

P-05-726 Give Rate Relief to Local Authorities for Leisure and Cultural Facilities – Correspondence from the Petitioner to the Committee, 16.04.17

Hi Kayleigh,

This is my response to the letter from Mark Drakeford dated 12 Jan 2017 in ref to petition p-05-726.

With regards to the planned changes to the NDR system to support small businesses, this sounds like something I would fully support and I would agree that supporting small businesses should be a priority.

However I would also suggest that local authority funding should also be an immediate priority. It's quite concerning to see that improving the local government finance system is considered to be a long term goal, coming even lower in the priority list than making administrative improvements to the NDR system. It seems to me that local authority funding will reach crisis point within the next term of council for many authorities. Local authorities have already been forced to implement so many cuts and efficiencies over the last few years and some authorities are at the point where there is simply no more savings to be made without severely degrading essential services.

It is my strong view that short/medium term action is needed to alleviate the financial pressures on local authorities.

With regards to the specific terms of the petition, there is an inherent unfairness in providing rate relief to outsourced local authority services while charging full rates to exactly the same services which are run by the local authority. This effectively rewards local authorities for outsourcing while penalising local authorities who decide to keep services in house. To put it another way, council tax payers are paying a premium for the privilege of keeping public services run by the public sector. Additionally, as local authority funding pressures keep increasing it can be expected that more and more of them will choose the outsourcing option and therefore the loss of NDR income will come whether this suggested rate relief is implemented or not. The only difference is we will have unnecessarily have lost control of many of our services in the process.

I would urge members to consider the difficult position which local authorities are in right now and show a willingness to support them.

Regards,

Ryan Dansie