**Ministry of Housing,
Communities &
Local Government**

Ministry of Housing, Communities & Local Government
Department for Communities & Local Government
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Our Ref:3611853

Date: 22 January 2018

Dear Mr Eaton,

Thank you for your letter of 13 June to the Rt Hon Philip Hammond MP, about Local Government Financing and a call to end austerity. I have been asked to reply.

The Government recognises the important role that councils play in helping to provide local community services. However, all of Government has had to make some tough decisions to avoid putting our deficit reduction programme at risk, and with councils accounting for a quarter of all public spending, they need to continue playing their part in tackling the deficit. Stockport Metropolitan Borough Council, like all councils, needs to find savings whilst protecting local services.

Our fair and sustainable finance settlement, which sees real term increases in the available resources to local government in 2018-19 and 2019-20, gives councils the means to fund these important services. And we have delivered what local government has been asking for, including the offer of a multi-year settlement to help councils plan ahead.

We believe it is important that councils are able to set the local policy agenda and target spending to match. That is why funding provided through the local government finance settlement is unringfenced, as it allows local authorities, who are independent of central Government, to manage their budgets in line with local priorities. The issue of local authority spending priorities, is ultimately a matter for local discretion. Stockport Council will have available to them over £1bn between 2015/16 and 2019/20, which can be used for local priorities.

I hope you find this information helpful.

Yours sincerely,

Ilyas Choudhari

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