

13 December 2012

Brighton &amp; Hove City Council

**Subject:** Council Tax Support System – Proposed Final Scheme – Extract from the Policy & Resources Committee Meeting held on the 29 November 2012

**Date of Meeting:** 13 December 2012

**Report of:** Interim Lead Chief Executive Services

**Contact Officer:** Name: **Mark Wall** Tel: **29-1006**  
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**Wards Affected:** All

**FOR GENERAL RELEASE****Action Required of Council:**

To receive the item referred from the Policy &amp; Resources Committee for approval:

**Recommendation:**

- (1) That the Overview and Scrutiny report at appendix 1, its recommendations and the Committee's responses at appendix 2 as amended be noted;
- (2) That the information about the government's October announcement of transition grant at appendix 3 be noted;
- (3) That the feedback from consultation and the responses at appendix 5 and section 4 of the report be noted;
- (4) That the Equality Impact Assessment at appendix 6 to the report be noted;
- (5) That the proposals in the draft scheme published in July be adopted with the amendments necessary to satisfy the criteria for transition grant set out in the October announcement;
- (6) That that the full text of the final scheme be based on the government's default Regulations with suitable amendments to adapt the scheme as a scheme local to Brighton & Hove;
- (7) That accordingly, to make the Brighton & Hove City Council (Council Tax) Low Income Discount Scheme 2013 (the main scheme) as set out in Part 1 of appendix 4 and the Brighton & Hove City (Council Tax) Discretionary Scheme 2013 (the discretionary scheme) as set out in Part 2 of appendix 4;
- (8) That the Director of Finance be authorised to take all appropriate steps to implement and administer the main scheme and the discretionary scheme,

including (1) publishing the main scheme in accordance with statutory requirements, (2) applying for any funding for which the Council may be eligible, and (3) responding to any other government initiatives or consultation exercises;

- (9) That the Head of Law be authorised to make suitable amendments to the Council's constitution to reflect the council's new functions in relation to council tax reduction schemes, in particular (1) to indicate in Part 3 (Council Functions) that only the Full Council can make, revise or replace its main scheme and (2) to replace in the Schemes of Delegation to Committees and Sub-committees and to officers any references to council tax benefit with references to council tax reduction schemes.

## POLICY & RESOURCES COMMITTEE

4.00pm 29 November 2012  
COUNCIL CHAMBER, HOVE TOWN HALL

### DRAFT MINUTES

**Present:** Councillor J Kitcat (Chair) Councillors Littman (Deputy Chair), Bowden, Hamilton, Mitchell (Opposition Spokesperson), A Norman, Peltzer Dunn, Shanks, G Theobald (Opposition Spokesperson) and West.

### PART ONE

#### 81. COUNCIL TAX SUPPORT SYSTEM - PROPOSED FINAL SCHEME

- 81.1 The Head of City Services introduced the report which detailed the proposed local council tax support scheme that the council was now required to produce and implement with effect from April 2013. She stated that officers had been working on the proposed scheme and taken account of a wide range of policy and financial issues in developing the scheme. She stated that there had been an extensive consultation exercise and that every household in receipt of council tax benefit had been contacted. She also drew attention to a number of amendments that were required following the publication of the report; paragraph 5.17 should have a figure of £20.8m in the first line and in the third line, £1.6m should read as £1.4m and £1.8m should be £1.6m. In regard to appendix 2, page 125 of the recommendations from the Scrutiny Panel, she stated that item should read as being 'not agreed' rather than 'agreed.' In regard to this point, she also wished to give a personal apology as it had led to the letter referred to earlier being drafted and sent to Councillor Littman as Deputy Chair for signature and subsequently being sent when it should not have been.

- 81.2 The Head of City Services noted that the proposed scheme would be run for a transitional period of one year and would need to be reviewed following that time. It was recommended that the transitional funding made available by the Secretary of State should be accepted and that scheme should be recommended to the Full Council for approval. She also noted that the scheme had been modelled on the existing council tax benefit scheme.
- 81.3 The Chair welcomed the report and thanked the officers involved for their work during a very difficult time, given the government's decision to make local authorities responsible for managing their own schemes and requiring them to have a scheme in place for next April. He also wished to thank the members of the Scrutiny Panel for their work and recommendations and hoped that the recommendations contained in the report could be supported by all groups.
- 81.4 Councillor Littman stated that he wished to thank the officers involved and the Head of City Services for her apology, although he had signed the letter. He believed the proposed scheme was an effective one and ensured that no-one would pay more than 8% council tax if they were in receipt of council tax benefit, which he felt was a credit to the officers involved.
- 81.5 Councillor Mitchell welcomed the report and noted that the available funding had been cut before the council had been made to take responsibility for the management of a scheme. She also wished to thank the officers involved and noted that the council was in a good position and ahead of a number of other authorities in terms of having a scheme that could be implemented.
- 81.6 Councillor Ann Norman thanked the officers for an excellent piece of work on behalf of all councillors and in such a tight time-scale. She sought clarification in regard to the options listed on page 127 and hoped that appropriate safeguards were in place to prevent fraud.
- 81.7 The Head of City Services thanked the Members for their comments and stated that officers had recognised the need to have safeguards in place to protect the scheme and consideration was being given to the establishment of a Corporate Fraud Team for the council as a whole.
- 81.8 The Head of Revenues and Benefits stated that with regard to the two options that had been listed, following further review, the gross option had proved to be too high a risk and therefore the net option was recommended for the scheme.
- 81.9 Councillor West welcomed the proposed scheme and the work of the officers to enable the council to be in a position to implement it in good time, something which he feared may not be the case across the country.
- 81.10 The Chair noted the comments and put the recommendations to the vote which were carried.
- 81.11 **RESOLVED:**
- (1) That the Overview and Scrutiny report at appendix 1 to the report be noted and that the responses detailed at appendix 2 to the report as amended be approved;

**RESOLVED TO RECOMMEND:**

- (1) That the Overview and Scrutiny report at appendix 1, its recommendations and the Committee's responses at appendix 2 as amended be noted;
- (2) That the information about the government's October announcement of transition grant at appendix 3 be noted;
- (3) That the feedback from consultation and the responses at appendix 5 and section 4 of the report be noted;
- (4) That the Equality Impact Assessment at appendix 6 to the report be noted;
- (5) That the proposals in the draft scheme published in July be adopted with the amendments necessary to satisfy the criteria for transition grant set out in the October announcement;
- (6) That that the full text of the final scheme be based on the government's default Regulations with suitable amendments to adapt the scheme as a scheme local to Brighton & Hove;
- (7) That accordingly, to make the Brighton & Hove City Council (Council Tax) Low Income Discount Scheme 2013 (the main scheme) as set out in Part 1 of appendix 4 and the Brighton & Hove City (Council Tax) Discretionary Scheme 2013 (the discretionary scheme) as set out in Part 2 of appendix 4;
- (8) That the Director of Finance be authorised to take all appropriate steps to implement and administer the main scheme and the discretionary scheme, including (1) publishing the main scheme in accordance with statutory requirements, (2) applying for any funding for which the Council may be eligible, and (3) responding to any other government initiatives or consultation exercises;
- (9) That the Head of Law be authorised to make suitable amendments to the Council's constitution to reflect the council's new functions in relation to council tax reduction schemes, in particular (1) to indicate in Part 3 (Council Functions) that only the Full Council can make, revise or replace its main scheme and (2) to replace in the Schemes of Delegation to Committees and Sub-committees and to officers any references to council tax benefit with references to council tax reduction schemes.