

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

WEDNESDAY, 9TH JANUARY 2013 AT 6.00 P.M.

PRESENT: Councillors R. Hollingworth (Leader), Mrs. M. A. Sherrey JP (Deputy Leader), Dr. D. W. P. Booth JP, M. A. Bullivant, C. B. Taylor and M. J. A. Webb

Observers: Councillor L. C. R. Mallett

Officers: Ms. S. Hanley, Mrs. C. Flanagan, Ms. S. Morgan, Ms. A. Darroch, Mr. M. Bough and Ms. R. Cole.

93/12 **APOLOGIES**

No apologies for absence were received.

94/12 **DECLARATIONS OF INTEREST**

Councillor C. B. Taylor declared an other disclosable interest in agenda item 8 Council Tax Base and Business Rate Base 2013/14 as the owner of a small business within the District.

95/12 **MINUTES**

The minutes of the meeting of the Cabinet held on 5th December 2012 were submitted.

RESOLVED that the minutes be approved as a correct record.

96/12 **SERVICES REVIEW - PRINT, DESIGN AND COMMUNICATIONS**

This item was discussed in public as the members of staff involved were now fully aware of the proposals. Members were however reminded not to refer to details of individual salaries. It was noted that an amended report taking this into account would be made available at the Council meeting.

The Cabinet considered a report on the Service Review in respect of Print, Design and Communications. The Communications and Marketing Manager referred to the background to the review, including the transformation process undertaken within the Print and Design Teams. Following this process, a post had become vacant within the Communications Team and the opportunity had therefore been taken to include the Communications Team within the review.

The Communications and Marketing Manager referred to the potential savings and to the changes in the ways of working which were evolving, including the use of social media.

Following discussion it was

RECOMMENDED:

- (a) that the details of the Print, Design and Communications Review set out within Appendix 1 to the report be noted; and
- (b) that the proposals arising from the Service Review be approved for implementation.

97/12 **AUDIT BOARD**

The minutes of the meeting of the Audit Board held on 13th December 2012 were submitted.

RESOLVED:

- (a) that the recommendation contained in minute 29/12 relating to the Audit Commission Annual Governance Report 2011 – 2012 be approved; and
- (b) that the remainder of the minutes be noted.

98/12 **OVERVIEW AND SCRUTINY BOARD**

The minutes of the meeting of the Overview and Scrutiny Board held on 17th December 2012 were submitted.

RESOLVED that the minutes be noted.

99/12 **HOMELESSNESS GRANT FUNDING 2012/2013 AND PROPOSED USE OF FUNDING FOR 2013/2014**

The Cabinet considered a report on the expenditure of Homelessness Grant Funding received from the Department of Communities and Local Government (DCLG) during 2012/2013 and proposed use of the DCLG grant funding during 2013/2014.

It was reported that the Council had been awarded £112,830 for each of the next two years to prevent and address homelessness. In addition funding from the Economic Recovery Fund was proposed to be incorporated into the Homelessness expenditure for 2013/2014 bringing the total budget for the year to £138,530.

Members noted that the Homelessness Strategy Steering Group had considered the award of grant to specific schemes and that those contained within the report were also recommended by the Strategic Housing Manager. Members noted the work proposed to be undertaken by organisations such as St Basils and the Basement Drop in Service.

RESOLVED:

- (a) that the updated information on the homelessness prevention and support schemes funded through DCLG homelessness grant during 2012/2013 be noted;
- (b) that the submissions for the funding of schemes during 2013/2014 as considered by the Homelessness Strategy Steering Group and recommended by the Strategic Housing Manager (as set out in table 3.11) be approved to receive funding from the Council's strategic fund for Homelessness for 2013/2014;
- (c) that the Head of Community Services in consultation with the Portfolio Holder for Strategic Housing be granted delegated authority to allocate any under spend or make further adjustments necessary to ensure full utilisation of the Strategic funding for homelessness for 2013/2014 in support of existing or new schemes; and
- (d) that officers refresh the policy and procedure for the allocation of DCLG Homelessness Grant Funding for the 2014/2015 allocation.

100/12 **COUNCIL TAX BENEFIT SUPPORT SCHEME**

The Cabinet considered a report on the proposals for the Localisation of Council Tax Support and on the additional funding made available to reduce the impact of these changes from 1st April 2013.

It was noted that billing authorities were required to adopt a new scheme for Council Tax Support by 31st January 2013. Members were reminded that it had been agreed to undertake a public consultation on the proposed local scheme for Council Tax Support in September 2012. The proposed changes were set out in paragraph 3.6 of the report:

- Limiting Support to Band D Council Tax Levels;
- Short term (up to 6 months) empty property Class C Exemption – reduce from current 100% to 50%;
- Reduce discount on second homes to nil

Only one response had been received to the consultation which did not reflect a negative position in respect of the proposals.

It was reported that during the consultation period the Department of Communities and Local Government had made available additional funding of £100 million for 2013/2014 to help mitigate the impact on working age claims. This grant would only be available if benefit was not reduced by more than 8.5% (which would be the case if Benefit was limited to Band D Council Tax levels). The proposal had therefore been revised to defer the limiting of Band D Benefit and receive the Government grant of approximately £16,000. This was to be the only change to Council tax benefit and therefore it was noted that there would not be a replacement scheme required.

Members requested clarification on whether exemption would apply in respect of instances where homes were left empty for reasons beyond the control of the former occupants.

RECOMMENDED:

- (a) that the exemption scheme be amended to limit discount in respect of short term empty property Class C to 50%; and
- (b) that the discount on second homes be removed.

RESOLVED:

- (a) that there will not be a replacement scheme for Council Tax Benefit from April 2013; and
- (b) that the financial impact of the changes be noted together with the requirement for a more fundamental review of local Council Tax support from 2014/2015.

101/12 **COUNCIL TAX BASE AND BUSINESS RATE BASE 2013/2014**

The Cabinet considered a report on the Council Tax Base and Business Rate Base for 2013/2014. It was noted that this was the first time that the Business Rate Base had required Council approval as any variation to the Base would now have a direct impact on the income received by the Authority. At present the appendix in relation to the Business Rate Base was still in draft form and it was reported that a final version would be submitted to Council for approval.

It was noted that the Council Tax Base would be reduced due to the new arrangements for Council Tax Benefit Support. The Authority would now receive a grant for the financial year for an estimated 90% of Council Tax Support payable.

There was discussion on the Government grants proposed to be paid to Parish Councils totalling £40,020. The grants were payable to Parish Councils in addition to their precepts to ensure that residents are not affected by the reduction in the Council Tax Base within their Parish area. It was noted that the grant was available for one year only and it was felt this should be made clear to the Parish Councils.

RECOMMENDED:

- (a) that the calculation of the Council's Tax Base for the whole and parts of the area for 2013/14 as detailed in Appendix 1 to the report be approved;
- (b) that in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992 , the figures calculated by Bromsgrove District Council as its tax base for the whole area for the year 2013/14 be £33,784.51 and that the calculation for each Parish be as set out in Appendix 1 to the report; and
- (c) that grants be paid to the Parish Councils as set out in Appendix 1 and that it be made clear to the Parish Councils that these are made on a one year basis only.

RESOLVED that it be noted that the details of the Business Rate Base were still in draft form and that a revised version would be submitted to the Council.

102/12 **MEDIUM TERM FINANCIAL PLAN 2013/2014 - 2015/2016**

The Financial Services Manager stated that the report previously circulated had now been superceded and gave a short presentation on the latest position with regard to the Medium Term Financial Plan 2013/2014 – 2015/2016 and in particular the revenue budget.

It was noted that as a result of a reduction in the Government Grant the Council needed to make further savings of £213,000. The presentation also detailed the unavoidable pressures such as a shortfall in income and an estimated staff pay rise of 1%. The savings to be developed through transformation (such as refuse vehicle route optimisation) and service reviews were estimated at £1,000,000.

It was reported that officers were still working to reduce the current shortfall of £297,000 and to review the savings which could be achieved to achieve a balanced budget. The likely position for future years was also noted.

The Leader requested that thanks be expressed to officers for their work in respect of the budget process in particular, but also in the light of the many other changes which were currently being introduced.

RESOLVED that the current position for 2013/2014 – 2015/2016 be noted and that officers be requested to review the savings which could be delivered in order to achieve a balanced budget.

103/12 **EMERGENCY CARE GRANTS/CRISIS LOANS SCHEME**

The Cabinet considered a report on proposed new arrangements for the administration of Community Care Grants and Crisis Loans.

It was reported that as part of the Welfare Reform Act 2012, the Government had replaced elements of the discretionary Social Fund with “Local Assistance Schemes.”

Funding had been transferred from the Department for Work and Pensions to County Councils to enable schemes for emergency provision for vulnerable groups to be developed to reflect local circumstances so that Local Authorities could decide how best to meet severe hardship. The Government would expect that Councils would want to develop local systems which reflect local circumstances and will build upon services and programmes already in place and in addition will utilise and develop partnership arrangements.

The report also proposed that the funding be transferred from Worcestershire County Council to the District Councils. In addition an element of funding to meet the costs of administration was proposed to be transferred.

RECOMMENDED that this Council accepts the transfer of funding from Worcestershire County Council to enable a scheme for local provision of Emergency funding for vulnerable groups within the District to be developed.

RESOLVED:

- (a) that officers be requested to develop a detailed scheme for individuals to access the funding and that this be reported to Members in March;
and
- (b) that officers be requested to report further on the level of funding once the final allocations have been determined.

The meeting closed at 7.50 p.m.

Chairman