

# Community Governance in Birmingham: The Next Decade

## **Paper 4:**

Proposal for a Town Council for  
Sutton Coldfield in Birmingham.  
The City Council's Conclusions



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## 1. Introduction

Birmingham City Council has received a valid petition from local residents requesting the creation of a town council for Sutton Coldfield. By law this means that the City Council must carry out a 'Community Governance Review' to decide whether to accept this proposal. The City Council voted to do this at its meeting in September 2014 and the review must be completed within a year of the council publishing the terms of reference for the review.

It is important to understand the options for Sutton Coldfield in the context of the changing governance arrangements for the city as a whole, so the review has also covered some of these issues. We have issued three consultation papers so far and one of these was an initial paper on the Sutton Coldfield proposals to inform the consultation. We also published a more detailed analysis of the legal and financial implications alongside it. These papers can be found online at [www.birmingham.gov.uk/community-governance-review](http://www.birmingham.gov.uk/community-governance-review)

Councillors of all parties on the council have been engaged in considering the issues involved and have come to a consensus about how the council should consult and the proposal itself.

This paper summarises the feedback the council received from the consultation, clarifies the options available and presents our conclusions. The residents of Sutton Coldfield will now be able to vote on the proposal, through a postal consultative ballot, before the final decision is made by the City Council in September.

Consultation has been carried out as described below. We have also studied the legal framework for town and parish councils, looked at how existing town councils operate (weighing up fairly the benefits associated with them and how much they cost to run) and assessed the potential for a town council to deliver some City Council services.

The petition itself (the subject of the review and the consultation) simply calls for the creation of a town council (which would have the role and powers set out for parish councils in law). However, the Sutton Coldfield Town Council Referendum Group has also published further proposals which go well beyond the standard role and functions of a town council. As these may have been widely seen and discussed by residents, this report also addresses them, so that people can make an informed response in the light of our conclusions. Our response to these proposals is given in the appendix to this paper.

## Summary of our conclusions

In summary, we have concluded that there are three broad options for the future governance of Sutton Coldfield, within the City of Birmingham as outlined below.

1. Maintain the status quo of district and ward committees, but move to a more extensive 'neighbourhood challenge' role to improve all local public services, along with the rest of the city.
2. In addition to the above, take up other opportunities to create parish (neighbourhood) councils for the smaller neighbourhoods that people identify with, such as Boldmere, Mere Green, Falcon Lodge or Wylde Green.
3. Adopt a town council for the whole area of the Sutton Coldfield parliamentary constituency as specified in the petition, alongside the existing arrangements.

The option of a town council for the whole of Sutton Coldfield needs to be considered alongside the existing district committee of city councillors. Though it would be possible to make this work, there is at least a risk that this will create confusion and tension and we believe other alternatives would lessen this.

While legally independent from Birmingham City Council, a town council would have a legal right to retain relatively modest powers and functions and it is unlikely in the present circumstances that the City Council will transfer or delegate further significant services or assets to it. Many of the services and functions that have been proposed for a town council are not possible within the legal or financial framework of local government. The context in Birmingham is not the same as that in, say, Shropshire (a comparison addressed in this report), where a whole layer of government (district councils) was removed and effectively replaced by town councils.

Taking a realistic view, it is likely that a town council would cost Band D council taxpayers an additional £50 per year, with running costs of at least £200,000 (a cautious estimate). Our conclusion is that it does not offer good value for money.

We recognise that a town council would have the potential to innovate by promoting community engagement and developing new activities within its legal remit, but we feel this can be achieved better through other options, such as 1 or 2 above. We would urge residents to take up the offer to create smaller neighbourhood councils instead and support the new role for district committees that we are developing.

The town council proposal is not a step towards separation from Birmingham. That option is not on the ballot paper and cannot be decided locally. It would require a change in legislation by Parliament.

## 2. The consultation

### Consultation methods

The consultation was conducted in a number of ways as outlined below.

- Email and postal comments on the consultation paper.
- A questionnaire on the council's online Be Heard consultation portal.
- A discussion group with members of the People's Panel resident in Sutton Coldfield.
- An 'area briefing' with members of the public for 'the North' of Birmingham.
- Discussions organised by ward committees and neighbourhood forums.

The specific consultation questions about Sutton Coldfield (in consultation Paper 3) are listed below.

- What do you think the benefits might be of having a town council in Sutton Coldfield in addition to the governance arrangements proposed in Paper 2: The Future of Community Governance in Birmingham?
- What do you think are the drawbacks and costs of a town council?
- What do you think the impact of a Sutton Coldfield Town Council would be on the governance of Birmingham as a whole?

### Response achieved

In all, 231 responses were received by email or post, of which 217 focused on the town council proposal. The discussion group consisted of a representative cross-section of 16 residents and 37 people attended the northern area briefing. In all, 155 responses were received to the Be Heard questionnaire, which covered the whole city.

Whilst the consultation has given useful feedback (see below), the City Council considers that this is a disappointing response, given that the consultation received publicity from local media and through local campaigners. A high number of written responses appeared to be following a standard response template.

Because of this the City Council has decided that in order to receive the considered views of a more representative body of residents a consultative ballot of all local electors should also be carried out.

## Summary of responses to questions

Full details of the consultation response can be found in the report from the independent consultant available online at [www.birmingham.gov.uk/community-governance-review](http://www.birmingham.gov.uk/community-governance-review). This section summarises the relevant part of that report.

- There were overwhelming numbers in favour of a Sutton Coldfield Town Council in the consultation submissions (203 in favour, 14 against) and at the area briefing. Support for a town council at the Sutton Coldfield discussion group was more muted though still evident.
- The reasons for supporting the proposal included identity of, and with, the town, greater control of local services, additional services that a town council could deliver or buy in, a greater ability to control development and the quality of the town and greater links with, accountability and transparency of, local councillors.
- At the Sutton Coldfield discussion group key concerns raised were cost, the limited additional services that could be provided and the extent to which it would improve people's identification with local authority structures and processes.
- On the benefits of a town council, one resident cited the American model where meetings are held regularly that are open and clear, and where residents can demand answers, adding that if a town council couldn't be exposed to residents in a similar fashion then they were not 100 per cent sure of the benefits.
- Some residents focused on the services that a town council could offer or buy in compared with those provided by the City Council. Participants did not know what services a town council could provide but were keen to find out. One noted that a town council would not be responsible for waste collection and this is an issue they would want to have more influence over.
- Many in favour actually wanted a district council and a return to the pre-1974 arrangements. Some argued that a town council would be a stepping stone to this.
- Some of those against thought there was no need for an 'extra layer of bureaucracy' that would cost money with little in the way of new services.

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- Most supporters thought that a £25 precept would be adequate. One said there should be protection for hard-pressed households.
- Many said that a town council would save money as fewer city councillors would be needed.

The three Sutton Coldfield ward committees that discussed the consultation papers also asked for clarification on how the decision would be taken and the need for a more thorough consultation process with local people. They also asked for clarification on whether the funds raised through the additional precept would be retained locally, and on the Neighbourhood Planning process.

### 3. Clarifying the options

We want residents to have the facts about what a town council is, what it can do and the implications of setting one up, so this section sets out the facts about the functions of a town council and corrects some misconceptions that have been voiced in the consultation.

#### The functions of parish and town councils

In legal terms, town councils are parish councils, but they tend to cover a larger area with a bigger population than most parishes. Smaller parish councils usually represent a local neighbourhood in a city or a village in rural areas. They can be called neighbourhood or community councils as well.

Parish councils are the lowest level of statutory local government in the UK, below the principal council (in this case the metropolitan district, Birmingham City Council). Their purpose is to respond to community needs and interests. Their activities fall into three main categories: representing the local community; delivering services to meet local needs; and striving to improve quality of life and community wellbeing.

Parish and town councils are separate legal bodies, responsible for their own finances. They receive their funding by making an annual charge, called a precept. This means that council tax bills for residents who have parish or town councils in their areas will include an amount for running them.

A parish or town council can choose not to deliver any services and instead act purely as a means of influencing local service provision made by the principal council or other partners such as the police. They have the option to exercise a variety of powers and duties including the delivery of a small number of specific local services that add to those provided by the principal council.

A full list of parish council duties and powers can be found in consultation Paper 3 issued in February which can be viewed online at [www.birmingham.gov.uk/community-governance-review](http://www.birmingham.gov.uk/community-governance-review). They include such things as allotments, bus shelters, community centres, dog control, additional car parking, bicycle parking and street furniture, additional street lighting, litter bins, open spaces, public conveniences and recreation grounds.



They are not tasked with the statutory responsibilities relating to the provision of housing, social care, education, or waste collection and disposal. They must be consulted on planning matters, but they are not a Planning Authority and cannot make planning decisions. That role is given to the principal council.

In addition, when a town council is formed it can enter into discussions with the principal council about the transfer of services, budgets and assets. However this is subject to mutual agreement and securing 'Best Value' by law. For instance, would it be more efficient, effective and economic to deliver services strategically, by the town council? Consideration would need to be given to any debts or liabilities associated with those services or assets.

Parish councils can also exercise the community rights granted by the Localism Act, 2011 the Community Right to Bid (to buy assets of community value) and to Challenge (to run local services) and Neighbourhood Planning.

However all these rights can also be exercised by smaller parish councils and by neighbourhood forums. Details of how these rights work are given in consultation Paper 3.

### **Common misconceptions in the consultation responses**

The following are some important misconceptions evident in the consultation responses and which residents should understand before making their decision on the proposal.

- **All council tax and business rates income generated from Sutton Coldfield would be retained by a town council as part of its budget.**

This is not true. The basic council tax and all business rates are collected by the principal council (Birmingham City Council). A town council would only retain the additional precept it decides to levy.

- **A town council would be able to deliver most services in the area and be responsible for the majority of the budgets, hence enabling autonomy from the principal council.**

This is not true. The facts about the range of services that a town council could provide and those that may or may not be devolved from the principal council are set out above.

- **That Birmingham City Council would withdraw some services and that these would then have to be delivered through the town council.**

Birmingham City Council would retain the same responsibility for services that it has now. It may make an agreement with a town or parish council to deliver some services but this would have to be subject to statutory 'Best Value' rules and the City Council would remain ultimately responsible for their delivery. The establishment of a town council and any agreement on local services would not alter the level of the basic council tax because this is levied across the whole city to pay for services for everyone in Birmingham, so a town council precept will always be additional to the basic council tax.

- **That the establishment of a town council would change Birmingham City Council's role enabling it to concentrate primarily on 'strategic', 'city' and 'regional' issues, based on the premise that the town council would now be delivering local services which had previously been delivered by the principal council.**

This idea is based on a misunderstanding of what a town council is. Town councils are not district councils, so they cannot replace a principal council and creating one is not the same as splitting a principal council into two authorities. That could only be done by a change in primary legislation by Parliament, as the inclusion of Sutton Coldfield in Birmingham is written into the 1972 Local Government Act.

- **This often includes reference to a view that Manchester City Council acts as a strategic council in the Greater Manchester area and does not deliver direct services and that these were delivered by smaller unitary councils. The assumption seems to be that Birmingham should operate similarly and that a view that a Sutton Coldfield Town Council would be the same thing as a unitary authority.**

This is based on a misunderstanding of how metropolitan government works. The position in Manchester is similar to that in Birmingham: the metropolitan areas (West Midlands and Greater Manchester) have consisted of a number of metropolitan districts (seven in the West Midlands and ten in Greater Manchester) since 1974, and between 1974 and 1986 they also had a Metropolitan County Council. After 1986 the counties were abolished and the districts became 'unitary' councils delivering all local services in their area. Birmingham and Manchester are both unitary metropolitan districts.

In Greater Manchester (made up of ten districts including Manchester) the districts have established a Greater Manchester Combined Authority to provide mainly economic and transport functions for the whole area and such an authority is now being developed for the West Midlands as well. But the individual districts (including Manchester) remain responsible for basic services.

A town council cannot have the same role as a unitary metropolitan district council.

- **Town councils have specific planning powers and could adopt planning policies and make decisions on planning applications.**

This is not true. Town and parish councils only have the legal right to be consulted on planning applications made to the Planning Authority (the principal council). They cannot adopt their own local plan or decide on planning applications.

- **The ability to have a neighbourhood plan is linked to the establishment of a town council.**

Neighbourhood plans (which must be consistent with the local plan produced by the Planning Authority) can also be created by smaller parish, neighbourhood or community councils or by neighbourhood forums which already exist in the area.

- **Fewer city councillors would be required if a town council was established.**

This is not true. Any new town councillors would be in addition to the existing 12 councillors elected to represent the area on Birmingham City Council. The creation of a town council makes no difference to this.

There is currently an electoral review taking place for the whole of Birmingham which will determine the total number of city councillors, the ward boundaries and the number of councillors in each ward. But the decision on whether to create a town council is not a factor in that review.

## **The example of Shrewsbury Town Council**

The Sutton Coldfield Referendum Group has worked closely with Shrewsbury Town Council with a view to establishing a similar operating model if the proposal for a town council in Sutton Coldfield proceeds. Council officers have engaged with this conversation for their own learning.

It is clear that the remit of Shrewsbury Town Council remains within its statutory powers and is not as comprehensive as the aspirations declared by the Sutton Coldfield Referendum Group (and addressed in the appendix to this paper).

It is also worth noting the origins of Shrewsbury Town Council are unusual in that the town council was established in 2009 following the abolition of Shropshire County Council, four district councils and the Borough Council of Shrewsbury and Atcham. This led to the creation of a new unitary Shropshire Council and a number of town councils (in addition to the dozens of parish councils already in existence), the view being that this would enable some services to be delivered more locally, compensating for the loss of the district councils.

This is clearly a very different context from that which exists in Birmingham today, where there is no change to the existing unitary metropolitan district authority and arrangements already exist for even more local representation on the district and ward committees.

Shrewsbury Town Council undertakes the following activities:

- play areas;
- recreation grounds, open spaces and sports facilities;
- Shrewsbury in Bloom;
- local markets;
- responses to consultations on planning applications, tree preservation orders, listed buildings, conservation areas and highways and traffic orders; and
- working in partnership with a variety of public and private agencies and producing a 'Place Plan' for the town.

It has a £1.5 million service level agreement with the county council for maintenance of highway verges, hedges and trees, burial grounds, castle grounds, car park landscaping, the golf course and the grounds of the sports centre.

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It employs 70 staff and has 17 councillors, serving a population of 70,000, compared to Sutton Coldfield's population of over 90,000.

Shropshire is moving towards a commissioning model of services and the town councils are seen as part of that process, including commissioning some services from the smaller parish councils.

The town council's advice has been to carefully consider the range of services that can be delivered in the context of the principal council's functions and the assets that could be transferred as well as staffing and capacity requirements. They advise that the role of a town council will develop over time, rather than all at once, but that there needs to be clarity on these issues to begin with.

### Alternatives proposed by the City Council

As part of the Community Governance Review, the City Council has explained the existing arrangements for local democracy across the city and how they will develop in the years ahead. It has also put forward some options for consultation. These can be found in consultation Paper 2, published in February, and can be viewed at [www.birmingham.gov.uk/community-governance-review](http://www.birmingham.gov.uk/community-governance-review)

Some of these options are set out below.

- The establishment of smaller parish councils for local neighbourhoods across the city, similar to the Frankley in Birmingham Council already established in the south west of the city.
- Strengthened partnership arrangements at both citywide and district levels, including better engagement with community and voluntary organisations.
- A new role for the City Council's devolved district committees (including Sutton Coldfield) which will involve working to improve services across the public sector (not just City Council services) and setting out a community plan for the area.
- New models of local service delivery to be developed in the Future Council programme. For more information on this, go online to [www.birmingham.gov.uk/futurecouncil](http://www.birmingham.gov.uk/futurecouncil)
- A stronger community leadership role for local city councillors, working at ward level to link with neighbourhood forums, residents' associations and parish councils. This includes a new development programme for councillors and looking for ways to give better support to forums and other community groups.

## 4. Financing a town council

In addition to providing clarity on the legal options for a town council and openness and transparency on the City Council's response to the above proposals for its functions, it is also important that residents are clear about the potential costs of a town council and the likely cost to them through the precept.

### Likely costs and precept

Town councils are funded principally through an annual precept, an additional council tax levied on local taxpayers. This is set by the principal council in the first year and then by the town council itself once elected. Town councils have to consider the scope of service delivery they propose, any income that can be generated, the tax base and the precept they wish to charge.

This funding supports the governance and administration of the town council and the additional services it provides. All councils have costs related to the actual functions of running a council. In the case of a town council such costs include democratic, management, civic and central administrative expenses.

We looked at Shrewsbury Town Council, Weston-Super-Mare Town Council and Lichfield City Council, to establish what the level of these costs may be and what percentage of the gross expenditure this would amount to. The costs vary considerably from £145,000 in Lichfield to £159,000 in Weston-Super-Mare and £448,000 in Shrewsbury. This amounted to between 9% and 16% of gross expenditure (total expenditure supported by other income in addition to the precept, such as grants and charges and resources to make good the loss of Council Tax Support Grant which was provided to parishes up to 2012/13).

Whilst it is certain these costs would be incurred by a proposed Sutton Coldfield Town Council, it is difficult to provide a reasonable estimate due to the range of factors (numbers of members, direct services, level of income etc.) that can influence the operating model. However, based on the comparisons above and the size of a proposed Sutton Coldfield Town Council, one could assume a cautious estimate of at least £200,000 per year.

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The tax base for a Sutton Coldfield Town Council is estimated at 36,128 Band D equivalent properties. The precept yield, therefore, for each ten levied would be £361,280 as summarised in Table 1 below. At the national average of a £50 precept, the estimated total precept for a Sutton Coldfield Town Council would be in the region of £1.8 million.

**Table 1:  
Sutton Coldfield Town Council – Estimated Total Precept Yield**

Precept	Tax Base (Band D Equivalent Properties)	Estimated Total Precept
£10	36,128	£361,280
£20	36,128	£722,560
£30	36,128	£1,083,840
£40	36,128	£1,445,120
£50	36,128	£1,806,400

As in the case of council tax the precept payable by households will vary according to the tax band of the property they live in (see Table 2). If a precept of £50 is set for a given year, a household living in a Band D property would pay £50, whilst a household living in a Band H property would pay double the amount i.e. £100 and a household living in a Band B property would pay £39 (78% of £50).

**Table 2: Sutton Coldfield Town Council – Precept per Household**

Tax Band	Statutory Proportion (fraction)	Statutory Proportion (percentage)	Precept £	Precept £	Precept £	Precept £	Precept £
AR	5/9	56%	6	11	17	22	28
A	6/9	67%	7	13	20	27	33
B	7/9	78%	8	16	23	31	39
C	8/9	89%	9	18	27	36	44
<b>D</b>	<b>1</b>	<b>100%</b>	<b>10</b>	<b>20</b>	<b>30</b>	<b>40</b>	<b>50</b>
E	11/9	122%	12	24	37	49	61
F	13/9	144%	14	29	43	58	72
G	15/9	167%	17	33	50	67	83
H	18/9	200%	20	40	60	80	100

## **The example of Shrewsbury Town Council**

Shrewsbury Town Council currently has running costs of £448,000 per year, as noted above. Its precept for this year is £38.89 at Band D. However, Shrewsbury has 78% of its properties in Bands A-C, whereas in Sutton Coldfield this is only 25% of properties, with 22% in Band D and 53% in Band E and above.

In the 2015-16 budget, Shrewsbury has a projected income of over £2m from allotments, markets, rents, sports hire etc, £31,000 in grants and £880,000 from the council tax precept, giving a total budget of £2,900,000.

Planned expenditure includes £103,000 on markets, £1.7m on grounds and allotments, £180,000 on community and sports facilities and £194,000 on infrastructure.

This includes the £1.5m service level agreement they have with Shropshire County Council to deliver the services listed in section 3.

Shrewsbury has the lowest precept of all the town councils in Shropshire. The precepts set by the others range from £67.88 at Band D in Oswestry to £152.77 in Much Wenlock.



## 5. The options to consider

Given the legal and practical background, the wider consultation and changes to local governance in the city, and the response to the consultation so far, there are three broad directions for the future governance of Sutton Coldfield as outlined below.

- 1. Maintain the status quo, with a district committee, ward committees and neighbourhood forums. The role of the district committee will, however, change from this year as it will across the city (as explained in consultation Paper 2 which can be viewed online at [www.birmingham.gov.uk/community-governance-review](http://www.birmingham.gov.uk/community-governance-review)).**

A new 'Terms of Reference for Districts and Wards' has been included in the City Council's constitution, agreed in May 2015. This will involve a shift away from the direct management of service budgets at district level and the development of a new 'neighbourhood challenge' and partnership role. Local councillors on the district committee will hold to account all public services delivered in the area (not just City Council services) and develop partnership working to bring those services together. They will also publish a community plan for the area setting out the main priorities of residents and ensure that these are taken into account by the strategic leadership of the council and the wider public sector. Districts will also retain a responsibility to work with residents, the police and local services to create safer and cleaner neighbourhoods. District and ward committees will also have a right to comment on local planning matters.

- 2. In addition to option 1, maximise the potential and opportunities in the options for the future set out in consultation Paper 2. This could include the creation of neighbourhood (parish) councils for smaller areas that people identify with, such as Boldmere, Falcon Lodge, Mere Green or Wylde Green.**

These would have the same powers as a town council but obviously on a smaller scale, recognising that Sutton Coldfield itself is not just one homogeneous area but a number of very different neighbourhoods and communities. Smaller parish councils would also involve an additional precept on the council tax, but their operations would of course be at a smaller scale than those of a town council. The City Council will also be consulting later in the year on ways in which residents can get more involved in local decision-making and making a contribution in their local area, for example, through giving greater support to community organisations and social enterprises.

**3. Adopt a town council for Sutton Coldfield within the legal and financial constraints set out in this report.**

The establishment of a town council would not mean the abandonment of existing arrangements and consideration would need to be given to how the town council would work with the existing city councillors in the above structures. A town council would also involve an additional precept as described in this report.

## 6. The City Council's conclusions

The City Council has come to the following conclusions on the proposal for a town council for Sutton Coldfield, based on the information set out above, but three important general points must be made first as set out below.

1. The council has treated the petition from around 10,000 residents with the utmost seriousness, as an expression of the wishes of over a tenth of the local population. However, the council has also been mindful of its duty to ensure that the other residents of Sutton Coldfield and the wider city can have a say and that they are able to do so on the basis of accurate and factual information about the options available.
2. Birmingham is one city of over a million people, united in its extraordinary diversity. The strength of its many local communities adds up to a bigger community that is more than the sum of its parts. All areas of the city contribute to the funding of its civic institutions and public services in proportion to their wealth. A high proportion of residents in the suburbs and in the towns and villages beyond, make their living in the city centre and can also enjoy all the culture and entertainment it offers. The strength of the city lies in its diversity and the fact that, unlike other council areas such as Manchester, it is a whole city. The City Council is therefore united in wanting Sutton Coldfield to remain an integral and valuable part of the city and not to begin moving away as some have suggested during the consultation.
3. The City Council remains strongly committed to devolution and community engagement within the city. We have recognised for many years that such a large city cannot and should not be run from one central location and the diversity of the city and local needs must be reflected in how decisions are made. We intend to develop the new approach to the role of district committees and remodel our local services in radical new ways to give an enhanced focus on responding to service users and local communities.

These are our conclusions:

1. The option of a town council for the whole of Sutton Coldfield needs to be considered alongside the existing devolved governance arrangements already in existence (the district committee). Operating both arrangements alongside each other would be likely to create confusion and potential dispute about which structure represents local people (both would be elected locally) and what are the respective roles and functions of the two bodies. It is possible that the two bodies could work together effectively, given good will, but our conclusion is that it would be easier to develop a positive relationship between council structures and a number of neighbourhood level parish councils with a clearer distinction between the two roles. There is not the big gap between the unitary authority and local places that exists in Shropshire and underlies Shrewsbury Town Council.
2. If the district committee was to be abandoned then Sutton Coldfield would lose out relative to the rest of the city in terms of the role that members of the City Council can play (as described above) and their influence on decision-making at the Council House. We have not seen any proposals during the consultation that would resolve this dilemma.
3. A town council would have relatively modest powers and functions by right, but it would cost a certain amount to set up and run, regardless of how its role is developed. As explained in this report, it is unlikely that the City Council will transfer or delegate significant services or assets to a town council, because of the need to ensure appropriate and efficient services across the city and the current pressures on council resources. The fact that we are moving away from localised service budgets for the district committees (and have been advised to do so by the Kerslake review) reinforces this reality.
4. There have been many proposals (some of them addressed in this report) for a town council with a very wide range of powers and a lot of these are simply not possible within the legal and financial framework of local government. In addition the comparison to Shrewsbury Town Council needs to be seen in the context of the very different circumstances in which that was created – the shift to unitary local government in a large rural area with many smaller towns, as distinct from a historic town within a large and densely built-up city.
5. Taking a realistic view we feel that a town council is very unlikely to develop the sort of role and functions envisaged by some of the proposal's supporters and looking at the average figures across the country it is likely that it will cost Band D council taxpayers an additional £50 per year and cost at least £200,000 per year to run (a

cautious estimate). Residents will have to make their own judgment about the cost effectiveness of the proposal but the City Council's conclusion is that it does not offer value for money.

6. We do recognise that a town council once established would have the potential to innovate by promoting community engagement and delivering new activities within its legal remit, subject to the amount of precept it wishes to raise. However we feel that the other options highlighted above also provide a positive framework for local innovation and we would certainly encourage local organisations to innovate regardless of the decision on the review.
7. In particular we would urge local residents to take up the offer to create parish councils at a more local level within Sutton Coldfield, representing the very real neighbourhoods that people identify with. This will genuinely add to the functions of a district committee with less cost and additional bureaucracy. We recognise that we need to invest time and effort in making this a reality and the opportunity to work with central government through the Our Place programme (funding already granted for the area) could support this work. Over time, a number of such neighbourhood councils could work with ward councillors and the district committee to take forward the various priorities of Sutton Coldfield residents.
8. We have also noted that some of the proposal's supporters see the change as a step towards the separation of Sutton Coldfield from Birmingham. As explained above this is not a direction we want the city to go in, and this is not an issue being considered within this review. Such a change would have to come from action in Westminster not in Birmingham.
9. Notwithstanding these conclusions, we have decided that all of the people of Sutton Coldfield should be able to have their say on the proposal and we will therefore incur the expense of conducting a postal consultative ballot before making our final decision in September.

## 7. What happens now?

The Community Governance Review will conclude in September with a final decision made at the full council meeting. But before that we will conduct a postal consultative ballot of all electors in Sutton Coldfield to ensure that we have a fully representative picture of your views.

The ballot will be administered by Electoral Reform Services, an independent organisation. We estimate that the ballot will cost about £50,000 but this is much cheaper and less disruptive than a normal election process, with residents voting at polling stations. Everyone who is on the register for local elections in Sutton Coldfield will be eligible to vote and will receive a ballot paper in the post. We would urge all residents in Sutton Coldfield to read and consider this report before casting your vote.

The timetable for this will be as follows:

25 June	Send out of ballot papers by post
16 July	Last date for return of ballot papers by post
w/b 20 July	Announcement of result of consultative ballot
8 September	Birmingham City Council makes its final decision on the petition proposal for a town council in Sutton Coldfield

## Appendix

### The City Council's response to proposals on specific functions and services

The City Council believes it has a duty to be open and transparent about the response it is likely to make to the specific proposals on town council functions and services that have been widely publicised. Residents can then make up their minds on the proposal for a town council based on a realistic assessment of what those functions and services are likely to be.

These proposals were published by the Sutton Coldfield Referendum Group, though they were not communicated to the City Council and there has been no discussion with the council about their viability.

Full details on the legal background to these responses have already been given in the longer report published in February which can be viewed online at [www.birmingham.gov.uk/community-governance-review](http://www.birmingham.gov.uk/community-governance-review)

This section gives a brief summary of the City Council's policy position.

**Proposal: The establishment of Sutton Coldfield Town Council with the transfer and control of: significant major powers, significant budgets and all council land (including green belt, open spaces, Sutton Park, Sutton Coldfield Town Hall and Council House) from Birmingham City Council to the town council.**

**Response:** There will not be a significant transfer of funds from Birmingham City Council if a town council was created. The main funding for a town council would come from the additional local council tax precept.

Where there is mutual agreement for the transfer of some services to the town council then there may be transfer of assets and budgets. As set out above, the City Council will have regard to 'Best Value' laws and will retain the ultimate responsibility to ensure the delivery of services. The council will therefore consider very carefully the economic case for devolving some specific services and assets to a town council.

Sutton Coldfield is served by one of ten district committees within the city to which the City Council has for the last decade localised some service budgets. However, in light of advice received from the Kerslake review and the extreme reductions in funding for many local services, the City Council is currently moving away from a model of localised service budgets and management in order to seek efficiencies, for example by exploring options for quadrant-based service hubs rather than localisation

to ten districts. Significant localisation to a town council covering the same area as a district committee would contradict this policy direction.

Council-owned land is a strategic asset held by Birmingham City Council on behalf of the city. Current and future use of the land is informed by the Development Plan (Birmingham Plan 2031). The council-owned land in Sutton Coldfield therefore forms part of the overall strategic plan for development of the city.

The transfer of some specific sites could be investigated further, but such transfers would have to be made at 'Best Value'. The management of land and property is also a key element of the council's medium-term financial strategy and has to be considered in the light of pressures on resources such as capitalised equal pay costs. Therefore, at the moment the business case for transfer of assets, in terms of outcomes for the city, needs to be particularly compelling and robust.

Sutton Coldfield Town Hall would have to be considered in the same manner as other assets taking into account the wider financial context and the risks and forward business plans associated with the buildings.

Parish and town councils have the power to acquire and maintain land by agreement for the purpose of providing for recreation and open space, but such powers do not allow a town council to control the green belt and all open spaces. The transfer and control of land within the boundaries of any new town council can only be done with the mutual agreement of the principal and town councils and the council would consider the matter in terms of the interests of the whole city. Sutton Park, in particular, is regarded as a strategic asset and not a local open space.

The current leisure facilities in Birmingham are strategically delivered. A town council would be able to make representation to the council with regard to those facilities, but this would not translate to a 'major role' – a town council would be a key stakeholder but would not be the deliverer of the current provision.

**Proposal: Establishment of Sutton Coldfield Planning Department with: full planning authority within the Sutton Coldfield border; power to create a neighbourhood plan against which all planning decisions would legally have due regard; planning control and ownership of the Broadway Malyan Town Plan.**

**Response:** The City Council is the legal Planning Authority for the Birmingham area and this is a statutory duty that must remain with the City Council. A town council would have the right to be notified of, and consulted on, planning applications. Under the new Birmingham City Council constitution (agreed May 2015) this right has now been effectively



extended to all district and ward committees, including those serving Sutton Coldfield.

A town council could work with the City Council to create a neighbourhood plan for part or the whole of Sutton Coldfield, but such a plan would be subject to the provisions of the Birmingham Development Plan and National Planning Policy Framework. Such a plan could also be developed by any smaller parish council or any existing neighbourhood forum.

With regards to the Broadway Malyan Town Plan, a town council has the right to be consulted in relation to such development proposals. This can influence such developments but a town council would not have ownership of the plan.

**Proposal: Sutton Coldfield Town Council to have:**

- **major control or role over refuse disposal, wheelie bins and street signage; and preservation of current leisure services, playing fields and sports grounds**

**Response:** A town council would not have statutory powers in relation to refuse collection and disposal. However, it does have powers on the provision of litter bins and could use funding from the precept to provide extra bins. Any extra litter bin provision would require agreement with Birmingham City Council or any other provider to pay for them to be emptied at a frequency to be determined. However, the City Council is in contract with Veolia Environmental Services Birmingham until 2019 for the disposal of waste. The waste in a town council provided litter bin would be subject to that contract and appropriate costs would have to be paid.

The income from a precept could be used to purchase enhanced or specific signage. The erection of such signs would be subject to planning approval. It should be noted that Sutton Coldfield Business Improvement District has also contributed to the erection of signage.

- **input and element of authority and consultation with contractors on roads, pavement, street lighting and tree planting policy.**

**Response:** Highways maintenance and management within Birmingham is undertaken under the Highways Maintenance and Management Private Finance Initiative (HMMPFI) contract with Amey Birmingham Highways Limited (ABHL). It makes provision for ABHL to consult with district committees on their service provider programmes (which includes annual programmes).

ABHL is responsible for achieving the investment in, and maintenance of, all highways, footways, street lighting columns and signs throughout the

council's area. This contract commenced in June 2010 and is for 25 years. Any amendment to the contract to establish new consultation mechanisms would be a significant financial cost. Such a change may also create a risk of failing to maintain unified standards across the city.

It is therefore unlikely that a Sutton Coldfield Town Council would be able to exert the desired influence except through discussion with the district committee, without there being an expensive amendment to the contract.

- **General Power of Competence, and control council-owned car parks with ownership of income, and share proceeds of any subsequent development.**

**Response:** The General Power of Competence gives councils the power to do anything an individual can do provided it is not prohibited by other legislation. It applies to all principal councils (district, county and unitary councils etc.) and to eligible parish and town councils. It is generally seen as giving councils more freedom to trade and to establish commercial activities. However the legislation contains a lot of caveats which mean that this power may not be as sweeping as it first appears.

A town council can provide its own car parks, but the transfer of existing car parks run by the principal authority would be a matter for negotiation.

- **its own local council officers located in Sutton Coldfield.**

**Response:** The precept raised by the town council can be used to employ staff. These staff can be located within Sutton Coldfield to carry out services provided by the town council. However, given the current pressure on City Council resources and the drastic reduction in its staff in recent years (e.g. the loss of district teams) there would be no significant transfer of existing staff from the City Council.

- **an element of local control of education with control of school entry allocation. Local ownership and control of school playing fields.**

**Response:** This is not possible as the law does not allow the local authority's functions in relation to schools to be delegated to a town council.

- **input on main railway station on condition, and historic appearance; major input to all medical services; major role over police and fire service locations and operation.**

**Response:** A town council will have no control over railway stations; the main station would continue to be under the control of Network Rail and development proposals subject to local Planning Authority control.

A town council has no right or automatic role in the matter of medical service provision or policing. This is outside the remit of Birmingham City Council to comment on.

**Proposal: Legal affirmation, consolidation, and control of existing Sutton Coldfield border.**

**Response:** The creation of a town council for an area does not in itself ensure the continuation of boundaries. The Boundary Commission and the Local Government Boundary Commission for England determine the boundaries of constituencies and wards in England and not local councils. Any interested stakeholder can make representations to the Boundary Commission on any proposals or changes to a ward or constituency. The principal council can conduct a future Community Governance Review on the boundaries of any parish or town councils within its area and the City Council may wish to do so to ensure consistency if there is a change in the city boundary or the current wards and constituencies.

