

## Appendix

Dear Minister,

Leicestershire County Council has long argued it is low funded. If the Leicestershire area received the same 'core spending power' per head as the London Borough of Islington it would be £385m better off. The Council has long argued that current methodology for distributing local government resources is unfair. It also notes that the Government are consulting on fair funding and sees this as an extremely positive development.

We would urge the Government to review and implement changes to the needs and redistribution methodology within the four year period to ease the considerable pressure low funded authorities are under as soon as possible. The stakes are high and failure to address these concerns will no doubt result in service and financial failure for some authorities. Some authorities are already teetering on the edge. Alternatively, if like Leicestershire you manage within a much lower level of resources residents will simply receive a much reduced level of local government service than elsewhere in the country. In effect a Government-imposed postcode lottery. This is not fair.

In accepting the offer the Council notes that this will be the 'minimum' funding allocation. This leaves room to implement the results of the review early and we would urge Government to do so.

Attached below is a link to the Council's Medium Term Financial Strategy.

<http://politics.leics.gov.uk/ieListDocuments.aspx?MId=4427>

Yours sincerely

Nick Rushton

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