



Date: 23 December 2010

REF: MAY 16332

Sir Michael Scholar
Chair, UK Statistics Authority
Statistics House
Tredegar Park
Newport
South Wales
NP10 8XG

Dear Sir Michael

I write to you to register my complaint at the use of statistics by the Secretary of State for Communities and Local Government (CLG) and his department.

Local government is facing deep cuts of around 25% over the period of the Comprehensive Spending Review period. To deliver these cuts will be challenging and will have a real impact on residents – particularly those who are more dependent on public services. I recognise that local government must shoulder its fair share of reducing the national deficit but this difficult task is not made easier by the selective use and presentation to the media of statistics by the Secretary of State and his Department.

Specifically I wish to draw your attention to a CLG press notice issued today entitled Residents can now see where council funding goes. This lists formula grant allocations to councils and provides a figure of formula grant per head.

This comes only a week after the announcement of the provisional funding settlement for local government for the years 2011-12 and 2012-13. In that, whilst acknowledging formula grant allocations, the Secretary of State focussed attention on overall 'Revenue Spending Power' as the most appropriate measure of council resourcing. This measure takes account of receipts from council tax and therefore reductions on this measure are smaller in percentage terms than those based solely on formula grant. This, alongside the decision to use the baseline for cuts as the 2010-11 budget after emergency reductions announced in June, meant Mr Pickles was able to claim that average reduction was just 4.4% in 2011-12 and

Sir Robin Wales
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that no council would face a reduction of more than 8.9%, a fact that he made much of in his presentation of the settlement.

It is therefore particularly galling less than a week later to see the Secretary of State focussing attention on the reduction in formula grant as the appropriate measure for the public to use.

In addition, as Professor Colin Talbot of The University of Manchester has highlighted Mr Pickles was only able to claim the reductions in 'Revenue Spending Power' referred to above by factoring into his calculations the £1bn of NHS money transferred to local government for social care. However, in the Spending Review published earlier this year this £1bn was counted as part of the protected NHS budget. This money is a welcome addition to council budgets but it cannot be spent twice and should not counted twice.

I ask you to consider these concerns and remind the Secretary of State of his responsibility to ensure that official statistics are used and presented in an appropriate and transparent way.

I have today written in more broad terms to the Prime Minister to complain about the behaviour of the Secretary of State, his Ministers and Special Advisers and I am copying this letter to the Prime Minister, the Cabinet Secretary and the Secretary of State for Communities and Local Government.

Yours sincerely,

The image shows two handwritten signatures in black ink. The first signature is a stylized 'RW' for Sir Robin Wales. The second signature is a cursive signature, likely belonging to the Mayor of Newham, as indicated by the text below.

Sir Robin Wales

Mayor of Newham

CC Prime Minister

Cabinet Secretary Sir Gus O'Donnell

Secretary of State for Communities and Local Government. Rt Hon Eric Pickles MP