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## Wokingham Council Warns of £16M Yearly Funding Gap

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Wokingham Borough Council is sounding the alarm over a potential £16 million annual reduction in government funding, raising concerns about long-term service delivery and financial stability across local authorities.

The council, led by a Liberal Democrat administration, estimates it could lose up to £50 million over three years if a new funding formula proposed under the Fair Funding Review

2.0 is implemented. The review is part of a government effort to restructure the way local authorities across England receive funding, with a multi-year settlement replacing the traditional annual process.

Council Leader Stephen Conway expressed concern over the projected shortfall, stating that while Wokingham is currently in sound financial health, the proposed cuts would force “very difficult decisions.” In a letter to Local Government Minister Jim McMahon, Conway urged the administration to guarantee that councils would not be left unable to provide essential services.

Chief Executive Susan Parsonage has reached out to over 50 councils believed to be in similar positions, encouraging collaborative responses to the consultation. Wokingham plans to submit formal feedback through the online consultation platform and is encouraging residents to participate as well.

Despite Wokingham’s prudent financial management and healthy reserves, Conway warned that even well-run councils could face severe consequences if the funding proposals proceed unchanged. “We cannot believe the government wants to see councils fail as a result of these financial proposals,” he said.

In response, a government spokesperson stated that the administration had inherited a local government sector in poor shape and remains committed to making the difficult choices necessary to rebuild it. The government has previously pledged to allocate £69 billion to councils across England.

The proposed funding restructure aims to reflect current demographic and economic realities more accurately, but many local leaders fear the transition may be uneven. As the consultation period progresses, affected councils are preparing their responses, hoping for revisions that will preserve vital local services.