



## **COUNCIL - WEDNESDAY, 19 DECEMBER 2012**

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**Late Items originally marked  
"to follow"**

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1. **MINUTES** (Pages 1 - 14)
  - (a) Cabinet (Pages 15 - 50)

Report of the meeting to be held on 13th December 2012 - to follow.
  - (c) Overview and Scrutiny Panel (Environmental Well-Being) (Pages 51 - 54)

Report of the meeting held on 11th December 2012 - to follow.
  - (h) Corporate Governance Panel (Pages 55 - 58)

Report of the meeting held on 12th December 2012 - to follow.

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# Agenda Item 1

## HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the COUNCIL held in the Civic Suite, Pathfinder House, St Mary's Street, Huntingdon PE29 3TN on Wednesday, 14 November 2012.

PRESENT: Councillor Mrs B E Boddington – Chairman.

Councillors J D Ablewhite, S Akthar, M G Baker, K M Baker, Mrs M Banerjee, I C Bates, P L E Bucknell, G J Bull, E R Butler, R C Carter, S Cawley, B S Chapman, K J Churchill, S J Criswell, I J Curtis, J W Davies, D B Dew, P J Downes, R S Farrer, R Fuller, D A Giles, J A Gray, S Greenall, N J Guyatt, G J Harlock, R Harrison, D Harty, R B Howe, C R Hyams, Mrs P A Jordan, P Kadewere, Ms L Kadic, S M Van De Kerkhove, Mrs P J Longford, A J Mackender-Lawrence, P G Mitchell, M C Oliver, J W G Pethard, P D Reeve, Mrs D C Reynolds and T V Rogers, M F Shellens, D M Tysoe, P K Ursell, R J West and A H Williams.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors W T Clough, Mrs L A Duffy, A Hansard and T D Sanderson.

### 40. CHAIRMAN'S ANNOUNCEMENTS

#### (a) Chairman's Events

The Chairman described some of the events which she had attended during October and in particular thanked all those Members who had supported her Charity Dinner held at the George Hotel, Buckden on 8th October which had raised approximately £1,750 for the Chairman's Charities.

#### (b) Town and Parish Councils

The Council was informed of a new initiative led by the Chairman which involved welcoming to Pathfinder House for an informed tour and refreshments, the Clerks and Councillors from Town and Parish Councils in Huntingdonshire. As these occasions had appeared to be a great success, the Chairman invited Members to contact her should they wish to involve any parishes in their Wards.

#### (c) Christmas Carol Concert

The Chairman asked Members to confirm whether or not they would be attending the Civic Carol Concert which was to be held in St. Mary's Church in Huntingdon on 5th

December 2012. The concert would comprise a service of nine lessons and carols and an address from the Right Reverend Conway, Bishop of Ely.

**41. MINUTES**

The Minutes of the meeting of the Council held on 26th September 2012 were approved as a correct record and signed by the Chairman.

**42. MEMBERS' INTERESTS**

No interests were declared by the Members present.

**43. LEADERSHIP DIRECTION AND REVIEW OF PERFORMANCE**

The Chairman invited Councillor J D Ablewhite, as Executive Leader of the Council to lead the presentation by Cabinet Members. Councillor Ablewhite indicated that each of the Executive Councillors would highlight the achievements of their respective portfolio areas during the year. On the conclusion of each of the presentations, the Council would be requested to formally adopt the Leadership Direction.

Councillor Ablewhite reminded the Council of the importance of the local economy and was pleased to add that small businesses continued to flourish with the assistance of the District Council whilst unemployment figures remained well below national average. Members were reminded that they had contributed to the economic assessment which would contribute towards the evidence base for the new local plan. Mention also was made of the recent decision to establish a business improvement district in Huntingdon which could be the way forward for towns, given the benefits that should derive from a shared business plan. In November, Councillor Ablewhite also was pleased to host a visit by the Secretary of State, Mr E Pickles to Huntingdonshire. He was present at the opening of the Enterprise Zone at Alconbury Weald as work has begun on the construction of the first incubator employment unit which would eventually be used to accommodate small businesses. Units would be available for use by local businesses and hopefully employ local people. The Executive Councillor also referred to the launch of Huntingdonshire Matters and Shape Your Place – both examples, in his view, of how localism should operate in practice. Councillor Ablewhite closed by describing the recent visit by the County Council's Cabinet to St. Neots and how this event and other projects would raise the profile of the town. A joint statement by the District and County Council would formalise this commitment in the future and ensure work continued there towards the key issues of growth and development.

The Leader of the Principal Opposition, Councillor P J Downes welcomed the overall direction of Councillor Ablewhite's statement but asked if he had had the opportunity to discuss with the Secretary of State the impact of the Government's current policy on Districts with low council tax levels. Councillor Ablewhite advised the questioner that he was hopeful of a positive change to the present situation in the next financial year.

In terms of the Leadership Direction, and in response to a suggestion

by Councillor Downes that this should have made a definitive reference to the voluntary sector, the increasing ethnic diversity of the District and the need to improve communications between staff and Members, as highlighted by the recent staff survey, Councillor Ablewhite was able to assure the Councillor that whilst not specifically mentioned it was implicit that these issues would continue to be addressed by the Council's leadership.

As Executive Councillor for Planning and Housing Strategy, Councillor N J Guyatt opened his address by referring to the largest planning application ever received by the Authority which had been submitted by Urban and Civic for the former airfield at Alconbury. As previously mentioned, an application also had been submitted for the first incubator unit on the Enterprise Zone. As this was determined within 36 days, the Executive Councillor extended his congratulations to those Officers who had contributed to this achievement adding that this was an indication of the District Council's commitment to streamlining the planning process for the Enterprise Zone. It was anticipated that this development would enable students from Huntingdonshire Regional College to develop skills leading to permanent job opportunities.

Councillor Guyatt reminded the Council of the continuing consultation on the new local plan and emphasised how important it was that this should be completed quickly. He added that until a new local plan was in place, the District Council would remain vulnerable to inappropriate development. He urged all Councillors to involve themselves in the consultation to endeavour to ensure the plan, when adopted was robust and sound, particularly given the Government's view of the importance of housing to the economic recovery of the country.

Working in consultation with local people was highlighted as a feature of 2012 as Councillor Guyatt referred to the success of the Urban Design Framework for RAF Brampton and the achievement of the pedestrian bridge at St. Neots railway station after consultation with the County Council and Network Rail. He also added that work continued on the delivery and governance of the community infrastructure levy. In thanking Members and Officers for their support during the year he asked Councillors to encourage the Parish Councils in their Wards to involve themselves in the local plan process.

In the questions which followed, Councillor R J West suggested that the Parish Council should be made aware to what degree the District Council sought to influence the provision of infrastructure. Councillor Guyatt confirmed that discussions with the Department of Transport might achieve a positive outcome for the A14 in Huntingdonshire but that he would now turn his attention to the A428 and A47 as both links were important to the economy of the District. These discussions also would comprise the possibility of a new railway station at Alconbury and the extension of the guided bus to Alconbury and elsewhere.

In response to a question regarding the status of the Core Strategy and the possibility that the validity of this document might be extended to cover the period prior to adoption of the new local plan,

the Executive Councillor admitted that he had drawn this suggestion to the attention of the Secretary of State.

In answer to a question from Councillor G J Harlock, Councillor Guyatt was hopeful that the phrase "meaningful contribution" in terms of the degree of entitlement of Town and Parish Councils to a proportion of CIL levy would be confirmed in the new year.

In welcoming the impact which the development of Alconbury Airfield would make to the District, Councillor P J Downes questioned whether the project would drive the improvements to the A14 which were essential to the District.

Referring briefly to the content of the proposed scheme of improvements to the A14, Councillor Guyatt suggested that this would involve the removal of the viaduct in Huntingdon although the detail of this aspect of the scheme still was under discussion as was the possibility of tolling as a way to receive contributions from HGVs travelling through the District from the continent. He added that it was the intention to separate local and through traffic.

Councillor D B Dew expressed the view that the District Council could contribute to economic recovery by achieving its housing targets and considered that this drive was critical to both the District and Country as a whole.

On another subject, Councillor R S Farrer requested confirmation that the Development Management Division had sufficient resources to respond to the Alconbury applications. Councillor P L E Bucknell also expressed concern that an application in his Ward involving a manufacturing business had been delayed un-duly. The Executive Councillor pointed out that the Urban and Civic application which had been determined within 36 days had benefited from pre-consultation and that if this approach was adopted by applicants it would assist the efficiency of the planning process.

As Executive Councillor for Customer Services, Councillor B S Chapman also referred to the importance of the processes and systems which were being put in place by the Information Management Division to ensure that CIL could be implemented effectively. In this respect, he mentioned that the District had hosted a conference for Officers from the Eastern Region on CIL and that the Authority led the way in developing a system to implement the CIL process.

Following the debate at the last Council meeting, Councillor Chapman reminded the Council of the welfare reforms which were to be introduced from April 2013 and the consultation exercise which had been conducted ahead of the introduction of the new scheme.

Once again, the Customer Services Team had achieved an accreditation for customer services excellence and the call centre continued to perform well in comparison with other Authorities in national surveys.

In response to his address, Councillor R J West questioned whether IT systems will be sufficiently robust to respond to the changes to

welfare reform and in reply, Councillor Chapman informed the Council that IMD currently were working on this project but that he was confident that the required software would be in place by April 2013.

Specific questions from Councillor M F Shellens and P D Reeve in respect of the detail of the Council Tax Support Scheme were responded to by the Executive Councillor. These related to the effect on those of retirement age and the protection of disabled people and blue badge holders under the proposed scheme. Councillor Chapman reaffirmed the Council's intention to continue to support those in greatest need.

Councillor K J Churchill expressed concern at the ability of Customer Services to respond in a timely manner to the likely increase in questions from the public on changes to welfare reform after the demise of other advice services but was assured by the Executive Councillor that alternative agencies, in replacement for the CAB, would support the advisory services offered by the District Council. Similarly, Councillor Churchill was anxious that the Call Centre would be able to respond to the increased demands placed on it by the withdrawal of the CAB service and again he was assured that additional training and resources have been allocated to ensure that the District Council could provide good levels of service in the event of increased pressures.

Councillor J A Gray, Executive Councillor for Resources, commenced his presentation by referring to the Council's decision to enter into a shared service with LGSS to provide HR, payroll, organisational and workforce development services to the Council. Whilst acknowledging that this had proved to be a difficult decision to take, the staff formerly employed in HR had successfully been transferred to the LGSS service and although still premature, the indication was that the transfer had proved successful with any issues which had arisen being resolved in consultation with Heads of Services and Managers.

In terms of the budget and due to the hard work and commitment of staff and Members, the Council had achieved savings of £2.3m but the Executive Councillor pointed out that there would be more difficult decisions to take in the future if the Council was to continue to achieve a balanced budget. Councillor Gray indicated that he would welcome the assistance of Members and Officers and the Overview and Scrutiny Panel (Economic Well-Being) in this process.

Regarding the Council's Estates and Property, Councillor Gray explained that he had overseen the sale of Castle Hill House with mixed emotions but had commenced an exercise to identify the remaining commercial assets and landholdings across the District to seek to maximise their use and, if appropriate, rationalise the extent of the portfolio. He would undertake to report the outcome of this exercise to Members when appropriate.

In response to a question from Councillor M F Shellens regarding the likelihood of the continuation of the new homes' bonus (NHB), Councillor Gray confirmed that the contribution represented a quarter of the revenue income of the Council. It was his view that housing growth was essential to economic recovery but he was aware of the

risk to the District Council should the NHB be withdrawn. He added that the Cabinet had decided to monitor the levels of NHB on a regular basis and had begun to plan, in the event that the bonus was no longer forthcoming.

On the same subject, Councillor S M Van De Kerkhove expressed his concern that the Council would become vulnerable should there be a change in government which might result in the withdrawal of the NHB. Although the Executive Councillor was of the view that the Council could only operate to existing guidelines, he accepted that it had responsibility to look to the future and consider how the District Council would proceed should it be decided that the NHB should be withdrawn. In response to a supplementary question, Councillor Gray anticipated that in the event of the withdrawal of the NHB, an exercise might have to be conducted to value the services to be continued to be provided by the District Council. Referring to the District Council's policy for the disposal of assets, Councillor Gray indicated that these were considered on a case by case basis and that he would not favour the wholesale sale of the Council's assets unless land and property were surplus to requirement. Any decision to dispose, would only be taken after consultation with Members.

In terms of the individual circumstances described by Councillor Giles, Councillor Gray requested that these be forwarded to him to enable further discussion with relevant Officers.

Councillor K Churchill referred to the Making Assets Count Initiative and asked whether this incorporated use of redundant buildings. In response, the Executive Councillor reported that his review of commercial properties sat outside the remit of Making Assets Count. However, Councillor Gray acknowledged that Cambridgeshire Authorities could do more to encourage better use of assets as evidenced by the letting of the Civic Suite to NHS Cambridgeshire.

In the absence of Councillor T D Sanderson, Councillor N J Guyatt presented the report on the Healthy and Active Communities Portfolio. The Council was advised that One Leisure had attracted over 1.7m visitors and had 120,000 registered members in 2012. Members also were reminded that Centres had been awarded the Bronze Medal for Best UK Small Chain in the Health Club Awards in September. A new call centre had been introduced to streamline booking of facilities at all Centres and 7,500 had taken part in activities organised by the Sports and Active Lifestyle Team for Old and Disabled People.

The Sports and Active Lifestyle Team also had begun to work to develop and improve the infrastructure of sport and physical activity across the District by offering support to clubs, coaches, instructors and organisations with funding, facilities and training development. Partnership working with Papworth Hospital, Sports Club and Parish Councils also had continued to develop.

Councillor Guyatt concluded by reminding the Council that the Executive Councillors for Resources and Healthy and Active Communities would be considering applications for grant assistance shortly.



Lastly, Councillor D M Tysoe presented his report on the activities of the Environment Portfolio. This included references to the enhancement of parks around the District by the planting of commemorative trees, the planting of Jubilee Wood at Alconbury Weald and the award of Queen Elizabeth II status to Sapley Playing Field and the Riverside Park in Huntingdon.

Councillor Tysoe reported that two PCSOs were currently working in the CCTV Centre, the first Authority in the country to develop this type of exchange. The Green House and Making Assets Count Project continued to be successful and having extended the type of material able to be recycled by residents, recycling rates had continued to rise over the last six months.

Following questions from Councillor S Greenall regarding a proposal to charge for a second green bin, Councillor Tysoe replied that a decision had yet to be taken by the Cabinet in this respect but it was an example of the many unpopular decisions the Council might have to consider in the future.

Before closing the presentation, the Executive Leader paid tribute to the work and dedication of Officers and requested the Managing Director (Communities, Partnerships and Projects) to convey the Council's appreciation to them for their contributions. He also extended his thanks to all Members for their commitment and support referring in particular to the way in which the Chairman, Councillor Mrs B E Boddington had raised the profile of the Authority and was working tirelessly to improve working relationships across the District with both Town and Parish Councils and The Armed Forces.

Whereupon, it was proposed by Councillor Ablewhite, duly seconded and

RESOLVED

that the Leadership Direction be adopted.

**44. APPOINTMENT OF INDEPENDENT MEMBER TO OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING)**

As Chairman of the Selection Panel, Councillor G J Bull introduced a report by the Head of Legal and Democratic Services (a copy of which is appended in the Minute Book) which described the process for the appointment of an Independent Member to a vacant position on the Overview and Scrutiny Panel (Economic Well-Being).

Having explained that interviews had been conducted by a Selection Panel on 7th November 2012 and advised Members of the outcome of the Panel's deliberations, the Council

RESOLVED

that Mr R Eacott be appointed to serve on the Overview and Scrutiny Panel (Economic Well-Being) for a four year term of office.

**45. REPORTS OF THE CABINET, PANELS AND COMMITTEE**

**(a) Overview and Scrutiny Panel (Economic Well-Being)**

Councillor T V Rogers presented the Report of the meeting of the Overview and Scrutiny Panel (Economic Well-Being) held on 4th October 2012.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Overview and Scrutiny Panel (Economic Well-Being) held on 4th October 2012 be received and adopted.

**(b) Overview and Scrutiny Panel (Environmental Well-Being)**

Councillor D Harty presented the Report of the meeting of the Overview and Scrutiny Panel (Environmental Well-Being) held on 9th October 2012.

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In connection with Item No. 18 and in response to a question from Councillor P J Downes regarding the difficulties which could result from the introduction of a charge for collecting a second green bin, Councillor D M Tysoe, Executive Councillor for the Environment was of the view that if managed efficiently, the provision of a differential service to residents should not present problems nor result in an increase in fly tipping. However, Councillor Tysoe undertook to investigate the questioner's proposal to use the former recycling centre on Brampton Road, Buckden for residents to dispose of their green waste.

On the same subject and in response to a question from Councillor P D Reeve which enquired whether the proposal would have an impact on landfill charges and council tax levels, Councillor Harty accepted that the initiative required to be reconsidered by the Panel.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Overview and Scrutiny Panel (Environmental Well-Being) held on 9th October 2012 be received and adopted.

**(c) Overview and Scrutiny Panel (Social Well-Being)**

Councillor S J Criswell presented the Report of the meeting of the Overview and Scrutiny Panel (Social Well-Being) held

on 2nd October 2012.

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In connection with Item No. 24 and in response to a question from Councillor P J Downes in which he expressed concern that the Huntingdonshire CAB had closed before a replacement advice service had been established, Councillor Criswell concurred with the questioner that it was regrettable that there would be a period when no advice service would be available but the CAB had closed earlier than expected and as it had not been possible to prevent volunteers from leaving the organisation.

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Whereupon, it was

**RESOLVED**

that the Report of the meeting of the Overview and Scrutiny Panel (Social Well-Being) held on 2nd October 2012 be received and adopted.

(d) **Cabinet**

Councillor J D Ablewhite, Executive Leader and Chairman of the Cabinet presented the Report of the meeting of the Cabinet held on 18th October 2012

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In connection with Item No. 23, it was noted that the Leadership Direction had previously been considered by the Council under Minute No. 43.

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Whereupon, it was

**RESOLVED**

that, subject to the foregoing paragraph, the Report of the meeting of the Cabinet held on 18th October 2012 be received and adopted.

(e) **Development Management Panel**

Councillor D B Dew presented the Report of the meeting of the Development Management Panel held on 15th October 2012.

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Councillor R J West referred to the current consultation exercise on the proposed new local plan which was due to close on 23rd November 2012 and asked how local

Members could remain involved in the process.

Councillor Dew underlined how important it was for Members to respond individually to the consultation and to continue to remain engaged in the process by encouraging Town and Parish Councils in their Ward to do likewise to seek to influence future neighbourhood plans. Councillor Dew added that the Development Plan Policy Advisory Group shortly would begin to consider the proposed plan in detail and that both he and Members of the Group would welcome any contributions from Members should they wish to contact him.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Development Management Panel held on 15th October 2012 be received and adopted.

(f) **Licensing Committee**

Councillor J W Davies presented the Report of the meeting of the Licensing Panel held on 23rd October 2012.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Licensing Committee held on 23rd October 2012 be received and adopted.

(g) **Corporate Governance Panel**

Councillor E R Butler presented the Report of the meeting of the Corporate Governance Panel held on 25th September 2012.

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Councillor Butler gave a presentation on the work that the Panel had undertaken during the year and reminded the Council that it had considered matters as varied as the Annual Accounts, internal and external audit work, whistle blowing, complaints, the management of risk and procedures to reduce fraud. The Panel also prepared a Government Statement on behalf of the Council. Of particular concern to the Panel of late, had been problems encountered with the 2010/2011 accounts. The Panel has monitored this situation and would continue to seek improvements in the process, such that the Council comfortably meet future deadlines.

The Panel also intend to seek assurance during the year on the pay review, the outsourcing of HR and Payroll and the business continuity process.

In response to a question from Councillor P J Downes, and arising from its duty to consider changes to the Constitution, Councillor Butler acceded to a request for the Panel to reconsider at a future meeting, the introduction of a scheme of substitution as a way of informing back benchers of the business arising on all Panels and to increase the pool of knowledge and experience.

On the same subject, Councillor J A Gray paid tribute to the valuable work undertaken by the Panel and the benefit the Council derived from the experience and knowledge of its Members who continued to perform a vital role as the Council's watchdog.

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Whereupon, it was

RESOLVED

that the Report of the meeting of the Corporate Governance Panel held on 25th September 2012 be received and adopted.

**46. ORAL QUESTIONS**

In accordance with the Council Procedure Rules (Paragraph 8.3 of the Rules), the Chairman proceeded to conduct a period of oral questions addressed to Executive Councillors and Panel Chairmen as follows:-

**Question from Councillor P Kadewere to the Executive Leader, Councillor J D Ablewhite**

In response to a question seeking the support of the Executive Leader for a proposal to change the use of a public open space to provide a car parking area in Essex Road, Huntingdon to meet the wishes of local residents, Councillor Ablewhite was unable to make any commitment without further details and requested that the questioner advise him of the background to his request after the meeting.

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**Question from Councillor P Kadewere to the Executive Leader, Councillor J D Ablewhite**

In response to a question regarding the future operation of the Huntingdon Community Service, Councillor Ablewhite advised the questioner to raise his concerns with the Leader of the Labour Group on Cambridgeshire County Council so that the matter might be raised with the appropriate Authority.

**Question from Councillor R Harrison to the Executive Leader, Councillor J D Ablewhite**

In response to a question regarding the possibility of the Council providing assistance and support to the community covenant as a way to increase its impact, Councillor Ablewhite replied that he was disappointed that the initiative had not gained more support and momentum and that he would discuss the matter with his counterpart at the County Council to seek to encourage that Authority to take further action but that he was content for the District Council to support the initiative albeit within current budget constraints.

**Question from Councillor M F Shellens to the Executive Leader, Councillor J D Ablewhite**

In response to a question regarding the investment by the District Council in the proposed multi-storey car park in Huntingdon and the potential for compensation to be paid should Churchmanor and Sainsburys choose to withdraw from their commitment to the Town due to the current economic downturn, Councillor Ablewhite assured the questioner that it was essential to encourage vibrancy in Huntingdon and that this scheme provided an opportunity to work with partners to achieve this objective. He added that preparations for the scheme continued to progress and that he was hopeful of a start on-site early in the New Year.

**Question from Councillor P J Downes to the Executive Leader, Councillor J D Ablewhite**

In response to a question regarding the closure of the Huntingdonshire CAB, Councillor Ablewhite admitted that he too was hugely disappointed at the closure of the CAB in November but he assured the Council that he was working to secure resources which might achieve an interim solution in the short term.

**Question from Councillor R J West to the Executive Councillor, Councillor J D Ablewhite**

In response to a question regarding the success of the Huntingdonshire Matters Conference and its contribution to partnership working, Councillor Ablewhite confirmed that the initiative was gaining momentum and interest and represented a positive example of how to deliver localism in practice.

**47. COMMITTEE/PANEL MEMBERSHIP**

The Executive Leader, Councillor J D Ablewhite proposed and it was duly seconded, and

RESOLVED

- (a) that Councillor Mrs L Kadic be appointed to the membership of the Licensing and Protection Panel/Licensing Committee in place of Councillor R Fuller; and
- (b) that Councillor R Fuller be appointed to the

membership of the Overview and Scrutiny Panel  
(Social Well-Being) in place of Councillor Mrs L Kadic.

The meeting closed at 9.43pm.

Chairman

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Awaiting approval by the Executive Leader

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## Cabinet

### Report of the meeting held on 13th December 2012

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#### Matters for Decision

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#### 40. DRAFT BUDGET 2013/2014 AND MEDIUM TERM PLAN

In conjunction with the Overview and Scrutiny Panel (Economic Well-Being) (Item No.36 of their Report refers) and by way of a report by the Head of Financial Services (the report is reproduced as Item No. 4 on the Council Agenda) the Cabinet has reviewed the draft 2013/2014 budget and the Medium Term Plan for the period 2014 – 2018. Final approval for the proposals will be dealt with by Council at its meeting on 20th February 2013.

Executive Councillors were advised that the announcement of government grant figures may not be available until the 19th or 24th December 2012.

Attention was drawn to the latest forecast for the retention of business rates for which the starting base rate had yet to be confirmed. The Head of Financial Services explained that all the Cambridgeshire authorities were revising their level of business rates growth prior to a final decision on whether to proceed with a countywide pooling scheme.

With regard to the setting of the Council Tax base, the Cabinet referred to the Council's low level of Council Tax currently and expressed their frustration at not being in a position to increase the level by more than 2% due to guidance issued by the Secretary of State. Furthermore, Executive Councillors were of the view that the Council should not accept the proposed Council Tax Freeze Grant of 1%.

In discussing the Economic Well-Being Panel's views regarding the use of reserves, the Cabinet has emphasised that the Council were continuing to identify savings and progress against savings targets was being monitored.

With regard to car parking charge increases, the Cabinet was conscious of the economic outlook and agreed that it may not be possible to increase charges in 2015 and 2017. In that respect, Executive Councillors agreed that the final Medium Term Plan would

need to be adjusted to reflect this. During their discussions the Cabinet were advised that options will continue to be investigated to introduce Civil Parking Enforcement which may generate additional income.

Whilst congratulating Officers on the significant progress that has been made in both the efficiency and savings measures over the past 18 months, Executive Councillors have stressed the need to identify where additional savings can be made.

#### **RECOMMEND**

**that the draft Budget and Medium Term Plan, appended to the report of the Head of Financial Services, be approved as the basis for the development of the budget for 2013/2014 and the revised Medium Term Plan 2014/2018.**

#### **41. TREASURY MANAGEMENT – REVIEW OF PERFORMANCE**

By way of a report by the Head of Financial Services (reproduced as Appendix A) the Cabinet has noted the performance of the District Council's Fund Managers for the period 1st April to 30th September 2012.

**Having noted the views of the Overview and Scrutiny Panel (Economic Well-Being) on the matter (Item No.37 of their Report refers) the Cabinet**

#### **RECOMMEND**

**that the Council notes the contents of the report and approves the revised table and targets set out in paragraph 6.2.**

#### **42. COUNCIL TAX SUPPORT – 1ST APRIL 2013**

By way of a report by the Head of Customer Services (reproduced at Appendix B) the Cabinet has been updated with progress made to date to introduce a local Council Tax Support Scheme to replace the current national Council Tax Benefits Scheme which will be abolished on 31st March 2013.

Executive Councillors were reminded that the draft scheme has been subject to consultation in late summer, which has resulted in changes being made relating to the backdating of payments for up to six months and to the capital limit, which will remain at the existing Council Tax Benefit level of £16,000. It was reported that these changes have been incorporated within the new scheme.

In considering the scheme, the Cabinet took into account **the views of the Overview and Scrutiny Panel (Social Well-Being) expressed at their meeting on 4th December 2012 (Item No.36 of their Report refers)**. Executive Councillors noted the impact of the proposals upon Town and Parishes in setting their precepts.

Executive Councillors were advised that they would need to consider grants to these Councils to provide an element of compensation at their January meeting, once final grant figures are available.

Having been advised that the new arrangements must be in place by 31st January 2013 and in authorising the Head of Customer Services to administer the new scheme in accordance with the Local Government Finance Act 2012, the Cabinet

## **RECOMMEND**

**that the Council Tax Support Scheme be approved.**

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### **Matters for Information**

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#### **43. SAFEGUARDING**

In conjunction with the Employment Panel, the Cabinet has endorsed the content of the Council's Safeguarding Policy. The Policy outlines good practice aimed at promoting the safety of young people and vulnerable adults using the Council's services and protecting employees and Members from false allegations.

#### **44. LOCAL GOVERNMENT FINANCE ACT 1988 (AS AMENDED) – PUBLICATION OF RURAL SETTLEMENT LIST**

The Cabinet has approved the content of a rural settlement list and agreed that it be made available for inspection. Billing authorities are required under Section 42 of the Local Government and Finance Act 1988 to compile and maintain a rural settlement list identifying the boundary of any settlement which has not more than 3,000 residents. This list can then be used to grant rural rate relief for local services such as post offices, village shops, public houses and petrol filling stations.

#### **45. REVIEW OF THE COUNCIL'S LETTINGS POLICY**

The Cabinet has approved the contents of a revised Lettings Policy for the Council. The Policy is a requirement of the Homeless Act 2002 and the Localism Act 2011 and sets out how the Council, in partnership with Registered Providers, will allocate their properties through the "Home Link Choice Based Lettings Scheme".

In so doing, Executive Councillors were pleased to note that under the new Policy members of the armed forces who need to move because of serious injury or disability sustained as a result of service, will no longer need to satisfy local connection criteria. Furthermore, additional preference will be awarded for former members of the armed forces by back dating their "date in band" by the total number of years of military service.

In discussing the information before them, Executive Councillors referred to the recently approved Tenancy Strategy for Huntingdonshire and the need to move away from the granting of “lifetime tenancies” to fixed length tenancies of two to five years.

#### **46. RATIFICATION OF TECHNICAL REFORM OF COUNCIL TAX**

Further to Item No. 17 of their Report to the meeting of the Council held on 26th September 2012, the Cabinet has been acquainted with the present position in relation to the Government’s proposals to reform Council Tax.

Executive Councillors were reminded that the reforms will give local authorities the discretion to set the level and period of charge for unfurnished, domestic properties, second homes and uninhabitable properties. Furthermore, the billing Authority will have the option to levy an empty premium on properties left vacant for over two years.

The Cabinet were advised that the proposals formed part of the Local Government Act 2012 which received royal consent on 31st October 2012. With this in mind and having authorised the Head of Customer Services to calculate and award discounts under the Scheme, the Cabinet has agreed to the following changes to the Council Tax Policy:-

- ◆ unoccupied and unfurnished (Class C) properties be granted a 100% discount for one month and then 0% thereafter;
- ◆ second home discount be reduced to 0%;
- ◆ uninhabitable properties (Class A) be granted 100% discount for a maximum of twelve months (no change);
- ◆ empty homes premium be levied after two years at 50% in addition to the 100% charge currently made; and
- ◆ monthly instalments continue to be due on the 15th day of each month (extended to those who request 12 monthly instalments) but Managers be permitted to include an additional late instalment date purely as an incentive for those opting to pay by direct debit.

#### **47. CARBON MANAGEMENT PLAN UPDATE**

**In conjunction with the Overview and Scrutiny Panel (Environmental Well-Being) (Item No.34 of their Report refers),** the Cabinet has been acquainted with progress made towards the implementation of the Council’s Carbon Management Plan and has noted the positive impact that this has had on energy use and bills at the Council’s main sites. The Council is on target to achieve a 30% reduction in CO<sub>2</sub> emissions from these sites by 2013/14 with 20% reduction already being achieved. In thanking the Head of Environmental Management and his staff on the valuable contributions they have made in achieving the carbon reduction target, the Cabinet has requested that work continue to expand the Management Plan beyond 2013/14.

**48. ROUND RE-SCHEDULING**

**Along with the Overview and Scrutiny Panel (Environmental Well-Being) (Item No.33 of their Report refers),** the Cabinet has been acquainted with progress to deliver more effective refuse, recycling and garden waste collection rounds.

Executive Councillors were advised that since the last major re-scheduling of waste collection in 2007 the rounds have changed significantly due to housing growth and the introduction of glass collections. As a result, a full review of the service has commenced and new rounds will be introduced throughout the District from February 2013. Members were advised that the round changes will be fully communicated to Members and residents during December.

**49. RISK MANAGEMENT**

In considering details of an emerging risk relating to affordable housing and homelessness, the Cabinet has approved the actions proposed to deal with this risk. In so doing, Executive Councillors have stressed that the measures to be taken should be met from within existing resources.

**50. DISPOSAL OF LAND – ST. MARY’S STREET, HUNTINGDON**

*(The following item was considered as a confidential item under paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972.)*

**Having regard to the views of the Overview and Scrutiny Panel (Economic Well-Being) (Item No.32 of their Report refers),** the Cabinet has authorised the Managing Director (Communities, Partnerships and Projects), after consultation with the Executive Councillor for Resources to approve terms for the sale of Council-owned land at St. Mary’s Street, Huntingdon.

**51. CHARGING FOR A SECOND GREEN BIN**

Following on from Item No.38 of their Report circulated with the Council agenda, the Cabinet has been advised of **the deliberations of the Overview and Scrutiny Panel (Environmental Well-Being) in relation to their call-in of a Cabinet’s decision regarding charging for a second green bin (Item No.32 of their Report refers)**. Although the Panel understood the need for savings and that the current proposal of charging for collecting a second green bin may need to be implemented, it referred the decision back for further consideration. The Panel were of the opinion that a judgement could not be made unless there was a comprehensive assessment of all the Council’s options. In response to which, the Cabinet has reiterated that the proposal will be considered with all the Council’s options for saving measures as part of the Medium Term Plan.

J D Ablewhite  
Chairman

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**TREASURY MANAGEMENT  
REVIEW OF PERFORMANCE: 6 Monthly Review  
(Report by the Head of Financial Services)**

**1. INTRODUCTION**

- 1.1 In February the Council adopted the latest edition of the *CIPFA Treasury Management in the Public Services: Code of Practice*, which requires full Council to approve a treasury management strategy before the start of each financial year and to receive a mid-year report and an annual report after the end of the year. This report covers the period 1<sup>st</sup> April to 30<sup>th</sup> September 2012.
- 1.2 In addition, the Communities and Local Government *Guidance on Local Government Investments* recommends that local authorities regularly review their investment strategy in the light of any changes in internal or external circumstances.
- 1.3 This report meets the requirements of both sets of guidance by reviewing the strategy, updating the Council on the performance of investments, and identifying any concerns over the credit-worthiness of counterparties.

**2. TREASURY MANAGEMENT STRATEGY**

- 2.1 The Council approved the 2012/13 treasury management strategy at its meeting on 22 February 2012.
- 2.2 On 4 July 2012 the Council approved an amendment to the 2012/13 Treasury Management Strategy that reduced the minimum credit ratings for Liquidity Accounts to F2 because general reductions in credit ratings had started to reduce the accounts that could be used. Liquidity accounts minimise the risk of investment not being repaid because repayment can normally be requested the same day.
- 2.3 All treasury management activity undertaken during the period complied with the *CIPFA Code of Practice* and relevant legislative provisions.
- 2.4 The investment strategy is to invest any surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest. The Council's borrowing strategy permits borrowing for cash flow purposes and funding current and future capital expenditure over whatever periods are in the Council's best interests.
- 2.5 Further, officers have started to invest in money market funds (MMF), which are AAA (the highest rating) investment vehicles. Since July 2012, the Council has invested up to £0.500m in the Public Sector Deposit Fund MMF and a further account has recently been opened with Ignis but as yet funds has not been used.

**3. TREASURY MANAGEMENT ACTIVITY**

- 3.1. Short-term investment and borrowing rates continue to be very low

whilst long-term borrowing rates are significantly higher. Given the Council's financial pressures it is considered to be appropriate, for the present, to use the Council's own revenue reserves, supplemented by mostly short term borrowing, to temporarily fund the capital programme pending the return to a more "normal" interest rate structure. The challenge is to judge the appropriate moment to shift from short term to longer term borrowing. The inability of commentators for many months, or even years, to correctly forecast the timing of rate increases clearly makes this more difficult.

- 3.2 Therefore, during the last 6 months most activity has been in managing short term fluctuations in cash flow by borrowing or investing for short periods.
- 3.3 Much of the investment activity has been in liquidity accounts where the funds are accessible without notice, thus providing more security than term deposits, but also providing a good (in relative terms) rate of return.
- 3.4 There have also been deficits at other times which have required the Council to borrow temporarily from other Local Authorities at low rates (typically only 0.3%) and for less than a month.
- 3.5 As at the 30 September the Council had short and long term investments of £15.0m and borrowing of £10.0m. The following table summarises the transactions during the period and further detailed analysis is shown at Annex A.

		<b>£m</b>
<b>Investments</b>	- as at 31 <sup>st</sup> March 2012	10.4
	- matured in period	(101.6)
	- arranged in period	106.2
	- as at 30 <sup>th</sup> Sept 2012	15.0
<b>Borrowing</b>	- as at 31 <sup>st</sup> March 2012	(14.5)
	- matured/repaid in period	26.4
	- arranged in period	(21.9)
	- as at 30 <sup>th</sup> Sept 2012	(10.0)
	<b>Net investments at 31<sup>st</sup> March 2012</b>	<b>(4.1)</b>
	<b>Net investments at 30<sup>th</sup> September 2012</b>	<b>5.0</b>

- 3.6 The rise in net investments from April to September reflects the fact that the Council Tax is predominantly collected in 10 monthly instalments from April to January thus giving an improved cash flow from mid-April to mid-January each year with the worst position being around the 31<sup>st</sup> March.

#### **4. PERFORMANCE SUMMARY**

- 4.1 The portfolio comprises of a mixture of short-term investments and temporary borrowing to manage cash flow; £10m was borrowed from the PWLB in December 2008 at 3.9 and was temporarily invested as follows:



Borrower	Amount £000	Investment Date	Repayment Date	Investment Rate
Royal Bank of Scotland	5.0	December 2008	December 2012	4.04%
Skipton Building Society	5.0	December 2008	December 2013	4.85%

4.2 The performance summary below, however excludes the above investments and borrowing to give a fairer comparison with the current benchmark of the 7 day rate.

SHORT-TERM PERFORMANCE FOR THE 6 MONTHS APRIL 2012 – SEPTEMBER 2012					
Net investments	Performance	Benchmark	Variation from benchmark	Managed Funds	
				1 April £m	30 Sept £m
Excluding RBS	0.69%	0.18%	+0.51%	4.1	(5.0)

## 5. PERFORMANCE AGAINST BUDGET IN 2012/13

5.1 The latest forecast outturn is for net cost of interest to be £11k against a budget of -£11k. The extra cost is due to actual interest rates and cash flow differing from the assumptions used in the budget.

## 6. TREASURY MANAGEMENT INDICATORS

6.1 The Council measures its exposures to certain treasury management risks with the following indicators which generally relate to the position as at 30 September.

### 6.2 Interest rate exposures

	Limit
Upper limit on fixed rate exposures	100%
Upper limit on variable rate exposures (all items on fixed rates for less than 12 months are defined as variable)	90%

The intention of this indicator was to highlight any risk from interest rate exposure. This is really only relevant on borrowing or investments for a period longer than one year as all items for less than a year are regarded as variable rate because the Council is only locked into them for a relatively limited period.

Unfortunately the target recommended is far from ideal in the Council's particular circumstances as it does not differentiate between long and short and borrowing and investing.

It is therefore proposed to replace it with the following indicators which better illustrate the position:

		Limits		Actual
		Max.	Min.	Sept 2012
<b>Borrowing:</b> longer than 1 year	Fixed	100%	75%	100%
	Variable	25%	0%	0%
<b>Investments:</b> longer than 1 year	Fixed	100%	100%	100%
	Variable	0%	0%	0%

*All borrowing and investing for less than one year is variable by definition.*

Control over the council's exposure to interest rates will be achieved as follows:

### Long Term Borrowing

- Fixed  
Fixed rate borrowing will only be undertaken when interest rates are deemed to be low in long run terms. This will also need to take account of current short term rates and historic trends. At some point the Council is likely to take further fixed rate borrowing.
- Variable  
Variable rate borrowing is less likely, at least until there has been an increase in fixed rate borrowing, and then only to create some spread of risk in case the market does not follow long term trends. Limit set at 25% of long term borrowing.

### Long Term Investments

- Fixed  
Long term investment will be rare unless the conditions become attractive for borrowing in advance. This is not anticipated but if it did fixed rate investments would minimise the Council's financial risk and so the indicator is based on all long term investments being at fixed rates.

## 6.3 Maturity structure of borrowing

This indicator prescribes the limits within which the Council can borrow to either maintain effective cash flow or to cover capital expenditure.

Borrowing	Upper Limit	Lower Limit	Actual
Under 12 months	86%	0%	0%
12 months and within 24 months	86%	0%	0%
24 months and within five years	86%	0%	0%
Five years and within 10 years	86%	0%	0%
10 years and above	100%	14%	100%

#### 6.4 Investment repayment profile – limit on the value of investments that cannot be redeemed within 364 days

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The total principal sums invested to final maturities beyond the period end were:

	2012/13 £m	2013/14 £m	2014/15 £m
Limit on principal invested beyond year end	32.0	25.0	24.7
Actual principal invested beyond year end as at 30 September 2012	5.0	0.0	0.0

### 7. RECOMMENDATIONS

7.1 Cabinet is requested to recommend to Council:

- that it approves the revised targets in paragraph 6.2.
- it notes the contents of this report.

### BACKGROUND PAPERS

Working papers in Financial Services

**CONTACT OFFICER:** Steve Couper – Head of Financial Services  
Tel. 01480 388103

## ANNEX A

### INVESTMENTS AS AT 30 SEPTEMBER 2012

		£m	Investment date	Rate %	Repayment date
<b>Term Deposits</b>					
Royal Bank of Scotland	Temporary investment of PWLB borrowing	5.000	19/12/08	4.04	19/12/12
Skipton Building Society		5.000	19/12/08	4.85	19/12/13
<b>Liquidity Accounts</b>					
Cambridge Building Society		3.000	15/09/12	1.25	call
Santander		0.600	15/09/12	0.80	call
Public Sector Deposit Fund		0.500	15/09/12		call
NatWest		0.930	28/09/12	0.80	call
<b>TOTAL</b>		<b>15.030</b>			

### BORROWING AS AT 30 SEPTEMBER 2012

	£m	Borrowing date	Rate %	Repayment date
<b>Long Term</b>				
PWLB	5.000	19/12/08	3.91	19/12/57
PWLB	5.000	19/12/08	3.90	19/12/58
<b>Short Term</b>				
None	0			
<b>TOTAL</b>	<b>10.000</b>			

## APPENDIX B

### COUNCIL TAX SUPPORT FROM 1 APRIL 2013 (Report by the Head of Customer Services)

#### 1. INTRODUCTION

- 1.1 The current national Council Tax Benefit (CTB) scheme is to be abolished on 31 March 2013 and will be replaced by a local Council Tax Support scheme on 1 April 2013. The Local Government Finance Act 2012 has now received Royal Assent.
- 1.2 The Council has undertaken a statutory consultation exercise on the Draft Council Tax Support (CTS) scheme. The results have informed the design of the final scheme and are included in this report for Members' consideration.
- 1.3 The scheme must be in place by 31 January 2013 and have received full Council approval. Failure to do so will result in the Government's default scheme being imposed which will follow Council Tax Benefit rules and therefore cost more.
- 1.4 Financial information is contained within this report. A separate paper is also on the Cabinet agenda regarding the Council Tax Technical Reforms which enable local authorities to amend some of the discounts currently granted on properties. These changes generate more income to the Council and will be used to mitigate the impact of the budget cuts in relation to the CTS scheme.
- 1.5 Pensioners must be protected from any changes and receive the same amount of support that they would under the current CTB scheme. They are not impacted by CTS.

#### 2. FINANCIAL UPDATE

- 2.1 In October 2012, the Secretary of State for Communities and Local Government announced that transitional funding would be made available to councils whose schemes met three specific criteria. One of the criteria was to limit the amount of CTS to not less than 91.5% of the full council tax charge.
- 2.2 Assuming all criteria were met, HDC and its major preceptors would have been eligible for additional funding of £189K. This grant would be for 2013/14 only, and the Council would have to revert to an alternative scheme the following year.
- 2.3 The table shows the impact on the collection fund for both the HDC proposed scheme and the government transitional scheme.

	<b>Proposed Scheme £'000</b>	<b>Transitional Scheme £'000</b>
Impact on Collection Fund*		
Council Tax support	7721	8141
Council Tax Technical Reforms	-814	-814
	<u>6907</u>	<u>7327</u>
Government grants to HDC and precepting authorities	-6984	-6984
Extra transitional grant		-189
Net Impact	<u>-77</u>	<u>154</u>
Impact on individual authorities		
Towns / parishes	-42	-42
County	-54	109
Fire	-3	6
Police	-9	18
HDC **	31	63
	<u>-77</u>	<u>154</u>

\* Assumes all preceptors increase Council Tax by 2%

\*\* In addition, HDC faces additional costs of around £195k in either case

2.4 It is therefore proposed that HDC approve the HDC scheme and reject the transitional grant proposed by the Government.

### 3. SCHEME DETAILS

3.1 The following principles were at the core of designing the HDC draft Council Tax Support scheme and were the subject of the consultation:

- everyone of working age should pay something towards their Council Tax (although there was some protection for the most vulnerable)
- the scheme should provide some protection for the most vulnerable in society
- the scheme should incentivise and support people moving into work and help those on low paid work.

A summary of the differences between the current CTB scheme and the proposed CTS scheme which the Council consulted on is shown at [Appendix A](#).

3.2 CTS for pensioners will be worked out using a set of prescribed regulations which in effect mirrors the current CTB regulations.

3.3 In order to make the necessary savings and to be able to provide some protection for the most vulnerable claimants, the scheme for working age people will mean that the majority of claimants will have their CTS entitlement based on 80% of the Council Tax charge. Households with a child under the age of 5 will have their entitlement based on 85% of the

charge and people in receipt of the Severe Disability or Disabled Child Premium will have their CTS based on the full charge.

- 3.4 This means that a large number of people who currently don't have to pay anything towards the Council Tax will have to; this includes people on Income Support, Jobseeker's Allowance or Employment Support Allowance.
- 3.5 Officers have prepared an Equality Impact Assessment (EIA) that shows the impact of the proposals on affected groups of people with protected characteristics under the Equality Act 2010. Members are required to have "Due Regard" to this assessment when making their decision. [The EIA is available on this link.](#)
- 3.6 In particular, members are requested to note the findings on page 11 of the EIA document, and have due regard to the comments about child benefit and child maintenance income.

#### **4. CONSULTATION**

- 4.1 The consultation took place between 20 August and 14 October 2012, and we received 424 responses. A complete report showing the analysis of the consultation and the comments received can be found [here](#). A summary of the responses is at [Appendix B](#)
- 4.2 In the main, responses to the consultation have been reasonably positive. As expected, groups who are to be most affected by the changes have been less inclined to support any reduction. Having considered the feedback received, the Project Board recommends that the draft scheme be (in the main) adopted.
- 4.3 However, the following exceptions to the draft CTS scheme are being put forward for the reasons set out below;
- Backdating of up to six months should be allowed as currently under the Council Tax Benefit scheme. This is to allow parity with the Housing Benefit scheme and to prevent small, hard to collect debts being created.
  - The capital limit should not be reduced to £10k but remain at the existing CTB level of £16k and include tariff income from capital. This will allow parity with the Housing Benefit scheme and should make administration easier once Universal Credit is implemented.
- 4.4 A full version of the proposed CTS scheme can be found at Appendix C.

#### **5. RECOMMENDATION**

- 5.1 **That, having paid due regard to the Equality Impact Assessment, the HDC Proposed Council Tax Support Scheme be approved.**
- 5.2 **That, in accordance with Section 10 and Schedule 4 of the Local Government Finance Act 2012, the Head of Customer Services be authorised to administer the Council Tax Support Scheme and the Council's scheme of delegation be amended accordingly.'**

#### **Background papers:**

<http://www.huntingdonshire.gov.uk/Money%20and%20Benefits/Pages/CouncilTaxSupportConsultation.aspx>

Contact Officer: **Julia Barber**  
☎ **01480 388105**

## Summary of the Main Changes between Council Tax Benefit and the Draft Council Tax Support Scheme 2013/14

The table below shows a brief overview of how certain rules in the current Council Tax Benefit scheme will be dealt with under Huntingdonshire District Council's draft Council Tax Support Scheme. For full details on the proposals of our draft scheme please refer to the 'Draft Council Tax Support Scheme' document.

Feature of Draft Scheme	Council Tax Benefit Scheme	Local Council Tax Support Scheme	Paragraph in Draft Scheme
<b>Pension age customers</b>	Assessed under a national set of rules.	No change.	2.2
<b>Working age customers</b>	Assessed under a national set of rules.	Entitlement will be assessed under locally defined rules.	2.4
<b>Council Tax amount used in benefit calculation for most customers</b>	Benefit entitlement assessed using 100% of the Council Tax charge.	No change for pension age customers but entitlement assessed using 80% of the Council Tax charge for most working age customers.	2.8
<b>Council Tax amount used in benefit calculation for vulnerable customers</b>	Benefit entitlement assessed using 100% of the Council Tax charge.	No change for pension age customers but entitlement assessed using 85% of the Council Tax charge for working age customers with children under the age of 5.  Working age customers who receive a severe disability or disabled child premium in the assessment of their Council Tax Support, Income Support, Job Seekers Allowance (IB) or Employment Support Allowance (IR) to have entitlement based on 100% of the Council Tax charge.	2.8, 3.1



Feature of Draft Scheme	Council Tax Benefit Scheme	Local Council Tax Support Scheme	Paragraph in Draft Scheme
<b>Child Benefit income</b>	Not counted as part of the benefit assessment.	Child Benefit in respect of the eldest child will not be counted in the income assessment but all other Child Benefit will be included.	2.10
<b>Child Maintenance income</b>	Not counted as part of the benefit assessment.	Only the first £10 per week will not be counted in the income assessment.	2.11
<b>Earned income disregards</b>	<p>Different amounts of earnings are not included in the benefit assessment depending on certain circumstances. The main earned disregards are £5 per week for single people and £10 per week for couples.</p> <p>An additional earnings disregard can also be awarded where:</p> <ul style="list-style-type: none"> <li>➤ It is included in Working Tax Credit, or</li> <li>➤ Customers (or their partner) with children are working 16 hours or more each week, or</li> <li>➤ Single people are aged 25 or more and work at least 30 hours each week, or</li> <li>➤ Couples without children are working, and the person in work is aged at least 25 and working at least 30 hours each week</li> </ul>	<p>The first £10 received each week in respect of a single person and the first £20 received each week in respect of couples will not be counted in the income assessment. This doubles the amount currently disregarded under Council Tax Benefit.</p> <p>Similar qualification rules for an additional earnings disregard will apply as under Council Tax Benefit but, customers (or their partner) with children must be working 24 hours or more each week.</p>	2.12  2.13
<b>Savings</b>	No entitlement to benefit where savings are at or above £16,000. In addition, £1 per week is added to the income assessment for every £250 where savings exceed £6000.	No entitlement to support where savings are at or above £10,000. No additional income will be added to the income assessment.	2.15
<b>Non-dependants (people who live in the customers)</b>	A range of deductions from benefit can be made based on a non-dependants age, whether they are working and their level of income. No deduction is made where the non-dependant is	There will be two levels of deduction for working age customers - £5 per week for each non-dependant not in work, and £7 per week for each non-dependant in work.	2.16

<b>Feature of Draft Scheme</b>	<b>Council Tax Benefit Scheme</b>	<b>Local Council Tax Support Scheme</b>	<b>Paragraph in Draft Scheme</b>
<b>household)</b>	receiving Pension Credit, Income Support, Income Based Job Seekers Allowance or Income Related Employment Support Allowance.		
<b>Second Adult Rebate</b>	Rebate that assesses the income of second adult(s) in the property and allows for Council Tax reduction of up to 25%.	Second Adult Rebate will be abolished for working age customers.	2.17
<b>Discretionary Support Fund</b>	Additional benefit can be awarded in exceptional circumstances but is based on local discretion and limited funds.	We are considering the possibility of setting up a limited fund to provide additional help in exceptional circumstances. No details have been decided at this stage.	2.20

## SUMMARY OF RESPONSES

The detail supporting the summaries can be found in the appendices to the Consultation report which is available via this [link](#).

Q	To what extent do you agree or disagree that...	Strongly agree/ agree	Disagree/ strongly disagree	Summary
1	The most vulnerable people should not be affected by the reduction in funding to the same extent as other working age customers	85%	6%	A high proportion agreed that the most vulnerable people should not be affected. This high level of agreement was similar over all the categories. There were slightly higher levels of disagreement among those who pay CT but don't receive CTB and those with children aged under 5 in their households. Overall, c9% neither agreed nor disagreed.
3	Our local scheme should incentivise and support people moving into work, and help those in low paid work	78%	10%	A high proportion agreed with this principle. There were slightly higher levels of disagreement among female CTB claimants, CTB claimants with children under 5 in their households and working age CTB claimants. Overall, c12% neither agreed nor disagreed.
4	Child Benefit for all except the eldest child in a household should be included in the assessment of a claimant's income	53%	34%	Overall, there was a higher level of agreement than disagreement with this statement. However, results varied between different groups. The highest levels of support were from those not in receipt of CTB, in a pensioner only household or aged 60+. The highest levels of disagreement were from CTB claimants and households with children. Overall, c13% neither agreed nor disagreed.
5	Only the first £10 per week of any income from child maintenance payments should not be included	50%	33%	Overall, there was a higher level of agreement than disagreement with this statement. There was little difference in whether respondents were in receipt of CTB

Q	To what extent do you agree or disagree that...	Strongly agree/ agree	Disagree/ strongly disagree	Summary
	in the assessment of a claimant's income			or not. The strongest support came from pensioner only households while those with children under 5 in their households were most likely to disagree. Overall, c17% neither agreed nor disagreed.
6	Those with savings of over £10,000 should not be eligible for any Council Tax Support	67%	23%	A high proportion agreed with this principle. Households with children and pensioner only households were most likely to agree and those aged 16-34 were most likely to disagree. Overall, 10% neither agreed nor disagreed.
7	The Second Adult Rebate for working age people should be abolished	56%	25%	There was a higher level of agreement than disagreement with this statement. The highest levels of support were among those paying CT but not receiving CTB, males and those living in pensioner only households. The lowest levels of support were among those claiming CTB, single parents and disabled respondents. Overall, 19% neither agreed nor disagreed.
8	Deductions from Council Tax Support should be made where working age claimants have non-dependants living with them	57%	21%	There was a higher level of agreement than disagreement with this statement. The highest levels of support were among those paying CT but not receiving CTB, males, those in the 60+ age group and those from pensioner only households. The lowest levels of support were among those claiming CTB and those who said they are disabled. Overall, c22% neither agreed nor disagreed.

**Q2a. Do you agree with the principle that everyone of working age should pay something towards their Council Tax bill?**

	Do you agree with the principle that everyone of working age should pay something towards their Council Tax bill?		
		<u>'Yes'</u> 69%	

Overall a high percentage agreed that working age people should pay something towards their council tax bill. The strongest support came from those who pay Council Tax but are not in receipt of CTB, those aged 60+ and pensioner households. Those on CTB, single parents and disabled respondents were closer to a 50/50 split between the numbers agreeing and disagreeing with this principle.

**Q2b. If yes, how much is the minimum you think they should pay?**

Q2b	If yes, how much is the minimum you think they should pay?	<u>'10%'</u> 41%	<u>'20%'</u> 31%	<u>'30%'</u> 28%
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If respondents agreed with paying something towards council tax we also wanted to understand at what level it was felt this should be set at – 10%, 20% or 30%.

Overall, 41% selected the lowest amount of 10% but 59% selected a higher amount than this.

Among those in receipt of CTB, not surprisingly, the lower 10% option received more support than average (61%) but nearly four out of ten selected a higher amount. Those paying CT but not in receipt of CTB were less likely to select the lowest amount (32%), with more than two-thirds selecting a higher amount.

Comparing results by age group shows that those aged 35-59 were most likely to select the lower 10% option (45%) but the majority still selected a higher amount. Those aged 60+ were most likely to select the higher 30% option (35%).

Nearly half of the respondents from households with children selected the lower 10% option (48%) although nearly a third of these selected the highest 30% option (30%). 60% of single parents selected the lower 10% option but more than a quarter selected the highest 30% option (27%). Pensioner only households were least likely to select the lower 10% option (29%), with 72% selecting a higher amount.

More than half of disabled respondents selected the lower 10% option (56%), nearly a third selected 20% (30%) and less than one in six opted for a 30% contribution (14%).

### **Summary of findings**

- Some areas have provoked a clear trend, with the majority of people in all groups agreeing that we should protect the most vulnerable, encourage people back to work and not provide Council Tax Support to those with savings over £10,000.
- There are areas where there is a less clear response overall and where responses from different groups vary considerably. These are taking child benefit into consideration, ignoring the first £10 a week of child maintenance income, removing second adult rebate and making deductions where non-dependants are in residence.
- There is overall support for people to pay something towards their Council Tax bill. However, as would be expected there is a large difference between the views of those paying Council Tax but not in receipt of CTB and those who are in receipt of CTB. Similarly, views on the level of contribution vary considerably with those in receipt of CTB nearly twice as likely to select the lowest contribution level.
- The survey asked for comments and suggestions which have been categorised and reported at Appendix 11 and are also listed in full at Appendix 12. A wide range of comments were received, with some supporting our proposals and others posing arguments against particular elements of our scheme.



# Proposed Council Tax Support Scheme

Published: November 2012

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## Glossary of Terms

### Definition of Pensionable Age

When we talk about pensionable age customers we mean someone who:

- Has reached the qualifying age for state pension credit, and
- They, or any partner, do not receive Income Support, Income Based Job Seekers Allowance or Income Related Employment Support Allowance.

### Definition of Working Age

When we talk about working age customers we mean someone who:

- Has not yet reached the qualifying age for state pension credit, or
- Has reached the qualifying age for state pension credit but they, or any partner, receive Income Support, Income Based Job Seekers Allowance or Income Related Employment Support Allowance.

### Definition of 'partner'

When we talk about a customer's partner we mean a person they are married to or a person they live with as if they were married to them, or a civil partner or a person they live with as if they were civil partners.

### Regulations for Council Tax Benefit

The current rules for Council Tax Benefit administration are set out in the following legislation:

- The Council Tax Benefit Regulations 2006
- The Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001
- Social Security Administration Act 1992
- Social Security Contributions and Benefit Act 1992
- Local Government Finance Act 1992

## **Applicable Amounts**

An 'applicable amount' is a weekly figure used to calculate the basic living needs of a customer based on their household size and accounting for any disabilities or special circumstances. The elements and amounts of the applicable amount are decided by the Government and are made up of:

- personal allowances (for the claimant, partner and any children)
- premiums (based on certain qualifying conditions)

The applicable amount is used in a means tested calculation and compared to a customer's assessed income figure in order to work out how much benefit they may be entitled to.

## **Qualifying Rules for Disabled Child Premium**

The disabled child premium is added to a customer's applicable amount where a disabled child in the household is:

- registered blind, or
- receiving Disability Living Allowance

## **Qualifying Rules for Severe Disability Premium**

In the case of a single customer or lone parent the severe disability premium may be included in the applicable amount where:

- they receive the care component of Disability Living Allowance at the highest or middle rate, Attendance Allowance or Constant Attendance Allowance, and
- they live alone (see below), and
- no-one receives Carer's Allowance for looking after them

In the case of a couple the severe disability premium may be included in the applicable amount where the claimant and partner both:

- receive the care component of Disability Living Allowance at the highest or middle rate, Attendance Allowance or Constant Attendance Allowance, or
- the partner is blind and the claimant receives the care component of Disability Living Allowance at the highest or middle rate, Attendance Allowance or Constant Attendance Allowance, and
- no-one else lives with them (see below), and
- no-one receives Carer's Allowance for looking after either one or both of them

## Other people living in the household

For the purposes of the severe disability premium, customers are still classed as living on their own if other people in the household are:

- children
- aged 16-17
- a person who is registered blind
- a person receiving the care component of Disability Living Allowance at the highest or middle rate, or Attendance Allowance
- a carer who is employed by a charity that makes a charge for this service
- co-owners or co-tenants

## 1. Introduction

1.1 From 1 April 2013, the Government is abolishing the national Council Tax Benefit scheme and requires each council to introduce their own local Council Tax support system to replace it. The amount of money the Government will give councils to fund a local scheme will be at least 10% less than the grant given for Council Tax Benefit. This means Huntingdonshire District Council will have less money to help low income households with their Council Tax.

1.2 Although the council is required to design a local scheme the Government has placed a number of restrictions on what we can do. The council also has to consider how a local scheme would impact on the most vulnerable in society and should specifically consider its statutory duties under the following regulations:

- The Equality Act 2010
- The Child Poverty Act 2010
- The Housing Act 1996
- The Armed Forces Covenant 2011

1.3 We have spent considerable time looking at various options and the effects each one would have on residents in Huntingdonshire. We believe we have identified a scheme that fairly distributes the funds available whilst protecting the most vulnerable of our society. We have consulted on our draft proposals, have analysed the responses received and have now produced our proposed scheme. We need to have an agreed scheme in place by 31<sup>st</sup> January 2013.

1.4 People of pensionable age will be protected from the effects of the local scheme and will have any reduction in their Council Tax assessed by a national framework of rules and should therefore receive the same amount of reduction as they would have under Council Tax Benefit. However, most working age households will not be protected as these will be assessed under the local scheme rules and will therefore need to pay something towards their Council Tax.

1.5 Huntingdonshire District Council's proposed scheme is based on the following principles:

- Everyone of working age should pay something towards their Council Tax (unless they qualify for some protection – more information is explained about this later in this document)
- The scheme should provide some protection for the most vulnerable in society

- The scheme should incentivise and support people moving into work, and help those in low paid work

## **2. Outline of Draft Scheme**

- 2.1 Those people entitled to a reduction in their Council Tax under Huntingdonshire District Council's Council Tax Support scheme will be as follows:

### **2.2 People of Pensionable Age**

The Government has committed to protecting pensioners from the impact of the changes to Council Tax Benefit and therefore, support for people of pensionable age will be provided through a means tested reduction which will be the same as what they would have been entitled to under the previous Council Tax Benefit system (assuming no other changes in their circumstances). The details for this scheme are currently set out in the 'Draft Council Tax Reduction Schemes (Default Scheme) Regulations'. These draft regulations are currently being debated by Parliament and we expect them to become law towards the end of 2012.

- 2.3 Pensioners who are currently claiming Council Tax Benefit will be automatically transferred to the new local Council Tax Support scheme and will not need to make a new application.

### **2.4 People of Working Age**

Support for people of working age will apply the rules as set out in the 'Draft Council Tax Reduction Schemes (Default Scheme) Regulations' except for the provisions mentioned in this document. These draft regulations are currently being debated by Parliament and we expect them to become law towards the end of 2012. All requirements prescribed by the Government will be incorporated into the Council's local scheme.

- 2.5 Working age customers who are currently claiming Council Tax Benefit will be automatically re-assessed under the new local Council Tax Support scheme rules and will not need to make a new application.

- 2.6 The amount of help working age people will be entitled to will be means tested in a similar way to Council Tax Benefit in that a customer's income will be compared against an 'applicable amount'.

- 2.7 Huntingdonshire District Council's proposed local scheme is based around the three principles as set out in paragraph 1.5 and contains the following features:

## 2.8 **Restrictions applied to Council Tax liability**

All working age customers (except those who are severely disabled, those with disabled children and families with children under 5), will have their entitlement to Council Tax Support based on 80% of their Council Tax charge. The actual amount someone has to pay will depend on the makeup of their household, their income and savings and any other discounts that may apply but this means that these customers will have to pay at least 20% of their Council Tax bill.

Working age customers with children under 5 years of age will have their entitlement to Council Tax Support based on 85% of their Council Tax charge.

However, those working age customers who receive a severe disability premium or a disabled child premium in their applicable amount will have their entitlement to Council Tax Support based on 100% of the Council Tax Charge.

More information about vulnerable groups can be found in section 3.

Note – if a customer is jointly liable for the Council Tax charge with one or more people (excluding their partner), the Council will divide the liability equally between all liable persons. The working age customer's Council Tax Support would then be based on a percentage (dependant on their circumstances) of their share of the Council Tax charge.

## 2.9 **Applicable amounts**

Under the current Council Tax Benefit rules, applicable amounts are increased each April by the Consumer Price Index (CPI) rate for the previous September. We intend to apply the same principle for Council Tax Support and will consider increasing these in subsequent years.

## 2.10 **Child Benefit income for eldest child only disregarded**

Where a working age person receives child benefit the amount for the eldest child will not be included in the assessment of the customer's income. However, all other child benefit income will be included.

Note – under the current Council Tax Benefit rules all child benefit income is disregarded in the assessment of a customer's income.

### 2.11 **Child maintenance income disregard reduced**

Where a working age person receives maintenance in respect of children the first £10 of the amount received each week will not be included in the assessment of the customer's income.

Note – under the current Council Tax Benefit rules all child maintenance income is disregarded in the assessment of a customer's income.

### 2.12 **Earned income disregards adjusted**

Huntingdonshire District Council is keen to incentivise and support those people starting work, whilst also helping those in low paid employment. This is one of the key principles of our local Council Tax Support scheme.

Therefore, where a working age person is in work, we will not include the first £10 of earned income received each week in respect of a single person, and the first £20 received each week in respect of couples when assessing their income. This doubles the amounts currently disregarded under Council Tax Benefit.

Other earned income disregards, for example, £25 for lone parents and £20 for certain people with disabilities, will be kept at the same level as in the Council Tax Benefit rules.

### 2.13 **Extra earned income disregard**

To encourage people to increase their hours of employment, where a working age person works 24 hours or more each week, or is in receipt of Working Tax Credit, an additional £10 of their weekly earned income will not be included in the assessment of their income.

### 2.14 **War Pensions**

Under the current Council Tax Benefit rules, the first £10 of war pension income received each week is not included in the assessment of the customer's income. However, Huntingdonshire District Council has always disregarded the remainder of war pension income under its discretionary powers. We propose to continue to disregard all war pensions in the assessment of a customer's income for Council Tax Support.

## 2.15 **Non-Dependants (Other people who live in the household)**

Where a working age person has other people living in their home who are not dependant on them (such as children who have left school, parents, other relatives or friends), a deduction will be made from any Council Tax Support award. The deduction will be set at £5 per week for each non dependant that is not working and £7 for each non dependant in work. Where two non-dependants live in the same property and are a couple only one deduction is made. However, a deduction will not be made where the customer (or their partner) is:

- registered blind,
- in receipt of the care component of Disability Living Allowance

We will consider how Personal Independence Payments (due to be introduced during 2013) will apply to non-dependant deductions in the Council Tax Support scheme.

Note – under the current Council Tax Benefit rules there are a range of deductions depending on whether the non-dependant is working and the level of their income. Non-dependants in receipt of Pension Credit, Income Support, Income Based Job Seekers Allowance or Income Related Employment Support Allowance do not attract any deduction.

## 2.16 **Abolition of Second Adult Rebate**

The Council Tax Benefit regulations also provided for a rebate in cases where a Single Person Discount could not be awarded because other adults were living in the property. This rebate assessed the income of the second adult(s) and allowed for a reduction in the Council Tax charge of up to 25%. Second Adult Rebates will be abolished under the proposed local scheme.

## 2.17 **Universal Credit**

From October 2013 the Government plans to begin a phased process of merging payments of Income Support, Income Related Job Seekers Allowance, Income Based Employment Support Allowance, Child Tax Credit, Working Tax Credit and Housing Benefit into a single payment called 'Universal Credit'. The exact details of how Universal Credit will operate are still emerging and therefore Huntingdonshire District Council will consider how this will be dealt with in the Council Tax Support scheme when more information is known.



### **3. Vulnerable groups**

- 3.1 Most working age customers will have their entitlement to Council Tax Support based on 80% of their Council Tax charge. However, one of the key principles of Huntingdonshire District Council's local Council Tax Support scheme is to provide support for the most vulnerable members of our society.

The Council believes that, by basing its scheme for local support on the 'Draft Council Tax Reduction Schemes (Default Scheme) Regulations', provision is already made for the most vulnerable customers. This is because the figure used to calculate the basic living needs of a customer (the 'applicable amount') includes extra amounts to cater for disabilities, children or other special circumstances as well as disregarding certain types of income.

- 3.2 However, we are also proposing that working age customers with children under 5 years of age will have their entitlement to Council Tax Support based on 85% of the Council Tax charge.
- 3.3 In addition, working age customers who receive a severe disability premium or a disabled child premium in their applicable amount for the assessment of Council Tax Support, Income Support, Income Based Job Seekers Allowance or Income Related Employment Support Allowance will have their entitlement to Council Tax Support based on 100% of the Council Tax charge.

### **4. Who can apply**

- 4.1 Eligibility for Council Tax Support is set out in the 'Draft Council Tax Reduction Schemes (Default Scheme) Regulations' which follows the same rules as set out in the current regulations for Council Tax Benefit. Claimants must be at least 18 years old, liable to pay Council Tax and the property must be their main or sole residence. Current arrangements allowing a person to act on behalf of another (for example, where a person has been granted power of attorney) will continue.
- 4.2 Those not eligible to claim will include those not liable to pay Council Tax, customers with savings of £16,000 or more, most students and persons from abroad who have no recourse to public funds.

### **5. How to make a claim and supporting evidence**

- 5.1 Applications for Council Tax Support should be made by an electronic form which will be available from the council's website or via public access computers at the Customer

Service Centre in Huntingdon or most local libraries. A paper application form will also be available for those customers who do not have access to complete the electronic version. It is likely the application form will also collect information regarding housing costs for those wishing to apply for Housing Benefit.

5.2 Some customers may complete an application form for Housing Benefit via Job Centre Plus and the Pension Service and these will also be acceptable to claim Council Tax Support.

5.3 Customers applying for Council Tax Support will be required to verify their identity, national insurance number, income, and capital. The Council may be able to use other sources to confirm some details but customers will be required to provide documentation to support their application.

## **6. Date of claim**

6.1 The start date of Council Tax Support for people of working age is set out in the 'Draft Council Tax Reduction Schemes (Default Scheme) Regulations' which follows the same rules as set out in the current regulations for Council Tax Benefit. In general, this means entitlement to Council Tax Support will be assessed from the Monday following the date a customer first contacts the Council to make an application, providing a form is received at Huntingdonshire District Council's offices within one calendar month of the date the Council were first contacted.

6.2 The current Council Tax Benefit rules allow working age customers to apply for backdated awards of benefit up to 6 months in the past if they can prove 'good cause' as to why they had not made an application for benefit earlier are also included in the 'Draft Council Tax Reduction Schemes (Default Scheme) Regulations'. Therefore, backdating rules will also be included in our local Council Tax Support scheme.

6.3 The date of claim for pension age customers will be assessed under the national rules (currently set out in the Draft Council Tax Reduction Schemes (Prescribed Requirements) Regulations).

## **7. Notification of entitlement**

7.1 All customers will be notified of the outcome of their application. The notification will also explain their appeal rights if they are unhappy with the decision.

7.2 Where a customer is entitled to Council Tax Support a new bill showing the amount of the reduction awarded and the revised amount to pay will be issued.

## **8. Change of Circumstances**

- 8.1 Once an application for Council Tax Support has been made customers will have a duty to notify Huntingdonshire District Council of changes in their circumstances. The rules for when changes of circumstances will take effect will be set out in regulations (currently set out in the 'Draft Council Tax Reduction Schemes (Default Scheme) Regulations').
- 8.2 Changes of circumstance should be notified as soon as possible in order to prevent overpayments and ensure the correct amount of Council Tax Support is being paid.

## **9. Overpayments**

- 9.1 Council Tax Support will be paid in the form of a reduction against the Council Tax account and calculated up to the end of March in each financial year. However, where a customer's circumstances change in the year, or the customer notifies the Council of a change which occurred in the past, an overpayment of Council Tax Support may be created.
- 9.2 Under the Council Tax Benefit rules where overpayments of benefit are created we must consider reducing the overpayment by a customer's actual income during the period of the overpayment had we known the true income details at that time. This is known as 'underlying entitlement'. We do not propose to include this rule for Council Tax Support.
- 9.3 Where overpayments do occur these will be posted to the Council Tax account and a new bill will be issued. Overpayments will always be recoverable from the customer.

## **10. Appeals**

- 10.1 Customers will have the right to appeal against decisions made and must do so in writing within one month of notification.
- 10.2 The Council will review the original decision and notify the customer of the outcome. If the customer is still not satisfied with the outcome a further appeal may be made.

## **11. Claim Reviews**

- 11.1 From time to time the Council may need to check the details of a claim for Council Tax Support to see if any of the details held on our records have changed. If we need to do this we may send a form or visit the customer in their home.

## **12. Fraud**

- 12.1 Anyone that makes a false claim for Council Tax Support or fails to tell us about changes in their circumstances when they occur, will not only have to repay any support incorrectly claimed but may also be liable to prosecution or a fine.

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## **Overview & Scrutiny Panel (Environmental Well-Being)**

**Report of the meeting held on 11th December 2012**

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### **Matters for Information**

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#### **32. CHARGING FOR A SECOND GREEN BIN**

Pursuant to Item No. 18 of its Report to the meeting of the Council held on 14th November 2012 and following publication of the Cabinet's decision on 22nd November 2012 regarding options for charging for a second green bin, the Panel called-in the matter for further consideration. The Panel was disappointed that its previous recommendation had not been accepted by the Cabinet and, at the Panel's invitation, Councillors J D Ablewhite and D M Tysoe as Executive Leader of the Council and appropriate Executive Councillor respectively attended the meeting when the call-in was discussed.

The three Members who called in the item felt that the decision reached by the Cabinet was "ambiguous" and "unclear" and that a formal assessment should be made of the environmental impacts of the proposals. Furthermore, a list of all the possible savings that the Council was proposing to make and how these will be prioritised was requested.

The Panel was advised that it is intended to review all the Council's options for making savings and increasing income, including the proposal to charge for collecting second green bins, later in the year. If no alternatives are identified, the scheme will proceed. However, the Panel is of the view that if a comprehensive exercise is to be undertaken to review the Council's finances, it is premature to make an "in principle" decision on one item.

In response to a question on what other options for savings have been considered, the Panel was advised that approximately £1m had already been saved and others were being considered. The Council has adopted the Leadership Direction, one of the targets of which is to achieve a balanced budget. To do this, savings in the order of £3.2m will be required by 2017/18. All options, therefore, are being examined. The Executive Leader has given an undertaking that he will keep Members informed of progress in this respect.

The Panel understands the need for savings and accept that the current proposal may need to be implemented. Members are, however, of the view that a judgement cannot be made on charging for collecting second green bins unless they have a comprehensive

assessment of all the Council's options. They have asked the Cabinet to produce a list of all possible savings and to prioritise them. Councillor T V Rogers has indicated that the Economic Well-Being Panel also advocates this approach. In addition, it has been suggested that a list of savings already made is produced to assist the decision making process.

Members have received clarification of a number of operational matters connected with the proposal, including whether churches and villages halls will be charged, if any operational savings will be achieved and when particular bins will be collected. They have suggested a price analysis is required.

Having discussed the decision fully, the Panel has referred it back to Cabinet for further consideration. The Cabinet has been recommended to note the proposal to charge for collecting second green bins and to consider it during its deliberations on all the Council's options for improving its financial position.

The Panel's deliberations have been considered by the Cabinet at its meeting on 13th December 2012, details of which are set out in its Report to this meeting (Item No. 51 refers).

### **33. ROUND RESCHEDULING**

The Panel has been advised of the background to the rescheduling of the current waste collection rounds. The rounds were last reviewed in 2007. The Executive Councillor for Environment has advised that any changes arising from the review are due to be implemented by the Council in February 2013. Whilst it had been anticipated that the review might result in the loss of one waste collection round, having taken into account property growth levels within the District, this is not likely to be possible as it would mean reinstating this round at a later date. With this in mind, the purpose of the review, therefore, is to make the service more effective and efficient, whilst providing an opportunity for the Council to reiterate some of its key waste and recycling messages to the residents of Huntingdonshire. One of the key savings expected from the review are those relating to fuel consumption, which will provide a further environmental benefit for the Council.

Owing to IT related problems with the software utilised to assist with round rescheduling process, the revised rounds are now scheduled to go live on 25th February 2013. All Members will receive an information pack outlining the changes prior to any publicity being undertaken on the new rounds. The Panel has welcomed the Communications Plan developed to publicise the changes, in particular those aspects relating to educating residents on what materials can and cannot be recycled through their blue bins.

### **34. CARBON MANAGEMENT PLAN UPDATE**

The Panel has been acquainted with the background to the Carbon Management Plan, which is currently in its third year of operation.

Members are encouraged to note that the Council is on target to achieve a 30% reduction in CO2 emissions from the Council's estate by 2013/14. To date, a 20% reduction has been achieved. A saving of £300,000 has been realised and a further saving of £700,000 is expected to be made by 2013/14.

The Panel has discussed whether the target of 30% was regarded as being stretching at the time the Plan was developed, the role of the Council's Environmental Resource Efficiency Group in cross departmental working, particularly within the Operations Division and across the One Leisure sites, and the receipt of an interest free Salix loan to assist with energy efficiency improvements at One Leisure, St Ives. Other matters discussed include the impact of the solar photovoltaic PV panels at Eastfield House and the emergence of environmental initiatives which might generate a financial return to the Council. The Head of Environmental Management has undertaken to clarify the figures reported relating to the cost and savings identified for pool covers across the One Leisure sites and to establish whether the overall savings figures take account of inflation.

The Panel has congratulated the Head of Environmental Management and his staff on the valuable contributions they have made in achieving the carbon reduction target. The Cabinet has been recommended to note the excellent progress that has been made towards the implementation of the Council's Carbon Management Plan and the positive impact this has had on reducing energy use and energy spending. The Cabinet was further recommended to support ongoing cross-departmental working to maximise cost savings and the continued use of the Salix ring-fenced funding and Environment Strategy Capital funding to implement further energy saving projects.

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### **Other Matters of Interest**

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#### **35. OVERVIEW AND SCRUTINY PANEL (ENVIRONMENTAL WELL-BEING) - PROGRESS**

The Panel has reviewed its programme of studies. Members have been informed that owing to resource constraints within the Planning department alternative ways of finalising the Tree Strategy are being looked at and Councillor I C Bates has undertaken to make enquiries with Hilton Parish Council with regard to the wheelie bin sticker pilot in the village. The Design Principles for Future Developments Working Group will meet once the draft revised Design Guide is available. Having regard to drainage issues previously experienced in St Audrey's Lane, St Ives, Councillor J W Davies has confirmed that the recent flooding events have not had a negative impact upon residents within the Town.

**36. WORK PLAN STUDIES**

The Panel has received details of the studies being undertaken by the other Overview and Scrutiny Panels. A scoping report on green waste and energy generation will be submitted to the Panel at a future meeting.

**37. NOTICE OF EXECUTIVE DECISIONS**

The Panel has been acquainted with the current Notice of Executive Decisions and requested sight of the Revision of the Wind Power Supplementary Planning Document at its January 2013 meeting.

**38. SCRUTINY**

The Panel has considered the latest edition of the Decision Digest and discussed the matters contained therein.

D Harty  
Chairman



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## **Corporate Governance Panel**

### **Report of the meeting held on 12th December 2012**

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#### **Matters for Information**

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#### **24. CORPORATE BUSINESS CONTINUITY PLANNING – ANNUAL REPORT 2012**

An audit review of the Council's Service Recovery Plan revealed that the Plan was no longer fit for purpose. Given this outcome, the Managing Director (Communities, Projects and Communities) assumed responsibility for Corporate Business Continuity and the Head of Information Management was tasked to lead a project to review and update the Plan and develop a mechanism which would ensure ongoing review, development and maintenance of the agreed new Plan.

T Panel now has had the opportunity to consider the progress made towards the preparation of a new Business Continuity Plan and the associated Business Continuity Management System. A new group of Business Continuity Co ordinators and deputies has been established which will meet quarterly, undertake exercises and work to an action plan with agreed targets set to August 2013.

The Panel has been assured that the arrangements now put in place will be sufficiently robust to enable the Council to respond to 'notable' incidents and that there is sufficient momentum in the process to ensure that the Plan will continue to evolve and improve over time. The Panel will continue to monitor the Business Continuity arrangements and will receive a report on progress in 12 months time. .

#### **25. REVIEW OF EMPLOYEES CONSULTATION AND INFORMATION ARRANGEMENTS**

It is the role of the Panel to consider proposals to vary the Council's Constitution and make any subsequent recommendations to the Council. Having been endorsed already by the Employment Panel (Item No 18 of their Report refers), the Panel has received proposals intended to streamline the process for the consideration of employment matters currently dealt with by the Employee Liaison Advisory Group and Employment Panel. It was emphasised that the new arrangements would retain a mechanism for effective consultation between management and employees but would replace the rigid meeting structure which currently exists to consider these matters.

Whilst supporting these proposals in principle, the Panel has expressed some concern at the extent of the authority to be delegated to the Head of Paid Service for employment issues and concluded that, to avoid confusion with the current overview and scrutiny arrangements, there was no sound reason for changing the name of the existing Employment Panel.

Given their unease with the proposed delegation, the Panel decided to defer the proposals until the next meeting to enable the terms of reference of the new Panel to be clarified and the precise parameters of the authority to be delegated to the Head of Paid Service to be better defined.

Notwithstanding the resolution of these concerns at their next meeting, the Panel raised no objection to the remainder of the proposals which related to the Employee Liaison Advisory Group and Senior Officer's Panel but given the suggested implementation date of 15th May 2012, was of the view that there was sufficient time for the arrangements to be refined and considered again, as a whole, at the next meeting in March.

## **26. FRAUD INVESTIGATION**

With the assistance of the Working Group which had been established to enable Members to gain a better understanding of the fraud risks faced by the Council, the Panel has received a report on the activities of the Fraud Team, the potential for fraud across the Council's service and the planned response to risk particularly following the introduction of a Single Fraud Investigation Service (SFIS) which will become operational before 2015.

Given the potential income which might result from identified fraud and having congratulated the team for its work in uncovering fraudulent activity, the Panel has agreed to seize the opportunity to develop new work streams and investigate non welfare fraud areas by transferring a proportion of the welfare fraud workload to the Department of Work & Pensions from 2013. This transfer will enable the team to take advantage of current government funding arrangements to develop a new fraud service and to consider how this might operate after April 2015.

Given the importance of this work, Members were of the view that the Fraud Working Group should continue to meet and report regularly to the Panel.

## **27. REVIEW OF HOUSING BENEFIT FRAUD INVESTIGATION ACTIVITY & THE COUNCIL'S WHISTLEBLOWING**

The Panel has noted a summary of the work undertaken by the Benefits Fraud Investigation Team during 2011/12 and at the same time conducted the annual review of the Whistleblowing Policy and Guidance. Whilst concluding that no changes were required to either the policy or guidance for Whistleblowing, the Panel considered that it

was essential to continue to publicise, cost effectively, the opportunity that existed to report, without fear, any potential fraud or act which might endanger health and safety or mistreatment or abuse of customers.

The Panel also considered that the work of the Fraud Team would be of interest to all Members and requested that arrangements be made for a seminar on this subject.

**28. FINAL AUDITORS REPORTS ON THE 2011/12 ACCOUNTS AND ANNUAL AUDIT LETTERS 2010/11 AND 2011/12**

The Panel was pleased to approve the final report of the Auditor in respect of the 2011/12 statement of accounts and has noted the content of an Action Plan drawn up for dealing with the recommendations which emerged from the Auditors Report. The Panel has been assured that the majority of the actions required are routine and can be delivered with the prescribed timescales. Two particular items have been drawn to the attention of the Panel. These related to the valuation of inventories and provision of bad debt. Whilst these items are of greater significance, the Panel was advised that they should not hinder closure of the 2012/13 accounts, progress upon which will be reported to the next meeting.

At the same time, the Panel has formally received the Annual Audit letters from the Council's external auditors PricewaterhouseCooper for the 2010/11 and 2011/12 audits.

**29. ANNUAL REVIEW OF THE RISK MANAGEMENT STRATEGY**

The annual review of the Risk Management Strategy has concluded that the authority has robust risk management policies in place which are performing efficiently and support the Council's annual governance and statutory reporting processes. Notwithstanding, the Panel was made aware that the Strategy has been amended to reflect the responsibility of Members and employees for the health and safety of themselves and others. The Panel also has expressed its satisfaction with the conclusion that there should be no change to the Council's risk appetite either in general terms or specifically for health and safety. The risk appetite is the amount and type of risk that the Council; is prepared to seek, accept or tolerate.

**30. PROVIDING ASSURANCE FOR THE ANNUAL GOVERNANCE STATEMENT**

The Panel has indicated its support for the introduction of an assurance mapping process which will act as a framework against which the Panel will check whether internal controls are operating effectively and objectives are being achieved. It is the intention that the assurance map will plan for and receive assurance on key areas over the year. In parallel to this initiative, the Panel has endorsed the intention to simplify the Annual Governance Statement to make it a more meaningful document for both Members and the public.

This process will commence with a Panel Workshop during which Members will identify those issues, which in their view, require assurance. Examples of these under a previous exercise were the delivery of the Council's corporate objectives and Partnerships for instance.

**31. INTERNAL AUDIT SERVICE – INTERNAL AUDIT PLANNING**

The internal audit computer plan for the period to March 2014 and recent amendments to the general audit plan have been noted by the Panel prior to their approval by the Managing Director (Resources).

The general plan had been amended to take account of additional work relating to the 2010/11 final accounts process, the redevelopment of One Leisure, St Ives and investigations involving members of staff.

**32. TRAINING OF THE PANEL**

In reviewing the programme of activities scheduled for meetings to December 2013, the Panel has expressed concern that it has insufficient time to give detailed attention to the workload envisaged and to the standard that it would wish. The Panel suggested that provision be made in the 2013/14 calendar for two additional meetings of the Panel to manage the workload but in the event that business is not forthcoming as is currently foreseen then the meetings could be cancelled by the Head of Legal & Democratic Services after consultation with the Chairman.

E R Butler  
Chairman