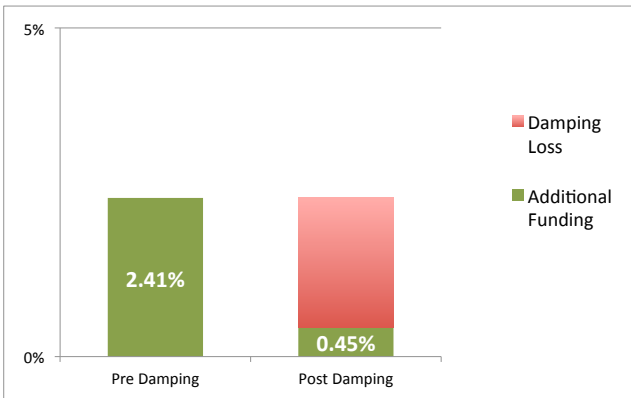


Authority: **Cheshire East**

Urban Comparator: **Liverpool**

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

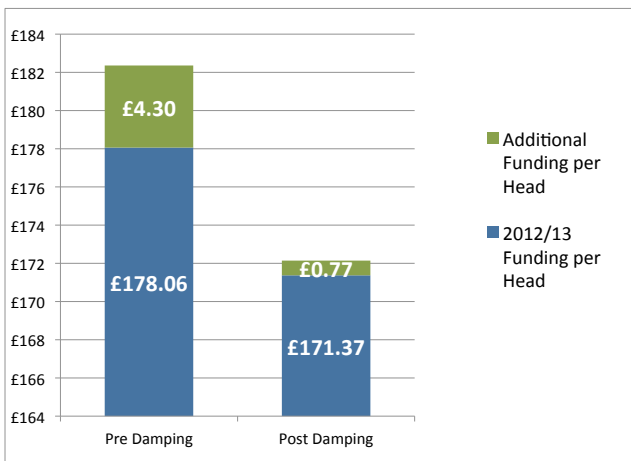


Cheshire East Exemplifications Data

	Pre Damping	Post Damping	Difference
2012/13 Funding	65,676,482	63,209,990	
Impact of Rural Services Adjustment	1,585,607	284,433	-82%
2012/13 Funding with Adjustment	67,262,089	63,494,422	
Percentage change arising from Rural Services Adjustment	2.41%	0.45%	

The graph and table show that Cheshire East would have had a pre-damping 2.41% 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 0.45%. Consequently, damping reduces the impact of the rural services technical adjustment by 82% for Cheshire East.

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

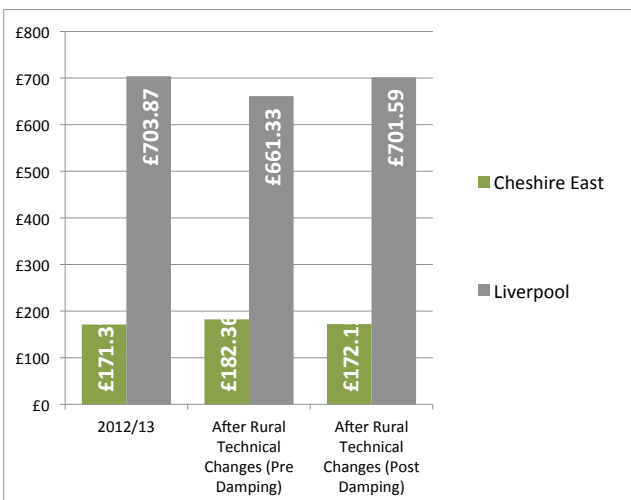


The impact of the **positive** rural services technical adjustment and the subsequent **negative** impact of damping can be seen in this graph.

The pre-damping impact for Cheshire East is a funding gain of £4.3 per head. For this reason, we feel that it is important that Cheshire East supports the rural services technical adjustment in the consultation.

However, the post-damping impact for Cheshire East is a much reduced funding gain of £0.77 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 - Cheshire East v Liverpool

In 2012/13, Cheshire East received £532.5 less funding per head than Liverpool.

Prior to damping, the gains attributable to the rural services technical adjustment would have resulted in a closing of the gap between Liverpool and Cheshire East to £478.97 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 Liverpool and Cheshire East increases to £529.45 per head.