



**Department for  
Communities and  
Local Government**

Leaders of All Councils  
By email

**Brandon Lewis MP**  
*Parliamentary Under Secretary of State*

***Department for Communities and Local  
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06 January 2014

Dear Leader,

The Government's written ministerial statement, laid in parliament on 18<sup>th</sup> December, set out clearly the Government's intention that the element of localised council tax support funding provided to local authorities which reflects reductions in town and parish tax bases should be passed down to those councils. I am writing to bring this to your attention, and to emphasise the importance of billing authorities and town and parish councils working together to agree this level of funding. I attach a copy of the statement and the link to it in Hansard.

<http://www.parliament.uk/documents/commons-vote-office/December%202013/16%20December/8.%20DCLG%20LG%20Finance.pdf>

I wrote on this issue in 2012 and I am encouraged that statistics recently published show that 98 per cent of the funding attributable to parish and town councils was passed down for 2013-14.

<https://www.gov.uk/government/publications/local-authority-revenue-expenditure-and-financing-england-2013-to-2014-individual-local-authority-data>

In 2014-2015, the funding provided to local authorities in respect of local council tax support will be £3.3bn, the same amount as for 2013-14. As part of our move to a more flexible local government funding system, the LCTS funding and the town and parish council element within it is not separately identified at a local authority level, but forms part of the overall funding available to local authorities. However, the fact that the town and parish element of the funding is not separately identified and is not ring-fenced should not be used as an excuse to avoid passing down funding, or to avoid proper engagement with parish and town councils.

The Government believes that as the tier of local government closest to their communities, parish and town councils have a key role to play in our vision for localism and the Big Society. Parish councils provide communities with a democratically accountable voice and a structure for taking community action. We want to help parish councils take on a greater service delivery role for their local communities, and use the community rights available to them through the Localism Act 2011.

**BRANDON LEWIS MP**



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21 February 2014

### Localising council tax support grant

I am writing to follow up my letter of 6<sup>th</sup> January in which I set out the Government's position on the passing down of the localised council tax support grant to parish and town councils.

In the Government's written ministerial statement, laid in parliament on 5<sup>th</sup> February (link below), I made it clear that the Government's intention was that part of the funding provided to local authorities in respect of the localised council tax support should be passed down to parish and town councils.

<http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm140205/wmstext/140205m0001.htm#14020567000002>

Following my earlier letter, I am disappointed to learn from the National Association of Local Councils (NALC) that a number of authorities are refusing to pass down any such funding. Without this funding, Parishes will be under pressure to increase their council tax precept in order to fill the void or to scale back the services they provide. In the spirit of localism I would therefore encourage you to pass down funding to avoid indirectly putting pressure on your council taxpayers. However, if an authority does insist on not passing down funding I would expect the authority to justify to their council taxpayer as to the reasons why.

**BRANDON LEWIS MP**