

Reductions in other specific revenue and capital grants

Government Department and name of grant	2010/11 Original Grant £'000	2010/11 Revised Grant £'000	Change in grant allocation £'000	% Change
Revenue Grants				
Department of Communities & Local Government				
Housing and Planning Delivery Grant (Note 1)	120	c.0	c.-120	-100%
Local Authority Business Growth Incentive Scheme (Note 2)	c.172	0	c.-172	-100%
Local Area Agreement Reward	Although reduced nationally the reduction is not expected to have an impact on the current council budget			
Total Revenue Grants	c.292	c.0	c.-292	-100%
Capital Grants				
Department for Transport				
Integrated Transport Block	1,651	411	-1,240	-75%
Road Safety Capital Grant	88	0	-88	-100%
Total Capital Grants	1,739	411	-1,328	-76%
Total Area Based Grants in appendix 1	24,529	22,593	-1,935	-7.9%
Total Estimated Reduction			-3,555	

Note 1: Housing and Planning Delivery Grant (HPDG)

This has been abolished in the current year. The intention of HPDG was to act as an incentive to local authorities to bring forward housing and prepare the ground for increased delivery. However, there has been a sustained shortfall in housing development resulting in the lowest level of house building in England since 1946. HPDG has proved an ineffective and excessively complex incentive. The Coalition Agreement set out that the Government will provide incentives for

local authorities to deliver sustainable development, including for new homes and businesses.

Note 2: Local Authority Business Growth Incentives

This government says it is committed to promoting business, as the driver of economic growth and innovation. However, the government does not believe that LABGI offers a real incentive to local authorities to promote economic development. The government also believes that many have viewed the scheme as being too complex, unpredictable and potentially unfair. The coalition agreement set out that the government will provide incentives for local authorities to deliver sustainable development, including for new homes and businesses.