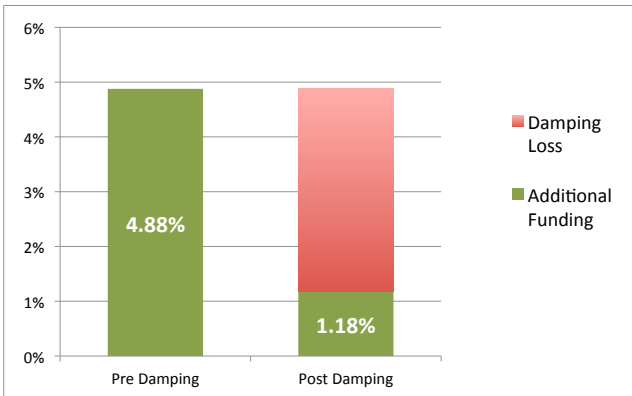


Authority: **East Riding of Yorkshire** Urban Comparator: **Kingston Upon Hull**

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

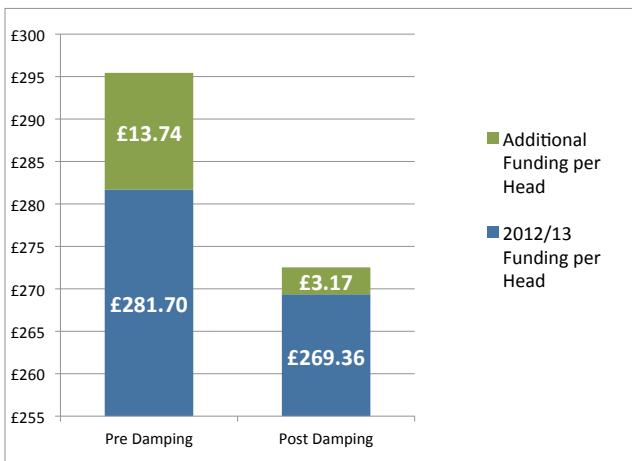


East Riding of Yorkshire Exemplifications Data

	Pre Damping	Post Damping	Difference
2012/13 Funding	98,023,187	93,730,515	
Impact of Rural Services Adjustment	4,779,968	1,102,220	-77%
2012/13 Funding with Adjustment	102,803,155	94,832,735	
Percentage change arising from Rural Services Adjustment	4.88%	1.18%	

The graph and table show that East Riding of Yorkshire would have had a pre-damping 4.88% 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 1.18%. Consequently, damping reduces the impact of the rural services technical adjustment by 77% for East Riding of Yorkshire.

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

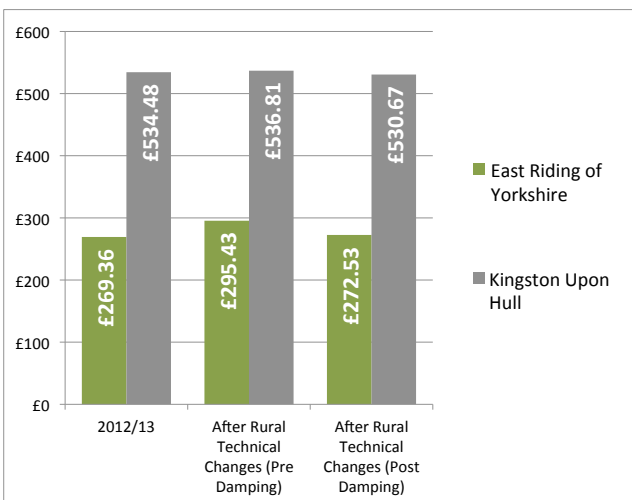


The impact of the **positive** rural services technical adjustment and the subsequent **negative** impact of damping can be seen in this graph.

The pre-damping impact for East Riding of Yorkshire is a funding gain of £13.74 per head. For this reason, we feel that it is important that East Riding of Yorkshire supports the rural services technical adjustment in the consultation.

However, the post-damping impact for East Riding of Yorkshire is a much reduced funding gain of £3.17 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 - East Riding of Yorkshire v Kingston Upon Hull

In 2012/13, East Riding of Yorkshire received £265.12 less funding per head than Kingston Upon Hull.

Prior to damping, the gains attributable to the rural services technical adjustment would have resulted in a closing of the gap between Kingston Upon Hull and East Riding of Yorkshire to £241.37 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 Kingston Upon Hull and East Riding of Yorkshire increases to £258.14 per head.