

## **CORPORATE RESOURCES, STRATEGY AND BUDGET POLICY DEVELOPMENT GROUP**

MEETING, 9<sup>TH</sup> JULY, 2012

Present – Councillors Iqbal (Chair), Morris (Vice – Chairman), Adia, Greenhalgh, Morgan, Peel, Spencer and Mrs.Thomas.

### Also in Attendance

Mr. S. Arnfield	-	Deputy Chief Executive
Mr. J. Rowland	-	Assistant Director
Mr. A. Jennings	-	Democratic Services Manager

Apologies for absence were submitted on behalf of Councillor Hayes and the Chief Executive.

Councillor Iqbal in the Chair

### **4. MINUTES**

The minutes of the proceedings of the meeting of the Group held on 28<sup>th</sup> May, 2012 were submitted and signed as a correct record.

### **5. COUNCIL TAX LOCAL SUPPORT SCHEME/EMPTY PROPERTY DISCOUNTS AND EXEMPTIONS**

The Director of Corporate Resources and Assistant Director undertook a presentation with respect to the new local council tax support scheme which had to be implemented by April 2013, together with details and proposals regarding empty property discounts and exemptions.

The Government had undertaken consultations on the proposals and it was reported that the funding for the scheme could be reduced by between £2.4m to £3.0m, although pensioners and future pensioners would be protected.

The presentation outlined three possible options as follows:-

- Retain existing scheme and fund from other budget savings;
- Make scheme self financing by reducing benefits to all non pensioners;  
and
- Amend scheme to make some savings.

The presentation then described each option in detail, together with the advantages/disadvantages.

Members discussed the principles of amending the scheme as follows:-

- Had to protect pensioners;
- Council wanted to protect those on the lowest incomes/benefits;
- Accept that all the changes were hard and some customers were going to be affected;
- Work prospects were limited for those customers already out of work; and
- Savings to be made against a backdrop of 22% caseload increase since 2005.

The following were considered as potential saving areas:-

- Abolish backdated benefit;
- Abolish second adult rebate;
- Weekly minimums;
- Change capital thresholds;
- Council tax band restrictions; and
- Disregarded income/earnings.

The presentation also considered council tax and the charges on empty properties and members noted the following:-

- DCLG consultation to give greater flexibility to Councils i.e change current discounts or exemptions;
- nothing confirmed to date and no regulations – but a statement of intent ;
- generally more difficult to collect – some difficult circumstances, increased by current market; and
- first major change since 1993

The current arrangements were as follows:-

- Class A – property undergoing major refurbishment, exempt for 12 months – then a 50% charge;
- Class C – empty and unfurnished – exempt for the 6 months – thereafter 50% discount;
- Long Term Empty – new provision to charge a premium to encourage occupation or disposal;
- Class L – mortgagee in possession currently exempt; and
- Second Homes – included empty furnished properties Bolton currently charged 50%.

Possible options relating to the above were outlined.

The PDG noted the report and requested the Deputy Chief Executive to submit a fully detailed report to the Cabinet.

(The meeting started at 3.30 pm and finished at 4.30 pm)