

2004 Current Press Releases

2003 Press Release Archive

Print this page Printer Friendly

You are Here: [home](#) | [press releases](#) | [press-releases-2004](#)



8 July 2004

### FRUSTRATION AND DISAPPOINTMENT AT CAPPING APPEAL DECISION

Shepway District Council has reacted with frustration and disappointment to the government's decision to cap its spending.

The council had appealed against capping but heard today (Thursday 11 July) that the appeal had not been successful.

The announcement by Local Government Minister, Nick Raynsford, means that the council must now reduce its level of council tax increase from 28.9 per cent to just under 20 per cent and cut its spending for the 2004/05 year from £16m to £15.4m

Council Leader, Linda Cufley said: "I am bitterly disappointed with the announcement. When we made our original decision, we knew we were going for a high council tax increase, but we had to find some way of breaking out of a dire financial situation which was none of our making.

"If we had kept our council tax increase to low single figures, we would have had to have cut £2.5 million from our budget in March. The Minister has accepted that we need a much higher increase in the level of tax and therefore the cuts are not as severe as they might have been.

"We have seen what the public feels about cuts in services and we will try wherever we possibly can to look for every last penny in efficiency savings. However, at this level of capping, we will have to make some very tough choices.

"I was particularly disappointed that the minister didn't even allow for the near-£100,000 it will cost us to send out the new bills."

"I read the Minister's statement and I notice his logic did not extend to the Labour Telford and Wrekin which he decided not to cap."

Deputy Leader, Cllr Paul Marsh, echoed Cllr Cufley's disappointment and frustration. "We felt we made an extremely strong case against capping. We will now have to consider further cuts and also face the unnecessary additional expense of sending out new bills. And all this for the sake of saving an extra 30p a week for an average Band D property."

All 44,000 homes across the district will be sent new council tax bills which will bring, for the average home, a reduction of 30p a week. The minister's decision will have to be confirmed by Parliament before new bills can be sent out. The cost of rebilling represents £2 a year for each home.

To meet the enforced reduction in council tax, Shepway Council must find £600,000 worth of savings from its day-to-day spending. The council is working in partnership with Kent County Council and other partners to try and make these savings while maintaining frontline services and meeting government targets

A special meeting of the council will be held in late July or early August to set a new council tax. For every £1 collected by the council only 15.8p goes to pay for services its provides. The rest is collected on behalf of Kent County Council, Kent Police, Kent Fire and Rescue Service and parish and town councils.

ENDS

Press Office Tel: 01303 852461 Cor Media Services General Enquiries

