

# **FINANCE PORTFOLIO DECISION RECORD**

15 December 2006

**Present:**

Councillor Robbie Payne (Finance Portfolio Holder)

Officers: John Morton, Assistant Chief Financial Officer  
Pat Watson, Democratic Services Officer

## **8. Council Tax Base 2007/8** (*Chief Financial Officer*)

**Type of decision**

Non-key.

**Purpose of report**

To seek approval to the calculated Council Tax Base for 2007/8 that would be used for Council tax billing purposes.

**Issue(s) considered by the Portfolio Holder**

The report provided details of the Council's responsibilities for determining the council tax base, explained the tax base calculation and showed details of the calculation for 2007/08. Statements showing calculations were attached to the report as appendices.

The Portfolio Holder was advised that, following an amendment to the Local Government Finance Act 1992, a Full Council meeting is no longer required to adopt the council tax base, the matter can be dealt with by the relevant Cabinet Member.

The Portfolio Holder asked if the calculations had been made by following a national framework and queried the relatively small numbers of properties listed in the higher property bands (Bands D to H). The Assistant Chief Financial Officer (ACFO) replied that the tax base is compiled by using a standard methodology, using latest available data from the Valuation Office Agency and after taking account of Council held information regarding entitlement to disability reductions and discounts. The ACFO commented that the allocation of individual properties to particular bands is carried out independent of the Council by the Valuation Office Agency. The number of properties in the higher bands continues to grow associated with the new building within the Borough however most properties continue to be in Bands A and B.

The Portfolio Holder asked about demolished dwellings and the high number of exempt dwellings. The ACFO explained that the line dealing with demolished dwellings would be an adjustment where the Council is aware of a property being demolished but the Valuation Office Agency had not updated their records. The ACFO commented that the apparent high number of exemptions related largely to properties for which a compulsory order had been issued under the housing market renewal programme.

## Decisions

The Portfolio Holder:

- (a) approved a Council Tax Base for 2007/08 of 27,551.5.
- (b) approved a Council Tax Base for those Parishes capable of levying a precept upon the Council's General Fund, as follows:

Brierton	12.4	Headland	1020.4
Claxton	14.0	Greatham	667.8
Dalton Piercy	107.9	Hart	294.9
Elwick	384.2	Newton Bewley	30.1

## 9. Benefits Service – Corporate Performance Assessment Review *(Chief Financial Officer)*

### Type of decision

Non-key.

### Purpose of report

To inform the Portfolio Holder of the Benefits Fraud Inspectorate's (BFI) assessment of the Benefits service as part of the CPA 2006 process. The results of the assessment contribute to the overall CPA score for the council.

### Issue(s) considered by the Portfolio Holder

The report provided details of the inspection approach and the main conclusions, in particular that the Benefits service for CPA 2006 had been ranked as excellent, attracting a maximum score of 4. An appendix attached to the report detailed the full BFI report.

The Portfolio Holder asked for an explanation of the drop from a score of 4 to a score of 2 for the User Focus Performance Standards theme. The ACFO explained that the user focus score was largely based on the Council's performance in its speed of dealing with requests for benefit claim reconsiderations and appeals. For 2005/6 the Council's performance was below standard in dealing with appeals, albeit the national standards are challenging. The ACFO made reference that as part of the structural changes within Revenues and Benefits additional staff capacity was being created to ensure the Council achieves a higher level of performance in future.

## **Decisions**

The Portfolio Holder noted the report confirming the Council's Benefits service being assessed as Excellent for the purpose of Corporate Performance Assessment and requested that all staff be written to and congratulated on their contribution. .

## **10. Local Government (Access to Information) Act 1985**

Under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraphs referred to below of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information)(Variation) Order 2006

Minute 11 – Insurance Renewals and Strategy (Para 3) – This item contained exempt information under Schedule 12A Local Government Act 1972, namely, information relating to the financial or business affairs of any particular person (including the authority holding that information)

## **11. Insurance Renewals and Strategy** *(Chief Financial Officer)*

This item contained exempt information under Schedule 12A Local Government Act 1972, namely, information relating to the financial or business affairs of any particular person (including the authority holding that information)

### **Type of decision**

Non-key.

### **Purpose of report**

To inform the Portfolio Holder as to the selection of the Council's insurance providers and on insurance strategy.

### **Issue(s) considered by the Portfolio Holder**

The report considered the insurance market and provided a summary of the recent tenders received for the provision of the Council's insurances, including the primary covers of Liability, Property and Motor.

The report also provided information as to the development of Alternative Risk Transfer arrangements and on the Council's current positioning on insurance issues.

The Portfolio Holder asked about the governance arrangements covering an

Alternative Risk Transfer arrangement. The ACFO said the arrangement would involve the creation of a company with a Board of Directors (likely from participating local authorities) with a responsibility for establishing the strategic direction of the mutual and its investment strategy. The arrangement would be subject to the same regulatory controls as normal insurance companies and premiums charged to each local authority will reflect the effectiveness of each local authority's risk management strategies

The Portfolio Holder asked how would get interest on premiums paid by local authorities for cover. The ACFO said the interest would be credited back to the mutual insurance fund which ultimately will assist in reducing future premium charges. The ACFO mentioned that the appointment of the insurer AIG, following tendering, allows the Council the flexibility to consider the option of an Alternative Risk Transfer (ART) arrangement at a later date. The ACFO stated there are a number of legal and technical issues to be addressed before the ART arrangement can be established and the Council would continue to monitor the position and report back any significant developments to the portfolio holder.

### **Decisions**

The Portfolio Holder noted the insurance appointments / strategy being followed and reaffirmed the delegation to the Chief Financial Officer to enable appropriate insurance cover and the settlement of claims to be determined.

**J A BROWN**

**CHIEF SOLICITOR**

**PUBLICATION DATE: 3<sup>rd</sup> January 2007**