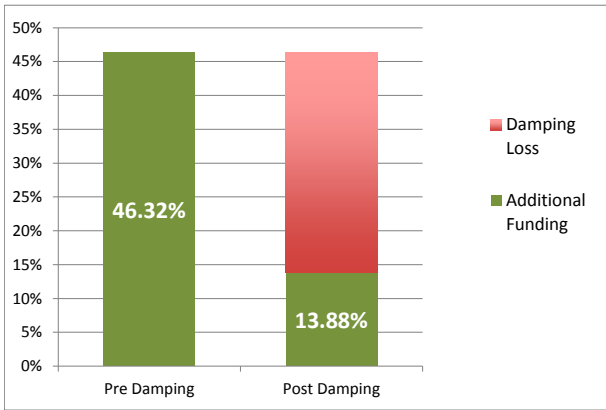


Authority: **Eden**

Urban Comparator: **Newcastle upon Tyne**

Changes to funding attributable to Rural Services Technical Adjustments - Pre and Post Damping

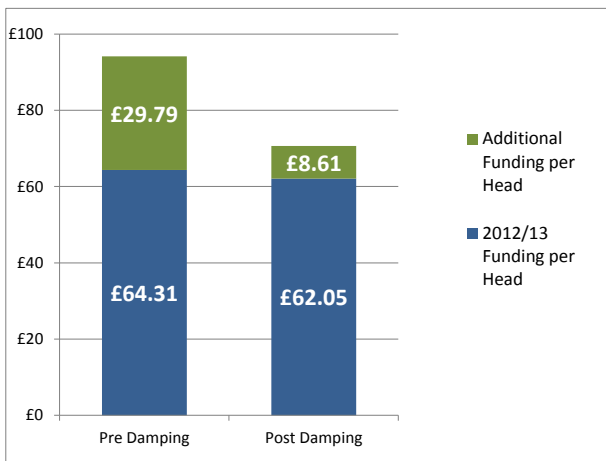


Eden Exemplifications Data

	Pre Damping	Post Damping	Difference
2012/13 Funding	3,359,791	3,241,813	
Impact of Rural Services Adjustment	1,556,095	449,871	-71%
2012/13 Funding with Adjustment	4,915,885	3,691,684	
Percentage change arising from Rural Services Adjustment	46.32%	13.88%	

The graph and table show that Eden would have had a pre-damping 46.32% increase in funding if the rural services adjustment had been implemented in 2012/13. However, damping would have reduced that gain arising from the rural service technical adjustment to 13.88%. Consequently, damping reduces the impact of the rural services technical adjustment by 71% for Eden.

Impact of the changes attributable to Rural Services Technical Adjustments on Funding - Pre and Post Damping

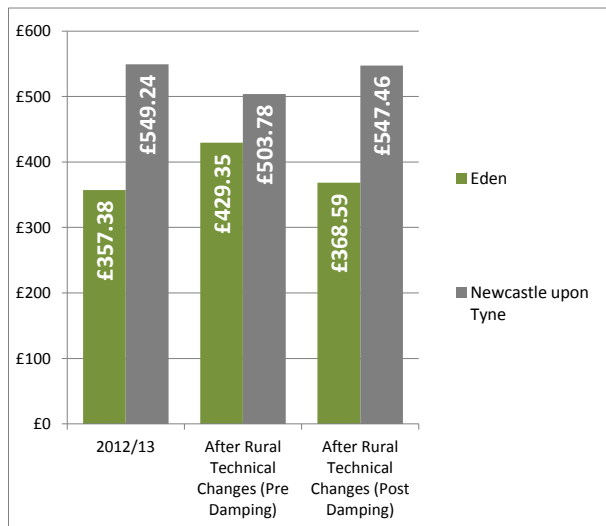


The impact of the **positive** rural services technical adjustment and the subsequent **negative** impact of damping can be seen in this graph.

The pre-damping impact for Eden is a funding gain of £29.79 per head. For this reason, we feel that it is important that Eden supports the rural services technical adjustment in the consultation.

However, the post-damping impact for Eden is a much reduced funding gain of £8.61 per head. For this reason, SPARSE Rural have called on the Government to find a way of ensuring that a greater proportion of the pre-damping gains arising from the rural services technical adjustment are realised as cash funding.

Impact of the changes attributable to Rural Services Technical Adjustments on Funding - Comparison with Nearest Urban Authority - post damping



Comparison of Impact of Technical Changes - Eden v Newcastle upon Tyne

To provide a comparison, in two tier areas, County and District funding has been added together. So, in order to be comparable with Newcastle upon Tyne which is a unitary authority Eden's funding per head has been added to that of Cumbria County Council.

In 2012/13, Eden received £191.86 less funding per head than Newcastle upon Tyne.

Prior to damping, the gains attributable to the rural services technical adjustment would have resulted in a closing of the gap between Newcastle upon Tyne and Eden to £74.43 per head. This is a significant improvement for rural areas and SPARSE Rural has welcomed the changes in the recent Business Rates consultation.

As shown above, the damping block significantly reduces the gains arising from the rural services technical adjustment. After damping the gap in funding between Newcastle upon Tyne and Eden increases to £178.88 per head.