



Levelling Up, Housing and Communities Committee

Jeremy Pocklington, CB
Permanent Secretary
Department for Levelling Up, Housing and Communities
2 Marsham Street
London
SW1P 4DF

17 January 2023

Dear Jeremy,

In the hearing on 9 January, there was a discussion about the differential impact of the 2023-24 local government finance settlement on authorities with different levels of deprivation and/or tax base. I asked if it would be possible to show the overall impact on individual authorities of the various income streams which, added together, make up an individual council's spending power. This would be the spending power for individual authorities on the assumption that all councils maximised their use of council tax within the referendum cap limits. These spending power figures would, when added together nationally, produce (to quote your words) "an average cash funding increase of nine per cent" for local authorities in 2023-24 as compared to 2022-23.

With this in mind, would it be possible to receive information on the change in spending power (consistent with the nine per cent overall average) for all councils in England, by class, ranked? Also, could the relevant deprivation measures for each council also be shown?

Second, would it be possible to see the difference between individual authorities' spending power in 2023-24 (on the above basis) and their spending (on an equivalent basis) in 2010-11? In the first instance, perhaps the top 10 per cent of upper tier unitary authorities, London boroughs and metropolitan districts and the bottom 10 per cent in terms of (a) the biggest increase and (b) the smallest increase/largest reduction over this longer period.

Third, in exchanges with Kate Hollern MP about the allocation of funding pots to councils, you suggested it would be better to consider a broader total of government resources (i.e. more than just levelling up grants) relevant to the achievement of the government's policy objectives. Do you have figures for such wider spending totals on each local area and, if so, can they be made available to the Committee?

It was also discussed in the Chamber on 9 January that funding for the second round of the Levelling up Fund had been increased from 1.7bn to 2.1bn. Please can you confirm this increase, and can you share with the Committee in advance of the session on the 23 January the reasoning for this decision, for example, is this increased funding intended to accommodate for inflationary pressures?



Levelling Up, Housing and Communities Committee

In addition to this information please could you share with the Committee how many applications were made for the second round, including successful and unsuccessful bids?

Finally, Nadia Whittome MP asked for a comparison of expenditure on rough sleeping in each year since 2010-11. That is, the annual expenditure totals (in cash and real terms) by central government on rough sleeping in England for each year between 2010-11 and 2023-24.

Other than the information on the second round of the Levelling up Fund – which we would appreciate in advance of 23 January - it would be helpful to have replies to these points by Monday 30 January

Best wishes,

Mr Clive Betts MP
Chair, Levelling Up, Housing and Communities Committee