

Supporting speech – Jim Forrest

A recent Guardian article by columnist Simon Jenkins described three homes recently bought by American hedge fund billionaire Ken Griffin.

One was a very desirable address at Hyde Park Corner, overlooking Buckingham Palace, for which he shelled out £100million.

A more modest town house on the other side of the park at Carlton House Terrace cost him a mere £95million.

But his New York *pied a terre* - a tower block penthouse overlooking Central Park South - cost him the eye-watering dollar equivalent of £200million.

The property tax on Mr Griffin's New York home will be equivalent to around £210,000 a year.

But if had been able to find two homes in the Borough of Fareham at prices comparable to his London homes, his annual Council tax bill for the pair, under this budget, would be just £6,605.04p, each of them being taxed in the highest bracket, Band H.

We don't have any £100million homes in Fareham. But in our local estate agents these days you'll see many homes advertised at over £1million, and a good few at £2million or even £3million.

Those homes, in a range between 10 and 30 times the price of the cheapest homes in the borough, will be paying no more than three times the lowest amount of Council tax.

When Council Tax was introduced more than a quarter of a century ago, it put a handicap on the power of local councils to provide the services our citizens need, by imposing that narrow limit on tax bands.

And governments have subsequently increased the

handicap many times over, by refusing to review Council tax bands in the light of soaring property prices.

The present Government, not content with that, cut the funding provided to councils from Central Government funds by 49% in real terms between 2010 and 2017.

At the same time it imposed restrictions even on the limited tax-raising powers we have, and this has also resulted in real-terms cuts in funding for services.

Now, local taxes in the UK amount to just 1.6% of Gross Domestic Product. In France they are 5.8%, in Germany 11%, and in Sweden 15.8%.

British local government is among the poorest-funded in Europe, giving our citizens minimal say in the services which affect us most in our daily lives. Yet we have the nerve to accuse other countries of being over-centralised.

In truth, Britain has one of the most centralised systems in Europe. One which imposes on local Government: Cuts in funding; cuts in services; and a tax system which ensures that the burden falls most heavily on those least able to afford it.

Against that background, our Council officers in Fareham are to be congratulated on providing the level of services that they do.

There are further services I would like to see them provide. For example to take advantage of recently granted powers and subsidise public transport. That would both help many of our older or less affluent citizens maintain their mobility, and ease the burden of traffic on our roads.

But under this tax regime I can't see a way to finance those services without unacceptable reductions in others. So I will reluctantly support the budget offered today.

But in doing so, I would urge this council to work through

the Local Government Association to persuade Central Government to reform council finances, review the outdated Council Tax bands, so that Councils can provide the services in a way that is both prudent and fair.

In a phrase which may resonate with Conservative councillors: It's time for Local Government to Take Back Control.