

Council Tax Support Grant

From: Sarah Adams (sarah.adams@swdevon.gov.uk)

To: parishclerks@westdevon.gov.uk

Cc: angela.endean@swdevon.gov.uk

Date: Friday, 8 November 2019, 14:46 GMT

Dear All,

On 5th November, the Hub Committee met to consider the results of the consultation exercise with Town and Parish Councils on the Council Tax Support Grant. Please find attached below a copy of the minutes from the meeting.

<http://mg.swdevon.gov.uk/documents/g1283/Printed%20minutes%2005th-Nov-2019%2014.00%20West%20Devon%20Hub%20Committee.pdf?T=1>

It was then RESOLVED that:

The results of the consultation exercise with Town and Parish Councils on the Council Tax Support Grant (set out in presented Appendix C of the report) be considered, and Council be RECOMMENDED to withdraw the Council Tax Support Grant from Town and Parish Councils with effect from 1 April 2020 by 100% as part of the budget process.

Councillors had a detailed debate on the Council Tax Support Grant. Some Members felt that it would better serve Town and Parish Councils to stagger the withdrawal of the Council Tax Support Grant, particularly in light of the Consultation responses received. However, other Councillors noted that to delay the withdrawal could adversely impact Town and Parish Councils, particularly if a Council Tax Referendum limit on raising Precept levels was introduced by the Government in 2021/22.

On balance, the Committee agreed to withdraw Council Tax Support Grant by 100% from 1st April 2020. This is due to the fact that the Borough Council now receives no Government grant to pass onto Town and Parish Councils and given the Borough Council's own budget position as set out in the report, where the Borough Council is facing a cumulative budget gap of £2.49 million over the next five years and a budget gap of £225,084 in 2020/21. This is also in line with the reduction of the Grant to Nil that other Devon District Councils have implemented and given the number of years which have passed since Council Tax Benefit was abolished in 2014.

A meeting of the Full Council will be held on 17th December where Councillors will consider the Hub Committee's recommendation above. We are conscious that Town and Parish Councils will be in the process of preparing the Precept calculations for 2020/21 and for planning purposes you might like to base your calculations on a withdrawal of the Council Tax Support Grant by 100% (with effect from 1st April 2020). If anything changes on 17th December we will let you know.

Many thanks,

Sarah