

Summary of responses to the Provisional Local Government Financial Settlement

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“Today’s settlement does not provide enough funding to meet the severe cost and demand pressures which have left councils of all political colours and types warning of the serious challenges they face to set balanced budgets next year.”

LGA statement on provisional Local Government Finance Settlement (18 December 2023)

“The County Councils Network... said that county authorities will be ‘bitterly disappointed’ by the announcement... [T]he absence of additional funding leaves its councils with ‘no choice but to implement more severe reductions to services and to levy higher council tax rises’, while ‘an increasing number of local authorities will struggle to deliver a balanced budget next year’.”

CCN Latest News (18 December 2023)

“Seeing the local government financial settlement... published in the last week before Christmas is not helpful. But even less welcome is the content of the settlement.

Local authorities right across England are facing unprecedented financial pressures – and all the independent analysis makes clear that the problems are systemic... The ever-growing number of councils issuing or warning of forthcoming s114 notices underlines the peril we face.”

The Society of Local Authority Chief Executives and Senior Managers (Solace Group) (18 December 2023)

“The real pain looks set to be from 2025-26 onwards.

2023–24 and 2024–25 are... tougher years financially for councils than economy-wide inflation figures would suggest.

But we’d hazard that the worst could be yet to come. ”

Institute for Fiscal Studies: The 2024–25 local government finance settlement (19 December 2023)

“Provisional local government settlement fails to ease long-term funding crisis.”

Chartered Institute of Public Finance and Accountancy (CIPFA) (18 December 2023)

“Today’s funding increase will not match inflationary and demand-led pressures... [H]alf of the increase comes from assumed council tax increases... There is nothing new to address the funding pressures in children’s services, the biggest pressure our members currently face... The final settlement in late January is now the Government’s last opportunity to provide councils with the funding and flexibility they need to stabilise their finances. If this is not done then there will be a surge of Section 114s next year.”

Special interest Group of Municipal Authorities (SIGOMA) (18 December 2023)