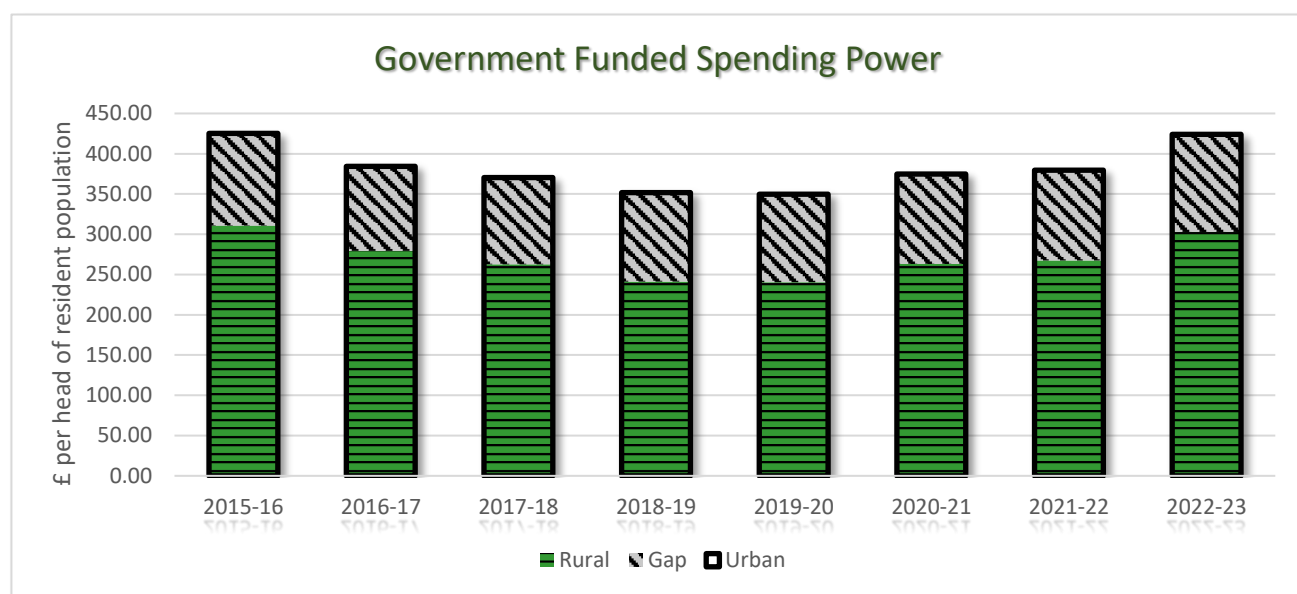


Fairer Funding – National Position, 2022

– a rural-urban comparison across English local authorities

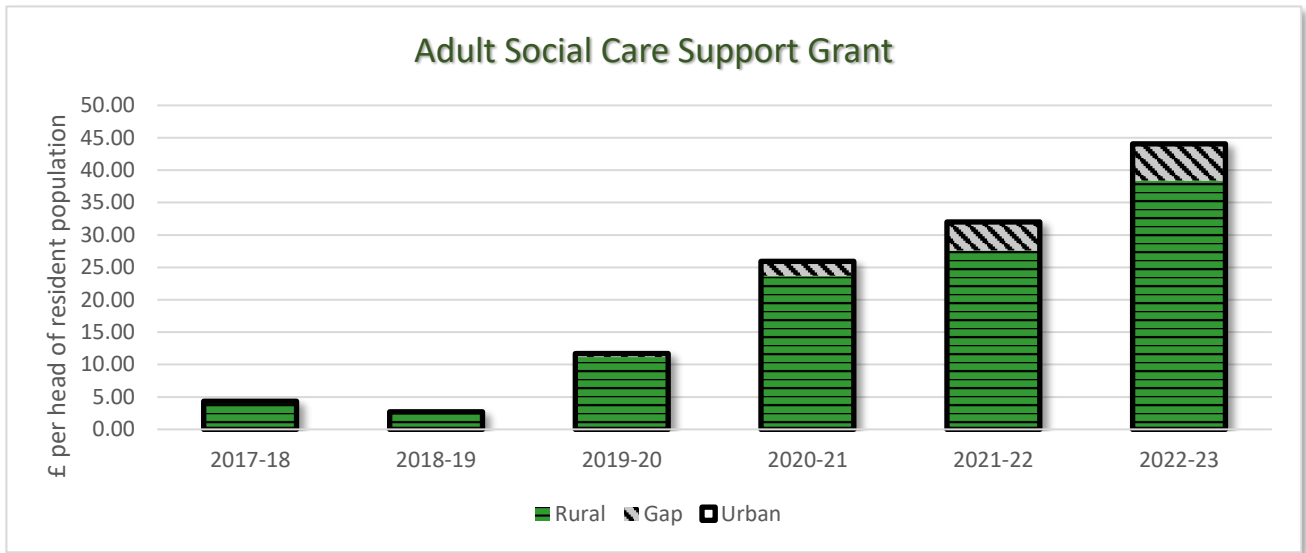
The local government finance settlement does not fairly distribute funding across the local authorities of England, and rural local authorities and their residents are unfairly disadvantaged by a combination of lower government funding and higher council taxes.



- Rural local authority areas are systematically underfunded by the Government's funding formula.

Total GFSP per head (£)	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Rural	310.61	279.41	262.66	241.39	240.22	263.26	267.32	302.62
Gap	114.58	104.90	107.74	110.45	109.53	111.42	112.35	121.57
Urban	425.19	384.31	370.40	351.84	349.75	374.67	379.67	424.19
% difference	37%	38%	41%	46%	46%	42%	42%	40%

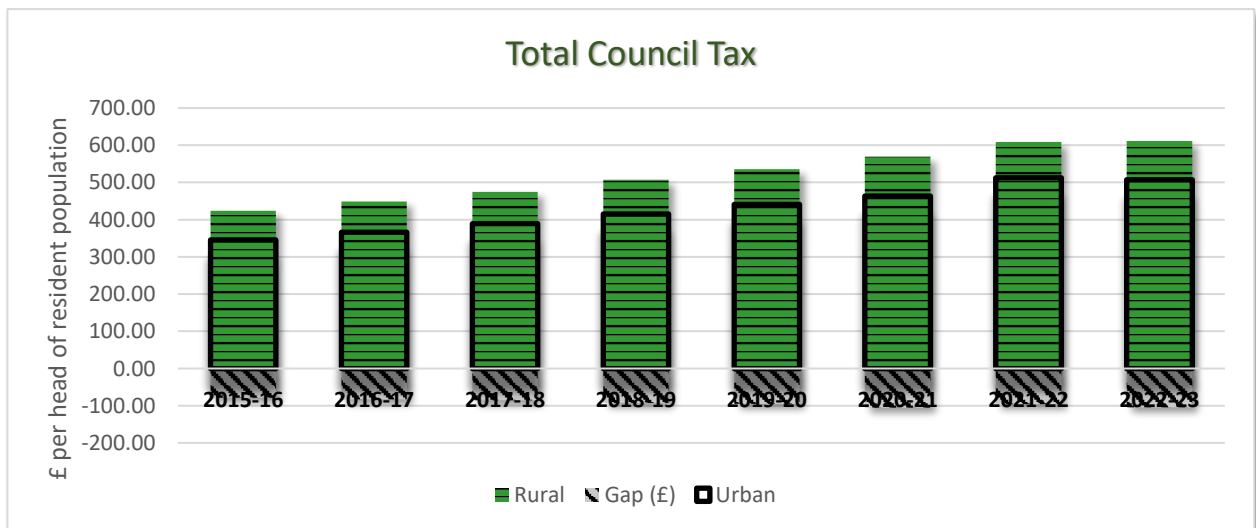
- The funding gap in Government Funded Spending Power remains high at around 40% between that received within Urban local authority areas and that in Rural.



- There is a worsening situation in Adult Social Care Support Grant where the funding gap is increasing despite the additional needs of an older rural population.

Total ASCSG (£)	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Rural	4.15	2.58	11.18	23.70	27.63	38.40
Gap	0.18	0.11	0.50	2.21	4.40	5.66
Urban	4.33	2.69	11.68	25.91	32.03	44.06
% difference	4%	4%	5%	9%	16%	15%

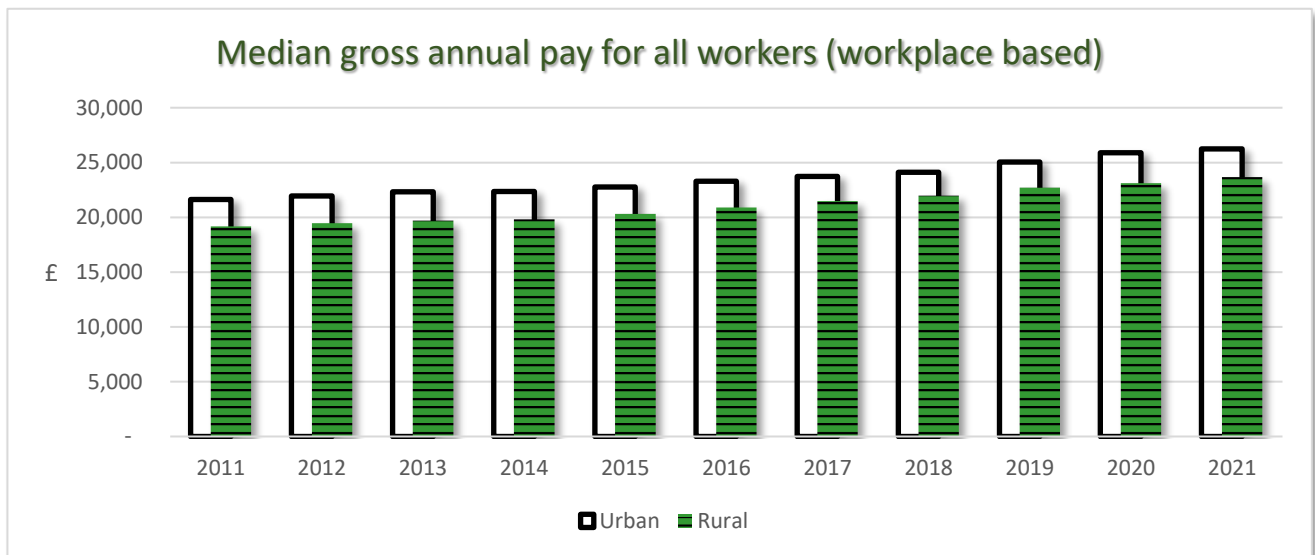
- To fund the shortfall in Government Funded Spending Power received in Rural areas, rural residents are required to pay greater Council Tax each year compared to residents of Urban council areas.



- Residents of Urban local authority areas are paying consistently less Council Tax each year.

Total Council Tax	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Rural	424.24	448.69	474.74	507.14	535.64	569.09	608.58	611.46
Gap (£)	-78.63	-82.82	-85.69	-91.95	-94.59	-105.41	-96.15	-104.21
Urban	345.61	365.88	389.06	415.18	441.05	463.68	512.43	507.25
% difference	-19%	-18%	-18%	-18%	-18%	-19%	-16%	-17%

- This is particularly unfair on rural residents who have on average lower locally earned wages.

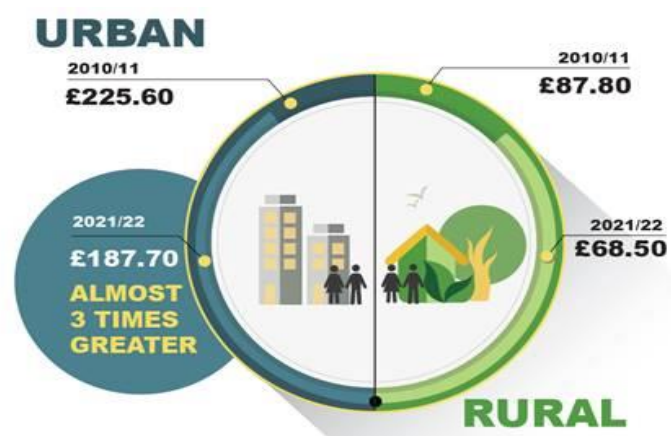


Outcomes of underfunding, 2022

The result of underfunding rural local authorities is that service provision and those who use those services suffer.

TOTAL DISCRETIONARY SERVICES SPEND

Urban authorities can spend considerably more per head than those in rural areas. Looking at the latest figures for 2021/22 their spend is almost **THREE TIMES** greater per head!



Rural local authorities are not able to fund discretionary services such as library or cultural services to the same extent as their urban counterparts.

LIBRARY SERVICES

Discretionary Spend Comparison

RURAL
Shire Counties



2021/22

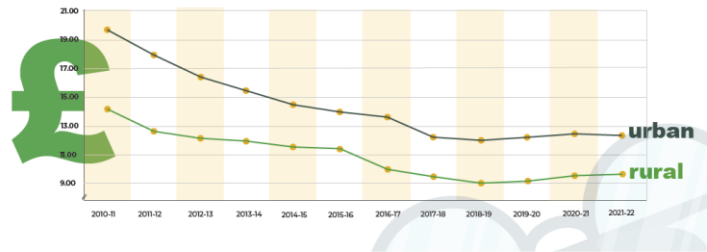
URBAN
Shire Counties



+29%

LIBRARY SERVICE

Overall Average



Rural authorities can spend much less per head...

CULTURE

Discretionary Spend Comparison

In the period from **2010 to 2022**
this equates to:

URBAN per head
£120.90

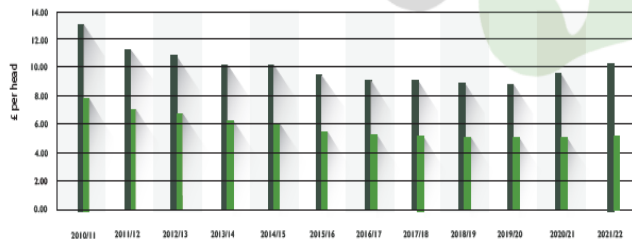


RURAL per head
£70.60



Rural authorities have less to spend...

Urban residents get more spent on Cultural Services than rural. For Shire Districts this spending gap is over 100% greater than for rural Shire Districts



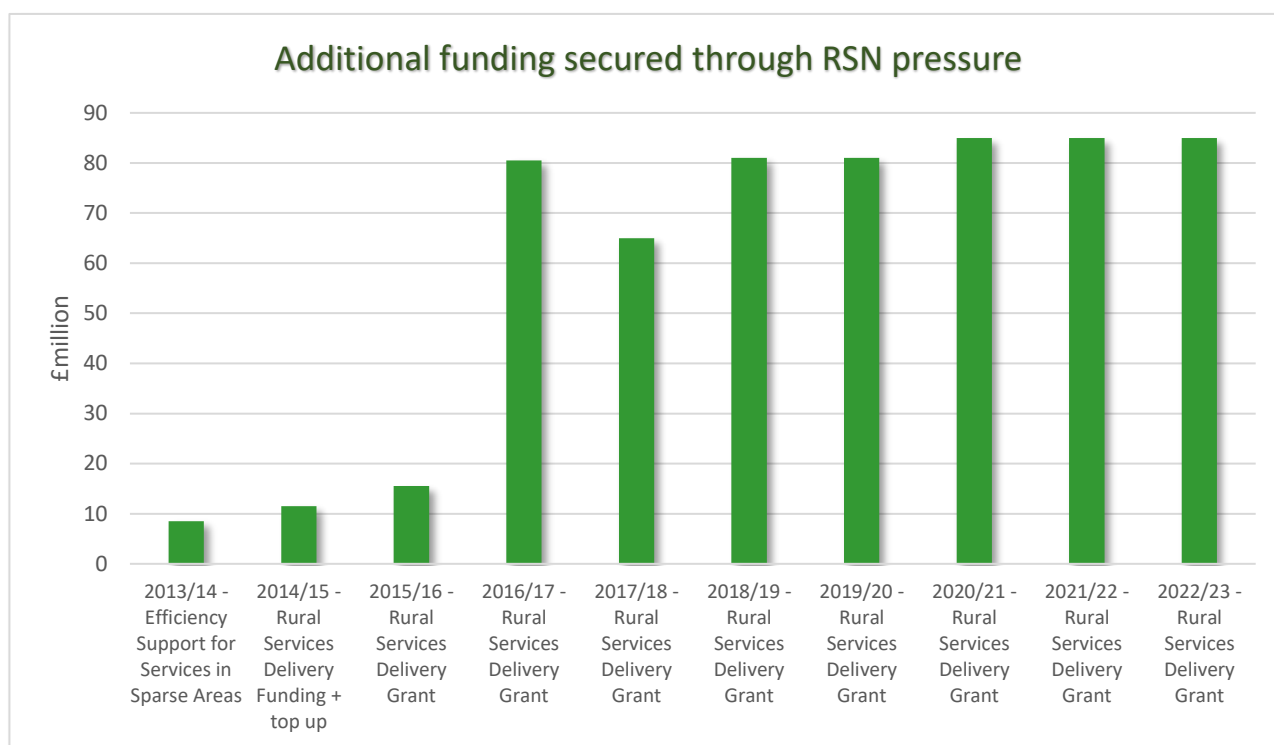
PUBLIC TRANSPORT

Discretionary Spend Comparison

in **2021/22** planned expenditure on **PUBLIC TRANSPORT** per resident is **NEARLY 10X MORE IN** predominantly **URBAN AREAS**



Success through campaigning



- Through the consistent campaigning of the Rural Services Network, there has been success for rural local authority areas through the introduction of a grant now known as the Rural Services Delivery Grant, the value to rural local authorities increasing over the years of campaign work to its current value of £85m.

	Efficiency Support for Services in Sparse Areas	Rural Services Delivery Funding + top up	Rural Services Delivery Grant							
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
£ million	8.5	11.5	15.5	80.5	65	81	81	85	85	85

Further details on the [Fairer Funding Campaign](https://rsnonline.org.uk/page/fairer-funding-campaign) can be found at:

rsnonline.org.uk/page/fairer-funding-campaign