

Andrew Tubb andrew@cirencester.gov.uk

RE: Parish Precept and Council Tax 2020/21

Dear Jenny,

Cirencester Town Council has recently consulted on its budget for 2020-21 and received over 500 responses from the public. This has provided us with a valuable resource of information and has identified a range of issues which are important to the public.

During the consultation we advised the public that we receive no subsidy or grant from central Government or from the local principal authorities, yet the public turn to us as a leading and responsive council to address various issues, most of which fall outside of our direct remit.

On Tuesday 21st January, the Town Council, considered its response to Cotswold District Council's budget consultation and along with my e-mail of 25th November 2019, as below, we would also like CDC to consider a slightly different approach to reinstating the council tax support grant.

In seeking to strengthen greater partnership working between local councils and CDC, would the District Council set aside a budget, comparable to the tax support grant, to support joint projects which meet reciprocal aims and objectives, for example in Cirencester, the town centre masterplan?

With kind regards, Andrew

Andrew Tubb
Chief Executive Officer

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From: Andrew Tubb [<mailto:andrew@cirencester.gov.uk>]

Sent: 25 November 2019 14:40

To: Jenny Poole

Cc: Patrick Coleman; Cllr N Robbins; Joe Harris; Mark Harris; Mike Evemy

Subject: RE: Parish Precept and Council Tax 2020/21

Importance: High

Dear Jenny,

Thank you for the parish precepts and council tax information dated 20th November. I am obviously concerned to see that the tax base for Cirencester has been reduced from 7465.6 to 7410.2, the letter also includes no information relating to council tax support for parish and town councils.

For Cirencester, this reduction in the tax base further extends the significant gap in funding by an additional £7k and if we were to raise the same precept, as in 2019/20, would equate to an increase

in council tax of 0.744%. This will add a burden on the tax payer, for receiving the same level of service, in respect of a Band D equivalent property from £124.96 to £125.89. The total funding gap for CTC since the introduction of the council tax support arrangements is estimated at circa £50k.

After purdah, CTC will be consulting the public on its budget for 2020/21 and further to a recent meeting of the Town Council, I have been asked to formally write to CDC to seek the full reinstatement of Council Tax Support Grant, for which Cotswold District Council continues to receive central government funding.

When I last wrote on this matter, the then Parliamentary Under Secretary of State, Rishi Sunak MP, said that “the Government’s clear expectation is that billing authorities will work with parish and town councils to pass down funding so that increases in their precepts can be avoided. As the tier of local government closest to their communities, parish and town councils have an active and important role to play in local government decision making.”

Whilst CDC, under the previous administration, agreed to no longer pass on the grant to parish and town councils, I note in a letter to billing authorities dated 17th July 2019, from Chris Megainey, Deputy Director at the Ministry of Housing, Communities and Local Government, that CDC will continue to receive a subsidy of circa £60k to cover costs of administering the overall scheme.

CTC disagreed with phasing out the grant and now asks CDC to fully reinstate this vital funding, which it receives from Government, intended for parish and town councils.

Whilst writing, I thought it important to outline previous concerns raised by CTC relating to the New Homes Bonus, investment and community-led housing:

New Homes Bonus (NHB)

New Homes Bonus funding, received by CDC should not be used to protect the delivery of existing services nor to subsidise council tax. The House of Commons Library briefing paper on New Homes Bonus explains that this funding is a fundamental part of the Government’s initiative aimed at encouraging local authorities to grant planning permissions for the building of new homes. The Local Plan identified a single strategic housing and employment site for the District in Cirencester; the NHB is intended to mitigate against this and contribute towards vital infrastructure and community well-being.

NHB should directly contribute towards the social, economic and well-being of local communities; CTC asks that CDC engage in a meaningful discussion with parish and town councils across the District on how this funding should be allocated and spent towards meeting real needs and priorities.

Investment

In respect of CDC’s longer term priorities and financial pressures on principal authorities, CTC is concerned about direct investment in commercial property; whilst the Town Council invests in the CCLA property fund, investment in commercial property and the overall asset portfolio of CDC should not solely be capital focused at the expense or compromise of partnership working and establishing vital community assets for the long term viability and vibrancy of parishes and towns across the District.

Community Led Housing

In 2016, CDC received Government funding from Homes England of circa £882,000; this was received to support community led housing schemes. CDC is required to submit an annual return as to how funding from this grant has been spent. Co-housing is referenced within the Local Plan and forms an integral part of the Chesterton strategic site along with the need for affordable housing provision.

I would be grateful if you could provide information as to how CDC has used this funding to support community led co-housing, delivery of affordable housing and self-build schemes in Cirencester and how much of this funding remains available in 2019/20?

CTC looks forward to continuing to work with CDC in effective partnership and collaboration but this will only be meaningful and effective within the context of fairer funding for parish and town councils.

With kind regards, Andrew

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Chief Executive Officer

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CC:

Cllr Patrick Coleman, Chairman of Cirencester Town Council
Cllr Nigel Robbins, Lead Member for Finance, Cirencester Town Council
Cllr Joe Harris, Leader of Cotswold District Council
Cllr Mike Every, Cabinet Member (Finance), Cotswold District Council
Cllr Mark Harris, Cabinet Member (Parish and Town Councils), Cotswold District Council