



Rutland County Council

Catmose Oakham Rutland LE15 6HP

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Minutes of a meeting of the **RESOURCES SCRUTINY PANEL** held in the Council Chamber, Catmose, Oakham, at 7.00 pm Thursday 19 July 2012

PRESENT: Mr B Roper (Chairman – in the Chair)
Mrs C Cartwright
Mr D Hollis
Mr J M Lammie
Mr J Munton
Miss G Waller
Mr A S Walters
Mrs C Vernon

In attendance: Mr R Gale
Mr T C King Portfolio Holder for Finance and Asset Management
Mr M Pocock Portfolio Holder for Resources

Officers present: Mr I Baugh Democratic Services Officer
Ms S Dring Head of Business Support Resources
Ms A Grinney Head of Revenues and Benefits Service
Ms A Hawkins Resources Accountant
Mrs D Mogg Strategic Director for Resources

Apologies: Mr W Cross, Mr B Montgomery, Mr D Richardson

185 RECORD OF MEETING

AGREED

That the Record of the Resources Scrutiny Panel held on 26 April 2012, copies of which had been previously circulated, be confirmed.

186 DECLARATIONS OF INTEREST

None declared.

187 PETITIONS, DEPUTATIONS AND QUESTIONS

No petitions, deputations or questions had been received from members of the public.

188 QUESTIONS WITH NOTICE FROM MEMBERS

No questions had been received from members.

189 NOTICES OF MOTION FROM MEMBERS

No Notices of Motion had been received from members.

190 CONSIDERATION OF ANY MATTER REFERRED TO THE PANEL FOR A DECISION IN RELATION TO A CALL IN OF A DECISION

No matter was referred to the Panel for a decision in relation to call in of a decision in accordance with Procedure Rule 206.

SCRUTINY

With the permission of the Chairman Mrs Mogg had previously circulated an additional report (144/2012 – Local Council Tax Support) and in addition now tabled further papers relating to the proposed changes to Council Tax Support. These included a table summarising the various options, a list of proposed consultation questions and a presentation on the changes. These reports had been produced after the deadline for submission of papers but would provide an important background to scrutiny of the plans for Local Council Tax Support.

It was further agreed that this item be taken first on the agenda, this was approved by all members.

191 COUNCIL TAX SUPPORT

Report No. 144/2012 (Local Council Tax Support) was received from the Strategic Director for Resources.

The current system of Council Tax Benefits is paid for by central Government and administered by Local Authorities. The full cost of benefits paid is recovered from central Government. The revised scheme will involve Local Authorities receiving a fixed grant from central Government and operating the Council Tax Support system locally. The amount of funding available will be reduced by approximately 10% nationally, with the reduction for Rutland being approximately to 20%. As the scheme will potentially impact on the Council Tax Base, the options to will have to be approved in time for the Council Tax Base return which must be submitted in December 2012.

The draft regulations for the new scheme have been issued but not finalised. The new scheme will become operational from April 2013. Under the revised system the payments to pensioners will be protected at current levels. The funding reduction will therefore be applicable in relation to non-pensioners currently in receipt of Council Tax Benefit. There are a number of options for implementing the scheme and this will require a decision by full Council. The Council will need to decide whether to absorb the extra costs which will ultimately impact on council tax payers or to apply other options which will result in lower payments to claimants of working age

The following points were noted during the discussion:

- i) It was noted that Rutland has a higher than average number of people of pension age, this will hit other claimants harder than elsewhere.

- ii) Depending on what options were chosen this may affect people's decision to work or not.
- iii) The questions in the proposed consultation exercise were noted.

Ms Grinney then gave a presentation on the options available in the proposed changes for Council Tax Support. The use of a variable cap was noted as the area of largest potential savings for the Council. The proposal to limit the child benefit disregard to the first child would affect larger families. A further option was to limit the level of support to Band D or E properties. Additionally the taper (currently set at 20%) could be increased. It may be possible to remove extended payments to provide a cushion for people starting into work. All options are variable and could be applied in any combination.

The A3 table showing the four models and their impact was then discussed. It was pointed out that Model 1 was the Government's default scheme. This model assumes that no claimants would be impacted by the changes and that the funding gap would be absorbed in full by the Local Authority. It was pointed out that any decisions must not disadvantage people trying to get into work. Benefits should be there to help people while they find work.

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The issue of child benefit was raised and Mr Walters queried his personal interest in this matter. It was agreed that child benefit per se was not being discussed and it was agreed that Mr Walters would not be required to leave the discussion.

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The financial gaps between the 4 models were noted and it was stressed that Rutland Council needed to be aware of what neighbouring Councils were doing in relation to council tax support to avoid a situation where people were encouraged to move to areas paying higher benefits.

The approach of other neighbouring authorities was noted, Leicester City were proposing capping at Band B, it was noted that the Lake District Authority propose to fund the changes solely from increasing council tax on second homes. Most authorities were not planning to absorb the increased costs.

There was some discussion regarding publicity of the consultation process; this would be via the website and writing to every claimant. In addition there would be communication via the Citizen's Advice bureau and Voluntary Action Rutland. It was suggested that individual Councillors could help with the publicity. The use of a leaflet drop was raised, however this would cost £10k. It was noted that the consultation should be as wide as possible and efforts would be made to ensure that as many residents and groups were involved as possible. It was noted that the consultation questions had been discussed with neighbouring authorities and there was limited scope for further changes to these due to the extremely tight deadlines. It would be important to use the consultation exercise to gauge the feelings of the public in regard to the proposed changes.

AGREED

The recommendations of Report no 144/2012 were agreed as follows:

Recommendation 2.1 – That the Scrutiny Panel notes the suggested time line for the development of the Local Council Tax Support Scheme.

– Noted

Recommendation 2.2 – That the Scrutiny Panel notes the consultation as detailed. – Noted

Recommendation 2.3 – that the Scrutiny Panel notes the intention for an all member briefing/workshop on data presented by Coactiva Asprien Ltd. – Noted (this to take place after the consultation period)

It was noted that time would have to be made available for Scrutiny of the proposals before they were submitted to the full Council on 12 November.

192 Q4 PERFORMANCE MANAGEMENT REPORT 2011/12

Report No. 118/2012 from the Chief Executive was received.

The issue of sickness management was raised as an area of concern, figures for Resources Directorate were high owing to some cases of long term sickness. A question was asked about the slight dip in the % collection of council tax, this is still very good compared to other authorities. The percentage figures in para 4.5 were noted, it would help if comparative figures could be included where available such as national averages; officers confirmed that this will be considered for future quarterly reports.

A question was asked about the % of FOI requests, the low percentage was explained by the volume and nature of the requests. It was suggested that the results of FOI requests could be put on the website. Officers confirmed that work was in progress to develop a set of FAQ's relating to FOI requests. It was pointed out that the Council was unable to charge for individual requests, unless the work involved in responding is excessive. The requestor is then offered an opportunity to pay for the response or withdraw the request.

193 Q4 FINANCIAL MANAGEMENT REPORT 2011/12

Report No. 138/2012 was received from the Strategic Director of Resources.

The following points were noted during the discussion:

- I. A question was asked re corporate subscriptions. These included for example the Local Government Association.
- II. A question was asked regarding the underspend on Member training. It was noted that Mr Pook is developing a training programme.
- III. The issue of the HR budget being £61k over was raised. This was the result of an unusually high level of Employment Appeals, an increased level of CRB and Occupational Health checks and recruitment

advertising.

194 FORWARD PLAN

The Chairman noted the following items that were due to be presented to the Panel:

It was noted that the Police Panel report would go straight to Council.
Meeting on 6 September would discuss the Q1 report.
A report on Treasury Management would be available by 18 September.
The Cabinet update on banks would be part of the mid year report.
An update report on benefits would be available for scrutiny.
The all-member workshop on Council Tax Support would provide a further opportunity for discussion.
Reports on IT and Legal Services will be presented later in the year.

It was suggested that information on outstanding S106 payments and usage of the payments could be discussed.
It was confirmed that a report will be available towards the end of the year on S106 and the Community Infrastructure Levy

195 ANY OTHER URGENT BUSINESS

No other business had been previously noted to the person presiding.

196 DATE AND PREVIEW OF NEXT MEETING

Thursday 6 September 2012

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The Chairman closed the meeting at 8.48 pm