

29.06.10	5925-5959	£26,568.59
06.07.10	5960-5979	£8,199.89
13.07.10	5980-6000	£45,961.76
21.07.10	6001-6020	£9,146.71
22.07.10	6021-6028	£2,114.13
03.08.10	6029-6045	£13,131.13
03.08.10	6046-6066	£14,828.84

8. Correspondence

- a) St Edmundsbury Borough Council – Street Trading Permit – Mr Czajkowski – High Street

9. Closure



**Gordon Mussett
Town Clerk**

DATE: 4th August 2010

Governance Review

St Edmundsbury Borough Council is undertaking a review of Community Governance, which includes reviewing Parish and Ward boundaries, and numbers of Parish/Town Councillors.

The Town Council has previously asked that the boundaries of Haverhill Town be reviewed so as to include in the town those parts of Withersfield, Little Wrating and Kedington that are already considered part of Haverhill (the Spirit of Enterprise for example) or are likely to be considered part of Haverhill once existing and proposed outline planning consents are exercised (North West and North East Haverhill).

Informal discussions with representatives of the three adjoining Suffolk Parishes have indicated that the boundary with Kedington could be redrawn so as to run along the existing watercourse in the valley, and that the boundary with Withersfield could be withdrawn so as to run along the north western edge of the flood park (along the tree belt) and thence to the west of the small industrial site to the junction of Withersfield Road and Hales Barn Road. Only one property other than those in Barsey Close are affected by this move of boundary. The residents of Barsey Close, currently in and paying Council Tax to Withersfield, are already taking advantage of facilities (e.g. pensioners coach trips) provided just for Haverhill residents. Little Wrating Parish Council's representative was unable to agree any boundary review. However it would clarify the position for all if the boundary with Little Wrating were to be moved so as to be north of the proposed roundabout with the new North West Relief Road junction at The Rising Sun, and then run south east to join the new boundary with Kedington, and north west along the line of the relief road to meet the boundary with Withersfield.

Members are recommended to request these boundary changes.

As regards the number of Councillors, at some future stage (2020 ? and 2027 ?) the occupation of the North West and North East Haverhill developments will increase the ratio of residents per Councillor for those Wards. However, given the current state of building it is suggested that no increase in the number of Councillors on those wards be proposed at this time.

Members are recommended to agree no overall change in number of Town Councillors

It is unclear as to whether the scope of the governance review includes changing the boundaries of Districts and Parishes outside of St Edmundsbury Borough Council area. However it is suggested that if possible the boundaries with Essex, Braintree, and the adjoining Essex Parishes be redrawn so as to run along the middle of the by-pass.

Members are recommended to request these boundary changes





Local referendums to veto excessive council tax increases

This consultation document can be viewed at

<http://www.communities.gov.uk/documents/localgovernment/pdf/1657699.pdf>

This consultation proposes bringing Town and Parish Councils into the Council Tax Capping Regime. Under the proposals Council Tax increases deemed excessive (i.e. for Town/Parish Councils Council Tax increases exceeding an agreed formula) will be subject to a referendum of Council Tax payers, who can vote to introduce a Council Tax increase that is within the formula.

From an administrative point of view it means, subject to the formula, potentially setting two budgets – a planned budget, and a stand-still budget (which must in itself include provision for the costs of the referendum).

As Members are aware the Town Council has agreed a minimum increase in Council Tax for 2011/12 and 2012/13 of £68,500 each year to prepare for the potential loss of Borough Council funding for the Arts Centre. Although negotiations regarding renewal of the current grant agreement have commenced, they have stalled pending the Borough Council's assessment of its financial situation following the proposed public sector funding review announcements due in October. Whilst remaining positive that the grant will be renewed, albeit at a much lower figure, prudence dictates that the Town Council should still be budgeting for a total loss of grant. The situation will be clearer by Christmas 2010.

It is critical therefore, to the Town Council's long-term financial planning, that it is able, if needed, to raise its Council Tax to these levels, which represent a 9.7% increase each year, irrespective of any other budgetary demands. Residents, based on the survey undertaken in autumn 2009, support this level of Council Tax, and value the services the Town Council provides.

Haverhill Town Council is not alone in facing this dilemma. There are a large number of Parish and Town Councils that are partway through a series of planned Council Tax increases to improve services and facilities based on their residents demands as identified in Parish Plans or (in our case) Market Town Healthchecks. Parish and Town Councils are already delivering the Big Society agenda locally and there is a danger this legislation may derail it.

The formula is likely to be a mix of percentage increase, or maximum monetary value (i.e. Council Tax increases not to exceed x% or £y per annum). And may be set at different values for Towns/Parishes, Boroughs/Districts, and County Councils. From a Town/Parish perspective, given the extremely low average precept across the country, the percentage increase needs to be quite high to enable very small Parishes to garner sufficient Council Tax simply to pay increases in Insurance and employment costs, whilst for larger Town Councils the maximum sum is perhaps more applicable (e.g. a ceiling of £y increase per Band D Council Tax payer).

A suggested draft response to the Consultation is attached, and Members are asked to approve, or amend it.

Members also need to consider a future financial strategy in the event that the legislation is implemented, but below the levels contained in our response, and if the Borough Council grant is not renewed. There are limited options – prepare an over-limit budget and Council Tax increase, together with a stand-still (within limits) budget. Members can then, when the future of the grant is known, decide how best to proceed.

In preparing a stand-still budget (i.e. no increase for the Arts Centre) Members **must** make some key decisions. These include:-

Whether to reduce the nature of the offer at the Arts Centre – either by reducing the days/times of opening, or changing to a community centre, or a mix of these. Because both will incur staff redundancies, and a resultant increase in costs in a financial year, the effect on the 2011/12 budget will mean that the reductions in offer will be greater than 2012/13.

Whether to cease renewing contracts for Christmas Lights and Flower Planters as these fall due.

Whether to cease providing external entertainment (this may in itself be a knock-on of changing the Arts Centre operation as staff are used on outside events)

Whether to cease grant-aiding local organizations

Whether to cease subsidized Pensioner coach trips

Members are recommended to consider potential financial savings and make a decision on how the stand-still budget is determined at the September Town Council meeting.

17 October 2011



Haverhill
Town Council

Department for Communities & Local Government
Eland House
Bressenden Place
London
SW1E 5DU

Dear Sir

Consultation on Local Referendums to Veto Excessive Council Tax Increases

I refer to the above. Whilst these replies reflect the views of Haverhill Town Council they also recognise my twenty-eight years experience in the Town and Parish Council sector.

It is correct that, in these difficult financial times, Council Tax increases should be controlled. It is also correct that residents should be given greater influence over Council decisions. However the process as outlined in the consultation raises concerns, particularly at the Town and Parish Council level.

The consultation draws comparisons between the Council Tax of a (large) Town Council and that of a Shire District Council. In doing so it fails to recognize that a Town Council receives no government revenue support and is totally reliant upon a mix of income from service charges (paid by those residents using the services), Council Tax, and investments.

I have attached as an appendix, extracted from their most recent published accounts, showing the relative sources of income for my Council, and for the surrounding Parishes. This limited spread of income sources is replicated throughout the 8,500 Town/Parish Councils, not all of whose District/Borough Councils provide any revenue support.

It is also appropriate to add at this point that a good number of these Councils (mine included) are working their way through a planned programme of provision of facilities identified by their residents as part of a Parish Plan/Market Town Healthcheck exercise, in which local residents identified those services that were important to them, and which were in need of provision, or additional support. Residents have already identified their willingness to pay for these services; in Haverhill, residents surveyed as recently as November 2009 identified a willingness to pay double the existing level of Town Council Tax for services. And in many cases, were willing to pay more to keep services which they themselves did not use regularly (e.g. public conveniences, the cemetery, and play areas).

There is a large-scale degree of public concern over the Council Tax paid to the County and Borough Council; unlike the Council Tax paid to the Town Council, residents believe that they do not receive their “fair share” of monies paid to authorities whose service area is wider than the town. As a long-serving Town and Parish Clerk I have experienced this feeling in all the Councils I have clerked, and particularly when the main administrative headquarters of the administering Council is miles away, or (even worse) unparished.

Residents also feel they are less empowered to influence decisions made on Council Tax by these remote authorities, whose meetings are held 22 and 55 miles away respectively, often during the working day. This contrasts to the Town Council, where meetings are held in the Town, at 7.00 p.m., and, during each July, at ten outdoor locations on residential estates. In the past ten years, during which Council Tax charged by the Town Council has increased by 500%, only two (2) written complaints have been received by the Town Council regarding the increases.

Town and Parish Councils are already at the heart of the “Big Society”. My Town Council funds activities to reduce anti-social behaviour, to provide community transport, to support local groups and organizations, to reduce litter, to support those in financial hardship, to enable the community cohesion that makes the town safer. We are not alone; our colleagues in the Parish sector undertake these functions as well. Do not make us throw the baby out in attempting to reduce the level of the bathwater.

In order to make up a planned reduction in grant by the Borough Council this Council is already committed to a Council Tax increase of at least £68,000 (9.7%) for the next two years. In the event we are not able to achieve this increase, then the Town Council will be looking to make around 60% of its workforce redundant, together with terminating the employment of a further ten casual staff. It will also mean the closure of the Town’s Arts Centre, home to a number of local arts organizations, including the local drama group, the award-winning Haverhill Silver Band, and the nationally-recognised Haverhill Sinfonia. The residents who are members, and supporters, of these organizations, both young and old, have supported the proposed Council Tax increases, as have the whole of the town. To put these figures into comparison, in 2009/10 our local Borough Council spent £124,000 on Civic Ceremonials, and a further £323,000 on Councillors’ allowances.

As regards the specific questions, the responses are as follows:-

Q1: The legislation should include provision for Town/Parish Councils to be included in the referendum process.

From this Town Council’s point of view, budget-setting starts in September, so we need to know before the end of September what the de minimis levels are.

I am aware of a number of Town and Parish Councils (mine included) that have embarked on a substantial programme of investment based on a series of planned, substantial, Council Tax increases. In Haverhill, to replace arts funding being withdrawn progressively by the Borough Council, this Town Council has, supported by a poll of its residents, resolved to increase its Council Tax. (The effect of this is offset by a (theoretical) reduction in Borough Council Tax.) This will mean, exclusive of any other issues, 9.7% increase for 2011/12 and again in 2012/13. However any

decision not to replace the funding will result, not only in the loss of a well-used facility, but redundancy costs equivalent to around a 12% increase in Council Tax. And the effect of this planned (and supported by those who will pay it) exorbitant increase on a Band D Taxpayer – 16p per week.

Therefore the “de minimis” levels for Parish/Town Councils are critical. From this Town Council’s point of view 2% or £100,000 (£12.50 per annum) (**whichever is the greater**) would be appropriate. It must be recognized that, given the very small average Parish Council Tax, increases above 25% will occur; for the “average” Parish this might only be around £8 per annum for a Band D Taxpayer, and generate as little as £640 per annum for the Parish.

Q2: The proposed legislation is un-democratic and open to outside influence (fraud ?) by a concerted group of individuals. Who, in any household, determines how the vote should be cast ? Who verifies that the vote cast came from that household ? The nature of the question asked (“Do you support/oppose a 15% increase in Council Tax ?”) will, on its own, produce a resounding majority in favour of no Council Tax increase, with few recognizing the impact of their actions

The remainder of these questions is more relevant to the authorities responsible for the collection of Council Tax, or administration of the referendum. However it should be remembered that residents of a Town/Parish already have the opportunity to call for a Parish Poll on matters affecting them – to the best of my knowledge there has been no recent example of such a poll being called on the subject of Town/Parish Council Tax levels.

Yours sincerely



Gordon Mussett
Town Clerk

Parish District County	Haverhill St Edmundsnury Suffolk	Sturmer Braintree Essex	Kedington St Edmundsnury Suffolk	Withersfield St Edmundsnury Suffolk
Income				
District Council Support Grant	£ -	£ 1,600	£ 9,063	£ 1,645
Other grants	£ 229,745			
Charges for Services	£ 129,680			
Rent on Properties	£ 6,000			
Interest	£ 12,000			
Precept	£ 720,427	£ 3,000	£ 31,012	£ 4,394
TOTAL	£ 1,097,852	£ 4,600	£ 40,075	£ 6,039
Precept as Percentage of Total	66%	65%	77%	73%
Council Tax per Band D property	£ 89.72	£ 16.64	£ 47.18	£ 20.47