

## APPENDIX C

### Results of the consultation on the withdrawal of the Council Tax Support Grant (CTSG) September 2019

*NOTE: The table below gives a summarised version of the results of the consultation exercise with Town and Parish Councils. Each Town and Parish Council's full response is set out in the pages following this summary table.*

<b>In Support of Council Tax Support Grant Withdrawal</b>			
Town/Parish	CTSG amount £	CTSG as percentage of the Precept	Consultation Response
Dean Prior	109	2.88%	Agrees to the withdrawal over two years
Diptford	93	0.99%	No objection to withdrawal. Parish had long term notice and amounts involved will have little impact.
Ivybridge	16,250	3.6%	Appreciated that SHDC chose not to withdraw support before now. 50% CTSG for 2020/21 will be helpful. With the new climate declaration this money will certainly be helpful in enabling us to effect some support towards local initiatives.
South Huish	54	0.63%	No issue accepting the 50% reduction in 2020/21.
Strete	277	2.31%	Parish required to increase its precept, recognition of financial constraints on SHDC.
West Alvington	174	3.03%	No issue accepting the 50% reduction in 2020/21.
Malborough	612	2.28%	No issue accepting the 50% reduction in 2020/21.
<b>Not in Support of Council Tax Support Grant Withdrawal</b>			
Shaugh Prior	456	3.9%	Concern over significant precept increases whilst paying more for services undertaken by SHDC.
<b>Not in support - Alternative Proposal Suggested</b>			
Town/Parish	CTSG amount £	CTSG as percentage of the Precept	Consultation Response
Kingsbridge	6,871	4.62%	Requested that SHDC retain the current method of phasing out the CTSG i.e. reduction of 9.85% per annum
<b>Summary</b>			
Of the nine responses received, seven support the withdrawal of the Council Tax Support Grant. Two Parish and Town Councils are not in support, with one of these putting an alternative proposal forward.			

## **In Support of Council Tax Support Grant Withdrawal**

**Dean Prior** - Dean Prior Parish Council **AGREES TO** the withdrawal, over two years, of the payment of the Council Tax Support Grant.

**Diptford** - This is to confirm that at our September meeting **it was agreed that DPC had no objection to the withdrawal of the Council Tax Support Grant.** The council has had long term notice of this and it was agreed that the amounts would have little impact on the work of the council.

**Ivybridge** - This Council considered your letter at its meeting on 16<sup>th</sup> September and the offer outlined in respect of the Council tax support grant for 2020/21 and then repeated in 2021/22. With the new climate declaration this money will certainly be helpful in enabling us to effect some support towards local initiatives.

We were aware that nationally many principal councils ceased paying this money many years ago so it is appreciated that this is discretionary by South Hams DC and Ivybridge Town Council welcomes this intention to work together collaboratively for our communities.

**South Huish** - South Huish Parish Council would have no issue with accepting the 50% reduction.

**Strete** - The parish of Strete receives £277 in this grant in 2019/20 and according to your notification will see this reduced to £138 on 2020/21 and nil in the following financial year.

Whilst this amount is small at around 2% of our precept it will of course require the parish to increase its precept to make up the shortfall aside from other pressures on costs. However, we recognise the financial constraints on South Hams District Council.

**West Alvington** – Parish Council would have no issue with accepting the 50% reduction

**Malborough** – Parish Council would have no issue with accepting the 50% reduction

## **Not in Support of Council Tax Support Grant Withdrawal**

**Shaugh Prior** - Being a relatively small Parish (around 600 parishioners) our precept is quite small compared to other Parish Councils so any reduction in funding received would be a major cause for concern, particularly as District and County Councils are constantly looking to pass functions, that they previously carried-out, to Parish Councils (filling potholes, verge clearance, maintenance of toilets etc). All of these 'additional' works being passed over to Parish Councils have an associated cost yet the amount of funding we can call upon is being reduced through a reduction in the CTSG. It is also worth mentioning that costs are increasing in a number of areas for Parish Councils such as ours (the cost of the inspection and insurance of play areas provided by SHDC has increased massively over the past 24 months) yet funding is being reduced.

Clearly if the CTSG is being reduced yet we are being expected to take on more responsibility and pay more for services/functions undertaken by SHDC, then there will have to be a corresponding increase in the level of precept levied on properties in the Parish. Over the past few years we have tried to keep the level of increase placed upon our parishioners to no more than 5%. However we are getting to the stage where more significant increases will be necessary if we are going to continue to provide the services and functions that we currently do.

### **(An alternative proposal has been put forward by Kingsbridge Town Council)**

**Kingsbridge** - Thank you for your letter which was discussed at the council meeting held on 10 September.

Please find the minute below for the attention of the Executive:

**\*19/63 COUNCIL TAX SUPPORT GRANT FOR 2020-21\***

**\*\***

Members received SHDC's proposal to make a final Council Tax Support Grant at a 50% reduction of £3,435 on 1 April 2020 and then to withdraw the same. Data reported that the grant as a percentage of the Precept varied significantly amongst local councils from as little as 0.63% however, Kingsbridge came third out of 61 authorities in such a league table with the grant for the current financial year of £6,871 representing 4.62% of the Precept. Members noted that the grant had decreased by circa 10% year on year and that obviously KTC would have to increase its Precept by circa 5% just to retain the status quo. It was further commented that central government reported austerity had ended so Members found it curious that the grant was proposed to end. It was **\*RESOLVED \***to request SHDC to retain the current method to phase out the Council Tax Support Grant and for it to be retained for financial year 2021/22 and beyond in order to allow local councils to better manage their finances. **\*\***