

# **Local Government Finance Settlement 2026/27 consultation**

**Question 1) Do you agree or disagree with the government's proposals for distributing the total Fair Funding Allocation across the multi-year Settlement period from 2026-27? This encompasses the approach to Baseline Funding Levels, Revenue Support Grant, the Adult Social Care Relative Needs Formula distribution, the additional funding for local services, the approach to the Local Authority Better Care Grant, and the method for calculating tariffs and top-ups.**

Disagree.

This question is asking for a single view on a set of proposals comprising many parts that have been published very late in the budget setting process. It is, therefore, difficult to give an answer that is either to wholly agree or disagree.

There are clearly aspects of the proposals to be welcomed including the three-year settlement. However, there are clearly winners and losers from the changes, and for many of the losers the freezing or loss of funding will come at a time of mounting financial pressures. Analysis by the Rural Services Network shows that rural councils such as ours are adversely affected by the proposals.

Overall, given the number of losers, it would seem that there remains insufficient government funding, coupled with a lack of genuine flexibility for councils in setting the level of Band D council tax, to adequately fund local government.

**Question 2) Do you agree or disagree with the government's proposed transitional arrangements?**

Neither agree nor disagree.

As observed above there is clearly insufficient funding for local government. So whilst the proposed transitional arrangements are to be welcomed, if local government was adequately funded they would not be needed.

**Question 3) Do you agree or disagree with the proposed package of council tax referendum principles for 2026-27?**

Disagree.

Firstly, we do not agree with the concept of council tax referendum principles and believe councils should have full flexibility in determining the level of Band D council tax.

Second, for this council, the shire district limits are particularly punitive as in 2025/26 its Band D council tax was the 15th lowest in the country, some £60 lower than the average for shire districts.

Not only do the referendum limits restrict the council's ability to increase its council tax to a level more in line with the average, but the fact that the amount the council receives in government funding under the new fair funding methodology is based on an assumption that council tax income is in line with the national average means this council is further penalised by these now illogical limits.

**Question 4) Do you agree or disagree with the government's proposed approach to distributing funding for the Families First Partnership programme via the final version of the Children and Young People's Services (CYPS) relative needs formula?**

No view.

**Question 5) Do you agree or disagree with the government's proposed approach of continuing the IDB support grant for 26/27 but seeking an alternative solution from 27/28?**

No View.

**Question 6) Do you agree or disagree with the government's proposal on Mayoral Strategic Authorities in the Local Government Finance Settlement?**

No View.

**Question 7) Do you have any comments on the impact of the proposals outlined in this consultation document on persons who share a protected characteristic? Please identify which protected characteristic you believe will be impacted by these proposals and provide evidence to support your comments.**

A general observation would be that, given that there will be winners and losers from the fair funding review, there may be people who share a protected characteristic that are adversely affected by the new levels of funding.