

Announcement on Local Government Finance

Georgia Gould is the MP for Queen's Park and Maida Vale and was appointed Parliamentary Secretary at the Cabinet Office on 9 July 2024. She issued the following statement.

"Twenty councils nationally are reliant on external funding support and others have said they are at risk of issuing a section 114. London boroughs face an estimated £700m funding gap in 2026-26, with temporary accommodation pressures, in particular, escalating at an alarming rate.

"In specific areas, such as retrofit and skills, greater funding flexibilities and trusting local leaders with devolved responsibilities would result in economic wins, contributing to the Government's growth mission

"It is also time to undertake a fair funding review, ensuring the distribution of core funding is linked to current drivers of need, using accurate measures of population and deprivation.

"The Government has signalled an end to a bidding pot funding culture as part of a more mature reset of the central-local government relationship. London is keen to build on this by exploring what could be achieved through further devolution to London and greater collaboration between the boroughs and the GLA.

"In specific areas, such as retrofit and skills, greater funding flexibilities and trusting local leaders with devolved responsibilities would result in economic wins, contributing to the Government's growth mission.

"Opening a dialogue with local government via this review is a meaningful step. I hope to see it improve mutual understanding and deliver better outcomes for the people and places we serve. The early signs are good."