

Rt Hon Andy Burnham MP,
Prime Minister,
10 Downing Street,
London, SW1A 2AA

Monday 20 July 2026

Dear Prime Minister,

Congratulations on your appointment. As you take office, I want to extend a warm welcome on behalf of Lambeth Council and our residents. You know our borough well, its energy, history, and strong sense of community. You also know the significant pressures our residents face, and how vital, strong, properly funded local services are to their wellbeing. We particularly welcome your commitment to tackle the Adult Social Care funding crisis.

As Greater Manchester Mayor you will have seen how a decade of austerity has hollowed out councils' ability to deliver the services residents rely on. I think we can agree this was not inevitable, but a political choice made by successive Prime Ministers. You know, like us, that the consequences of those cuts are felt most sharply, whether in Brixton or Bolton, by the poorest and most vulnerable. That political choice has shifted the costs onto our communities, weakened the social fabric, and left councils to manage rising demand with ever diminishing resources.

Lambeth was one of many local authorities disproportionately affected by the Fair Funding Review. Whilst over a third of local authorities were protected by transitional arrangements in the spending review period, four - Lambeth, Southwark, Islington and South Tyneside - were effectively excluded from this protection by a "cap" of £35m on transitional funding arrangements. For Lambeth this resulted in a £47million loss over three years. This has contributed to the council requiring Exceptional Financial Support (EFS) for the current year and results in us needing to find significant additional savings. All this raises the prospect of selling council assets just to balance the books. Once sold, the long-term social benefit of a community building is lost forever. We struggle to see how a supposedly 'Fair' funding review penalises four authorities in this way over this spending review period. It traps councils in a cycle of financial firefighting, rather than sustainable recovery.

We would ask that you:

- Remove the cap on transitional arrangements which so unfairly affected the four boroughs.
- Scrap Right to Buy and extend the low interest loans currently available to Housing Associations to Local Authorities to build council houses.
- Ensure Mansion Tax and the Overnight Levy receipts are retained by local councils.
- Recognise that the recent heatwaves and other extreme weather events will create a new burden for local councils and make provision in future settlements.
- Fix the broken Children's Services market that sees private companies profiteering from the most vulnerable.

Lambeth is ready to work with you. We share a commitment to tackling inequality, building the council houses we need and strengthening our communities. But we need the tools to do the job.

A fresh approach to local government finance - one that reverses the disastrous impacts that austerity has wrought and recognises councils as partners - would transform the lives of so many in Lambeth and beyond.

I would welcome the opportunity to meet with you and your team to discuss how we can move forward together.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Abrams', with a long, sweeping horizontal line extending from the end of the signature.

Councillor Martin Abrams
Leader of Lambeth Council

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