

**MINUTES of the meeting of the Corporate Overview and Scrutiny Committee held on 7 November 2012 at 7.00pm**

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**Present:** Councillors Richard Speight (Chair), Barry Johnson (Vice Chair) Wendy Curtis, Martin Healy and Charlie Key

**In attendance:** M. Hone – Director of Finance & Corporate Governance  
S. Clark – Head of Finance  
S. Zacharia – Business and Strategic Development Manager  
M. Whitely – Transformation Consultant  
M. Boulter – Principal Democratic Services Officer

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**18. MINUTES**

The minutes of the Corporate Overview and Scrutiny Committee held on 11 September 2012 were approved as a correct record.

**19. DECLARATION OF INTERESTS**

a) Interests

No interests were declared.

b) Whipping

No interests were declared.

**20. LOCAL COUNCIL TAX EXEMPTIONS AND DISCRETIONARY DISCOUNTS DRAFT**

It was explained to the Committee that the Council would soon have more powers under the Localism Act to determine the exemptions placed on various types of empty property. The Council had the powers to decide on empty properties under major renovation, empty furnished properties and long term empty properties. Single occupancy discount was not within the remit of the Council.

The Committee discussed the various levels of exemption they could agree and all recognised that it was difficult to come to a consensus on this issue as a committee because of personal opinions. Some Members felt a half way measure, of allowing exemptions but reducing the time they are available, was the best way forward whereas other Members felt that the exemptions should be for thirty days only for all occasions.

The Committee discussed how Thurrock compared to other Essex councils with regards to empty properties and officers stated that Thurrock was currently pursuing a scheme similar to other Essex authorities, although Thurrock had a higher instance of empty properties.

There was a brief discussion on long term empty properties and it was discovered that the majority of these cases were caused by people not being able to live in the house because they needed help to renovate it or that people had died intestate. The Council did have powers to repossess intestate properties but knowing about them was difficult.

There was concern that enforcing less exemptions on properties could result in landlords increasing the rent of tenants to cover the possibility of additional costs, especially affecting those who were vulnerable. It was agreed that this was a risk as all extra costs to a landlord would be worked into their business plans and therefore the rent they charged.

The Committee agreed that the issue under debate was not about revenue raising but about beneficial occupancy and ensuring properties that were needed were being used.

The Chair proposed that, with regards to Class C exemptions the period of exemption be reduced to three months. Councillors Speight, Curtis and Healy voted for this while Councillors Key and Johnson voted against on the premise that they preferred a shorter period of 30 days.

With regards to Class A, the Committee felt that there should be a distinction and allowance made between repairs that were due to natural disasters (exemption allowed) and those that were simply commercial or private choices (no exemption allowed).

With regards to long term empty properties the Committee felt that an increase in council tax was not going to help the various and complex situations involved in these cases.

**RESOLVED: That:**

- i) Cabinet be recommended to reduce Class C exemptions to three months.**
- ii) The Committee recommend that officers clarify whether the definition of 'Major Repairs' can be defined under Class A to allow the exemption under certain circumstances.**
- iii) The Committee recommend no change in policy relating to long term empty properties.**

## 21. LOCAL COUNCIL TAX SUPPORT SCHEME

Officers explained the background to the scheme, stating that pensioners were not affected and that the 8,000 working age residents affected had been written to. The recommendations of the task and finish group were:

- The first £25 of income per week would not affect the benefit claimed.
- Child maintenance support would not be considered an income.
- Second adult rebate be removed.
- Any claimant to support must have less than £6,000 of savings.
- Maximum support will be 75% of total council tax bill. Therefore, everyone will have to pay at least 25% of their council tax.
- The Scheme will not affect the health and well-being of residents and will not go against the principles of the Council.

The Committee discussed the default scheme that the government would impose if the Council did not decide its own scheme. During the discussion, officers stated that they would recommend against accepting the grant from the government to provide 91.5% council tax support to some residents because this grant would not cover the cost of supporting those that fell into this criteria and also, that the grant was only for one year. Therefore, the Council would increase its financial burden in the long term by accepting this offer. It was added that all Essex Councils, except Uttlesford, were not taking this grant.

It was made clear that Barking and Dagenham were taking the grant and this was due to their different council tax circumstances, namely that they had more people in need of council tax support and a lower council tax base.

Following a question Officers stated that the introduction of this scheme would affect collection rates and at present Serco were predicting a 40% non-collection rate. However, it was stressed that Serco were still analysing this figure and were confident of reducing it.

The Committee was keen to know how the new scheme would affect the Council's fair debt policy and it was agreed that the imposition of the new support scheme was a significant challenge that the portfolio holder and director were meeting regularly on. Vulnerable residents would be given suitable support but in general the scheme would require the Council (with suitable partners) to re-assess the fair debt policy.

Hardship funds would still be available and would be determined by trained welfare officers working from a template agreed by Members.

The proposal would create a hardship fund circa £250,000 and this would be ring fenced. Officers stated that the policy surrounding support and hardship would be revisited every year. Members agreed that the policy and scheme needed to be robust enough to deal with the varying situations and needs of residents.

Officers outlined the progress of this scheme through the Council, explaining that it would go to Cabinet next week and then Full Council for ratification in November. The scheme would then feed into the council tax base for next year.

**RESOLVED: That:**

- i) The committee recommend and support the findings of the task and finish group as outlined above to Cabinet.**
- ii) Housing Overview and Scrutiny consider the social impact of the scheme on residents.**

**22. BUDGET 2013/14 – GROWTH AND SAVINGS PROPOSALS**

The Committee learnt that by accepting all the current growth and savings proposals, the council would still need to find savings of £3.4 million for 2013/14 and £5.5 million for 2014/15.

The Committee discussed the figures surrounding the pension fund deficit. It was explained that £900,000 of third party contributions had been worked into this year's budget figures and that this would not incur any additional costs on services that they did not already pay. In 2014/15 the annual deficit payment was estimated to increase by £1,000,000 but would be confirmed towards the end of 2013. This increase was purely an estimate at this time reflecting current national policies such as repayment periods, but officers believed that there is a reasonable expectation that these would change over the coming months.

Officers confirmed that the Council was not liable for any staff who had moved to a private contractor within the Council, nor were they liable for any charity organisation that operated under the Essex Pension Fund.

The funding of borough elections was briefly explained by stating that no election next year meant that £192,000 was taken out of the budget but this would then need to be reinvested back for future election years, as well as any forthcoming joint elections.

Procurement savings of £2 million were not currently finalised. Serco had agreed to make savings and were prepared to underwrite the saving should they fail to deliver. The exact amount of saving was yet to be agreed as it required further research from Serco but also for the Council to agree any changes in contract or service that might follow.

The Council currently spends circa £170 million per year with suppliers so there was an expectation that savings could be found through more efficient ways of procurement. Officers clarified that such savings would not adversely affect small suppliers.

Officers also confirmed that no savings were currently offered from the partnership working with Barking and Dagenham Council.

One Member queried whether the Committee could see all the equality impact assessments (EIA) for the proposals. Officers stated that all proposals that required EIAs had them, although for some, such as the elections proposals, they did not need them. Certain savings, such as the transformation savings, had yet to take definite form and so EIAs were still expected on some proposals.

In relation to Citizen's Advice Bureau (CAB) funding, officers stated that the £28,000 growth was payment for a particular stand alone job they had asked the CAB to do. One Member stated that they hoped this did not overburden the CAB in a time when people would be approaching them for advice on the welfare reform changes.

With regards to asset management officers stated that the savings were prudent and the Council was certain to make these savings because they had under budgeted the income from these properties and the Council was now much more certain about what it could save.

**RESOLVED That the Committee notes the proposals for budget growth and savings in 2013/14 and future years set out in the appendices to this report.**

**23. WORK PROGRAMME**

Members noted that the Quarter 2 report in January would reflect the most up to date information.

**RESOLVED that the Work Programme be noted.**

**The Meeting Finished at 8.51pm**

Approved as a true and correct record

**CHAIRMAN**

**DATE**

**Any queries regarding these Minutes, please contact  
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or alternatively e-mail [mboulter@thurrock.gov.uk](mailto:mboulter@thurrock.gov.uk)**

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