, or the Relative Resource Amount, as in option CAS2?

Answer

Based on the exemplifications provided, it would be preferable for Ministers to be able to set judgemental weights for the Relative Needs Amount (CAS1).

Question 17

Over the next Spending Review period do you think that the floor level should be set close to the average change or such that it allows some formula change to come through for authorities over the floor?

Answer

The floor level should be set close to the average change. This should mean all authorities have similar levels of grant reduction to manage. *(Based on assumption that we would otherwise suffer more than the average as shown by greater reductions in tables).*

Question 18

Which of the four options for removing concessionary travel from lower-tier authorities do you prefer (CONCF1, CONCF2, CONCF3, CONCF4)?

Answer

CONCF1, as this seems to be the most logical.

Question 21

Do you agree with the methodology for adjusting the base position of unadopted drains?

Answer

We do not agree with this methodology as it is far too crude.

Question 22

Do you agree that the incapacity benefit and severe disablement allowance indicators should use quarterly data rather than annual data (DATA1)?

Answer

It is difficult to justify using anything other than the most up to date data.

Question 23

Do you agree that children in out-of-work families receiving Child Tax Credit (CTC) should replace the current children of IS/(IB)JSA claimants (DATA2)?

Answer

Yes, children in out-of-work families receiving Child Tax Credit is an appropriate replacement for the current children of IS/(IB)JSA claimants.

Question 24

Would you prefer that May data only is used for the student exemptions adjustment in the taxbase projections (DATA3)?

Answer

Yes, May data should be used as it better reflects the number of student exempt properties.