# NEW FOREST ASSOCIATION OF LOCAL COUNCILS <u>www.nfalc.org.uk</u> ANNUAL REPORT – 2016/17

Our Association meets 4 times a year, and at our meeting in April 2016, Members considered the proposed engagement between NFDC and NFALC on matters relating to Safer New Forest Partnership issues with most members agreeing it was a good idea in principle, with input from the Police and Fire & Rescue.

The law requires certain authorities, including District Councils, to formulate strategies for reducing crime and disorder. In the New Forest District, this is done through the Safer New Forest Strategy & Delivery Group, a multi-agency group set up for this purpose which must include "matters which the persons living and working in the area consider the responsible authorities should prioritise when each are exercising their functions to reduce crime and disorder". Bob Jackson, Chief Executive of NFDC said towns and parishes would have the opportunity to influence what happens locally and be subject to review every six months or more frequently. It was agreed the Chairman of NFALC or representative should attend future meetings of the Safer NF Partnership to ensure a report was made and it was resolved that the Safer NF Strategy & Delivery Group be represented and speak at two meetings of NFALC in January and October to obtain the Association's views on: a) Issues for inclusion in the annual partnership plan and b) Performance against the plan.

Our AGM in July was dominated by a presentation from John Coughlan, HCC Chief Executive about devolution, suggesting a larger role for towns and parishes. Unfortunately, agreement could not be reached with other councils involved and so this initiative has floundered. At the same meeting, Bob Jackson, NFDC Chief Executive explained that in developing options for consultation all the district councils believe more time is needed to undertake a broader assessment of possible options, with more local input and more detailed information available to residents about what this means for them locally. The NFDC approach has been to keep talking to all "neighbours" to see where improvements in existing arrangements could be made and support this with detailed analysis. NFALC responded to the HCC consultation, as attached.

As part of the County Council consultation with Town and Parish councils, the County Chief Executive outlined the County options for change. The options included details of where in future services currently carried out by the District Council, might be undertaken via a Hampshire Unitary. This included the possibility of more services being undertaken by Town and Parish Councils or Area Committees. However, together with 5 other District Councils in Hampshire, NFDC commissioned Price Waterhouse Cooper to undertake an independent and detailed analysis of options for the delivery of services to people and communities. This was in response to the consultations undertaken by the 3 unitary authorities around the Solent City area.

Discussion at our October meeting centred on DCLG Precept Consultation, with Steve Parkinson from SLCC highlighting problems with proposed "capping". Many of the town and parish councils that had increased their Council tax last year above the 2% level did so because they were taking on devolved functions from their principal authorities or because their principle authorities were either reducing or removing the Council Tax Benefit Grant that Government had insisted should be passed on to the sector but was not being done. Many parish and town councils when increasing their precept for a major project have already consulted with their community in advance so a referendum would be duplicating the process. No consideration has been given to the possibility of a principal authority having to conduct multiple referendums for parishes in their area either in relation to cost or personnel resource. NFALC responded as attached. The Government demurred.

At our January 2017 meeting, we learnt about the Government's New Homes Bonus. This is an important part of the Government commitment to reward communities and authorities that embrace ambitious house building plans. It also provides valuable income for councils seeking to grow their local economies, which they can spend as they see fit. From next year, a revised national baseline for housing growth will be introduced, below which the New Homes Bonus will not be paid. The idea is to ensure the money is used to reward additional housing, rather than normal growth. The Government will consider withholding New Homes Bonus payments from local authorities that are not planning effectively, by making positive decisions on planning applications and delivering housing growth. To encourage more effective local planning they will also consider withholding payments for homes that are built following an appeal. A consultation will take place, but NFDC cannot hit growth targets, and so will lose out with £700k less grant next year.

In regard to Devolution, there was nothing new to report. Whatever the outcome of these discussions, without NFALC neither the District nor the National Park Authority nor County Council would have a vehicle through which they could all communicate and work in partnership with Town and Parish Councils. All 3 Authorities and now the Police and Fire & Rescue Service utilise this local Association to help them.

Cllr Goff Beck, Chairman
New Forest Association of Local Councils

### New Forest Association of Local Councils c/o Council Offices, Town Hall, Ashley Road New Milton, Hampshire BH25 6AS



www.nfalc.org.uk

John Coughlan
Chief Executive
Hampshire County Council
The Castle
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Dear Mr Coughlan

19 September, 2016

#### SERVING HAMPSHIRE

At our July meeting of NFALC, you kindly made a presentation to local town and parish councils asking them to consider the Hampshire County Council consultation regarding the future of local government in Hampshire. You explained **Serving Hampshire** was about finding alternative ways to sustain public services, and secure a devolution deal from Government for Hampshire as a whole.

Last week, I attended one of the HCC Workshops in Ringwood about the future of local government in Hampshire. This workshop, hosted by senior representatives from the County Council, provided local councils with an update on the 'story so far', setting out the County Council's position with regard to devolution and local government reorganisation. This thought-provoking workshop also provided an opportunity for local councils to make their views known and

- assessed the implications possible reorganisation could have on local governance
- considered potential opportunities for parish and town councils to have greater influence over some local services, per the informative slides attached

Meanwhile in developing options for consultation all the district councils believe more time is needed to undertake a broader assessment of possible options, with more local input and more detailed information available to residents about what this means for them locally. The NFDC approach has been to keep talking to other councils to see where improvements in existing arrangements could be made and support this with detailed analysis. This work is ongoing and together with other councils NFDC should have this information by October.

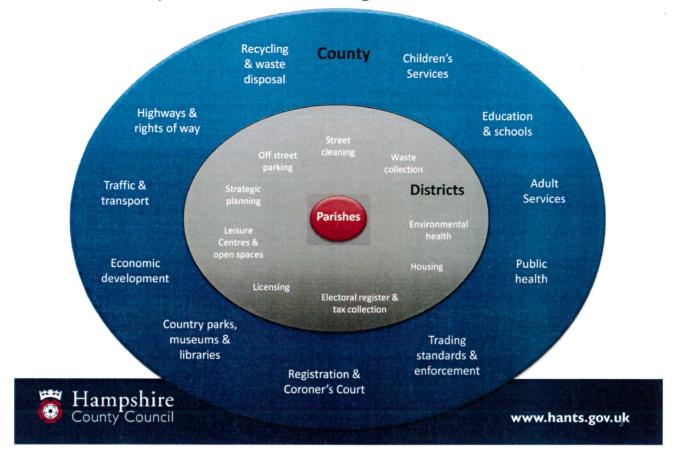
These are big issues at a challenging time for all in local government. With reduced resources, we all need to find ways to protect local services for the benefit of our residents. Whether the options are a combined authority, unitary authorities, or any other form of cooperation such as sharing services and setting up of trusts, they all require a real understanding of what the possibilities are and what the implications are for our residents, businesses and employees.

Our collective objective must be to ensure that the best possible local services are provided to our residents and give good value. This ultimately will require achieving the right balance between what residents want, alongside making the best use of limited resources.

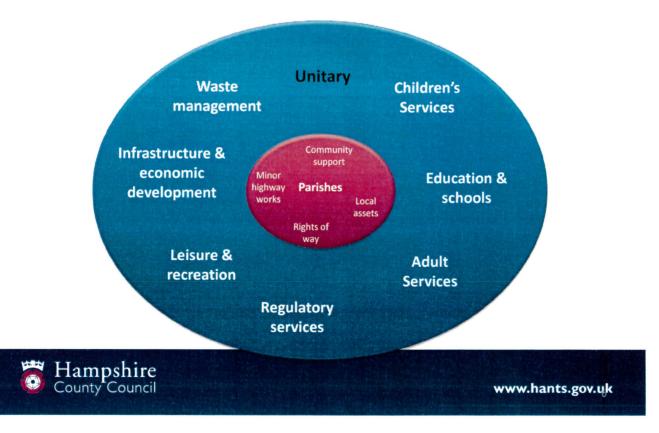
Yours sincerely

Cllr Goff Beck Chairman New Forest Association of Local Councils

## Service responsibilities - Existing model



Service responsibilities - Unitary model with some examples of deeper devolution



## New Forest Association of Local Councils c/o Town Hall, Ashley Road New Milton, Hampshire, BH25 6BZ

NFALC

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The Rt Hon Sajid Javid MP Secretary of State Department of Communities and Local Government 2 Marsham Street London SW1P 4DF

27 October, 2016

Dear Mr Javid

#### The 2017/18 Local Government Finance Settlement: Technical Consultation

I am writing on behalf of the New Forest Association of Local Councils (NFALC) that serves 37 town and parish councils across the New Forest District in response to the recent Local Government Finance Settlement Technical Consultation and in particular proposals by the government to extend council tax referendum principles to local town and parish councils.

We very much welcomed government decisions over the last few years not to introduce referenda principles for local councils which account for just 1.7% of the £26 billion raised through council tax in England and have demonstrated fiscal responsibility in recent years, rising this year by just 6 pence per week on average, mainly as a result of local councils taking on services from principal councils and funding not being passed on to them, and of new council creation including Sutton Coldfield, being bigger than some District Councils!

We are therefore extremely concerned indeed about the frankly bizarre proposals set out in the consultation, proposals which will be greeted by England's 9,000 local councils and 90,000 local councillors as a real blow to local democracy and their democratic role to make decisions on spending priorities, working with local communities to identify and meet needs.

From recent experience, it would appear that Central Government favours democracy by referenda, which if introduced more regularly to Parliament would aside from the cost cause administrative chaos, policy inertia and break the principles of representative democracy.

Right across the country, local councils are improving their areas; whether by supporting community resilience, increasing house-building through neighbourhood planning, administering local bus transport solutions such as CANGO, supporting the local economy and businesses, organising community events and festivals, helping meet youth care needs following the closure by Hampshire CC of the Phoenix Centre and making places like New Milton dementia-friendly, in addition providing grants to help local groups and organisations – all this and often more for an average cost to residents of just over a £1 a week.

In the New Forest, our local councils are leading the way, providing local solutions to service delivery problems, expanding in numbers, and working in partnership as part of the local government family. We were delighted to learn of the County Council's intention, announced on Saturday to pump prime more of these initiatives though grant funding, as part of the 'deeper devolution' work. Please do not cut this work off at the knees!

Therefore, we really do believe these proposals amount to a centralist sledgehammer to crack a nut, at a time when the government should be supporting, not undermining local councillors and their important role in improving communities. Introducing these new rules will also seriously damage the ability of smaller communities to help themselves and very much threatens the government's previous commitments to localism and devolution.

Consequently, it is vital that local councils continue to have the freedom and flexibility to raise the resources they need to invest in local people, especially at a time when they are taking on services and assets from principal councils, often much valued services which would otherwise cease completely and which communities have demonstrated that they want to see continue, including Children's Centres that are being closed in Hampshire.

Given their important and growing role, local councils should be celebrated and supported, not unintentionally hindered by central government. Ultimately, we want more community resilience, more people getting involved in local decision-making and to be engaged within the communities where they live – to be actively involved in local elections.

Effectively 'capping' parish precepts and forcing councils to hold costly referenda sends out a negative message about the first tier of local government, which we understand your Government hoped to underpin via the localism agenda with the Localism Act.

In addition, we are concerned about the unintended impact on devolution, putting into question whether local councils would be able to take on a greater or any future role including taking over services from principal authorities, or taking advantage of community rights legislation such as neighbourhood planning.

There is also the significant public cost that could arise from referenda, which in certain circumstances could be triggered by changes outside of our control, for example increases in business rates, NI or pensions. The cost would be similar to that of holding local elections. In summary, these proposals will damage communities and local services as well as undermining local democracy.

The New Forest Association of Local Councils asks that the Government reconsider their proposals, and visit us in the New Forest, so that we can show you what our councils are achieving, and why the principle of precept capping should not be introduced. If introduced, this single piece of legislation would be a hammer-blow to the very existence of local parish and town councils, and we are unsure that the Government seriously intended this.

Locally, if New Milton Town Council for example with a precept of £605k were to be capped at 2% next year that will only cover the £12k council tax support grant being withdrawn by New Forest District Council this year, as explained overleaf.

The same applies to Lymington, Totton and Hythe that DCLG somewhat disparagingly refer to as larger, higher-spending councils without actually knowing what they do.

Hence, we respectfully request that you review this matter properly in the light of the above.

Yours sincerely

Signed for and on behalf of Cllr Goff Beck, Chairman New Forest Association of Local Councils

#### **Council Tax Support Grant**

From 2014/15, a much reduced council tax support grant was paid to local councils by New Forest District Council following changes arising from the Council Tax Reduction scheme.

The Government abolished the national Council Tax Benefit (CTB) scheme on 31 March 2013 and required principal authorities to replace it with a 'localised' Council Tax Reduction scheme ('support') from 1 April 2013. At the same time, Government funding towards this 'support' was cut by around 10% by comparison with CTB funding.

In the New Forest, this represented a cut of about £1m, and for New Milton resulted in a reduction in grant from Central Government via NFDC of £47k over the last 4 years from £47,074 in 2013/14 reducing to £11,662 this current financial year 2016/17.

Bottom-line, town and parish councils have had to make up that shortfall imposed on them.