



News 09 Jan 2026

SECTION 137 EXPENDITURE LIMIT FOR PARISH AND TOWN COUNCILS ANNOUNCED FOR 2026/27

The Ministry of Housing, Communities and Local Government has informed us of an increase in the Section 137 expenditure limit for parish and town councils in England for the 2026/27 financial year. The new limit is £11.60 per elector, up from £11.10 in 2025/26.

The increase reflects the percentage rise in the retail price index between September 2024 and September 2025, in accordance with Schedule 12B of the Local Government Act 1972. Section 137 of the Act allows parish and town councils to incur expenditures for purposes that benefit their communities when no specific statutory power is available.

Adjusting the expenditure limit will enable parish and town councils to allocate funds to projects that support local communities, ranging from small infrastructure improvements to community welfare initiatives.

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This welcome increase to the Section 137 expenditure limit reflects the importance of ensuring parish and town councils have the tools and flexibility they need to support their communities. As I set out in my open letter Stronger voices, stronger governance and stronger partnerships, councils must be equipped not just with influence but with practical capacity to act. Keeping the limit aligned with inflation helps councils continue to make a real difference in their places and to people's lives.

**Cllr Iain Hamilton,
NALC chair**

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