

Council Tax Referendum - FAQs

Why?

1. Why are you doing this?

Warwick District Council declared a climate emergency in June 2019 in response to the extensive impact of climate change; most recently bushfires and extreme weather events in Australia and the evidence of collapse of glaciers and ice shelves in Antarctica and sea ice in the Arctic; and closer to home, the severe floods in the UK. The Council is fully committed to tackling carbon emissions, to achieve net zero for the council by 2025 and for the wider district by 2030. The declared emergency requires clear, direct and prompt action and will deliver other important improvements to the quality of life in the District:

- Improving energy efficiency in houses – helping to lower energy bills
- Adopting a sustainable transport policy – reducing congestion and reducing air pollution
- Improving health and well-being by improving housing standards and encouraging a more active lifestyle
- Enhancing our natural environment via offsetting work, such as tree planting and improving wildlife habitats
- Encouraging the local economy by helping companies to improve their energy efficiency, lowering their costs and attracting new low carbon companies

Success depends on support and commitment from the wider community and secured funding which is essential to deliver the emergency solution. The climate emergency is the responsibility of us all and we all need to commit to resolving this.

2. Whose decision is it?

The council's political leaders have made this decision collaboratively across all political parties. The decision to set the level of council tax is for all members of the Council to decide on 26 February. It will then be for all the local electorate to vote and decide whether they agree with the increase.

3. WDC declared the climate emergency, why can't you just pay for it?

The Council has limited funds available. In future years it is forecast that the Council will need to make savings out of existing budgets and generate additional income to enable it to provide the current levels of services to residents. If any existing money were to be used for the Climate Emergency initiatives, this would require budgets to be reduced for core services, so reducing the levels of service provided.

4. **Isn't it a bit ambitious for the local Council to think it can solve a climate emergency? It is ambitious and we know** we cannot solve it all on our own but we can do our bit. We can recognise the implications and lead the way in terms of enabling and supporting community-wide action. But the responsibility to take local action sits with us.

5. How did you decide the amount to increase?

The increase proposed for the Climate Emergency is £1 per week for a Band D household, amounting to £52 per annum. This is in addition to the £5 increase to continue supporting services. The total increase for a Band D household is £57 per annum for the District Council's element of the total council tax. The sum requested is felt to be a reasonable sum to ask for such an important issue.

6. How do we know that you won't just keep coming back for more?

This is part of a plan to collect a council tax levy each year for the next 10 years. This would provide circa £30million of council controlled funds to deliver the Action Programme. The Council will also be investigating external funding opportunities and ring-fencing the savings it makes by making its own operations carbon neutral, e.g. fuel and energy savings into a Climate Action Fund.

7. Why don't you put the money to some of the bigger, more influential lobbying groups?

This proposal is about making practical differences on the ground to deliver those improvements to the quality of life in the District set out in 1 above. Lobbying by the Council will not achieve this. Local action is required

8. Surely it's my personal choice to decide which groups and charities I support? Why are you forcing me to support your plans?

This is not about force, nor is it about supporting particular groups or charities. Climate change will affect our lives, just think of what is happening in Australia or what happened late last year in Yorkshire with the severe floods. This proposal is about ensuring we understand the implications of the climate emergency and the cost and commitment that is essential to ensure we can deliver a local solution. The referendum enables you to cast your vote, based on making an informed decision.

9. This might be your priority, but it's not mine, I'm more concerned about...X, Y, Z – why should I contribute?

The referendum enables you to cast your vote, based on all the information available to you. We hope you will consider it a priority for this generation to resolve and for future generations.

The increase

1. How much extra am I going to pay per month/year?

On a Band D property, you will pay an extra £1 per household per week. The District element of the Council Tax is currently £166.86 for a Band D property, if the referendum is not supported, this will increase by £5 to £171.86, if the referendum is supported it will be a £57 increase to £223.86. We don't yet know how much the pre-cepting authorities (Warwickshire County Council, Warwickshire Police and Crime Commissioner and parish/town councils) intend to increase their element of the council tax.

2. When is the vote/referendum?

7 May 2020

3. Who is eligible to vote?

- This is based on inclusion in the register of electors and on eligibility to vote in local government elections for a particular area.

4. Can students vote?

Yes

5. Am I paying the increase before the referendum? Why?

The legislation stipulates that the Council must agree to the "Excessive" increase in council tax. This is then legally the level of council tax the Council must bill for, and for local residents to pay. If the increase is subsequently not agreed by the referendum, the Council will be able to send substitute bills.

6. Why do you need a referendum, can't you just increase council tax?

Legislation dictates how much councils are able to increase their share of the council tax by. If the increase is above these levels, a referendum needs to agree the increase.

7. Do I need to continue paying before the increase is agreed?

Yes, if the referendum is unsuccessful, your instalments will be recalculated to take into account the additional amount you have paid when new bills are sent out. Until new bills are sent out, the original bills remain in force, with payments in line with the instalments in the original bill.

8. What happens to my bill if the increase is overturned?

New bills will be issued in due course. The instalments within the new bill will reflect the payments residents will have paid based on the original bill, so reducing the new instalments. Until new bills are issued, council tax should continue to be paid in accordance with the original bill.

9. **How much does a referendum cost?** The cost of the referendum is estimated at £300,000. **And why don't you just put that money towards the Climate Emergency?** The money needed to be spent on the Climate Emergency and the Council's commitment needs significantly larger sums. The sum for the referendum is a one off cost whereas the proposed increase is ongoing. This amount will be paid for by re-investing money from the New Homes Bonus.

10. **How much is this going to cost to re-bill everyone if it's overturned?**

The full cost, including software changes, printing, postage, and additional staffing costs, is estimated as a one off cost of £200,000. This amount will be paid for by re-investing money from the New Homes Bonus.

11. **Can I opt in?**

No. The increase in council tax will apply to all households in the district, and will be applied according to the council tax banding of their property.

12. **What if I can't afford it?**

If you are on a low income you may qualify for a reduction under the council's Council Tax Reduction Scheme for those who are liable to pay the council tax and on low income. Depending on income and household circumstances, pensioners can receive up to 100% reduction and working age customers can receive up to 85% reduction. There are other discounts and exemptions available in certain circumstances. Further information can be found on our website at:

https://www.warwickdc.gov.uk/info/20593/council_tax

13. **Is it for one year only?**

No this is a 10-year plan, to achieve net zero across the district by 2030, so bringing the council circa £30million funding. If the increase is agreed, this will then be the new base level of council tax for future years. It is not intended for similar further increases to be applied in future years (which would require another referendum), but there are still likely to be increases in council tax to assist the council to continue to provide core services.

14. **Will it be reviewed every year?**

Yes, a report will be presented to Executive detailing the initiatives for year one, of a ten year plan. Future levels of council tax will be reviewed annually as part of the Council agreeing its Budget each February.

15. What percentage vote is needed to carry this decision forward?

A simple majority of one is required, with no minimum turnout.

The income

1. How much will the Council make in total from this council tax increase?

In 2020/21 the Council should generate an additional £2.9m, with similar sums in subsequent years.

2. What savings will be made from implementing the action plan?

The Council anticipates fuel and energy savings. In addition, it is hoped that some residents can expect to save money on their household bills as a result of improved energy efficiency.

3. What is the council tax levy for?

It will only be used to tackle the climate emergency, and will be known as the Climate Action Fund (CAF).

4. What difference will it make to me?

The Council's plan is expected to make improvements to your quality of life in the district in various ways, and this will be as a result of lowering congestion, additional tree planting, and improving energy efficiency.

5. How will we know if you've used the money for what you said?

The Council's annual accounts will feature the Climate Action Fund, so that residents can see a clear link between what is raised and what it has been used for.

6. How will we know if you've been successful?

We will be monitoring Co2 emissions. The Climate Emergency Programme Board will be responsible for delivering the actions and they will be reporting back to the council's Scrutiny and Executive on at least a quarterly basis; with all reports available for public scrutiny.

7. What if the Government makes more money available for the Climate Emergency?

The Council will be actively seeking other funding opportunities, as the amount raised from council tax levy will not be sufficient over the 10 years. Our aspiration would be to use the monies available from the Council Tax rise to attract external funding, increasing the funds in the Climate Action Fund to c£100m over the next 10 years.

8. What about income from new houses? Can't this be used?

An element of council tax from new properties will be able to assist the Council to pay for core services. In line with most councils', Warwick District Council still faces major challenges in future years to balance its budget and provide the current level of service to residents.

Services

1. What happens to your plans if the increase is over-turned?

New council tax bills will be issued. Councillors would then need to review how funding can be re-directed towards the Climate Emergency from other Council budgets, and how this may impact upon core services.

2. What happens to the services that already need investment?

Existing services are not expected to benefit from the proposed £1 per week at Band D council tax increase. The Council will continue to seek savings and generate additional income to enable it to invest in services.

3. What about your new HQ? Can't you use the savings you were making from moving?

The HQ project is currently on hold as members review their priorities and whether to proceed with the proposed re-development of Covent Garden and Riverside House. The savings anticipated from the previous HQ relocation project were to be used to support core services and should the project proceed this would remain the intention. In making their decisions Members will scrutinise how any plans also help to deliver the Climate Emergency Action Programme by reducing the Council's carbon footprint.