

The Rt Hon Robert Jenrick MP
Secretary of State for Housing, Communities
& Local Government
2 Marsham Street
London
SW1P 4DF

30 June 2020

Sent by email to robert.jenrick@communities.gov.uk

Dear Secretary of State,

Coronavirus Pandemic: Financial Support for Local Councils

We wrote to you in April on behalf of the 4,000 members of the SLCC and their concerns regarding the future financial viability of the town and parish councils which they serve.

While the Government has provided significant financial support to principal local authorities which it says should also cover the needs of town and parish councils, unsurprisingly – given their own dire financial circumstances – these higher tier councils are unable to release any of the support they have received. Some have been offered short term interest free loans which would add substantially to the precept in 2021.

Local councils provide a significant range of services and in many cases fill the gap of service delivery left by principal councils. In doing so, many have developed revenue generation beyond the traditional precept route. Local councils are in a position to play a significant role in the Community Resilience Agenda; providing support to the work of both local and central government. However, to be able to do this and with sufficient funds for this financial year, local councils do require support from Central Government.

The SLCC wholly supports the representations made by the National Association of Local Councils (NALC) and the suite of measures they have put forward in support of local councils. As the professional body representing practitioners in our sector, we would specifically like to propose the following measures that we believe will assist.

1. Business rates relief on community assets, the income from which has been affected by the pandemic. This includes the fast-tracking of regulations to permanently remove business rate liability on public conveniences and temporarily on all other revenue generating buildings in the ownership of town councils.
2. Permission for councils to create their own "Covid-19 Revenue Recovery Package" through the capitalisation of specific revenue impacts (both increased expenditure and losses of income) arising from the Coronavirus pandemic. This is an appropriate accounting treatment to address the unprecedented financial impacts of the virus and would require no financial commitment from central government.

3. Reinstatement of the Government grant to meet an increase in Council Tax Benefit payments from this years' baseline estimated figure. This grant to be accounted for in each Billing Authorities' collection fund – not their general fund revenue account – and would be phased over a number of years in line with a return of employment rates to the levels prior to Coronavirus.

A more detailed explanation of points 2 & 3 accompanied by supporting comments are attached as an addendum.

Our members, serving over 5,000 town and parish councils would implore you, in the strongest possible terms, to give urgent consideration to the plight of the local council sector and the need to provide specific support to it. SLCC would be happy to join with colleagues from NALC to meet urgently with Ministers and your officials – through video conference – when we could explain the severity of this matter and our proposals in greater detail.

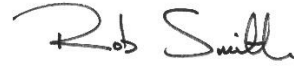
Yours sincerely,



Michael King
Chairman



Linda Larter
President



Robert Smith
Chief Executive

cc Dr Jonathan Owen, CEO, National Association of Local Councils

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