

News story: UK government funds City of Derry air link

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Government announces £3.8 million for a Londonderry to London air route to begin at the end of March.

The UK government has today announced £3.8 million for a Londonderry to London air route, following the decision by current operator Ryanair to stop serving the air link at the end of March.

BMI Regional has been chosen as the preferred operator for the route between City of Derry Airport and London Stansted, following a competitive tender process by Derry City & Strabane District Council.

Flights will begin on Sunday 26 March and the government will fund the route over the 2017/18 and 2018/19 financial years.

The new service will include two return flights each day, except for Saturdays which will have one flight each way.

Aviation Minister Lord Ahmad of Wimbledon said:

The UK government has worked closely with Derry City and Strabane District Council to protect this important route to City of Derry Airport. £3.8 million UK Government funding will allow 13 return flights to connect Londonderry to London every week. The new service will allow business passengers to get to central London and complete a full day's work before returning home.

This is the first ever government backing for a public service obligation (PSO) in Northern Ireland. The government maintains regional airport links through the [Regional Air Connectivity Fund](#), which can be used to protect important regional air connections to London which may otherwise be lost.

Press release: Pioneering property programme drives efficiency savings across the public sector

Councils and government agencies from the early phases of the Cabinet Office and Local Government Association's One Public Estate (OPE) programme have worked in partnership to raise over £25 million in capital receipts and deliver £7.7 million in running cost savings since its inception in 2013.

Speaking today at the launch event for the latest round of OPE funding in Liverpool, Ben Gummer, Minister for the Cabinet Office, encouraged councils to apply for the next round of funding allocations, which opens on 7th April 2017.

Ben Gummer, Minister of the Cabinet Office, said:

Seeing such substantial savings being delivered from the very first councils that participated in One Public Estate is hugely encouraging. These councils have raised millions of pounds through initiatives that not only deliver capital receipts, but also increase efficiency and improve public services.

There is enormous potential for these savings and public benefits to be even greater, and I encourage councils to work on bids for the next round of funding.

OPE is a joint initiative run by the Cabinet Office and the Local Government Association, which encourages councils to work with central government and the wider public sector to use land and property to boost economic growth, unlock regeneration, and create more integrated public services.

Councils apply to the programme to receive funding and both practical and technical support to help solve issues and deliver ambitious transformational projects.

The total number of councils participating in OPE is over 250 – almost three quarters of all councils in England. OPE remains on track to achieve the ambition of 95% of councils on the programme by 2018.

Lord Porter, LGA Chairman, said:

I'm really pleased to see the continued expansion of One Public Estate.

The programme has made great strides up and down the country supporting our councils to work more collaboratively with our

central government partners, ensuring public land and property is put to the best possible use for our communities.

I hope to see all councils on the programme by 2018.

Further information

One Public Estate is a national programme initially launched in 2013.

It is jointly delivered by the Government Property Unit within the Cabinet Office and the Local Government Association. It supports joint working across central and local government to use land and property to boost economic growth, unlock regeneration, and create more integrated public services. It encourages public sector partners to share buildings, transform services, reduce running costs, and release surplus and under-used land for development. Partnerships joining the programme will receive funding and both practical and technical support from our team to help solve issues and deliver ambitious transformational projects.

To find out more about the programme, email onepublicestate@cabinetoffice.gov.uk.

On 27 January the Cabinet Office and Local Government Association announced that a further 79 councils would join the One Public Estate (OPE) programme.

The latest funding round means that by 2019/20 the partnerships on OPE expect to:

- create 44,000 jobs
- release land for 25,000 homes
- raise £415 million in capital receipts from land and property sales
- cut running costs by £98 million

The funding will support public sector partnerships to work collaboratively on land and property initiatives, generating new jobs and homes, creating more joined up public services to local communities, and delivering savings for the taxpayer.

[Press release: Home Secretary appoints Cressida Dick as next Commissioner of the Metropolitan Police](#)

Ms Dick was appointed by Her Majesty the Queen following a recommendation from the Home Secretary. The views of the Mayor of London, Sadiq Khan, were

considered by the Home Secretary as part of this recommendation.

Working with the Mayor's Office for Policing and Crime (MOPAC) and partners across the criminal justice system, Cressida Dick will be responsible for overseeing the Metropolitan Police's crucial work preventing crime, bringing offenders to justice and continuing to ensure an effective national response to the ongoing threat of terrorism.

It is the largest police force in the United Kingdom, with more than 43,000 officers and staff and a budget of over £3 billion.

Home Secretary Amber Rudd said:

Cressida Dick is an exceptional leader, and has a clear vision for the future of the Metropolitan Police and an understanding of the diverse range of communities it serves. I am delighted Her Majesty has agreed my recommendation after a rigorous recruitment process which highlighted the quality of senior policing in this country.

Cressida now takes on one of the most demanding, high-profile and important jobs in UK policing, against the backdrop of a heightened terror alert and evolving threats from fraud and cyber crime. The challenges ahead include protecting the most vulnerable, including victims of sexual abuse and domestic violence. Her skills and insight will ensure the Metropolitan Police adapt to the changing patterns of crime in the 21st century and continue to keep communities safe across London and the UK.

She is absolutely the right choice to lead the Metropolitan Police as this government continues its work to reform the police, and I look forward to working with her to make a real difference to policing in the capital.

The Mayor of London, Sadiq Khan, said:

Cressida Dick will be the first female commissioner of the Met in its 187-year history, and the most powerful police officer in the land. She has already had a long and distinguished career, and her experience and ability has shone throughout this process. On behalf of all Londoners, I warmly welcome Cressida to the role and I very much look forward to working with her to keep our capital safe and protected.

This is a historic day for London and a proud day for me as Mayor. The Metropolitan Police do an incredible job, working hard with enormous dedication every single day to keep Londoners safe, so for me it was absolutely essential that we found the best possible person to take the Met forward over the coming years and I am

confident that we have succeeded.

Responding to her appointment, Ms Dick said:

I am thrilled and humbled. This is a great responsibility and an amazing opportunity. I'm looking forward immensely to protecting and serving the people of London and working again with the fabulous women and men of the Met.

Thank you so much to everyone who has taught me and supported me along the way.

Minister for Policing and the Fire Service Brandon Lewis added:

Cressida brings impressive skills and extensive experience to her new role as Metropolitan Police Commissioner. This was a tough recruitment process, but she demonstrated very clearly that she is the best person to take on this demanding role and I look forward to working with her.

Statement to Parliament: Statement in debate on the Local Government Finance Settlement

Local government is the frontline of our democracy.

Every day, England's almost 400 districts, counties, boroughs, unitary councils and metropolitan areas provide countless services to millions of people.

They clean our streets, repair our roads, care for our most vulnerable citizens, maintain our infrastructure, shape our communities, put roofs over our heads and so much more.

It's our job to make sure they're adequately funded to do just that.

A [provisional financial settlement](#) was published late last year.

Since then, we have received formal representations from nearly 200 organisations and individuals.

And let me take this opportunity to thank everyone who has taken part in that process.

The results of the consultation are before you all today in the shape of the [final settlement](#).

It's a settlement that provides councils with the resources required to deliver world-class public services in the year ahead, while continuing to play their part in bearing down on the deficit.

Nobody knows local government better than local government itself.

So this is a settlement that answers requests made to us by representatives from every tier of local government and every political party.

The measures can be broadly grouped into 3 areas, which I'd like to go throughout for debate.

And I'll also update the House on an important source of local government funding, and that is business rates.

Greater funding certainty for councils

The first request we've had from local authorities is increased considering over funding.

For years, councils have called for the tools to improve services and deliver efficiencies over a longer horizon.

That's why the 2015 Spending Review delivered a £200 billion flat cash settlement for local government.

And that's why we've delivered 4-year funding allocations, which provide the financial certainty required for councils to be bold and ambitious.

They have used that funding certainty to publish long term efficiency plans, showing their taxpayers that they can deliver great services and still live within their means.

But the story does not end there.

Last month we introduced the Local Government Finance Bill to this House.

It will devolve 100% of business rates to local government.

And it will also enshrine in law our commitment to providing funding certainty, establishing a legal framework for multi-year settlements.

The Revenue Support Grant will be abolished, so councils will become financially self-sufficient.

And with services financed locally, councils will be even more accountable to their electorates, rather than to ministers in Whitehall.

Under the new system there will no longer be an annual finance settlement, reviewed and imposed by Westminster each year.

Instead the government will set the envelope and the principles for allocating funding over a period, and it will be for councils to grow their income.

This could be done in a variety of ways, from attracting new businesses, to building new homes, to working with local partners to deliver more efficient and more joined-up local services.

100% business rate retention is being piloted from next year in Greater Manchester, in the Liverpool City region, the West Midlands, Cornwall, the West of England and by the Greater London Authority.

These authorities will be able to keep more of the growth in their business rate income, with no impact on the rest of local government.

We plan to undertake further pilots in 2018 to 2019, in areas without a devolution deal, including 2-tier council areas.

And I'd like to welcome applications from any council wanting to take part in this second trial.

The nationwide roll-out of 100% business rate retention will take place across England in 2019 to 2020.

Earlier this month my department [published a consultation](#) seeking views on exactly how this system will look.

Additional support for adult social care

The second key area where we have listened and responded is funding for adult social care.

This is an issue that transcends party politics.

Local government may have the statutory duty to look after our most vulnerable citizens, but we all have a moral duty to help them do so.

The Spending Review put in place up to £3.5 billion of additional funding for adult social care by 2019 to 2020.

But we recognise that the coming year is the most difficult in the settlement period for many councils.

There are immediate challenges in the provision of care.

And these are challenges that must be met now, before those substantial additional resources become fully available.

So this settlement creates a new £240 million adult social care support grant.

And it allows councils to raise the adult social care precept by up to 3% next year and the year after.

Together, these measures make almost £900 million of additional funding for adult social care available over the next 2 years.

That means the total dedicated funding available for adult social care over the 4-year settlement period is £7.6 billion.

Of course, some local authorities, when it comes to the precept, will be able to raise less than others.

That's why we have confirmed the Improved Better Care Fund allocations, worth £1.5 billion by 2019 to 2020.

These allocations take into account a councils' ability to raise funding through the precept.

But more money for adult social care is not the only answer.

We want every area to move towards the integration of health and social care services by 2020, so it feels much more like one service.

And I welcome the consensus across both sides of the House that, in the long term, we will need to develop reforms to make social care sustainable and effective for everyone involved.

Commitment to a fairer funding formula

The third key area concerns the Fair Funding Review, through which we are devising a new funding formula for local government.

It is nearly a decade since the current formula was looked at thoroughly.

Some parts of it date back as far as 1991, a time when Theresa May was an up-and-coming young councillor.

It's fair to say that one or two things have changed since then.

The demographic make-up of many areas has altered radically.

An ageing population means demand for different services has shifted.

And we're entering a world in which local government spending is funded by local resources, not central grant.

So we are undertaking a Fair Funding Review, to thoroughly consider how to introduce a more up-to-date, a more transparent and fairer needs-assessment formula.

It's vital that the new formula delivers, so we're working closely with all of local government to get it right.

We had literally hundreds of responses to the Call for Evidence that my

department published last year. And it's clear that people in many areas feel strongly about it.

I've also been privileged to hear the views of colleagues from across this House on this issue, many of them with direct experience of service in local government.

Various themes have emerged.

Foremost among them is the need to make sure the formula works for all local authorities, wherever they are. Rural councils, in particular, have unique needs that have to be met.

And councils have also been very clear that they want to see action sooner rather than later.

I am happy to confirm what we have previously said on this issue.

So I am happy to confirm what we have previously said on this issue.

We will make changes to the fastest possible Parliamentary timetable.

And we will aim to implement new baselines for every authority in 2019 to 2020, following Royal Assent of the Local Government Finance Bill, the necessary secondary legislation and the completion of the Fair Funding Review.

I'll update the House as soon as I have further details to share.

Business rates

Of course, local government funding doesn't just have to be fair for local government.

It also has to be fair to the people who provide the funds in the first place, and that includes the millions of hardworking business owners who pay business rates.

Now, growing up above the family shop, I saw for myself the impact that an increase in rates can have on a small business.

A rise in costs lowered the mood of the whole family.

Even as a child, I knew that it wasn't good when I found a stack of bright red final reminders hidden away at the back of a drawer.

And my dad was never shy about sharing what he thought of the out-of-town retail parks that took so many customers away from the high street in Bedminster.

If he were alive today I'm sure he'd be first to phone me up and lobby me about the business rate revaluation, in particular I can just imagine him telling me about the treatment of large online retailers and how that

compares with traditional shops on the high street.

My background helps explain why I've always been passionate about supporting business.

It's why, as Business Secretary, I championed the £6.7 billion relief package that means 600,000 small businesses will never have to pay rates again.

That is one third of all businesses. That's the biggest business rate cut in history.

The current rate revaluation is fiscally neutral, it is not being used to raise a single extra penny for the Treasury.

In fact, to do so would be illegal.

For most businesses, three-quarters of them in fact, the amount they'll end up paying will go down or stay the same.

And, as I said, 600,000 small businesses are being lifted out of business rates altogether, permanently.

But while three-quarters of businesses will benefit or see no change, I am also acutely aware of the impact on the quarter that will see increases.

If your rates are going up it's no consolation to hear that others' will be going down.

I've long recognised the need to provide support.

That's precisely why we've put in place a £3.6 billion package of transitional relief to help more than 140,000 smaller businesses.

But as colleagues and the media have highlighted in recent days, there are clearly some individual businesses facing particular difficulties.

For example, businesses that are coming off rate relief can be faced with an alarming cliff edge.

Independent retailers in some high value areas are also struggling.

I have always listened to businesses, and this situation is no exception.

It's clear to me that more needs to be done to level the playing field and to make the system fairer.

I am working closely with my Rt Hon Friend the Chancellor to determine how best to provide further support to businesses facing the steepest increases.

We expect to be in a position to make an announcement at the time of the Budget, in just 2 weeks

Property-based business taxes have been around, in one form or another, for many decades.

Centuries, even.

Nobody would argue that the current system is perfect, and it's entirely right to ask whether the time has come for reform.

The Treasury's 2015 consultation showed little appetite for replacing the whole business rates system.

It remains a vital element of the local government finance settlement, and its importance will only rise with the introduction of business rate retention.

However, with underlying concerns about things like globalisation, international tax structures and the struggle between the high street and the virtual world, there is clearly some room for improvement.

And we'll be looking closely at all possible steps for making it fairer and more sustainable in both the short term and the long term.

Conclusion

This local government finance settlement honours our commitment to 4-year funding certainty for councils that are committed to reform.

It recognises the costs of delivering adult social care and makes more funding available sooner.

And it puts local councillors in the driving seat with a commitment to support them with a fairer funding formula.

I commend it to the House.

[News story: Environment Secretary announces bridging payments for Basic Payment Scheme 2016](#)

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Bridging payments secured for eligible farmers awaiting their full BPS payment for 2016

Environment Secretary Andrea Leadsom has secured bridging payments for farmers awaiting their full BPS payment for 2016, to ease their financial cash flow.

To date BPS payments worth £1.52 billion have been made to more than 82,000 (95.5%) farmers in England. These include payments on a range of claim types and sizes, including cross-border, young farmer, those inspected and common land claims.

Any eligible farmer who has not received their full payment for 2016 by the end of March will be offered a bridging payment for 75% of their claim value.

Speaking at the 2017 NFU Conference, Andrea Leadsom said:

As of today 95.5% of farmers have received their 2016 basic payment, but I recognise that if you're one of the 4,000 still waiting – you need to know when you will get paid.

So this week I secured agreement from the Treasury to offer a 75% bridging payment to anyone with outstanding payments by the end of March.

The Rural Payments Agency remains focused on paying the remainder of eligible claims as promptly as possible.