

**High-level progress update on the additional LGA Fair Funding Review work programme**

<b>Project</b>	<b>Purpose and description</b>	<b>Quick update</b>
Key criteria for assessing proposed distribution models and methodologies	To give the LGA a structured and consistent way to assess new distribution models.	Final version to go to Leadership Board and Executive for comment and approval at their next meetings
Distribution model: develop a distribution model	A model to allow local authorities to see the impact of different key cost drivers and differential weightings. To help the LGA and member councils evaluate the impact of various Government and stakeholder proposals on their council and to allow them to put forward their own proposals	Supplier being appointed at the time of writing
Formula grant: update the data	Update the data in the current distribution model (where updated data is available) to see the impact of this on individual allocations separate to any methodology changes. In effect this would provide an updated baseline to inform a discussion on how long the formulae remain 'future proof' without any review of weightings.  To help the LGA and member authorities form policy on the frequency of distribution resets, or other ways to 'future proof' the mechanism.	Report being discussed with LGA Fair Funding Review and Business Rates Task and Finish Group on 8 March. Final version to go to Leadership Board and Executive for comment and approval
Council tax equalisation	A model to identify the impact of adjustments for council tax and council tax support on individual authorities. To inform LGA policy and to help individual member councils evaluate Government proposals.	Supplier being appointed at the time of writing.  Separate certain 'what if' analysis to be shared with the LGA Fair Funding Review and Business Rates Retention Task and Finish Group at a future meeting.
Damping/transition mechanisms	An analysis of historic damping / transition mechanisms and a model to inform discussions on the guiding principles of transition. To inform LGA and member authorities' policy.	Analytical model being sketched in-house to see if elements of this work are deliverable without commissioning