



**Department for
Communities and
Local Government**

Kris Hopkins MP
Minister for Local Government

***Department for Communities and Local
Government***

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To the Leaders of all Billing Authorities

www.gov.uk/dclg

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Dear Leader

PARISH FUNDING FOR LOCAL COUNCIL TAX SUPPORT SCHEME

As you will know, the House of Commons has approved the local government finance settlement for 2015-16. I am writing to highlight the issue of funding to town and parish councils.

The Government has provided £3.3 billion annually to local authorities for local council tax support schemes. This includes an amount attributable to town and parish councils.

The exact amount attributable depends on council tax levels, scheme design and geographical spread of claimants, so only billing authorities can calculate the appropriate amount to pass on to town and parish councils. However, it would only be appropriate not to pass on any local council tax support grant if there were no claimants in that parish.

As town and parish councils are the tier of local government closest to many communities, we recognise the active and important role they play in service provision. Since council tax is their principle, and in some cases only, source of income, it is essential they receive all the funds due to them in order to carry out their activities.

It is important that all billing authorities act in a manner which is fair both to town and parish councils, and to council tax payers. As you finalise your budgets for 2015-16, I urge you to properly identify the amount of local council tax support funding attributable to town and parish councils in their area and ensure that an appropriate amount is passed on in open and collaborative discussion with the parishes.

KRIS HOPKINS MP