

## **The Government Response to the House of Lords Built Environment Committee Report on High Streets: Life beyond retail?**

The Government welcomes the House of Lords Built Environment Committee's inquiry into high streets and the resulting report, published on 28 November 2024. We are grateful to the Committee and thank all those who provided evidence.

This government is committed to rejuvenating our town centres and high streets by supporting the businesses and communities that make them successful. We will have more to say on these plans in the coming months, but our response to this report provides the most up-to-date position as of now.

High streets matter not only because they are crucial to pride in place, offering local jobs and opportunities, but because they visibly reflect the wider state of the economy and public realm. Our decade of national renewal, as set out in the Plan for Change, will fix the foundations of the economy after years of drift and decline. Each of the missions that underpin that renewal, from growing the economy to safer streets, has a bearing on the future success of our high streets.

I recognise the challenges evidenced by witnesses to the inquiry. No two town centres are the same but many face similar problems: lower occupancy rates and footfall due to economic headwinds, changing consumer habits and the legacy of austerity on public amenities; hollowed out high streets becoming a breeding ground for crime and anti-social behaviour. Cumulatively these factors create a vicious cycle affecting the confidence of consumers and investors alike. Delivering on our central missions is crucial to fixing this, and we have wasted no time in getting started.

For high streets to thrive, they need strong local leadership and institutions empowered to deploy the right interventions for that place. This government is committed to working closely with the local leaders who know their areas best, and, given the diversity of interests in town centres, we support the Committee's focus on local partnership working on high streets. We are also committed to further devolution to support these aims: our English Devolution White Paper sets out an ambitious new framework for English devolution, moving power out of Westminster for good.

Devolving power requires us to fix the foundations of local government, so we can empower communities at all levels. We will rebuild local government after 14 years of mismanagement and decline, through fairer funding and multi-year financial settlements, to give councils the certainty they need. We will move away from wasteful competition over funding streams and, as the report notes, will retain and reform the Long-Term Plan for Towns. These measures will help ensure that local councils can support their local high streets to develop into a space that is attractive for people to work, visit and live in.

We are also making progress on policies with a direct impact on high streets. From High Street Rental Auctions – where we have empowered councils to require landlords to rent out persistently vacant commercial units, working closely with early adopters in Bassetlaw, Darlington and Mansfield – to our commitment to introduce a new Community Right to Buy to

empower local people to protect valuable community assets. We continue to invest in initiatives to boost town and city centres, including High Street Accelerators, which bring together the local community, businesses and property owners to work in partnership with their local authority to regenerate and revive their local high street.

People must feel confident and safe using their high streets. We are embedding a zero-tolerance approach to anti-social behaviour and to that end have announced a number of measures, including Respect Orders and tougher action on repeat offending as well as the deployment of 13,000 additional neighbourhood police officers, Police Community Support Officers (PCSOs) and special constables into local communities.

We also recognise that small businesses are vital to the success of high streets. Our Small Business Strategy will be published this year, setting out the Government's vision for all small businesses. From boosting scale-ups to growing the co-operative economy, making it easier to access finance, opening up overseas and domestic markets, building business capabilities and providing a strong business environment.

Finally, we are creating a fairer business rates system that protects the high street, supports investment and is fit for the 21st century. As set out by the Chancellor at the Budget and delivering on the manifesto pledge to protect the high street, from April 2026 the Government intends to introduce permanently lower tax rates for retail, hospitality and leisure properties with rateable values (RV) of less than £500,000. Parliament is already considering our Bill to enable these reforms. To support businesses in the interim, the Chancellor has also confirmed relief for retail, hospitality and leisure properties will be extended for one year at 40% up to a cash cap of £110,000 per business and the small business multiplier will be frozen for one year. This package is worth over £1.5 billion in 2025-26.

The Government response to the Committee's recommendations and conclusions is set out in full below.

## Response to the Built Environment Committee's recommendations for Government

This section sets out the Government's response to the recommendations contained within the Committee's report.

### Transport networks on the high street

**Safe and easy access is crucial to a thriving high street. Better public transport connectivity, particularly through improved bus networks, would help support local high streets.** (Paragraph 26)

**Car access and available parking are still necessary to sustain many high streets. This is especially true in areas with poor public transport links where pedestrianisation may harm the high street through lack of accessibility. Car parking should be designed so that it makes most efficient use of the space available and is accessible to people with disabilities.** (Paragraph 27)

Government response:

The Government agrees that public transport connectivity and safety has a crucial role to play in the economic and social success of our high streets and is taking steps to address this. We recognise that local bus services are central to prosperous and sustainable communities and high streets and accordingly, the Department for Transport (DfT) is providing over £1 billion funding in the next financial year to support and improve bus services in England outside London.

Long-term funding has been committed to provide local government with certainty to help them deliver local transport improvements. The City Region Sustainable Transport Settlements programme provides £5.7 billion between 2022-23 and 2026-27 for Mayoral Strategic Authorities to transform their local transport networks and unlock regeneration opportunities, and an additional £200 million was confirmed at the Budget.

We are also providing over £650 million for local transport outside city regions in 2025-26 to ensure that transport infrastructure and connections improve in our towns, villages and rural areas as well as in our major cities.

As set out in the English Devolution White Paper, the Government will give local places greater freedom to design transport services and infrastructure to suit their circumstances. For the first time, Mayors will have a statutory role in the management of the rail network, including the right to request control of services, stations and infrastructure for the most established. Mayors will also get new powers to coordinate their key roads and government oversight over local roads will be scaled back. Local leaders will be empowered to choose the bus operating model that works for their area through the Bus Services Bill, which was introduced on 17 December 2024. This includes the option to simplify the franchising process for bus networks and establishing new local authority owned bus companies.

Regarding car parking and access, this government is determined to drive up standards in the private parking sector to support access to town centres and high streets. The Ministry for Housing, Communities and Local Government (MHCLG) is responsible for implementing the

Parking (Code of Practice) Act 2019 and raising the standards of the industry by incorporating best practice as standard. Whilst the Code's scope does not extend to the design and layout of private car park, the government's position is that private parking operators need to have regard to the obligations placed upon them by the Equality Act 2010 and the Equality and Human Rights Commission statutory code, in particular to make reasonable adjustments to accommodate disabled people.

Responsibility for traffic management on local roads and the provision or restriction of on-street parking rests with the relevant local authority as they are best placed to consider how to balance the needs of residents, emergency services, local business and those who work in and visit the area. Where problems occur, the DfT looks to local authorities to use their traffic management powers under the Road Traffic Regulation Act 1984 to make traffic regulation orders to introduce traffic management measures such as parking controls.

## Markets

**Local markets can boost footfall on high streets and contribute to the unique character of towns and small cities across the country. Markets not only contribute to local economies but can also act as catalysts for the high street brands of tomorrow. Local authorities and other market operators should continue to support market traders.** (Paragraph 42)

**The Government should seek to legislate to allow markets operated by local authorities outside London access to the same level of business rates relief available to those markets operated by local authorities within London.** (Paragraph 116)

Government response:

We agree that markets can help to boost footfall on high streets and can often form an important part of the local economy. It is for local authorities and other market operators to decide how best to operate and manage their markets. We encourage local authorities and market operators to work in partnership with their market traders, local business leaders and community members to develop a vision for the market that can support the many entrepreneurs and businesses trading in these locations to flourish.

The provisional Local Government Finance Settlement announced the Governments intent to make available £69 billion for councils across the country, a real-terms increase of 3.5% from 2024-25, which includes a new emergency £600 million Recovery Grant, offering better value for money through the repurposing of grants to help support councils most in need and maximise every penny of public spending to ensure it delivers for working people. The majority of the funding made available through the settlement is not ringfenced so local authorities are able to use it for their own priorities, including markets.

Additionally, whether privately or publicly owned, markets may be eligible for mandatory business rates relief such as Transitional Relief and Small Business Rate Relief. There is a long-standing principle that local authorities should not have the power to award discretionary business rate relief, such as the Retail, Hospitality and Leisure relief, to the properties they occupy, including local authority owned markets. The Government is currently taking forward legislation that will provide for permanently lower multipliers for retail, hospitality and leisure properties from 2026-27, which will apply to both private and publicly owned properties.

Local business and regeneration

**Thriving businesses are essential for a busy and successful local high street and business owners should be actively involved in the management of their high street.** (Paragraph 53)

**Ensuring that local businesses support and are involved in high street regeneration projects is vital. Local authorities should empower and enable local business leaders to drive forward high street regeneration projects.** (Paragraph 54)

**Business Improvement Districts are a useful tool for coordinating business involvement in their local areas. The Government should support Business Improvement Districts, but they should not be mandated.** (Paragraph 59)

**Reflecting on the potential of Community Improvement Districts, but acknowledging that the framework for these remains unclear, the Government should explore whether the Business Improvement District model should be expanded to require the participation of community representatives beyond local business owners.** (Paragraph 69)

Government response:

The Government agrees that thriving businesses are essential for busy and successful local high streets and believes positive examples of collaboration between businesses, communities and councils such as those cited in the report demonstrate the benefits of well-managed local placemaking, including to businesses themselves.

There are several ways in which the Government promotes this kind of collaboration. Our ‘Experience on Main Street’ programme promotes UK creative businesses which specialise in placemaking to decision makers responsible for high street regeneration projects, including retailers, local and regional government, real estate owners and urban planners, to encourage the reimagination and revival of high street spaces by using creative services and products.

Businesses will also play a vital role in the regeneration of their local area through the reformed Long-Term Plan for Towns programme, working alongside residents, local government and community representatives, such as charities, faith groups and voluntary organisations, to develop their proposals and drive forward activity. Further information on this will be included in a revised prospectus that is due for publication shortly.

Another means that businesses can be involved in the management of high streets is through Business Improvement Districts (BIDs). Across the UK, BIDs are delivering a variety of projects and services that help make their local area safer, cleaner, and more vibrant for large and small businesses alike. We recognise the important role BIDs can play in enabling business leaders to come together to revitalise high streets and town centres.

The Government has no plans to mandate the establishment of BIDs, but agrees it is important that they continue to listen to, and work with, the community to make sure they are delivering on the issues that matter to them. Although we have no plans to mandate community participation at this time, we will explore the extent to which local authorities, community organisations and residents, are currently represented in BID boards and engagement activities.

The High Street Accelerator pilot, due to conclude in June 2025, will deepen the collective understanding of those focused on high street regeneration, within and outside of government, on how to build effective partnerships towards that end. In the Accelerator model, local businesses play a vital role as one of the four mandatory partners, working in partnership with

community representatives, such as local civic societies and religious groups, the local authority, and property owners to regenerate and revive their local high street.

Finally, in 2025 the Government will bring forward a Small Business Strategy which will include consideration of how best to support businesses on high streets.

### Community impact

**High streets are at their most vibrant when they are used by the whole community. Local authorities should ensure that their residents are involved in decision-making about their area through both formal consultations and partnership working.** (Paragraph 72)

**We are pleased to hear that Ministers are seeking to learn from previous successful programmes. The Government should ensure that accountability mechanisms involving members of the local community, such as Towns Boards, are part of any new programmes to support local regeneration.** (Paragraph 73)

Government response:

Plan-makers are already required to consult with communities and stakeholders at multiple points throughout the process of drafting their local plan. We intend to commence a package of plan-making reforms, enabled through the Levelling Up and Regeneration Act 2023, in 2025. A key aim of these reforms is to improve the quality of community engagement in plan-making and introduce a greater focus on early engagement. The proposed reforms would make it easier and faster for local authorities to prepare local plans that are shorter, clearer and easier for communities to understand and engage with.

In the Budget, the Chancellor confirmed that the Long-Term Plan for Towns will be reformed as part of a new regeneration programme that emphasises community joint-working and decision-making. The Government will work in partnership with the 75 places across the UK that were previously selected to receive funding under the Long-Term Plan for Towns, alongside local and devolved government, to supercharge the delivery of the five national missions. It will bring together residents, local business and community representatives, such as charities, faith groups, local sports representative and youth groups, as a Board to drive forward the change they want to see and ensure that everyone, regardless of their background, can benefit. Further detail on the reformed programme, including the associated delivery and governance arrangements, will be published in a revised prospectus document that is due for publication shortly. We will ensure that any lessons learned benefit high streets across the rest of the UK.

Bringing together local communities to support regeneration continues to be a central focus for this government. Locally led boards are a key element of the Town Deal programme and have generally been well received. More broadly, the Government remains committed to simplifying the funding landscape for local authorities and continuing to consider the feedback we have received when thinking about new funding options.



Local authority partnerships

**Anyone looking to reform high streets should involve the local authority at an early stage and develop a shared vision. Where a local authority is seeking to lead change it must work in partnership with landlords, business owners and the local community.** (Paragraph 86)

Government response:

We recognise that local authorities are key partners in high street regeneration and understand the importance of developing shared visions to revive these areas. This is why the Government is piloting the High Street Accelerator model in 10 high streets in England. This model brings together the local community, businesses, and property owners to work in partnership with their local authority to create a vision for their high street and start delivering projects to make that vision a reality.

The Government actively engages with local authorities on its approach to high street regeneration, for example in bringing in to force new High Street Rental Auction powers we have launched an Early Adopters programme designed to provide targeted support and generate actionable feedback for councils implementing the policy later.

Local authorities and commercial property

**The Government should provide funding to local authorities to maintain an ownership and occupier database for commercial properties within areas designated a high street or major retail centre in their local plan.** (Paragraph 119)

**Local authorities that already own assets on their local high street should ensure that they are being utilised to deliver the range of services and businesses wanted by local communities. This could include exploring innovative styles of lease, operating with reduced profit margins, or delivering public services on the high street.** (Paragraph 130)

**Local authorities should have community asset transfer policies to ensure transfers of ownership to a community group are possible where it is in the best interests of the local community.** (Paragraph 133)

Government response:

Whilst the Government currently has no plans to mandate local databases of commercial property ownership, local authorities should feel empowered to create such a database if they see a benefit. In many cases, the occupier or owner of a premise will be apparent from billing for business rates, or from land registry searches or via locally established boards and groups. In addition, through the Levelling up Act 2023 local authorities have powers to require information from occupiers or owners of vacant high street premises. Therefore, while the Government does not rule out the creation of a register in the longer term, further work is required to establish the benefit of a register alongside other tools available.

We firmly support a strong role for communities in ensuring valued local assets are maintained and put to good use. That is why through the English Devolution Bill, we will introduce a strong new Community Right to Buy for valued community assets, enabling communities to register local assets that are important to them and purchase them if they are put up for sale. We are exploring what support local areas need to effectively exercise the new powers once implemented, ensuring that communities across the country can benefit equally from them.

Local authorities already have powers to enable the community ownership and management of publicly owned assets, including to transfer ownership. It is for local authorities to determine the needs of their local community and how their assets are best utilised to support this. The Government is engaging with local authorities, community groups and other stakeholders on whether further non-statutory guidance would help to improve the use of these powers.

Local authority expertise

**The Government should support local authorities to make use of the new High Street Rental Auction powers and should confirm if it will follow the pilot approach set out by the previous Government. If it is not taking this approach, the Government should explain why this is the case, how it will support local authorities instead, and what steps will be taken to review the impact of these new powers.** (Paragraph 123)

**Whilst commercial property acquisition can present exciting opportunities for local authorities, there are risks if insufficient expertise is accessed or held within the authority. The Government should ensure that local authorities seeking to acquire new commercial properties in their local area have accessed the appropriate expertise and are able to effectively manage a commercial development portfolio.** (Paragraph 131)

Government response:

Alongside the non-statutory guidance issued on 2 December 2024 for the High Street Rental Auction policy, the Government confirmed that Bassetlaw, Darlington and Mansfield councils have become early adopters of the policy. We are working with other local authorities who have shown an interest in joining the early adopter programme.

We will work with early adopters to support them in applying the policy and to take on board lessons learned. Funding of more than £1 million has been made available to support implementation. In addition, a new burdens payment will be made available to local authorities to cover unrecoverable costs. Government has committed to i) a regulatory review of the new powers within five years of commencement, and ii) a review of the new burdens payments within a year of commencement. Input from the early adopters will be key to meeting these commitments.

In relation to commercial property acquisition, we do not think it appropriate for the Government to have a role in assessing the capability of individual authorities making such investments. Under the current system, known as the Prudential Framework, local authorities are responsible for their own investment decisions and for ensuring they have appropriate governance and local controls to manage risk and effectively deliver their capital strategies. It is not for government to intervene in local decision making except where it is appropriate and necessary, for example, to prevent or remediate financial failure. This is consistent with local democratic principles and local accountability.

In making investment decisions, local authorities must comply with legislation and have regard to four codes of good practice issued by government and the Chartered Institute of Public Finance and Accountancy, intended to ensure investments decisions are prudent, affordable and sustainable. Local authorities must also comply with the Best Value Duty.

Government continually monitors sector investment practices and amends the Prudential Framework as needed, and works with the sector and stakeholders to support good practice. Since 2018, changes have been made to legislation and guidance to address risks arising from some authorities taking on excessive debt for commercial investments or pursuing novel and risky investments. Where necessary, we have intervened with individual authorities. New statutory powers have also been introduced through the Levelling Up and Regeneration Act 2023 to enable Government to take direct action where excessive risk from capital practices is identified.

### Use classes and planning

**Although there is a range of views, the introduction of Use Class E in the planning system has made high streets more adaptable to changing consumer trends. The Government should explore expanding the scope of Use Class E, or expanding another Use Class, to support the renewal of large shopping centres for other leisure purposes.** (Paragraph 94)

**The expansion of permitted development rights to convert Use Class E properties into homes risks damaging the vitality of high streets and reduces local control over the design and development of high streets. The Government should undertake a review of the policy to examine the impact it is having on high streets relative to the number and quality of new homes delivered.** (Paragraph 98)

**When approving new developments and considering how to regenerate their high streets, local authorities should ensure that they are complementary to and optimise the unique offering that high streets can bring to a community. New retail centres must be considered in the wider strategic context of what else is available and accessible in the local area.** (Paragraph 107)

Government response:

Use Class E removes the need for certain planning applications, freeing up local authority resources; and provides freedom to business owners and landlords, who can adapt more quickly to changing consumers demands. It is important to balance this flexibility with the ability of local authorities to shape their areas and implement strategies for high streets. Therefore, we are not currently intending to expand Class E but will keep this position under review.

We are aware of criticism of the previous government's decision to amend permitted development rights to enable a change of use from Class E business, commercial and services use, such as shops, to Class C3 residential, including the quality of some of the homes delivered through this route. As we act to boost housing supply, this government is determined to take steps to improve the design and quality of the homes and neighbourhoods being built. We will continue to keep permitted development rights under review.

The National Planning Policy Framework already strongly supports locating town centre uses in town centres, for example: 'Planning policies and decisions should support the role that town centres play at the heart of local communities, by taking a positive approach to their growth, management and adaptation'.

The National Planning Policy Framework also includes the sequential test for town centre uses and states that: 'Where an application fails to satisfy the sequential test or is likely to have significant adverse impact on one or more of the considerations in paragraph 94, it should be refused.'

We will consider whether changes to planning policy to support high streets and town centres are necessary in the context of producing a set of national policies for decision making, which we intend to consult on in the spring.

Business rates relief

**We welcome the Government's commitment to reconsidering the business rates system. The conclusions of this work should be announced by the end of 2025. As part of the review, the Government should consider and simplify the range of business rates relief schemes available to ensure that they are effectively supporting successful high streets.**  
(Paragraph 115)

Government response:

The Government has committed to creating a fairer business rates system that protects the high-street, supports investment, and is fit for the 21st century. This is a multi-year process. At the Budget, the Government set out first steps and announced its intention to introduce permanently lower business rates for retail, hospitality and leisure properties from 2026-27 to level the playing field for high-street businesses.

Delivering on this commitment, the Government introduced primary legislation in November. At the Budget, the Government published the Transforming Business Rates paper, inviting stakeholder views on the Government's priority areas for further reform. Any changes will be phased over the course of the parliament and the Government will publish an update in due course.

### Public services and amenities on the High Street

**The Government should set out whether they intend to encourage moving more NHS health services to the high street, including the new mental health crisis centres announced in the Autumn 2024 Budget, and, if so, how they will do so.** (Paragraph 142)

**In reviewing business cases for the building, or opening, of new government services (such as health care centres, libraries and sport centres) the Government should ensure that wider public benefits are included in its assessment, including those supporting the ambitions held within other Government departments.** (Paragraph 143)

**New public services including libraries, diagnostic centres and local government buildings should be located on the high street in the first instance, with the same sequential test applied to retail being applied to these services. The Government should amend the National Planning Policy Framework to reflect this.** (Paragraph 144)

**Public toilets make it possible for everyone to use the local high street with confidence and comfort. They are particularly critical for elderly people and families with young children who might otherwise be reluctant to leave home. There are many ways to ensure decent public toilets are available and maintained on high streets and local authorities should be proactive in pursuing these options. This could include working with local businesses to provide more choice and availability.** (Paragraph 48)

Government response:

The Government agrees that locating public services and amenities in town centres can support high streets. We have committed to bringing forward a 10-Year Health Plan, part of the health mission to build a health service fit for the future. As part of this, a physical infrastructure working group has been established to consider how healthcare infrastructure and the NHS estate should be managed to support improved productivity and meet the future needs of the public – including issues such as integrating health facilities with high streets.

In relation to new government services, the government already considers wider benefits where appropriate and will keep further options to do so under review. It is mandatory for departmental spending proposals to follow the principles set out in the Green Book, the Government guidance on appraisal, which recommends that costs and benefits are viewed from the perspective of society as a whole, not just to the public sector or originating institution. We continue to ensure that this guidance is upheld and that wider public benefits are indeed included in appraisals. In many cases, however, the opening of new local services is a matter for local decision-making rather than central government mandate.

The provision of well-maintained toilets is important to those visiting high streets and can make the difference between communities frequenting areas or staying away. It is for local authorities, not central government, to make decisions on toilet provision and maintenance in their areas as they are best placed to know the needs of their local area and ensure that such assets are maintained. However, government support is in place: public toilets which are separately assessed for business rates purposes are eligible for a mandatory 100% business relief.

### Funding provision and simplification

**The previous Government's 'funding simplification doctrine' is a sensible approach and should be expanded to all local authorities in receipt of more than one funding stream seeking to revive high streets and town centres. This should be introduced for the next financial year and be a core tenet of any local growth funding reform. (Paragraph 155)**

**Whilst it is too early to assess the outcomes of the Government's Long-Term Plan for Towns, the inclusion of resource funding is an improvement to the previous funding programmes. We are supportive of the Government's plans to continue the Long-Term Plan for Towns and thus provide stability to local authorities. Any amendments to the programme should ensure that resource funding remains a core feature of the programme. (Paragraph 161)**

**Any future programmes created as part of the local growth funding reforms should have a highly simplified bidding process. The Government should clearly identify the maximum appropriate time and cost of bidding required from local authorities and design the processes accordingly. The Government could consider implementing a two-stage bidding process with a cursory first stage to ensure that only those projects most likely to be chosen within a programme have to undertake the full assessment process. (Paragraph 174)**

Government response:

This government was elected on a manifesto that committed to sustained local economic growth. Engaging with and learning lessons from local authorities and other stakeholders is at the heart of our approach and we will continue to do this as we design our future funding plans, which will be driven by the Government's mission to kickstart economic growth in every part of the country.

The Funding Simplification Doctrine introduced in January 2024 commits all government departments to consider the principles of funding simplification when designing new funding exclusively for local authorities. The Government remains committed to simplifying the funding landscape for local authorities and will continue to consider relevant feedback when thinking about new funding options.

As confirmed at the Budget, the Long-Term Plan for Towns will be reformed. Further detail on the programme will be confirmed in due course.

The Government will set out its long-term vision for local growth at the multi-year spending review in 2025. This will end the approach of local authorities and Mayoral Combined Authorities being forced to compete against each other for growth funds; target funding where it is most needed; and empower local leaders to create jobs, improve wages and get Britain building.

MHCLG will work closely with the Devolved Governments and Territorial Offices on this renewed approach, in line with manifesto commitments.

Town centre managers

**Each local authority should have an active town centre manager to support the development of their high streets and town centres. Town centre managers across the country should share experiences and best practice to benefit from cohort-based learning.**  
(Paragraph 163)

**The Government should invest in training and educating town centre managers, or other appropriate local authority staff, to ensure that every local authority has the required skills and expertise to provide tailored support to its own high streets. This could be commissioned from the private sector or coordinated through existing structures.**  
(Paragraph 164)

Government response:

The Government recognises the importance of town centre managers and we have provided support to local authorities in pursuing their own strategies for high streets and town centres for example through new powers such as High Street Rental Auctions and initiatives such as High Street Accelerators.

We want to rebuild local government to be able to support key staff, such as town centre managers, through fairer funding and multi-year financial settlements, to give councils the security they need. Grants such as the Recovery Grant, worth £600 million, will target areas with greater need, demand for services (we have used deprivation as a proxy for this) and less ability to raise income locally. This grant is not ringfenced so local authorities are able to use it for their own priorities, including training for town centre managers.

However, local authorities are independent employers and are rightly responsible for the management and organisation of their own workforces. Local authorities are therefore best placed to decide how to structure, train and develop their workforces to meet local needs.



Parish councils

**Parish and town councils that can demonstrate appropriate maturity in their financial management should be eligible to bid for Government funding directly.** (Paragraph 175)

Government response:

Town and parish councils play a vital role in supporting their communities to thrive. We know that through funds such as the Community Ownership Fund, parish councils have been able to directly invest in their community assets. We will continue to look at the funding available to parish and town councils in future programmes.