

MEETING OF THE CORPORATE MANAGEMENT COMMITTEE**HELD ON 17 SEPTEMBER 2012 AT 7.30 P.M. IN THE COUNCIL CHAMBER, WEELEY**

Present: Councillors Steady (Chairman), Bucke, Caines, Goggin, Griffiths, V E Guglielmi, Nicholls and Platt

Also Present: Councillors Halliday and Watling

In Attendance: Head of Resource Management (Karen Neath), Finance and Procurement Manager (Richard Barratt), Benefits Manager (Harry Bates), Democratic Services Manager (Colin Sweeney) and Democratic Services Officer (Elizabeth Ridout)

17. CHAIRMAN'S ANNOUNCEMENTS

There were none.

18. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

An apology for absence was submitted on behalf of Councillor Miles, with Councillor Griffiths substituting.

19. MINUTES OF THE LAST MEETING

The minutes of the meeting of the Committee held on 30 July 2012 were approved as a correct record and signed by the Chairman.

20. MATTERS ARISING FROM THE ABOVE-MENTIONED MINUTES

There were none.

21. QUESTIONS PURSUANT TO COUNCIL PROCEDURE RULE 15.3

There were none.

22. CORPORATE BUDGET MONITORING REPORT FOR THE PERIOD ENDING 31 JULY 2012

The Committee was provided with an overview of the Council's actual financial position against the budget as at the end of July 2012.

Members were made aware that it was relatively early in the financial year and therefore some expenditure or income trends may still be emerging. However, any significant issues arising to date had been highlighted and comments had been provided as necessary.

The position to the end of July 2012, as set out in more detail in the Executive Summary attached, showed that overall the actual General Fund Revenue position was behind the profiled budget by **£3.556m**. A considerable element of this variance was due to the timing of expenditure and income although some emerging issues had been identified.

In respect of other areas of the budget such as the Housing Revenue Account, Capital Programme, debt recovery and treasury activity, there were no significant issues that had been identified to date. In respect of treasury activity, there had been a need to seek to amend the Council's treasury management practices to respond to changes that had emerged since the start of the year. A recommendation to enable Officers to respond to emerging issues was included in the report to Cabinet for its 13 September 2012 meeting.

Overall there were no significant issues emerging but any pressures either new or continuing from 2011/12 would be monitored and updates provided in future budget monitoring reports along with their consideration as part of the Financial Strategy and budget setting framework for 2013/14 where a longer term response may be required.

Members raised issues and asked questions which the Head of Resource Management and Finance and Procurement Manager responded to.

The Committee made a number of suggestions and focussed on ideas in trying to raise £4m. It was agreed that, at the next meeting to be held on 22 October 2012, the Committee would look at taking a more detailed piece of work forward and that the Council's new Commercial Manager be invited to attend to assist Members on the review process.

To do this, the Committee would be required to consider not only savings but means by which more income could be generated with the least effect on the provision of services. It was considered appropriate to wait until October, given that some expenditure or income trends would still be emerging as it was still relatively early in the financial cycle. Once these were known, the Committee wished to consider taking time to do a piece of work with actions arising, feeding into the 2014/15 budget setting process. It was agreed that as a starting point for the meeting in October, Officers would provide further detailed financial information on current income streams, Careline and leisure facilities.

RESOLVED that the Corporate Management Committee note the budgetary position as at the end of July 2012 and made the following comment to Cabinet:

The Committee suggested possibilities be explored in terms of marketing the Careline service and undertaking a piece of work, by way of a review, to feed into the 2014/15 budget setting process.

23. THE LOCAL COUNCIL TAX SUPPORT SCHEME

The Committee was provided with an update on the development of the Local Council Tax Support Scheme for Tendring.

Also, comments received from people affected by the new scheme were circulated to the Committee.

Members were made aware that, as part of the major changes to the Welfare Benefits system, from 31 March 2013, Council Tax Benefit would end and be replaced by a new scheme called Local Council Tax Support (LCTS) from 1 April 2013. The Government had decided to protect pensioners (persons who were of an age where they could claim pension credit) therefore, pensioners who currently received Council Tax Benefit would receive the same help they were currently entitled to. The Government had also been clear that in developing the Local Scheme, Councils should be mindful of their duties to vulnerable groups. The funding for Council Tax Support would be reduced under the new scheme to 90% of what was available as Council Tax Benefit Subsidy.

The pan-Essex LCTS project group comprising of all the billing authorities and the unitary authorities in Essex had been created in January 2012 to devise a module type model upon which all authorities could base their local schemes according to local needs.

The project was managed by the benefits managers under guidance from the Essex Finance Officers Association (EFOA).

Authorities needed to adopt a new local scheme before 31st January 2013 otherwise the Government's prescribed default scheme would take effect. The default scheme reflected the existing council tax benefit scheme and, as such, would not deliver the 10% funding reduction meaning that this would have had to be met from the Council's own resources or from an increase in Council Tax.

Members were advised that 10,000 surveys had been sent to residents affected by the new scheme, however less than 300 responses had been received. The Benefits Manager agreed to circulate to members of the Committee, details of the consultation undertaken.

Members raised issues and asked questions which the Head of Resource Management and Benefits Manager responded to.

The Finance and Asset Management Portfolio Holder advised that the Citizens Advice Bureau had been made aware of the scheme and had put in place a plan to deal with affected residents.

RESOLVED that the Committee note the development of the Local Council Tax Support Scheme for Tendring and made the following comments to Cabinet:

- That a safety mechanism be put in place for those households who might struggle to meet the new payments
- That a series of newspaper adverts be initiated to ensure that households were fully aware of the new scheme.

24. FORWARD PLAN

The Committee noted the new items relevant to the terms of reference of the Committee contained in Forward Plan no. 131.

25. ANY OTHER ITEMS WHICH THE CHAIRMAN DECIDES ARE URGENT

There were none.

The meeting was declared closed at 9.56 p.m.

Chairman