

Dear Rt Hon Sir Edward Leigh MP (also be sent to Settlement consultation)

Ahead of the final Local Government Finance Settlement, I am writing as Leader of West Lindsey District Council, to urge you to make representations on behalf of West Lindsey and the communities we both serve.

The challenges facing councils like West Lindsey are acute. The provisional Local Government Finance Settlement falls well short of stemming the acute financial pressures for councils resulting from the 15% real-terms spending squeeze since 2015, rapid growth in demand for temporary accommodation and homelessness services, and the prolonged period of steep cost and pay inflation.

As MP for Gainsborough, you will know first-hand the value of district councils. From helping to address homelessness, providing housing advice and support, ensuring new homes are built for the community, collecting waste, delivering sport and leisure facilities to maintaining parks and green spaces, West Lindsey supports your constituents every day.

This financial shortfall endangers district councils' provision of crucial support such as housing for the homeless and leisure centres' work to tackle health inequality. These services not only benefit local communities but also alleviate pressure on other parts of the public sector, including the NHS and social care. Failure to provide greater funding and support for West Lindsey and other district councils is short-sighted and will lead to greater financial burdens on the taxpayer in the future.

Districts will receive an average 4.9% increase in Core Spending Power if they make full use of the council tax flexibility on offer in 2024-25. This is below the average 6.5% increase in cash terms for the sector.

I am concerned that across the sector, we have now reached the point where well-run, responsible councils will have to make deep and counter-productive cuts to services and/or run down their reserves to dangerously low levels to avert financial crisis. Despite planning to deliver around 10% in cuts and savings on average this year, many councils will still have significant budget gaps.

Ahead of the final Local Government Finance Settlement, I am calling for:

- **An additional 1% increase in Core Spending Power as a minimum (beyond the 4.9% announced in the provisional settlement)** – to be achieved either by increasing the minimum funding guarantee from 3% to 4% or by increasing the council tax referendum limit above the currently proposed level of 2.99% or £5.
- **Greater freedoms and flexibilities:**
 - the ability to recover the full cost of all planning applications (not just major business applications)
 - greater freedoms to set licensing fees locally.
- **Additional targeted support for immediate homelessness pressures – especially by increasing the level of housing benefit subsidy that can be claimed on temporary accommodation - and for leisure services.** In both cases there is an invest-to-save argument for making more money available.
- **Additional funding for and a long-term solution to the impact of the steep increase in Internal Drainage Board levies.**
- **Transparency over the link between incentives for delivering new homes and core funding.** West Lindsey received a significant increase in New Homes Bonus

following intensive Council support to deliver new houses. However, our core funding was reduced to take account of this.

As a longstanding advocate for West Lindsey and your community, I would urge you to use all your influence to make urgent representations to the Government on this matter.

I am aware that the Department has offered all MPs the opportunity to meet directly with the Minister for Local Government on w/c 8th January and I would urge you to take up this offer to help preserve the vital services on which so many local people and communities in West Lindsey rely. You can do so by contacting PSSimonHoare@levellingup.gov.uk.

Thank you for your ongoing support and advocacy.

Councillor Trevor Young

Leader of West Lindsey District Council