

# Press release: Communities Secretary confirms funding certainty for councils

Communities Secretary Sajid Javid has confirmed that councils will continue to benefit from the long-term financial certainty of a four-year funding settlement, helping them to plan ahead with confidence.

He also confirmed he is working closely with the Chancellor of the Exchequer to determine how best to provide further support to businesses facing the steepest increases, with further details expected to be set out in the Budget in two weeks.

Mr Javid published individual funding allocations for local authorities for the second year of the historic settlement, with figures largely unchanged from those published a year ago.

It means that over the course of this Parliament, councils will receive more than £200 billion in government funding – ensuring they can deliver the frontline services people value. Councils are also able to use this increased certainty to change the way they work and become more efficient, building on the £508 million savings already delivered across local government.

It also prepares the ground for wider reforms, to ensure councils benefit from 100% business rate retention, giving them the financial autonomy they have long campaigned for. Councils in six areas across the country will start piloting this approach from April, with all councils invited to apply to participate in further pilots from April 2018.

Communities Secretary Sajid Javid said:

Our historic funding deal, accepted by 97% of councils, offers the financial certainty needed to plan ahead, with more than £200 billion over the course of this Parliament. This includes £7.6 billion dedicated funding and extra flexibility to provide vital adult social care services for the most vulnerable people in our communities.

But local government funding doesn't just have to be fair for local government. It also has to be fair to the people who provide the funds in the first place, and that includes the millions of hardworking business owners who pay business rates. Working closely with the Chancellor of the Exchequer, we will determine how best to provide further support to businesses facing the steepest increases, with further details expected to be set out in the Budget in two weeks.

Over the next year, I'll be working with councils across the

country as we move towards 100% business rates retention, giving local authorities the financial autonomy they have campaigned for over decades.

## **Further information**

The key elements of the 2017-18 local government financial settlement are:

### **Adult social care**

The Spending Review last year gave councils the opportunity to raise funds to provide dedicated care for the growing elderly population through an adult social care precept on council tax.

Listening to views from councils to provide for elderly and vulnerable citizens, the Communities Secretary confirmed that he will bring forward increases in the adult social care precept. Councils can choose to raise it by 3%, meaning they will have the ability to raise an additional £208 million next financial year.

This comes on top of a new adult social care grant, worth £240 million next year, and an improved Better Care Fund worth up to £1.5 billion so councils can work more closely with the NHS.

It brings total dedicated social care funding to £7.6 billion over the settlement period, with councils receiving more than £200 billion over the course of this Parliament.

### **Council tax**

The Government is committed to keeping council tax down and will maintain referendum principles to protect hard-working tax-payers from rising bills. Council tax in England has fallen by 9% in real terms since 2010 and is expected to be lower in real terms in 2019-20 than it was in 2010-11.

### **Business rates**

As part of the revaluation of business rates to make bills fairer, measures such as transitional relief have been made available to support those seeing increases. However, Government is looking at how best to provide further support to businesses facing the steepest increases. Ministers expect to be in a position to make an announcement at the time of the Budget in two weeks.

### **100% retention of business rates**

To reduce local government's dependence on central government for funding – long campaigned for by councils – by the end of this Parliament, local government will keep 100% of the income raised locally through business rates. To ensure councils with less business rates do not lose out there will continue to be redistributions between authorities.

The Local Government Finance Bill, currently before Parliament, provides the

legislative framework for these reforms. Pilots of these reforms will take place from this April in Liverpool, Greater Manchester, West Midlands, West of England, Cornwall and Greater London. All councils are invited to apply to participate in the pilots from April 2018.

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## [Press release: Foreign Secretary hosts high-level foreign policy talks with South Korea](#)

As a sign of the strength of the close bilateral relationship between the UK and South Korea, the Foreign Secretary Boris Johnson has hosted his South Korean counterpart – Foreign Minister Yun Byung-se – at Lancaster House in London, for annual foreign policy talks covering trade, defence and security.

South Korea is an important strategic partner for the UK, both in Asia and on the world stage. The two ministers reaffirmed the depth of the relationship and the strong commitment to work together on pressing international issues – from collaborating together to counter Daesh, to peacekeeping operations in South Sudan, tackling piracy off the coast of Somalia and enhancing our development cooperation in Africa and other countries.

The Ministers discussed regional and international security, and emphasised the importance of close work with like-minded countries to uphold the rules-based international order. In light of recent North Korean missile tests, the Foreign Secretary reaffirmed the UK's commitment to working closely with South Korea and other international partners to uphold and enforce sanctions against North Korea as a clear sign that the international community will not stand for their nuclear weapons programme that violates multiple UNSC resolutions.

The talks also included our strong defence relationship, which expanded last year with the first ever deployment of RAF Typhoons to South Korea, our biggest contribution to date at last year's US and South Korea military exercises, and the intensification of our already close naval partnership. We will build on this momentum this year and look to expand our cooperation in cyber, intelligence and logistics.

The Foreign Secretary also praised the UK- Korea trade relationship, currently worth nearly £11 billion, which continues to go from strength to strength. South Korea is the third largest destination in Asia for UK goods exports, and the UK is South Korea's fifth largest foreign direct investor.

The Foreign Secretary Boris Johnson said:

South Korea is a very important partner for the UK and our relationship is going from strength to strength. Two trading nations with a global outlook, we have established a trade working group to discuss tackling barriers to market access, trade and investment, with the aim of building on our trade relationship already worth £11 billion.

On the world stage too, we are working together to solve global problems. Foreign Minister Yun and I have discussed the importance of close cooperation on development assistance, both our ongoing peacekeeping operations in South Sudan, and our commitments to Somalia – including the upcoming conference in London.

And on defence and security, the UK stands absolutely united with South Korea and our international partners in condemning the dangerous and provocative behaviour of the North Korean regime, which is a clear threat to regional and international stability.

## Further information

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## [News story: Brokenshire condemns attack on PSNI officer](#)

From:

First published:

22 February 2017

Part of:

Commenting on the explosion of a device discovered at the home of a serving police officer, the Secretary of State Rt Hon James Brokenshire MP said:

This is a despicable attack. The people who planted this device intended to kill or cause really serious injury.

Their murderous intent is in stark contrast to the focus of this police officer who went out this morning to serve the community.

The Police Service of Northern Ireland have our unstinting support

for their work in keeping people safe and the public service they give.

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## [News story: UK government funds City of Derry air link](#)

From:

First published:

22 February 2017

Part of:

Government announces £3.8 million for a Londonderry to London air route to begin at the end of March.

The UK government has today announced £3.8 million for a Londonderry to London air route, following the decision by current operator Ryanair to stop serving the air link at the end of March.

BMI Regional has been chosen as the preferred operator for the route between City of Derry Airport and London Stansted, following a competitive tender process by Derry City & Strabane District Council.

Flights will begin on Sunday 26 March and the government will fund the route over the 2017/18 and 2018/19 financial years.

The new service will include two return flights each day, except for Saturdays which will have one flight each way.

Aviation Minister Lord Ahmad of Wimbledon said:

The UK government has worked closely with Derry City and Strabane District Council to protect this important route to City of Derry Airport. £3.8 million UK Government funding will allow 13 return flights to connect Londonderry to London every week. The new service will allow business passengers to get to central London and complete a full day's work before returning home.

This is the first ever government backing for a public service obligation (PSO) in Northern Ireland. The government maintains regional airport links through the [Regional Air Connectivity Fund](#), which can be used to protect important regional air connections to London which may otherwise be lost.

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## [Press release: Pioneering property programme drives efficiency savings across the public sector](#)

Councils and government agencies from the early phases of the Cabinet Office and Local Government Association's One Public Estate (OPE) programme have worked in partnership to raise over £25 million in capital receipts and deliver £7.7 million in running cost savings since its inception in 2013.

Speaking today at the launch event for the latest round of OPE funding in Liverpool, Ben Gummer, Minister for the Cabinet Office, encouraged councils to apply for the next round of funding allocations, which opens on 7th April 2017.

Ben Gummer, Minister of the Cabinet Office, said:

Seeing such substantial savings being delivered from the very first councils that participated in One Public Estate is hugely encouraging. These councils have raised millions of pounds through initiatives that not only deliver capital receipts, but also increase efficiency and improve public services.

There is enormous potential for these savings and public benefits to be even greater, and I encourage councils to work on bids for the next round of funding.

OPE is a joint initiative run by the Cabinet Office and the Local Government Association, which encourages councils to work with central government and the wider public sector to use land and property to boost economic growth, unlock regeneration, and create more integrated public services.

Councils apply to the programme to receive funding and both practical and technical support to help solve issues and deliver ambitious transformational projects.

The total number of councils participating in OPE is over 250 – almost three quarters of all councils in England. OPE remains on track to achieve the ambition of 95% of councils on the programme by 2018.

Lord Porter, LGA Chairman, said:

I'm really pleased to see the continued expansion of One Public Estate.

The programme has made great strides up and down the country supporting our councils to work more collaboratively with our central government partners, ensuring public land and property is put to the best possible use for our communities.

I hope to see all councils on the programme by 2018.

## **Further information**

One Public Estate is a national programme initially launched in 2013.

It is jointly delivered by the Government Property Unit within the Cabinet Office and the Local Government Association. It supports joint working across central and local government to use land and property to boost economic growth, unlock regeneration, and create more integrated public services. It encourages public sector partners to share buildings, transform services, reduce running costs, and release surplus and under-used land for development. Partnerships joining the programme will receive funding and both practical and technical support from our team to help solve issues and deliver ambitious transformational projects.

To find out more about the programme, email [onepublicestate@cabinetoffice.gov.uk](mailto:onepublicestate@cabinetoffice.gov.uk).

On 27 January the Cabinet Office and Local Government Association announced that a further 79 councils would join the One Public Estate (OPE) programme.

The latest funding round means that by 2019/20 the partnerships on OPE expect to:

- create 44,000 jobs
- release land for 25,000 homes
- raise £415 million in capital receipts from land and property sales
- cut running costs by £98 million

The funding will support public sector partnerships to work collaboratively on land and property initiatives, generating new jobs and homes, creating more joined up public services to local communities, and delivering savings for the taxpayer.