



Department for Levelling Up, Housing & Communities

Simon Hoare MP
Minister for Local Government
2 Marsham Street
London
SW1P 4DF

Our reference: MC2024/04154

Sally Tsoukaris
General Secretary
Civil Service Pensioners' Alliance

28th

February 2024

Sally Tsoukaris

Thank you for your letter of 14 February addressed to the Secretary of State, the Rt Hon Michael Gove MP, about local government funding. I am replying as the Minister responsible for this policy area.

I am grateful to you for taking the time to write. Local government plays a vital role in supporting, improving, and developing local communities up and down the country. I am extremely grateful for the work they do. As a former Councillor myself, I know how challenging it can be ensuring effective and efficient services for communities, but I am determined to help councils make a positive change to the lives of their local residents.

The final Local Government Finance Settlement for 2024-25 makes available up to £64.7 billion, an increase in Core Spending Power of up to £4.5 billion or 7.5% in cash terms on 2023-24. This above-inflation increase demonstrates how the Government stands behind councils up and down the country. As part of this package, we are supporting all of local government through the sector-wide Funding Guarantee, ensuring all local authorities will see a minimum 4% increase in Core Spending Power before local council tax decisions – an increase from the 3% Funding Guarantee in 2023-24. The final Settlement also includes £1.5 billion in additional grant for social care compared to 2023-24, of which £500 million is new funding distributed through the Social Care Grant as announced on 24 January.

We monitor the financial health of councils on a regular basis using a range of data as well as through extensive direct engagement. We stand ready to speak to any council that has concerns about its ability to manage its finances or faces pressures for which it has not planned.

As I am sure you will appreciate, I receive a large volume of invitations and offers to meet. Unfortunately, my other commitments as Minister mean I am able to accept only a fraction of them and I am afraid it will not be possible for us to meet at this time. I have, however, instructed officials in Local Government Finance to meet with you. If you would like to arrange a meeting with them to discuss your concerns, please email LGFCorrespondence@levellingup.gov.uk and they will be happy to make the appropriate arrangements. Thank you for writing on this important matter.

Simon Hoare

SIMON HOARE MP
Minister for Local Government