

COUNTING THE COST OF CAPPING

Every household in Hambleton should by now have received a new council tax bill – showing a slight reduction in the amount payable this year.

For most it means getting a £5.64 refund – 11p a week. It is a task that has cost Hambleton £30,000 to administer – but one forced upon the council by central government.

It has been caused by a system called ‘capping’. This spring Councillors agreed to raise council tax in Hambleton by £12 a year – to £80 for an average Band D property. That plus £2.9 million from council reserves was needed to fund a £10.5 million budget.

However, when examined by the Government the £12 rise was deemed ‘excessive’ – because while only small in monetary terms, it was high – 17.6% - in percentage terms.

Ministers said that any rise of over 5% would not be tolerated – and ‘capped’ the council’s budget to prevent that happening. But we were not told in advance that only percentage increases would be considered this year – and not include the cash value of the tax, which have been looked at in the past.

They did not take into account that:

- **At £80 Hambleton’s council tax was the third lowest of 238 shire districts in the UK - a position it still stands at following capping**
- **Nationally this year’s average District Council tax is £143**
- **The government’s own calculation of what our council tax should be is £182**
- **Hambleton got top marks for financial management in its Audit Commission inspection and was rated an ‘excellent’ council in its national CPA assessment**

Budgets have now been re-set for this year – with the £196,000 in lost income taken out. And a new draft financial strategy for the next ten years has been formulated – detailing where the cuts could be made.

That strategy is currently being considered by councillors – residents will be asked for their views in the New Year.

SOME OF YOUR QUESTIONS ANSWERED

Why did you raise the council tax by more than 5%?

Council tax was set this spring – and new budgets formulated. Whilst the Government gave an indication that they would be looking at councils that set their rise higher than 5%, the actual capping criteria was not received by Hambleton until after councillors had set the budget.

In previous years both the % rise – and importantly for Hambleton - the cash value were considered. And no one believed that with such a low tax the government would take out all reference to cash.

So at only £80 – and a total of less than the average national district council tax of £143 - we believed this was acceptable.

At this level council tax was the third lowest in the country for a district council. Add parish charges to the bill and it was also the third lowest at £102 – and almost £232 lower than the highest district (including parish charges), Sedgefield.

Why do I have to have another bill?

Under government regulations all capped councils have to re-budget and re-bill no matter how large or small the refund – we cannot carry the council tax and budget reductions over to next year.

Where will the savings come from?

Savings will be made in all service areas. But some schemes that the Council has been planning to introduce – such as reduced fares for young people and street wardens have been shelved for this financial year, and may not now be implemented.

Why can’t you just use Council reserves?

It is true that Hambleton has substantial reserves - £27 million - and currently has £10 million of this set aside to keep council tax low. The reserves come from the transfer of our housing stock in 1993 and through good financial management.

We have been using them to keep council tax low while at the same time improving services. More than £18.7 million from these reserves has been used in this way over the last 12 years.

However if we continue to use them to fund not only this years shortfall but the drops in income in the coming years caused by capping they will be gone within three years - and we will end up £21 million in the red by 2014!

We have to re-look at the budget in terms of what the government is likely to allow us to charge in increased council tax year on year – we had hoped for a £15 a year rise for the next nine years. But that is unlikely to be acceptable.

The new financial strategy will allow us to use some of our reserves every year – but the reduction in available

money will mean some schemes will be reduced and many scrapped.

What services will be cut?

There could be cuts to any of the services. Currently members are looking at the budget as a whole and will consult with the residents on it early in the New Year.

What is the point of asking us what we want – and then cutting services?

As part of our public consultation programme we constantly ask you what you want from the council – what do you want us to provide.

Based on our last research we agreed a package of additional services worth £407,000 every year. However capping changes things – that money cannot be allocated.

In the longer term we may still be able to provide some of the services you asked for – improvements in recycling and crime cutting cameras. But in order to do that there will have to be cuts elsewhere to balance the budget – and it this process that we are working through at the moment.

Early next year – through the Hambleton News – we will be asking you for your views on our proposals.

Any other questions?

If you have any other queries on capping and the council’s budget write to Peter Simpson, Chief Executive, Hambleton District Council, Civic Centre, Stone Cross, Northallerton DL6 2UU.

NEW OFFICE BRINGS BETTER ACCESS



Hambleton’s second ‘one stop shop’ has opened its doors to the public.

The brand new office is the latest phase of a £7 million community facility for Stokesley.

Town Close also houses a new library and resource centre, office facilities and meeting rooms as well as extra care apartments.

The joint Hambleton District Council, North Yorkshire County Council and Broadacres Housing Association scheme came on line this summer when the first residents began moving into their new flats.

The council’s office opened up in September and is able to handle all existing services from paying a bill to collecting a car park disc. And it also houses a remote contact centre which can link directly with the main offices at the Civic Centre in Northallerton to answer more detailed queries – perhaps on planning or licensing matters.

Stokesley resident Michelle Duke Essex and her children Millie and Libby are pictured with customer services officer, Sandra Hall.

THUMBS UP FOR £6 MILLION SCHEME

A £6 million scheme to create a new extra care housing scheme in Easingwold has got the final thumbs-up.

The ‘state of the art’ development will replace the Tanpit Lodge elderly person’s home in the town with 39 self contained flats. A range of new and improved facilities will be added to the 24 hour, 365 days a year care and support.

Hambleton District Council is one of the key partners in the scheme – with North Yorkshire County Council, Selby and York Primary Care

Trust and specialist housing provider, Housing 21.

Funding is coming from the county council, Department of Health, Regional Housing Board and Housing 21.

Each flat has its own facilities including kitchen and bathroom as well as access to a shop, hair salon and restaurant. The accommodation and staffing levels will mean that even the frailest of older people can be cared for in any of the flats. And there will be five flats specifically designed for people with higher levels

of dementia to ensure that all the current Tanpit Lodge residents can be offered the new accommodation.

“The scheme has been drawn up in response to older people’s aspirations to retain their independence with care close at hand,” said Councillor David Blades, Cabinet member for Housing.

“We have listened to what people are telling us they want and need. It is a very exciting development for Easingwold and one we hope to see repeated across the district.”