



**THE TOWN COUNCIL
OF
ROYAL LEAMINGTON SPA**
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ROBERT NASH ACIS DMS
Clerk to the Town Council

Our Ref: RN/

Your Ref:

2nd April 2013

Dear Councillor,

A meeting of the **POLICY AND RESOURCES COMMITTEE** will be held in Meeting Room 5A, Town Hall, Parade, Royal Leamington Spa on **MONDAY 8TH APRIL, 2013 at 6.30 pm.**

The business will be as set out below.

Yours faithfully,

CLERK TO THE TOWN COUNCIL

To Councillors: Mrs S.E. Boad, T. Crockford, W.L. Gifford, D.A. Greenwood, S. Ingleby, J. Knight, A. Morrison and A. Wilkinson

(All other Members of the Town Council – Agenda for information only)

AGENDA

1. **APOLOGIES FOR ABSENCE**

2. **DECLARATIONS OF INTEREST**

Members of the Committee are invited to declare any interest they may have in items identified for discussion at the Meeting.

3. **PUBLIC FORUM**

To receive representations from members of the public in accordance with the Council's Standing Orders.

4. **MINUTES**

To consider and approve the Minutes of the Meeting held on 5TH March 2013 (Report No. 4)

5. **MATTERS ARISING FROM THE MINUTES**

(i) **Donation of Bench**

Town Clerk to report orally on progress and response of District Council Conservation Architect

6. HYBRID ARTS – LADDER PROJECT

To consider the attached Report (Report No.6).

7. ELECTORAL REVIEW FOR WARWICK DISTRICT

To consider the attached Report (Report No.7)

8. PROPOSED “ONE WAY” TRAFFIC FLOW – OSWALD ROAD

To consider the proposed introduction of a “one-way” traffic arrangement at Oswald Road, between the A445 Rugby Road and the B4099 (Warwick Place). Plan herewith

9. PARISH AND TOWN COUNCILS REFERENDUM BILL

To consider the attached Briefing Paper prepared by National Association of Local Councils. (Report No. 9)

10. TRANSITION TOWN LEAMINGTON

To consider a request for funding revenue costs associated with Transition Town Leamington (£546). Town Clerk to report orally.

11. ACCOUNTS

To approve a schedule of accounts for payment

MINUTES OF A MEETING OF THE POLICY AND RESOURCES COMMITTEE HELD ON 5th MARCH 2013 HELD AT THE TOWN HALL, PARADE, LEAMINGTON SPA

Present: Councillors Ann Morrison (Chairman), Sarah Boad, David Greenwood, Bill Gifford, Sue Ingleby, John Knight and Alan Wilkinson

57. DECLARATIONS OF INTEREST

There were no declarations of interest.

58. PUBLIC FORUM

There were no members of the public present.

59. HYBRID ARTS – YOUTH PROJECT

The Chairman welcomed Stella Kerr of Hybrid Arts to the meeting and invited her to provide the Committee with feedback on the success of the weekly club for disadvantaged young people which had been supported with a grant from the Town Council of £6,000 in 2012.

Ms Kerr referred to the work of Hybrid Arts which was increasingly involved in helping to meet the shortfall of services for young people as a result of the reduction in mainstream funding from other traditional providers. The project had been a particular success with the funding from the Town Council used to obtain a further £29,000 in funding from the Youth Music Mentoring project and Awards for All Lottery Fund. This funding had helped secure the project until August 2013. She briefly referred to the success of the project and the benefits derived by the young participants. In answer to questions, she confirmed that a large number of referrals to the project were made via the siblings of those involved, who themselves had obtained positive experience of projects at Hybrid Arts.

With regard to future initiatives, it was hoped to develop solutions for the growing number of young people in the age range 16-24 who were disproportionately represented among the number of people currently unemployed. The Committee thanked Ms Kerr for her presentation and advised her of the option to bid for further funding from the Council's Community Grant and Social Cohesion funds.

RESOLVED that the report is received and Ms Kerr thanked for her presentation.

Ms Kerr then left the meeting.

60. LILLINGTON LIBRARY – FUNDING OF ADDITIONAL HOURS

Consideration was given to a report (Report No. 6) prepared by the County Librarian concerning the options for continued funding of the additional opening hours at Lillington Library.

Linda Smith of the Library Service thanked the Committee for its financial commitment at a time when the Library Service had experienced significant challenges. She referred to the usage figures in the report, particularly with regard to the number of persons using the service between the hours of 4.30

pm and 6.00 pm (Monday) and 5.30 pm to 7.30 pm (Thursday) which were the hours specifically funded by the Town Council. She noted that over the period October to December 2012, usage had steadily increased with a preference being shown for Monday as opposed to Thursday. It was anticipated that the decision of the County Council to extend access to the computer network from 30 minutes to one hour would further enhance this upward trend.

In answer to a question, it was confirmed that the funding from the Town Council was used entirely for meeting the salary costs of the staff involved and that all other associated costs were being funded by the County Council. Work was proceeding to help identify volunteers to potentially assist with staffing the Library during these extended periods in the future.

RESOLVED

- (i) that the extension of the opening hours at Lillington Library continue for a further twelve months with a grant to Warwickshire County Council in the sum of £3,500;
- (ii) that user trends for the extended hours continue to be reported to the Town Council on a periodic basis; and
- (iii) that Warwickshire County Council prepares a Press Release to accompany this decision.

Ms Smith was thanked for her attendance and left the meeting.

Note: In accordance with the Council's Code of Conduct, Councillor Sarah Boad declared a personal interest in the above item of business by reason of being a Member of Warwickshire County Council.

61. MINUTES

RESOLVED that the Minutes of the Meeting held on 4 February 2013 are approved and signed as a correct record.

62. MATTERS ARISING

- (i) Old Town Portas Bid
The Chairman reported briefly on recent meetings held with officers of the District Council and members of the Portas Project Group to discuss a way forward with regard to the development of projects making up the successful bid to the Government "Portas" initiative.

It was noted that Councillors Morrison, Wilkinson and Gifford had indicated to the Project Group the willingness of the Town Council to help assist the Project as appropriate.

RESOLVED that the Report is noted.

- (ii) Donation of Bench
The Town Clerk reported that since the last meeting he had identified three potential sites for a bench on the Parade and was awaiting the observations of the Conservation Architect before a decision is made on the most suitable location.

RESOLVED that further consideration is deferred to await the response of the Conservation Architect.

(iii) Hire Charges – Council Chamber

The Town Clerk reported that the District Council was unwilling to waive the charge of £38 per hour for use of the Council Chamber despite the fact that, for many years, the Town Council had benefited from a no fee arrangement when booking rooms outside of its lease agreement. The Committee noted the response with dissatisfaction.

RESOLVED that no further action is taken and that, for the immediate future, meetings of the full Council continue to be held in the Council Chamber.

63. NAMING OF STREETS

Consideration was given to a report (Report No. 8) concerning the suggestion, proposed by the Labour Party, that streets be named after members of the Armed Forces who may have been killed on active service. Whilst supporting the proposal of naming streets after local residents who may have given their lives on active service, it was acknowledged that this would not be appropriate in terms of renaming existing streets since this would cause considerable inconvenience and confusion. The proposal was however merited in terms of future housing development.

RESOLVED that the District Council is advised that this Council would not support renaming existing streets after members of the Armed Forces but that it would consider such proposals for the naming of new streets favourably.

64. BUDGET MONITORING REPORT

Consideration was given to a report (Report No. 9) setting out the Council's financial position at the end of December 2012.

RESOLVED that the report is received.

65. ALLOTMENTS SUB-COMMITTEE

Consideration was given to the Minutes of the Meeting of the Allotments Sub-Committee on 19 February 2013 and the recommendations therein:

RESOLVED that the following applications for funding are approved

- | | | |
|-----|---|-------------|
| (a) | <u>Binswood Allotment Society</u> | |
| | Removal of former livestock sheds and fencing, including asbestos removal - £1385 | |
| | Construction of waste storage bunkers - £500 | |
| | | Total £1885 |
| (b) | <u>Old Milverton Allotment Association</u> | |
| | Extension of existing water supply -£836 | |
| | Boundary hedge cutting - £360 | |
| | Tree maintenance - £130 | Total £1326 |
| (c) | <u>Cliffe Allotment Association</u> | |
| | Shed Replacement Programme - £424 | |
| | Boundary Hedge planting - £52 | |
| | Hedge Cutting - £120 | Total £596 |

(d)	<u>Campion Hills Allotment Association</u>	
	Extension of water supply - £840	
	Clearing of overgrowth to extend potential plot use - £1430	
	(Less application of unspent funding 2011/12)	-£677
		Total £1593

Total grants awarded £5400

66. **ACCOUNTS**

A schedule of accounts arising for payment since the last meeting had been circulated and a copy is attached to the signed Minutes.

RESOLVED that the schedule of accounts is approved for payment.

The meeting commenced at 6.30 pm and ended at 7.55 pm

REPORT TO A MEETING OF THE POLICY AND RESOURCES COMMITTEE TO BE HELD ON 8TH APRIL 2013

HYBRID ARTS – LADDER PROJECT

1. PURPOSE OF THE REPORT

To consider an application for funding to support a training and development programme for unemployed young people.

2. INTRODUCTION

- 2.1 The Committee will be aware that Hybrid Arts, a locally based social enterprise, has developed considerable expertise working with young people across a range of disciplines. Formed in 2003 from a combined background of 30 years of arts practice, development and education, Hybrid Arts is dedicated to creating opportunities for people.
- 2.2 Hybrid Arts apply artists within a dedicated space to open up creative opportunities that work within the school system, adult market and within a simulated work environment. It provides opportunities for the community to experience first-hand life in a pioneering simulated studio environment within the creative industries. This creative experience is integral to designing compelling training opportunities and the undertaking of research, development and production of creative and innovative projects.
- 2.3 The experience gained by Hybrid Arts in working with young people has become increasingly recognized with regard to activity with 14-19 year olds who are NEET (not engaged in mainstream education, employment or training). Close working with this challenging but often inspirational group of young people has helped the organization to develop key skills which has resulted in it being approached by government agencies from across Europe and used as a base for case studies to demonstrate best practice.
- 2.4 The Committee received a presentation at its last meeting from the Director of Hybrid Arts on the outcomes of the weekly club for disadvantaged young people which received funding support of £6,000 from the Town Council in 2012/13.

3. LADDER PROJECT

- 3.1 Hybrid Arts is now seeking the Council's support and a financial contribution to the capital costs associated with a project aimed at improving outcomes for young people aged 16-24. The project is targeted at a client group which is increasingly over represented among the numbers of unemployed people. The project has three main objectives:-
- (a) to teach young people skills in technology and learn a trade
 - (b) to develop entrepreneurial skills

(c) To build confidence and self- esteem, helping to improve the employment prospects of young people.

3.2 The Ladder Project will be funded with contributions from Warwick District Council and the King Henry VIII Trust, together with a contribution from Hybrid Arts' own resources. The Town Council is therefore requested to make a one-off contribution of £4500 to a project with capital costs of £53,000. Revenue funding for the initial start-up and early years will be sourced from the Lottery and Children in Need appeal with the Project ultimately becoming self-financing. The Project is outlined in detail in Appendix 1 of this Report.

3.3 Within the financial year 2013/14, the Town Council has the following funding streams open to support such an initiative:-

Social Cohesion Fund	£8,000
Youth Initiatives	£4,000

Expenditure committed to date is the funding of the extension of opening hours at Lillington Library (£3500) hence the balance on the Social Cohesion fund is now £4500.

4. **RECOMMENDATION**

4.1 The Council has supported projects operated by Hybrid Arts in recent years and received evidence that funding has been used cost effectively. There is sufficient funding within the Social Cohesion Fund to support the project to the full amount requested but this would exhaust funding from this particular source for the remainder of the financial year. Some funding from the youth initiative budget could also be extended if considered acceptable.

Appendix 1

Report to a Meeting of the Policy and Resources Committee – 8th April 2013

The Ladder Project – skills for the unemployed

Project Summary

Hybrid Arts are experiencing high levels of young unemployed people from Leamington approaching us looking to do unpaid work experience and voluntary work, so they may have better chances of getting a job - we want to support them.

Nationally and locally, unemployed young people aged 16 to 24 are living in a time when finding a job in a recession is increasingly difficult because they cannot compete with older people who have had experience in the jobs market. They cycle through low-level training provision or churn in and out of short-term opportunities, whilst others are NEET. When young people fail to find work at an early stage in their working life they become quickly disillusioned, leading to low self esteem and a spiral of long term unemployment, isolation and a sense of worthlessness within their community. Evidence shows that these young people are more likely than their peers to go on to have negative outcomes including unemployment, low pay, poor health and depression.

We could lose a generation if young people cannot get on the career ladder - this project will benefit those most in need of support, giving them a chance to compete in the job market. With increased self-esteem, these members of the community will become less reliant on the state and contribute to a sustainable society in the future.

What we plan to do

We will provide experience of work for unemployed young people to give them experience, references and skills to get a job. We will use our expertise and facilities to build skills that employers are looking for and build confidence, presentation skills and self esteem in unemployed young people to develop a work-ready workforce.

This project will target unemployed young people who need skills, confidence and experience of work.

We are going to do this by setting up a **community print, film and animation facility** where we can provide a simulated work environment for young people to learn real skills in technology and its application to a variety of products, boosting their confidence to create products themselves. We will provide 3 formal training sessions and 2 drop in sessions per week for 30 young people at any one time, should a participant find employment we will open up the place for another unemployed participant.

Alongside practical training, the unemployed young people will be trained to volunteer and pass on their skills to 12-16 year olds. Training includes skills to work as part of a team in a professional environment, health and safety, how to recruit and train volunteers, software applications and professional development. This mentoring will involve working as a team to produce creative portfolios and giving them experience that will support them in their education and future training and employment.

Unemployed young people will also provide creative services for community organisations and thus have real life products that demonstrate their skills. This experience would provide the opportunity to work alongside peers delivering services and access training.

The young people will be mentored in job search and interview techniques, and will have the opportunity to enhance their CVs, enabling them to be better placed to gain employment. Hybrid Arts senior staff will write references and provide one to one mentoring and job search support and facilities.

Evidence of Need

There is a need to tackle the difficulty young people face in finding stable, career ladder employment.

Social mobility is a huge issue - for a lot of young people, internships are an essential way of getting on to the career ladder in their chosen profession. But if you don't have a relative who can support you, then unpaid placements are basically closed to you.

Employers are put off taking young people on without experience of work as they cannot spend time and money on that training - they are reducing the risks and raising the bar in this tight labour market. Employers consistently report that young people applying for vacancies often lack work related skills and attitudes which they need to secure and sustain employment. They are concerned that their CVs are poorly written; some do not turn up for interviews, and others have not prepared or do not understand the requirements of routine or punctuality. Sourced from *Department for Business Innovation and Skills January 2013*

Hybrid Arts know – from our current partnership work – that there are gaps in local provision. We are already delivering a community training programme in partnership with Job Centre Plus, offering unpaid work placements of up to 8 weeks as part of the Work Programme. We do not get any re-numeration from Job Centre Plus for doing this. Our intention is to continue this relationship and, through the Ladder Project, target those in most need of further training and support, building their work readiness, confidence and supporting them in their job search in a bespoke Hybrid way.

As part of our daily activity, Hybrid Arts make sure we keep abreast of the constant evolving changes in Government youth policy for skills, education and employment. We see gaps. The current initiatives in place through the Work Programme (an element of the Government's wider Youth Contract, which has recently been extended for a further 12 months to tackle the problem of growing youth unemployment) are short-term interventions, which we feel do not go far enough to support young people in a sustained way. Unemployed young people are currently churning in and out of short-term opportunities. Through this project, we hope to support in a more sustained way.

There are 139 NEETS (16-18yr olds) in Warwick and Leamington Spa – *CSWP Ltd, February 2013* In Leamington the break down by ward currently is Clarendon 11 Crown 15 Brunswick 19 Willes 12 Milverton 8

470 18-24 unemployed registered at Leamington Job Centre – *Job Centre Plus, February 2013*

Local NEET young people who attended our 2012 Annual General Meeting informed us directly of the need for sustained work experience activity.

Local unemployed young people self-refer on an average of 2 per week – requesting work experience or other opportunities.

Community members at our community showcase event in June 2012 expressed their concerns about youth unemployment and the numbers of young people hanging around with nothing to do.

Feedback from clients of Leamington Spa Job Centre at an employer event in January 2013 – 98% thought that work experience and mentoring opportunities would help make them more employable and would boost their confidence when searching for jobs, completing job applications and attending job interviews.

Evidence from our Work Club – a space to support job search and confidence building, delivered in partnership with Job Centre Plus – attendees tell us that young people need work experience on their CVs, but that there are gaps in local provision - limited work experience placements are available but they are short term and usually do not come with training available.

The evaluation of a similar Work Experience scheme we delivered in 2011 as part of the government's Future Jobs Fund informed that 97% of placements we delivered resulted in interns going into full time employment.

Following on from this we have worked in partnership with Leamington Job Centre over the last twelve months, and promoted 10 different Work Experience placements.

The opportunities for work experience in Hybrid Arts have covered gardening, technical support and teaching support. Expressions of interest have been high, 62 altogether, this has translated into 14 placement starts for our 18-24 year olds, one of whom went on to start a gardening Apprenticeship with a local Garden Trust.

1 is currently on placement. Of the remaining 13, 9 young people went on to secure employment. Hybrid Arts do not get paid any funding for this partnership with the Job Centre.

Project Outcomes

Increased social mobility will provide long lasting sustainable improvement for the Community of Warwick District

By providing exciting opportunities that progress young people and inspire others to engage, we envisage the project will impact positively on the lives of whole families - older siblings becoming positive role models for younger members of their families - leading to sustainable and cohesive communities.

Building self-confidence and esteem in young people has a knock on effect, extending to respect for your surroundings – reduction in anti social behavior and vandalism. With less young people hanging around with nothing to do, members of the wider community can feel safe and unthreatened. Less unemployed and NEET young people will improve the economy for the local area and the District as a whole.

Numbers

The following numbers are predicted, based on current demand and interest of young people at Hybrid Arts, and data from past projects:

We will support 30 16-24 year olds per year for 4 years= 120 young people progressing into employment or further training.

It is hard to quantify the positive impact on the wider community including families of the young people, schools, the Police and other statutory services, yet we can predict a more cohesive and stronger community from this project.

Budget

We are asking the Town Council for a small amount of leverage funding for a larger project, supported by WDC Rural/Urban Capital Fund, Henry VIII Endowed Trust and Hybrid Arts own funds. This funding is for capital equipment to resource the project. This project has been designed to become sustainable and revenue funding to start it off will come from Children in need (£25,000 per year for 3 years) and Lottery funding (£40,000). The capital funding will enable to project to run for 4 years. 2013-2016

Income

Royal Leamington Spa Town Council	£4500
King Henry VIII Trust	£15500
Warwick District Council Rural Capital Fund	£26500
Hybrid Arts	£6500
Total	£53000

Expenditure

Furniture	£4000
Silk Screen vacuum bed	£6000
Silk screen exposure unit	£6200
Silk screen printing equipment	£3800
Silkscreen frames	£1800
Animation equipment	£7000
Software licences	£7000
Photography equipment	£9505
Printer	£320
Cameras for animation x3	£2700
Film cameras for animation	£3500
Scanner	£975
Plans chest	£200
Total	£53000

REPORT TO A MEETING OF THE POLICY AND RESOURCES COMMITTEE TO BE HELD ON 8TH APRIL 2013

ELECTORAL REVIEW FOR WARWICK

1. PURPOSE OF THE REPORT

To consider the outcome of the recent review of Electoral Ward boundaries by the Local Government Boundary Commission

2. INTRODUCTION

2.1 The Committee considered a report at its meeting on 4th December 2012 setting out proposals by the Local Government Boundary Commission for new electoral Wards and electoral arrangements for Warwick District. The draft recommendations by the Commission have been considered along with the various representations made to them and the final recommendations have now been published. These recommendations are discussed in this Report, particularly those changes to Parish electoral arrangements which affect this Council most closely. The full Report by the Commission can be viewed on its website at www.lgbce.org.uk

2.2 The Committee will recall that at the meeting in December it expressed dissatisfaction with the outcome of the Review in terms of its consequences for Parish electoral arrangements and pointed to the fact that the Commission had not complied with its own criteria for achieving equality in terms of representation or arrangements which reflected community identities. It was considered that the arrangements, if implemented, would cause confusion among the electorate and result in a significant increase in costs to be borne by the Parish ratepayer. The changes to the District Ward boundaries were considered acceptable. In particular it was held strongly that the Parish Wards should provide equality of representation, reflect community identity and provide a pattern for combined District and Parish elections which is understandable to the electorate.

3. BOUNDARY COMMISSION FINAL RECOMMENDATIONS

3.1 The Boundary Commission recommendations fall into two parts:-

- Changes to District Wards and District electoral arrangements
- Consequential changes to Parish (Town) electoral arrangements

3.2 The Town Council was satisfied with the proposals for the introduction of uniform two Member Wards in place of the present combination of some two and some three Member Wards. The Commission has largely confirmed these proposals which will lead to the implementation of the following new District Wards for Leamington with effect from the next elections in May 2015:-

Ward	No of Councillors	Electorate (2012)	No of electors per Cllr	% Variance from average	Electorate 2018	No of electors per Cllr	% Variance from average
Brunswick	2	4692	2346	7	4886	2443	6
Clarendon	2	4663	2332	6	4784	2392	3
Crown	2	4480	2240	2	4694	2347	1
Leam	2	4140	2070	-6	4358	2179	-6
Manor	2	4508	2254	3	4627	2314	0
Milverton	2	4795	2398	9	4967	2484	7
Newbold	2	4498	2249	2	4676	2338	1
Sydenham	2	4441	2221	1	5022	2511	9

3.3 As far as Royal Leamington Spa is concerned, at District Level the present six wards are expanded to eight wards, whilst the total number of Councillors remains unchanged.

3.4 It should be noted that having regard to the objections raised by the Town Council in relation to the unnatural boundary divisions arising at Parish level, the Boundary Commission responded as follows:-

“Leamington Spa Town Council supported our draft recommendations in this area but highlighted concerns over the establishment of what it considered to be a number of small parish wards. We have therefore decided to amend the boundary between Brunswick and Leam wards to follow the railway line and division boundary to improve coterminosity in this area. With the exception of this minor change, we are confirming our Brunswick, Leam and Sydenham wards as final.”

3.5 With regard to the proposals for Parish Wards, disappointingly the Boundary Commission has failed to acknowledge this Council’s concerns and has adhered to the original draft recommendations. As previously reported, these are as follows:-

Parish Electoral Arrangements

Ward	No of Members	Electorate (2012)	Ratio: Councillor/Electors
Arlington	2	4560	1:2280
Brunswick North	2	3925	1:1962
Brunswick South	1	1546	1:1546
Clarendon	1	2471	1:2471
Leam	2	4358	1:2179
Lillington	2	4635	1:2317
Lime	1	3288	1:3288
Milverton	2	3067	1:1533
Northumberland	1	100	1:100
Sydenham	1	3100	1:3100
Victoria Park	1	1975	1:1975
11	16		

Note: The previously proposed Clemens Ward consisting of only 106 electors has been dropped and subsumed within the Brunswick North Ward. All other proposals remain unchanged.

3.6 The above mentioned modification does little to address the Town Council's concerns in relation to equality of representation, community identity and conformity to District Ward boundaries.

3.7 The Boundary Commission Report does acknowledge that under the Local Democracy, Economic Development and Construction Act 2009 it only has the power to make changes to parish electoral arrangements where these are as a direct consequence of its recommendations for principal authority warding arrangements. However, Warwick District Council has powers under the Local Government and Public Involvement in Health Act 2007 to conduct community governance reviews to effect changes to parish electoral arrangements. It is submitted therefore that in view of the fragmented nature of the Ward Boundaries at Parish level and the disparity in electoral representation ratios arising from these changes, that Warwick District Council is requested to commence a community governance review of Royal Leamington Spa Parish as a matter of urgency with a view to the adoption of revised electoral arrangements for the Parish elections in May 2015.

4. RECOMMENDATION

4.1 The Boundary Commission has made its final recommendations on District Ward arrangements and consequential Parish Council arrangements. This will be given effect in the form of an Order before Parliament in the coming weeks.

4.2 As the Boundary Commission's remit is restricted to changes to Parish electoral arrangements which are a direct consequence of changes to Principal Wards, the District Council has powers to review Parish Council Warding arrangements, including Ward names and Ward elector/Councillor ratios as part of a community governance review. It is therefore recommended that such a review be commenced as a matter of urgency and that the District Council is requested accordingly.



Precept Referendums Bill

What is in this for local councils?

Local councils will wish to be aware that a Bill was introduced on 19th March 2013 (first reading) which aims to cap local council precepts by imposing referendums on a precept increase of 2% or more. As it was introduced during the build up to the budget announcements the day after, there is a danger that this Bill will have gone largely unnoticed. It is the Parish and Town Council Precepts (Referendums) Bill.

Government has introduced a series of challenges to the historic local freedom to precept according to local need, namely:

- The introduction of a central Government annual decision on whether to impose costly and automatic precept referendums on communities
- The introduction of a new council tax system which has reduced the tax base, creating a starting point for the calculation of council tax (and precept) whereby its cost is spread across fewer households
- The introduction of a paternalistic discretionary grant, designed to compensate local councils for the new council tax system, which subjugates local councils to the will of the local billing authority which has freedom to withhold the grant or provide it with conditions
- The anticipated absence of a compensatory grant in 2014-15 which, among other things, will leave those councils that reduced their precept and topped up their income with a grant in 2013-14 more vulnerable to automatic precept referendums if they are imposed in 2014-15
- The introduction of this latest Bill by Conservative MPs which aims to prevent local councils from increasing their precepts by 2% or more. Given the size of most local council precepts this figure is clearly misguided.

The imposition of these measures, which take control away from local people, has a cumulative effect which seriously undermines the ability of local councils to:

- Respond to the localism agenda
- Help communities to become more self-reliant and resilient
- Deliver or support valued services which have been cut by principal local authorities
- Identify and protect vulnerable groups
- Grant fund community, voluntary and charitable organisations and
- Undertake meaningful engagement with the community

The introduction of the Bill can be watched at:

<http://www.parliamentlive.tv/Main/Player.aspx?meetingId=12780> - stream to 13.47.33.

The Bill is not yet available but will be available on the Parliament site closer to the date of the 2nd reading along with the details of progress of the Bill and other documents at:

<http://services.parliament.uk/bills/2012-13/parishandtowncouncilpreceptsreferendums.html>

The Hansard transcript of the introduction of the Bill can be found at:

<http://www.publications.parliament.uk/pa/cm201213/cmhansrd/cm130319/debtext/130319-0002.htm#13031966000001> 19 March 2013 Column 820 - 821

Any local councils wishing to express their reasoned opposition to the Bill will wish to be aware that the MPs presenting the Bill are Kris Hopkins (Keighley) (Conservative), Dr Thérèse Coffey (Suffolk Coastal) (Conservative), Stuart Andrew (Pudsey) (Conservative), Alec Shelbrooke (Elmet and Rothwell) (Conservative), Craig Whittaker (Calder Valley) (Conservative), Simon Reevell (Deswbury) (Conservative) and Julian Smith (Skipton and Ripon) (Conservative). Councils will also be aware that the Bill is unlikely to be successful without Government support and Eric Pickles, the Communities Secretary, will be influential in this respect. Contacting your local MP might also help influence whether the Government supports the Bill.

Deadline: Ongoing with the 2nd reading in the House of Commons on 26th April 2013

Eric Pickles, Communities Secretary, has described local councils as ‘localism’s magic wand’¹ and Government has placed local councils at the centre of community empowerment measures in the Localism Act 2011, such as neighbourhood planning. However, all of these initiatives require significant effort and cost at a local level. Additionally cuts in public services, a reduction in available grants for community and voluntary activities and facilities and an increased expectation that communities will be self-reliant have all contributed to increasing the pressure on local councils to deliver more for their communities. Although local councils use volunteers and explore innovative ways of delivering services, there is inevitably a need to raise the precept in some circumstances to respond to local needs.

Currently, the Localism Act enables automatic precept referendums, leaving local councils subject to an annual central Government decision on whether to apply the referendums for the subsequent financial year, which councils to apply the referendums to and what level of precept would be deemed excessive. Government has already stated that it will not apply referendums for 2013-14 but has reserved its position for 2014-15.

Compounding the problems created by potential precept referendums, Government has changed the way that the tax base is calculated for the purpose of council tax with the result that the local council precept will be spread across fewer households. New grant arrangements subjugate local councils to the will of local billing authorities as to whether they are compensated for the effect of the new arrangements on the local electorate. Some local councils have had conditions placed on them by the local billing authority. In other cases they have not been passed the grant that was given to the local billing authority to compensate local councils for the change. Local councils that received the grant and reduced their precept are now at greater risk of being subject to precept referendums in the event that they have to increase their precept back up to the previous level that applied prior to the tax base arrangements changing.

Detail

The Parish and Town Council Precepts (Referendums) Bill 2012-13 is a Private Member’s Bill which was introduced in the House of Commons by Kris Hopkins, MP, on 19 March 2013 under the Ten Minute Rule. This allows MPs to make their case for a new Bill in a speech lasting up to ten minutes. If the MP is successful, as he was in this case, then the Bill is taken to have had its first reading. The text of the Bill is not yet available and is likely to be printed closer to the second reading debate on 26th April 2013.

The Bill is intended to give effect to Schedule 5 of the Localism Act 2011; to amend section 52ZC of the Government Finance Act 1992 (inserted by that Schedule) to require parish and town councils to conduct local referendums in the event that they choose to increase their precept by 2 per cent or more in the following financial year; and for connected purposes.

The text of Schedule 5 which inserts a new section 52ZC into the 1992 Act is:

‘52ZC Determination of whether increase is excessive

(1) The question whether an authority’s relevant basic amount of council tax for a financial year (“the year under consideration”) is excessive must be decided in accordance with a set of principles determined by the Secretary of State for the year.

(2) A set of principles—

(a) may contain one principle or two or more principles;

¹ Eric Pickles, Communities Secretary, 28 November 2012, NALC Larger Councils’ Conference

(b) must constitute or include a comparison falling within subsection (3) below.

(3) A comparison falls within this subsection if it is between—

- (a) the authority's relevant basic amount of council tax for the year under consideration, and*
- (b) the authority's relevant basic amount of council tax for the financial year immediately preceding the year under consideration.*

(4) If for the purposes of this section the Secretary of State determines categories of authority for the year under consideration—

- (a) any principles determined for the year must be such that the same set is determined for all authorities (if more than one) falling within the same category;*
- (b) as regards an authority which does not fall within any of the categories, the authority's relevant basic amount of council tax for the year is not capable of being excessive for the purposes of this Chapter.*

(5) If the Secretary of State does not determine such categories, any principles determined for the year under consideration must be such that the same set is determined for all authorities.

(6) A principle that applies to the Greater London Authority and that constitutes or includes a comparison falling within subsection (3) above may only provide for—

- (a) a comparison between unadjusted relevant basic amounts of council tax,*
- (b) a comparison between adjusted relevant basic amounts of council tax, or*
- (c) a comparison within paragraph (a) and a comparison within paragraph (b).*

(7) In determining categories of authorities for the year under consideration the Secretary of State must take into account any information that the Secretary of State thinks is relevant.'

Many local councils have already been dismayed at the proposed automatic precept referendums, created by the Localism Act, which represent a potential erosion of historic local financial freedoms to respond to local needs. The application of referendums to local councils is cumbersome, costly and counter-productive for communities and fundamentally undermines the ability of local councils and their communities to support the localism agenda. Indeed, the mere threat of automatic precept referendums has meant that those local councils that are aware of a future expenditure need have been forced to carefully plan in advance increases to their precepts or put aside money in reserves just for the cost of a referendum.

BBC Democracy Live 19 March 2013

Town and parish councils should be forced to win a local referendum if they want to increase the amount of council tax charged on their behalf by more than 2%, Conservative MP Kris Hopkins has said. On 19 March 2013, Mr Hopkins introduced his Parish and Town Council Precepts (Referendums) Bill to the Commons. He told MPs: "Parish and town councils have no accountable body.

"I believe we have a duty to ensure the public have a say in any precept rise and a clear understanding of why that rise is in place.

"Many people are struggling at the moment and every effort, however small, to reduce the demands on the household purse should be made."

His bill was given an unopposed first reading but is unlikely to make further progress without government support.

<http://www.bbc.co.uk/democracylive/house-of-commons-21845253>

Local councils provide a sustainable catalyst specifically for local community activity as well as providing the means to translate community aspiration into reality through their officer and councillor resource and their power to raise a precept. It is notable that complaints about the local council precept are unusual. This is because the benefit of the local council precept spending is both comprehensible and tangible within communities and has been decided within accessible local meetings open to public scrutiny. There are no alternative ready and accountable means of spreading the cost of a community project across a particular community.

In the past, comparisons have been drawn between the smallest district council and the largest local councils which is misleading owing to the failure to take account of outcomes, public satisfaction levels and the fact that principal local authorities received not only council tax but also, for example, significant sums from revenue support grant, business rate income and area based grants through which to fund their expenditure.

Growing Population and Active Councils

Even if Government applies a de minimus threshold, the extreme variation in local councils, reflecting the communities they serve, is likely to mean serious inequity ensues in the event that Government applies blanket centrally-imposed referendum or capping controls. The most active and most community-responsive councils are likely to be among those whose communities have to bear the cost of an unwarranted automatic referendum. There are also concerns about how those areas with growing populations will be dealt with as their precept will increase as their electorate expands.

Examples of Services in the Community Likely to be in Jeopardy

Few councils have significant reserves and they are likely to run into problems with future necessary commitments where they have relied on their ability to vary the precept annually in line with community need but may now face costly automatic referendums. The combination of the lack of comprehensive funding and expenditure streams of the other tiers of local government and modest reserves means they are singularly vulnerable to fluctuating community and legislative demands. Sadly, some councils planning cost-saving measures in 2014-15 to save their community money e.g. through investing in new environmentally friendly street lighting systems, are having to reconsider their plans until they know whether automatic referendums will be imposed. The threat and cost of a referendum might well put in jeopardy the optional expenditure of local councils in providing annual grants to local voluntary and community groups who rely heavily on the support of their own local council for valuable services, such as village halls, social inclusion events and community medical support.

Impossible to Define "Excessive Increase"

Local councils will be only too well aware that the application of a centrally defined technical target-type assessment of what is an 'excessive increase' is to misunderstand the unique nature and responsiveness of each local council, as defined and shaped by its own local community. For example, the application of a 20% figure on last year's precept of £500 amounts to £100 and on a £50,000 precept is £10,000 and in each case the amount could represent a single modest community project at a small cost per elector. In either case to count the increase as 'excessive' and add on the cost of a referendum would be disproportionately burdensome on that community as well as making the project unviable.

Mandatory Responses to Existing Legal Requirements Creates Costs

It is also important to consider the impact that even one of the many duties on councils, which create costs unpredictably and outside of the council's control, could have if they arise e.g. a number of unwarranted Freedom of Information Act 2000 and Data Protection Act 1998 demands, demands for allotments under the Small Holdings and Allotments Act 1908, demands to deal with unwarranted objections to the accounts or respond with additional information to the auditor under the Audit Commission Act 1998, demand for elections when a vacancy on the council arises under the Representation of the People Act 1985 and a duty on local councils under the Inclosure Act 1857 to prosecute individuals who damage or obstruct village greens. Responding to these mandatory demands can only, in many circumstances, be satisfied by a rise in the precept in the subsequent year. Not only might the council have had to deal with an unauthorised encampment on village land but they might also be obliged to pay for a referendum with grave consequence on council finances in the event that the referendum goes against them. This is not profligate expenditure but legitimate community-centred spending which might end up costing a community more if referendums are applied.

Referendums are Discriminatory

Another issue is that it becomes unclear why communities should embark on community plans as it appears that referendums are now preferred to genuine community engagement. Community plans are a comprehensive way of identifying everyone in the community and ensuring people have the opportunity to help decide the future needs of their local area. They involve young and old, vulnerable and strong, employed and unemployed in the process of shaping their community. Community plans are presented to local councils as a mandate for local council actions. It would now seem that local public meetings, surveys and community plans will become a wasteful expenditure as ultimately the decision on whether to proceed with actions will be taken through a referendum involving only the mobile, committed, vocal and voting part of the electorate. Certainly, referendums are relatively inaccessible and are especially so if the relevant principal local authority can combine referendums into one place which could be miles away from a parish boundary.

Councils wishing to influence the passage of this Bill could make representations to their local MP, Communities Secretary (Rt Hon Eric Pickles MP) or to the MPs responsible for presenting the Bill. With the latter, it is important to contact them through their House of Commons address (House of Commons, London, SW1A 0AA) and to make it clear that they are being contacted because they have presented the Bill. Further opportunities will arise during the passage of the Bill but pressure at each stage might prevent the Bill proceeding unchallenged. Reference material for matters contained in this LAIS are included within the summary box on page 1.

