

Isitfair

Council Tax Reform

A non party political nationwide campaign

Newsletter 35 – November 2013

First of all

A fairly quiet period for council tax with bills kept down if not frozen. Eric Pickles may not be popular in all quarters, but it would appear that his policies have forced local councils to look very carefully at their expenditure and recognise the opportunities to economise and make their lower grants work, and that can't be bad. However, judging by the number of jobs advertised (with grandiose titles and even more grandiose salaries), and by news of one or two eye-watering redundancy settlements, we think they could look a bit harder. The Local Government Pension Scheme continues to cause concern, with most (if not all) Funds having to rectify enormous deficits – from the taxpayer's pocket of course.

A thought

If I were to ask you what is one of the most used and generally the most vacuous phrases of this century, what would be your answer? Politicians both national and local, film stars and wannabees, all keen to use a phrase which, through overuse and misuse, has become absolutely meaningless. Still these politicians think that the electorate are impressed by the speechwriters' continued inclusion of this hackneyed expression, especially at election time or if they are about to announce something that the electorate will find hard to swallow.

Search on the internet and this phrase will appear hundreds, if not thousands of times. It is 'I am passionate about'.

I read it and heard it on many occasions at the last local elections in May:

'Passionate about housing'

'Passionate about the environment'

'Passionate about Europe'

It is a pity that they don't say that **they are passionate** about giving the voters the best deal – and really mean it and, more to the point, deliver it.

What the last elections **do** tell us is that very few councillors can be as sure of their seats anymore. There is strong new blood in the council chambers and it is hoped this may encourage all those elected to look more to the electorate and their wishes, than to the 'party' lines. Local politics should not be run along party lines it should be there for the good of the people – that is why we vote. If party politics were removed locally, the electorate would choose the person who, in their opinion, was interested in what we want and not what Westminster tries to convince us is what we need. Opinion has it that if you removed party politics from local elections, then more people would be inclined to vote.

Some years ago when the cabinet system was introduced to local government, a then council leader was asked if he favoured this system. His response was that if given the opportunity, he would revert to the old system. Eric Pickles offered the choice - cabinet or not. He chose to retain the cabinet. One councillor told me that he felt he was there in the chamber just to make up the numbers and most of the decisions had already been taken, but on the odd occasion when he was asked, he was expected to vote along the party line.

Council Tax Freeze

Eric Pickles hails Council Tax '5 year freeze' and £3.8 billion for social care

On 26 June DCLG issued this press release which announced that the spending settlement for local government in 2015 to 2016 will enable local authorities to freeze council tax bills in England for another two years (2014 to 2015 and 2015 to 2016). Authorities that freeze or reduce their council tax will receive a grant equivalent to a 1% increase on 2013 to 2014 Band D council tax levels. However, full details about how the scheme will operate are still awaited.

This press release also states that if a local authority seeks to raise its council tax by more than 2%, they would need to put it to their local electorate in a binding referendum. We note yet again that there is no mention of the brake being applied to Town and Parish councils. Isitfair has again broached this subject with Eric Pickles.)

Remember that at the end of last year the Secretary of State decided there were to be some exceptions to the 2% excessiveness principle (for 2013/14), covering shire District councils, Fire and Rescue Authorities and PCCs whose 2012-13 own Band D council tax was in the lower quartile for their category of authority. For these authorities, a referendum was required only where the increase in the relevant basic amount of council tax for 2013-14 was more than 2% leading to a cash increase of more than £5 (per year) in the relevant basic amount. Maybe he will see fit to do the same again **but this time, include Town and Parish councils**. For detail see:

Council Tax Freeze and Council Tax Referendum Principles

It will be interesting to see how many will take up this latest freeze grant offer. Research shows that:

- in 2011/12, all 421 eligible authorities (councils, police, fire) accepted the freeze grant
- in 2012/13, 62 turned it down
- in 2013/14, 124 out of 354 local councils, 25 out of 37 police authorities/PCCs and 15 out of 30 fire authorities turned down the offer.

For full details see: [Making sure Council Tax payers get good value for money.](#)

What next? Will the downward trend continue? Recent press reports indicate that it will.

Town and Parish Councils

OK some of you may think that a town or parish council is a good idea, localism and all that. We say, please be careful. Very hard not to be cynical about all this but we bet the higher tier councils (Districts and County) will be rubbing their hands in glee at a heaven sent opportunity to off load non statutory duties, cutting their own costs and allowing them to partake of the latest freeze grant offer whilst the town and parish council picks up the tab. Unless, of course, Eric Pickles decides that because of last year's performance (by some but we have to say not all) he will put the brake on town and parish councils too.

Unfortunately MP Kris Hopkins's Ten Minute Rule Bill which drew the attention of Parliament to the situation that some town and parish councils are demanding higher and higher precepts, year on year, didn't make it to its second reading. A great pity, but at least attention has been drawn, and hopefully the Secretary of State will see that the people who pay are noticing these things (we have also noticed that Kris Hopkins has recently been appointed a DCLG Minister. Will he have any influence in this matter?).

Reports are coming in that some councils are contemplating that over the next four years they will discontinue contributions to the parishes and towns – which to me means that the council tax payer will be expected to fund the demands made by these councils. We have said before that some of these town and parish councils already demand a precept higher than the District council – withdraw any contribution and council tax payers could be landed with enormous rises over the next few years. Although the council tax is a tax that we would like to see disappear, over the last few years most of us have become accustomed to a pretty static charge and any large rises would be completely unacceptable.

So, once again we have asked the Secretary of State to cap the Towns and Parishes in the same way as others. This is what we said:

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"Dear Mr Pickles and Mr Lewis,

"Once again we feel that the time has come to put pen to paper and tell you just how our members are feeling about any progress you may (or may not) have made towards the troubled council tax question. We would like to make the following observations:

"1. It seems that next year the taxpayer may again be hit by larger council tax bills from their town or parish councils. Several councils, including the one in the link below, are considering phasing out their grant to these small, but each year more expensive councils.

[Mid Suffolk: Council votes to phase out grant to town and parish councils](#)

"It would appear that there is no provision made by Government to ensure that a proportion of Government grant is passed on to them. So, please, what are you going to do about it? Will you deduct this money from the larger councils and pass it direct to the towns and parishes? Or will you make it obligatory for them to pass on this money? Or will we, the council tax payers, once again be the losers?

"2a. Obviously one - though not all - of the reasons for previous rises in town and parish council precepts (anything up to 200%) is that over the past few years these local precepting authorities have taken responsibility for many services previously carried out by larger councils which have failed to pass on the funding for them, whilst apparently not reducing their own precept. This has to stop now (it should never have started).

"2b. Will you include these town and parish councils in the council tax referendum requirements? When we came to Westminster to see you some years ago, you told us that you were looking at this and the same has been said each year since. Nothing, nothing has stopped the onward march of these rises. Some of these councils have reached the position of demanding more than some District councils from hard pressed council tax payers.

"3. Perhaps this is how you see "Localism"? Perhaps this is the plan. The principle may be laudable, but in practice we suspect these particular aspects of "Localism" are being used by higher tier councils merely to enable them to take advantage of the (very laudable) freeze grants.

"4. Local Government has hundreds of thousands of councillors, many of them being involved in more than one council. This is not good for democracy. Maximum of two councils should be the norm. **We might then see less of the foisting of services on to any one prepared to accept.**

Yours sincerely

Christine Melsom, Chair Isitfair.

"PS. We note with interest the press reports that "Ministers are appalled at the increases and said that they were going to consider capping parish council charges..." We sincerely hope that this is the case."

These are council tax rises by the back door. It kills any good intentions this Government may have towards the council tax payer.

We have since received the following reply from Eric Pickles' department.

Dear Mrs Melsom,

"Thank you for your email of 21 October to the Secretary of State, Eric Pickles, about town and parish councils.

"You state that the taxpayer may 'again' be hit by larger council tax bills next year. The position in individual areas does, of course, vary - but the average council tax bill in England has actually fallen by almost 10% in real terms since 2010.

"As regards your specific query about grant being passed down to parish councils, this is the situation where a grant has been provided to councils due to the scheme for localising council tax support, which has replaced the system where people on benefits would previously have received up to 100% of their council tax paid by council tax benefit. This grant is paid to billing authorities and it is up to them to pass down the appropriate element to parish

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councils - in 2013-14, 98% of them did so. The Government is again encouraging councils to pass down the grant funding in 2014-15.

"As for council tax referendums, decisions about 2014-15 will be announced before the end of 2013."

Yours sincerely,

Robert Crangle

Department of Communities and Local Government

Once again we fall foul of the 'average' council tax. This is no consolation to those council tax payers having much larger rises due to this Government failing to cap these smaller councils. It seems to me that both the Department for Communities and Local Government and the councils are so set on outwitting each other, consequently the poor taxpayer in the middle of their game is the loser.

STOP PRESS

We have just read of one parish council proposing to raise their precept by 183% (yes, that's right – 183%) The council are prepared to justify this rise with the comment that the other parish councils already have higher precepts. So, that's alright then? I still firmly believe, that these smaller councils are 'jumping on the band wagon' before Eric Pickles and his department cap them.

Steve Atkinson, Isitfair's representative in Cumbria, continues his fight with Cumbria County Council regarding the publication of the final payoff to a departing CEO. He (and the rest of us come to that) wants to know now but the council is not prepared to release details until the accounts for 2013/2014 are published. Perhaps they hope that we will have forgotten all about this fiasco by then, but believe me, Steve is not a man to give up. Any payment to departing employees should be available for scrutiny by the employers – and in this case and others, the employers are the taxpayers. Would you be prepared to pay a bill running into hundreds of thousands before checking the reasons?

Why is it that councils are so reluctant to be open and honest when questions are asked through the Freedom of Information Act? I was under the impression that this Act was passed to protect the public who, after all, are the paymasters. I am fast coming to the conclusion that this is not the case. The Freedom of Information Act is just a thorn in the side of councils, but it is nothing more. The decision is taken at this stage whether obfuscation is the order of the day. There is nothing 'joined up' about it. The public are not well enough informed of how to cut through the Government and Local Government 'speak'. Councils responding to FOI requests will not move a smidgeon to help if the question you ask is not in their book of questions and answers.

We are in the throes of asking questions regarding expenses and have received answers from both sides involved, each saying that the other party pays. Where do you go from here? The response we received from the council made it quite clear that they did not intend to help us in any way. The FOI request will only be answered if the department involved is prepared to answer it, otherwise you can forget any co-operation or any help in finding the answer to your important (at least we think it is very important) question.

Of course, all these questions should and could be answered without the use of the Freedom of Information Act. We should be able to ask any question and receive a clear answer regarding anything to do with Local Government. Goodness me we pay enough by the way of council tax and other taxes. We do not expect to be fobbed off by those under the impression that they are the keepers of all things the general public should or should not know.

This takes me back to a previous thought. Councillors should remember that they can be removed from their jobs, after the last elections they should be well aware of that. I am just so sorry that they seem to have little or no influence on the bureaucrats who actually feel they run the councils.

Yours still in the cause

Christine

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Isitfair The Nationwide Campaign Calling For The Reform Of The Council Tax System.

Please visit www.isitfair.co.uk

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car stickers, envelope stickers, Isitfair Introductory Booklet & Leaflet

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