



Ministry of Housing,
Communities &
Local Government

Alison McGovern MP

*Minister of State for Local Government and
Homelessness*

2 Marsham Street
London
SW1P 4DF

Your reference: JM52597

Our reference: MC2026/18378

Jim McMahon MP
House of Commons
London
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6 July 2026

Dear Jim,

Thank you for your email of 30 June regarding Oldham Council's recent motion on fair funding for local government. I am responding as the Minister responsible for this policy area.

I appreciate you setting out your views on future local government funding reforms. We welcome your support for the Fair Funding Review 2.0 and the multi-year Local Government Finance Settlement. As the Council noted in the motion, we are committed to rebuilding a sustainable funding foundation for local government and delivering a system that is fair, transparent, and better reflects local need.

As a result of the reforms delivered through the Fair Funding Review 2.0, nine in ten councils will receive funding that broadly matches their assessed need by the end of the multi-year Settlement, up from around a third before our reforms. We continue to review the wider local government finance system to ensure it remains fit for the future, delivers value for taxpayers, and maintains the principles of the Fair Funding Review 2.0.

We will continue to work closely with the local government sector as we take this work forward and consult through the provisional Local Government Finance Settlement in each year in the usual way.

Thank you again for writing on this important matter.

Yours sincerely,

ALISON MCGOVERN MP

Minister of State for Local Government and Homelessness