



## **TOWN AND PARISH COUNCIL NEWSLETTER**

**October 2013**

**Welcome to our joint newsletter aimed at keeping all the town and parish councils, across both Babergh and Mid Suffolk, informed about our plans to meet the financial and other challenges facing us.**

### **Redefining the role of Local Government**

Babergh and Mid Suffolk district councillors are leading the development of a programme of themed enquiries designed to identify new ways of working with our communities to achieve the councils' priorities. This work is influenced and impacted by the significant change in the way local government is funded, with the reduction and removal of some traditional funding sources and a new reliance on different sources of funding.

The programme of work will therefore need to identify new ways of supporting and working with our communities to achieve the priorities agreed by councillors for both Councils in 2012 (which are broadly shaping the Economy, ensuring Housing supply meets needs and supporting more self sufficient communities).

Councillors are currently determining the focus and detail for the reviews and will shortly start to engage with local communities, town and parish councils to explain the reasons for the work and ask for your thoughts and ideas on how this work can be developed. The intention is that any change in the way the councils work with communities is developed with you to ensure that individual community needs are considered when planning any changes.

### **Relocation of District Headquarters**

The East Anglian Daily Times have today (Tuesday 22 October) corrected the details of a story that incorrectly suggested Mid Suffolk and Babergh District Councils had made a decision to combine and relocate their respective Headquarters buildings.

[http://www.eadt.co.uk/news/politics/suffolk\\_babergh\\_and\\_mid\\_suffolk\\_council\\_leaders\\_deny\\_single\\_headquarters\\_suggestion\\_1\\_2910554](http://www.eadt.co.uk/news/politics/suffolk_babergh_and_mid_suffolk_council_leaders_deny_single_headquarters_suggestion_1_2910554)

### **Even tougher financial times ahead**

The Management Board is grappling with a number of issues as it works with Members and colleagues to set and manage the councils' financial strategy.

Local government has seen the steepest reduction in funding over the current spending review with 33% cuts in real terms. In its recent spending round, the Government announced a further 10% cut.

Individual council indicative funding allocations released in August, and modeling work done by bodies such as the Local Government Association (LGA) show that local government is actually likely to experience significantly greater reductions - 15% as opposed to 10%. The reasons for this include:

- The comparison between the spending round and the individual allocations is not like-for-like. The headline figures include new initiatives such as £200m for Troubled Families, £335m for implementing new social care policies and £30m for securing fire service efficiencies.
- Some of the allocation has been taken back; for example an extra £180m of business rates is to be kept back to cover risks such as the business rates safety net – a scheme guaranteeing no council would see its business rates income fall below 7.5% of baseline funding.
- £400m of local government's New Homes Bonus (NHB) money will be passed directly to Local Enterprise Partnerships. This means a 30% - 35% reduction in NHB money that the councils might expect to receive from 2015/16 onwards.

The LGA model also reveals that the financial black hole facing local government is widening by £2.1 billion a year and will reach £14.4 billion by 2020.

With an ageing population pushing up demand for adult social care services and the cost of providing council's two next-biggest-cost statutory obligations of children's social care and waste management also set to rise, the analysis also shows that these three areas of spending will soak up an ever-larger share of council budgets.

The model shows the money available to deliver all other local services, including leisure and cultural facilities, school support services, fixing the roads, building new homes and promoting economic growth will shrink by 46 % by 2020.

Other changes to local authority funding, including the localisation of business rates and council tax benefit, have also created additional uncertainty for councils' future budgets.

Turning to our two councils, a funding cut of 15% means that the budget gap for the three year period 2014/15 to 2016/17 has increased from £8.2m to £8.9m – an increase of £700k.

We need to truly understand the scale of the cuts that are being proposed over the next few years by asking the right questions and securing honest answers. If there is a strong risk that the reduced funding is insufficient to provide the current range of services, we need to understand this and have a discussion with Government on the prioritisation of funding and consider any consequential changes in the nature and level of services that can be provided.

In the meanwhile we need to take steps to deal with the uncertainty of future funding and make sure we are in a position to set a balanced budget each year. When you don't know all the detail but you know a budget has to be set, you tend to be cautious, plan for the worst, hold additional reserves etc.

We would love certainty about funding which would mean we don't have to engage in an annual assessment about how much and when (last year's settlement announcement came as councils were finalising their budgets and taking them through full Council). We are running complex, multi-million pound businesses and we need to be able to plan our spending and investment decisions properly. It would also lead to more informed decision making and long-term planning; and could even allow transformational reforms that may not bring savings for several years.

So with so much uncertainty and the somewhat unpredictable timing of funding announcements, we must take every opportunity there is to review our spending plans and the services we are providing; and ultimately prepare for a challenging and uncertain future.

## Local Council Tax Support Grant to Town and Parish Councils

Babergh and Mid Suffolk District Councils have re-evaluated the payments to be made to town and parish councils from 2014/15 onwards.

The way council tax support was given to local residents changed from a cash benefit to a council tax discount from April 2013.

The discounts have the effect of reducing the tax base calculation for each parish and town council. All district and borough councils had to approve their new Local Council Tax Support schemes by the end of January 2013, so they could be implemented from 1<sup>st</sup> April 2013.

When Communities and Local Government (CLG) introduced this change they paid a grant to upper and lower tier local authorities to compensate for the reduction in the tax base.

Within the 2013/14 grant for lower tier authorities, an element was included for town and parish councils, which Babergh and Mid Suffolk District Councils passed on to their local councils.

At the time this grant was passed on, it was acknowledged its future was uncertain in terms of how much would be included in future grant settlements to district and borough councils. Subsequently CLG has confirmed the grant is still contained within the settlement figures, but beyond 2013/14 it is no longer separately identifiable and will be subject to the same scaling back over the next few years as the revenue support grant.

Babergh and Mid Suffolk District Councils are aware town and parish councils would like to have more certainty about how the grant is going to be affected over the coming years, so they can make their own medium term financial plans.

To acknowledge and assist with this, a report was taken to Mid Suffolk's Executive Committee on 14<sup>th</sup> October and Babergh's Strategy Committee on 17<sup>th</sup> October 2013. The proposal within the report was that the grant to the town and parish councils be phased out over a four-year period, at a 25% reduction each year starting in 2014/15. The recommendation was approved by both committees and will be implemented assuming there is no call in by councillors over the seven day call in period following Thursday's meeting.

The purpose of this article is to advise you that Members of both councils have considered this issue and made a decision over future grant levels to town and parish councils.

However we do want to interact with you about this subject and its impact.

Over the coming weeks we will:

- Write to each town and parish council setting out the financial impact that the decision will have over the next 4 years, depending upon how you decided to treat the grant in 2013/14. A copy of the letter will be given to your District Council Ward Member, so that they are aware of your position when they attend your meetings.
- Set up some workshops across the two districts to enable you to have some face-to-face time with the Finance Team of Babergh and Mid Suffolk District Councils to ask questions and clarify any issues that you may have. The dates and venues for these workshops will be included within the letter that will be sent to each council.
- Include an item on the next round of Town and Parish Council Liaison meetings, which are currently being set up for the end of November.
- Respond to recent correspondence from Shona Bendix (Chief Executive of SALC) to explore the merit of also using SALC area meetings at the end of November and early December.

## **The Law on Scrap Metal Dealing is Changing**

A new system of scrap metal licensing, whether for sites or mobile collectors, introduces additional safeguards to protect our communities' assets from metal theft.

The Scrap Metal Dealers Act 2013 which became law on 1 October 2013 significantly tightens the Scrap metal regulations to tackle the rise of metal theft, which can result in significant disruption, cost and upset to our communities.

It is now an offence, punishable with a fine of up to £5000, for a scrap metal dealer to buy scrap metal for cash. This is just one law change coming fully into effect via on 1<sup>st</sup> October 2013.

A new licensing and compliance regime is being put into place at both Babergh and Mid Suffolk District Councils, and operators will now have to pass a rigorous 'suitability' test to be granted a licence - which will involve criminal checks and consultation with the Police and other agencies.

New powers will allow sites to be inspected at any reasonable time by authorised Council and Police officers. Dealing in scrap metal without a licence will be an offence with the potential, upon conviction, of a level 5 fine (currently £5000 but unlimited if planned law changes take effect). The previous system of registration dating from 1964 and 2001 is abolished and motor salvage operators also now integrate with the new scheme for scrap metal site licences.

Thieves target buildings, memorials, street signs and furniture, transport cables, pipe work and a whole variety of metal objects – with little or no consideration of the wider impact of their actions.

Tougher penalties and tighter regulation will allow better traceability of scrap metals, auditable record keeping and transactions, identity checks on sellers, inspection of sites, closure powers and revocation of licences. This should act as a deterrent to scrap metal crime.

Responsible businesses will welcome these changes and increased public awareness will go some way to reducing problems in the local area. Fees for licences will pay for the scheme's administration and inspection checks. Licensed sites and mobile collectors will display a licence at their site or on their vehicle, and the Council website and Environment Agency will hold registers of legitimately licensed businesses."

Some types of business or operation may not need to be licensed, for example where scrap metal sales are 'incidental' to the main business, the metal sold is a by-product of manufacturing or where genuine sales of second-hand goods occur. Household waste collections by councils or their contractors that pick up metal items thrown out by households and which are to be recycled, along with municipal waste/civic amenity sites ('council tips') are not caught by these provisions.

The Council's Licensing and Gambling Team will oversee the changes. If you are offered cash by a dealer for scrap metal and have any doubts over whether a business holds or needs a licence, then please refer to the Council website (including register and FAQs), or contact a member of the Licensing Team in confidence.

## Probity in Planning

Are you aware of your obligations when considering planning issues? The following guide may provide a useful reference point.

PROBITY IN PLANNING SUMMARY	
<i><b>TO DO</b></i>	<i><b>TO AVOID</b></i>
<p>Personal and Local non-pecuniary Interests* - register and declare at meetings, as required</p>	<ul style="list-style-type: none"> <li>• Criminal offence of failing to register, disclose or participating in decision-making when you have a Disclosable Pecuniary Interest. You can be fined up to £5,000 and disqualified from holding office as a councillor for up to five years.</li> <li>• Disclosable Pecuniary Interests – You should not participate in decision making.</li> </ul>
<p>Disclosable Pecuniary Interests**:</p> <ul style="list-style-type: none"> <li>• Register;</li> <li>• declare and notify the Monitoring Officer within 28 days; <u>and</u></li> <li>• then withdraw from the meeting.</li> </ul>	
<p><u>Council/Committee meetings</u></p> <ul style="list-style-type: none"> <li>• The public should be able to follow the process and how the decisions are being taken.</li> <li>• The procedure is to be open, transparent and fair.</li> <li>• Reasons must be carefully considered, clear and convincing.</li> </ul>	<p><u>Council/Committee meetings</u></p> <ul style="list-style-type: none"> <li>• Making representations based on the applicant's circumstances that are for non-material or not planning considerations.</li> <li>• Planning Officers being pressurised into changing their recommendation, having their integrity, or impartiality compromised.</li> </ul>
<p><u>Predisposition</u> is acceptable. You will be able to vote on the item if you indicated that you have a view or preference, but that your decision will be based on the evidence and information presented to you at the meeting.</p>	<p><u>Predetermination</u> is not acceptable. You cannot vote on the item and should withdraw from the meeting if you have already formed a view and indicated how you will vote irrespective of any further information or evidence.</p>
<p><u>Lobbying</u> If you wish to speak on behalf of a lobby group, you would have to use the public speaking facility. You should leave the room before the vote and once the public speak session is finished</p>	<p><u>Lobbying</u></p> <ul style="list-style-type: none"> <li>• Being in a position where your impartiality or integrity could be questioned. During any discussions or conversations, expressing views that indicate that you have a "closed mind", i.e. you are not open to further evidence or arguments.</li> </ul>

### \*"Local Non Pecuniary Interests"

(1) Any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by the Council;

(2) Any body of which you are a member or in a position of general control or management

- (a) exercising functions of a public nature;
- (b) directed to charitable purposes; or
- (c) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)

(3) the interests of any person from whom you have received a gift or hospitality with an estimated value of at least £25.

## \*\* Description of “Disclosable Pecuniary Interests”

Any reference to spouse or civil partner includes any person with whom you are living as husband or wife, or as if they were your civil partner.

1. Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner, undertakes.
2. Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992. The relevant period is the 12 months ending on the day when you tell the monitoring officer about your disclosable pecuniary interests following your election or re-election, or when you became aware you had a disclosable pecuniary interest relating to a matter on which you were acting alone.
3. Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority under which goods or services are to be provided or works are to be executed; and which has not been fully discharged.
4. Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.
5. Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.
6. Any tenancy where (to your knowledge) the landlord is your council or authority; and the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.
7. Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where that body (to your knowledge) has a place of business or land in the area of your council or authority; and either: -
8.
  - (a) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
  - (b) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.
  - (c) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

## **Waste and Recycling Calendars**

Attached are the new waste and recycling calendars for your area.

## **What do you think?**

We value the comments of our town and parish council colleagues on how we plan to meet the financial and other challenges facing us.

If your council has any comments about our plans then please email us – and we will reply as quickly as possible.

For Babergh [workingtogether@babergh.gov.uk](mailto:workingtogether@babergh.gov.uk)  
For Mid Suffolk [workingtogether@midsuffolk.gov.uk](mailto:workingtogether@midsuffolk.gov.uk)

## **Keeping you informed**

Our councils have set aside a section on both our websites where town and parish councils as well as other key stakeholders can access information of particular relevance to them, including these newsletters.

These can be found at either:

[www.midsuffolk.gov.uk/workingtogether/keypartnersarea](http://www.midsuffolk.gov.uk/workingtogether/keypartnersarea)

or:

[www.babergh.gov.uk/babergh/KeyPartnersArea](http://www.babergh.gov.uk/babergh/KeyPartnersArea)

Thanks for reading this.