



# Cabinet Meeting

## 10 September 2014

<b>Report title</b>	Outcome of Called-in Item	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Cllr Andrew Johnson Resources	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Keith Ireland	
<b>Originating service</b>	Democratic Support	
<b>Accountable employee(s)</b>	Dereck Francis Tel Email	Democratic Support Officer, 01902 555835 dereck.francis@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Cabinet Scrutiny Board	23 July 2014 31 July 2014

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### Recommendation(s) for noting:

The Cabinet is asked to note the decision of the Scrutiny Board on the called-in item.

## **1.0 Purpose**

- 1.1 To receive the decision of the Scrutiny Board on a called-in item in regard to the savings proposal for the Local Council Tax Reduction Scheme 2015/16 Onwards.

## **2.0 Background**

- 2.1 The enclosed schedule set out the decisions of the Scrutiny Board in respect of the called-in item relevant to the Cabinet. Where appropriate, any relevant issues raised or comments made by the Board in respect of the call-in are set out in the schedule.

## **3.0 Equal opportunities/ financial/ environmental/ human resources/ corporate landlord implications**

- 3.1 Of itself, this report has no implications for any of these policies.

**SCRUTINY BOARD – 31 JULY 2014**

**CALLED- IN ITEM**

<b>Cabinet/Cabinet panel meeting</b>	Cabinet
<b>Date</b>	23 July 2014
<b>Subject</b>	10: Local Council Tax Reduction Scheme 2015/16 Onwards
<b>Portfolio</b>	Resources
<b>Called-in by</b>	Councillor Wendy Thompson Date: 24 July 2014 Time: 9am
<b>Method of call – in</b>	E-mail
<b>Reason(s) for call – in</b>	To examine alternatives for generating the envisaged £870,000 in savings arising from changes to this scheme, which do not directly impinge upon the most vulnerable members of the community.
<b>Call – in received in democratic support</b>	Date: 24 July 2014 Time: 9.06am Name of Democratic Support Officer: Dereck Francis Telephone Number: (55)5835
<b>Details of Cabinet Member and Director to whom call in referred</b>	Councillor Andrew Johnson Cabinet Member for Resources Director for Delivery Date: 24 July 2014 Time: 9.45am
<b>Decision of Cabinet</b>	<ol style="list-style-type: none"> <li>1. That the publication of a draft scheme in respect of working age claimants for consultation containing the following revisions be approved: <ol style="list-style-type: none"> <li>a. The basis on which support is calculated is revised from 88% to 78% of gross council tax liability.</li> <li>b. Within the draft scheme, households with the following characteristics will be protected and will continue to have their entitlement calculated on 88% of gross liability. <ul style="list-style-type: none"> <li>• where the claimant or their partner is severely disabled</li> <li>• where there is a severely disabled child</li> <li>• a single person under 25 years of age without dependents</li> </ul> </li> </ol> </li> <li>2. That authority be delegated to the Cabinet Member for Resources, in consultation with the Head of Revenues and Benefits, to approve the documents to be issued for public consultation.</li> </ol>

	<p>3 That the options for revisions to the local council tax support scheme for working age claimants that are needed in order to further offset the cut in government grant for funding the scheme be noted.</p> <p>4. That it be noted that following the outcome of public consultation a further report would be submitted to Cabinet on 10 December 2014 to enable a final scheme to be recommended to Council on 28 January 2015.</p>
<p><b>Supplementary information</b></p>	<p>Proposed changes to the level of support are as a result of the cut in Government grant following the abolition of Council Tax Benefit.</p> <p>Some councils passed the funding cut on through their local schemes in one go. The decision in Wolverhampton however was to close the funding gap in stages, allowing consideration of what was essential at each stage.</p> <p>The proposal to further reduce support under the local scheme must be considered in the context of the already wide ranging and challenging programme in place to deliver savings of £123 million by 2018/19.</p> <p>A report to Cabinet on 25 June set out that whilst significant savings had been approved through the 2014/15 budget development process, £59 million is left to find, of which £25 million is required for 2015/16. The report identified savings totalling £18.1 million towards the target for 2015/16 leaving £6.9 million to find.</p> <p>In considering changes to the scheme the issue of vulnerability was addressed through proposals to protect households where the claimant, their partner or their dependent child is severely disabled and single people aged under 25. Further background is in the Cabinet report at section 7.</p> <p>The Cabinet decision was to publish a revised draft scheme for consultation. Information and feedback gathered during the consultation period would allow further consideration of the issue of vulnerability. When Cabinet makes final recommendations to Council it may decide to expand the scope and extent of protection although this will need to be balanced against affordability.</p>
<p><b>Scrutiny Board decision</b></p>	<p>Decision Noted*  <del>Item Referred Back to the Cabinet/Cabinet Panel*</del>  <del>Item Referred to Council*</del>          (*please delete that which is inappropriate)</p>