

COUNCIL: 18 DECEMBER 2019

RESPONSE TO REQUEST FOR SUPPLEMENTARY INFORMATION

Please find below a response to a request for some supplementary information, question asked at the last Council meeting held on 13 November 2019:

11. Financial Outlook 2021/22 to 2022/23

The Head of Service (Financial and Customer Services) undertook to provide Members with more information on (i) the extent of cuts to local government funding in England and Wales compared with those in Scotland, (ii) additional or ringfenced funding provided to North Ayrshire Council arising as a result of Scottish Government initiatives, (iii) the average Council Tax charge in Scotland compared with the position in England and Wales and (iv) the annual repayment costs associated with four PPP schools in North Ayrshire.

- (i) the extent of cuts to local government funding in England and Wales compared with those in Scotland

Response: Information is available from the National Audit Office and the Welsh Audit Office which provides some detail around local government funding in England and public spending trends in Wales. It is very difficult to assess a like for like comparison of funding levels across the three countries. In England, for example, there are 5 types of Council structure (County, district, metropolitan district, unitary authority and London boroughs) which provide different services to the public. Some headline information available is noted below with the relevant source:

- England – 49.1% real terms reduction in Government funding for local authorities from 2010-11 to 2017-18. **Source-National Audit Office**
- Wales – 4.31% real term reduction in spending per head of population from 2009-10 (£11,065) to 2017-18 (£10,587)*. **Source-Welsh Audit Office**
- Scotland – Total revenue funding has fallen 6% in real terms from 2013-14 to 2019-20. **Source-Local Government In Scotland-Challenges and Performance 2019 (Accounts Commission)**

***Please note** - It is recognised that this analysis was inclusive of spending across a range of Welsh Government departments, including local government. "Funding from the Welsh Government to local authorities has fallen by nearly 20% in the last 10 years" – **Source- Cardiff University Wales Governance Centre on "Trends in Local Government Finance"**.

- (ii) additional or ringfenced funding provided to North Ayrshire Council arising as a result of Scottish Government initiatives,

Response: In the 2019/20 revenue settlement additional ring-fenced Scottish Government funding included the following investment:

Funding for Gaelic Provision -	£0.062m
Criminal Justice Funding -	£2.923m
Early Learning Childcare Expansion -	£7.279m
Pupil Equity Funding -	£4.455m

Total **£14.719m**

- (iii) the average Council Tax charge in Scotland compared with the position in England and Wales

The average **Band D** Council tax level for 2019/20 is as follows:

Scotland - £1,251
England - £1,750
Wales - £1,591

- (iv) the annual repayment costs associated with four PPP schools in North Ayrshire.

The annual repayment i.e. the unitary charge for PPP schools is £13,034,020
The annual repayment i.e. the unitary charge for the Largs DBFM is £3,991,877