

TOM PURSGLOVE MP
CORBY & EAST NORTHAMPTONSHIRE



HOUSE OF COMMONS

LONDON SW1A 0AA

21st November 2018

Dear Constituent,

RE: LOCAL GOVERNMENT FUNDING.

Thank you for contacting me recently about funding for local government; your comments upon which I read with interest.

Local government is the front line of our country's democracy, and local authorities deserve the resources they need to do their job in delivering truly world-class public services. That is why I welcomed last year's *Local Government Finance Settlement*, which provides two years of real terms increases in resources available to local authorities across England.

The recent settlement for the 2018-19 financial year is the third year of a four year offer which was accepted by 97 percent of councils in return for publishing efficiency plans. For 2018-19, core spending power for local authorities across England will total £45.1 billion, up from £44.3 billion in 2017-18. I welcome that core spending power for English local authorities will increase again in the next financial year, up to £45.6 billion – funding that, as your Member of Parliament, I am proud to have voted for.

The latest settlement has again prevented local authorities from introducing excessive increases in council tax, without first securing the backing of local residents in a referendum. Since being introduced in 2012, referendum principles have helped keep council tax down, with average council tax in England for the current 2018-19 financial year forecast to be 1.4 percent lower in real terms than in 2010-11, measured against CPI.

I am also encouraged that the Government is committed to ensuring that all local authorities retain 75 percent of their business rates from the 2020-21 financial year, granting councils the levers and incentives they need to grow their local economies. Furthermore, in the recent Budget, local councils will receive an additional £650 million in grant funding for social care purposes.

As your Member of Parliament, I have also consistently called for a fairer funding review for local government, which Ministers have committed to undertake, and which I envisage will benefit our area, given that the existing local government funding formula, introduced under the last Labour Government, has seen our area historically underfunded, relative to metropolitan areas. It is right we address this, as we have already in relation to the funding formula for schools - resulting in the vast majority of schools in our area being better off, with no school losing out.

Furthermore, earlier in the year, the Communities Secretary also announced extra funding to help local authorities meet the needs of vulnerable people and support



services in rural areas. However, following representations from local government and we, as Members of Parliament, on the provisional funding plans announced, a further £150 million is now being made available to councils to support adult social care provision. In addition, £16 million is being made available to councils providing services in rural areas, taking the total Rural Services Grant to £81 million - the highest it has ever been and a recognition of the cost of providing local services in sparsely populated areas.

For Northamptonshire, this additional funding amounts to £1.7 million - a very welcome increase on the provisional settlement that had been announced, and more money for county services - something I am proud to have campaigned for, alongside my colleagues.

I believe that these measures demonstrate my commitment, and that of the Government, to ensuring that local government receives the funding it requires - an important issue that I will continue to work hard on.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you then please do not hesitate to contact me again.

With best wishes

**TOM PURSGLOVE MP
MEMBER OF PARLIAMENT
CORBY & EAST NORTHAMPTONSHIRE**