

Pixel Funding Advisory Service

Service Plan for 2019-20

Local government funding will change profoundly over the next 12 months. The quantum available to the sector will change (spending review, council tax thresholds) as will the distribution (Fair Funding Review, baseline reset). Other changes will add to the turbulence (social care green paper, new business rate retention system).

Our service is designed to help you to prepare for these changes by understanding how they might affect your authority's finances. We provide regular briefings explaining the proposals in plain English. And we publish Medium Term Financial Planning (MTFP) and Fair Funding models to help you make robust estimates of the potential financial impact for your own authority.

These are the areas where we expect to see significant changes in the next 12 months:

- **Fair Funding Review.** Further consultation papers and exemplifications will be released from Spring 2019 onwards, together with a range of technical papers, including for Needs, Resources and Dampening. Council tax equalisation, deprivation and social care formulae will be key issues.
- **Business Rate Retention Scheme (BRRS).** The local share will increase to 75% in 2020-21, but there are still some key decisions about reforming the current system to be taken this year, including the baseline reset, tier splits and pilots. MHCLG is also considering an "alternative model" that would be radically different (more predictable if not simpler).
- **Spending Review 2019.** SR19 will begin shortly before the Summer Recess and conclude in the Autumn Budget (usually late November). We expect SR19 to announce the overall funding package (our current assumption is "cash flat"), additional funding for social care, and relaxation of council tax thresholds. New taxation streams are unlikely but not impossible.
- **Social Care Green Paper.** The release of this green paper has been imminent for two years – but it really cannot be delayed much longer. Social care green paper has to be integrated with SR19 and the NHS's 10-year plan.

Our plans for 2018-19

We will continue to provide our usual **in-depth and responsive service**:

- Briefing notes on all the key announcements including the provisional and final settlements, the SR19, Autumn Budget/ Spring Statement, the Social Care Green Paper and any other relevant announcements, including Brexit.
- Rapid briefings on the key working groups including: Systems Design, Needs and Redistribution, Implementation Working group. Pixel also attends the Alternative Model Working Group and we will brief on that when we are able.
- Full analysis of any consultation papers, including advice on how to respond and feedback on responses from the LGA, the IFS and key representative groups.
- Strategic papers on wider economic and fiscal changes, and the impact on local government funding.
- Updates on reports from think-tanks, such as the Institute of Fiscal Studies, where they have local government funding implications.
- Regular updates on the parliamentary debates, select committees and ministerial statements.
- Tactical advice on preparing for 2020-21, including budget-setting strategy and NNDR3 2018-19.
- **NEW FOR 2019.** We will be launching a **Band D Council Tax monitor** where authorities can benchmark their proposed council tax increases. Data will be collected from authority budget reports and so will be available from December 2019 onwards and can be used to inform budget plans.

Our **Medium Term Financial Planning (MTFP) model** allows authorities to see the potential effect of funding changes at authority level and to make funding forecasts to 2025-26.

We launched our **Fair Funding model** last year and we updated it to take account of the consultation paper issued in December 2018. Our model shows the “direction of travel” for the FFR and how this would affect every authority. We will update the assumptions to reflect the latest intelligence.

We provide unlimited **email and telephone support** to subscribers. There is a subscriber page on our website containing all our briefing notes and latest models.

Every authority – or group of authorities – can arrange an **onsite meeting**. The topics for discussion at these meetings can be agreed on a case-by-case basis.

Events for 2019-20

These are our planned events for this year. The actual dates and topics may change as we know more about the timetable for Government announcements and consultation papers.

Our MTFP User Groups – which we ran for the first time in 2018 – proved to be successful and we will run them again in 2019. Once again they will be free to subscribers.

For all other events, subscribers will receive discounted prices (£195 for subscribers compared to £295 for non-subscribers).

We will be running most our events in both London and Leeds. The MTFP User Groups will be in London, Leeds, the West of England and the East Midlands.

May 2019	<p>MTFP User Groups</p> <p><i>We will be running workshops in London, Leeds, West of England and East Midlands.</i></p>
June 2019	<p>Financial Resilience Conference</p> <p><i>We will be launching a new Financial Resilience service in 2019 based on our database of local authority accounts. More information about this service in April 2019.</i></p>
September 2019	<p>Reform of Local Government Funding</p> <p><i>A series of events covering the latest on the Fair Funding Review, Business Rate Retention and the Spending Review.</i></p>
November 2019 (TBC)	<p>Spending Review – the financial implications for local government</p> <p><i>We will run events on the spending review shortly after the announcement.</i></p>
January 2020	<p>Local Government Finance Settlement 2020-21</p> <p><i>By this point we should know the full extent of the announcement. These events will help authorities to unravel what has happened.</i></p>

Prices

An annual subscription is £2,500 (plus VAT) for upper tier authorities and £2,000 (plus VAT) for district councils and fire authorities.

We offer significant discounts for authorities joining in a county group.

For existing subscribers, there is no change in the annual subscription in 2019-20.

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You can also follow us on social media. We will use these outlets to discuss issues more informally, and to provide immediate responses to announcements.

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