



Unitary Councillors for Ludlow & Clee

Andy Boddington
Tracey Huffer
Richard Huffer
Vivienne Parry

(by e-mail)

Shropshire Council
Shirehall
Abbey Foregate
Shrewsbury
Shropshire SY2 6ND

Date: 10th February 2015

My Ref: JW/MP/SD

Your Ref

Dear Councillors

COUNCIL TAX SUPPORT GRANT (CTSG)

Thank you for your letter dated 2nd February 2015 and your concerns regarding Shropshire Council's proposal to remove any allocation of Council Tax Support Grant (CTSG) to town and parish councils in 2015/16 and future year's council tax reduction scheme.

Since the introduction of localised Council Tax Support schemes in 2013/14, CTSG has been included within Shropshire Council's Settlement Funding Assessment determined annually by Government, however, this amount is not separately identified as it is not ring-fenced.

Although Government have indicated an intention that part of the funding provided to local authorities in respect of the localised council tax support should be passed down to parish and town councils, there is no legislative or mandatory requirement to allocate CTSG to parish and town councils.

In 2013/14 and 2014/15 Shropshire Council resolved to pass an element of this CTSG to parish and town councils, however, the Council's developing financial position no longer makes the payment of this grant to local councils affordable. Shropshire Council's draft budget strategy, therefore, includes a proposal to no longer distribute CTSG to parish and town councils. The decision to remove CTSG will not formally be taken until

26th February 2015, when Full Council sits to approve the budget for 2015/16. Until that point, we are currently in a period of consultation on the budget proposals.

Yours faithfully

A handwritten signature in black ink, appearing to read 'J Walton', written in a cursive style.

James Walton
Head of Finance, Governance & Assurance - Financial Advice

james.walton@shropshire.gov.uk
01743 255011

cc Keith Barrow