

Hannington Parish Council meeting 13th December agenda item 12.c Appendix B

Council tax referendum principles - Latest from NALC

Ramage, Susan

5th December, 14:25

Dear Members

Please find below an update regarding Council Tax Referendum.

- Last week our NALC chairman Cllr Ken Browse wrote to local government minister Marcus Jones MP in advance of the provisional local government finance settlement being published – which we now expect to be next week – with a further plea not to extend council tax referendum principles to parish and town councils; some extracts are below:

“Our Executive Committee met this week and took stock of where we are on your consultation on the local government finance settlement. We agreed an unprecedented step of me writing to ask you to revisit your stance as this could seriously damage our shared aim of encouraging people to get involved in improving their local communities.

Last month I wrote to you setting out in detail our response to the local government finance settlement consultation including our deep opposition to your proposals. I am now following this up with a personal plea not to take this course of action. In short your proposals will seriously damage the ability of communities to respond to current and future needs and priorities such as neighbourhood planning, protecting and enhancing local assets and services, as well as fundamentally undermining local democracy and the vital community leadership role played by parish and town councils.

Councillors from across the country on our Executive Committee reported to me the consultation was already having the effect of stopping parishes doing things like increasing winter maintenance, grass cutting, getting involved in neighbourhood planning and taking on new services. Alarmingly many councils are simply not setting precepts which would give them the resources to do these kind of things; this is because of the proposals.

I have to say I have been very struck by the concerns which have been expressed to me directly by councillors from all over the country – ordinary people giving up time freely to serve their community – to what simply amounts to crude capping of parish precepts and a real sense of mistrust of them by central government. -Many people who are proud to serve their area as a councillor and who work hard to improve quality of life for residents have told me they will be standing down if these plans go ahead.

I find this is all most worrying indeed and I have to admit that your proposals and indicative lack of trust in our most local level of democracy are making it increasingly difficult for us to persuade councillors to embrace many government initiatives.”

- Delegates at NALCs conference for larger councils last Wednesday unanimously supported a motion opposing the government’s plans, calling for more action by NALC, county associations and councils if they are included in the provisional local government finance settlement.

Regards

Sue Ramage

Business Support Officer

Scope of the consultation Topic of this consultation: This consultation covers proposals for the local government finance settlement for 2017/18.

Scope of this consultation: This consultation seeks views on proposals for the local government finance settlement for 2017/18, in particular from representatives of local government

Geographical scope: These proposals relate to England only.

Impact Assessment: Since the Government does not envisage that the proposals within this consultation document will have an impact on business, no impact assessment has been produced.

Basic Information To: The consultation will be of particular interest to local authorities, and representative bodies for local authorities. Body/bodies responsible for the consultation: Local Government Finance Directorate within the Department for Communities and Local Government.

Duration: This consultation will last for 6 weeks from 15 September 2016 to 5pm, 28 October 2016.

Changes to local resources

2.1.2 This chapter outlines the Government's proposals for the 2017/18 local government finance settlement that have implications for the local resources collected by councils.

In summary, it includes:

- the Government's proposals for the council tax referendum principles for 2017/18 which are: -
 - a core principle of 2%. As in 2016/17, this would continue to apply to shire counties, unitary authorities, London boroughs, the Greater London Authority, fire authorities, and Police and Crime Commissioners except those whose Band D precept is in the lower quartile of that category–
 - a continuation of the Adult Social Care precept of an additional 2%, for county councils, unitary authorities and London boroughs (including the Common Council of the City of London and the Council of the Isles of Scilly), subject to consideration of the use made of the Adult Social Care precept in the previous year
 - that shire district councils will be allowed increases of less than 2% or up to and including £5, whichever is higher –
 - that Police and Crime Commissioners whose Band D precept is in the lowest quartile of that category will be allowed increases of less than 2% or up to and including £5, whichever is higher
 - that referendum principles are introduced for town and parish councils whose Band D precept is higher than that of the lowest charging district council for 2016/17 (£75.46), and which have a total precept for 2016/17 of at least £500,000, while taking account of transfers of responsibilities, and that consideration is given to the extension of referendums to all local precepting authorities.