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## **Updates for the 2018-19 Final Settlement**

### **Summary**

1. There will be several updates to the 2018-19 provisional settlement following the collection of more recent data and the confirmation of budgets. The Final Settlement is due to be published on 20 December 2017 – the day after the Welsh Government Final Budget.
2. DSG members are asked to note the outlined changes between the provisional and final settlements.

### **Planned updates;**

#### Data updates

3. Tax base figures for Local Authorities will be updated with the most recent 2018-19 data available during November. The 2018-19 Provisional Settlement is based on the 2017-18 tax base.
4. The Bank of England latest quarterly average of yield from British Government Securities figure for September is now available and will be updated in the Pool Rate model.
5. Final Specified Bodies data needs to be confirmed by the WLGA and the top slice will be adjusted accordingly.
6. Minor amendments have been made to the Revenue Outturn data following routine validations with local authorities. The updated RO data will be reflected in the Final Settlement.
7. There will be a minor correction to the base figure for the transfer in of the Looked After Children (LAC) grant. This is a result of new information obtained by Local Government Finance Policy (LGFP) officials, whereby £40k of the funding was awarded to Powys in 2017-18 for pump priming.

#### Transfers and New Responsibilities

8. There are no plans for further transfers between the 2018-19 provisional and final settlements.
9. There is the potential for additional funding to be included in the final settlement to fund a further increase in the capital limit for residential care. The first 6 months of data for 2017-18 has now been received by social care colleagues and this is being analysed and advice being prepared for consideration by the relevant Ministers.

External factors

10. The Chancellor of the Exchequer has announced that the UK Government will publish its Autumn Budget on Wednesday 22 November. Dependent on the outcome of this announcement, there is a potential impact for the 2018-19 final settlement.

Floor funding

11. Once all of the above factors have been factored in to the settlement calculation, there will need to be further consideration of the funding floor. This is a matter for the Cabinet Secretary for Local Government and Public Services.

**Local Government Finance Policy  
Welsh Government**