

HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Mr Geoff Raw Chief Executive Brighton & Hove City Council Hove Town Hall, Norton Road Hove BN3 3BO

1 8 FEB 2019

Your ref: MW/GR

Dear Mr Raw,

Thank you for your letter of 25 January to the Prime Minister about funding for public services. Your letter has been passed to the Treasury and I am replying as the Minister responsible for this policy area.

The Prime Minister and Chancellor are clear that the hard work of the British people is paying off. This is why, last year, this Government presented a Budget which showed increased support for public services, lower taxes and continued commitment to fiscal discipline.

With the announcements made at Budget 2018, aggregate day-to-day spending by departments will grow at an average of 1.2% above inflation in each year of the forecast. This is the first period of growth since 2010. Moreover, the Police Funding Settlement for 2019-20 enabled Police and Crime Commissioners to increase their direct resource grant funding by up to 5.9% in total – the largest increase since 2010.

However, most departments do not yet have budgets set for 2020-21onwards. This includes the departments responsible for Local Authorities and policing. All long-term decisions on public spending and departmental budgets will be taken at the Spending Review later this year, when the Chancellor will set out his approach for the future.

We are committed to getting the right balance between spending on public services and investing in Britain's future. Austerity is coming to an end, but we will continue to manage the public finances in a disciplined and responsible way.

Best wishes,