

Mid Suffolk District Council – Town and Parish Council Liaison Meeting, 28<sup>th</sup> November 2012.

There were two distinct themes to the meeting; Community Engagement 2012 and Strategic and Financial Planning 2013/4.

Parish Councillors will have encountered one small element of the Community Engagement Programme when they completed the Community Quality of Life questionnaires at the September council meeting.

What was this all about?

Well, it concerns the availability of finance or, more precisely, the lack of it. The Coalition government is reducing the amount of finance it provides to local government as part of the continuing austerity programme. MSDC expects to lose approximately £1.15 million pounds per year for each of the next three financial years

This is a huge amount of money for a relatively small organisation. When you consider that £100,000 is equivalent to 1% of council tax revenues then these reductions equate to 12% of the council tax take **per year!!**

It is not MSDC's intention to raise council tax by an equivalent amount to compensate for this loss but rather to make savings in administrative costs. Savings of £1.4 million have been identified for the financial year 2013/14 as a result of the integration of MSDC and Babergh councils.

So far, so good, but what about the next two financial years 2014/15 and 2015/16?

To make further savings, MSDC believes it must redefine its role i.e. what should it do, why should it do it and how should it be done. This is the purpose of the Community Engagement 2012 programme; to re-examine, in consultation with stake-holders, the core purpose of the council.

There was much discussion at the liaison meeting on how the Community Engagement programme is being implemented. They have already consulted with 280 businesses, parish/town councils and other organisations and this process will continue with group specific meetings and input from District Councillors.

When all this information is gathered, collated and analysed, MSDC will then be able to decide what it is to do in future and how it is to be done.

The council officers were at pains to stress how challenging the financial future is for MSDC with continuing reductions in central government funding, aging population, increasing unemployment, particularly youth unemployment, and the increasing responsibilities, both financial and administrative, being placed on the council by changes to the benefits system, particularly the Universal Credit.

There was a lively discussion about Neighbourhood Plans. Local councillors felt there was a lack of guidance from MSDC planning department on how to implement these plans and confusion as to what finance was available to parish councils, if any. MSDC officers replied that the planning

departments of MSDC and Baburgh were in the process of being integrated and consequently planning officers had a huge workload but matters would improve shortly. There was a lack of clarity from central government regarding finance for Neighbourhood Plans but whatever figure is eventually decided, this will be available to defray MSDC costs and not to cover the costs incurred by Parish Councils in drawing up the plans.

In future, MSDC revenue stream will to some degree be determined by how successful the council is in implementing the government's growth agenda. That is, council revenue growth will be determined by how many new houses are built within the mid-suffolk area and the increase in the number and size of businesses. This will have a major impact on planning policy.