

County Councillor's Notes – February 2007

Gordon Brown has been responsible for the fastest rise in taxation in recorded history. At the moment Income Tax, Council Tax, National Insurance and VAT take over half your income. I think that this level of taxation is excessive and cannot be continued. No-one can be happy about half his or her earnings being lost before they get to spend it.

Let's put this another way. You have to work from New Year's Day to June 3rd. to pay your tax bill. The rest of the year, the money you earn is yours to spend. As I wrote in my last "Notes", this burden is certain to rise.

At the County Council we have been putting together a difficult budget. The Government Grant to run our services has risen by 2.5% but the actual inflation in the cost of those services is 4.88%. This is due to rising demand as well as rising costs. Their grant is around 31% of our income with the rest coming mainly from Council Tax. The Government has gone in for some 'advance capping' by asserting that any Council Tax increases over 5% will be outlawed. So the only option we have is to slim down some services and cut the wage bill by axing some key officer posts at Shire Hall. This year we have made savings of £9.5 million to balance the books. Cambridgeshire will still have the third lowest Council Tax in England.

These measures are just enough this year but we are still determined not to cut into our Social Services for the elderly and vulnerable. People who apply for Social Services are grouped by the level of their needs. We provide for those whose needs are "substantial" and "critical". Some Shire Counties are looking at the grim reality of reducing their spending on those with "substantial" needs. So far we have not. We have kept faith with the folk we serve. However, if you are on a fixed pension, every rise in Council Tax is a cut in your living standards and we are fully aware of the burden on you. County Councils are suffering due to Government taking large amounts of our money and spending in Labour-held seats in London, the North of England and Scotland. If you look at the Labour Cabinet of 20, five have Scottish seats, ten have seats in North East or North West England and the nearest one to us represents the East End of London. There will surely be a day of reckoning. Note also that many of the Labour-dominated seats in the North (like Durham) have a much higher Council Tax than Cambridgeshire.

What about a Local Income Tax instead?

Tax is attractive if someone else is paying it and that is the misleading selling-point of a Local Income Tax. In fact it would be much more expensive to collect and almost everyone's tax burden would be higher. A young married couple, both teachers, would find their tax doubled. To avoid paying any Local Income tax, you would have to earn less than £5,035 a year or £96.82 a week. But if you earn less than £322 a week you are poor. It would hit even those at the bottom of the income pyramid and they are 1 in 5 of the population. All western countries raise property taxes to pay for Local Government. They have the advantage of being cheap to collect and difficult to avoid – try hiding your house. Under Local Income Tax, property owners in the UK who live abroad would pay not tax at all and they are likely to be the richest.

Forget locking your door

When you extend your house, you increase your Council Tax and the District Council takes regular aerial photos to check. In future any improvements to the INSIDE of your house will increase your tax too. First of all there will be questionnaires but the information will have to be checked. Inspectors will be given the power to enter any home and record everything about it. They can photograph anything they like. You cannot refuse entry and they can snap everything from a fancy bathroom to your dirty washing. The Government must find new ways of increasing taxation.

Good neighbours are expensive

The Government is planning to grade Council Tax according to “quality of life”. This will happen at the same time as the charge for home improvements. The better your area, the more you are going to pay in tax. In South Cambridgeshire the crime rate is low and the schools are excellent so watch this one coming.

Congestion charging – demand management or a cop-out?

At the end of 2005, Cambridgeshire County Council was given a £385,000 Government Grant to examine ways of coping with traffic. Most of the attention will go to Cambridge City and not all of it will involve congestion charging. The real prospect of climate change is a heaven-sent excuse to the Government not to build more roads. Whatever your view on road-building is, they are essential for bringing in food and taking us to work. Seen from the air, the road network of the UK takes up very little space. Currently we are being force-fed the idea that cars and roads are bad for the atmosphere, for plants, animals and ourselves. But roads are essential for any rise in living standards and those who would stop more being built are too often those who’ve made a comfortable life for themselves.

This Government, short of money, now sees the opportunity to save it and raise more tax with the same measure: road-charging. We have it already built in to fuel prices so it’s another tax on top. Again it will hit the poor hardest – those who can just afford to run a car. And then there’s traffic lights.....

Traffic lights take our eyes off the road, cause delay and promote rank selfishness. Until 1929, the rule of the road was ‘give way to the right’ as today for roundabouts. But then it became ‘priority for main roads’. Unfortunately this gives extra rights to some drivers whilst making life harder for those on minor roads waiting to join the main flow. Congestion is caused by volume of traffic but that becomes a much bigger problem when the flow is stopped by traffic lights. How often have you been stopped at red lights when no-one is using the green? This includes pedestrian-controlled crossings too. They make drivers go fast and keep close to the car in front for fear of missing the green light. A driver has superior rights to a pedestrian on a crossing if the lights are green for the car. They stir contempt in the motorist, cause rear-end collisions, make drivers seek diversions to avoid them and help criminals rob victims stuck on red.

If further proof were needed that traffic controls cause congestion, look at what happens when the power fails and the lights go out. The traffic flows smoothly with

drivers following a 'filter in turn' for joining traffic. It happened in Shefford, Bedfordshire, Carlisle in Cumbria and Montana in the USA. A trial of turning off the lights is not on the list of measures for Cambridge. But we're not being allowed a choice in the matter. Isn't that typical of a Government who knows already what's best – but thanks anyway for the money.