



## **SOCIETY OF DISTRICT COUNCIL TREASURERS**

President: Norma Atlay, CPFA

Date: 26 October 2016

Dear Sir/Madam,

### **SDCT response to the Self Sufficient Local Government: 100% Business Rates Retention Consultation**

Following contact from a journalist at Room151 regarding the SDCT response to the Business Rates consultation, I feel I should write to clarify our position in regards to Question 35.

When we referred to the potential to allow a balanced budget to be set over a rolling two to three year period, this was only in respect of the very limited number of authorities that found themselves in specific difficulties and where we would have expected them to already have applied for emergency support. The example that prompted the comment was from an authority facing decommissioning of a power station (their main source of business rate income) and then a gap before the replacement came on stream. Rather than have to make dramatic reductions to service provision which might then be able to be reversed in future years when the replacement came on stream, the thinking was that any agreed emergency measures might allow recognition of this unusual set of circumstances by not requiring an annual balanced budget for a pre-agreed and time-limited period. Our view is that this would be in an extremely limited number of cases and we would be against any suggestion that this became the norm.

The Society remains of the view that for the vast majority of authorities, the requirement to set a balanced budget is a vital part of local authority financial governance.

Yours faithfully,

Norma Atlay  
SDCT President  
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