Review of Spending Power figures for 2011/12

Comparison between Urban and Rural

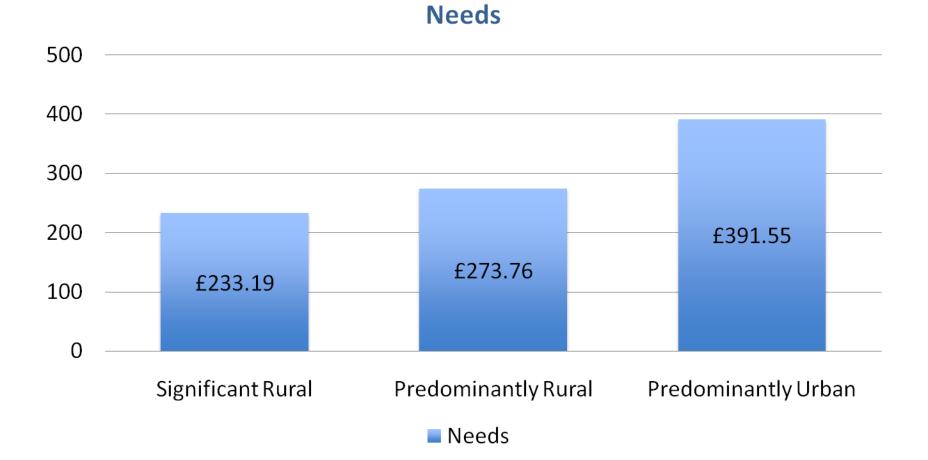
Spending Power Figures 2010/11

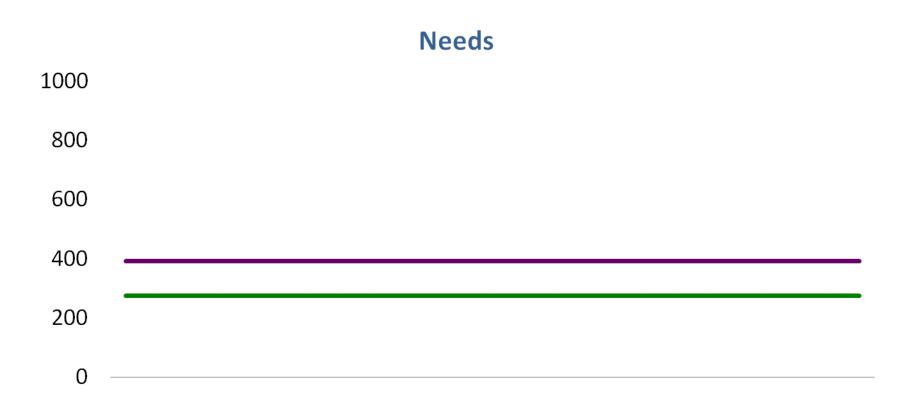
- 'Spending Power' is the new currency
- Figures take from the Communities Website
- They cover Government Funding and Council Tax, the two main sources of income which make up budget requirement
- Analysed by Predominantly Rural and Predominantly Urban resident
- But also Significant Rural

The Four Block Model

- Needs
- Resources
- Central Allocation
- Damping aka 'Floors and Ceilings'
- Rolled-in Grants
- Other Grants
- Council Tax

£118 more per head provided to meet 'needs' in urban areas than in rural areas BUT ...

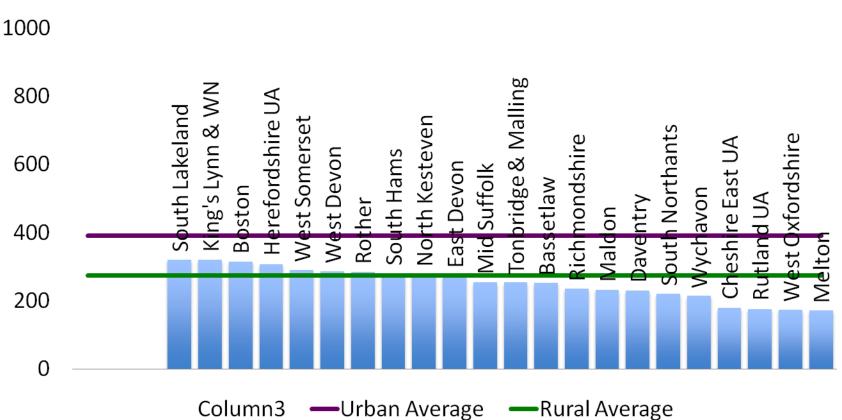




Column3 — Urban Average — Rural Average

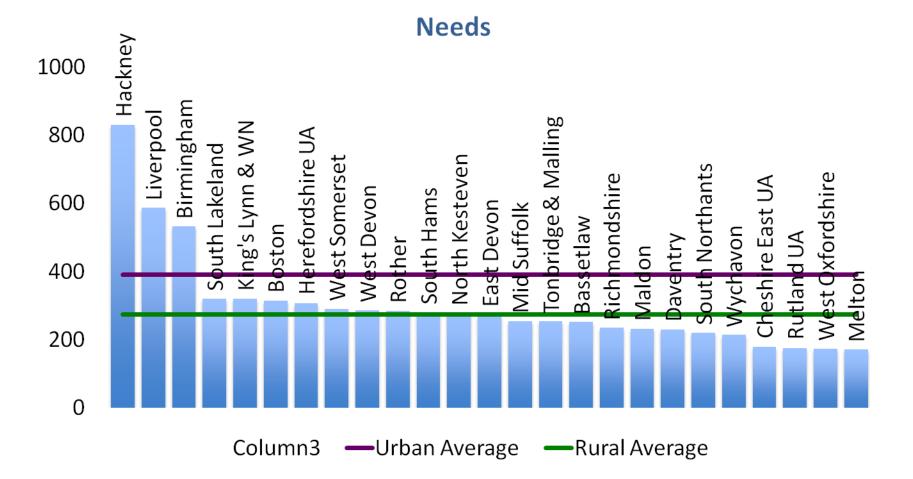
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Needs



Needs

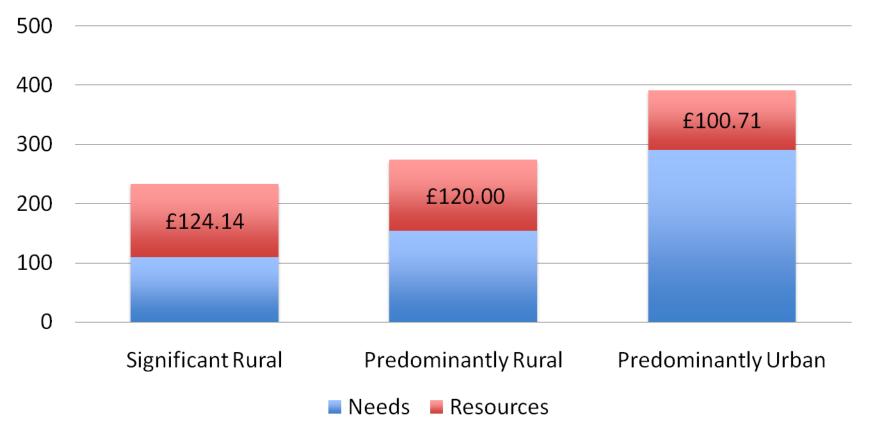
... massive unrerentials between marviadal authorities



... massive differentials between individual authorities

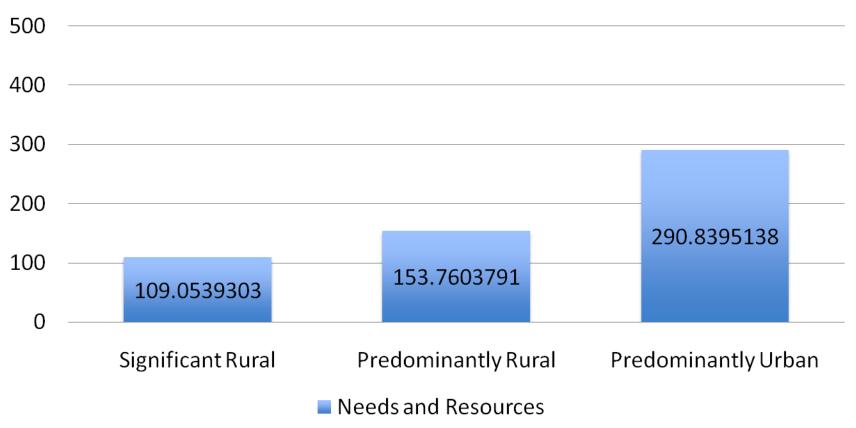
£19 more per head deemed capable of being generated locally in rural areas

Resources is subtracted from Needs



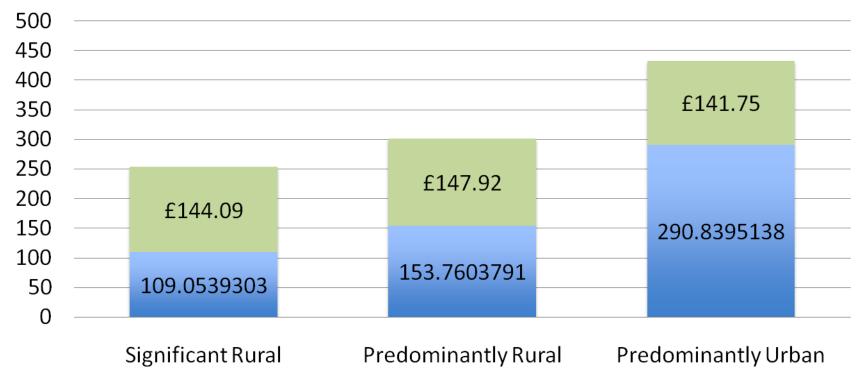
£137 more per head provided for urban areas for 'needs' taking account of 'resources'

Needs and Resources



Central Allocation provides £6 per head more in Predominantly Rural Areas

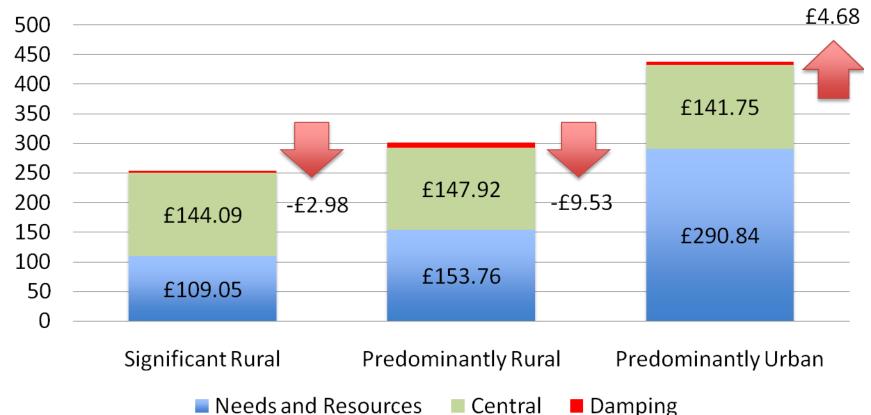
Central Allocation added to Needs and Resources



Needs and Resources
Central

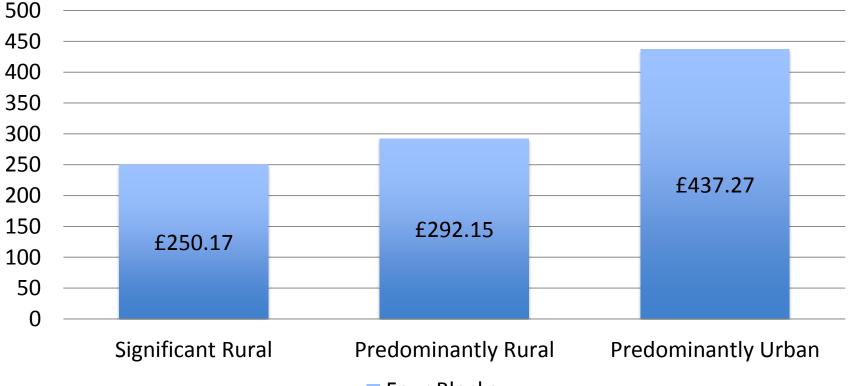
Damping widens the gap by a further £15

Damping adds funding for PU but reduces for PR



Government Funding via the 4 blocks

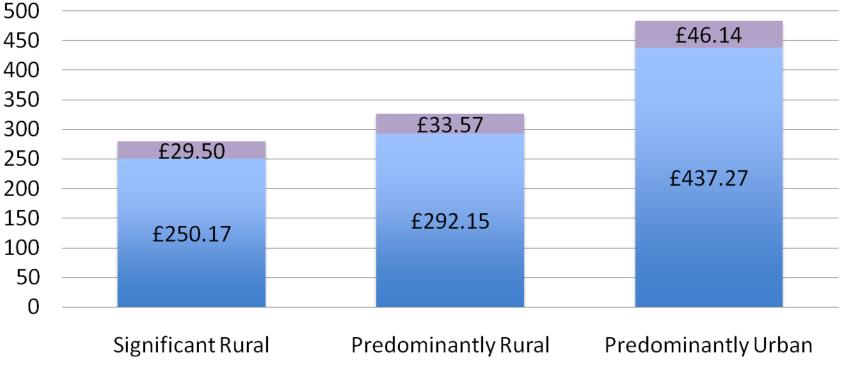
Funding per head via formula allocation



Four Blocks

Some grants previously outside formula have now been rolled into the main formula

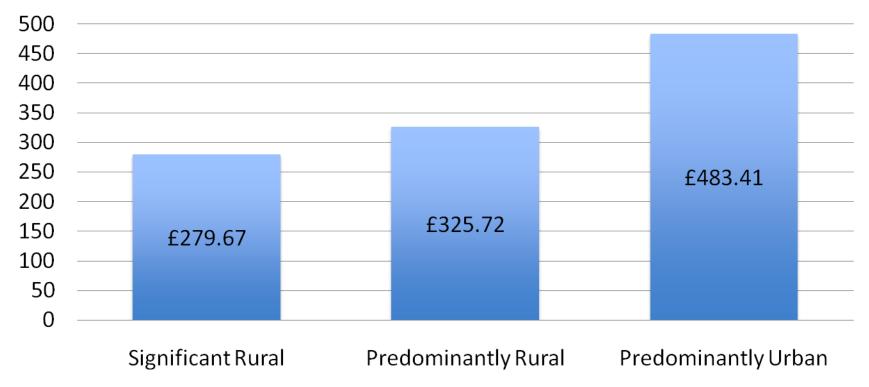
Rolled-In Grants



Needs and Resources
Rolled-In Grants

£158 more 'spending power' per urban resident from Government Formula Funding ...

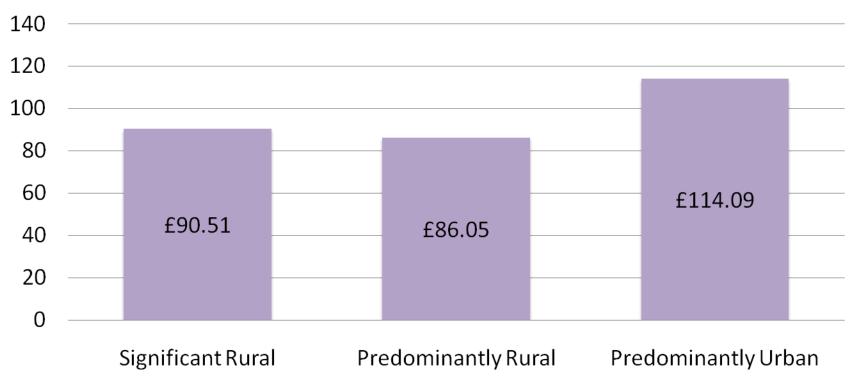
All Government Formula Funding – 2011/12 per head



Government Funding per head

£28 more 'spending power' per urban resident from 'Other Grants' ...

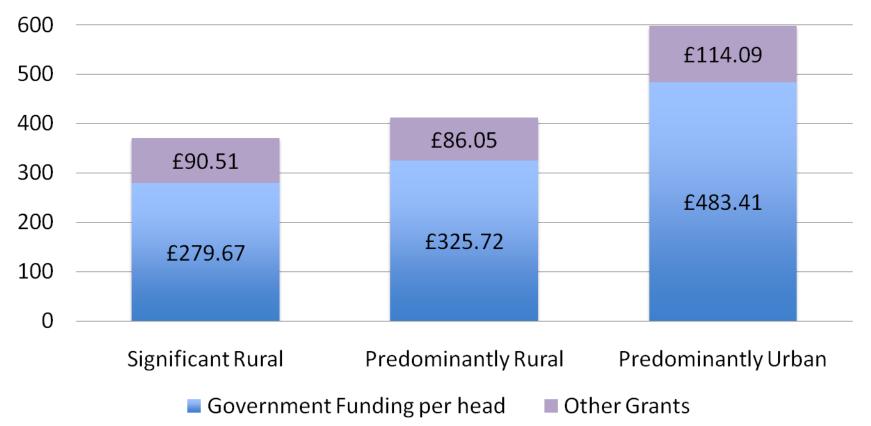
Other Grants – 2011/12 per head



Government Funding per head

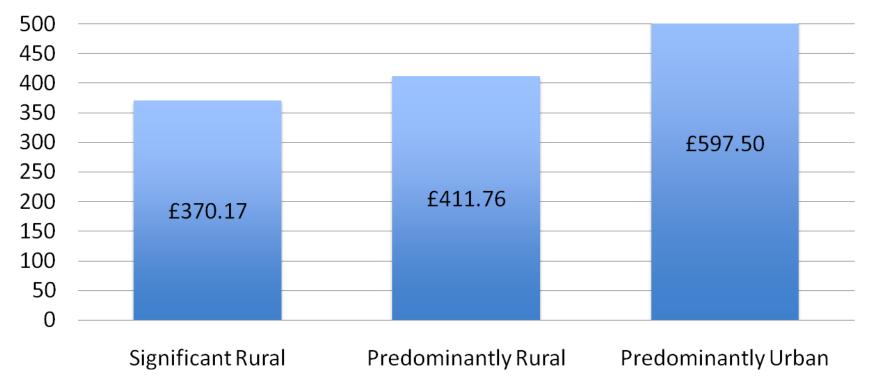
£158 more 'spending power' per urban resident from Government Formula Funding and £28 per head on other grants

All Government Formula Funding – 2011/12 per head

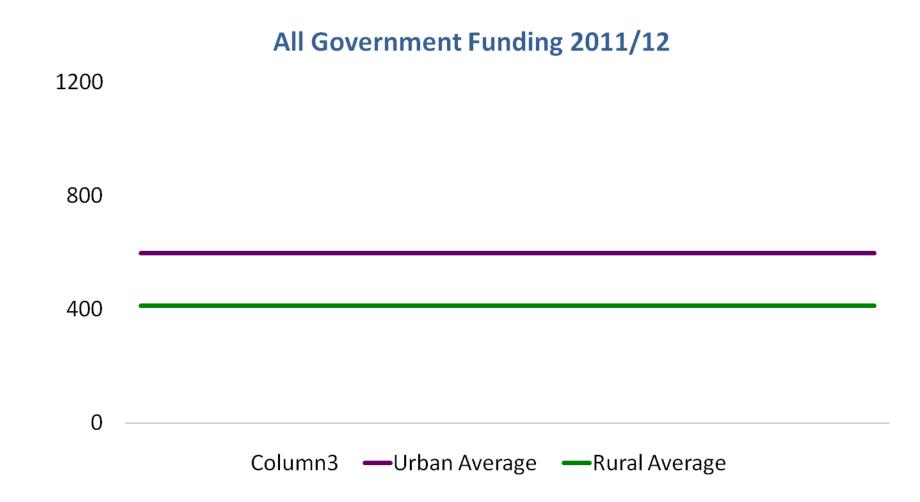


£186 more 'spending power' per urban resident from all Government funding ...

All Government Formula Funding – 2011/12 per head



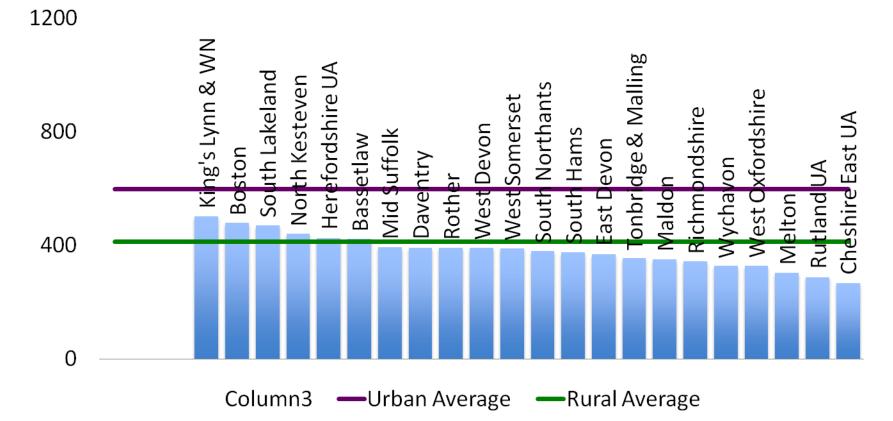
Government Funding per head



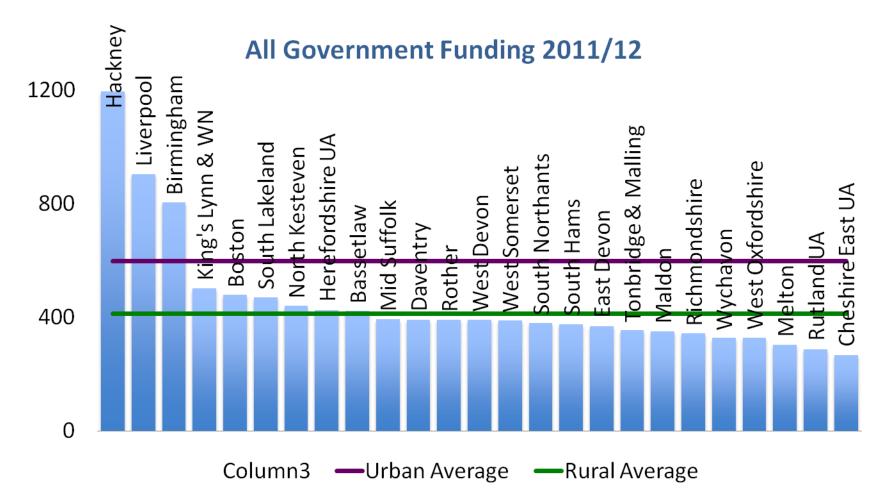
1200 dge & Malling Northants kfordshire Somerset chm<mark>o</mark>ndshire 4 800 Hams Devon Mid <mark>S</mark>uffolk evon East ntrv /on West West Daver Ialdo chav Cheshire South onbri South East D Roth cland elton est 400 Ru \geq 0

All Government Funding 2011/12

Column3 — Urban Average — Rural Average



All Government Funding 2011/12



... but the rural resident pays £79 more in Council Tax for those services AND ...

Council Tax per head- 2011/12

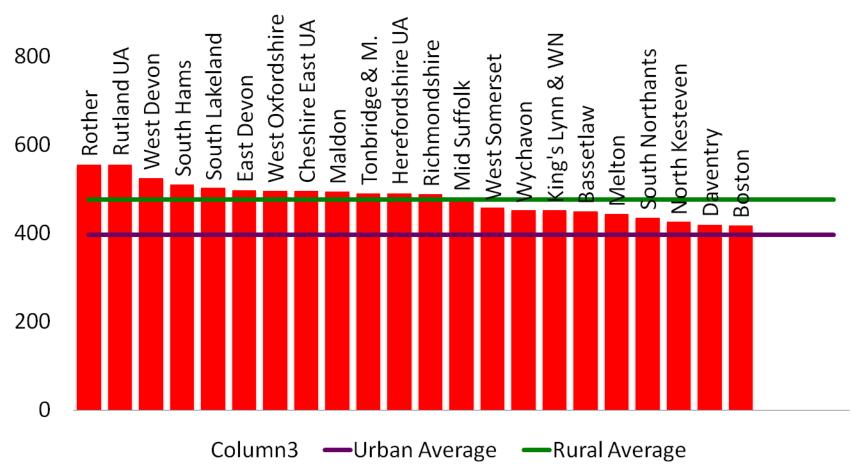


Council Tax per head

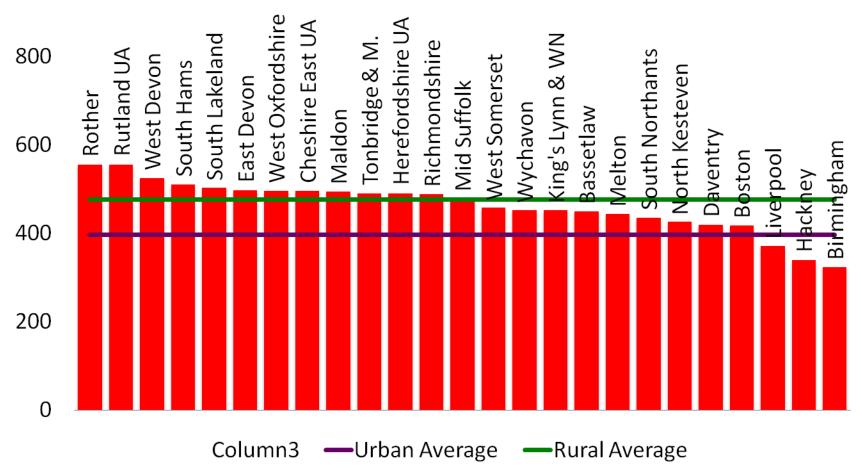
Council Tax 2011/12

800		
600		
400		_
200		
0	Column3 — Urban Average — Rural Average	

Council Tax 2011/12



Council Tax 2011/12



... has £107 less spent on local services

1000 800 396.1 475.3753327 472.199681 600 £114.09 400 £86.05 £90.51 £483.41 200 £325.72 £279.67 0 Significant Rural Predominantly Rural Predominantly Urban

Government Funding per head Other Grants Council Tax per head

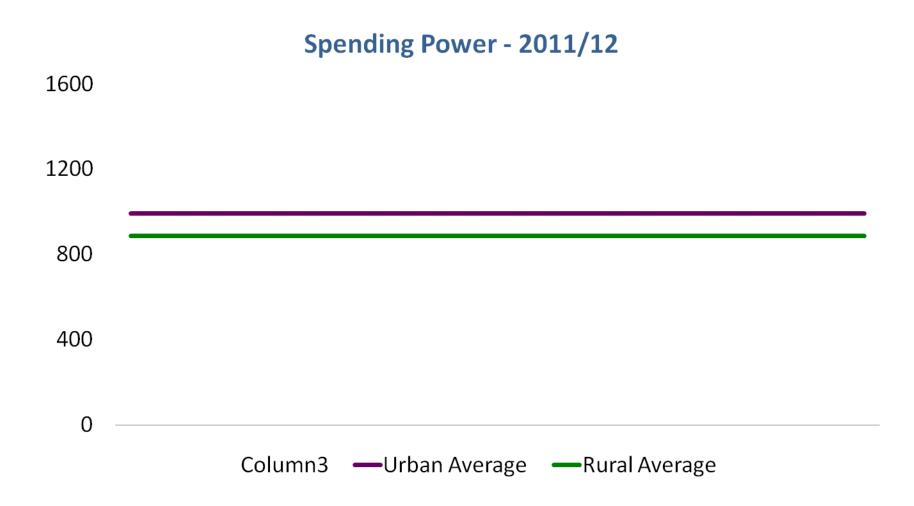
Spending Power – 2011/12 per head

£107 more 'spending power' per urban resident from Government Formula Funding ...

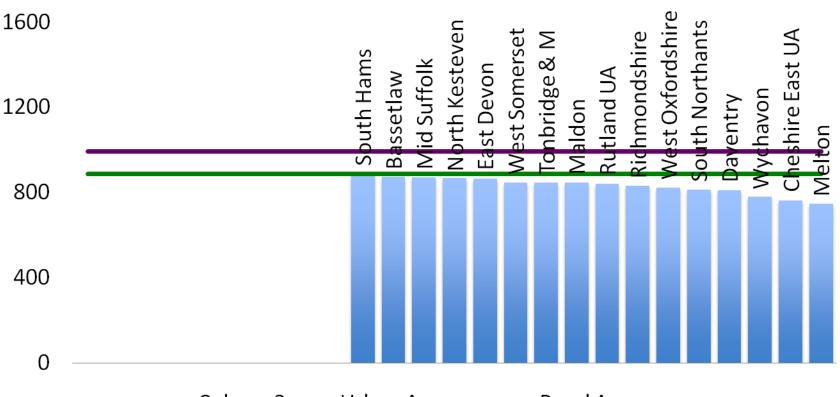
1,000 800 600 £993.60 £887.14 £842.37 400 200 0 Significant Rural Predominantly Rural Predominantly Urban

Spending Power – 2011/12 per head

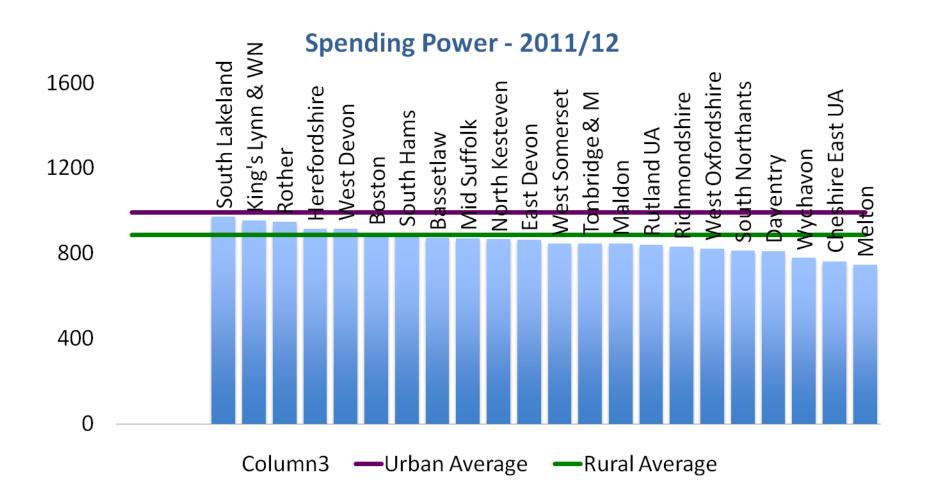
Government Funding per head

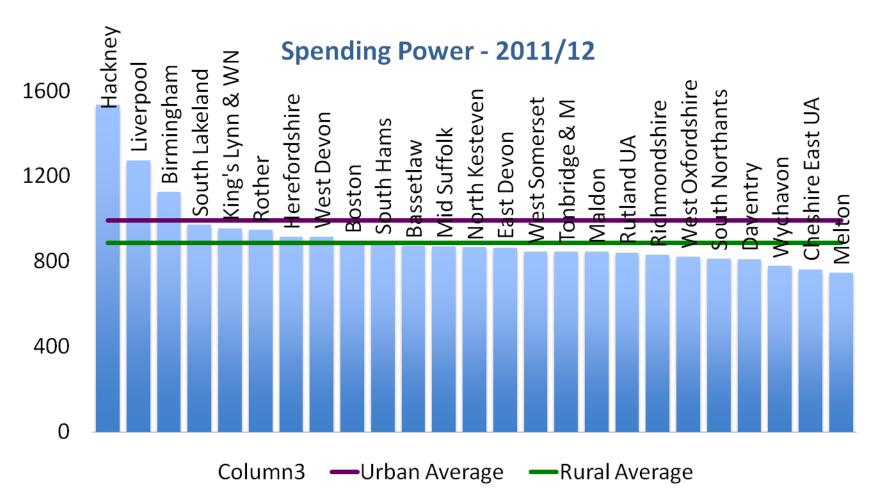


Spending Power - 2011/12



Column3 — Urban Average — Rural Average





In summary

- In 2011/12, on average, the rural resident when compared with his/her urban counterpart:
 - Receives £186 less Government funding
 - Pays £79 more in Council Tax
 - Receives £107 less spent on local services
 - Averages mask massive differentials for individual authorities
 - Earns less (average wage figures)
 - Rural penalty (SPARSE survey)
 - Business Rates baseline position