

## **FULL COUNCIL MEETING – Monday 14<sup>th</sup> October**

Question of service pressure on Town and Parish Councils in Cornwall.

I was given the other day a item to read from the Clerks Direct Magazine a publication for or aimed at Town Clerks. It was interesting as it was about Parish Precepts in England 2019/20 and it showed The highest Council Tax at Band D and Council with precepts in excess of £1m. From the information provided it shows that Council precepts in Cornwall feature in both the above tables very heavily. Does this show that Town precepts in Cornwall are under pressure to provide services to their communities. Or is it because Cornwall Council are passing costly services down to those councils.

What I am asking is for a review of this information so we the councillors understand the impact on towns and parish's as we represent an area that has low wages. It is a fact that many businesses are going into liquidation because of high rents, parking fees and business rates. Can the rates situation be the same for residents council tax payers?

# PARISH PRECEPTS IN ENGLAND 2019/2020



The Ministry of Housing, Communities and Local Government (MHCLG) has published details of the precepts issued by all parish councils in England. Comparable figures for Wales are now currently available. There are currently 10,206 in England of whom 8,858 raised a precept year with an aggregate total of £554,492,000. The average Band D precept was £67.18 a 4.9% rise (the same as last year), so demonstrating the responsible approach of parishes in setting precept levels and below the Government's ceiling for principal councils of 4.99%.

It is also interesting to note that there are currently 4,996 parishes in England with precepts in excess of £10,000 p.a., over 93% of whose clerks are in membership of SLCC. There are 58 local councils in England with precepts in excess of £1M, 212 councils with precepts exceeding £500,000 and 670 with precepts exceeding £200,000.

## The highest Council Tax at Band D

	£		£
Bodmin	325.29	Trowse with Newton	210.71
Holden	303.38	Calne	210.31
South Kirkby and Moorthorpe	299.96	Martock	209.29
Peterlee	289.00	Sherborne	209.01
Falmouth	278.90	Salisbury City Council	208.00
Easington Colliery	271.62	Hemsworth	206.50
Shildon	270.43	Malmesbury	205.49
Langport	261.43	Royal Wootton Bassett	204.81
Lilbourne	259.06	Gillingham	204.70
Cranbrook	256.03	Oundle	204.29
Truro	250.30	Dursley	203.17
Thornley	246.93	Dias	202.73
Great Aycliffe	244.59	Wadebridge	201.44
Broad Clyst	244.51	Penzance	201.42
Seaham	241.75	Callington	200.65
Shirebrook	240.72	Amphill	198.85
Chippenham	239.61	Whitwell	198.54
Bude-Stratton	236.32	Lydney	198.41
Filton	231.09	Somerton	197.44
Carnelford	228.52	Cricklade	196.72
Bridport	227.54	Silloth-on-Solway	196.15
Ferryhill	225.81	Lostwithiel	195.95
Blandford Forum	224.64	Kilmarsh	195.74
Launceston	222.02	Marlborough	195.13
Spennymoor	219.71	Redenhall with Harleston	194.96
Chilton	218.19	Stratton St Margaret	193.03
Newquay	215.49	Dorchester	192.76
Woughton	215.12	Great Dawley	189.95
Saltash	215.08	Camborne	188.63
Bishop's Castle	213.44		

## Councils with precepts in excess of £1M

3,370,661	Weymouth	1,273,530	Calne
3,016,222	Salisbury City Council	1,262,500	Huntingdon
2,948,550	Chippenham	1,253,331	Yas
2,297,506	Dunstable	1,233,447	Shrewsbury
2,162,328	Leighton-Linslade	1,226,695	Bytchley
2,112,554	Central Swindon South	1,210,200	Totton and Eling
2,007,277	Weston-super-Mare	1,197,150	Littlehampton
1,990,645	Falmouth	1,187,116	Hertford
1,851,318	Sutton Coldfield	1,158,050	Central Swindon North
1,846,320	Banbury	1,156,981	Saltash
1,797,593	Trowbridge	1,153,690	Aylesbury
1,783,537	Lowestoft	1,141,385	Sevenoaks
1,742,934	Truro	1,123,528	Woodley
1,725,101	Newquay	1,114,280	Ryde
1,661,050	Great Aycliffe	1,112,970	Seaham
1,620,578	Bracknell	1,110,978	Camborne
1,549,607	Abingdon	1,103,482	Saffron Walden
1,502,500	St. Neots	1,102,922	Farnham
1,468,070	Bicester	1,093,813	Lewes
1,463,971	Dorchester	1,083,677	Bishop's Stortford
1,435,067	Witney	1,065,416	Stowmarket
1,433,125	Bodmin	1,059,811	Halsham
1,398,595	Crowborough	1,052,119	Malden
1,389,218	Penzance	1,043,836	Reculver
1,369,964	Stratton St Margaret	1,033,517	Weybury
1,343,371	Frome	1,024,983	Harpden
1,332,754	Spennymoor	1,019,630	Rushden
1,280,443	Peterlee	1,016,200	Biggleswade
		1,000,000	Didcot

Since sending this to member of Cornwall Council I have spoken to a finance office who highlighted to me that the parish precept has doubled since Cornwall went unitary in 2009.

This makes me feel that I am looking at something important and action is needed to resolve

the issues of impact on Towns and Parish's. As Council tax has increased so has the impact on residents although wages are increasing so are all the costs of living. Although average wages in all areas of Cornwall continue to increase it is well known that many work on the minimum wage levels. This means that an over 25 working 37.5 hours per week gets £16,009 per year. But the calculation by Economic Growth indicates that a household income of around £19,000 is needed to pay the cost of living in Cornwall.

The above ties into my work on business rates that are having a detrimental impact on our High Streets. The number of businesses below going out of operation continues at a high level and reasons given are Business Rates, Rents and Car Park fees. See the information below

The number of insolvent companies in England and Wales rose to 4,320 in the second quarter of 2019, the highest in more than five years, from 4,212 in the previous period. Bankruptcies in the United Kingdom averaged 3637.35 Companies from 1975 until 2019, reaching an all time high of 6919 Companies in the fourth quarter of 2008 and a record low of 924 Companies in the second quarter of 1979.

The issues with rents is difficult and will need government intervention on this to solve as investors expect a higher percentage of return than they would get in a bank. Yet the other two elements Councils can have an influence on but not under the current system. What I would put forward is a replacement with a local sales tax similar to that used in other countries. Let me explain;

In a recent newspaper article the Managing Director of Tesco's proposed a sales tax on internet businesses of 2% which would reduce the business rates for the current payers by 20%. This is a great idea but does not go to keeping high Streets prosperous. So I proposed a sales tax on all goods and services so if the local high street prospers it also injects more into services for local residents. This makes local councils more interested in providing services to the communities so the high street provides more space, employment and prosperity. In other words if local residents see that by buying local it provides local that it raised the quality of life in your local area. It will help growth as currently have a small business with no business rates but to grow you will have to pay business rates on both businesses. The additional costs will make the decision more difficult so taking out business rates will help.

How would the sales tax be decided as it needs to replace business rates well this is more difficult but considering the above 80% to higher Council authorities, 15% into local infrastructure including the provision of low cost parking and 5% to local town and parish councils to pay for very local services. In addition I believe that the sales tax from internet businesses should be paid into the local communities that they impact on. So when in a very rural area people buy via the internet the business may go out of the community but there is a return to them. A simple post code system to do this would work.

I know by putting this on paper (or internet) the political factions in Cornwall will jump on this hounding me with questions or criticism but, there is a problem and I don't see many coming up with ideas. Maybe I am barking up the wrong tree but at least I am trying.

Regards.

Councillor Armand Toms

Looe East and St Martins

36 Trenant Road, East Looe, Cornwall PL131EP