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OVERVIEW & SCRUTINY PANEL

Minutes of the meeting held on 26 January 2017 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Present: Councillor D. Saunders (Chairman); Councillors G Coleman-Cooke, Ashbee, Campbell, Connor, Curran, Dennis, Dexter, Falcon, I Gregory, Grove, Jaye-Jones and Rusiecki

In Attendance: Councillors: K Coleman-Cooke and M Saunders

89. APOLOGIES FOR ABSENCE

Apologies were received from the following Members:

Councillor Dixon;
Councillor Martin;
Councillor Parsons, substituted by Councillor I. Gregory;
Councillor Hayton, substituted by Councillor Grove.

90. DECLARATIONS OF INTEREST

There were no declarations of interest.

91. MINUTES OF PREVIOUS MEETING

Councillor Campbell proposed, Councillor Glenn Coleman-Cooke seconded and Members agreed the minutes as a correct record of the meeting that was held on 13 December 2016.

92. EXCEPTIONAL HARDSHIP SCHEME

Tim Willis, Director of Corporate Resources introduced the item for discussion and made the following points:

- When Council agreed the 2017/18 Council Tax Support Scheme, Members also agreed to receive at a later date, proposals on an Exceptional Hardship Scheme to help mitigate (on a one off basis) those individuals/families most adversely affected by the changes to the Council Tax Support Scheme;
- Changes to the Council Tax Support Scheme were necessitated by the reduced government funding;
- It should be noted that the Council approved the Council Tax Support Scheme which is jointly the most generous in Kent;
- The proposed scheme is to be presented to Cabinet on 31 January and Council in February.

Members then sought further clarifications by asking questions and also made the following observations:

- They requested that the application form be presented to the Panel;
- The application form should be robust but fair and the scheme should be easily accessed by those who deserve support;
- The form was an intrinsic part of the scheme should be looked at by the Panel;
- Further clarification was required for some of the wording used in the scheme. The scheme should not give too much discretion to the assessor but instead

provide objective criteria that can be used to ensure fair and consistent assessment of applications;

- The wording for one of the circumstances for awarding to a deserving person which read 'the customer has not tried all **other** means to address the shortfall before making this application' (*on page 09 of the agenda pack*) should be re-worded to perhaps read 'the customer has not tried all other **reasonable** means to address the shortfall before making this application;'
- The wording for one of the criteria (*on page 10 of the agenda pack*) which read 'all income received by the applicant, their partner and any member of their household irrespective of whether the income **may fall to be disregarded** under the Council Tax Support Scheme' should read 'all income received by the applicant, their partner and any member of their household irrespective of whether the income **may be disregarded** under the Council Tax Support Scheme;'
- There was a need to use plain English in the wording of the scheme;
- Was there a need to use random sampling to ensure that all changes of circumstances of those in receipt of the payments had been reported to the council?
- Were there any penalties in the event that someone was found to be defrauding the scheme?
- Will there be a cap on how much a recipient could receive?
- Could an applicant in exceptional hardship pay no council tax at all?

In response Mark Emery, Acting Head of Customer Delivery (EK Services) and Tim Willis provided the following comments:

- The application form does not exist as yet;
- EK Services would be administering the Exceptional Hardship Scheme;
- The Scheme would be administered in a similar theme and spirit as the one currently used to administer the discretionary housing payments scheme which has been operational for a number of years;
- The form would be available mainly on the Council website but will also be available in paper form;
- The awards would be for a single year and any new awards will only be based on a new application;
- The awards may run for the full year or cover a part of the year depending on the circumstances of the individual;
- There was no assumption that the award would be renewed after a new year;
- The amount of money set aside for the scheme was not highlighted in the report because the main purpose of the report was to afford Members to debate the content and nature of the scheme without being bogged down by the amount set aside for the scheme;
- The application of the scheme was dependent on the final version to be adopted by each of the partner local councils;
- The scheme would be administered alongside the housing benefits and council tax support. Customers were required to notify the council on change of circumstances. EK Services would be able to identify cases of fraud when they arise;
- In general council tax legislation there was an ability to suspend the award of benefits and award a penalty if a case of fraud was detected. However with regards to the proposed scheme the officers would get back to Members with a more definitive response (if a case of fraud was detected in the Exceptional Hardship Scheme);
- If a customer was removed from all assistance and were in exceptional hardship circumstances (in extreme cases), there could be consideration for them to be exempt from paying council tax for the appropriate period of time.

In summing up debate on the item, the Chairman said that there was a need to put more detailed information on criteria to be used, appropriate wording and time scales (where appropriate) in the scheme.

Subject to the amendments suggested by the Panel, Members agreed to recommend the proposed scheme to Cabinet for onward submission to Council.

93. **BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2017-2021**

Tim Willis introduced the report and made the following points:

- The report was considered first by Cabinet on 17 January 2017;
- Council continued to face significant government cuts to the budget (especially the revenue support grant which had been reduced by about £1 million) over the coming years;
- Budget proposals were meant to minimise the impact of these cuts;
- New Homes Bonus had been reduced by over £1 million;
- Inflationary pressures on the cost side and pension revaluation and other smaller adjustments, contributed to a budget funding gap of about £2,6 million;
- Budget briefing sessions had been held for Members in addition to the formal Members Briefing sessions;
- Draw down on reserves of £450,000 was being proposed which would be paid back over a period of 3 years;
- Outcome of the New Homes Bonus review by government had an adverse effect on council budgets as it led to cuts in this funding source;
- Budget presumes (although not in the formal recommendations) an increase in council tax of £4.95 For Band D homes, which translate to 2.3%.

Members sought further clarifications by asking questions and made the following observations:

- In one section of the report there was reference to the draw down on reserves as £450,000 and in other sections the figure was £490,000. Why was there that anomaly?
- There was limited information regarding the rodent control and damp proofing budget provision, on how much was allocated for each of the two items;
- The comment that capital receipts from the Royal Sands development had not been allocated to capital projects required updating as some of the money had already been allocated. Of the initial amount was £3,55 million for the site, there is the remaining balance of £1,83 million as some of the money had already be used or allocated;
- There were cuts in council tax adjustments for minor preceptors. What would the contribution be from TDC to town/parish in respect of the precepts;
- Bar Charts have no scale heading in pages 36, 38 & 41 of the agenda pack. This would need to be corrected;
- The figure in the General Fund Revenue Budget (Budget Pressures) of **£1,070k** in Table 5 (*on page 31 of the agenda pack*) did not match up with the **£700k + £340k which add up to £1,04 million** of the same budget line in Table 2 (*on page 26 of the agenda pack*);
- How had the council tax base figures been worked out as the number of properties indicated seem to miss out new development?
- The comment on the section on the budget growth regarding the 'reduction in rent of 12%, needed to be amended. This should read 'reduction in rental income' and not 'reduction in average rent.'

In response to Member queries Tim Willis and Nicola Walker, Finance Manager (Finance Manager - HRA, Capital & External Funding) made the following comments:

- That there was an adjustment in the budget of £40,000 (*in respect of the decriminalisation reserve*) which was brought from the previous years (which has always been in the Medium Term Financial Strategy). This explains why the draw down figure adds up to £490,000 from the £450,000 highlighted in one part of the report;
- In respect of precepts, there was a 4 year settlement agreement with the government to honour the revenue support amounts. The decrease in precepts amounts will be in relation to the cuts from government;
- With regards to the disparity between the two figures in Table 5 and Table 2 (£1,070k & £1,040k), there was no direct mapping between the two figures. A break down of the figures would be provided after the meeting;
- The more accurate comment regarding the capital receipts from the Royal Sands development should read 'the balance of the capital receipts from the Royal Sands development;'
- Town/Parish councils could plan on the assumption that the amount of precepts will be halved 2018/19 and zero in 2019/20 (but this was not TDC policy as yet);
- The wording would be amended to regarding the comment on budget growth to read 'reduction in rental income' and not 'reduction in average rent.'

The panel agreed the recommendations in the report, subject to the amendments proposed for the various sections of the report.

94. REVIEW OF OSP WORK PROGRAMME FOR 2016/17

Councillor Campbell gave an update regarding the recommendations from the Community Safety Partnership Working Party. He said that Ramsgate Town Council proposed at their Finance & General Purpose Committee meeting on 25 January 2017 to fund in full the EK Rape Crisis Centre counselling services, (the £10,000 per year). If other town/parish councils wanted to access this service they would be required to contribute to the £10,000 annual funding budget.

Nick Hughes advised that all the recommendations in the report would be forwarded to Cabinet once agreed by the Overview and Scrutiny Panel.

Councillor Dexter advised that the Charter Trustees of Margate did not have the legal authority to contribute any funding to the proposed counselling service for the area. Members and officers concurred with the observation. The Panel noted that the recommendation to approach town councils was also meant to refer to parish councils as well.

The Panel agreed the following recommendations which they referred to Cabinet for approval:

1. To note the report;
2. To forward to Cabinet the following recommendations from the Community Safety Partnership Working Party that:
 - a) Thanet District Council approach town councils in Thanet to request funding of £188 to finance one day per week, of EK Rape Crisis Centre counselling services if Thanet District Council will provide a room for the counselling sessions on a match funding basis;
 - b) Approaches are made to the 'Place To Be' to provide their free children services to schools in Thanet;

- c) A letter be written to the PCC to raise concern about the changes to policing in the area and write a letter advising the PCC that approaches were being made to town councils inn Thanet to support the EK Rape Crisis Centre and inquire if the Commissioner was willing to work with town councils in this effort.

95. FORWARD PLAN AND EXEMPT CABINET REPORT LIST FOR PERIOD 07 DECEMBER 2016 - 31 MAY 2017

Members noted the report.

Meeting concluded: 7.55 pm

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