

Motion to Council on adequate funding of services delivered in this Borough.

Proposer: Cllr Tony Kearon

Seconder: Cllr Dave Jones

This council notes that:

Since 2010 this council has been required to set an annual budget against a backdrop of significant year on year reductions in the annual financial settlement from the department for communities and local government (DCLG).

As of 2019/20 that annual financial settlement will be reduced to £0.00.

According to figures published by HMRC in 2017, the average Newcastle resident pays approximately £4,200 a year in income tax to central government. The most recent HMRC figures indicate that residents of this Borough pay up to £228,000,000 in income tax annually. This figure does not include VAT, duty on petrol or alcohol, road tax or the many other forms of tax that our residents pay to central Government.

Newcastle residents also paid £41,748,433 in Council Tax to Staffordshire County Council during this financial year.

Of all of the Council Tax paid by residents in this Borough, the only amount that is currently guaranteed to be spent in Newcastle is the 12% of Council Tax payments that is allocated to Newcastle Borough Council.

This council believes:

That the hard working residents of the this borough deserve to see a fair and reasonable share of their income tax allocated back through the financial settlement. This will ensure that a fair share of money raised from Newcastle residents is used to fund services delivered by this Council for Newcastle residents.

That our residents deserve a commitment from the County Council that Council Tax PAID in this Borough will be SPENT in this Borough.

That the County Council should provide a clear and auditable statement, outlining spending commitments for Newcastle residents against council tax revenue.

This council resolves:

That within 7 days of this meeting, the leader and finance portfolio holder send the letter (A) which is attached to this motion as an official letter signed by them and the Chief Executive, to the Prime Minister and the Chancellor of the Exchequer and to commit officer time to support an ongoing cross party public campaign by this council to demand an end to unfair and disproportionate austerity cuts for Newcastle and for a fair share of the tax we

pay to come back to our Borough to fund services delivered by this Council. This campaign will continue until such time as there is an end to the income tax rip off of the people of Newcastle. A copy of this letter must be circulated to members of this council and released to the media.

This council also instructs the leader of the council and portfolio for finance to send, within 7 days of this meeting, the letter (B) which is attached to this motion as an official letter signed by themselves and the Chief Executive to the leader and finance portfolio of Staffordshire County Council and to commit officer time to support an ongoing cross party public campaign by this council to demand that Council tax paid in this Borough is spent in this Borough. This campaign will continue until such time as this undertaking is secured. A copy of this letter must be circulated to members of this council and released to the media.

Text of letter A (to central Government)

Dear Prime Minister/ Dear Chancellor

Residents of the loyal and ancient Borough of Newcastle under Lyme are decent, hardworking, innovative and resourceful citizens. Over many years we have made a significant contribution to the economic well-being of the region and the nation. We continue to make a significant contribution, not least in terms of the tax income that we contribute to central Government.

According to figures published by HMRC in 2017, the average working Newcastle resident pays approximately £4,200 a year in income tax to central Government, but many of our residents pay significantly more. The most recent HMRC figures indicate that residents of this Borough pay up to £228,000,000 in income tax annually. This figure obviously does not include VAT, duty on petrol, alcohol and cigarettes, road tax and various other forms of tax that residents of Newcastle also pay to central Government in addition to income tax.

Newcastle under Lyme Borough Council has just met to set its budget for 2018-19. As has been the case every year since 2010 this budget has been set against a backdrop of significant year on year reductions in the annual financial settlement the Council receives from the DCLG. That settlement to this Council will fall to £0.00 in 2019. Like many Councils, we are increasingly struggling to fund services. Like many other councils in the North and the Midlands, we have been forced to sell assets to cover our day to day operations. This is NOT viable, and the deliberate under funding of Councils like ours has to end.

For our hard working residents to pay out so much in income tax, and for virtually none of that income tax revenue to come back to fund services delivered in our Borough by this Council is both unfair and unsustainable. We call for an end to this misguided policy that

starves local Government of the funds that we desperately need to deliver the services that our hard working, tax paying residents deserve.

This council and the people of our Borough are not asking for charity, or a hand out, or a special favour from central Government. We are demanding that a fair and reasonable share of the income tax paid by residents of this Borough comes back to this Borough in the central government grant which funds services delivered by this council.

This letter marks the beginning of an ongoing campaign for an end to the unfair and disproportionate cuts that we have experienced, which will continue until our Borough receives a fair share of the tax we pay.

Text of letter B (to the County Council)

Dear Leader/Portfolio for Finance

Residents of Newcastle under Lyme are decent, hardworking, innovative and resourceful citizens. Over many years we have made a significant contribution to the economic well-being of the County. We continue to make a significant contribution, not least in terms of the council tax that our residents contribute to Staffordshire County Council.

In the current financial year, Newcastle residents paid £41,748,433 in Council Tax to Staffordshire County Council.

With funding from the DCLG being cut to virtually nothing, our residents, and the services that they rely on, are increasingly reliant on funding from Council Tax. But of all of the Council Tax paid by residents in this Borough, the only amount that is currently guaranteed to be SPENT in Newcastle is the 12% of Council Tax payments that is allocated to Newcastle Borough Council. We do not think that this situation is sustainable.

We think that our residents deserve an undertaking from the County Council that Council Tax PAID in this Borough will be SPENT in this Borough. At our February meeting this Council has adopted a motion that calls on the County Council to deliver an auditable commitment that the full sum of council tax paid to the County Council by residents of this Borough will be spent in this Borough.

This letter marks the beginning of an ongoing campaign for a fair deal on council tax, which will continue until our Borough receives this clear and auditable undertaking on council tax expenditure by the County in our Borough.