



The impact of financial self-reliance on neighbourhood services – early findings

- Future funding model: uncertainties abound while reliable and timely information is lacking
- Need and opportunity: viewing LAs on two dimensions – need and local funding capacity
- Business rates and council tax: future self-funding capacity varies dramatically
- Shifts to more self-reliance: spending on Neighbourhood Services has held up best among districts

Need and opportunity: correlation with deprivation by LA Group

	Change in CSP+	CT share	Business rate growth	Business rate share
London	-0.60	-0.86	+0.53	-0.05
Mets	-0.13	-0.88	+0.31	-0.70
Districts	-0.41	-0.44	-0.09	-0.55
Unitaries	-0.88	-0.93	-0.29	-0.69
All (ex counties)	-0.35	-0.61	-0.07	-0.66
Counties	-0.68	-0.90	-0.44	-

Business Rates and Council Tax: 5% of CT+BR collected as a share of CSP: number of LAs

	Less than 5%	5% to 10%	10% to 15%	More than 15%
London	19	11	1	0
Mets	29	7	0	0
Districts	2	126	67	3
Counties	8	18	2	0
Unitaries	19	36	0	0
All	77	198	70	3

Conclusions



Next steps: to explore the prospects for NSS via interviews with a small number of LAs (in hand).

- There are clear patterns but exceptions, sometimes large, are numerous.
- Deprived Unitaries are worst off, with highest unmet need and lowest funding capacity. Relatively deprived counties look similar.
- Deprived Mets and London boroughs may gain from greater self-funding, although this may only be relative to other LAs of this type.
- As a group, districts are in the strongest position, including with regard to trends in spending on Neighbourhood Services.