
**MINUTES OF THE SPECIAL MEETING OF THE CORPORATE MANAGEMENT COMMITTEE
HELD ON 4 NOVEMBER 2014 AT 7.30 P.M. IN THE COUNCIL CHAMBER,
COUNCIL OFFICES, WEELEY**

Present: Councillors Steady (Chairman), Caines, R Callender, Coley, Nicholls and D Oxley.

In Attendance: Finance and Procurement Manager (Richard Barrett), Democratic Services Manager (Colin Sweeney), Revenues and Benefits Manager (Harry Bates) and Senior Democratic Services Officer (Ian Ford).

28. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillor Bucke (with Councillor D Oxley substituting), Councillor Challinor and Councillor Wood.

29. MINUTES OF THE LAST MEETING

The minutes of the last meeting of the Committee, held on 10 September 2014, were approved as a correct record and signed by the Chairman.

30. DECLARATIONS OF INTEREST

Councillors D Oxley and Steady declared pecuniary interests in respect of the matters discussed in Minute 31 below insofar as they were both landlords. They both remained in the meeting and took part in the discussion and voting on the item.

Councillor Coley declared a pecuniary interest in respect of the matters discussed in Minute 31 below insofar as he was a Director of Lawford Housing Enterprise Trust. He remained in the meeting and took part in the discussion and voting on the item.

31. THE LOCAL COUNCIL TAX SUPPORT SCHEME FOR TENDRING 2015/2016, COUNCIL TAX EXEMPTIONS/DISCOUNTS FOR 2015/2016 AND ANNUAL MINIMUM REVENUE PROVISION POLICY STATEMENT 2015/2016

The Committee considered and made comments and recommendations, as it deemed appropriate, on a report of the Housing, Benefits and Revenues Portfolio Holder, which was due to be considered by Cabinet at its meeting on 7 November 2014, in respect of the new Local Council Tax Support Scheme (LCTSS) for Tendring, for implementation for the year 2015/2016, the proposed Council Tax Exemptions and Discounts for 2015/2016 and the proposed Annual Minimum Revenue Provision Policy Statement (MRP) for 2015/2016.

The Revenues and Benefits Manager (Harry Bates) informed the Committee that there were two changes to the LCTSS proposed for 2015/2016 compared to the current Scheme operating for 2014/2015. The first was the removal of the residency criteria (which had already been suspended since 4 August 2014) following a High Court judgement that had declared Sandwell Metropolitan Borough Council's LCTSS residency policy ultra vires in that it was incompatible with the power which provided for the LCTSS under the Local Government Finance Act 1992, as amended by the Localism Act 2011, which only permitted a scheme of benefits based solely on a resident's financial need and ability to pay. The second change was the reduction of the starting point of the LCTSS calculation by 5% to give maximum eligible council tax at 80% which would mean an average increase in weekly Council Tax to a claimant of an additional £1.26 per week and give the Council an annual saving of approximately £540,000.

By way of an impact assessment of the introduction of the LCTSS the Revenues and Benefits Manager advised Members that there had been 17,722 households receiving Council Tax Benefit in September 2012 compared to 15,448 household receiving LCTS currently. The value of Council Tax Benefit awarded had been £15.3m whereas the value of LCTS currently awarded was approximately £12.4m. The shift in support between Pensioners and Working age had changed from 53% to 47% respectively to 54% to 46% in terms of the value of awards being granted. The Revenues and Benefits Manager stated that, as at 30 September 2014, the percentage of LCTS affected Council Tax collected was 44.16% compared to 59.15% for non LCTS affected Council Tax. He further stated that there had been a significant increase in the number of reminders, final notices and summonses being issued to support the collection of Council Tax with a consequent increase in the amount of Officer time and effort being devoted to this task.

The Finance and Procurement Manager (Richard Barrett) and Revenues and Benefits Manager informed the Committee that there had been no changes made this year in respect of the proposed Council Tax exemptions and discounts, the proposed Annual MRP and the approval mechanism for the NNDR tax base.

Those Officers responded to Members' questions in respect of: (1) the potential legal, financial and administrative implications for this Council following the suspension/removal of the residency criteria particularly in view of its "suppressing effect" on the number of claims received by the Council from residents moving into the District; (2) whether War Widows pension would continue to be disregarded in calculating entitlement to Council Tax support; and (3) the eligibility of Housing Enterprise Trusts in relation to Council Tax exemptions.

It was subsequently moved by Councillor Coley, seconded by Councillor R Callender and:

RESOLVED that, in regard to the proposed Local Council Tax Support Scheme for Tendring 2015/2016, the Council Tax Exemptions/Discounts for 2015/2016 and Annual Minimum Revenue Provision Policy Statement for 2015/2016, this Committee recommends that Cabinet looks at the cost and feasibility of enabling Housing Enterprise Trusts, that are working in co-operation with the Council's housing department, to be able to claim Council Tax exemption Class B for up to six months when their properties have become empty, as is currently enjoyed by Housing Associations that are registered as a charity.

32. FORWARD PLAN

The Committee noted the new items relevant to the terms of reference of the Committee contained in Forward Plan No.157.

The meeting was declared closed at 8.03 p.m.

Chairman