

FINANCE AND POLICY COMMITTEE MINUTES AND DECISION RECORD

24 January 2013

The meeting commenced at 9.30 am in the Civic Centre, Hartlepool

Present:

Councillor: Christopher Akers-Belcher (In the Chair)

Councillors: Rob Cook, Keith Dawkins, Peter Jackson, Marjorie James, Carl Richardson, Chris Simmons and Paul Thompson

In accordance with Council Procedure Rule 5.2 (ii), Councillor Geoff Lilley was in attendance as substitute for Councillor Alison Lilley and Councillor George Morris was in attendance as substitute for Councillor Ray Martin-Wells.

Officers: Dave Stubbs, Chief Executive
Peter Devlin, Chief Solicitor
Chris Little, Chief Finance Officer
John Morton, Assistant Chief Finance Officer
Louise Wallace, Director of Public Health
Alastair Rae, Public Relations Manager
Joan Stevens, Scrutiny Manager
Angela Armstrong, Principal Democratic Services Officer

181. Apologies for Absence

Apologies for absence were received from Councillor Alison Lilley, Ray Martin-Wells and Robbie Payne.

182. Declarations of Interest

None.

183. Minutes of the meeting held on 3 January 2014

Received.

184. Local Council Tax Support 2014/15 *(Chief Finance Officer)*

Type of decision

Budget and Policy Framework

Purpose of report

- (i) Update Members on the results of public consultation on a potential 12% LCTS scheme cut for 2014/15;
- (ii) Update Members with the latest forecast data on Local Council Tax Support scheme (LCTS) costs and future Government funding as set out in the December settlement;
- (iii) Enable Members to determine a LCTS 2014/15 scheme to be referred to full Council for a final decision as required by statute.

Issue(s) for consideration

The Assistant Chief Finance Officer presented the report which provided the background to the development of the 2014/15 LCTS scheme. As Members were aware, from April 2013 national funding for Local Council Tax support was cut by 10%. From April 2014, the Government was mainstreaming LCTS funding with Core Revenue Grant. In addition the Government's financial settlement for 2014/15 and 2015/16 included details of significant ongoing cuts in Revenue Grant funding. The Council was faced with an extremely difficult policy decision and must determine how the available Core Revenue Grant was allocated between funding for the LCTS scheme and support for the General Fund Budget. The Council's Medium Term Financial Strategy proposed that the Council provided the same level of support for its LCTS scheme in 2014/15 as it did in 2013/14 at £9.6m. However, for 2015/16 the MTFS assumed the LCTS scheme would bear its proportion of the Government grant cuts. Importantly this would enable the Council to reduce the forecast 2015/16 General Fund budget cuts by about £1.4m.

It was noted that sustainability and affordability were key principles that underpin the LCTS scheme and on 29 November Members agreed to consult on a potential 12% LCTS cut for 2014/15. The consultation results were set out in section 4 of the report and show majority support for a 12% cut. The report set out two options for the level of cut in LCTS for 2014/15 continuing with 8.5% or introducing a 12% cut. The 12% cut was the recommended option as this reduced financial risk to the Council.

The other four Tees Valley authorities implemented LCTS cuts of 20% in 2013/14 and it was understood that this would continue in 2014/15. In implementing a 12% cut, the Council would be able to demonstrate it was

doing everything it could to minimise the financial impacts on working age households. It was noted that the recommendations of this Committee would be submitted to Council on 30 January 2014 for decision.

In response to a question from a Member, the Assistant Chief Finance Officer informed Members that some Local Authorities in the north east region were implementing cuts at various levels although it was unclear how they would be funded. Members were reminded that in view of the previous decisions taken, this Council was able to implement an 8.5% cut in the current year.

Members were mindful that a lot of effort was needed in order to protect as many people as possible for as long as possible especially with the added concerns with the implementation of Universal Credit and how that would affect some families. Members requested that Officers provide a report on the 2015/16 LCTS scheme early in the new financial year to enable Members to consider the options available, including the potential to stage the increase in the cut to 20%. It was noted that Hartlepool had a disproportionately high percentage of disadvantaged people and the implementation of the Government cuts was patently unfair on areas like Hartlepool.

It was highlighted by a Member that option 2 followed the Council's strategy of ensuring stability for families in these difficult times. However, it was noted that not introducing any cut in the level of LCTS would store up problems for the future.

The Chief Finance Officer advised Members that Hartlepool was not in a unique situation in that the reduction in the level of LCTS was having a significant impact on other areas with particularly high disadvantaged communities.

Decision

- (i) The report was noted, including the results of the consultation on the proposed 2014/15 Local Council Tax Support Scheme.
- (ii) A LCTS cut of 12% for 2014/15 was approved for referral to Council for decision.
- (iii) It was noted that the 12% cut was designed to phase the reduction in Council Tax Support and in 2015/16 reduce the General Fund Budget cuts by £1.4m.
- (iv) The continuation in 2014/15 of the current policy of applying the yield from local Council Tax Exemptions and Reductions Policy to support the LCTS scheme was approved.
- (v) The application of scheme funding from the Family Poverty Reserve and the LCTS Reserves to support the LCTS scheme detailed in Section 5 for Option 2 was approved – the 2014/15 LCTS scheme based on a 12% cut.
- (vi) The continuation in 2014/15 of the principles A to E as set out in the

report was approved.

- (vii) It was noted that in accordance with national regulations, approximately £4,200 of the 2014/15 Council Tax Support Grant will be passported to Parish Councils.

185. Individual Electoral Registration (*Chief Solicitor*)

Type of decision

For information.

Purpose of report

To provide Members with general information upon Individual Electoral Registration, the work already undertaken, funding behind this project and also associated publicity and public awareness to successfully implement these new electoral registration arrangements.

Issue(s) for consideration

The report provided the background to the introduction and implementation of Individual Electoral Registration. Local Authorities were being supported in the transition towards Individual Electoral Registration through the Electoral Commission and the Cabinet Office. The Annual Canvas 2013 had been undertaken with the publication for the register being 17 February 2014. It was noted that a 92.79% return had been achieved in Hartlepool, mainly through door to door canvassing, which was more than satisfactory when compared to other local authorities. The process of transferring electors through to Individual Electoral Registration was detailed in the report. Members were informed that in Spring 2013, Hartlepool received a grant from the Cabinet Office of £6,269 to fund the first year of transitional activity. During July-August 2013, a “dry-run” of the data matching process to test the IT systems in place achieved an 82.47% match which again was more than consistent with the performance of other local authorities in the northern region.

Members were informed that IER would ‘go live’ on 10 June 2014 with new applicants being registered for IER purposes. The Electoral Commission were planning a public awareness campaign across England and by 1 December 2014 there would be a formal publication of the revised register.

A number of Member briefings will be arranged on the implementation of Individual Electoral Registration in the early part of 2014. In addition, a “Communications Group” was being established through Sunderland City Council to enable local authorities to assess their readiness to successfully implement IER.

A number of concerns were raised by Members in relation to the implications for people who failed to register, in particular people who did not have the necessary support in place to assist them with the process of registering.

In response to a question from a Member, the Chief Solicitor confirmed that there had been no instances of electoral fraud in Hartlepool and added that the current system of voting was antiquated which was why the Government were looking to individual registration and a move to integrate the registration and voting systems with the electronic age. The Public Relations Manager commented that raising awareness through the Council's publication Hartbeat which was delivered to every household would be a good way forward, as well as utilising social media to facilitate further engagement with younger people.

A Member referred to a previous election undertaken with postal votes only and the increase in voting numbers this had created. It was noted that a further report would be submitted to the Committee at a later date and Members requested this include detailed statistics on how IER was progressing and the risk management associated with this process. The Chief Solicitor added that the briefing would include further detailed information broken down into ward profiles.

Decision

- (i) That the Committee note this report and the Council's progress towards the implementation of Individual Electoral Registration.
- (ii) That briefings to Members be arranged, together with local public awareness campaigns be undertaken through the Electoral Registration Officer and staff.
- (iii) A further report be brought back to the Committee in relation to the implementation of Individual Electoral Registration.

186. Any Other Items which the Chairman Considers are Urgent

None.

The meeting concluded at 10.13 am

P J DEVLIN

CHIEF SOLICITOR

PUBLICATION DATE: 30 January 2014