



Rutland County Council

Catmose Oakham Rutland LE15 6HP

Telephone 01572 722577 Facsimile 01572 758307 DX 28340 Oakham

Minutes of a meeting of the **RESOURCES SCRUTINY PANEL** held in the Council Chamber, Catmose, Oakham, at 7.00 pm Thursday, 6 December 2012.

PRESENT: Mr B W Roper - Chairman (in the Chair)
Mrs J K Figgis
Mr D C Hollis
Mr J M Lammie
Mr B A Montgomery
Mr J R Munton
Mr D L Richardson
Mrs C L Vernon
Miss G Waller
Mr A S Walters

In attendance: Mr T C King Portfolio Holder for Finance and Asset Management
Mr G Plews
Mr R Begy

Officers present: Mr S Della Rocca Strategic Director - Resources
Miss M Gamston Democratic Services Officer
Mrs A Grinney Revenues & Benefits Manager
Mrs A Hawkins Accountant
Mrs L Wakeford Head of Business Support - Places

Apologies: Mr W J Cross and Mr J Dale

542 RECORD OF MEETING

The Record of the Meeting of the Resources Scrutiny Panel held on 6 September 2012, copies of which had been previously circulated, was confirmed and signed by the Chairman.

543 DECLARATIONS OF INTEREST

No declarations of interest were made in respect of the items on the agenda for this meeting.

544 PETITIONS, DEPUTATIONS AND QUESTIONS

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

545 QUESTIONS WITH NOTICE FROM MEMBERS

No questions had been received from members.

546 NOTICES OF MOTION FROM MEMBERS

No Notices of Motion had been received from members.

**547 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

548 DRAFT LOCALISATION OF COUNCIL TAX SUPPORT SCHEME

Report No. 239/2012 from the Strategic Director for Resources was received. The Portfolio Holder for Finance and Asset Management, Mr King, introduced the report the purpose of which was to present to the Panel the draft council tax support scheme options for consideration. Mr King reminded Members that council tax benefit was to be replaced with a local council tax support scheme from April 2013.

Mr King referred Members to the figures given under item 4.2 of the report that showed that in October 2012 there were 1997 council tax benefit claimants of which 1095 were of pension age and therefore protected under the new scheme. For Rutland the indicative grant would be £1,441,000 leaving a shortfall of £440,000 (24%) based on the current levels of spend, against the Government's stated aim of 10%. This would affect the 902 claimants of working age of whom 356 were in work and 546 were unemployed and claiming a range of benefits including Job Seekers Allowance and Income Support. There was the possibility of a potential impact of a 54% cut in benefits for the 902 claimants on the basis that all were to feel impact.

Papers showing the decision making process and how the main scheme and discretionary fund would interact were distributed at the meeting. Consideration would need to be given as to what the Local Authority might be able to fund, however the authority would not be aware of the settlement for next year until 19 December 2012 at the earliest but the assumption was that a subsidy of £250,000 from council tax would be required to achieve the basic presumption of 10%. The decision making models in the report showed both fixed schemes and those with a discretionary element, Members were advised that although a fixed scheme might help some there was a possibility it could see an increase in demand; when considering the options available Members needed to consider: how much should be put into the scheme, whether it should be a fixed scheme or whether some funds should be in a substantial discretionary fund. The preferred option (Model 2) would cost the Council approximately £200,000 to £250,000 assuming £100,000 was put into a discretionary fund. With the preferred option the discretionary element could be decided after the budget process in January had been completed and it would be possible to review after a year if there was a discrepancy.

The following points were noted during the discussion:

- i) That child maintenance income is not taken into consideration when council tax benefit is being assessed; if paying child maintenance and claiming council tax benefit it is not deducted as not means tested on outgoings. The tax implications of a claimant awarded council tax benefit paying child maintenance to another claimant awarded council tax benefit needed to be considered. An undertaking was given to contact other authorities to ascertain their views and report back before January decision.
- ii) That flexibility was needed at this stage as the future was uncertain for all in receipt of benefits due to all the changes taking place and the raising of the tax threshold and the impact this would have. With Government

- iii) The Council had engaged with Trusts and parishes especially towns and larger parish councils regarding emergency loans in the light of other benefit reforms. Parishes were not necessarily aware of people in their community who had need of an emergency loan. It was hoped that when properly explained that parishes would top up the loans and assist with the administration of. Work was ongoing regarding the pooling of resources on a local basis;
- iv) This was a Government initiative ultimately looking for a 10% saving on council tax benefit. This would be part of the budget process and it was for Members to state if they did not want to put pressure on the General Fund and the 54% would be taken out;
- v) The scheme would be reviewed on an annual basis, a discretionary scheme would allow for movements in claimants;
- vi) A Local Council Tax Discretionary Scheme would be put in place and officers would have the discretion to provide discounts from 0% to 100% of the remaining council tax liable charge;
- vii) Consideration needed to be given on how debts would be collected to keep associated costs to a minimum;
- viii) That the council tax banding used in the Models was high at D/E but there was a possibility that the claimant could be worse off than a band B in Leicester. Model 2 seen as the starting point putting £125,000 back into scheme with the need for some flexibility, most obviously around the banding;
- ix) That the interaction between the main scheme and the discretionary fund attempted to focus the money around need with criteria being put in place especially for those faced with redundancy;
- x) That meetings regarding the different schemes being considered were being held with other local authorities and agencies and feedback from these meetings would be available in January 2013;
- xi) Software requirements to implement the new scheme;
- xii) Required formal report to Council which would be based on recommendation around Model 2 as the view of this Panel and Cabinet, to be debated at Full Council on 7th January 2013 and taken to Cabinet on 8th January. Differing views could be put forward at Council allowing time for further work on the detail of the discretionary element;
- xiii) That work continued on the Policy and the amended Policy was brought to this Panel.

AGREED

- i) **That the contents of Report No. 239/2012 be noted.**
- ii) **That the amended Policy be brought to this Panel.**

Mr Begy thanked the Chairman for the invitation to attend this discussion.

---oOo---

8.15 pm Mr Begy and Mr Plews left the meeting and did not return.

---oOo---

549. Q2 PERFORMANCE MANAGEMENT REPORT 2012/13

Report No. 216/2012 from the Strategic Director for Resources was received. The Strategic Director for Resources, Mr Della Rocca, introduced the report the purpose of which was to show the Council's Performance for the second quarter. Mr Della

Rocca informed Members that the key elements of the report were Sickness Monitoring, Corporate Health Indicators and Delivering Council Services within the Medium Term Financial Plan.

The following points were noted during the discussion:

- i) LI001 - % of creditor invoices paid within terms had an actual cumulative of 84.5%, this had been changed to 'within terms of supplier', criteria set by supplier, a tougher target to achieve. Government guidance stated that the public sector should pay invoices within terms to support the private sector;
- ii) The increase in visitor numbers to CST and the decrease in telephone calls received had been discussed at Cabinet. A mini-review of CST was taking place and trend analysis was being undertaken. Report to be brought to this Panel;
- iii) Counter Fraud strategy had been approved at Council November 2012;
- iv) Debt Recovery draft policy currently being discussed and would be presented to Cabinet in due course;
- v) Freedom of Information requests – 189 requests received with 129 replied to within timescale, a significant increase in Quarter 2 over Quarter 1. At the request of Members Mr Della Rocca undertook to ascertain whether or not FOI requesters were kept informed of progress and as part of the review of Democratic Services to look at costs involved and requests received. Mr Della Rocca advised the Panel that as part of the Government's transparency process the council was looking at publishing frequently requested information on its website;
- vi) Currently two vacancies in the democratic services department and a review was being undertaken to assess resilience to cope;
- vii) That the three cases of long term sickness absence were being actively managed.

AGREED

- i) **That the contents of Report No. 239/2012 be noted.**
- ii) **That the report on CST would be brought to this Panel.**
- iii) **That Members would be advised of costs involved and requests received under the Freedom of Information Act.**

550 Q2 FINANCIAL MANAGEMENT REPORT 2012/13

Report No. 214/2012 from the Strategic Director for Resources was received. . The Strategic Director for Resources, Mr Della Rocca, introduced the report the purpose of which was to inform on how the Council was performing against its revenue and capital budgets and report a forecast year end outturn position as at the 30 September 2012. .

Members were informed that the variance of £76,700 for Corporate Finance was due to a review of the budgets that had identified an imbalance across the council of £89,000 which had been corrected; the variance of £11,400 under Corporate Financial Expenses was due to the forecast having included the cost of KPMG reviewing the VAT partial exemption arrangements and the pension fund valuation required for the Statement of Accounts and the variance of £148,100 under Vacancy Management Target – Resources was part of the Vacancy Savings Target for the year for the Directorate gross savings of £112,000 had accumulated although some roles had required interim cover at a cost of £13,000, and there were forecast further potential cover costs of £10,000, resulting in a net saving of £89,000 against the

target.

AGREED

- i) **That the contents of Report No. 214/2012 be noted.**

551 EXCLUSION OF PUBLIC AND PRESS

It was **AGREED** that the public and press be excluded from the meeting at this point for the discussion of this item, in accordance with Section 100(A)(4) of the Local Government Act 1972, as amended, and in accordance with the Access to Information provisions of Procedure Rule 239, as this item of business is likely to involve the disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

---oOo---

8.41 pm Mr Montgomery left the meeting.

8.44 pm Mr Montgomery rejoined the meeting.

---oOo---

PROGRAMME OF MEETINGS AND TOPICS

553 REVIEW OF FORWARD PLAN

The following items were noted as being of interest for future Panels:

- i. Report on Legal Services (previously requested)
- ii. Special Scrutiny Panel (Budget) - 17 January 2013
- iii. Council Tax Support Scheme – report to be produced on issues raised (Full Council)

554 ANY OTHER URGENT BUSINESS

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

555 DATE AND PREVIEW OF NEXT MEETING

Thursday 17th January 2013 at 7.30 pm

Special Budget Meeting

---oOo---

The Chairman closed the meeting at 9.22pm

Chairman