



Consultation Response

Local Government Finance Settlement, parishes and council tax referendums

Department of Communities and Local Government

18th October 2016

Policy and Resources Committee Response

In response to questions 6 and 7 in section 3 of the consultation:

Bewdley Town Council does not support the suggestion that referendum principles are extended to all local precepting authorities as set out in paragraph 3.3.6. In particular, the consultation paper does not:

- draw out that, in most parish areas across England, the 6.1% increase reported for 2016-17 does not translate into significant absolute sums (compared, for example, to the 2% social care precept which most social services authorities decided to add to this year's bills);
- seek to give full recognition to the likely reason behind such increases this year and in previous years. It is not to do with profligacy by parish councils but related to an increasing trend to take over or help fund important local assets and services that principal councils can no longer afford to support at previous levels, as we have seen in Wyre Forest;
- mention that, given that council tax benefit no longer exists, the financial consequences of council tax increases in terms of the cost of council tax reduction schemes for poorer households fall on billing authorities, rather than the Government. In other words the Government has no direct financial interest in what parish councils decide, beyond the fact that parish council precepts count towards public expenditure totals. When parish council precepts raise £445m in 2016-17, which is only 1.7% of council tax, it can be appreciated that this sum represents a tiny fraction of total public expenditure.

Nick Farress

Town Clerk

18th October 2016