

HOW COUNCIL TAXES CAN BE CUT!



With town hall bills soaring, one imaginative local authority boss has frozen his for 7 years

FERRIS COWPER is probably the most unpopular local politician in the country — among fellow local politicians, that is. It's hardly surprising, given the shocking way he has let the side down.

As far as voters are concerned, however, many will wonder why there can't be a few more council leaders like this man.

This month's news that some councils are on the cusp of financial ruin has certainly made for alarming headlines — though I have yet to read of any council chiefs exploring one obvious cost-cutting measure: the fact that 2,300 town hall executives now earn more than the Prime Minister.

While these local authorities wail about 'unavoidable' cuts to 'frontline' services — or 'savage Tory cuts' as they must be described by the Left — it's still party time in the first-class carriage of the municipal gravy train.

But there is one local authority moving in the opposite direction. Last year, the only cut which Mr Cowper and his team at East Hampshire District Council imposed was to their own bill.

Abolish

A Conservative councillor for 19 years and council leader for seven, Mr Cowper's two proudest claims are that, while he has been in charge, his council never put up its tax by a penny, and crucially without ever axing a 'frontline' service. And his goal is tantamount to bureaucratic sacrilege. For he is planning to abolish council tax altogether in the next few years.

Oh, and his council's chief executive is not merely paid less than the Prime Minister. She actually comes in at less than the cost of a mere MP. And don't get him started on the injustice of public sector pensions versus those for everyone else.

Last week, it was announced that 95 per cent of councils in Britain plan to put up council tax by up to 6 per cent.

That certainly won't be happening here in East Hampshire, where Mr Cowper has been cutting it for two years in a row. He has pledged to freeze it for the year ahead, with further reductions in the following three years, by which time he hopes that East Hampshire council taxpayers will pay precisely nothing.

This may explain why even the opposition have given up opposing him. Last year, the council consisted of 42 Tories and a pair of Lib Dems. Now even they have decided to jump ship, with the result that every single seat on East

Hampshire council is now Tory blue. Think North Korea meets Waitrose.

So how has Mr Cowper, 68, managed to bring down council tax without the loss of a single bus service, community support officer or bin collection? How can one council buck the trend, while so many others are proclaiming doom, gloom and abject poverty?

Maybe other local authorities should drop in on East Hampshire's unprepossessing headquarters in an old insurance office block on the outskirts of Petersfield.

Contrary to what Mr Cowper's critics would love to believe, his council has not won the lottery. There is no oil or gold beneath its 200 square miles.

The explanation for what some might dismiss as bureaucratic alchemy lies in a change of attitude and hard-nosed

commercial common sense honed on the production line of the Mars Bar.

'When I first got involved, I was struck by the way everything seemed to depend on waiting for Government handouts,' says Mr Cowper. 'I'd spent all my life working out how to bring in money. Suddenly, there was this handout mentality. I thought, this has to change.'

Bonkers

Having spent many years as a senior executive at Mars, Mr Cowper was elected to his local council in 1999. Two years later, having left Mars for what he hoped would be a quieter life, he was made cabinet member for finance.

Year after year, the council had been nudging the tax bill up by a few per cent. First, he slowed down the rate of

increase. Then he froze it. Finally, he started to bring it down — by 2.6 per cent last year alone.

A keen amateur racing driver, he is fond of Edward de Bono's free-thinking theory that bonkers ideas can often generate sensible results.

He cites the example of Lotus cars where engineers were asked to design a car with square wheels. In doing so, they ended up developing a revolutionary new suspension system which they would apply to their cars.

Mr Cowper took a similar approach with the council budget. 'I told them: "Our income is going to come down but our strategy is to improve services".' And with that came initiatives such as sharing senior staff.

The council employs a chief executive on £120,000 a year — half the pay packet of some town hall bosses — but because she simultaneously runs the council in neighbouring Havant, the cost to East Hampshire is £60,000.

The same arrangement applies to several other executives. Another policy has

Bucking the trend: Ferris Cowper Picture: ROB TOOD



by Robert Hardman

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been to make the council's cash reserves work harder.

Instead of leaving them in the bank earning negligible interest, Mr Cowper has bought low-risk commercial property. Today, East Hampshire's portfolio ranges from a bank in the local town centre to a village branch of the Co-op — and it's all worth up to £100 million.

The council uses its staff and premises to run businesses from a printing operation to a regeneration consultancy. It rents out its planners, its traffic wardens and even its bin collection service to neighbouring councils. Having given its HQ a modest refurb, it now rents out vacant office space to the police.

Mr Cowper's biggest project, however, is the regeneration of Bordon with thousands of homes on old MoD land.

Given this relentless quest for revenue, I imagine his council

earns a few extra quid by fining anyone who puts the wrong stuff in the wrong bins?

'No we don't. Councils who do that sort of thing are either suffering from a bureaucratic mindset or they are eco-fetishists who see the customer as the root of the problem. I don't want spy cameras in the bins.'

The customer, he believes, is usually right.

'When I started, I did try to ban the word "No" — though I didn't quite get that far,' he laughs.

Mr Cowper is certainly fond of his business maxims. 'You have to be willing to break the mould, to think outside the box — all the old clichés,' he says.

Running a council is not like running a hedge fund, let alone a casino. Surely, the poor maligned jobsworth has to play it safe with public money?

'Of course. But most councils are naturally risk-averse. You need to move from risk-aversion to balanced risk. At least then you have as much chance of success as failure so you end up

OK. If you don't do anything, you don't get anything. Then you just wait for handouts.'

But what if there is a commercial property crash — and the council's main assets are in commercial property?

The Secretary of State for communities, Sajid Javid, has warned that councils must now follow new guidelines and take extra care with such investments. Mr Cowper is not worried.

Burden

'These are rock-solid loan investments for the long term. All our plans are based on yield, not capital growth.' What's deemed safe enough for pension funds, widows and orphans, he argues, should be good enough for the council.

There will be those who say that his plan to abolish council tax altogether is crazy — and they will also point out that a district council like his does not have to worry about the burden of adult social care. But his bud-

get five-year plan should surely warrant a ministerial trip down the A3 to East Hampshire.

For even though the cost of adult social care falls to the local county council, he sees no reason why his council should not be paying for that, too, in a few years' time.

It is the cost of the elderly in an increasingly aged society which is behind so many council tax hikes. Councillors in neighbouring true-blue Tory Surrey have even warned they may go to the wall because of it.

Yet here is someone offering a solution. I can certainly see why Mr Cowper has irked some of the old guard over the years.

Ferris Cowper (his first name comes from a distant Scottish forbear) was born into a one-room home in South London — 'Not a one-bedroom house; we really had just one room!'

Lacking the A-level grades for university, he joined the lowest rung of IBM and worked his way up, getting accountancy qualifications at night school, before moves to Rank Xerox and then Mars.

There, he absorbed many of the philosophies he applies to his council work — no fancy HQ, open plan offices, no 'occupation of office space with personal possessions'.

At one point, he was part of a 'thinking outside the box' team which ended up developing the Mars bar ice cream.

'Wall's and Lyons Maid had the market sewn up. But we had a scientist who worked out how to fill a Mars bar with ice

cream instead of nougat. That changed everything.'

Running a council, he says, should not be any different.

These days, his only registered business interest is his pop band which plays at local pubs and weddings — with the council leader on the drums. Their repertoire is thoroughly mainstream: from Chuck Berry to Adele.

A strong believer that all organisations need fresh leadership to avoid 'going stale', he has now handed on the council leadership in order to spend more time with his band and his family — wife Sally, two daughters and baby granddaughter. But he remains a key figure on the council and continues to run the finance portfolio.

He shows me some of the projects in hand, not least a great chunk of MoD land which, one day, he hopes will produce thousands of jobs for the Bordon-Whitehill new town.

East Hampshire is, of course, a small authority with a small budget of around £30 million and 270 staff. Big councils with £1 billion-plus budgets must hate being lectured by an uppity minnow who puts them to shame.

But Ferris Cowper is unapologetic. 'Whatever your size, it's about attitude,' he says. 'Let's just say that there are some councils which have yet to embrace radical thinking.'

Perhaps if more of them did, we'd hear less about 'savage cuts'. And some councils might even get back to emptying the bins once a week.