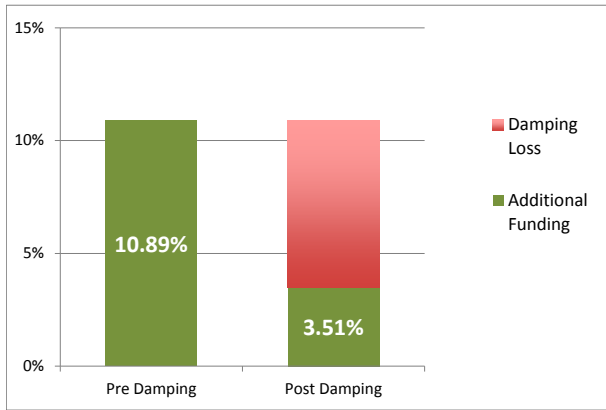


Authority: Vale of White Horse

Urban Comparator: Reading

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

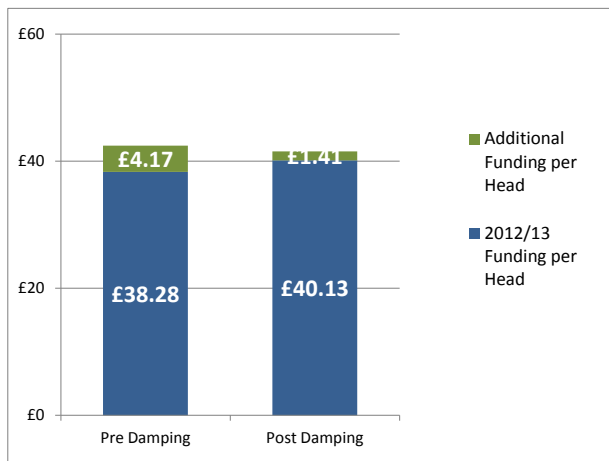


Vale of White Horse Exemplifications Data

	Pre Damping	Post Damping	Difference
2012/13 Funding	4,598,180	4,820,569	
Impact of Rural Services Adjustment	500,964	169,098	-66%
2012/13 Funding with Adjustment	5,099,144	4,989,667	
Percentage change arising from Rural Services Adjustment	10.89%	3.51%	

The graph and table show that Vale of White Horse would have had a pre-damping 10.89% 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 3.51%. Consequently, damping reduces the impact of the rural services technical adjustment by 66% for Vale of White Horse.

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

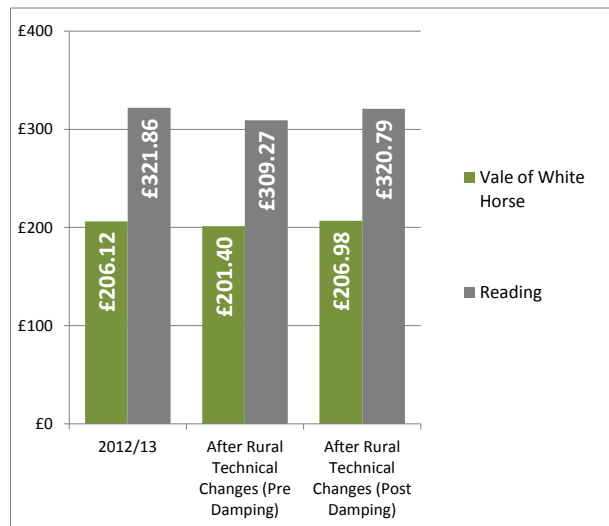


The impact of the **positive** rural services technical adjustment and the subsequent **negative** impact of damping can be seen in this graph.

The pre-damping impact for Vale of White Horse is a funding gain of £4.17 per head. For this reason, we feel that it is important that Vale of White Horse supports the rural services technical adjustment in the consultation.

However, the post-damping impact for Vale of White Horse is a much reduced funding gain of £1.41 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 - Vale of White Horse v Reading

To provide a comparison, in two tier areas, County and District funding has been added together. So, in order to be comparable with Reading which is a unitary authority Vale of White Horse's funding per head has been added to that of Oxfordshire County Council.

In 2012/13, Vale of White Horse received £115.73 less funding per head than Reading.

Prior to damping, the gains attributable to the rural services technical adjustment would have resulted in a closing of the gap between Reading and Vale of White Horse to £107.87 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 Reading and Vale of White Horse increases to £113.81 per head.