12 August 2025

Fair Funding Review (FFR) - 2

Background

The government published a consultation paper on its proposed changes in local government funding. You can find the paper via the link below:

https://www.gov.uk/government/consultations/the-fair-funding-review-20

The consultation period is shorter than normal and making sense of the full changes across councils, in particular understanding the direct impact on each council, has been challenging. The council has used various sources to understand the impact on its 2026-27 budget, including working closely with consultants like Pixel and LG Futures. However, until the settlement figures are published in November / December 2025 we will not know the full impact.

Part of the challenge for local authorities is that there are two important aspects to these funding proposals. They are as follows:

1. what impact will they have on my authority's funding over the next 3 years? This task is considerable, and still not fully complete. But it is an understandable priority for authorities.
2. The second challenge is to understand the content of the consultation paper, and to respond to the detail of these proposals.

Introduction

The consultation is technical, and it is still difficult to understand the full financial impact of government policies.

This paper provides a brief overview of the impact and focusses on the following sections which are more relevant to Epsom & Ewell:

1. Sector Impact
2. Temporary Accommodation - Relative Needs Formula (RNF)
3. Foundation Formula
4. Business Rates Reset
5. Damping
6. New Homes Bonus (NHB)
7. Technical response to the consultation

Sector impact

According to modelling carried out by Pixel the impact of the funding reforms appears be broadly neutral in shire areas. Shire counties gain by £50m, whilst shire district lose by £73m.

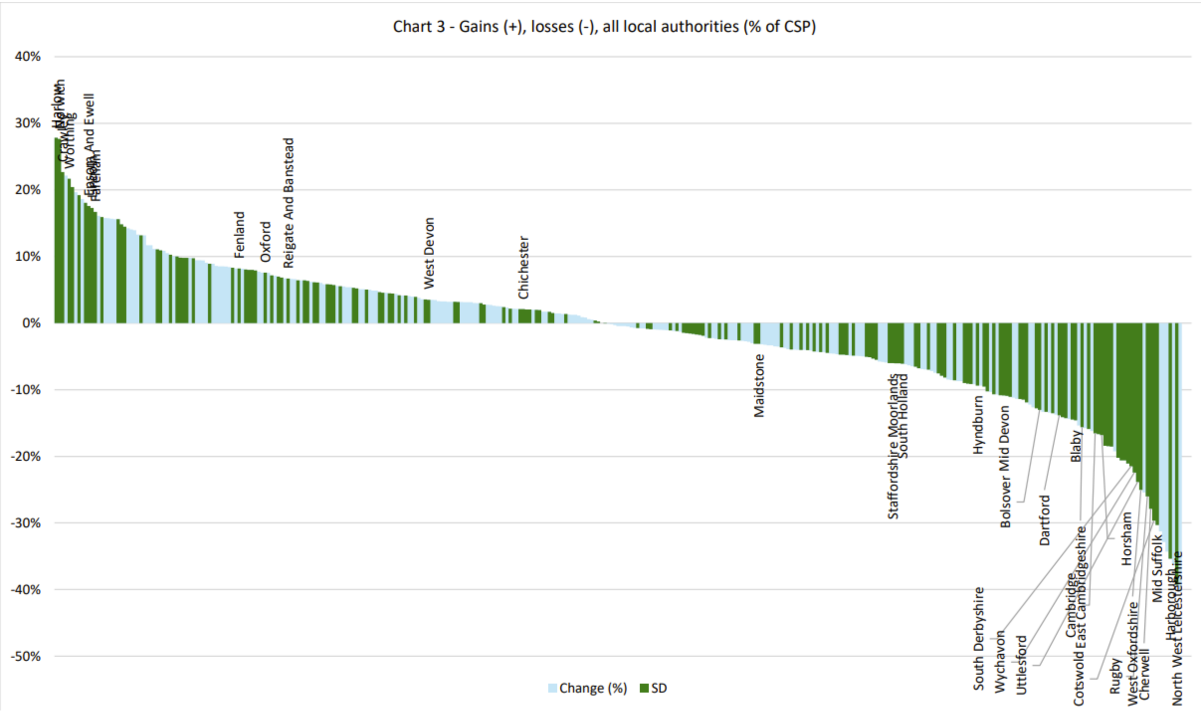
For shire district councils, the range is enormous. The three authorities with the largest gains (as a percentage of CSP) are shire districts (Harlow, Norwich, Crawley), as are some of those with the largest losses (Harborough, North West Leicestershire, Mid Suffolk).

Big losses for some shire districts were expected and derive from the business rates baseline reset. Some shire districts had business rates growth that was greater than their Baseline Funding Level (BFL), and even with favourable changes in funding elsewhere, these authorities were always going to see huge funding losses.

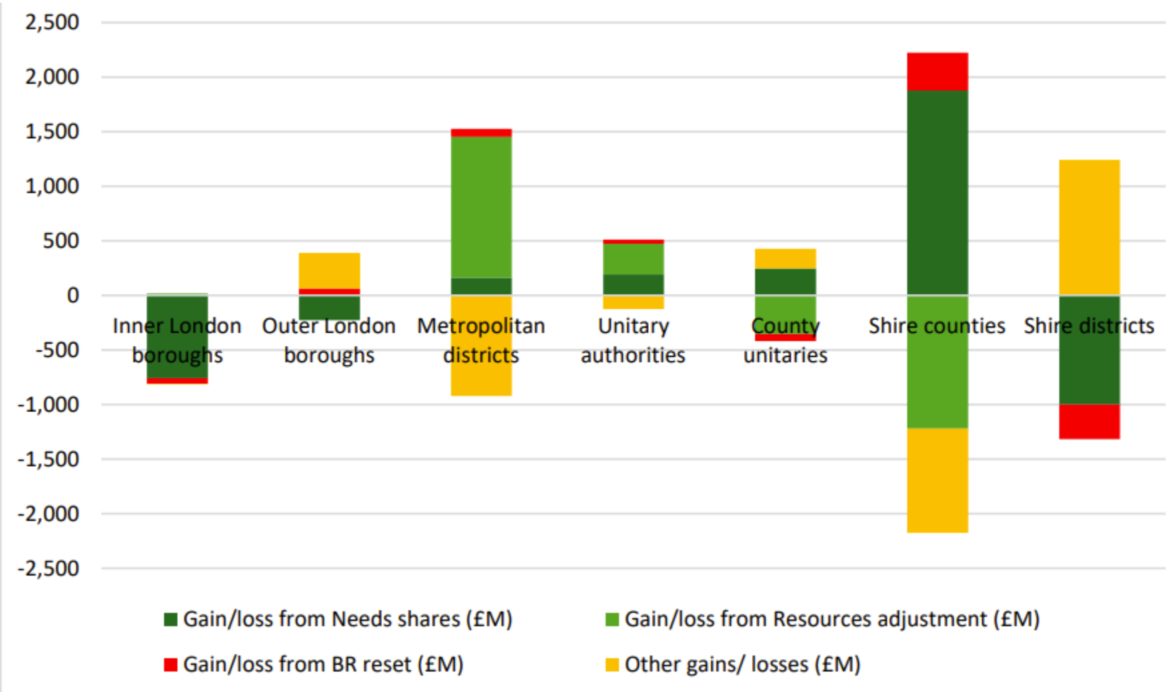
The substantial gains for other shire districts, however, are much more of a surprise. The places that are gaining are urban shire districts, such as Harlow, Norwich, Crawley, Worthing, Stevenage, and Basildon, and even shire districts with very low needs, such as us, Epsom and Ewell. These are the more-urban districts, and they have benefitted from a combination of the new foundation formula, along with the new temporary accommodation Relative Needs Formula (RNF).

The analysis indicates that the control totals have been the biggest factor in the substantial gains in some shire districts. The control total for the Foundation Formula (lower tier) is much higher than anticipated. But with very large grants rolled into SFA, and distributed using these control totals, the benefits for shire districts have been significant.

There is a risk for shire districts that the benefit from the control totals is just too good to be true. Large roll-ins combined with a very high share of the control totals could push ministers to change some of their funding assumptions. And a lower share of the control totals could easily be justified on technical grounds. The graph below shows the gains and losses across councils. EEBC is on the left, listed as one of the biggest winners.



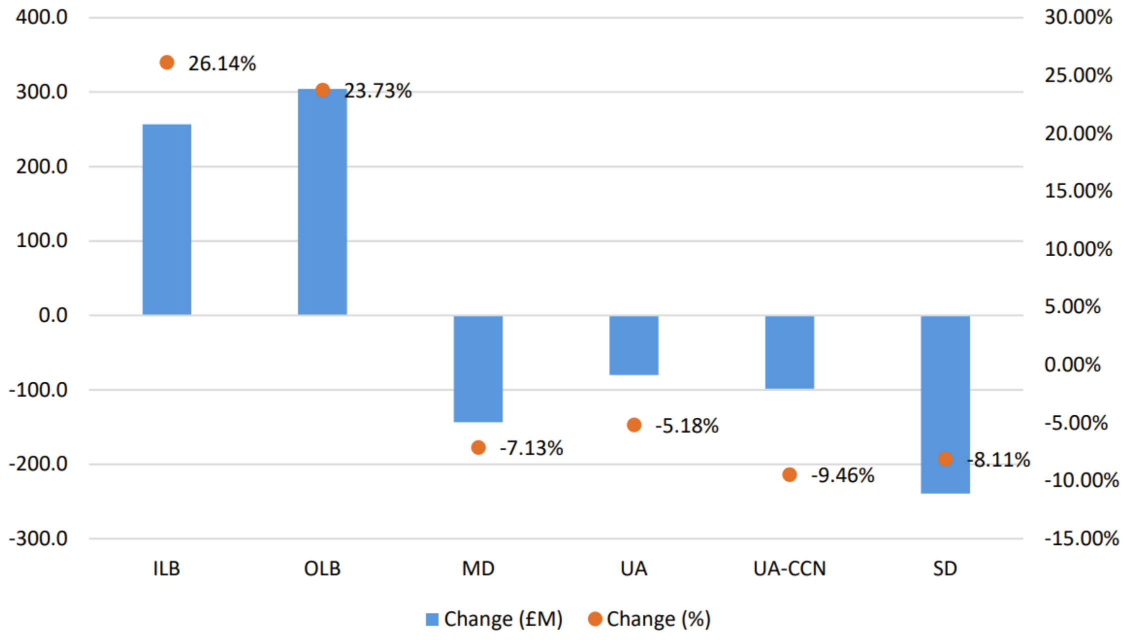
Determining the reasons and contributory factors to these changes in funding is extremely difficult. However, a brief overview is provided below. EEBC loses out on business rates reset but gains from temporary accommodation formula and foundation formula.



Temporary Accommodation RNF

A new Relative Needs Formula (RNF) has been created for temporary accommodation and homelessness within SFA. Part of the existing Homelessness Prevention Grant (HPG) will transfer into SFA (estimated to be 45%), and will be distributed within SFA with the existing funding for homelessness within SFA.

Apart from London and few shire districts like EEBC, Basildon, Crawley, Eastbourne, Harlow, Hastings, and Worthing; All the other local authority classes lose from the TA RNF, even metropolitan authorities. Clearly this reflects the distribution of actual TA expenditure.



Foundation Formula

The foundation formula funds the services that do not have their own RNFs, and are typically the universal services delivered by local authorities. In the 2018 consultation paper, the proposals were for a very flat distribution of resources, with only population, ACA and a (small) uplift for deprivation. This was a much simpler formula than the current formula (which has some very large (judgement-based) uplifts for density, deprivation, and daytime population, and smaller uplifts for sparsity). The formula proposed for 2026 27 is more of a compromise. It is certainly simpler than the current RNF (no density, no sparsity), it has fewer indicators, and it now encompasses many of the other smaller RNFs. RNFs for flood defence, coast protection and fixed costs, plus the concessionary fares RNF, have been rolled-in. So, changes in funding share within the foundation formula are the result of many different factors.

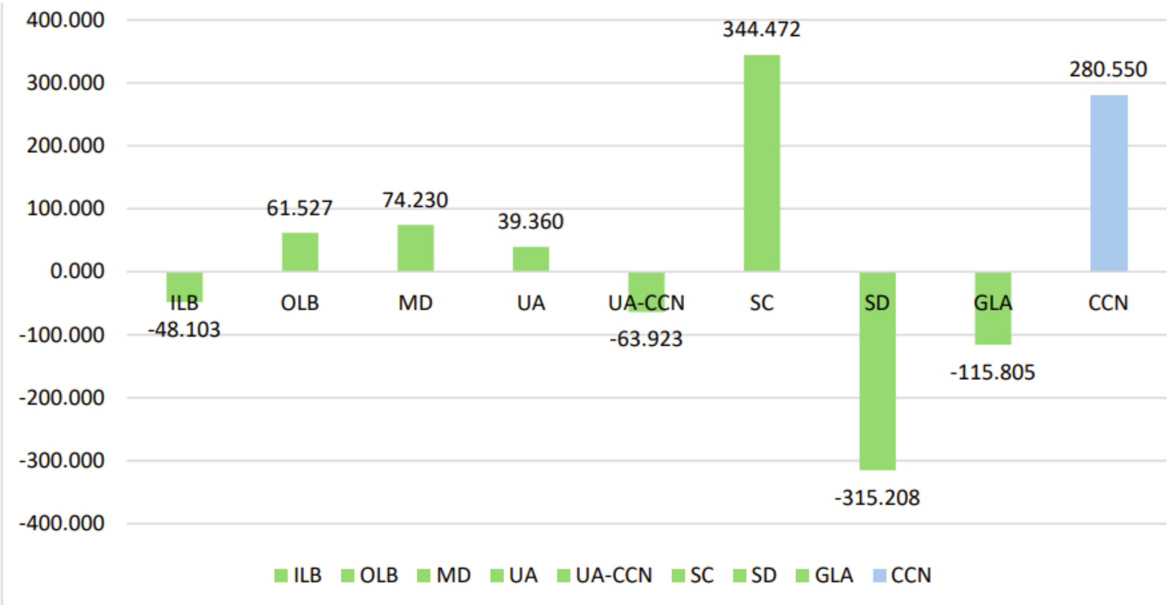
Business Rates Baseline Reset

There will be a full baseline reset in 2026-27. More detailed work on the mechanics of the reset are taking place outside this consultation, and we will find out more about them over the next few months. This consultation outlines some of the concepts around the future of the Business Rates Retention System (BRRS), including changes to levy rates, the safety net, pooling and the inclusion of Strategic Authorities.

The only consultation question on the BRRS is on whether the safety net should continue to be set at 92.5% of the Baseline Funding Level (BFL), or whether it should be set at a higher level in 2026-27. This is partly to reflect the increased risk to authorities in the early years following the reset, when authorities are less likely have a cushion of above-baseline growth. Most authorities will probably welcome a more generous safety net, even if it is more expensive and results in less funding from the Levy Account (the safety net is funded in the first instance by levy payments). The safety net threshold is already more generous for pilot authorities, at 97%, although these authorities retain business rate income at 100% rather than 50%, and so have greater risk.

The government is fully committed to a full reset, and the sector has been preparing for this for a considerable time. A full reset was also the policy of previous governments. There might be partial or rolling resets in future, but a full reset in 2026-27 is certain.

Epsom & Ewell council will have the biggest loss under business rates rest but will be countered by the positive impact mentioned below. Total impact on Shire Districts is in the region of £315m as reported in the graph below.



The consultation does not ask any questions or provide any detail defining the amounts that will roll into SFA, although this is a really important decision. It indicates that the rolled-in business rates income will be distributed “according to the needs shares”.

Transitional Support (Damping)

There are three different types of transitional support within the proposals:

1. Phasing in new allocations.
2. 0% damping floor.

3. Below-cash funding floor

If the council was expecting to lose from FFR this would have been more directly relevant for the council. However, the council, based on latest Pixel modelling is not expected to lose overall and the types of transitional support will not have a direct impact but in principle we support the idea of supporting councils that will see significant changes and will need a period to adapt.

Given the scale of changes that are being proposed, a substantial transitional support scheme was unavoidable. In our view, the proposals are proportionate and provide a reasonable level of support for those losing-out from the funding reforms. The majority of the damping is provided via the phased damping.

New Homes Bonus

New Homes Bonus (NHB) is going to be abolished after 2025-26. The consultation claims that NHB is “an ineffective incentive for new homes”, and that it “often rewards authorities for housebuilding that would have happened anyway”. The government would prefer to distribute the NHB funding (about £290m) based on “needs”. It is difficult to make a strong case for continuing the NHB. NHB has been in place since 2011, and desperately needed to be reformed or updated. Previous governments had issued consultation papers about replacements but never with much enthusiasm, or with a clear idea of what the replacement would look like. The 80% tier split in favour of shire districts was looking increasingly anomalous. The council had assumed no NHB for some time now so any change here will have no impact for EEBC. In fact, we may now have a share of the £290m mentioned above.

Epsom & Ewell Technical Consultation Response

Questions & Response

Question 1 – What are your views on the updated SFA resulting in zero allocations, and the use of mitigations to avoid zero allocations?

It appears that zero allocation will mean that an authority will not have any RSG or business rates income, which in effect will be distributed to other authorities. If so, we understand the reason behind it reduces business rates incentive, plus it can be significant for some councils, especially small district councils such that they should be protected.

Question 2 – Do you agree with how the government proposes to determine the Isles of Scilly's Settlement Funding Assessment?

Not relevant to us but it makes sense to treat Isles of Scilly differently due to its population size.

Question 3 – Do you agree with the government's plans to simplify the grant landscape?

Simplification is very helpful. It is also important to balance this with fairness. It is not always easy to get the balance right but nevertheless a simplified landscape will help to better understand the distribution mechanism and plan with more certainty.

It is currently not clear if new grants will just be added to SFA and whether this is for all government grants or just MHCLG, hence clarity would be helpful. It appears that a new distribution formula may be necessary for fairness.

In brief, the balance between simplicity and fairness is important.

New grants via s31 is understandable but can be confusing when several new grants are introduced and difficult to determine each element of the grant. At times, it's not even clear on government letter what the new s31 grant is paid for as a standard letter is sent out with little detail.

A full list of grants that will be rolled into SFA and updated thereafter with all new grants will be helpful.

Question 4 - Do you agree with the formulae for individual services the government proposes to include?

For each pot of money, a relevant formula is plausible. Whether it provides a fair distribution and the correlation between current council is yet to be seen.

We also support the inclusion of a separate formula for Temporary Accommodation as it's a large part of our spend which causes a significant cost pressure for many district councils.

We agree that deprivation does impact on the need to provide services and therefore spend of a local authority. To reflect the fact that pockets of deprivation can also exist in comparatively less deprived (or more affluent) areas which have an impact on service need, we think that the adjustment applied for deprivation should be based on the Index of Multiple Deprivation (IMD) at Lower Super Output Area (LSOA) level.

Question 5 – Do you agree with the areas of need the government proposes to no longer include in the assessment through the Foundation Formula?

There is no clear understanding on why Coast Protection, Flood Defence and Fixed Costs have been removed, therefore a comment on this would be helpful.

According to DCN Analysis conducted during the 2018 consultation indicated that the fixed cost uplift should be retained and should be weighted at least three times higher.

The formulae for flood defence and coast protection are smaller pots of money, very unevenly distributed, and only weakly correlated with population size and deprivation. They are not paid to all authorities. It is vital that flood defence and coastal protection continue to have a bespoke formulae or receive other specific consideration. If it is too complicated to retain individual formulae for flood defence and coastal protection, our strong view is that they should be covered by separate grant funding streams outside the settlement.

The approach of rolling these important funding sources into the main settlement is unfair and harmful to councils that unavoidably incur significant cost to provide the necessary coastal and flood protection for their communities.

Question 6 – Do you agree with the government's approach to calculating the control total shares for the relative needs formulae?

As proposed in the 2018 consultation, we agree with the proposal to use Revenue Outturn (RO) data returns completed by local authorities annually to set the control totals and that this is a fair reflection of actual expenditure by local

DCN supports splitting the foundation formula control total using the expenditure patterns in shire county areas which have district and county councils. This is the only expenditure data that clearly shows the relative spend of the two types of council.

Question 7 – Do you agree with the Labour Cost Adjustment (LCA) and Rates Cost Adjustment (RCA) equations set out in this chapter?

Question 8 – What are your views on the proposed approach to the Area Cost Adjustment?

Question 9 – Do you agree or disagree with the inclusion of the Remoteness Adjustment? Do you have any evidence to support or contradict the theory that rural areas face additional costs due to separation from major markets?

In response to question 7,8 & 9; we agree with applying an Area Cost Adjustment (ACA) based on Premises, Labour and Remoteness at a local authority geographical area level as proposed

Question 10 – Do you agree with the government's proposal to set a notional Council Tax level at the national average level, to achieve the objective of full equalisation?

This appears to be technically the correct approach which has been used in previous settlements. Using actual council tax effectively subsides low Band D authorities, whereas using notional equalisation is based on the ability to generate council tax income.

We also understand the need to set a notional council tax to achieve government objective, but this should not penalise councils who have made local decision making to support residents.

Question 11 – Do you agree with the government's proposal to fully include the impact of mandatory discounts and exemptions in the measure of taxbase?

We agree but should also recognise local decisions and should not penalise councils for those decisions.

Question 12 – Do you agree with the government's proposal to use statistical methods to proxy for the impact of Working Age Local Council Tax Support in the measure of taxbase?

Yes we agree due to the wide variety of schemes across the country and in order to retain local decision making and discretion over the design of LCTS schemes.

Question 13 – What are your views on the proposed statistical approach to proxy for the impact of Working Age Local Council Tax Support?

This means models will be used to estimate how much council tax support reduces the taxbase, rather than relying on each council's specific figures. There is insufficient evidence provided to substantiate it and no evidence that alternatives have been considered. Using benefit data should have been explored because this is much more likely to correlate with the demand for Working Age Local Council Tax Support (WALCTS).

We recognise that some measure of deprivation does need to be taken into account because demand for the WALCTS will be higher in authorities with higher levels of deprivation. We would like to see more transparency about the approach that has been used.

Question 14 – Do you agree with the government's proposal to assume that authorities make no use of their discretionary discount and premium schemes in the measure of taxbase?

Yes in order to retain local decision making and discretion over whether a local authority chooses to implement empty property and second homes premium or other discretionary discount schemes to tackle local housing issues we believe the impact of these should be excluded in the calculation of the taxbase for the relative resources assessment

Question 15 – Do you agree with the government's proposal to apply a uniform Council Tax collection rate assumption to all authorities?

We agree that a uniform rate should be applied. But the collection rate assumption should be based on the actual collection rate and not on full collection. The objective of the equalisation calculation is to base the adjustment on actual council tax levels (hence the use of the national average Band D). Local authorities do not collect 100% of council tax. The actual collection rate of 95.8% should be used. The justification for using full collection rather than the actual collection rate is "to [ensure] that the incentive for all authorities to reduce tax avoidance remains". This is misleading. Billing authorities are already incentivised to maximise collection. Using a different collection rate in the resources adjustment will not reduce that incentive.

Question 16 – Do you agree with the government's proposal to split or allocate the resource adjustment in multi-tier areas according to the average share in Council Tax receipts in multi-tier areas?

Yes we agree that the average share in council tax receipts should be applied in multi-tier areas. However, we would welcome clarification whether or not the 11.0% share for district councils includes the parish precept. Also, how would this be impacted if councils set up parish councils post FFR.

Question 17 – Noting a potential trade-off of an increased levy charged on business rate growth for some local authorities, do you agree that the level of Safety Net protection should increase for 2026-27?

We agree that safety net increase will give councils, especially districts, better protection but in the absence of levy payments in first year or two, how will this be funded is the question.

Question 18 – Do you agree with the government's proposal to end the New Homes Bonus in the Settlement from 2026-27 and return the funding currently allocated to the Bonus to the core Settlement, distributed via the updated Settlement Funding Assessment?

For many years councils have been preparing for the end of NHB and councils like us have assumed nil NHB going forward. Hence, we agree to re-integrate the NHB into the core settlement. Changes to NHB in recent years have seen overall funding reduce significantly and it, no longer, provides an incentive to build more homes. Nevertheless, local councils should be incentivised to support the delivery of housing.

Building new homes creates additional demand for council services and hence additional cost. Council tax income from these new homes will not by itself cover the additional cost and more needs to be done to help councils.

Question 19 – What measures could the government use to incentivise local authorities to specifically support affordable and sub-market housing?

Government could exclude affordable and submarket housing from the taxbase calculation for the assessment of relative resources. This would allow local authorities to keep 100% of the council tax levied on affordable and sub-market housing locally and provide an incentive to build more.

To incentivise housebuilding, especially affordable homes, councils need to have confidence that a proportion of their growth in taxbase will be retained locally over an extended period. We believe it would be possible and desirable to design a housing incentive scheme specifically targeted at affordable housing. This could include additional flexibility on council tax or business rates income if defined thresholds are met.

Question 20 – Are there any further flexibilities that you think could support local decision-making during the transitional period?

MHCLG should offer a big package of additional freedoms and flexibilities for councils to raise and retain income locally. This could include changes to council tax referendum thresholds as well as new freedoms on fees and charges.

This is especially important for district councils given their higher gearing to local income and much lower share of government grant. The current limit of 2.99% or £5 does not provide district councils with the funding required to maintain their vital services. Last year district councils generated 53% of their revenue funding from council tax yet district councils have consistently been given tighter council tax referendum principles than town and parish councils and Police and Crime Commissioners (PCCs) over a long period. Increasing the referendum principles to at least 5% or £10 could generate around £100m extra income per year for district council services at no cost to central government. The current £5 limit is only relevant to 20 out of 164 district councils. Even if these additional flexibilities were used in full in 2026/27, it would only cost the average Band D household 22p extra a week. District precepts would remain below PCC precepts in the vast majority of areas. Additionally, if the government approach is based on national council tax levels, there should be additional flexibility for councils below the average national level to increase council tax up to the average.

Furthermore given the level of change proposed as part of the Fair Funding Review 2.0, Devolution and Local Government Re-organisation local authorities should be given the flexibility to borrow to fund transformation programmes aimed at generating savings over the multi-year settlement in addition to having the existing flexibility to fund transformation costs from capital receipts (which may take a significant amount of time to deliver).

Question 21 – What are the safeguards that would need to go alongside any additional flexibilities?

Existing safeguards for the use of capital flexibilities such as needing Council approval of a flexible use of capital receipts policy and submission of a statutory return to government could be extended to provide a similar safeguard for capital flexibility on borrowing.

Question 22 – Do you agree or disagree that we should move local authorities to their updated allocations over the multi-year Settlement? Please provide any additional information, including the impact this measure could have on local authorities 'financial sustainability and service provision.

Yes we agree in principle that transition gradually over the multi-year settlement. At this stage, without allocations being confirmed and in light of LGR taking effect for 2027/28 in Surrey, it is not possible for us to fully assess the impact on this or any new unitary council's financial sustainability other than to re-iterate that the respective proposals for LGR in Surrey anticipated significant budget gaps (deficits) between estimated funding and expenditure across all councils in Surrey over the multi-year period

Question 23 – Do you agree or disagree that we should use a funding floor to protect as many local authorities' income as possible at flat cash in each year of the Settlement?

Yes we agree that a funding floor should be applied to all councils. They should have the benefit of the same 0% funding floor if they need it. It is not clear how MHCLG has defined and selected the councils that will not be offered the 0% floor.

Question 24 – Do you agree or disagree with including projections on residential population?

Disagree. We do not support the use of population projections because they are not sufficiently reliable or accurate. Sub National Population Projections (SNPP) are produced using historical data and population component trends that are projected into the future, whereas Mid-Year Estimates (MYE) are produced using changes to the population components measured during the previous year. Projections are not forecasts and do not attempt to predict the impact of future political and economic changes or local development policies. In other words, projections are based on historic trends and simply projected forwards. It is for this reason that projections can often be significantly inaccurate. The ONS highlights that "…projections become increasingly uncertain as they go forward into the future, particularly for smaller geographic areas and detailed age and sex breakdowns".

Therefore actual population figures should be used.

Question 25 – Do you agree or disagree with including projections on Council Tax level?

We disagree that projections of council tax levels (Band D) should be used.

Question 26 – Do you agree or disagree with including projections on Council Tax base?

There are no formal council tax projections or forecast published by ONS or any government department. Projections would be based on previous years' trends, which might not reflect future capacity to grow. It would be unacceptable to use such unreliable projections, which would lock-in allocations over 3 years. Our view is that neither population nor taxbase should be updated within the 3-year allocations. The quality of the projections is insufficiently robust.

Question 28 – Do you agree with the proposed above approach to determining allocations for areas which reorganise into a single unitary authority along existing geographic boundaries?

Yes agree that two tier areas which are reorganising into single unitary authorities will see new funding allocations based on the combined total of the predecessor authorities

Question 29 – Do you agree that, where areas are reorganising into multiple new unitary authorities, they should agree a proposal for the division of existing funding locally, based on any guidance set out by central government? Please provide any supporting information, including any further information areas would find helpful in guidance.

Agree. Government must consider the rate at which efficiency savings can be delivered without undermining existing services. Without this, there is a risk that new councils will start on the wrong foot by having to grapple with cuts to their spending power while trying to stabilise new organisations.

Question 30 – Do you agree that the government should work to reduce unnecessary or disproportionate burden created by statutory duties? If you agree, what specific areas of statutory duties impose significant burden without significant value for residents? Please provide any examples of changes you would like to see to statutory duties, being as specific as possible.

Numerous requirements have been imposed on local government over decades by successive governments. There is scope for many of them to be removed, reduced or simplified. These include

- The regime for Freedom of Information and subject access requests
- Planning appeals
- Excessive reporting requirements for annual accounts
- Bureaucratic procedural requirements in legislation or statutory guidance, of which the numerous requirements to publish notices in local newspapers are only one example

We would also support a fundamental review of central government monitoring and reporting requirements and of unnecessary hurdles to data sharing in the public sector.

Question 31 – Do you agree with the proposed framework outlined at paragraph 11.2.3 for assessing whether a fee should be changed?

Please provide any additional information, for example any additional considerations which would strengthen this proposed assessment framework, and any data which would be used to assess against it. Disagree. The framework set out in the consultation is very high-level and is not a substitute for concrete action to devolve fee setting. A hierarchy is not required. Instead, a common approach is needed, which we set out below. The proposal is far too slow and cautious. DCN does not agree that the first step should be for government to increase some fees centrally before considering devolution. There is no reason why we cannot proceed directly and quickly to free councils to set all fees and charges for services they provide, including penalties arising from enforcement. The approach should be that all fees and charges collected by councils should be set locally to ensure they will meet the cost of specific services in full, unless the council decides there is a reason to charge a below-cost fee. The view that service users need to be 'protected' is understandable, but misplaced. In many cases, service users have discretion to avoid a charge by changing their behaviour. In addition, many charges – such as for obtaining an alcohol licence or building control certificate - are incurred as the result of undertaking a commercial enterprise. If the level of charge does not reflect the cost of the service, other council taxpayers are subsidising something which benefits the individual or company. It is time to set aside concerns about variation in fees between areas. Council tax varies between areas, as do car parking charges, taxi licensing fees and a range of other fees and charges that councils already set. Private sector companies do not operate universal pricing. For example, prices for fuel vary from area to area and prices for goods can even vary between the same company's superstore and local stores in the same town. Variation is a consequence of devolution. In our view the Government should prioritise devolution and demonstrate that it has reset the relationship between central and local government by bringing forward an urgent, comprehensive programme to delegate setting of all fees, charges and penalties to councils. This would be subject to a requirement not to exceed full cost recovery. Having fees set by central government creates a rigid system that is not responsive enough to changing circumstances. Even when levels are reviewed, the process of implementing changes through legislation is often ponderous. The DCN does not believe that changing the criteria used by central government to set this system would make it nimble in the way a locally led system would be.

Question 32 – The government invites views from respondents on how best to balance the need to maintain fee values and the original policy intent of the fee whilst minimising cost of living impacts for service users.

The council supports the devolution of fee setting to local authorities for all current fees set through legislation by Government. There can be safeguards put in place such as 'ringfencing', cost recovery criteria and duty to report specific accounts that currently exist for some highways / transport charges and building control fees that can be used to ensure that service users are protected from excessive fee increases and local authorities are able to cover the full cost of service provision. These safeguards would also increase transparency in reporting what the costs of the services and income generated are.

Service users deserve to pay the full price of services that they use rather than expect to have it subsidised by other council taxpayers. The best and simplest solution is to devolve all fee setting to councils, subject only to a requirement not to exceed full cost recovery.

Question 33 – Do you agree that the measures above provide an effective balance between protecting charge payers from excessive increases, while providing authorities with greater control over local revenue raising?

Where national fees are set, they should be updated on a periodic basis in line with the multiyear settlement rather than being the same for decades as has been the case for some services (eg licensing)

However, it is time to reset the relationship between central and local government and see central government withdraw from the minutiae of what the appropriate fee for a particular service or activity should be. If councils were empowered to set all fees and charges locally but only at the level that covers the cost of a service, it would ensure that those seeking licences, being inspected or using particular services would bear the cost of them. At the same time, limiting fees to the level required for full cost recovery would ensure that service users do not suffer a financial impact above and beyond that which is necessary to deliver a service without burdening council taxpayers who do not use it.

An additional safeguard would be provided by the fact that councils would be accountable to their local electorates at the ballot box for the level of any fees set locally and for any impacts that arise from them.

Question 34 – Do you agree that we should take action to update fees before exploring options to devolve certain fees to local government in the longer term?

In fact, central government reviews of fees are generally unnecessary and unduly lengthy. Responsibility should be devolved to local government immediately. In the event it can’t be done immediately due to legislation government should take action to update fees before exploring options to devolve certain fees.

Question 35 – Do you agree or disagree that these are the right relative needs indicators [for the Adult Social Care formula]? Are there any other Relative Needs Indicators we should consider [for Adult Social Care]? Note that we will not be able to add additional indicators for a 2026-27 update.

No comment

Question 36 – Do you agree or disagree with including population projections in the ASC formula, when published, that have been rebased using Census 2021 data?

No comment

Question 37 – Do you agree or disagree with our proposal to include a Low Income Adjustment (LIA) for the older adults component of the ASC RNF model?

No comment

Question 38 – Do you agree or disagree that the overall ASC RNF should combine the two component allocation shares using weights derived from the national ASC net current expenditure data on younger and older adults (in this case 2023 to 2024)? If you disagree, what other weightings would you use? Please provide details for why you would use these weights and what data it would be based on?

No comment

Question 39 – Do you agree that ethnicity should be removed as a variable in the CYPS formula? Please explain your reasoning.

No comment

Question 40 – Do you agree overall that the new formula represents an accurate assessment of need for children and family services? Please share any reflections or suggested changes.

No comment

Question 41 – Do you believe that the components of daytime population inflow should be weighted to reflect their relative impact on demand for services?

We agree but no evidence has been presented in the consultation about how residents and non-residents should be weighted. We would like to understand the options that MHCLG is considering.

Question 42 – Do you agree with/have any comments on the design of the Foundation Formula?

We agree especially the aim of linking funding more tightly to demand for services and the cost of providing them. We also support the aim of tackling deprivation and inequality. While increased funding for deprived areas is welcome, the basis for the new deprivation weighting is unclear and seems inconsistent with earlier findings.

Question 43 – Do you agree with/have any comments on the design of the Fire and Rescue Formula?

Not applicable

Question 44 – Do you agree with/have any comments on the design of the formula for Highways Maintenance?

Not relevant to us but agree that Highways Maintenance RNF should be based on road length and traffic flow, together with an ACA uplift.

Question 45 – Do you agree with/have any comments on the design of the formula for Home-to-School-Transport?

No comment

Question 46 – Do you have any views on the potential impacts of the proposals in this consultation on persons who share a protected characteristic?

As local government generally supports those who are the most vulnerable in society, the proposals to divert resources away from some councils as part of Fair Funding is likely to have disproportionate impact on people with protected characteristics in those areas.