

A meeting of the **CABINET** will be held in **CIVIC SUITE 0.1A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, PE29 3TN** on **THURSDAY, 24 JANUARY 2013** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

APOLOGIES


**Contact
(01480)**

1. MINUTES (Pages 1 - 8)

To approve as a correct record the Minutes of the meeting held on 13th December 2012.

**Mrs H J Taylor
388008**

2. MEMBERS' INTERESTS

To receive from Members declarations as to disclosable pecuniary, non-disclosable pecuniary or non pecuniary interests in relation to any Agenda item. See Notes below.

3. FINANCIAL MONITORING - CAPITAL PROGRAMME 2012/13 (Pages 9 - 14)

To consider a report by the Head of Financial Services.

**S Couper
388103**

4. FINANCIAL MONITORING - REVENUE BUDGET 2012/13 (Pages 15 - 26)

To consider a report by the Head of Financial Services.

**S Couper
388103**

5. HOUSING BENEFIT CHANGES AND THE POTENTIAL IMPACT ON HUNTINGDONSHIRE (Pages 27 - 34)

To receive a report from the Head of Customer Services providing an update on housing benefit changes and the potential impact upon Huntingdonshire.

**Ms J Barber
388105**

6. ALLOCATION OF COUNCIL TAX SUBSIDY GRANT (Pages 35 - 42)

With the assistance of a report by the Head of Financial Services to consider a basis for allocating grants to Parish and Town Councils (Local Councils) to offset the Government's changes to Council Tax Benefits.

**S Couper
388103**

7. SAFETY ADVISORY GROUP (Pages 43 - 48)

To receive the notes of the meeting of the Safety Advisory Group held on 29th November 2012.

**A Jerrom
388009**

8. EXCLUSION OF PRESS AND PUBLIC

To resolve:-

that the public be excluded from the meeting because the business to be transacted contains exempt information relating to the financial or business affairs of any particular person (including the authority holding that information).

9. HUNTINGDON GYM (Pages 49 - 54)

To consider a joint report by the Heads of Legal and Democratic Services and of Financial Services on a proposal relating to Huntingdon Gym.

**C Meadowcroft
388021
S Couper
388103**

10. BUSINESS PLAN ONE LEISURE - QUARTERLY PERFORMANCE REPORTS (Pages 55 - 94)

With the assistance of a report by the One Leisure General Manager, to consider the quarterly reports for

**S Bell
388049**

Dated this 16 day of January 2013



Head of Paid Service

Notes

A. Disclosable Pecuniary Interests

(1) *Members are required to declare any disclosable pecuniary interests and unless you have obtained dispensation, cannot discuss or vote on the matter at the meeting and must also leave the room whilst the matter is being debated or voted on.*

(2) *A Member has a disclosable pecuniary interest if it*

*(a) relates to you, or
(b) is an interest of -*

- (i) your spouse or civil partner; or*
- (ii) a person with whom you are living as husband and wife; or*
- (iii) a person with whom you are living as if you were civil partners*

and you are aware that the other person has the interest.

(3) *Disclosable pecuniary interests includes -*

- (a) any employment or profession carried out for profit or gain;
- (b) any financial benefit received by the Member in respect of expenses incurred carrying out his or her duties as a Member (except from the Council);
- (c) any current contracts with the Council;
- (d) any beneficial interest in land/property within the Council's area;
- (e) any licence for a month or longer to occupy land in the Council's area;
- (f) any tenancy where the Council is landlord and the Member (or person in (2)(b) above) has a beneficial interest; or
- (g) a beneficial interest (above the specified level) in the shares of any body which has a place of business or land in the Council's area.

B. Other Interests

(4) If a Member has a non-disclosable pecuniary interest or a non-pecuniary interest then you are required to declare that interest, but may remain to discuss and vote.

(5) A Member has a non-disclosable pecuniary interest or a non-pecuniary interest where -

- (a) a decision in relation to the business being considered might reasonably be regarded as affecting the well-being or financial standing of you or a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the council tax payers, rate payers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area, or
- (b) it relates to or is likely to affect any of the descriptions referred to above, but in respect of a member of your family (other than specified in (2)(b) above) or a person with whom you have a close association

and that interest is not a disclosable pecuniary interest.

Please contact Mrs H Taylor, Senior Democratic Services Officer, Tel No. 01480 388008/e-mail Helen.Taylor@huntingdonshire.gov.uk /e-mail: if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Cabinet.

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.

Agenda and enclosures can be viewed on the District Council's website – www.huntingdonshire.gov.uk (under Councils and Democracy).

If you would like a translation of

Agenda/Minutes/Reports or would like a
large text version or an audio version
please contact the Democratic Services Manager
and we will try to accommodate your needs.

Emergency Procedure

In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.

Agenda Item 1

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the CABINET held in the Room 01A, Civic Suite, Pathfinder House, St Mary's Street, Huntingdon, PE29 3TN on Thursday, 13 December 2012.

PRESENT: Councillor J D Ablewhite – Chairman.

Councillors B S Chapman, J A Gray,
N J Guyatt , T D Sanderson and D M Tysoe.

69. MINUTES

The Minutes of the meeting of the Cabinet held on 22nd November 2012 were approved as a correct record and signed by the Chairman.

70. MEMBERS' INTERESTS

No declarations were received.

71. SAFEGUARDING POLICY

By way of a report by the Lead Safeguarding Officer (a copy of which is appended in the Minute Book) the Cabinet considered the content of a new Policy and procedures for safeguarding vulnerable people in Huntingdonshire, including children from abuse. The Policy will apply to all District Council employees and Members and is intended to promote the safety of those using Council services whilst protecting employees and Members from false allegations.

Having been advised that the document had been endorsed by the Employees' Liaison Advisory Group and Employment Panel and subject to minor consequential amendments to the text of the CRB self declaration form, the Cabinet

RESOLVED

that the new Safeguarding Policy appended to the report now submitted be approved.

72. UPDATE 2013/14 BUDGET AND MEDIUM TERM PLAN

Consideration was given to a report by the Head of Financial Services (a copy of which is appended in the Minute Book) setting out the draft budget for 2013/2014 and the Medium Term Plan (MTP) for the period 2014 – 2018.

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

In discussing the contents of the report, Members' attention was drawn to the latest position on the retention of the 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%.

Having considered the Panel's views on the Council's use of reserves, the Cabinet emphasised that the Council would continue to identify savings and monitor progress.

In relation to car parking charge increases, the Cabinet were conscious of the economic outlook and agreed that it may not be possible to increase charges in 2015. 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 would continue to be investigated to introduce Civil Parking Enforcement which may generate additional income.

Having reiterated the need to identify where additional savings could be made, the Cabinet congratulated members and officers on the significant progress that had been made in both the efficiency and savings measures over the past 18 months.

Whereupon, it was

RESOLVED

- (a) that the contents of the report now submitted be noted;
and
- (b) that the draft Medium Term Plan be recommended to Council as a basis for the development of the 2013/2014 budget and the revised Medium Term Plan 2014/2018.

73. TREASURY MANAGEMENT REVIEW OF PERFORMANCE

A report by the Head of Financial Services was submitted (a copy of which is appended in the Minute Book) which reviewed the respective levels of performance achieved during April to September 2012 by external fund managers in the matter of investment of the Council's Capital Receipts.

Having received the views of the Overview and Scrutiny Panel (Economic Well-Being), the Cabinet

RESOLVED

that Council be recommended to note the contents of the report and approve the revised table and targets for borrowing set out in paragraph 6.2.

74. LOCAL GOVERNMENT FINANCE ACT 1988 - PUBLICATION OF RURAL SETTLEMENT LIST

By way of a report by the Head of Customer Services (a copy of which is appended in the Minute Book) the Cabinet was acquainted with a review of the boundaries of rural settlements as required by the Local Government and Rating Act 1997. Having been advised that the list required no amendments, the Cabinet

RESOLVED

that the rural settlement list, as appended to the report now submitted, be approved and made available for inspection.

75. REVIEW OF THE COUNCIL'S LETTINGS POLICY

With reference to a report by the Head of Customer Services (a copy of which is appended in the Minute Book) the Cabinet gave consideration to the content of a revised lettings policy which sets out how the Council, in partnership with Registered Providers with properties in the District, will allocate their properties through the "Home Link Choice Based Lettings Scheme".

Executive Councillors were advised that the amended policy reflected the implications of the Welfare Reform Act on the Housing Benefits System and the flexibilities of the Localism Act for prioritising socially rented houses. Members referred to the recently approved Tenancy Strategy for Huntingdonshire and reiterated the need to move away from the granting of "lifetime tenancies" to fixed length tenancies of two to five years.

Having noted that the proposed policy had been the subject of a consultation exercise with the Overview and Scrutiny Panel (Social Well-Being) and interested bodies, the Cabinet

RESOLVED

that the revised Lettings Policy as appended to the report now submitted be approved to come into effect on 1st April 2013.

76. THE TECHNICAL REFORM OF COUNCIL TAX

Further to Minute No. 37 and by way of a report by the Head of Customer Services (a copy of which is appended in the Minute Book) the Cabinet were acquainted with the present position in relation to the Government's proposals to reform Council Tax. Executive Councillors were reminded that the proposals formed part of the Local Government Finance Act 2012.

Having been advised that the Act had received royal consent on 31st October 2012 and the changes would take effect from 1st April 2013, the Cabinet

RESOLVED

- (a) that unoccupied and non-furnished (Class C) properties be granted 100% discount for one month and then 0% thereafter;
- (b) that second home discounts be reduced to 0%;
- (c) that uninhabitable properties (class A) be granted 100% discount for a maximum of twelve months (no change);
- (d) that empty homes premium be levied after two years at 50% in addition to the 100% charge currently made;
- (e) that monthly instalments continue to be made due on 15th day of each month (extended to those who request twelve monthly instalments) but Managers be permitted to include an additional later instalment date purely as an incentive for those opting to pay by direct debit; and
- (f) that in accordance with Section 10 – 13 of the Local Government Finance Act 2012, the Head of Customer Services be authorised to calculate and award such discounts and the Council's Scheme of Delegation be amended accordingly.

77. COUNCIL TAX SUPPORT FROM 1ST APRIL 2013

Further to Minute No.12/38 and by way of a report by the Head of Customer Services (a copy of which is appended in the Minute Book) the Cabinet were updated with progress made to date to introduce a Local Council Tax Support Scheme from 1st April 2013, as required by the new Local Government Finance Act 2012.

The new Scheme had been considered by the Overview and Scrutiny Panel (Social Well-Being) whose comments were relayed to the Cabinet. Members' attention was drawn to the impact of the proposals upon Town and Parishes in setting their precepts. Members 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 noted the responses received to a consultation exercise on the new arrangements and the findings of an Equality Impact Assessment, the Cabinet

RESOLVED

- (a) that Council be recommended to endorse the Council Tax Support Scheme; and
- (b) that, in accordance with Schedule 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.

78. CARBON MANAGEMENT PLAN UPDATE

A report by the Head of Environmental Management was submitted (a copy of which is appended in the Minute Book) reviewing progress towards the implementation of the targets set out in the Council's Carbon Management Plan. The report which included data and narrative on the savings achieved from energy efficiency measures during 2011/2012 had been considered also by the Overview and Scrutiny Panel (Environmental Well-Being) whose comments were relayed to the Cabinet.

Executive Councillors were advised that the Council was on course to achieve its targets for reducing Co² emissions by 30% over a five year period. Members were assured that energy efficiency measures now formed part of any refurbishment opportunities and had been included in the re-modelling of One Leisure, St. Ives.

Having requested that work continue to expand the Management Plan Beyond 2013/14, the Cabinet

RESOLVED

- (a) that the progress made towards the implementation of the Council's Carbon Management Plan and the positive impact this had had on energy use and bills at the Council's main sites be noted; and
- (b) that the undertaking of cross-departmental working as a way of maximising cost savings and the continued use of the salix ring-fenced funding and Environment Strategy Capital Funding to implement further energy saving projects be supported.

79. ROUND RESCHEDULING

By way of a report by the Operations Manager (a copy of which is appended in the Minute Book) the Cabinet were updated on progress to deliver effective refuse, recycling and garden waste collection rounds. Members were advised that since the last major re-scheduling of waste collection in 2007, the rounds have changed significantly due to changes in recycling collections and tipping points and a growth in housing.

In considering the information contained in the report Executive Councillors were advised that it appeared unlikely that the rounds could be reduced as previously thought due to housing growth in the District. However, it was hoped that more efficient fuel savings will be achieved once the new rounds were implemented in February 2013.

Having considered the contents of a communications plan for the efficiency measures, the Cabinet

RESOLVED

that the contents of the report be noted.

80. RISK REGISTER

By way of a report by the Audit and Risk Manager (a copy of which is appended in the Minute Book) the Cabinet were reminded that a register had been developed to identify corporate risk.

Having considered details of an emerging risk relating to affordable housing and homelessness and in discussing the options available to manage this risk to reduce its likelihood and severity, the Cabinet

RESOLVED

that the contents of the report be noted and the action proposed.

81. EXCLUSION OF PRESS AND PUBLIC

RESOLVED

that the press and public be excluded from the meeting because the business to be transacted contains exempt information relating to the financial or business affairs of a particular person (including the authority that holds that information) and to terms proposed in the course of negotiations for the acquisition or disposal of property.

82. DISPOSAL OF LAND, ST. MARY'S STREET, HUNTINGDON

The Cabinet considered a report by the Head of Environmental Management (a copy of which is appended in the Annex to the Minute Book) regarding the proposed disposal of Council-owned land at St. Mary's Street, Huntingdon.

Having noted the views expressed by the Overview and Scrutiny Panel (Economic Well-Being) on the matter, the Cabinet

RESOLVED

- (a) that the disposal of Council-owned land at St. Mary's Street, Huntingdon be approved;
- (b) that the Managing Director (Communities, Partnerships and Projects), after consultation with the Executive Councillor for Resources, be authorised to accept an offer for the land from the prospective purchaser.

83. CHARGING FOR A SECOND GREEN BIN - CALL IN

(The Chairman announced that he proposed to admit the following urgent item in accordance with Section 100B (4) (b) of the Local Government Act 1972 given the need for the Council to respond to the "call-in" of the decision of the Cabinet relating to the introduction of a charge for a second green bin).

Further to Minute No. 12/66 and with the assistance of a report by the Overview and Scrutiny Panel (Environmental Well-Being) (a copy of

which is appended in the Minute Book) the Cabinet considered the deliberations of the Panel in relation to their “call-in” of the decision made by the Cabinet on charging for collecting second green bins at its meeting on the 22nd November 2012.

Executive Councillors were advised that the Panel recognised the need for savings and accepted that the current proposal of charging for an additional bin may need to be implemented. However, they felt that a judgement on charging for collecting second green bins cannot be made unless there was a comprehensive assessment of all the Council’s options. Having reiterated that the proposal will be considered with all the Council’s options for saving measures as part of the Medium Term Plan, the Cabinet

RESOLVED

that the views expressed by the Overview and Scrutiny Panel be noted.

Chairman

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CABINET

24 January 2013

FINANCIAL MONITORING - CAPITAL PROGRAMME 2012/13 (Report by the Head of Financial Services)

1. PURPOSE

- 1.1 This report highlights the forecast variations from the 2012/13 Capital Programme approved in February 2012. It includes any member or officer decisions already taken in accordance with the Code of Financial Management.

2. MONITORING OF THE 2012/13 CAPITAL PROGRAMME

- 2.1 The Budget approved in February 2012 was £10.8m after allowing for a provision for schemes brought forward from 2011/12 and carried forward to 2012/13. Subsequent adjustments are summarised below:-

Capital Programme	2012/13 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Approved Total Budget (February 2012)	19,447	8,677	10,770
Add brought forward from 2011/12	2,226	428	1,798
Less provision	-500	0	-500
	21,173	9,105	12,068
Forecast Cost Variations (Annex A)	0	-197	197
Forecast Timing Changes (Annex B)	-11,187	-5,352	-5,835
Revenue to Capital Variations (Annex A)	254	0	254
Current Forecast	10,240	3,556	6,684
October Report Forecast	13,578	5,738	7,840
Variations this time	-3,338	-2,182	-1,156

3. SIGNIFICANT ITEMS

3.1 Savings Items

St Neots Cambridge Street Car Park

This budget was allocated to extending the existing Cambridge Street car park into the old recycling centre site to provide a larger area of parking. The ownership of this site has now been transferred to a developer for the construction of a cinema complex, and as a consequence the budget is no longer needed.

3.2 Rephased Items

Loves Farm Community Centre

This project has been delayed until a resolution has been found for funding the project.

Heart of Oxmoor

There has been a delay in sale of the County Council land, of which the Council is expecting to receive a share to part fund previous investments on Oxmoor. The actual receipt receivable will depend on the purchase price of the land.

Huntingdon Multi-Storey

Work on this project is now currently planned to commence in February.

Huntingdon West Development

Compulsory purchase orders have been issued and work should start in late January.

Car Park Improvements

Resurfacing work was planned to be carried out on Tebbutts Road car park in St Neots. However it was decided to delay this work for two years as the car park surface continues to be in viable condition. The budget, including next year's allocation has therefore been rephased to 2014/15.

3.4 Revenue to Capital Transfers

Where appropriate, such transfers will be undertaken as they provide a beneficial revenue impact.

Elections Equipment

New polling booths will be purchased to replace the existing booths which are reaching the end of their lives and are no longer fit for purpose. The 150 new booths will fold smaller allowing them to be transported to polling stations by the election staff on the day.

Great River Ouse Banking

This project has been funded from the revenue repairs and renewals fund. The river bank at Eynesbury was failing and being undercut by the river, as a result works have been carried out to reinforce the river bank and moorings piling.

4. REVENUE IMPACT

- 4.1 The revenue impact on the MTP of the 2011/12 outturn and subsequent variations is shown below.

Revenue Impact	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017
	£000	£000	£000	£000	£000
Timing Changes 2011/12 to 2012/13	70	0	0	0	0
Cost Variations	2	22	23	24	24
Timing Changes 2012/13 to 2013/14	-49	-202	0	0	0
Revenue to Capital Transfers	-252	28	29	30	30
Revenue variations - Timing changes	41	24	3	0	0
TOTAL FORECAST VARIATION	-188	-128	55	54	54

N.B. This table is based on a simplified approach for identifying the revenue impact of capital expenditure. Allowance has also been made for any revenue elements of the changes as identified in the relevant MTP bid proposals.

5. RECOMMENDATIONS

5.1 It is **RECOMMENDED** that Cabinet;

- Note the contents of this report.

BACKGROUND PAPERS

Capital programme and monitoring working papers.
Previous Cabinet reports on capital expenditure.

Contact Officer – Steve Couper ☎ 01480 388103

ANNEX A

Forecast Cost Variations	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Savings			
Additional Disabled Facilities Grant Received	0	143	-143
St Neots Cambridge Street Car Park	-89	0	-89
	-89	143	-232
Extra Cost			
Public Conveniences – South St, St Neots	0	-15	15
Castle Hill House Sale	0	-325	325
Council Tax Support Software	65	0	65
Call Centre CRM Replacement	37	0	37
Eastfield House PV Panels	5	0	5
Camera Replacements	3	0	3
Disabled Facilities Grants	18	0	18
Multi-Functional Devices	2	0	2
	130	-340	470
Technical			
Brought Forward Adjustment	-41	0	-41
TOTAL COST VARIATIONS	0	197	197
Revenue to Capital			
GIS Corporate	19	0	19
Business Systems	6	0	6
Server Virtualisation & Network	18	0	18
E-forms	1	0	1
Call Centre Replacement	19	0	19
Share Point Systems	1	0	1
Flare Replacement	0	0	0
One Leisure St Ives – Tractor & Mower	21	0	21
Printing Equipment	0	0	0
Environmental Health Equipment	6	0	6
Uniform	14	0	14
Elections Equipment	34	0	34
Great River Ouse Banking Works	68	0	68
Document Centre Equipment	7	0	7
ICT Replacement	9	0	9
Income Management	10	0	10
ICT Virtualisation	12	0	12
Community Infrastructure Levy	9	0	9
	254	0	254

New item this time
No change from previous report
Adjusted value this time

ANNEX B

Timing Changes to 2013/14 and beyond	2012/13 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Building Efficiency – Salix Funding	-27	0	-27
Disabled Facilities Grants	-500	0	-500
Social Housing Grant	-118	0	-118
Decent Homes Insulation	-39	0	-39
One Leisure St Ives – Outdoor Centre	0	-52	52
Ramsey Development	-560	0	-560
One Leisure St Ives Redevelopment	-506	0	-506
Replacement Fitness Equipment	-55	0	-55
Play Equipment	-45	0	-45
Play Equipment – s106	-20	0	-20
Printing Equipment	-70	0	-70
Document Centre Equipment	-49	0	-49
Vehicles & Plant	150	0	150
Town Centre Developments	-290	0	-290
Rural Renewal – Pump Priming	-63	0	-63
Community Infrastructure levy	-23	0	-23
Server Virtualisation	-85	0	-85
Huntingdon West Development	-4,531	-3,629	-902
Huntingdon Multi-Storey	-3,973	0	-3,973
Wheeled Bins	-46	0	-46
CCTV Camera Replacements	14	0	14
Loves Farm Community Centre	-280	-305	25
VAT Exempt Capital	-11	0	-11
Heart of Oxmoor	0	-1,366	1,366
Car Park Improvements	-60	0	-60
	-11,187	-5,352	-5,835

New item this time
No change from previous report
Adjusted value this time

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CABINET

24 JANUARY 2013

FINANCIAL MONITORING – REVENUE BUDGET 2012/13 (Report by the Head of Financial Services)

1. TREND

The table below summarises how the key totals have changed from the approved budget:

	Original	Reported in September	Changes for Quarter	Forecast Outturn
	£m	£m	£m	£m
Approved Budget	21.7	21.7	0.0	21.7
Projects – Timing Variations	0.0	0.2	0.2	0.4
Budget Changes	0.0	0.1	(0.2)	(0.1)
Forecast Outturn	21.7	22.0	0.0	22.0
Financed By:				
Grants & Council Tax	19.2	19.2	0.0	19.2
Timing Variations Reserve	0.0	0.2	0.2	0.4
General Fund Reserves	2.5	2.6	(0.2)	2.4
Total Financing	21.7	22.0	0.0	22.0

2. CHANGES IN THE PAST QUARTER

2.1 Most of the changes are one-off with some being due to the current economic situation. They are summarised in Annex A and the significant items are shown below. Beneficial items are shown in (brackets).

	£m	Commentary
1.	(0.132)	Capitalisation of Revenue Costs Additional capitalisation of revenue costs associated with works at the Riverside, St Neots and the purchase of Polling Booths.
2.	(0.110)	Insurance Costs Savings from decrease in insurance costs following

retendering exercise.

3. (0.099) **Central Services and Estates Reorganisation**
The saving expected from the review of Central Services, including the reorganisation of Estates, is currently better than estimated. However, in future year's part of this saving will have to be used to fund new management arrangements for Estates properties.

4. (0.050) **Environment & Community Health**
Planned savings achieved earlier than expected.

5. 0.185 **Economic Climate**
The poor economic climate is impacting on the Council's service activity. The main serve areas that are affected include:

	£m
One Leisure income	0.131
Building Control	0.079
Community	(0.025)
Infrastructure Levy	

3. NEW HOMES BONUS

3.1 The government introduced the new homes bonus scheme (NHB) as a way of rewarding councils for supporting residential development. The grant received is based on the increase in housing numbers.

3.2 The financial impact is significant and becomes even more so in future years and therefore monitoring of the likelihood of achieving forecast amounts will be included in this report every quarter.

3.3 Annex B provides details of the changes proposed to future years' forecasts which indicate some reduction followed by higher levels thereafter. The net effect is beneficial.

3.4 Monitoring information for the 2014/15 Bonus is limited to two months completions and no firm conclusions can be reached due to potential seasonality and very wet weather in recent months.

4. DEBT - AMOUNTS COLLECTED AND WRITTEN OFF

- 4.1 Relevant performance information in respect of debts is shown in Annex C. This now includes an age profile of the debts.

5. RECOMMENDATION

- 5.1 It is **RECOMMENDED** that Cabinet note this report.

BACKGROUND INFORMATION

Cabinet and Council Reports,
Budgetary Control Files

Contact Officer: **Steve Couper, Head of Financial Services**
 ☎ 01480 388103
 Clive Mason, Accountancy Manager
 ☎ 01480 388157

REVENUE BUDGETARY CONTROL 2012/13	Original Budget	Reported to Cabinet September 2012	Changes	Forecast outturn
Approved budget	21,722	21,722		21,722
Delayed Projects from last year	274	749	0	749
Provision for delays to next year	(274)	(578)	180	(398)
Net timing changes	0	171	180	351
Savings				
Expected saving from Central Services & Estates reorganisation		(99)	(99)	(198)
Savings on insurance contract		0	(110)	(110)
Earlier achievement salary savings for Senior Management		(105)	0	(105)
Environment & Community Health savings earlier than expected		0	(50)	(50)
Savings from Engineers Vacancy & Related Environmental Management		(43)	0	(43)
Environmental Health Staff Savings		(50)	8	(42)
Savings from PV (Solar) Panels at Eastfield House		(35)	(4)	(39)
Net saving from Corporate Office Reorganisation		(22)	0	(22)
Reorganisation of Senior Managers		0	33	33
Income				
Additional income due to delay in multi-storey car park		(57)	0	(57)
CCTV reduced income		22	0	22
Reduction in Bulky Waste Income		27	0	27
Implementation of a number of energy projects has been rephrased, savings will accrue in future years		0	28	28
Reduction in Search fee income		36	(1)	35
Reduction in Court Recovery Costs for Council Tax and Other Debtors		24	20	44
Reduction in Market fee income		57	0	57
Reduction in Expected Planning Fee Income		100	0	100
One Leisure income deferred due to delay in capital schemes		108	0	108

**REVENUE BUDGETARY CONTROL
2012/13**

	Original Budget	Reported to Cabinet September 2012	Changes	Forecast outturn
Reduction in Estates Properties income.		110	1	111
Planning fees – delay in increase in fees		94	26	120
Building Control, volume of work decreased (net of associated staff savings)		0	79	79
One Leisure income lower than estimated for new facilities that are now operational (net of associated staff savings)		0	131	131
Delay in car park fee increases and excess charge notice income		192	(20)	172
Expenditure				
Pathfinder House running costs		(65)	(2)	(67)
Recycling prices higher than budgeted		(63)	11	(52)
Pension fund contribution		(33)	0	(33)
Additional costs associated with new agency worker regulations less than estimated		0	(29)	(29)
Community Infrastructure Levy, reduction in staff costs as application volumes reduced		0	(25)	(25)
Homelessness Hostel budget reduced as funding to be provided at a lower level		0	(22)	(22)
Miscellaneous grants, previous under spend now allocated to fund alternative advice service		(22)	22	0
Human resources contract		38	0	38
Refuse collection round rescheduling delay		65	17	82

REVENUE BUDGETARY CONTROL 2012/13	Original Budget	Reported to Cabinet September 2012	Changes	Forecast outturn
Other				
Other Variations (individually less than £19,000)		(42)	(97)	(139)
Additional capitalisation of revenue costs		0	(132)	(132)
Housing benefits caseload changes		(36)	0	(36)
Saving made due to reprioritisation of Environmental Strategy projects.		(30)	0	(30)
Technical				
Reduction in Minimum Revenue Provision		(82)	0	(82)
Total Variations	0	89	(215)	(126)
Forecast net spending	21,722	21,982	(35)	21,947
Financed from				
Government Support	(11,385)	(11,385)		(11,385)
Collection fund adjustment	(63)	(63)		(63)
Council Tax	(7,727)	(7,727)		(7,727)
Earmarked Reserves				
Use of delayed projects reserve	(274)	(749)		(749)
Contribution to delayed projects reserve	274	578	(180)	398
General Reserves	(2,547)	(2,636)	215	(2,421)
Total Financing	(21,722)	(21,982)	35	(21,947)

NEW HOMES BONUS

Each year the bonus is assessed based on the volume of new properties and this sum is then paid for 6 years. Thus in year 6 it will be the sum of years one to 6 but in year 7 will be the sum of years 2 to 7.

The calculation for a particular year (say 2014/15) will be based on the increase in homes on the taxbase between October 2012 and October 2013. The number is converted to Band D equivalents and then multiplied by the average national Council Tax (all tiers) for 2013/14.

In addition there would be an extra payment of £350 for each affordable home completed in the year from April 2012 to March 2013. This data is collated by the DCLG. This also is paid for a six year period in the same way.

The total of these two sums is split between HDC (80%) and the County Council (20%).

The forecast in the currently approved budget and MTP (February 2012) is shown below:

Approved Budget/MTP	2013/14	2014/15	2015/16	2016/17	2017/18
New Homes Number	863	756	993	1,061	984
Band D Equivalent	747	655	860	919	852
Affordable Homes Number	216	189	248	265	246
Resulting increase in Bonus	£944k	£848k	£1,141k	1,250k	£1,188
Cumulative	£2.9M	£3.7M	£4.8M	£6.1M	£6.5M
<i>and risk provision of</i>	<i>-£0.1M</i>	<i>-£0.2M</i>	<i>-£0.3M</i>	<i>-£0.4M</i>	<i>-£0.5M</i>

The Planning assumptions for new house building are only reviewed once a year in December because they involve a significant exercise that is jointly carried out with the County Council.

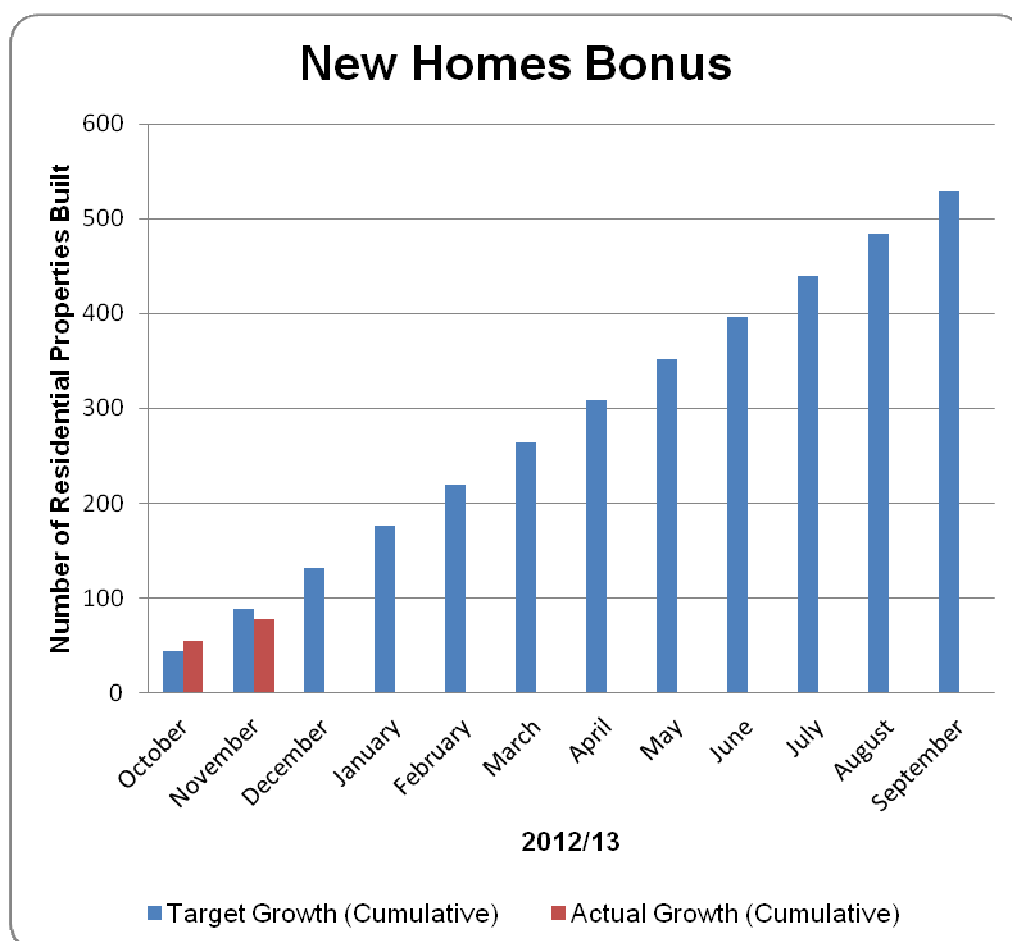
We have some affordable homes data which will feed into the 2014/15 bonus but we are not made aware of certain types of development. Our data shows an estimate of 54 for the year so the draft budget assumption has been reduced to 75.

The proposed draft figures, based on these updates, are shown below and will be included in the February Budget/MTP report.

	2013/14	2014/15	2015/16	2016/17	2017/18
Draft for 2013 Budget/MTP					
New Homes Number	831	528	823	1,203	1,352
Band D Equivalent	790	490	764	1,116	1,255
Affordable Homes Number	285	75	206	301	338
Resulting increase in Bonus	£993k	£599k	£984k	1,475k	£1,699k
Cumulative	£2.9M	£3.5M	£4.5M	£6.0M	£6.8M
<i>and risk provision of</i>	##	##	##	##	##

to be determined.

The completions can be monitored on a monthly basis and the graph below shows the cumulative increases for the first two months against the proposed draft target of 528 (490 band D).



The graph assumes that new completions are evenly spread over the year but in reality they are more likely to peak in the summer and the extremely wet conditions in recent months may also have had a delaying effect.

It is therefore too early to make a definite judgement on the achievement of the planning assumptions.

DEBT COLLECTION AND DEBTS WRITTEN OFF**Debt Collection**

The total amount of payments received, less customer refunds and transfers to other debts, to the end of November 2012 are as follows:

	April to September 2012	October to November 2012	Total
	£000	£000	£000
Type of Debt			
Council Tax	49,852	16,576	66,428
NNDR	34,865	10,377	45,242
Sundry Debtors	3,630	1,127	4,757
Excess Charges	65	19	84

Debts Written Off

Whilst the amounts have been written-off in this financial year, much of the original debt would have been raised in previous financial years.

	Up to £5,000			Over £5,000			TOTAL
	April to September 2012	Oct to Nov 2012	Total	April to June 2012	Oct to Nov 2012	Total	Total
	£000	£000	£000	£000	£000	£000	£000
Type of Debt							
Council Tax	77.8	4.4	82.2	0.0	0	0	82.2
NNDR	27.8	1.5	29.3	58.0	54.4	112.4	141.7
Sundry Debtors	82.8	10.3	93.1	13.5	6.7	20.2	113.3
Excess Charges	5.2	4.9	10.1	0.0	0.0	0.0	10.1
Irrecoverable Benefits (HB&CTB)	22.3	10.1	32.4	7.5	N/A	7.5	39.9

Authority to write off debts

The Head of Customer Services is authorised to write-off debts of up to £5,000, or more after consultation with the Executive Councillor for Resources, if she is satisfied that the debts are irrecoverable or cannot be recovered without incurring disproportionate costs. The Head of Financial Services deputises in her absence.

Debt Profile

Debt Type	Up to 9 months	9 to 21 months	21 to 33 months	33 to 45 months	Over 45 months	TOTAL
	£000	£000	£000	£000	£000	£000
Housing Benefit from continuing benefits	397	223	159	78	272	1,129
Council Tax and NNDR	1,045	139	156	110	142	1,592
Total Debts	1,442	362	315	188	414	2,721

Debt Type	Up to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	1 to 2 years	2 to 3 years	3 to 4 years	Over 4 years	TOTAL
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Housing Support	19	20	20	11	90	91	47	65	363
Property & Land Rents	63	6	3	6	21	20	13	2	134
Operations Division	6	1	0	0	3	0	0	4	14
One Leisure	14	0	2	1	5	1	0	1	24
Discretionary HB	2	2	2	6	26	14	8	5	65
Housing Benefit from those no longer on benefits	70	149	79	63	235	157	76	262	1,091
Excess Charges	9	5	3	3	9	5	1	1	36
Other	25	16	2	4	11	9	26	31	124
Total Debts	209	198	111	94	401	298	170	370	1,850

Housing Support:

Invoices for the recovery of B & B charges paid by HDC, much of which is paid by housing benefit, leaving smaller balances to recover. Invoices for 2 year rent loans (some including the deposit) to enable private housing tenancies. Invoices to rent loan tenants to recover bond payments made to landlords following their vacation.

Property & Land Rents

Rent and Insurance monies owed from tenants of HDC owned land and property.

Operations Division

Invoices for the chargeable services provided i.e. Grounds maintenance, sweeping, trade waste, market tolls. Also invoices for recycling credits from waste companies/CCC.

One Leisure

Invoices for Centre usage – mainly regular block bookings from clubs and societies.

Discretionary HB

Recovery of overpaid discretionary housing benefit granted and paid by HDC. Administrative Penalties issued by Fraud Investigation (alternative to court prosecution) and costs awarded to HDC

by the Court as a result of prosecutions (benefit fraud and enforcement prosecutions- public health, planning etc.)

Housing Benefit

Invoices for the recovery of overpaid Housing Benefit, usually as a result of late notification by the claimant of a change in their circumstances. This does not include amounts currently being recovered by deductions from current housing benefit recipients.

Excess Charges

Car Parking penalty charges

Other

Includes miscellaneous ad-hoc charges, plus Building Control and Licensing invoices. Can also include large invoices for grant monies and amounts due from developers (Section 106 agreements).

COMT	17 DECEMBER 2012
OVERVIEW & SCRUTINY PANEL (SOCIAL WELL-BEING)	8 JANUARY 2013
CABINET	24 JANUARY 2013

**HOUSING BENEFIT CHANGES AND THE POTENTIAL IMPACT ON
HUNTINGDONSHIRE
(Report by the Head of Customer Services)**

1. INTRODUCTION

- 1.1 The Government's Welfare Reform programme includes significant changes to the Housing Benefit system. The Overview and Scrutiny Panel (Social Well-Being) has previously received information regarding the changes and the potential impact these were likely to have on households in Huntingdonshire (see appendix A). The Panel requested quarterly updates on the impact of these changes, in particular on homelessness, and these figures have been included later in this report. The Panel will continue to receive this report on a quarterly basis.
- 1.2 Government policy is partly based on the belief that the Housing Benefit system has been driving private sector rent increases in recent years and so the Panel also requested information on whether private sector rents were adjusting in light of these welfare reforms. This is being monitored through the rents that Housing Benefit is paid against and a further report was presented to the Overview and Scrutiny Panel (Economic Well-Being) at their meeting on 10th January 2013 on this subject. Members of the Overview and Scrutiny Panel (Social Well-Being) were invited to attend for this item.

2. IMPACT & TIMESCALES

- 2.1 The effects of the Government's Welfare Reform programme have been felt by Housing Benefit claimants since April 2011 when the Local Housing Allowance rates used to work out Housing Benefit entitlement were reduced. However, as existing tenants had 9 months protection, the effects were not felt until January 2012 onwards with the final cases losing their transitional protection in December 2012. Although some claimants have lost Housing Benefit of up to £70 per week, only a small number of the affected customers have contacted the Housing Benefit or Housing Advice & Options teams for advice. A proportion of these households will have made their own arrangements and be either making up the reduction in their Housing Benefit entitlement, have found cheaper accommodation or negotiated a lower rent with their landlord. The concern still remains those that have not taken up any of these options, or taken up the offer of advice from the council and are currently building up rent arrears on their home. This remains an unknown number.

- 2.2 Further changes will be implemented in April 2013 including the introduction of a benefit cap which will restrict the amount of benefit that a household can claim. The cap will be £500 per week and covers all benefits, including Housing Benefit. The Department for Works and Pensions (DWP) has advised that there are 30 households in Huntingdonshire that will potentially be affected by the benefit cap if their circumstances do not change. Given the nature of this cap it is mainly affecting larger families, who the council may have a statutory duty to help if they subsequently became homeless. The DWP has written to these households to explain the changes and their reduced entitlement to the benefits they receive but, as yet, there has been no contact from the affected claimants.
- 2.3 For people living in privately rented accommodation, the rent used in the benefit calculation is based on the Local Housing Allowance (LHA). The LHA rates are set by the Valuation Office Agency and are based on rents charged locally. However, in April 2013, the LHA rates will increase based on the September 2012 CPI figure and for the following two years, they will be increased by 1%. This means that the rents used in the benefit calculation will move away from reflecting the local market rates.
- 2.4 A major change to the way that Housing Benefit is assessed for working age people living in social housing is also being introduced in April 2013. Up until now, people living in social housing will normally have had their Housing Benefit worked out using the full eligible rent regardless of the size of accommodation they live in. The forthcoming changes will mean that if a claimant is deemed to be living in a property too large for their needs, the rent used in the benefit calculation will be reduced by 14% if they under occupy by one bedroom or 25% if they under occupy by 2 or more bedrooms. The size criteria used will be the same as for people living in the private rented sector. It is estimated that around 1000 households in Huntingdonshire will be affected by this change.
- 2.5 Both the Benefits Section and the Housing Associations have been contacting people who will be affected by this change to advise them of the potential shortfall in their Housing Benefit from April and what choices they have to mitigate the shortfall.
- 2.6 In addition, Housing Services and Benefits are members of the Under Occupation Partnership Agreement along with a number of local housing providers. This group shares best practice on looking at ways of dealing with the effects of the under occupation changes and ensures that all partners are kept up to date on legislation and processes. Regular meetings are held with Luminus to discuss all aspects of the welfare reform changes so that we can take a joined up approach in communicating with Luminus tenants. Luminus have employed two people on a part-time basis to encourage people to move into appropriately sized accommodation.
- 2.7 Council Tax Benefit is being abolished from 1 April 2013 and is being replaced by a local Council Tax Support scheme. The final proposed scheme was presented to Council on 19 December 2012. In devising a scheme, HDC had to take account of a 10% cut in funding and protect pensioners from any reduction in the support awarded. The majority of working age claimants will see a reduction in the amount of help they get towards their Council Tax.

2.8 The position with housing advice and options work, together with homelessness and prevention work in the first half of 2012/13 was as follows:

- 59 households were prevented from becoming homeless in Q2, compared to 93 in Q2 last year. A total of 130 households prevented from becoming homeless in Q1 & Q2 compared to 160 households in the same period last year. The most successful prevention measure of helping households into private rented tenancies is diminishing.
- 60 households were accepted as homeless in Q2 compared to 38 in the same period last year. A total of 102 households have been accepted as homeless in Q1 & Q2 compared to 81 households in the same period last year. The causes of homelessness are recorded and we are seeing an increase in the number of households being evicted from private sector tenancies. This is a national and local trend. Locally this is not as a direct result of people falling into arrears but anecdotal evidence suggests it is due to landlords' reluctance to work with claimants on the benefit system or some landlords purely wishing to sell their properties.
- There were 86 households in temporary accommodation at the end of Q2 compared to 77 at the start.
- 68 Rent Deposit scheme applications were received in Q2 (compared to 85 in Q2 last year) and assisted 35 of these into private sector tenancies with the help of a loan or bond (compared to 43 in the same period last year).

3. RISKS

3.1 Each of the welfare reforms outlined in this paper affects the income of those households impacted and as such has the potential to limit their ability to meet their monthly outgoings. The unknown factor is how many households will be forced into a position where they are unable to maintain essential outgoings such as rent and mortgage payments possibly leading to a threat of homelessness. The council has to date seen relatively few households made homeless as a direct result of affordability issues brought on by the welfare reforms. The main impact so far has been fewer privately rented properties available to Housing Benefit claimants resulting in a reduction in the number of successful homelessness preventions by helping people into private rentals. This has contributed to an increase in statutory homeless applications and the need to provide some of these households with temporary accommodation. It is likely that this risk will continue and may increase over the next year or so. An MTP bid (£150k) has been made for extra funds to cover the cost of homelessness.

3.2 Many households will be affected by more than one of the welfare reforms and so may see several reductions in their household income throughout the full welfare reform programme. Some of the welfare reforms may only recently have taken effect for households and as other welfare reforms are implemented (such as the reduction of Housing Benefit for working age households in under-occupied social rented housing and the introduction of the new Council Tax Support scheme) the cumulative effect is likely to reduce the ability of households to maintain their monthly outgoings. The full impact of these reforms particularly on homelessness may not be realised for some time as households over time begin to possibly suffer greater financial hardship.

3.3 A further impact on the council of reductions in households' income may be their ability to meet their Council Tax payments. The new Council Tax Support scheme will require nearly all working age people to contribute to their Council Tax even when on out of work and low income or benefits. It will also mean that some people will be faced with bills for hard to collect debts and the percentage rate of Council Tax collection is likely to fall. We are increasing staff in Council Tax to attempt to recover as much as possible of this new debt. An MTP bid for £40k pa has been submitted.

4. CONCLUSION

4.1 All claimants have been contacted to advise them of their personal changes although relatively small numbers of these households have taken up the offer of advice and help from the council. The issue remains that new claimants have faced problems in acquiring accommodation in the private rented sector, which has resulted in increased demands on the Housing Advice & Options service with limited opportunities in the private rented sector to help these households compared to previous years.

4.2 The next tranche of welfare reforms will further impact on the income and circumstances of benefit claimants. Preparatory work is under way to engage with partners, the voluntary sector and other groups to raise awareness of this and to help them to prepare for April 2013 and beyond.

5. RECOMMENDATION

5.1 The Panel is asked to note the contents of this report

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Appendix A

Date change implemented	Summary of change	HB impact	Housing impact
April 2011	Local Housing Allowance limited to 30% instead of 50% (average rent amounts)	<p>From April to July 2012 there were 158 households that saw a reduction in their HB entitlement between £0.01 and £73.85 per week, with a total annual loss of £62k in HB payments.</p> <p>Between August and November there were a further 125 households who had a reduction of between £1.16 and £93.80 per week in their HB entitlement, with a total annual loss of £62k in HB payments.</p> <p>In December there will potentially be a further 28 households with a reduction of up to £21.92 per week in HB entitlement with a total annual loss of £6.5k</p> <p>(Note: The reduction in benefit for the cases above can also be due to changes in their income)</p>	<p>Throughout 2012 we have seen a reduction in the number of households able to access the private rented sector due to the reduced LHA rates resulting in fewer homelessness preventions.</p> <p>Relatively few of the households impacted by this change have sought advice from the council despite this being offered. Some may have considered the options open to them – either to find alternative more affordable housing, renegotiate rent levels with their landlord or try to maximise their income – without the need for help from the council.</p> <p>The number of households approaching the council for advice and help because of this change has been very low. The risk to the council is that those households that have only recently lost their transitional protection and not taken the appropriate action or sought advice may face eviction from their current tenancy once their rent arrears start to accrue. The number of households in this situation is not known.</p>
April 2011	Increase in Non-dependent deductions	<p>329 HB claims and 406 CTB claims are currently affected. The increase in annual HB deductions since 2010/11 is £186k and CTB is £35k.</p> <p>There has been little contact from customers affected by this change.</p>	<p>If shortfall is not made up households may fall into arrears. Parents may ask their grown up children (over 18) to leave the family home. Most will not be priority need, but may require advice on housing options</p> <p>The Housing Advice & Options team has not seen an increase in customers because of this change.</p>
April 2011	Government to increase Discretionary Housing Payment funds to councils	Increase in DHP grant to £68,432 in 2012/13 (from £41,422). A further £10k budget is available to help with transitional	Households experiencing reductions in their HB entitlement as a result of these changes are encouraged to make a DHP application as part of our

Date change implemented	Summary of change	HB impact	Housing impact
	every year	<p>payments. However annual loss to claimants is predicted to be £370k, so not able to offset impact.</p> <p>There has been a 13% increase in demand compared to the same period last year. (186 awards totalling £49k have been made)</p>	homelessness prevention measures. DHP is only a short term option whilst the household consider other options such as moving to cheaper accommodation or increasing their income. The DHP system is therefore not a long term measure to resolve homelessness.
January 2012	Shared Accommodation Rate to be applied to single people under 35 (extended from those under 25)	<p>12 existing claims were impacted between April and August, 1 case <£10, 1 case between £10-£20, 10 cases between £30-£40 per week. No further cases were identified between September and December.</p> <p>Since April 2012, 13 DHP's have been awarded to help people affected by this change.</p>	We have started to see a small number of the people affected by this change. There are limited options we can offer apart from advice and possible help through the Rent Deposit scheme to find a room in a shared house. There are relatively few Houses in Multiple Occupation offering shared housing in the district so options are limited.
April 2013	HB entitlement reduced for social rented tenants below pensionable age who are under-occupying their homes	<p>The rent figure used in the HB calculation will be reduced by a percentage based on whether the claimant is over accommodated by one or two bedrooms. The LHA bedroom entitlement rates will be used to assess the number of bedrooms that a household is entitled to. Where a household of working age exceeds this by one bedroom they will have a 14% reduction in the rent figure used in the benefit calculation. Where they exceed it by two or more bedrooms they will have a 25% reduction in the rent figure used.</p> <p>There are 966 households under occupying their homes of which 167 are by 2 bedrooms or more.</p>	<p>The review of the council's Lettings Policy, considered by Cabinet in December, incorporated the LHA bedroom entitlement rate as the 'bedroom standard' to be used in assessments and lettings from April 2013. The result will be a more crowded social rented stock but fewer tenancies where Housing Benefits will not cover the full rent charged.</p> <p>The reduction in Housing benefit entitlement for housing association tenants will potentially lead to higher levels of rent arrears with affected tenants who may ultimately face eviction if their rent is not paid.</p>

Date change implemented	Summary of change	HB impact	Housing impact
		<p>We contacted HB claimants in early December 2012 to let them know how they will be affected.</p> <p>We are continuing to work with housing providers so that they can also contact their tenants about their options.</p>	
April 2013	Local Housing Allowance rates will be uprated in line with CPI	<p>LHA rates have been frozen at the April 2012 level for the remainder of the financial year. From April 2013 the LHA rates will increase in line with the CPI rather than the RPI.</p> <p>We will start writing to all customers affected by this change in December 2012.</p>	If LHA rates don't keep pace with rent levels, over time this will reduce the proportion of private sector properties available to HB claimants.
April 2013	<p>£500 per week cap on benefits claimed. The aim of this is that people who aren't working shouldn't receive more income than the average person/household who is working. The cap has been set at:</p> <ul style="list-style-type: none"> • £500 per week for couples with or without children and lone parents • £350 per week for a single person with no children <p>If the claimant's income exceeds this cap, their Housing Benefit will be reduced.</p>	<p>The DWP have identified households that may be affected by the cap and have written to them now with advice on how to avoid the cap. There are 30 claimants within the HDC area who may be affected; these are mainly large families living in a mixture of social and privately rented property. The potential loss in benefits ranges from £0.70 per week to £260 per week.</p> <ul style="list-style-type: none"> • 4 households could lose £100+ per week • 8 households could lose between £50 and £100 per week • 3 households could lose between £40 and £50 per week • 4 households could lose between £20 and £30 per week • 4 households could lose between £10 and £20 per week 	<p>Existing tenants will be forced to vacate homes where they can no longer afford the rent once the cap is applied to their total benefit entitlement. They will potentially apply to the council as homeless as they are no longer able to afford their rent and the council may then have a duty to help with the rehousing of the household.</p> <p>Although this will affect relatively few households they are likely to be larger families who, if threatened with homelessness, may approach the council for further help with housing under the homelessness legislation. The key to avoiding this is the work that the DWP completes with these households so as to minimise the impact of the benefit cap on them.</p>

Date change implemented	Summary of change	HB impact	Housing impact
		<ul style="list-style-type: none"> • 7 households could lose less than £10 per week However, the full effect will not be felt until Universal Credit is introduced in 2013/14.	
April 2013	Introduction of localised Council Tax Support to replace Council Tax Benefit	This change will only affect the 4885 claimants of working age. The estimated loss of help towards paying Council Tax is as follows: <ul style="list-style-type: none"> • 416 claimants will lose between £0 and £1.99 per week • 3094 claimants will lose between £2 and £3.99 per week • 773 claimants will lose between £4 and £5.99 per week • 444 claimants will lose between £6 and £9.99 per week • 145 claimants will lose between £10 and £19.99 per week • 13 claimants will lose £20+ per week 	This is another change that will affect the amount of each household's income available to cover their rent payments, potentially leading to homelessness if households fall into arrears and face eviction.

* The figures in this table may vary throughout the year if claimant's circumstances change prior to the welfare reform coming into effect.

CABINET

24 JANUARY 2013

ALLOCATION OF COUNCIL TAX SUBSIDY GRANT (Report by the Head of Financial Services)

1. PURPOSE

- 1.1 To allow the Cabinet to consider a basis for allocating grants to Parish and Town Councils (Local Councils) to offset the Government's changes to Council Tax Benefits that will result in a reduction in their Taxbase.

2. BACKGROUND – THE POSITION IN 2012/13

2.1 Tax Base

Each year, in December, the Council calculates the Tax base for the whole District and each Local Council for the following financial year. The Tax base is the amount of money that each £1 of Council Tax will raise. It is expressed as a "Band D equivalent" with smaller and larger properties being converted to a Band D (e.g. a Band A is 6/9ths of a Band D and a Band H is twice a Band D).

- 2.2 The Major Preceptors (County, Fire, Police and Huntingdonshire) need the Tax base to formally set their Council Tax level (per Band D property) by dividing the funding they need by the Tax base for their area (e.g. this year the County divided £240m by the Tax base for the whole County to get a Council Tax of £1,078.65).

- 2.3 The Local Councils are not required to determine a Council Tax level but simply the cash sum (the precept) that they require (e.g. Huntingdon Town Council was £822k). Although this Council (as billing authority) is required to pay them that cash sum irrespective of the actual amounts collected it is obvious that the Local Council will want to consider the Council Tax level that its precept will convert into when it sets its precept as the percentage increase in Council Tax will be shown on the Council Tax bill.

- 2.4 Their percentage change is affected by any change in the cash sum of their precept **and** any change in the Taxbase. For example: If in year 1 they require £10,000 and their Taxbase is 1,000 this will be expressed as £10 per Band D property on the Bill. If they require the same cash sum in year 2 they might expect to be commended for keeping the tax down but, if the Taxbase had fallen to 950, the Tax would be shown as rising to £10.53, a 5.3% increase. Conversely a rise in Tax Base would have shown a fall in Tax level.

2.5 Once the Tax is set for each authority the District Council will send out the bill for all the authorities relating to a particular property, the County, Fire, Police, District and Town or Parish. The bill will also vary depending on the Council Tax Band of the property and whether a single-person discount is relevant. For example, if the total Band D bill were £1,530, a single person in a Band A property would only pay £765 whilst a family in a Band H would pay £3,060.

2.6 **Collection Fund**

This is a statutory account from which all the sums requested (precepts) are paid out, the Local Councils on the basis of their requested cash sum and the Major Preceptors on the basis of their required level of Council Tax. Into the Fund goes all the income received from Council Tax Payers and all the sums they are due for Council Tax Benefit, which are reimbursed by the Government. At the end of each year any surplus or shortfall is shared out between the Major Preceptors pro rata to their Council Tax levels. In other words, the Major Preceptors protect the Local Councils, the smaller authorities, from any variations.

2.7 **The Calculation of the Taxbase**

A simplified table showing the items included in the current calculation of the Taxbase is given below:

TAXBASE CALCULATION 2012/13
Number of Band D properties as at October 2011
Add
Impact on the coming year of estimated growth in properties between November 2011 and March 2013
Band D equivalent of sums paid by the Government in lieu of Council Tax for dwellings e.g. RAF Wyton, RAF Brampton
Less
All known and anticipated exemptions and discounts e.g. Single person discounts
Estimate of losses on empty properties (e.g. no Tax payable for first 6 months)
Other adjustments (e.g.
Less
Provision for sums that will not be collectable due to bankruptcy or any other reason (historically around 0.6%)

3. **WHAT IS CHANGING FOR 2013/14**

3.1 The Government is localising Council Tax Benefits which will in future be called Council Tax Support. Their aim is to encourage more people into working or into increasing their part time hours in order to reduce the cost to the public purse.

- 3.2 They are doing this by ceasing to reimburse the cost of these Benefits and instead give each Major Preceptor a Council Tax Subsidy Grant **which is less than the current proportionate cost of Council Tax Benefits** and encouraging District Councils (who are responsible for the scheme) to create their own local scheme but this must not reduce the level of benefits to Pensioners or those in some other specified categories. Because of this, the impact of the reduced funding bears disproportionately on the working age claimants and this Council, like most others, is intending to offset this by taking advantage of the Governments offer to allow it to remove some of the allowances that reduce Council Tax income e.g. reducing the period of Council Tax holiday for an empty property from the current 6 months.
- 3.3 The Council's intention is to balance the books by attempting to make:

<p style="text-align: center;">Cost of Council Tax Support LESS Reduction in Council tax allowances EQUAL TO Government Council Tax Subsidy Grants</p>

- 3.4 When the Government consulted on the scheme it proposed that the District Council would get the Subsidy Grant for the Local Councils element but in return would be required to fully protect them from the impact. Local Councils would thus have had the benefit of the increased Tax base due to reducing Council Tax allowances plus this protection and so would have seen an **increase** in their Taxbase, funded by the District Council.
- 3.5 However, following consultation, the Government has reconsidered this approach. It is now **encouraging, not requiring**, District Councils to pass on the Local Councils' element of the Subsidy Grant (£366k consultation figure) in an appropriate way.

- 3.6 The calculation of the Taxbase will therefore change for 2013/14 and will contain three more elements. It will now be as follows:

TAXBASE CALCULATION 2013/14
Number of Band D properties as at October 2012
Add
Impact on 2013/14 of estimated growth in properties between November 2012 and March 2014
Band D equivalent of sums paid by the Government in lieu of Council Tax for dwellings e.g. RAF Wyton, RAF Brampton
Reductions in allowances introduced to help fund Council Tax Support (e.g. reducing empty property exemption to 1 month)
Less
All known and anticipated exemptions and discounts e.g. Single person discounts
Estimate of losses on empty properties (e.g. no Tax payable for first 6 months)
Other adjustments (e.g.
Cost of Council Tax Support
Less
Provision for sums that will not be collectable due to bankruptcy or any other reason (historically around 0.6%)
Additional (higher) provision for sums that will not be collectable in the highlighted areas above

- 3.8 The impact of the changes will be a net reduction in Taxbase that could be compensated for by each Local Council being given a share of the grant that will be given to the District Council.

For example:

2012/13

Precept required £10,000

Tax base 1,000

Council Tax £10 per Band D property

2013/14

Precept required £9,500 (£10,000 less £500 Council Tax Subsidy Grant)

Taxbase 950

Council Tax £10 per Band D property

4. ALLOCATING THE LOCAL COUNCILS' ELEMENT OF THE COUNCIL TAX SUBSIDY GRANT

4.1 There are three obvious options to allocate the Government Grant. The Council could:

1. Retain the whole of the grant to reflect the fact that
 - it will be faced with additional costs compared with the existing scheme,
 - that it has savings to achieve that will impact on services to the public,
 - that its Council Tax rise is expected to be limited to £5 and that there are no proposals to limit the Council Tax rises of Local Councils for 2013/14.
2. Retain that part of the grant necessary to meet the additional costs it will face as a direct result of the new scheme (circa £195k) and distribute the remainder to Local Councils.
3. Distribute the grant to fully compensate the Local Councils for the net impact of the change to the Taxbase due to the three highlighted elements in the table in paragraph 3.7 above.

5. CONCLUSION

5.1 Because many Local Councils meet infrequently there was a need to inform them quickly of the Council's intention regarding any grants so that they could set their precepts in time for the formal Council Tax decisions in February. The options were therefore discussed informally with Cabinet members.

5.2 The consensus was that, whilst this Council does face financial challenges, option 3 would be the fairest approach. Local Councils were therefore informed in December that, subject to formal approval, the Council was minded to support this option.

5.3 The Annex therefore shows the impact for each Town or Parish of the net change in tax base (on the assumption that the Councils do not increase their precepts in 2013/14) and the proposed level of grant to match this.

6. RECOMMENDATION

6.1 It is recommended that the Cabinet approve the grant allocations to Town and Parish Councils shown in the attached Annex.

ACCESS TO INFORMATION ACT 1985

Source Documents:

Working papers in Customer Services and Financial Services

Contact Officer: Steve Couper, Head of Financial Services ☎ 01480 388103

TOWN/PARISH	IMPACT ON INCOME £	GRANT £	TOWN/PARISH	IMPACT ON INCOME £	GRANT £
Huntingdon	-83,265	83,265	Wistow	-352	352
St Neots	-81,639	81,639	Catworth	-344	344
St Ives	-45,734	45,734	Woodwalton	-334	334
Yaxley	-23,055	23,055	Ellington	-333	333
Ramsey	-18,067	18,067	Abbots Ripton	-307	307
Godmanchester	-10,803	10,803	Alconbury Weston	-307	307
Brampton	-10,039	10,039	Leighton Bromswold	-301	301
Sawtry	-9,356	9,356	Oldhurst	-298	298
Somersham	-7,988	7,988	Spaldwick	-284	284
Farcet	-7,258	7,258	Conington	-279	279
Warboys	-6,589	6,589	Alwalton	-276	276
Bluntisham	-4,286	4,286	Abbotsley	-259	259
Hemingford Grey	-4,251	4,251	Hail Weston	-244	244
Buckden	-3,620	3,620	Graham	-225	225
Fenstanton	-3,538	3,538	Sibson-cum-Stibbington	-220	220
Little Paxton	-3,331	3,331	Upton and Coppingford	-185	185
Holywell-cum-Needingworth	-3,313	3,313	Diddington	-179	179
Alconbury	-3,097	3,097	Old Weston	-154	154
Stilton	-2,812	2,812	Woodhurst	-126	126
Earith	-1,991	1,991	Kings Ripton	-104	104
Offord Cluny & Offord D'Arcy	-1,873	1,873	Brington & Molesworth	-101	101
Bury	-1,643	1,643	Broughton	-96	96
The Stukeleys	-1,449	1,449	Stow Longa	-89	89
Kimbolton	-1,400	1,400	Tilbrook	-65	65
Houghton & Wyton	-1,324	1,324	Yelling	-58	58
Upwood and the Raveleys	-1,121	1,121	Chesterton	-58	58
Wyton-on-the-Hill	-1,015	1,015	Bythorn & Keyston	-46	46
Southoe & Midloe	-940	940	Covington	-42	42
Great & Little Gidding	-906	906	Waresley-cum-Tetworth	-36	36
Colne	-809	809	Hamerton & Steeple Gidding	-31	31
Elton	-650	650	Glatton	-31	31
Holme	-574	574	Barham & Woolley	0	0
Hilton	-533	533	Buckworth	0	0
Great Paxton	-524	524	Winwick	0	0
Great Gransden	-522	522	Toseland	0	0
Folksworth & Washingley	-484	484	Denton & Caldecote	0	0
Perry	-478	478	Haddon	0	0
Great Staughton	-471	471	Morborne	0	0
Pidley-cum-Fenton	-359	359	Water Newton	0	0
Hemingford Abbots	-352	352	Easton	11	0
			TOTAL	-357,212	357,223

Agenda Item 7

SAFETY ADVISORY GROUP

THURSDAY, 29 NOVEMBER 2012

CIVIC SUITE 1A

ACTION SHEET

MEMBERS PRESENT:

Management Side:

Councillor Mrs B Boddington
Councillor J W Davies
Councillor A Hansard – Chairman

Employee Side:

K Lawson
Mrs S McKerral

IN ATTENDANCE:

T Bowmer
P Corley
Ms K Domingo
S Howell
Mrs A Jerrom
G Ryan

APOLOGIES:

B Bentley
Councillor Mrs P A Jordan
Councillor T V Rogers
C Sneesby
G Vince

ITEM NO.	SUBJECT	ACTION BY
1	Report of the Safety Advisory Group The report and action sheet of the meeting of the Advisory Group held on 12th September 2012 was received and noted.	
2	Members' Interests No declarations were received.	
3	Half Yearly Report Members received a report by the Contract Health and Safety Advisor	

ITEM NO.	SUBJECT	ACTION BY
	<p>summarising health and safety issues that had been included in the half yearly safety reports submitted to him by the Heads of Service for the period 1 April to 1 October 2012. The report had previously been submitted to Chief Officers' Management Team (COMT) to enable them to consider the overall state of health and safety risk management and alert them to issues regarding their attention.</p> <p>The Group noted that a Fire Evacuation Plan complying with The Regulatory Reform (Fire Safety) Order 2005 was now in place in Pathfinder House, although fire arrangements to support the Plan will need to be produced in the next reporting period.</p> <p>In reporting that poor scores had been received in association with fire and bomb evacuation e-learning modules, Mr Bowmer advised that H&S training was now undertaken by Local Government Shared Service (LGSS). Their advisor had highlighted the need for detailed training analysis to be carried out, a function which fell outside the contracts of both LGSS and the contracted corporate H&S advisor.</p>	COMT/Cabinet
4	<p>Fire Evacuation - Pathfinder House</p> <p>In response to a request at their previous meeting, the Group received a report by the Facilities and Administration Manager detailing a fire evacuation that had taken place in Pathfinder House outside normal office hours. Reports from staff following the evacuation in September had highlighted several failings in the evacuation system and roll call management.</p> <p>Mr Ryan reported that a Fire Evacuation Plan, created with the support of managers and advice from the Corporate Safety Officer had now been endorsed by COMT and circulated to all members of staff via the Intranet. The Plan makes clear that everyone must take responsibility for fire safety and senior officers must take on roll call responsibility out of hours. It was explained that the Plan is a living document which will evolve as and when amendments are deemed necessary.</p> <p>Mr Ryan agreed that a suggestion by Mrs McKerrall that all phones should be programmed to automatically call the fire emergency number of 8330 if FIRE was typed into the phone was an excellent idea and he undertook to liaise with IMD in this respect.</p>	G Ryan
5	<p>Pathfinder House - Humidity Issues</p> <p>Mr K Lawson updated the Group on work being undertaken to determine the extent of humidity issues that had been reported to a previous meeting of the Group. Having been made aware of the issue by way of the Corporate Safety Advisor's half yearly report COMT had agreed that</p>	

ITEM NO.	SUBJECT	ACTION BY
	<p>full data was required.</p> <p>The Group was advised that the process of data collection had been started in October by the Environmental Health division using new equipment and recognised methods. Measurements had been taken at various points where complaints had been received and early indications had shown that levels of relative humidity were on occasion well below those recommended.</p> <p>Further data collection will continue and a full report will be prepared for the February meeting of the Group, in the meantime Environmental Health continue to discuss possible solutions with the Facilities Manager. In response to a suggestion by the Chairman Mr Ryan agreed that it would be sensible to look at whether there were similar problems at Eastfield House.</p>	<p>K Lawson/K Domingo/B Bentley/S Howell</p>
6	<p>Quarterly Accident/Incident Reports</p>	
	<p>(a) Pathfinder House</p> <p>The Group received and noted a report by the Corporate Health and Safety Advisor giving details of the accidents and incidents that had occurred in the Council's office based premises and those reported by the Sports and Active Lifestyles Team during the previous quarter.</p> <p>Members were advised that there had been no statutorily reportable accidents involving employees or non-employees during the period however 5 non reportable accidents/incidents involving employees had been reported and remedial action had been taken. The majority of non RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) incidents involving non employees had involved Active Lifestyles Team activities and had been relatively minor.</p> <p>Whilst in agreement with a suggestion made by Mr Bowmer that further investigation may be required into the cause and prevention of the reported accidents/incidents, Mr Lawson commented that as managers are not trained accident investigators training might be appropriate. In response Mr Bowmer reminded the Group of his earlier point regarding the lack of skills gap analysis' which did not fall within his or the LGSS contract.</p>	<p>COMT/Cabinet</p>
	<p>(b) Operations Division</p> <p>The Group noted a report by the Operations Division Health and Safety Co-ordinator giving details of the 13 accidents that had been</p>	

ITEM NO.	SUBJECT	ACTION BY
	<p>reported by the division since the last meeting. Included in the number were 9 employee related accidents 2 of which had resulted in lost time.</p> <p>Mr Howell took the opportunity to table a letter that had been received from the HSE following their recent waste management and recycling inspection intervention visits. Mr Howell explained that two visits had taken place so far, involving both the inspection of the Council's policies and procedures relating to the waste collection activities, the observation of a number of collection rounds and interviews with staff. The Group was pleased to be informed that only a few minor observations had been reported and congratulated Mr Howell on an outstanding result. The inspectors would be returning for a follow up visit in a year's time.</p>	
	<p>(c) One Leisure</p> <p>The Group also received a report by the One Leisure Quality, Facilities and Safety Manager detailing accidents which had been reported since the last meeting. No accidents had been reported under the requirements of RIDDOR Regulations. Two employee related accidents and 153 non-employee accidents, 8 of which were not caused as a direct result of taking part in an activity, had been reported, remedial action had been taken and was detailed in the report.</p> <p>In response to questions regarding the control methods used during the cleaning of floors, Mr Corley advised that floor cleaning was undertaken during less busy periods, signs are displayed and as much water as possible is removed, any incidents are recorded and the situation was being monitored.</p>	
7	<p>Annual Accident/Incident Report</p> <p>The Group noted a report by the Corporate Safety Advisor summarising the accidents and incidents involving Council employees that had been reported over the previous 12 months. Mr Bowmer stated that it was difficult to accurately measure the number of employees involved due to differing contracts and reported that although the incident rate had increased to 6.2 compared to 4.6 the previous year this could have been attributable in part to the new accident reporting procedure.</p>	
8	<p>Annual Training Reports</p>	
	<p>(a) Corporate H&S Training</p>	

ITEM NO.	SUBJECT	ACTION BY
	<p>The Group noted a report by the Corporate Safety Advisor detailing the health and safety training that had been provided to the Council's employees during the period November 2011 and October 2012.</p> <p>Mr Bowmer explained that the training was now managed by Organisational Workforce Development (OWD) within Local Government Shared Services (LGSS). Having highlighted the excellent delivery figures associated with the First Aid courses provided by Mr Corley it was pointed out that many of the training packages that had been purchased from OWD were not relevant to the Council and its associated policies. Mr Corley reported that he would be meeting with IMD to discuss e-learning packages and agreed to the Group's suggestion that he liaise with Mr Howell and Mr Bowmer to agree a list of relevant and personalised training courses and update the Group at the next meeting.</p>	<p>T Bowmer/S Howell/P Corley</p>
	<p>(b) Operations Division</p> <p>The Group also received and noted the wide range of health and safety and public safety related training that that had been provided to employees of the Operations Division for the period 1 November 2011 to 31 October 2012.</p>	
<p>9</p>	<p>Elected Member Training</p> <p>By way of a report the Corporate Safety Advisor provided details of the health and safety training that had been provided for elected members following a suggestion made at the previous meeting.</p> <p>Ten elected members had attended the Institute of Occupational Safety and Health (IOSH) presentation 'Think about Health and Safety' – What Elected Members Need to Know, on 7th November 2012 and at the same event Mr Bowmer had taken the opportunity to ask members to consider the inclusion of specific roles and responsibilities for elected members in the Council's Health and Safety Policy.</p> <p>In discussing the feedback received at the presentation the Group agreed that Mr Bowmer should make the appropriate amendments to the H&S Policy and report those amendments to COMT and the Group. There was some confusion over a suggestion that elected members could be asked to make decisions involving H&S prior to them being considered by the Cabinet or a Panel. The Chairman confirmed that this was not normally the case unless the authority to make a decision had been delegated and in such circumstances advice should be sought from the Safety Advisor.</p> <p>Electronic copies of both the presentation and the accompanying booklet had been circulated to all members.</p>	<p>T Bowmer</p>

ITEM NO.	SUBJECT	ACTION BY
10	<p>Date of Next Meeting</p> <p>The next meeting of the Group was scheduled for 27th February 2012.</p>	

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