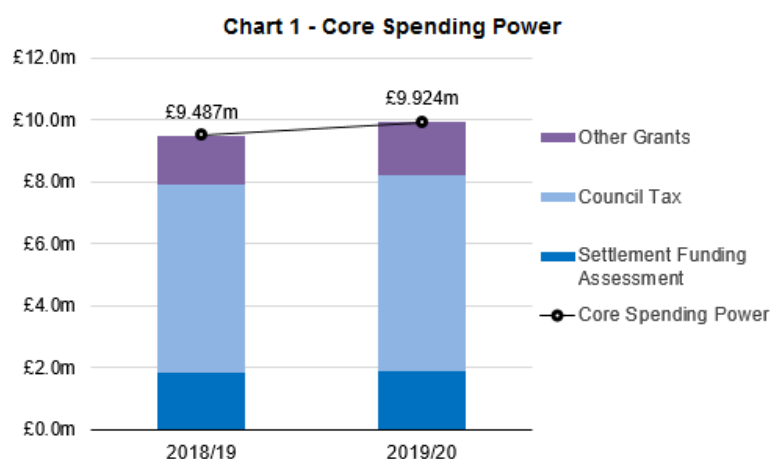


Core Spending Power for South Hams District Council (£m)

Core Spending Power	2018/2019 (£m)	2019/2020 (£m)	Change %
TOTAL	9.487	9.924	4.6%
Breakdown of amounts:			
Business Rates	1.855	1.897	2.3%
Revenue Support Grant	Nil	Nil	-
Assumed Council Tax (this is a Government assumed figure, not the actual council tax raised)	6.072	6.330	4.2%
Other Grants (includes Rural Services Delivery Grant of £0.408m each year and New Homes Bonus which has increased from £1.109m in 18/19 to £1.227m in 19/20)	1.560	1.697	8.8%

The figures quoted in the Finance Settlement will be on the basis of Core Spending Power (the terminology used by the Government) and therefore it will be stated in the finance settlement that South Hams District Council has had a 4.6% increase in funding.

However on closer inspection of the calculation, it can be seen that the majority of this increase in funding is coming from an assumed Council Tax increase of 4.2%. (This Government figure will be based on the assumption that Councils will increase their council tax by the limit of 2.99%, plus building in some property growth). The rest of the increase is mainly due to an increase in New Homes Bonus funding for 2019/20.



How much has South Hams District Council's Government funding decreased by over the last four years?

Answer: 39.5% since 2016/17, as shown below. The chart below shows how much reduction in funding the Council has had since 2016/17. This shows the reduction in Revenue Support Grant and funding from Business Rates. Council Tax funding is excluded from these calculations.

Chart 2 – Reduction in Funding Charts - Change in Settlement Funding Assessment (Business Rates and Revenue Support Grant) by class of Local Authority

Overall over the four year funding settlement, it can be seen that South Hams has had a 39.5% reduction in Government funding. This compares against 38.8% for the average for Shire Districts.

Note: The reason that South Hams is showing an increase of 2.3% in its Government funding in 2019/20 is because in both of the years 18/19 and 19/20, the Council received Nil Revenue Support Grant and therefore the chart just shows the 2.3% increase in the Business Rates Baseline. (There is no reduction in the Revenue Support Grant to offset this, as the RSG is already Nil in both years).

Authority group	Services		Change in SFA from previous year				Cumulative change since 2015/16
	Lower tier	Upper tier Fire	2016/17	2017/18	2018/19	2019/20	
South Hams	✓		-19.8%	-18.6%	-9.3%	2.3%	-39.5%
Unitaries without fire	✓	✓	-13.6%	-11.5%	-7.1%	-7.5%	-34.4%
Metropolitan Districts	✓	✓	-10.9%	-9.0%	-5.6%	-6.4%	-28.4%
Inner London Boroughs	✓	✓	-9.6%	-7.8%	-4.7%	-5.6%	-25.1%
Outer London Boroughs	✓	✓	-13.0%	-11.0%	-6.8%	-7.4%	-33.2%
Unitaries with fire	✓	✓	-13.6%	-11.8%	-7.4%	-8.4%	-35.4%
Counties with fire		✓	-16.7%	-15.1%	-9.9%	-8.6%	-41.7%
Counties without fire		✓	-17.0%	-15.0%	-9.9%	-9.9%	-42.7%
Shire Districts	✓		-16.9%	-15.0%	-8.0%	-5.8%	-38.8%
Fire Authorities		✓	-6.8%	-8.9%	-4.1%	-2.4%	-20.6%
England			-12.4%	-10.6%	-6.3%	-6.5%	-31.4%

Chart 3 - Cumulative change in headline SFA by class of authority

Cumulative change between 2015/16 and 2019/20

