

REFERRALS TO COUNCIL – 17 DECEMBER 2012

A. Cabinet - 29 November 2012

132. WELFARE REFORM - LOCAL COUNCIL TAX SUPPORT SCHEME

A report by the Interim Director of Finance informed the Cabinet that the Council was required to establish a Local Council Tax Support Scheme, known as Council Tax Support (CTS), to replace Council Tax Benefit (CTB) from April 2013. This was a key strand of the Government's wider Welfare Reform Review. The Director informed that the Scheme also brought with it reduced funding from Central Government.

It was proposed that a new Local Council Tax Support Scheme would replace CTB for 2013/14 that would manage the £3.2 million shortfall in Government funding that had been based upon current, and increasing, levels of CTB. The Cabinet was told that there were associated costs that increased the shortfall to a maximum of £3.635 million. In addition, the change also increased the likely level of non-collection of Council Tax by up to £1 million gross/£0.85 million net, and this needed to be included within the Budget Projections for 2013/14.

It was noted that the Council must approve a Scheme by no later than 31 January 2013 or the Government default Scheme, requiring the shortfall to be fully funded by the Council, would be imposed. The Cabinet was asked to recommend a Scheme to the Council.

The Scheme options were as follows:

- Scheme 1 - Grant reduction contained within claimant base
- Scheme 2 – Transitional Grant Scheme
- Scheme 3 – Government Default Scheme

The Cabinet was informed that the adoption of a Localised Scheme included the need to change financial modelling to support the Scheme. Government support would reduce by around £3.2 million in 2013/14 and the Council had to determine whether to meet this loss from alternative savings or to fund all, or part of this, from a reduction in awards to current CTB recipients. Depending upon the decision taken there could be increased challenges ahead in collecting the sums due.

Scheme 1 was recommended as this, essentially, ensured the Scheme could be funded from within the reduced resources available.

Councillor Phil Davies commented that he found the report very difficult to accept. The Council would be imposing an additional burden on some of the poorest people living in the Borough. It was regrettable that the Government had transferred this Benefit to the Council without adequate funding. Under the circumstances he questioned whether the Government was serious about localism as he considered that this made a mockery of it. It was imperative that the Council was given sufficient funds to deliver the new Scheme if the adverse impact upon the poorest in the Borough was to be avoided. Councillor Davies

commented that the Government was imposing a charge of 22% on people on low incomes and consequently, as a Councillor he felt uncomfortable in moving the recommendations.

RESOLVED: That

- (1) it is recommended to the Council that:**
 - (a) eligible Pensioners and Vulnerable Groups (disabled, disabled child and war pensioners) be protected under the Local Council Tax Support Scheme;**
 - (b) the Local Council Tax Support Scheme proposed for 2013/14 be Scheme 1 with the associated proposals that will see Working Age Claimants meet 22% of the Council Tax payable in order to meet the £3.2 million reduction in Government Grant;**
 - (c) the annual increase in caseload, estimated at 1% (£300,000) per year be included with the Budget Growth Projections for 2014/15 onwards;**
 - (d) the potential losses on collection of £1 million gross/£0.85 million net be incorporated within the Council Tax Base calculation and that this reduction in Council Tax Income be reflected in the Budget Projections for 2013/14, funded from the change in the Council Tax discounts; and**
 - (e) thanks be extended to those residents who participated in the Council Tax Benefit consultation, ensuring the consultation was meaningful.**
- (2) the Cabinet is appalled at the Government's decision to transfer responsibility for helping people on low incomes to pay their Council Tax to local authorities, but to cut the funding for this by 10 %, resulting in a shortfall for Wirral of £3.5 million;**
- (3) Councils like Wirral have been placed in the awful position of being forced to choose between reducing support to some of the poorest people in the Borough or removing funding from other Council services;**
- (4) the Government's transitional grant scheme will not help Wirral as it will leave a shortfall of £1.4 million which will have to be found by cuts elsewhere;**
- (5) the Cabinet believes that this policy makes a mockery of Localism. If the Government is not prepared to transfer both powers and adequate funding to Councils then genuine devolution will never be achieved;**
- (6) the Cabinet calls on the Government to rethink this ill-judged policy as a matter of urgency; and**

- (7) **the four Wirral MPs be requested to lobby the Government for more funding on the Council's behalf.**

133. INSURANCE FUND BUDGET 2013/2014

A report by the Interim Director of Finance set out the elements which made up the Insurance Fund, the cost of running the Risk and Insurance Section and the Budget for 2013/14, as the Insurance Fund was one element of the Council budget setting process.

The Cabinet noted that there was a net increase in costs of £44,000 in 2013/14. However, as the 2012/13 increase had been offset by the use of the Budget Surplus Reserve, the increase was £180,000 (£141,000 for General Fund services and £39,000 for Schools). There had also been the return of £529,396 of Fund balances back to Council General Fund balances.

RESOLVED: That

- (1) **the Insurance Fund budget be agreed;**
- (2) **the release of £529,936 from the Insurance Fund to General Fund balances be agreed; and**
- (3) **as part of the impending procurement of insurance contracts, options for reducing external premiums through greater self-insurance and/or restrictions in cover be explored and the options and risks/benefits of each be reported to the Cabinet.**

B. Licensing Act 2003 Committee – 7 November 2012

13. DRAFT STATEMENT OF PRINCIPLES UNDER THE GAMBLING ACT 2005

The Acting Director of Law, HR and Asset Management sought Members' approval of the Draft Statement of Principles under The Gambling Act 2005 in order that it may be presented to Council for approval on 17 December 2012.

The Licensing Manager reported that the draft Statement of Principles had been circulated for consultation subsequent to its approval by Members at the Licensing Committee on 25 July 2012. It was reported that the consultation period had closed on 31 October 2012 and only one response had been received from the National Casino Industry Forum which did not comment on the policy itself but promoted the value of casino premises to the local area.

Councillor Niblock listed a number of minor typographical amendments to be made to the draft document.

Resolved - That the Draft Statement of Licensing Principles be approved as a Draft to be considered by Council on 17 December 2012 for approval as the Licensing Authority's Statement of Principles to be applied under The Gambling Act 2005.

C. Pensions Committee – 20 November 2012

39. FILMING/RECORDING BY THE PUBLIC OF COUNCIL COMMITTEE MEETINGS

The Chair of the Pensions Committee referred to an advice note sent to Members from Surjit Tour, Acting Director of Law, HR and Asset Management Monitoring Officer. The Chair detailed the contents of the advice note and invited comments from the Committee.

On a motion by Councillor Harry Smith and seconded by Councillor Ann McLachlan it was:

Resolved (13:3) - That members of the public be requested to cease filming at this Committee and that the decision on whether the public be permitted to film/record Council Committee Meetings be referred to a future meeting of the Council.