



Congleton Town Council

Historic market town

Town Clerk: **BRIAN HOGAN**



23rd December, 2012

Dear Councillor,

Town Council Meeting – Thursday 10th January, 2013

You are summoned to attend a meeting of the Council, to be held in the Town Hall, Congleton on **Thursday 10th January, 2013 commencing at 7.00pm.**

The Public and Press are welcome to attend the meeting. There may be confidential items towards the end of the meeting which the law requires the Council to make a resolution to exclude the public and press.

Yours sincerely,

B. Hogan
TOWN CLERK

AGENDA

1. Apologies for absence. (Members are respectfully reminded of the necessity to submit any apology for absence in advance and to give a reason for non attendance).

2. Minutes (enclosed)

To approve the Minutes of the meeting held on 6th December, 2012.

3. Declarations of Disclosable Pecuniary Interest

Members are requested to declare both "non pecuniary" and "pecuniary" interests as early in the meeting as they become aware of it.

4. Mayor's Announcements (enclosed)

To receive any announcements by the Town Mayor and to receive a list of the Mayor's Engagements.

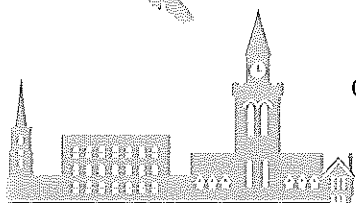


Congleton
beartown
where friends are made

Congleton Town Council, Town Hall, High Street, Congleton, Cheshire CW12 1BN

Tel: 01260 270350 Fax: 01260 280357

Email: info@congletontowncouncil.co.uk www.congleton-tc.gov.uk



5. Outstanding Actions

None.

6. Questions from Members of the Public (enclosed)

To receive any questions from Members of the Public at the meeting and, notified in advance in writing.

7. Cheshire East Councillors' Reports

To suspend Standing Orders to allow Councillors from the principal authority to report on relevant issues and to receive questions from members.

8. Accounts

(a) To approve payment of the accounts listed (enclosed).

(b) To approve payment of any expenditure agreed at this meeting.

9. Urgent Items

Members may raise urgent items but no discussion or decisions may be taken at the meeting.

10. Youth Committee/Junior Council

To deal with Questions from Members of the Youth Committee present at the meeting.

11. Council Tax Base (enclosed)

To consider the effect of the reduction to the council tax base and what support is being provided by Cheshire East Borough Council to negate the negative impact of this change

12. Budget and Precept 2013-14

To consider confirming the recommendations from the Town Council meeting held on 6th December 2012, which is:-

1. To agree a revenue and capital budget for 2013-2014 as set out in Appendix 1
2. To approve in principle, a level of precept for 2013-14 of £693,826, which is an increase of 1.79%, which represents a 2p per week increase on a Band D property (£1.20p per annum), until the tax base has been set by Cheshire East Borough Council and its affects known.

To: Members of the Town Council, Press 3, Burgesses (5), Mayor's Chaplain,
Members of the Youth Committee
MP, Cheshire East Councillors (4), Library, Congleton TIC.

Congleton Town Council

Minutes of the Meeting of the Council held on Thursday,
6th December 2012 in the Town Hall, Congleton.

PRESENT: Councillors D S Allen
 P Bates
 J S Crowther
 D T Brown
 G Hayes
 Mrs A M Martin
 Mrs S A Holland (Town Mayor)
 D Murphy
 D A Parker
 J. D Parry
 E Wardlaw
 G S Williams
 E. Clarke (Appointed Member)

1. APOLOGIES

Apologies for absence. (Members are respectfully reminded of the necessity to submit any apology for absence in advance and to give a reason for non-attendance).

Apologies for absence were received from Councillors L D Barker, G. Baxendale, G.R Edwards, N T Price, R. I Brightwell, and R.K Williams.

2. MINUTES

CTC/57/1213 RESOLVED- That the Minutes of the meeting held on the 1st November, 2012 be approved and signed by the Mayor.

3. DECLARATIONS OF DISCLOSABLE PECUNIARY INTEREST

Members are requested to declare both "non pecuniary" and "pecuniary" interests as early in the meeting as they become aware of it.

Councillor Mrs S. Holland declared a non-pecuniary interest in item 18.

4. MAYOR'S ANNOUNCEMENTS

The Town Mayor drew attention to the various engagements that she and the Deputy Mayor had fulfilled since the last Council meeting.

5. OUTSTANDING ACTIONS

None.

6. QUESTIONS FROM MEMBERS OF THE PUBLIC

There were no questions raised or received from members of the public.

7. **CESHIRE EAST COUNCILLORS' REPORTS**

Cllr D. Brown informed the Council that the Cheshire East Draft Development Strategy was approved at the Strategic Planning Board and will be open to Public Consultation from the 8th January 2013. Cllr Brown also offered to provide a presentation to members of the Council on the strategy details at a Council Committee meeting.

8. **PLANNING COMMITTEE**

CTC/58/1213 RESOLVED- That the minutes of the meeting held on 8th and 29th November 2012 be received and the recommendations therein be adopted.

9. **COMMUNITY, ENVIRONMENT & SERVICES COMMITTEE**

CTC/59/1213 RESOLVED- That the minutes of the meeting held on 15th November 2012 be received and the recommendations therein be adopted.

10. **FINANCE & POLICY COMMITTEE**

CTC/60/1213 RESOLVED- That the minutes of the meeting held on 29th November 2012 be received and the recommendations therein be adopted.

11. **ACCOUNTS**

CTC/61/1213 RESOLVED-

- (a) That the Council approve the payment of the accounts listed.
- (b) That the Council approve payment of any expenditure agreed at the meeting.

12. **URGENT ITEMS**

There were no urgent items raised.

13. **YOUTH COMMITTEE/JUNIOR COUNCIL**

CTC/62/1213 RESOLVED- That the minutes of the meetings held on the 20th November 2012, be received.

The Youth Council invited Councillors to participate in the Youth Council Xmas Quiz which is taking place on the 21st December 2012.

It was also noted that they are working on a new website in collaboration with other youth organisations and schools in Congleton.

14. **RESIGNATION OF COUNCILLOR**

It was noted that Councillor M. Hutton had resigned as a Town Councillor.

CTC/63/1213 RESOLVED that:-

- i. The resignation of M. Hutton be accepted.
- ii. That a casual vacancy be declared and advertised.

15. **CHRISTMAS OFFICE HOURS**

The times that the Town Hall office is to be open and closed during the Christmas period was noted.

16. **QUALITY TOWN AND PARISH COUNCIL ACCREDITATION**

The chairman of ChALC Randal Hibbert presented the Town Council with the certificate of Accreditation for the Quality Town and Parish Council Scheme.

CTC/64/1213 RESOLVED that the accreditation certificate presented by Randal Hibbert be received.

17. **AMENDMENT TO THE CONSTITUTION**

Amendments to clause 73a and b were presented to the Council for consideration which provided for a 10 minute public question session at ordinary meetings of the Town Council.

CTC/65/1213 RESOLVED that the amendment to clause 73a and b be approved and amended in the constitution.

18. **MAYOR'S BALL**

The Town Council considered the list of dignitaries normally invited to the Mayor's Ball who are offered complimentary tickets.

CTC/66/1213 RESOLVED that the current list of invited dignitaries being offered complimentary tickets to attend the Mayor's ball to be continued.

19. **IMPROVING LOCAL GOVERNMENT TRANSPARENCY AND CONSOLATION**

A report on improving Local Government Transparency was presented to the Council for consideration.

CTC/67/1213 RESOLVED that the proposed response from the Town Council be approved and sent to DCLG.

20. **DISPENSATIONS AND BUDGET SETTING**

Correspondence from Cheshire East Borough Council on Dispensations and setting the precept was considered which would allow members to vote on the precept.

CTC/68/1213 RESOLVED under Section 33 LGA, the Town Council grants all councillors dispensation to vote on the precept where he/she has a "Disclosable Pecuniary Interest" until the next ordinary election of the Council in May 2015.

21. **PRECEPT UPDATE**

Correspondence from NALC suggested that Councils should not formally approve the precept for 2013-14 until the tax base has been issued by the Principal Authority.

CTC/69/1213 RESOLVED that:-

1. The correspondence be received.
2. The precept to be approved in principle until the tax base is communicated by Cheshire East Borough Council.

22. **BUDGET AND PRECEPT 2013-2014**

The budget report and budget for 2013-14 was considered by the Council.

CTC/70/1213 RESOLVED that:-

1. To agree a revenue and capital budget for 2013-2014 as set out in Appendix 1
2. To approve in principle, a level of precept for 2013-14 of £693,826, which is an increase of 1.79%, which represents a 2p per week increase on a Band D property (£1.20p per annum)., until the tax base has been set by Cheshire East Borough Council and its affects known.
3. To approve the budget expenditure powers as detailed below:-

Budget Expenditure Powers 2013-14

| Expenditure | Power | £ |
|-----------------------------------|-------|--------|
| Police Community Support Officers | S31 | 47,200 |
| Other grants and donation | S137 | 18,350 |
| Citizens Advice Bureau | S142 | 15,000 |
| Christmas Lights | S144 | 9,000 |
| Carnival Committee | S144 | 3,750 |
| Congleton Community Projects | S145 | 16,000 |
| Church clock maintenance | S2 | 3,000 |

Mrs S A Holland

TOWN MAYOR

TOWN MAYOR'S ENGAGEMENTS

2012

| | |
|---------------------------|---|
| 7 th December | Cheshire East CAB AGM |
| 8 th December | New Life Church Carol Singing – Town Centre |
| 8 th December | Congleton Youth Orchestra Concert |
| 10 th December | Congleton High School Discussions |
| 11 th December | Congleton Disabled Club Christmas Celebrations |
| 13 th December | Timbersbrook W.I. |
| 14 th December | Christmas Coffee Morning |
| 17 th December | Congleton High School Awards Evening |
| 19 th December | Cheshire Fire & Rescue – Princes Trust Graduation |
| 20 th December | Congleton High School Christmas Service – St. Mary's Astbury Church |
| 20 th December | Carol Service – St. Peter's Church |
| 20 th December | Choral Society Christmas Concert – Town Hall |

Brian Hogan

From: G GOODWIN
Sent: 11 December 2012 08:04
To: Brian Hogan
Subject: Public Question for Council Meeting 10th January 2013

Brian

Could I register the following question for an answer at the council meeting scheduled for 10th January 2013.

The original programme for the redevelopment of the Bridestones showed that the development works should now be complete and the building in operation but, in fact, no work has yet started. It was recently reported that the current delay is due to a question over the ownership of the road adjacent the Bridestones.

Whilst it is accepted that it is often difficult to accurately forecast how long negotiations are likely to take, will the council liaise with CEBC to provide the residents of Congleton with an update of the situation relating to the progress of the negotiations and the best estimate of when the negotiations are likely to be completed

Many thanks

Graham Goodwin

Congleton Town Council
RBS Current/I Access Acct

List of Payments made between 01/11/2012 and 30/11/2012

| <u>Date Paid</u> | <u>Payee Name</u> | <u>Cheque Ref</u> | <u>Amount Paid</u> | <u>Transaction Detail</u> |
|------------------|--------------------------------|-------------------|--------------------|------------------------------------|
| 01/11/2012 | CEast Council | DD | 2,107.00 | CEast Council - business rates |
| 02/11/2012 | Shell UK Ltd | dd | 23.12 | S03887060/3452/fuel for van |
| 02/11/2012 | M Williamson (partnership) | 005703 | 29.70 | M Williamson (partnership) |
| 05/11/2012 | Cheshire East Council | 005701 | 20.00 | LA80212/3463/lotteries licence |
| 06/11/2012 | Accounting Solutions from DCK | 005705 | 616.02 | External Accountant/Budget setting |
| 06/11/2012 | Bellboy Print | 005706 | 45.60 | 4004/3465/Business cards |
| 06/11/2012 | Four Oaks Nurseries Ltd | 005708 | 549.58 | 48853/3467/Fschool tubs |
| 06/11/2012 | Global Hygiene LLP | 005709 | 38.40 | 1343356/3468/cleaning material |
| 06/11/2012 | Light Oaks Nurseries | 005710 | 72.00 | 1501/3470/Daff Bulbs |
| 06/11/2012 | K G Loach | 005711 | 29.94 | 17685/3471/fertilizer for tubs |
| 06/11/2012 | Posh Nosh Parties Ltd | 005712 | 564.00 | 3412/3473/K Stanier retirement |
| 06/11/2012 | Mr G B Fox | 005704 | 56.76 | 311012/3484/Part/ship expenses |
| 06/11/2012 | Holland Construction | 005715 | 32,872.34 | Partnership Dane Footpath works |
| 06/11/2012 | TMC Creative Ltd | 005716 | 1,086.00 | 1479/3486/cong Town flyer |
| 06/11/2012 | Parcel 2 go | 0005713 | 149.88 | Parcel 2 go - New Dawn conf |
| 06/11/2012 | Tiamo | 0005714 | 450.00 | Tiamo Dutch regiment |
| 06/11/2012 | HAAA | 005718 | 15.00 | Allotment Subs for Disabled |
| 07/11/2012 | T Mobile | dD | 21.00 | V00868447225/3475/T Mobile |
| 09/11/2012 | The Royal British Legion | 005717 | 51.00 | 3231213/3491/poppy wreaths |
| 09/11/2012 | Purchase Power | DD | 213.00 | BA069971/3472/Franking Machine |
| 12/11/2012 | Tiamo | 005719 | 454.40 | Tiamo Dutch regiment |
| 13/11/2012 | Pitney Bowes Finance | DD | 264.98 | Franking machine rental |
| 14/11/2012 | Wirehouse | DD | 102.00 | H&S Support |
| 19/11/2012 | Angel Springs | 005722 | 37.70 | 1646156/3487/Water |
| 19/11/2012 | T & S Electrical Limited | 005723 | 508.19 | 7914/3489/lighting repairs |
| 19/11/2012 | TMC Creative Ltd | 005724 | 357.00 | 1497/3490/Marketing Consultation |
| 19/11/2012 | AWC Electrical Ltd | 005720 | 5,181.60 | 2194/3492/Xmas lights install |
| 19/11/2012 | Wirehouse | DD | 153.60 | HR Support |
| 19/11/2012 | Petty cash | 005721 | 160.13 | Petty cash |
| 20/11/2012 | Heads (Congleton) Limited | 005725 | 349.92 | 75395/3493/xmas fair advert |
| 20/11/2012 | Creative Marketing | 005726 | 130.80 | 006/3496/xmas banner |
| 20/11/2012 | E Cheshire Chamber of Comm & E | 005727 | 25.00 | 4291/3498/networking event |
| 20/11/2012 | Leander Architectural | 005728 | 49.75 | 20768/3500/keys |
| 20/11/2012 | LITE Limited | 005729 | 897.60 | 501116/3501/storage etc lights |
| 20/11/2012 | Posh Nosh Parties Ltd | 005730 | 883.92 | 3812/3506/ITC9987 |
| 20/11/2012 | R.J. & J. Moore | 005731 | 1,254.00 | 70/3507/xmas trees |
| 20/11/2012 | Prism Business Developments Li | 005732 | 87.83 | 9138/3509/Printer cartridge |
| 20/11/2012 | The Solar Centre Ltd | 005733 | 437.99 | 17204/3510/solar xmas lights |
| 20/11/2012 | The Stationery Cupboard | 005734 | 95.74 | 0094/3511/The Stationery Cupbo |
| 20/11/2012 | Daniel Taylor Ltd | 005735 | 266.40 | 826/3512/repairs bar unit |
| 20/11/2012 | Vibrant Graphics Ltd | 005736 | 1,130.00 | 025256/3513/xmas brochure |
| 20/11/2012 | United Utilities | 005737 | 997.31 | 121112/3514/Water |
| 22/11/2012 | Intergage Ltd | 005738 | 252.00 | 16749/3499/web hosting partnership |
| 22/11/2012 | RBS Autopay | AUTOPAY | 23,486.97 | Salaries |
| 22/11/2012 | Shell UK Ltd | dd | 194.82 | S03903503/3549/Diesel for van |
| 26/11/2012 | Prism Bus Developments | DD | 574.73 | IT Support |
| 28/11/2012 | Plus Dane | DD | 36.08 | Allotment Garage rental |
| 29/11/2012 | Los Kaos Ltd | 005739 | 720.00 | 962012SB/3527/polar bear deposit |
| 30/11/2012 | Sita UK Ltd | DD | 202.14 | 28440544/3488/Waste collection |
| 30/11/2012 | West Mercia Energy | dd | 767.75 | 16515/1011101/3263/Gas |

Total Payments 79,070.69



Congleton Town Council
Town Hall
High Street
Congleton
Cheshire CW12 1BN

Delamere House
Delamere Street
Crewe
Cheshire
CW1 2JZ

Tel: 01270 685872

Email: k

DATE: 14/12/2012 OUR REF: Parish Precept YOUR REF:
Please Contact: Lawrence Whittaker

Dear Sir/Madam

2013/2014 PRECEPT ARRANGEMENTS AND COUNCIL TAX SUPPORT

On 5th December, Cheshire East Council issued the standard request to town and parish councils regarding their precept levels for the financial year commencing on 1st April 2013. The letter included the revised band D tax base figures for each area which have now been confirmed at the Council meeting on 13th December 2012.

The tax base figures have been subject to change for a number of reasons and as promised I am writing to confirm the reasons behind the change to the tax base, the impact on local councils and the response by Cheshire East Council.

I am conscious that you are all under pressure to set precepts for next year. Having reviewed the position, Cheshire East Council will adhere to the following clear principles for the 2013/2014 financial year:

- Local councils will benefit from the reduction in discounts, under the technical reform changes, in the same way as the major precepting bodies, such as Cheshire East Council, will. Overall this increases local tax bases.
- The Cheshire East Council council tax support scheme will reduce the tax base for most local councils. However, the financial impact of this reduction in tax base in 2013/2014 will be neutralised through the payment of a grant from Cheshire East Council to all affected local councils.

Cheshire East Council has confirmed the tax base for Congleton council as 9292.11. In arriving at this tax base the impact of the council tax support scheme has been calculated for each local council to provide a provisional grant entitlement. The provisional grant due to Congleton council is £75354 based on a taxbase adjustment of 1121.37 band D equivalents.

The payment will form part of the Council's budget proposals due to be considered in February 2013. While further changes may be made I suggest that at this stage you factor these amounts in to your budget setting discussions. If you have already provided me with your 2013/2014 precept please let me know if you are going to resubmit based on this additional grant and I will disregard your earlier submission. I envisage that payments will be made early in the new financial year.

This grant will apply for 2013/2014. The situation will be reviewed in 2014/2015 to reflect any further changes in Local Government financing.

Following requests for detailed explanations of the tax base changes I have provided an additional Annex to this letter with further information.

The deadline for precept information remains 18th January 2013, and I apologise if this note prompts you to schedule an additional formal meeting to revise your precept position.

If you have any queries relating to the reimbursement or require any further details, please contact Lawrence Whittaker either by email or telephone as shown above.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Lisa Quinn', written in a cursive style.

Lisa Quinn MAAT CPFA
Director of Finance and Business Services
Cheshire East Council

Annex - Further details on the Council's tax base

The 2013/2014 Tax base Calculation

Each year the tax base is subject to review to arrive at the final position when the figures are fixed at a point in time to determine the level to be used for setting precepts.

In a normal year the tax base is influenced by new build and renovations less changes to discounts awarded eg more people living alone. However, 2013/2014 has brought two additional issues namely technical reforms and council tax support. Details are set out below. These form part of the local government resource review arising from the national deficit reduction programme which is seeing the resources available to councils substantially reduce.

Technical reforms: following a consultation exercise the CLG has proceeded with their intention to give councils powers to vary council tax discount levels in relation to empty properties, homes being refurbished and second homes. After due consideration and given the Council's funding position, the Council will seek to maximise income from these sources and this has resulted in an increase in the tax base of 2,487 band D equivalent properties.

Council Tax Support: following consultation exercises the CLG has proceeded with their intention to abolish the national council tax benefit system and introduce a new council tax support scheme.

This will be designed and administered by local authorities who can design the scheme to meet local priorities, increase employment and deliver savings of circa 10%. The Council has designed and consulted on its scheme and delivered a cost neutral position, that is, the scheme delivers the level of savings the Council needed to make. Council tax support will be applied as a council tax discount, therefore this has reduced the tax base by 12,785 band D equivalent properties. This loss of council tax is compensated for by a new government grant.

This represents a very significant change to the scheme and as details have been finalised there was an on-going question mark over the impact on local councils in terms of whether they should use the tax base before council tax support or after. A recent CLG consultation suggested the former option was more likely to be chosen and that formed the basis for the Council's plans.

The consultation closed on 9th October and I continued to chase a response to the issue. This finally arrived on 26th November when we were conscious the annual precept request should have already gone out to local councils. However, the answer was not as expected and it has left it to local negotiations. Therefore, this issue was left open in the letter.

The impact on local councils

Inevitably, the impact of these issues is not uniform across the borough with a range of impacts being experienced.

For the majority, the tax base has reduced, and the local councils face a number of options:

- Accept a reduced level of precept income in order to maintain current council tax levels.
- Increase their precept and council tax to make up the shortfall
- Fund the shortfall from other means *

or a combination of these actions.

* recognising this issue Cheshire East Council intends to provide a grant to compensate for the impact of the council tax support scheme in 2013/2014 only pending further review. This grant should be factored into the budget setting discussions in each area.

Brian Hogan

From: WHITTAKER, Lawrence <lawrence.whittaker@nhs.uk>
Sent: 10 December 2012 15:57
To: Brian Hogan
Cc: FIELD, Honor; READING, Steve
Subject: Re: Precept Arrangements- Congleton
Attachments: Annex_A_Council_tax_base_consultation_response_-_07_Novt_-_v3__4_.pdf

Dear Mr Hogan,

Thank you for your email.

The introduction of the new Council Tax Support scheme will act as a **discount** within the tax base for 2013/14, as opposed to a rebate from Central Government as has previously been the case and therefore acts to reduce the tax base as a whole. From the initial guidance supplied by Central Government, it had been interpreted that the tax base for parish councils wouldn't be affected however a late communication indicated that this position had changed. I have attached the DCLG response to the Localising Support for Council Tax: Council tax base and funding for local precepting authorities for your reference.

I have been advised that the Council is reviewing the position with regard to the provision of any additional funding but am unable at this stage to advise when the final decision is to be made or predict the outcome. All enquiries and responses received from parishes are being recorded and fed back through the appropriate channels.

Please be assured that any such decision will be communicated to parishes as soon as it is available.

If you have any further queries please let me know.

Regards, Lawrence

From: Brian Hogan [mailto:brian.hogan@congleton.gov.uk]
Sent: 10 December 2012 09:25
To: WHITTAKER, Lawrence
Cc: Jackie BROWN, David (Councillor); GHAYES@congleton.gov.uk
Subject: Precept Arrangements- Congleton
Importance: High

Lawrence,

I am in receipt of your letter dated 5th December concerning precept arrangements and the effect of changes to the Tax Base. Last year the tax base for Congleton was 10143.29. however you have just informed that that the tax base for next year will reduce to 9292.11

Please provide a detailed explanation for this change and justification as this will have the effect of increasing the Band 'D' rates paid in Congleton by 9.16% which is wholly unjustified

Kind regards

Brian Hogan

Confidentiality: This email and its contents and any attachments are intended only for the above named. As the email may contain confidential



CONGLETON TOWN COUNCIL
TOWN HALL
HIGH STREET
CONGLETON
CHESHIRE
CW12 1BN

Delamere House
Delamere Street
Crewe
Cheshire
CW1 2JZ

7 DEC 2012

Tel: 01270 685872

Email: lawrence.whittaker@cheshireeast.gov.uk

DATE: 05/12/2012

OUR REF: Parish Precept

YOUR REF:

Please Contact: Lawrence Whittaker

Dear Sir/Madam

**PRECEPT ARRANGEMENTS AND REQUIREMENTS FOR 2013/2014
DEADLINE – 18TH JANUARY 2013**

Can you please complete and return the enclosed precept notification, by not later than 18th January 2013, to arrange payment of precepts for your Parish/Town Council in respect of the financial year commencing 1st April 2013.

Payment of precepts to Town and Parish Councils will be in accordance with the requirements of the Local Government Finance Act 1992, therefore 50% of the annual precept will be paid by 30th April and the remaining 50% by 30th September. Payments for 2013/2014 will be made wherever possible by BACS directly to the parish bank accounts. Please inform our Shared Services department if your bank details have changed since your last 2012/2013 payment. The address is noted on the precept request form attached.

Cheshire East Council is due to propose its tax base for the financial year 2013/2014, at a Cabinet Meeting on the 10th December for Resolution by Council on the 13th December. Further details can be found in the Cabinet Agenda (Item No 11) for the 10th December 2012, which is available to view in pdf format on the Cheshire East website.

The replacement of Council Tax Benefit with Council Tax Support has the effect of reducing the tax base, as reductions under this scheme are provided as a discount to Council Tax liability as opposed to a rebate (which was subsequently repaid to the Council via Central Government subsidy). As a result there has been a reduction in tax base for a number of Town and Parish Councils. The Tax Base for your Parish/Town Council area is likely to be **9292.11**.

The Department for Communities & Local Government consulted on the possibility of providing an unadjusted Council tax base for Town and Parish Councils which ignored the changes in relation to Council Tax Support. An extract of the CLG's response to the consultation is shown overleaf:

Each year the tax base is subject to review to arrive at the final position when the figures are fixed at a point in time to determine the level to be used for setting precepts.

In a normal year the tax base is influenced by new build and renovations less changes to discounts awarded eg more people living alone. However, 2013/2014 has brought two additional issues namely technical reforms and council tax support. Details are set out below. These form part of the local government resource review arising from the national deficit reduction programme which is seeing the resources available to councils substantially reduce.

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levels.

- Increase their precept and council tax to make up the shortfall
- Fund the shortfall from other means *

or a combination of these actions.

* recognising this issue Cheshire East Council intends to provide a grant to compensate for the impact of the council tax support scheme in 2013/2014 only pending further review. This grant should be factored into the budget setting discussions in each area.

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Legal documents: The Council does not accept service of legal documents by email.

**CHESHIRE EAST COUNCIL
PRECEPT REQUEST FOR 2013/2014**

Name of Parish Council/Meeting: CONGLETON TOWN COUNCIL

Amount of Precept Requested: £

** Show the amount of cash you wish to receive by way of Precept to the nearest £.*

Amount (in words):

.....

Address of Parish Clerk: TOWN HALL
HIGH STREET
CONGLETON
CHESHIRE
CW12 1BN

Email address: bh@congletontowncouncil.co.uk

Bank Details

Payment will be made to the bank account used for the 2012/2013 precept payment.

If you have changed bank accounts please notify:

Cheshire East Council
Cheshire Shared Services
Purchasing & Exchequer
PO Box 3655
Chester
CH1 9PP

The above precept amount was authorised at a meeting of the Parish Council held on the

..... day of 20.....

Signed:

Name:

Designation:

Clerk to the Parish Council / Meeting (officer appointed for this purpose)

No adjustment will be made to this amount. Please return marked **NIL** and signed if you have no precept requirement

PLEASE RETURN PRECEPT REQUEST TO THE ADDRESS BELOW



Department for
Communities and
Local Government

Localising Support For Council Tax

Council tax base and funding for local precepting authorities:
Government response to the outcome of consultation

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Chapter 1

Introduction

- 1.1 The 2010 Spending Review announced the localisation of council tax support. The Department for Communities and Local Government is leading on the implementation of local council tax support schemes in England, with the legal framework provided through the Local Government Finance Act 2012.
- 1.2 From 2013, council tax support will take the form of reductions within the council tax system, replacing national council tax benefit. The Government's response to the outcome of localising council tax support consultation¹ sets out more detail on how it is intended that local council tax support schemes will work.
- 1.3 Making reductions part of the council tax system will have the effect of reducing a billing authority's council tax base. As set out in the 'Localising Support for Council Tax – Funding Arrangements consultation'² (the 'funding consultation'), billing and major precepting authorities will receive funding which will reduce their council tax requirement and, depending on the design of the local council tax scheme, could help offset the council tax revenue foregone through reductions.
- 1.4 The funding consultation set out that the funding that will be provided to billing authorities will include funding attributable in respect of parish and town council areas. It proposed allowing billing and local precepting authorities to come to agreement on arrangements for passing down the funding attributable to the local precepting authority.
- 1.5 Following further work with sector representatives, the Department published the 'Localising Support for Council Tax – Council tax base and funding for local precepting authorities' consultation ('the council tax base consultation') on 28 August 2012³.
- 1.6 This consultation set out an alternative proposal for allowing the council tax base for local precepting areas to be calculated excluding localised council tax support reductions. The consultation also sought views on whether those proposals should also apply to the calculation of other special items and whether the Secretary of State should direct billing

¹https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/8467/2053712.pdf

²https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/8358/2146648.pdf

³https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/8337/2206075.pdf

authorities to transfer the costs attributable to the parish element of the council tax reductions to the collection fund.

- 1.7 This document summarises the views received on the consultation and provides the Government's response.

Contents and next steps

- **Chapter two** Government's response and next steps
- **Chapter three** Response to consultation questions
- **Annex A** Table of responses
- **Annex B** Guidance for billing and local precepting authorities

Chapter 2

Government's response

- 2.1 In establishing its final policy the Government has considered carefully the responses to both the funding consultation and the council tax base consultation and has continued to work with the local government sector to understand the implications of both proposals.
- 2.2 It is clear from the responses to the council tax base consultation that, whilst the proposal set out in the consultation could provide parish councils with greater certainty of funding, there is concern that it could, over time, increase the financial pressures on billing authorities. In particular that excluding localised council tax support reductions from the council tax base for all special items could impact on the calculation the 'relevant basic amount of tax' as only some special items are included in that calculation.
- 2.3 The Government also considers that taking action centrally on the basis of an assumption that billing authorities will not pass down funding that is properly attributable to parish councils is contrary to the spirit of localism.
- 2.4 Given the views of the respondents and to ensure consistency with the spirit of the localism agenda, the Government considers that greater weight should be given to the potential for the proposal set out in the council tax base consultation to increase the financial burden on billing authorities.
- 2.5 The Government will not, therefore, apply an unadjusted council tax base to the local precepting authority or to other special items. Accordingly, the council tax base regulations will apply reductions to the calculation of the council tax base for local precepting authorities and other special items, as well as billing and major precepting authorities.
- 2.6 The Government is clear that the funding attributable to the parish precept has been provided to the billing authority and expects them to work with local parish and town councils to provide certainty over their funding.
- 2.7 The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012⁴ which will give effect to the Government's position will come into force by 30 November 2012 to ensure the council tax base setting process is not affected.

⁴ The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 (SI 2012:2914) is available at <http://www.legislation.gov.uk/ukSI>.

Chapter 3

Responses to consultation questions

Question 1

Do you agree that the council tax base for local precepting authorities should be calculated excluding council tax support reductions in order to provide certainty for local taxpayers and for the funding of local precepting authorities?

- 3.1 Of the 181 responses from parish and town councils, ninety seven percent agreed with the proposal. Of the 61 responses from billing authorities seventy seven percent agreed to the proposal. Arguments in favour included the view that the proposal provided administrative simplicity and that it provided the certainty of funding parish and town councils.
- 3.2 16 respondents disagreed with the proposals with billing authorities making up the majority of those disagreeing. The general view was that the proposals would unfairly protect parish councils from the impact of localising council tax support and would put a financial pressure on the billing authority. Some billing authorities suggested this potential financial pressure would be higher where the parish has a precept larger than that of the district council.
- 3.3 A small number of authorities also highlighted the need to be mindful of the effects changes to discounts and exemptions under the Local Government Act 2012 could have on the council tax base in parish areas. Authorities using these powers, for example, to reduce class C exemption from 100% for 6 months to 3 months with 100% discount could partially mitigate the cost of council tax reductions in parish areas.
- 3.4 In its response the Local Government Association highlighted the concerns they have received from both billing and local precepting authorities. They recognised the advantages of the proposals for parish councils but also highlighted the concerns of billing authorities.

Question 2

Do you agree that the Secretary of State should also direct billing authorities to transfer an amount they estimate to be necessary to offset the cost of reductions attributable to local precepting authorities from their general fund to the collection fund?

- 3.5 To prevent the calculation of the billing authority's council tax requirement and the level of council tax being affected by the proposals, it was proposed that the Secretary of State should use powers under section 98 of the Local Government Finance Act 1988 to direct billing authorities to transfer the cost of reductions attributable to local precepting authorities to the billing authority's collection fund.
- 3.6 Seventy two per cent of those who responded to this proposal agreed the transfer should be made. The majority of the responses in favour of the transfer were from parish councils who would be unaffected by this aspect of the proposal. Sixty two per cent of the billing authorities that responded were not in favour of a transfer as they felt it would place an unfair financial burden on the billing authority.
- 3.7 Another reason given by respondents for not agreeing to this proposal included the view that in the spirit of localism, billing authorities should be able to consult with the local precepting authority and use its discretion regarding funding distribution.
- 3.8 The Local Government Association recognised that for billing authorities, the transfer of the cost of localised council tax reductions attributable to the local precepting authority could place a financial cost solely on the billing authority but also recognised the need for a transfer if the proposal under question 1 is adopted.

Question 3

Should legislation permit the council tax base (TP) for each of the items A – E listed above for billing authorities and F and G for major precepting authorities to be calculated *including* or *excluding* localised council tax support reductions (new item Z in the draft regulations)?

- 3.9 The majority of respondents did not comment. This could be explained by the fact that the majority of respondents to the consultation were from parish councils and billing authorities without special items, who would be unaffected by this issue.
- 3.10 Of the respondents that did comment, the majority were in favour of using a council tax base *excluding* localised council tax support for reasons of consistency and simplicity.
- 3.11 There were a small number of respondents in favour of using a council tax base *including* localised council tax support, with a slight increase in the number of respondents in favour of *including* localised council tax support for levies. These responses came from billing authorities and the District Councils' Network.
- 3.12 The reason given was that because a levy forms part of that billing authority's core budget requirement, it should be calculated in the same way as the billing authority's Band D council tax i.e. including localised council tax support.
- 3.13 An additional reason was that given the size of the levying bodies, it would be inappropriate to "protect" them in the same way as proposed for parishes.
- 3.14 One billing authority also highlighted a concern that excluding localised council tax support reductions from the calculation of the council tax base for all special items could impact on the calculation of an authority's 'relevant basic amount of tax' for purposes of excessiveness principles, because some of the special items are included in that calculation and some are not.
- 3.15 The Local Government Association response recognised the advantages of the proposal in providing simplicity and consistency of treatment of special items however they also highlighted that in some areas levies do not cover the whole of the authority area so there could be issues over the equity of the proposals.

Annex A

Consultation responses

| | Question 1 | | Question 2 | |
|---------------------------------------|------------|----|------------|----|
| | Yes | No | Yes | No |
| Type of respondent | | | | |
| Local Precepting Authorities | 176 | - | 117 | 20 |
| Billing Authorities | 47 | 13 | 23 | 37 |
| Town and Parish representative bodies | 7 | - | 6 | - |
| Major Precepting Authorities | 4 | 2 | 5 | 1 |
| Other bodies | 5 | 1 | 3 | 3 |
| Own views | 3 | - | 2 | - |
| Totals | 242 | 16 | 156 | 61 |

Annex A

Consultation responses

| | Question 3A | | Question 3B | | Question 3C | | Question 3D | |
|---------------------------------------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|
| Type of respondent | Excluding | Including | Excluding | Including | Excluding | Including | Excluding | Including |
| Local Precepting Authorities | 46 | 2 | 46 | 2 | 46 | 2 | 46 | 2 |
| Billing Authorities | 20 | 12 | 24 | 6 | 23 | 6 | 25 | 7 |
| Town and Parish representative bodies | 5 | - | 5 | - | 5 | - | 5 | - |
| Major Precepting Authorities | - | 2 | - | 2 | - | 2 | - | 2 |
| Other bodies | 1 | 2 | 3 | - | 3 | - | 2 | - |
| Own views | 1 | - | 1 | - | 1 | - | 1 | - |
| Totals | 73 | 18 | 79 | 10 | 78 | 10 | 79 | 11 |

Annex A

Consultation responses

| | Question 3E | | Question 3F | | Question 3G | |
|---------------------------------------|-------------|-----------|-------------|-----------|-------------|-----------|
| | Excluding | Including | Excluding | Including | Excluding | Including |
| Type of respondent | | | | | | |
| Local Precepting Authorities | 46 | 2 | 46 | 1 | 46 | 1 |
| Billing Authorities | 19 | 12 | 15 | 11 | 16 | 10 |
| Town and Parish representative bodies | 5 | - | 5 | - | 5 | - |
| Major Precepting Authorities | - | 2 | 1 | 1 | 1 | 1 |
| Other bodies | 1 | 2 | 1 | 2 | 1 | 2 |
| Own views | 1 | - | 1 | - | 1 | - |
| Totals | 72 | 18 | 69 | 15 | 70 | 14 |

Annex B

Guidance for authorities

- B1. From 2013-14 local council tax support schemes will replace council tax benefit in England. Under these local schemes reductions will be part of the council tax system rather than a welfare benefit. Therefore, the council tax base will be reduced where a dwelling is in receipt of a council tax support in a similar manner to other council tax discounts.
- B2. This reduction in the tax base will need to be reflected in the calculation of the band D council tax for the billing or major precepting authority area. Failure to reduce the tax base to reflect the level of reductions the local authority expects to grant would result in the authority not being able to collect the correct amount of council tax to meet its council tax requirement, and a deficit will be created on the collection fund.
- B3. The Local Authorities (Calculation of Council Tax Base) Regulations 2012^a will ensure that the council tax reductions to be provided under new local council tax support schemes can be fully reflected in the council tax base for all authorities.

Certainty of Funding for Billing and Major Precepting Authorities

- B4. The Government will be providing to billing and major precepting authorities funding through the business rates retention system, except for local policing bodies which will receive funding through a separate grant.
- B5. This funding, which is based on 90% of forecast subsidised council tax benefit expenditure for 2013-14 will reduce the council tax requirement of billing and major precepting authorities. Depending on the design of the local council tax scheme this could help offset the council tax revenue foregone through reductions.
- B6. The Government has also been clear that councils have the scope to help manage the impact of the reduction in council tax support funding through sensible savings, for example, securing efficiency savings, tackling fraud and adjusting scheme parameters. In addition, the Government is introducing new flexibilities on council tax.
- B7. The Government is also now providing up to an additional £100 million transition grant to provide the space and the support for all local authorities to follow the example of those councils who are making the most of opportunities to find savings across their budgets to be able to develop schemes that protect the poorest.

^{a a} The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 (SI 2012:2914) is available at <http://www.legislation.gov.uk/uksl>.

Annex B

Guidance for authorities

Certainty of Funding for Parish and Town Councils

- B8. As there is not a mechanism for providing funding through the business rates retention system directly to parish and town councils the Government is providing the funding attributable to them to the billing authority. To enable this funding to reduce the local precepting authority's council tax requirement, and so potentially offset some or all of the costs of offering support, the billing authority will need to pass funding down to the local precepting authority.
- B9. To support considerations over funding, the Government has published provisional funding allocations, setting out how much funding might be attributable to the local precepting authorities, based on its share of council tax in the billing authority area.
- B10. This figure is intended as a starting point: Precisely how much funding should be passed down will depend on a number of factors, including the design of the scheme and the number of claimants in the local precepting authority area.
- B11. In line with the localism agenda there will not be a legislative duty to pass down funding. Billing and local precepting authorities should be able to come to agreement on arrangements for passing down the funding attributable to the local precepting authority, reflecting the factors outlined above, and other relevant local circumstances. The total amount of funding allocated to local authorities is 90% of forecast subsidised council tax benefit expenditure for 2013-14.

Questions and Answers

Parish / Town Council

I am a Parish or Town Councillor – how do I access the funding that is attributable to my parish/town council?

You need to engage with the billing authority for your area as they will receive, through the business rates retention system from 2013/14, funding corresponding to the parish / town council share of the overall funding allocated to local authorities.

When should I receive the funding attributable to my parish / town council?

Funding for local council tax support for billing authorities, including that attributable to the parish and town council, will be provided through the local retention of rates system. Therefore you will need to engage with your billing authority over the timing of any payments.

Annex B

Guidance for authorities

How much funding should be made available to my parish / town council?

You will need to engage with your billing authority on this issue. The Government issued an indicative amount attributable to the cumulative number of parish and town councils in each billing authority area at Annex A of the Funding Arrangements consultation available at:
<http://www.communities.gov.uk/documents/localgovernment/pdf/2146648.pdf>

This amount is based on local precepting authority shares of the billing authority area Band D council tax bill and should only be seen as an indicative figure that acts as a starting point for discussions with billing authorities.

The indicative total level of funding attributable to all parish / town councils in each billing authority area will be updated and published alongside the provisional Local Government Finance settlement in December.

Precisely how much funding should be passed down will depend on a number of factors, including the design of the scheme and the number of claimants in the local precepting authority area, both of which could change from year to year. The total amount of funding allocated to local authorities is 90% of forecast subsidised council tax benefit expenditure for 2013-14.

Billing Authority

As a billing authority we are proposing to access the transitional grant - what does this mean for me?

The transitional grant amounts include an amount attributable to the parish and town council and should be treated in the same manner as the main support funding.

As a billing authority we are proposing to implement the default scheme, what does this mean for me?

The default scheme retains the current council tax benefit system, with some small adjustments. As funding will be 90% of what Government expected to spend on council tax benefit in 2013-14, local authorities will need to find some of the costs of providing support under the default scheme from other budgets.

In deciding the level of funding to be passed down to local precepting authorities, billing and local precepting authorities will need to come to an agreement on the degree to which the local precepting authority should make its contribution towards meeting the costs of a scheme which exceeds the level of funding provided by Government.

Annex B

Guidance for authorities

As a billing authority, why should we pass down this funding?

Just as it is intended that funding allocated to billing and major precepting authorities could help to offset the reductions in the tax base, Government intends that the funding attributable to parish and town councils should also help to hold down their council tax requirements and so help manage the impacts of changes to their tax base.

However, as the Government does not have a mechanism to provide funding through the business rates retention system to parish and town councils the funding attributable to parish and town councils is intended to be used to provide them with similar support that is being provided to billing and major precepting authorities.

Local precept payers are local tax payers within the billing authority area and should not be treated differently to those outside of parish areas, or face avoidable increases in the local precepting authority council tax bill just because there is not a mechanism for the direct funding of parish and town councils.

In allocating the local precepting authority funding to billing authorities it is Government's clear expectation that billing authorities will work with parish and town councils to pass down funding so that their precepts can be reduced reflecting, to a greater or lesser extent depending on local factors, reductions in their council tax base. That may not be the full amount as the funding being provided relates to 90% of the estimated cost of subsidised council tax benefit in 2013/14.