

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Corporate Scrutiny Committee**
held on Tuesday, 12th June, 2012 at Committee Suite 1,2 & 3, Westfields,
Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor J P Findlow (Chairman)
Councillor G Merry (Vice-Chairman)

Councillors D Newton, G Baxendale, B Burkhill, S Corcoran, W S Davies,
F Keegan, D Neilson and W Livesley

Apologies

Councillors G Barton, D Topping and R Domleo

1 APOLOGIES FOR ABSENCE

2 ALSO PRESENT

Councillor P Raynes – Finance Portfolio Holder
Councillor P Mason – Cabinet Support Member

3 OFFICERS PRESENT

Lisa Quinn – Director of Finance and Business Services
Steve Reading – Principal Accountant
Mark Nedderman – Senior Scrutiny Officer

4 MINUTES OF PREVIOUS MEETING

RESOLVED – That the minutes of the meeting held on 17 April 2012 be confirmed as a correct record and signed by the Chairman.

5 DECLARATIONS OF INTEREST

The Chairman declared a personal and prospective prejudicial interest in respect of the item relating to Council Tax discount policy on the grounds that he was joint owner of a tenanted property in Macclesfield

6 DECLARATION OF PARTY WHIP

There were no declarations of the existence of a party whip.

7 PUBLIC SPEAKING TIME/OPEN SESSION

There were no members of the public present at the meeting who wished to address the Committee.

8 BUSINESS PLANNING PROCESS 2012/13

The Committee considered a report of the Director of Finance and Business Services providing an update on the business planning process 2013/16.

The report included a draft timetable for the business planning process for the financial year 2012/13 culminating in the Council budget meeting in February 2013. The business plan for 2012/15, which had been approved by Council in February 2012 had introduced a new integrated approach whereby the setting of Corporate Priorities had been combined with the setting of the Budget. At the end of the 2011/12 municipal year, the Committee having received a number of recommendations from the Budget Task Group, had made a number of comments on the new approach at its meeting held on the 6 March 2012 and the response of Director of Finance and Business Services to each of the comments were included at appendix 1 of the report.

In response to comments raised by members about the level of detail available in the new style business plan, it was suggested that for the current process, two versions of the business plan should be produced. A long version along the lines of the one produced last year, and a shorter summary version for easy reference.

RESOLVED –

- (a) That the report be received and the key stages of the process to create a 2013/16 Business Plan be noted;
- (b) That the Budget Task Group be reconvened and the following Members be appointed to it:

Councillor P Findlow (Chairman) (Con)
Councillor G Merry(Con)
Councillor G Baxendale(Con)
Councillor F Keegan(Con)
Councillor D Newton(Lab)
Councillor D Neilson(LD)

- (c) That each of the remaining 5 Scrutiny Committees be invited to nominate one Member from each Committee to attend meetings of the Budget task group as participating observers.
- (d) That the Director of Finance and Business Services be requested to produce two versions of the Business Plan, a long version along the lines of the one produced last year and a shorter version for easy reference.

9 WORK PROGRAMME PROGRESS REPORT

The Committee reviewed the work programme for 2012/13.

The Chairman informed the Committee that it had been expected that a progress report would have been submitted to this meeting on the new staff agency contract, but that the matter would now be reported to the Committee in

September which would coincide with the contract having completed 6 months of operation.

The Chairman also referred to the arrangements that had been agreed at the previous meeting to hold a joint meeting with colleagues from Cheshire West and Chester Council to review the proposed arrangements for a Single Legal Entity (SLE) to provide a range of shared services. The proposed meeting had not taken place, and it had been suggested to the Committee that a joint meeting may not be the most appropriate vehicle to pursue this matter. As an alternative, it was suggested that it might possible for representatives of each of the Council's appropriate Scrutiny committees to attend relevant Committee meetings in each authority when the subject was being discussed.

Members reiterated that the best way forward was to hold a joint meeting of the two authorities

The Committee also referred to the item regarding the review of governance arrangements and requested that regular updates be provided for the Committee.

RESOLVED –

- (a) That the report be received;
- (b) That the position in respect of the monitoring of the agency contract be noted;
- (c) That arrangements be made to hold a Joint meeting with Cheshire West and Chester Council to discuss arrangements to introduce an SLE

10 FORWARD PLAN - EXTRACTS

The Committee considered items listed in the current forward plan.

RESOLVED – That the Forward Plan be received.

11 COUNCIL TAX DISCOUNT POLICY

Note Councillor P Findlow declared a personal and prejudicial interest in respect of this matter and vacated the Chair and left the room during the consideration of this matter.

Councillor G Merry (Vice - Chairman) in the Chair.

The Committee considered a report of the Director of Finance and Business Services advising the Committee on the current arrangements for Council Tax discounts in relation to empty properties and second homes.

The rules in relation to Council Tax discounts on long term empty properties and second homes were first changed for 2006/2007 to enable

councils to move away from the compulsory 50% discount to local arrangements (within certain restrictions).

Gradually all councils in Cheshire had moved to a revised discount of 25% for both categories to match the single person discount. For the financial year 2011/2012, Cheshire East Council had agreed a further change to:

- Reduce discount on long term empties to 0%.
- Reduce the discount on second homes to 10%.

These changes had raised an additional £2.1m of income.

In October 2011, the Government had issued a consultation on technical reforms to Council Tax which included scope for further changes to Council Tax discounts from April 2013. This has been followed by a response on 28th May 2012.

The key issues accepted by the Government were that Local Authorities should be allowed to charge 100% for second homes and to potentially charge more where a property was empty.

RESOLVED

- (a) That the proposal to reduce discount levels on long term empty properties and second homes to maximise income be supported by the Committee but the Director of Finance and Business Services be requested to consider appropriate exemptions for people being admitted into care, and consider setting a sensible minimum charge e.g. £50 to ensure efficient billing procedures.
- (b) That the Director of Finance and Business Services be requested to fully involve Members of the Council in the development of new proposals.
- (c) That Director of Finance and Business Services be requested to provide a breakdown of the 12,000 exemptions outlined in the report by category e.g. landlords etc to provide Members with an understanding of who will be affected by any change in policy, and the details be circulated to the committee outside of the meeting.

The meeting commenced at 2.00 pm and concluded at 3.25 pm

Councillor J P Findlow (Chairman)