

Leighton Andrews AC / AM
Y Gweinidog Gwasanaethau Cyhoeddus
Minister for Public Services



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: SF/LA/3913/14

To:
Leaders of County and County Borough Councils in Wales

Copied to:
Chief Executives and Directors of Finance,
County and County Borough Councils in Wales

Chief Executive and Director of Finance,
Welsh Local Government Association

10 December 2014

Dear colleagues,

Final Local Government Revenue and Capital Settlements for 2015-16

Today I am announcing details of the Final Local Government Revenue and Capital Settlements for 2015-16 for Local Authorities in Wales through a Cabinet Written Statement. This is attached for your information.

Full details of the Settlement are being published on the Welsh Government website. This information, together with the details I am making available on the Revenue and Capital Grants to be provided to Local Government, gives you the information you need to set your Budgets and Council Tax levels for 2015-16.

I have carefully considered the responses to the consultation on the Provisional Settlement before determining the Final Settlement. The responses did not identify any matters which require a change of approach for the Final Settlement.

Within the Settlement, unencumbered revenue funding for 2015-16 amounts to **£4.125 billion** – slightly higher than the amount I announced in October. The funding announced today represents a decrease of 3.4% (£145 million) from 2014-15, after adjusting for transfers into and out of the Settlement.

There have been some changes to individual Authority allocations from the Provisional Settlement. These changes largely reflect the routine inclusion of updated tax-base data relating to 2015-16.

I am also publishing on our website the latest available information on planned revenue and capital grants to Local Authorities for 2015-16. This provides a comprehensive picture of the funding from the Welsh Government for Local Government. The grant information includes details of the Outcome Agreement Grant funding which has been distributed on the same basis as in previous years. I want to emphasise, however, that the funding individual Authorities will receive is subject to the satisfactory delivery of the agreed outcomes, improvement and corporate health measures.

In setting your budgets and Council Tax levels for 2015-16, I continue to encourage you to consider how best you can engage with your local communities in formulating your proposals and making budget decisions.

I am prepared to use the capping powers available to me should I consider any proposed increase in council tax to be excessive. I also expect every authority to take account of all the available funding streams in considering service provision and setting its budget and Council Tax.

I will shortly lay the *Local Government Finance Report No 1* for 2015-16 for debate in the Assembly on 13 January 2015.

Yours sincerely,

A handwritten signature in blue ink that reads "Leighton Andrews". The signature is written in a cursive style with a large initial 'L'.

Leighton Andrews AC / AM
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Minister for Public Services