



28<sup>th</sup> November 2017

Leo O'Reilly  
Permanent Secretary  
Level 9, Causeway Exchange  
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Belfast  
BT2 7EG

**Derry City & Strabane**  
District Council  
**Comhairle**  
**Chathair Dhoire &**  
**Cheantar an tSraitha Bain**  
**Derry Cittie & Strabane**  
Destrict Coouncil

Dear Leo,

### **Rates Support Grant cuts**

Thank you for your letter of 30<sup>th</sup> October 2017 in response to my letter of 21<sup>st</sup> September 2017 on behalf of the Chief Executives of the 7 Councils impacted by the recent interim 4% cut to Rates Support Grant that was applied subsequent to our 2017/18 rates processes.

Your response has since been considered by our Council in November and our Elected Members have expressed serious concern and resolved "that Council write to the Secretary of State requesting a meeting to discuss the impact of the proposed cut to the Rates Support Grant and Members concerns regarding refusal by Civil Servants to meet with those seven Councils affected by the cuts"

Whilst we acknowledge the overall Executive budget challenges and uncertainty and your efforts to ensure that as far as possible these pressures have been applied equally to all the programmes and sectors affected, this remains a matter of significant concern and impact to us. In particular, these cuts do not equally impact the 11 Councils in Northern Ireland with significant rates implications for the 7 least wealthy and most deprived Councils and no financial implications for the 4 wealthier Councils. It therefore raises serious concerns in terms of equality and rural proofing.

The uncertainty moving forward is even more concerning and you have advised that you have been asked to provide information on the potential impacts of further 4%, 8% and 12% reductions across your budgets for each of the next 2 financial years. We feel that it would not be possible to properly consider the potential impacts without input from the 7 affected Councils to demonstrate the challenges that this will present. The uncertainty makes it impossible for us to effectively financially plan for the medium term and indeed presents us with a serious risk of not being able to meet our statutory deadline of 15<sup>th</sup> February for striking our District rate.

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#### **John Kelpie MEng., CEng., MStructE., MIEI**

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I would therefore urge you to urgently reconsider our request for a 7 Council delegation with the Chief Executives and Heads of Finance to give us the opportunity to discuss our serious concerns and enable us to further demonstrate the very serious implications of these cuts.

As highlighted above and as requested by our Council, we have also written to the Secretary of State, James Brokenshire.

In the interim, I would request details (including copies) of the equality screening and equality impact assessment processes in respect of the cuts as our preliminary assessment would indicate disproportionate adverse impacts in relation to:

- households where there are lone parents who are not in employment and who have dependent children
- children under 16 years
- children currently living in poverty
- people who have a disability
- people who are unemployed
- people living in rural areas
- people of different religious and political backgrounds

I look forward to your urgent response given that we have a statutory deadline of 15<sup>th</sup> February 2018 to strike our District Rate and this is a critical input.

Yours sincerely

A handwritten signature in black ink that reads "John Kelpie". The signature is written in a cursive style with a large, looping initial 'J'.

John Kelpie  
**Chief Executive**