

# Parish report from your District Councillors

10<sup>th</sup> February 2026



## Government cuts funding for SHDC

The Government's "Fair" Funding Review has seen the Council fall into the category of being the worse impacted in the country, where only 95% of the Council's previous levels of funding have been guaranteed by the Government in 2027/28 and

2028/29. This is a reduction in Government funding of £2.671m in 28/29 for example – a 41% reduction. The final Finance Settlement will be laid in Parliament in early February 2026. The Council is currently forecasting a £2.65m budget gap by the following year, 2027/28. The cumulative aggregated Budget Gap by 2028/29 is £6.96m, if no action has been taken in each individual year to close the budget gap annually.

### **IMPACT OF THE "FAIR" FUNDING REVIEW:**

- The three year finance settlement for 2026/27 to 2028/29 was announced in Parliament on 17th December 2025. This has seen the introduction of the Government's "Fair" Funding Review 2.0, alongside a reset of the business rates baseline and the cessation of the New Homes Bonus scheme.
- The Council falls into the category where only 95% of its previous levels of funding have been guaranteed by the Government in 2027/28 and 2028/29 – this is the category most impacted by the "Fair" Funding Review. This is a real terms decrease and means the Council will receive no additional funding for inflationary pressures or higher levels of service demand.
- This reduction in Government funding is from £6.482m in 25/26 to £3.811m in 28/29. This is a reduction in Government funding of £2.671m (a 41% reduction). This is a substantial reduction and is the real impact of the Government's new "Fair" Funding Review. Shire Districts are the worse impacted category of Councils. Core Spending Power is 'cash flat' at £15m for both 2027/28 and 2028/29.
- Remoteness has been removed from all of the Area Cost Adjustments (ACA), with the exception of Adult Social Care. This was a last minute change to the funding formula by the Government. As a sparsely populated area with large travel distances, taking away the remoteness factor has impacted on South Hams quite heavily as it disadvantages more rural and remote Councils. The other changes that have significantly impacted South Hams are -
  - The weighting in the funding formula for visitor and commuter population has been reduced relative to the weighting for permanent

residents. This disadvantages areas with a high concentration of tourists and commuters. So this significantly disadvantages South Hams. The visitor economy for South Hams is a significant cost.

- The separate funding formulae for coastal protection and flood defence have been removed – so again South Hams loses out.
- The Fixed Cost Adjustment has been removed (this is the cost of a Council opening its doors – this fixed cost adjustment used to recognise that there is a minimum cost of running any Council).

*Analysis by Pixel Financial Management shows that rural authorities have suffered the biggest losses in funding in the 3 year finance settlement in terms of Core Spending Power and government funding changes over the next three years.*



- The net result is that Core Spending Power – the amount the Government states is available to Councils for the coming year (including a 2.9% Council Tax increase – has fallen by 0.6% for

*SHDC. In contrast it has risen by 5.3% for Shire Counties, 6% for London Boroughs, and 7.5% for Metropolitan Districts.*

- The Council has submitted a consultation response to the Local Government Finance Settlement. In particular, the Council's response focusses on the fact that the separate funding formulae for coastal protection and flood defence should be reinstated, the remoteness factor should be reinstated and the weighting should not be reduced in the funding formula for the visitor and commuter population. The Council's response also highlights that there is a technical error in the council taxbase growth assumptions with regards to the second homes premium which is already within the 2025/26 Taxbase'
- The Executive is recommending an increase of the maximum of 2.99% in Council Tax for the coming year. This equates to a rise of £5.88 per year or 11pence per week for a Band D property. The Government's calculations of spending power for the authority assumes Council Tax will rise by this amount.

## Storm response

Our officers have been working closely with the Environment Agency and Devon County Council, to deal with damage caused by strong winds and waves to the A379 road and one of our carparks earlier this week. Properties in Torcross have also been damaged - delivering another blow to the area after Storm Ingrid. We'll continue to work with our partners to carry out further investigations and work out what next steps are available to us. We are doing what we can to keep our communities safe and we thank our residents for their patience while this essential work takes place.



## • LGR Government consultation

- The Government has now launched its formal consultation on Local Government Reorganisation proposals in Devon.
- The consultation will run for seven weeks, closing on Thursday 26 March.
- A single website containing all the proposals can be found at [www.devonlgr.co.uk](http://www.devonlgr.co.uk)
- SHDC is encouraging town and parish councils to submit a response to the consultation.



## • Parking permit review

- Our statutory consultation on proposed changes to parking permits across the District is now live.
- This consultation will run for 21 days until 26 February 2026.
- The review follows feedback gathered from Town and Parish Councils and is part of the wider work to make sure the permit system remains fair, transparent and flexible.
- The consultation will allow residents, businesses and other stakeholders to give their views on the proposed changes before any final decisions are made.
- The consultation is available at <https://parkingpermits.commonplace.is/>

## Fixed penalty notices

- We've now issued our first Fixed Penalty Notices for abandoned vehicles and will continue to take action where necessary.
- We're taking enforcement action where necessary against people who abandon their vehicles.
- Abandoning a vehicle is an offence and may result in a Fixed Penalty Notice under the Refuse Disposal (Amenity) Act, or further enforcement action.
- Please dispose of vehicles responsibly.
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## • Postal votes

- The Elections Act 2022 introduced a new requirement that all postal vote arrangements must be renewed every three years. We have now completed this year's postal vote re-application process for the 9,100 electors whose postal vote entitlement expired on **31 January 2026**. All **affected postal voters** received multiple communications, either by email or by letter.
- At present, **38%** of electors required to re-apply have **not yet submitted** a new postal vote application. A cancellation notice has been issued to these voters, which includes guidance on how to submit an online application. A paper application form has also been enclosed for those who may be unable to apply online.
- Electors can re-apply at any time, but applications must be received by **5 p.m., 11 working days before polling day**. The quickest and easiest way to apply is online at: <https://www.gov.uk/apply-postal-vote>
- As part of the online application, electors will need to provide:
  - Date of birth
  - National Insurance number
  - An uploaded image (photo or scan) of their handwritten signature in **black ink on plain white paper**
- Further information is available on our website: → [www.southhams.gov.uk/elections-and-voting/postal-vote-renewal](http://www.southhams.gov.uk/elections-and-voting/postal-vote-renewal)
- Current total number of absent voters: 7,144
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## Tourism symposium

The Council is currently progressing a series of projects to support and strengthen the local visitor economy through UK Shared Prosperity Fund (UKSPF) investment. This work includes a



new visitor economy study, a tourism business survey and two upcoming Tourism Symposiums. Moor Economics has been commissioned to carry out the study, which aims to identify the key challenges facing the local tourism sector and opportunities to help it to grow and thrive. The findings will help shape future projects that will be developed to help improve the economic resilience of the sector. Business Information Point (BIP) is organising and delivering two tourism symposiums (one for South Hams, one for West Devon) as well as a tourism survey as part of this work. The Symposiums are business focused events designed to gather sector insight and encourage engagement from local tourism operators.

### Event details:

- Monday 2 March – Follaton House, 10 a.m. – 2.30 p.m.

:To book a space please visit:

<https://businessinfopoint.co.uk/south-hams-west-devon-tourism/>

- Please share with your local businesses who may be interested in attending.

## South Hams Employment Fair

Business Information Point will be running the South Hams Employment Fair again this year, helping match local job seekers and employers. [The South Hams Employment Fair](#) will take



place on 24 February from noon to 3 p.m. at Totnes Civic Hall. Fully funded by South Hams District Council, there is no cost to exhibit at the event, and it is an ideal opportunity for businesses to showcase themselves and connect with local job seekers. It's also free for job seekers to attend. As well as the chance to interact directly with potential candidates, it is also the perfect place for businesses to network with each other. It also offers local job seekers (leaving education, currently unemployed, or already in employment ) the opportunity to find new jobs.

## Upcoming Consultations

- TBC March - Local Plan:** Engaging with statutory consultees to formally announce our intention to start a new local plan followed by a 6 to 8 weeks engagement process. Waiting for Government information.