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MINUTES OF A MEETING OF THE VALUE OVERVIEW & SCRUTINY COMMITTEE Committee Room 2 - Town Hall 31 July 2012 (7.30 - 8.30 pm)

Present:

Councillors Robby Misir (Chairman), Ted Eden, Billy Taylor, Damian White, Clarence Barrett and Linda Hawthorn

Apologies for absence were received from Councillor Ray Morgon and Councillor Ron Ower

Substitute Members: Councillors Clarence Barrett (for Ray Morgon) and Linda Hawthorn (for Ron Ower).

Councillor Roger Ramsey was present for part of the meeting. Also present for the call-in item was Councillor Keith Darvill.

+ Councillor Taylor was present for part of the meeting.

10 LOCALISATION OF COUNCIL TAX SUPPORT - - REQUISITION OF EXECUTIVE DECISION

In accordance with paragraph 17 of the Overview & Scrutiny Committee Rules, a requisition signed by two Members representing more than one Group (Councillors Keith Darvill and Clarence Barrett) had called in the decision of the Cabinet Member dated 11 July 2012 concerning the localisation of Council Tax support.

The report that Cabinet considered outlined eight options from which a local Council Tax Support Scheme could be developed.

A key issue for the Council would be to develop and deliver a local scheme where the Government grant allocation had been reduced by 10% (£1.9 million).

Cabinet was asked to consider and be aware of the implications and risks associated with all eight options and also the risks generally associated with a local scheme as defined in the report.

The Cabinet Member for Value had made the following decisions:

1. That Cabinet note the financial pressure of a £1.9m reduction in government grant for council tax support in 2013/14.

2. That Cabinet authorise consultation with the Greater London Authority on the Options with the preferred option being Option 8.

The report submitted to Cabinet stated that Option 8 was the officers' recommendation for short listing for consultation with the GLA as it combined elements which proposed minimal impacts on working age claimants and taxpayers with only one home. It was also reasonable to expect working adults residing with the claimant to make a contribution to the council tax through an increased non dependent deduction.

Option 8 combined a restriction in benefit to a weekly Band D charge, increasing non dependent deductions and reducing certain exemptions to zero per cent. This option had a projected saving of £1.8 million.

The report added that in order to present the GLA with the principles behind a true range of variable options, it was recommended that Options 3, 7 and 8 should be taken forward to the formal consultation process.

The reasons for the call in were detailed as follows:

- 1 To provide the Value Overview and Scrutiny Committee with the opportunity to consider in detail the options for the Havering Local Scheme before the preferred options are the subject of consultation with the Greater London Authority.
- 2 To consider whether there are alternative options that should be considered by Council members.

Councillor Darvill raised the following issues at the meeting:

- That call-in provided the opportunity to review the report particularly as it was to be considered by a precepting authority.
- That the decision of Cabinet would have a wide impact on the general public.
- That it would be useful for the relevant overview and scrutiny committee to be involved in this decision
- Clarification was sought on exceptions and second home owners in the borough.
- Clarification was also sought on the impact on vulnerable people and how these groups would be assessed.
- That he was concerned about vulnerable people that the reduction in benefit would affect.

Councillor Darvill stated that he was aware that some authorities were setting up a hardship fund to assist such groups.

Councillor Barrett stated that he had three areas of enquiry:

- He was of the opinion that it would have been useful to have an overview and scrutiny presence in the decision-making timetable in order to review the result of the consultation before it is considered by Cabinet.
- Clarification was also sought on the process of submission to the GLA of the council's preferred option and that the preferred option would be consulted on.
- In respect of Option 8, clarification was sought on the number of empty properties in the borough over the last two years.

The Committee noted the following responses by officers to the points made by Members:

- That the decision on which option to be taken forward would need to be approved by Full Council by the end of January 2013.
- There was no clear indication on the level of grant available to help administer the scheme at this stage.
- That information on the consultation would be available on-line, via Focus groups and in newspapers including the Council's Living magazine.

During the discussion, the Group Director for Finance and Commerce agreed to send a briefing note to all Members, with a draft consultation paper, in order to inform Members of the impending consultation.

Following this, the matter was put to a vote.

The Committee voted not to uphold the requisition by 4 votes to 2. Councillors Hawthorn and Barrett voting to uphold the requisition Councillors Misir, Eden, Taylor and White voting not to uphold the requisition.

Chairman

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