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Rutland County Council

Catmose, Oakham, Rutland, LE15 6HP.
Telephone 01572 722577 Facsimile 01572 758307 DX28340 Oakham

Ladies and Gentlemen,

A meeting of the **GROWTH, INFRASTRUCTURE AND RESOURCES SCRUTINY PANEL** will be held in the Council Chamber, Catmose, Oakham on **Thursday, 31st August, 2017** commencing at 7.00 pm when it is hoped you will be able to attend.

Yours faithfully

Helen Briggs
Chief Executive

Recording of Council Meetings: Any member of the public may film, audio-record, take photographs and use social media to report the proceedings of any meeting that is open to the public. A protocol on this facility is available at www.rutland.gov.uk/haveyoursay

A G E N D A

APOLOGIES

1) RECORD OF MEETING

To confirm the record of the meeting of the Growth, Infrastructure and Resources Scrutiny Panel held on 15 June 2017 (previously circulated).

2) DECLARATIONS OF INTEREST

In accordance with the Regulations, Members are invited to declare any personal or prejudicial interests they may have and the nature of those interests in respect of items on this Agenda and/or indicate if Section 106 of the Local Government Act 1992 applies to them.

3) PETITIONS, DEPUTATIONS AND QUESTIONS

To receive any petitions, deputations and questions received from Members of the Public in accordance with the provisions of Procedure Rule 217.

The total time allowed for this item shall be 30 minutes. Petitions, declarations and questions shall be dealt with in the order in which they are received. Questions may also be submitted at short notice by giving a written copy to the

Committee Administrator 15 minutes before the start of the meeting.

The total time allowed for questions at short notice is 15 minutes of the total time of 30 minutes. Any petitions, deputations and questions that have been submitted with prior formal notice will take precedence over questions submitted at short notice. Any questions that are not considered within the time limit shall receive a written response after the meeting and be the subject of a report to the next meeting.

4) QUESTIONS WITH NOTICE FROM MEMBERS

To consider any questions with notice from Members received in accordance with the provisions of Procedure rule No.219 and No. 219A.

5) NOTICES OF MOTION FROM MEMBERS

To consider any Notices of Motion from Members submitted in accordance with the provisions of Procedure Rule No. 220.

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

To consider any matter referred to the panel for a decision in relation to call in of a decision which relates to this Scrutiny Panel's remit and items on the Agenda.

SCRUTINY

Scrutiny provides the appropriate mechanism and forum for members to ask any questions which relate to this Scrutiny Panel's remit and items on this Agenda.

7) QUARTER 1 PERFORMANCE MANAGEMENT REPORT 2017/18

To receive Report No. 141/2017 from the Chief Executive.
(Report circulated under separate cover)

8) QUARTER 1 FINANCIAL MANAGEMENT REPORT 2017/18

To receive Report No. 147/2017 from the Director for Resources.
(Report circulated under separate cover)

9) TECHNICAL REFORM OF COUNCIL TAX REVIEW

To receive Report No.148/2017 from the Director for Resources.

- Report 148/2017 (pages 5 - 18 of this agenda) was presented at Cabinet on 15 August 2017 and the recommendations approved.

- The consultation is ongoing and closes on 15 September 2017.
 - The Scrutiny Panel is asked to consider the proposals that are being consulted upon and provide their views at this stage, to the Director and Portfolio Holder.
 - Cabinet will make recommendations to Council for any changes that are required following the consultation.

(Pages 5 - 18)

10) LOCALISM REPORT

To receive a presentation from the Director for Places (Environment, Planning and Transport).

PROGRAMME OF MEETINGS AND TOPICS

11) SCRUTINY PROGRAMME 2017/18 & REVIEW OF FORWARD PLAN

To consider Scrutiny issues to review.
Copies of the Forward Plan will be available at the meeting.

12) ANY OTHER URGENT BUSINESS

To receive any other items of urgent business which have been previously notified to the person presiding.

13) DATE AND PREVIEW OF NEXT MEETING

Thursday 16 November 2017 at 7pm

Items to include: Q2 Performance Management Report
 Q2 Finance Management Report

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DISTRIBUTION

MEMBERS OF THE GROWTH, INFRASTRUCTURE AND RESOURCES SCRUTINY PANEL:

Mr J Lammie (Chairman)	
Mr E Baines	Mr O Bird
Mr W Cross	Mr A Mann
Mr A Stewart	

OTHER MEMBERS FOR INFORMATION

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CABINET

15 August 2017

TECHNICAL REFORM OF COUNCIL TAX REVIEW

Report of the Director of Resources

Strategic Aim:	Sound financial planning and workforce planning	
Key Decision: No	Forward Plan Reference: FP/140717/04	
Reason for Urgency:	N/A	
Exempt Information	No	
Cabinet Member(s) Responsible:	Councillor Oliver Hemsley, Deputy Leader and Portfolio Holder for Growth, Trading Services and Resources (except Finance)	
Contact Officer(s):	Saverio Della Rocca, Assistant Director- Finance	01572 758159 sdellarocca@rutland.gov.uk
	Andrea Grinney, Revenues and Benefits Manager	01572 758227 agrinney@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That Cabinet:

- Approves that officers undertake a public consultation on the Council Tax discounts and premium for empty homes as described in the report and detailed in Appendix A.

1 PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to seek authority to undertake a public consultation exercise in order to ascertain people's views about making changes to the Council Tax empty home discounts and the Council Tax premium on empty homes that have been unoccupied for over two years.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 Since April 2013, local authorities have been able to set their own discretionary discounts for empty homes and charge a premium for empty homes that fall until certain defined categories.
- 2.2 The discounts and the premium have not been reviewed since they were originally set in 2013. There are two key factors that support a review at this time:
- Financial pressure that the Council continues to face - the Council faces a financial gap of c1-£1.5m by 2019/20 on latest information; and
 - Increasing pressure to bring empty homes back into use - the Council has 90 long term empty homes.

3 THE CURRENT POSITION

- 3.1 The table below sets out the current discounts and premium which were set by the Council in 2013 and the potential to change.

Property Status	Our scheme	Example	Cases in 2016/17	Potential to change
Unoccupied and unfurnished for 1-5 months	100% discount for 1 month followed by 50% discount for 5 months	A taxpayer moves house without selling their existing home (Home A). We give them 1 month discount on Home A of 100% (so no Council tax is paid) as it is unoccupied and unfurnished. If Home A stays empty for up to 6 months, the owner pays only 50% of Council Tax for months 2 – 5.	1,300	We can remove all discounts so charge in full.
Unoccupied and Unfurnished 6+ months	Full charge	In the example above, if Homes stays empty after 6 months, the owner is charged full council tax.	800	N/A, Council already charges maximum rate.

Property Status	Our scheme	Example	Cases in 2016/17	Potential to change
Unoccupied and Unfurnished 2+ years	Premium of 10%	In the example, above, if Home A stays empty after 2, we charge a levy of 10% (so the owner pays full council tax plus an additional 10%)	90	We can increase the Premium to 50%
Unoccupied and uninhabitable	50% discount for 12 months	A builder buys a Home to renovate and sell after works are completed. The builder receives a 50% Council Tax discount for 12 months.	70	We can remove the discount.
Second Homes	Full charge	A taxpayer buys a property as their second home. They are charged full Council Tax.	160	N/A, Council already charges maximum rate.

4 CONSULTATION

4.1 Although there is no statutory duty to consult on these technical reforms, all public authorities have a duty to act fairly in the exercise of their functions and to consider whether consultation is required and, if so, how this will be undertaken.

4.2 Accordingly, the Council has, like all other local authorities in this area, decided to consult and seek the public's views on how the authority should exercise its statutory powers. The two key reasons for this decision are:

- All residents pay Council Tax and therefore any changes to discounts could impact on all residents at some point in time; and
- Case law has confirmed that when determining whether to change policy, the Council must be receptive to reasonable arguments against the proposals. This does not mean that it cannot proceed with proposals if they are not supported but it must have regard to any arguments made.

4.3 The aim of the consultation is to seek views from taxpayers and stakeholders on our discounts for empty homes and our premium percentage for long term empty homes. The draft consultation is attached at Appendix A.

4.4 If approved, the consultation will run until 15th September 2017. During this time officers will promote the consultation using a number of methods including:

- a) A mailshot to a random selection of resident taxpayers;

- b) A mailshot to a random selection of empty home owners;
- c) A flyer promoting the consultation to be include with all communications from the section, i.e. new bills, benefit notification letters, reminder letters etc.; and
- d) Social media announcements.

4.5 The Council is also required to consult the Leicestershire Fire Authority and the Police and Crime Commissioner for Leicestershire.

5 NEXT STEPS

5.1 Following the closure of the consultation, officers will collate the data and bring a report to Members on 17th October 2017 with the findings of the consultation and will make recommendations about the amount of discount we should set and the amount of premium we should charge from 1st April 2018.

5.2 It is important that any changes to Council Tax discounts are made prior to setting the tax base in January 2018. This is because the tax base is calculated by making assumptions about discounts, exemptions, growth and collection rates. Parish and Town councils also use the tax base to calculate their precepts.

6 ALTERNATIVE OPTIONS

6.1 The Council could decide not to review discounts and premiums. In light of the comments made in Section 2, this is not recommended.

7 FINANCIAL IMPLICATIONS

7.1 The cost of undertaking a consultation can be met from existing budgets.

7.2 The financial impact of any changes will be assessed as part of the response to the consultation exercise and development of formal proposals. For illustrative purposes, we can confirm that the cost of applying the discounts/premium in 2016/17 was c£215k.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

8.1 The Council has discretionary authority to set local discounts for empty homes and a premium for long term empty homes under sections 11 and 12 of the Local Government Finance Act 2012 and The Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 (SI 2964/2012).

9 EQUALITY IMPACT ASSESSMENT

9.1 An Equality Monitoring form will form part of the consultation questionnaire to enable officers to collate this data.

9.2 An Equality Impact Questionnaire will be completed when the consultation data is analysed.

10 COMMUNITY SAFETY IMPLICATIONS

10.1 There are no community safety implications arising from this report.

11 HEALTH AND WELLBEING IMPLICATIONS

11.1 There are no health and wellbeing implications arising from this report.

12 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

12.1 The empty home discounts and the premium have not been reviewed since 2013, given the financial pressures that the council is facing and our desire to reduce the number of empty homes in our area, is reasonable to consult the public on what we can change.

13 BACKGROUND PAPERS

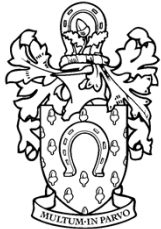
13.1 Report 5/2013.

14 APPENDICES

14.1 Appendix A Draft Consultation document.

A Large Print Version of this Report is available upon request – Contact 01572 722577.

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APPENDIX A

Consultation on Council Tax discounts and premium for empty homes

1. Why are we consulting?

The Government gave local authorities discretion to set their own discounts for empty homes and set a premium for long term empty homes.

Discounts reduce the amount people pay on their council tax bill if they own an empty home. A premium increases the amount of council tax that people pay on their council tax bill if they own a home that has been empty for over 2 years.

We set our discounts and our premium in 2013 and we haven't changed them since.

There are two key drivers that have prompted us to think that we need to look at them again now:

- a) We continue to face financial pressures. Although we spend less per household than the average UK council, we continue to receive less central government funding than other councils. It is therefore important that we look at all discounts that we offer and premiums that we charge to make sure that we consider any opportunities to increase our income before we look at reducing or cutting services.
- b) Empty homes continue to have an impact on our community. They can be a health and safety risk to others, they can be a focal point for anti-social behaviour and they can be a waste of housing when people are in need. We want to do what we can to bring empty homes back into use.

2. What are we consulting on?

We are asking for your views on the discounts we offer and the premium we charge. We are asking for your views on 5 main issues:

- a) should we do what we can to increase our income;
- b) the amount of discount that we offer on uninhabitable homes;
- c) the amount of discount that we offer on empty homes;
- d) the amount of premium that we charge on long term empty homes; and
- e) whether or not we should help people who have a council tax bill to pay for their empty home but are suffering from genuine financial hardship.

3. What we are not consulting on?

We are not consulting on:

- a) Our Local Council Tax Support scheme and the discretionary fund that sits alongside the main scheme. This helps people who are on a low income and reduces or fully remits the amount of council tax that they have to pay.
- b) Our Discretionary Crisis Fund that helps people in one-off severe financial hardship.
- c) Our Discretionary Housing Payments Policy. This fund helps people who have a shortfall in their rent.
- d) Other empty home exemptions that we can't change because they are set by central government. For example- a home that is empty as the owner is now living in a residential care home.

We have no plans to change the above. If we want to look at these again we will conduct a separate consultation.

4. How can I have my say?

We are inviting all residents and other key stakeholders to have their say and we are keen to hear your views so please tell us what you think by:

- Completing our online survey at <https://www.rutland.gov.uk/my-council/have-your-say/public-consultations/>
- Completing and returning a paper survey

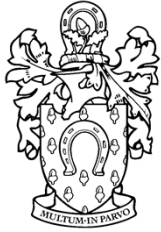
A large print copy is available on request. If you need some help in completing the questionnaire please contact us by email at localtaxation@rutland.gov.uk .

5. What happens next?

The consultation closes on 15th September 2017. We will use the information from the consultation to help make our decision. A report with recommendations will be taken to Cabinet on 17th October 2017.

Data Protection

The information you provide will be kept in accordance with the Data Protection Act 1998 and will only be used for the purposes for which it has been collected. Your details will not be passed on to any other individual, organisation or group. Rutland County Council is the Data Controller for the information on this form for the purpose of the Data Protection Act 1998.



Rutland County Council

1. We continue to face financial pressures. Although we spend less per household than the average UK council, we continue to receive less central government funding than other councils. It is therefore important that we look at all discounts that we offer and premiums that we charge to make sure that we consider any opportunities to increase our income before we look at reducing or cutting services. There is more information on our website about our funding and spending here <https://www.rutland.gov.uk/my-council/contacts-facts-and-figures/council-spending/low-cost-council/>

Do you think we should do what we can to increase our income before we look at reducing or cutting services? (please tick one box)

Yes

No

Don't know

If No, can you indicate what services you think we could reduce or cut?

2. We currently offer a discount of 50% for 12 months for an empty home that is uninhabitable. After 12 months the full council tax charge is payable.

Example 1- Mr West, a local builder, buys a rundown house in Uppingham to renovate and sell. The house is in Band C. Mr West receives a discount of £726.18 for the financial year 2017/18. From 1st April 2018 he will pay the full council tax charge.

Example 2- Mrs Scott lives in Wales and has inherited a house in Oakham. It is in a very poor state of repair so she decides to 'do it up a bit' before she sells it on and this involves major remedial works. The house is in Band E. Mrs Scott receives a discount of £1,133.73 for the financial year 2017/18. From 1st April 2018 she will pay the full council tax charge.

In 2016/17 we awarded 70 uninhabitable home discounts which cost £25,000.

Do you think we should charge full council tax or reduce the current discount for homes that are uninhabitable? (please tick one box)

Full charge

Reduce charge

Don't change

Don't know

3. We currently offer a discount of 100% for 1 month followed by a 50% discount for a further 5 months on all other empty homes that are habitable. After 6 months the full council tax charge is payable.

Example 1- Ms Kaur owns 1 Spark Lane, her tenant moves out on 1st May 2017. Ms Kaur doesn't find a new tenant for a few months. She doesn't pay any council tax for the first month and then she is billed 50% for the following 5 months. The house is in Band B. MS Kaur receives a discount of £355.95. After 6 months the full council tax is charged.

Example 2- Mrs & Mrs Green own 10 Crofters Mews, their daughter lived here but she has recently moved to London. Mr & Mrs Green have not yet decided what they want to do with the house. They don't pay any council tax for the first month and then they pay 50% for the following 5 months. The house is in a Band D. Mr & Mrs Green receives a discount of £523.90. After 6 months the full council tax is charged.

In 2016/17 we awarded 1,350 discounts at 100% for 1 month (or up to 1 month) and 801 discounts at 50% from 2-5 months which cost £200,000.

Do you think that we should charge full council tax or reduce the current discount on empty homes? (please tick one box)

Full charge **Reduce charge** **Don't change** **Don't know**

4. We currently charge a premium of 10% on homes that have been empty for over 2 years. This means that people pay 110% council tax.

Example 1- Ms Baxter lives in Birmingham and owns Hope Cottage in a Rutland village. The property has been empty and up for sale for 3 years. She has received a number of offers but none for the asking price. The house is in Band A. Ms Baxter has been charged an extra 10% on her council tax bill for this house from 2017/18 of £121.44.

Example 2- Mr Webb own Foxglove House in Oakham. Mr Webb inherited the property when his mother died 5 years ago. He doesn't want to sell or rent out the house as he is emotionally attached to it. The house is in Band G. Mr Webb has been charged an extra 10% on his council tax bill for this house from 2017/18 of £309.20.

In 2016/17 we charged 90 premiums at 10% which resulted in additional income of £8,500.

Do you think we should increase the premium from 10% to the maximum premium of 50% on long term empty homes? (please tick one box)

Yes **No** **Don't know**

5. Currently we do not offer help to people who have to pay council tax for an empty home but can't afford to pay their bill due to genuine financial hardship.

Example 1- Miss Browne owns and lives at 42 Park Crescent, Langham. Her house was struck by lightning, a fire broke out and she had to move out. She has been rehoused in temporary accommodation by her home insurance company. Miss Browne has been billed council tax on the empty home. She can't afford to pay the bill because she is unable to work as she was injured while she was escaping from the fire and is now claiming out of work benefits.

Example 2- Mr Radcliffe inherited 1 Welland Street, Cottesmore when his mother died 2 years ago. The bungalow is on a complex for the over 55's. It is being actively marketed and the price has been reduced to attract a buyer but to date, no offers have been made. Mr Radcliffe has been billed council tax on the empty home. He can't afford to pay the bill because he is in poor health and is receiving home care and his sole income is from state benefits.

Do you think we should offer a discretionary discount to people who have to pay council tax for an empty home if they are suffering from genuine financial hardship? (please tick one box)

Yes

No

Don't know

6. **Do you have any other comments that you wish to make about paying Council Tax on empty homes?**

7. **Please indicate which statement best describes you:**
(please tick one box)

- | | |
|--|--------------------------|
| a) I own a property in Rutland that is uninhabitable | <input type="checkbox"/> |
| b) I own a property in Rutland that is empty | <input type="checkbox"/> |
| c) I live in Rutland | <input type="checkbox"/> |
| d) I am representing an organisation | <input type="checkbox"/> |
| e) Other | <input type="checkbox"/> |

Thank you for taking the time to complete this survey.

Please return this completed survey to Rutland County Council, Catmose, Oakham, Rutland LE15 6HP.

We want to make sure that our services are provided fairly and to those who need them. The information collected helps us get a picture of who contacts us, uses or does not access our services so will help us improve what we provide and reduce potential barriers to access.

Please answer the questions below by ticking the boxes that you feel most describes you.

If you do not want to answer any specific question then please leave it blank.

Some questions may feel personal, but the information we collect will be kept confidential and secure. The better the information is that we collect the more effective our monitoring will be.

Ethnicity

White		Mixed / Dual Heritage	
<input type="checkbox"/> English / Welsh / Scottish / British / Northern Irish		<input type="checkbox"/> White and Black Caribbean	
<input type="checkbox"/> Irish		<input type="checkbox"/> White and Black African	
<input type="checkbox"/> Gypsy/ Irish Traveller		<input type="checkbox"/> White and Asian	
<input type="checkbox"/> Roma		<input type="checkbox"/> Other mixed background (please state):	
<input type="checkbox"/> Other European (please state):		Black / African / Caribbean or Black British	
<input type="checkbox"/> Other white background (please state):		<input type="checkbox"/> Caribbean	
		<input type="checkbox"/> Other African background(please state):	
Asian or Asian British		Other Ethnic Group	
<input type="checkbox"/> Indian	<input type="checkbox"/> Pakistani	<input type="checkbox"/> Other Arab	
<input type="checkbox"/> Bangladeshi	<input type="checkbox"/> Chinese	<input type="checkbox"/> Other ethnic group (please state):	
<input type="checkbox"/> Other Asian background (please state):			

Language Preference

<input type="checkbox"/> English	<input type="checkbox"/> British Sign Language
<input type="checkbox"/> Other (please state):	

Residency

Are you a: British / United Kingdom citizen	
<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are you a national of another country?	
<input type="checkbox"/> EU National	<input type="checkbox"/> Other (please state)
<input type="checkbox"/> Refugee	<input type="checkbox"/> Asylum Seeker
<input type="checkbox"/> Student	

Postcode

(first part of code only e.g. LE15)	
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Disability

Do you consider yourself to be a disabled person <input type="checkbox"/> Yes <input type="checkbox"/> No	
If you have answered 'yes', please tick boxes below that best describe your impairment. This information helps us improve access and remove barriers to our services.	
"An impairment that has (or is likely to have) a substantial, adverse, long-term effect on the ability to carry out normal day-to-day activities"	
<input type="checkbox"/> Hearing e.g. profound to mild deafness	<input type="checkbox"/> Learning e.g. Downs syndrome

<input type="checkbox"/> Communication e.g. speech	<input type="checkbox"/> Developmental e.g. Dyslexia		
<input type="checkbox"/> Visual e.g. blind or partial sighted	<input type="checkbox"/> Mobility or physical e.g. walking, dexterity		
<input type="checkbox"/> Impaired memory / concentration or ability to understand e.g. Stroke, dementia, head-injury			
<input type="checkbox"/> Mental ill health e.g. Bi polar disorders, schizophrenia, depression			
<input type="checkbox"/> Long-term illness or health condition e.g. cancer, HIV, diabetes, chronic heart disease, rheumatoid arthritis, chronic asthma			
<input type="checkbox"/> Other (please state):			
Gender			
<input type="checkbox"/> Female	<input type="checkbox"/> Male		
<input type="checkbox"/> Other (please state):			
Gender Identity			
Is your gender identity the same as the gender you were assigned at birth?			
<input type="checkbox"/> Yes	<input type="checkbox"/> No		
Sexual Orientation			
Do you consider yourself to be?			
<input type="checkbox"/> Bisexual	<input type="checkbox"/> Gay man	<input type="checkbox"/> Heterosexual	
<input type="checkbox"/> Lesbian / gay woman	<input type="checkbox"/> Other (please state):		
Relationship Status			
<input type="checkbox"/> Civil partnership	<input type="checkbox"/> Married		
<input type="checkbox"/> Co-habiting	<input type="checkbox"/> Single		
<input type="checkbox"/> Other (please state)			
Age			
<input type="checkbox"/> Under 16	<input type="checkbox"/> 16- 25	<input type="checkbox"/> 26 - 39	<input type="checkbox"/> 40 -64
<input type="checkbox"/> 65 – 80	<input type="checkbox"/> 80 +		
Caring Responsibilities - Do you provide regular and substantial unpaid care for:			
<input type="checkbox"/> Relative (e.g. disabled child, partner, parent etc)			
<input type="checkbox"/> Another person (please state)			
Childcare responsibilities			
<input type="checkbox"/> Children 0 to 4		<input type="checkbox"/> Children 5 to 10	
<input type="checkbox"/> Children 11 to 18			
Faith / Religion / Belief			
<input type="checkbox"/> Atheist/None	<input type="checkbox"/> Baha'I	<input type="checkbox"/> Buddhism	<input type="checkbox"/> Christianity
<input type="checkbox"/> Hinduism	<input type="checkbox"/> Humanism	<input type="checkbox"/> Islam	<input type="checkbox"/> Judaism
<input type="checkbox"/> Sikhism	<input type="checkbox"/> Other (please state)		
Do you actively practice your religion/ belief?			
<input type="checkbox"/> Yes		<input type="checkbox"/> No	
Service Personnel and their Families			
Are you currently serving in the UK Armed Forces?			<input type="checkbox"/> Yes <input type="checkbox"/> No
Are you a veteran or ex-service personnel of the UK Armed Forces?			<input type="checkbox"/> Yes <input type="checkbox"/> No
Are you a member of a service personnel immediate family?			<input type="checkbox"/> Yes <input type="checkbox"/> No
Are you a reservist or in part time service such as in the Territorial Army?			<input type="checkbox"/> Yes <input type="checkbox"/> No

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