

## MINUTES OF CABINET MEETING HELD 21 JANUARY 2013

PRESENT

**Cabinet Members:** Councillor Cereste (chair), Councillor Dalton, Councillor Fitzgerald, Councillor Hiller, Councillor Holdich and Councillor Seaton.

**Cabinet Advisers:** Councillor Elsey, Councillor Goodwin and Councillor North

### 1. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Lee, Scott and Walsh.

### 2. DECLARATIONS OF INTEREST

None received.

### 3. MINUTES OF CABINET MEETING 10 DECEMBER 2012

Cabinet agreed that the minutes of the meeting held 10 December 2012 were accurate.

## STRATEGIC DECISIONS

### 4. COUNCIL TAX BASE AND BUSINESS RATES 2013/14

Cabinet received a report that formed part of the preparation for setting the council's budget. The report needed to be considered so that figures for the tax base, the Collection Fund and the amount of business rates to be collected could be used in setting the Council Tax and notified to other affected authorities.

Councillor Seaton introduced the report highlighting that the council tax base had increased from the previous year, the final estimated fund deficit had been updated to £308,949 and a new retention scheme for a proportion of the business rates collected would be available in the next financial year.

Cabinet considered the report and **RESOLVED** to:

1. Endorse the calculation of the Council Tax Base for 2013/14 at a level of 50,158 band B and D equivalent properties;
2. Note the estimated Collection Fund deficit as at 31<sup>st</sup> March 2013 of £308,949; and
3. Approve the use of the provisional National Non Domestic Rates 1 as the basis of the final return for 2013/14 and delegate to the Executive Director Strategic Resources responsibility for approving and returning the final return to the Secretary of State by 31<sup>st</sup> January 2013.

## REASONS FOR THE DECISION

The Council Tax Base could be set at a higher or lower level. However, this could have the effect of either inflating unnecessarily the amount of Council Tax to be set or setting the tax at a level insufficient to meet the Council's budget requirements. A similar position could arise if the surplus or deficit were set at a higher or lower level.

The calculation and return of the information included in the NNDR1 is a statutory requirement which can be formally delegated to an officer.

#### **ALTERNATIVE OPTIONS CONSIDERED**

No alternative options were available.

### **5. COUNCIL TAX SUPPORT SCHEME**

Cabinet received a report following the consultation on proposals made by Cabinet on 24th September 2012, including discussion at the Sustainable Growth and Environment Capital Scrutiny Committee on 8th November 2012, for a Local Council Tax Support Scheme for Peterborough.

Councillor Seaton introduced the report highlighting that pensioners would be protected from the scheme, additional notice of the proposed scheme was provided to benefit claimants and the option to revisit the scheme after one year depending on local social and economic changes was available.

During debate on the scheme it was requested that a group of officers from the council and its partners be formed to work together to assist in tackling fuel poverty for those residents most affected by these changes.

Cabinet considered the report and **RESOLVED** to:

Recommend to Full Council on 30<sup>th</sup> January 2013 the adoption of the Local Council Tax Support scheme for Peterborough, including the proposed 30% reduction in benefit for working age claimants and the draft scheme documentation.

#### **REASONS FOR THE DECISION**

The Medium Term Financial Strategy (MTFS) approved by Council in February 2012 was based on a local scheme being adopted and therefore putting no additional pressure on the council's budget i.e. any reduction in grant would be fully met through changes in the benefit scheme, rather than cuts being made in services elsewhere across the Council. Given the impact that such cuts could have, it was considered that this approach was acceptable.

#### **ALTERNATIVE OPTIONS CONSIDERED**

Regulations require that Full Council approves the new Council Tax Support scheme. Any alternative to the proposed reduction in benefit would leave the Council facing significant additional costs.