



## Leader Decision Making - 5 October 2010

### Response to the Consultation Paper on Revenue Support Grant Top-slice for Improvement Services to Local Authorities

#### Report of the Strategic Director, Resources

#### Recommendation

To approve that the response to the Revenue Support Grant Top-slice for Improvement Services to Local Authorities consultation, attached at Appendix A, is submitted to the Department for Communities and Local Government as the formal response from Warwickshire County Council

## 1 Introduction and Background

- 1.1 There are currently nine specified bodies listed in the *Revenue Support Grant (Specified Bodies) Regulations 1992* that receive funding totalling £35 million from a top-slice of Revenue Support Grant (RSG), before it is distributed to local authorities. These bodies are:
- Improvement and Development Agency for Local Government (IDeA)
  - Employers Organisation for Local Government
  - Local Authority Coordinators of Regulatory Services (LACORS)
  - Public Private Partnerships Programme (4Ps)
  - Fire Services Examinations Board
  - Local Government International Bureau
  - National Foundation for Educational Research in England and Wales
  - National Institute of Adult Continuing Education
  - National Youth Agency
- 1.2 The Local Government Association has put a proposal to the Secretary of State for the future of the RSG top-slice. The principal elements of the proposal from the LGA are:
- A reduction in the annual top-slice funding
  - A sole specified body, which is the recipient of all top-slice funding. It is proposed that this body should either be the LGA or Local Government Improvement and Development (formerly the IDeA)
  - The sole specified body will decide how best to allocate the funding to deliver objectives and key outcomes agreed with the Secretary of State

- 1.3 The Secretary of State believes that the local government sector should have responsibility for its own improvement needs, including developing and sharing expertise and learning from each other and is, therefore, minded to accept the proposal. Before doing so he has opened a short consultation seeking the views of local authorities. The consultation, which only covers the latter two elements of the LGA's proposal, is due to close on 6 October.
- 1.4 The draft response from the County Council (see **Appendix A**) supports the principle of a single top-slice and considers that it should reduce the costs of support, remove centrally imposed restrictions and promote the ability of local government to decide how best to use the resource. In making such a change there is a need for the body deciding the allocation of future funding to have a clear focus on and be accountable for the outcomes delivered. It is therefore recommended that the responsibility is given to Local Government Improvement and Development as the LGA has too wide a focus as a body "representing" its various constituencies of interest.

DAVE CLARKE  
Strategic Director, Resources

Shire Hall  
Warwick

01 September 2010

## Revenue Support Grant Top-slice for Improvement Services to Local Authorities - Response to the Consultation Paper from Warwickshire County Council

05 October 2010

Richard Daniels  
Local Transformation, Improvement and Efficiency  
Communities and Local Government  
Zone 3/J2  
Eland House  
Bressenden Place  
London SW1E 5DU

Dear Mr Daniels,

### Revenue Support Grant Top-slice for Improvement Services to Local Authorities Consultation Paper – 2010

Warwickshire County Council would like to thank the Department for Communities and Local Government for the opportunity to respond to the above consultation.

We support the principles of the proposal for future RSG top-slice funding as set out in Annex A to the consultation letter. We believe that allocating the resource through a single funding body will provide opportunities for economies of scale thereby reducing the costs of support. The removal of centrally imposed restrictions that would accompany such a move is also consistent with our belief that local government should be responsible and accountable for its own actions and finances. We believe local government is best placed to decide how to gain maximum value from the use of this resource.

Those organisations currently funded through the top-slice work to support, promote and improve local government. Their remits, whilst wide-ranging, have a focus of delivering improvement in local government. It is this need to maintain focus that underpins our decision to **support the allocation of future funding to be through the LGID**. We believe the LGA has too wide a remit/brief, as a body representing its various constituencies and that the interests of local government, would be better served by utilising a body with a remit more closely focused on the improvement of local services.