

GREATER MANCHESTER PLANNING AND HOUSING COMMISSION

Date: 23 September 2022

Subject: Flood and Water Management: Local Levy

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1. BACKGROUND

- 1.1. Regional Flood and Coastal Committees (RFCC) raise a Local Levy to support their own local priorities for addressing flood risk and coastal erosion. This is in addition to receiving funding from central Government (FCRM Grant-in-Aid). The Local Levy provides an invaluable resource to enable the RFCC to set its own local agenda, to address priorities to best effect whilst maximising funds available from all sources to manage flood risk. The Local Levy also provides a resource to help fund local flood risk priorities including schemes which better protect people and property.
- 1.2 In recent years the RFCC has provided large contributions to major schemes, without which they may not have happened including Radcliffe and Redvales and Rochdale and Littleborough.
- 1.3 Equally important are the smaller contributions for locally important schemes, the partnership 'Quick Win' funds (£100k per partnership), and studies to support development of more robust scheme proposals and associated funding bids. Unlike many other public finances, local levy balances can be carried forward across financial years and earmarked for use in future years, providing great flexibility to respond to evolving needs
- 1.4 The Local Levy is agreed by the RFCC on an annual basis at its October meeting. Arrangements for agreeing the rate to vote for may vary between partnerships but normally each local authority is asked to:
 - Consider the range of rate options.
 - Decide what rate they wish to support, bringing the decision back to the next strategic partnership meeting.
 - Agree a majority consensus for the partnership.
- 1.5 The partnership representatives on the RFCC will then normally vote in line with this consensus.

2. LOCAL LEVY 2023/24

- 2.1 The attached briefing note sets out the background to the Local Levy and the proposal. In 2022/23 the Local Levy was set at £4.283m. The RFCC appreciates the wider and significant pressure on local authority budgets, as a result of COVID, inflationary pressures and ongoing competing priorities, but considers that even in this context the flood risk management Local Levy only represents a very small element of the levies paid by local authorities. The collective benefits from those Local Levy payments far outweigh the size of individual authorities' contributions.
- 2.2 The RFCC fully appreciates the wider and significant pressure on local authority budgets, as a result of COVID, inflationary pressures and ongoing competing priorities, but even in this context the flood risk management Local Levy only represents a very small element of the levies paid by local authorities. The collective benefits from those Local Levy payments far outweigh the size of individual authorities' contributions. The amount of Local Levy raised from each Local Authority is based on the Council Tax base for Band D equivalent properties which is believed to be a fair and equitable basis for the calculation.
- 2.3 The options being proposed are for a 1%, 2% or 3% increase. To aid this discussion the table below sets out the rate that would result from increases of 1%, 2% and 3%.

Local Authority	2022/23 Council Tax base (Band D Equivalent)	2022/23 Levy	2023/24 Additional levy for a 1% increase	2023/24 Additional levy for a 2% increase	2023/24 Additional levy for a 3% increase
Bolton Metropolitan Borough Council	77,795	£150,900	£1,509	£3,018	£4,527
Bury Council	55,611	£107,869	£1,079	£2,157	£3,236
Manchester City Council	127,620	£247,545	£2,475	£4,951	£7,426
Oldham Council	57,450	£111,436	£1,114	£2,229	£3,343
Rochdale Borough Council	56,232	£109,074	£1,091	£2,181	£3,272
Salford City Council	71,905	£139,475	£1,395	£2,789	£4,184
Stockport Metropolitan Borough Council	96,883	£187,925	£1,879	£3,758	£5,638
Tameside Metropolitan Borough Council	63,306	£122,795	£1,228	£2,456	£3,684
Trafford Metropolitan Borough Council	77,601	£150,523	£1,505	£3,010	£4,516
Wigan Council	94,100	£182,526	£1,825	£3,651	£5,476

3. RECOMMENDATIONS

- 3.1 PHC members are asked to consider the request from the RFCC