

Tower Hamlets Core Spending Power 2023-24

Appendix 2

Illustrative Core Spending Power of Local Government:									
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions
Settlement Funding Assessment	187.9	170.7	158.1	151.1	143.0	145.3	145.5	146.6	155.0
Compensation for under-indexing the business rates multiplier	1.5	1.5	1.6	2.5	3.6	4.5	5.8	11.4	19.7
Council Tax Requirement excluding parish precepts ¹	69.8	76.9	85.8	93.8	100.3	108.4	114.2	121.7	132.0
Improved Better Care Fund	0.0	0.0	8.7	11.9	14.9	16.3	16.3	16.8	16.8
New Homes Bonus	24.8	28.6	23.9	20.7	19.2	22.0	17.6	16.3	3.9
New Homes Bonus returned funding	0.3	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Rural Services Delivery Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transition Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adult Social Care Support Grant	0.0	0.0	1.5	0.9	0.0	0.0	0.0	0.0	0.0
Winter Pressures Grant ²	0.0	0.0	0.0	1.5	1.5	0.0	0.0	0.0	0.0
Social Care Support Grant	0.0	0.0	0.0	0.0	2.5	0.0	0.0	0.0	0.0
Social Care Grant ³	0.0	0.0	0.0	0.0	0.0	9.4	12.3	16.6	26.0
Market Sustainability and Fair Cost of Care Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0
ASC Market Sustainability and Improvement Fund ⁴	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.4
Lower Tier Services Grant	0.0	0.0	0.0	0.0	0.0	0.0	1.4	1.5	0.0
ASC Discharge Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.4
Services Grant ⁵	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.7	4.5
Grants rolled in	1.0	1.2	1.1	1.0	1.0	1.0	1.1	1.1	0.0
Funding Guarantee	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Core Spending Power	285.3	279.1	280.9	283.4	285.9	306.9	314.4	340.6	363.7
Change since 2015-16 (£ millions)									78.3
Change since 2015-16 (% change)									27.5%
<p>¹ This calculation assumes council tax flexibilities of £5 for fire authorities, £23.55 for the GLA's non-police precept, and £15 for GLA's police element</p> <p>² From 2020-21, Winter Pressures Grant allocations were rolled into the Improved Better Care Fund, and no longer ringfenced for alleviating winter pressures.</p> <p>³ From 2020-21, Social Care Support Grant allocations were rolled into the Social Care Grant.</p> <p>⁴ From 2023-24, Market Sustainability and Fair Cost of Care Fund allocations were rolled into the ASC Market Sustainability and Improvement Fund.</p> <p>⁵ The Services Grant allocation for the Isle of Wight council includes an additional £1 million that was allocated to the council for 22/23 and 23/24 in recognition of the unique circumstances facing the Isle of Wight and its physical separation from the mainland. This funding is reviewed each year as part of the local government finance settlement.</p> <p>⁶ These figures do not take into account the additional flexibility granted by the Department to Croydon, Thurrock and Slough Councils to increase council tax in 2023-24 by an additional 10%, 5% and 5%, respectively, above the referendum principles applied to other councils. This additional flexibility has been granted in very specific circumstances by the Secretary of State, where the scale of the issues facing the councils is exceptional.</p> <p>Please see the Core Spending Power Explanatory note for details of the assumptions underpinning the elements of Core Spending Power.</p> <p>The figures presented in Core Spending Power do not reflect the changes to Settlement Funding Assessment made for authorities with increased Business Rate Retention arrangements. For information about authorities with increased Business Rates Retention Arrangements see the Explanatory Note. For Settlement Funding Assessment figures after adjustments for increased Business Rate Retention authorities please see the Key Information for Local Authorities table.</p>									