

<u>MEETING</u> CABINET
<u>DATE AND TIME</u> MONDAY 17 DECEMBER, 2012 AT 7.00 PM
<u>VENUE</u> HENDON TOWN HALL, THE BURROUGHS, NW4 4BG

Dear Councillors,

Please find enclosed additional papers relating to the following items for the above mentioned meeting which were not available at the time of collation of the agenda.

Item No	Title of Report	Pages
7.1	ADDENDUM	1 - 4

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CABINET

17 DECEMBER 2012

AGENDA ITEM 7a

ADDENDUM

**AGENDA ITEM 5
(COUNCIL TAX SUPPORT SCHEME)**

Amended Recommendation:

Amend recommendation 1.4 (page 3) to read:

“To agree that technical changes to existing council tax discounts and exemptions in relation to Class A and C exemptions and discounts should be presented to Full Council at its meeting on 22 January 2013, to take effect from 1 April 2013.”

Editorial Changes:

1. Amend first sentence of paragraph 6.9 (page 13) to read:
“In total, up-front expenditure of £80k is expected to be incurred in setting up the new system, and existing expenditure of £100k per annum (including staff and IT costs but not bad debt) will be incurred in operating the new system.”
2. Appendix 7, Introduction (page 136) insert after first sentence “In the case of any conflict between the prescribed requirements regulations and the default scheme, the prescribed requirements regulations will apply.”
3. Appendix 7 (page 137) – amend last sentence to read: “The income and capital will be treated as zero so they will fall within class D or F as appropriate”
4. Appendix 7 (page 138) – delete “...save that the non-dependant deductions will be as set out in this scheme, Appendix C”
5. Appendix 7 (page 141) – delete text under “Discretionary Reduction” and replace by: “An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act must be made via the Council’s Crisis Fund application process.”
6. Appendix 7 (page 142) – delete last paragraph starting “In order to ensure the scheme is sustainable.....”
7. Appendix 7 (page 145) – delete Appendix C

A number of changes have been introduced as a result of the decision to abolish the second adult rebate following confirmation by government that its

removal would not disqualify the council from receiving the government's transitional protection. These are:

8. Amend paragraph following table 11 in section 9.6.6 (page 43) to read:

“The proposal for 2013/14 reflects the feedback from consultation and restricts the impact of the scheme in its first year of operation by:

 - Including the removal of exemptions and discounts for empty properties in the scheme
 - Limiting the contribution required from working-age claimants to 8.5%
 - Including the proposal to simplify the current system of non-dependant deductions
 - Removal of the second adult rebate
 - Excluding the following features:
 - Reducing capital limits
 - Restricting discounts to Band D or Band E”
9. Amend list (page 46) at end of paragraph 9.7.1 to read:
 - “Working age claimants required to pay a minimum contribution to their Council Tax in excess of the 8.5% proposed for 2013/14, up to a maximum of 25%
 - Reducing capital limits from £16,000 to £8,000
 - Limiting the level of support for higher banded properties to Band D or Band E”
10. Under Feature 3: Removing the second adult rebate (page 120) insert:

“This feature is proposed to be adopted for 2013/14”, and delete “This feature has not been adopted for 2013/14”.
11. Under section 10 (page 130) delete the third bullet, from “whilst there was net agreement...” to “...keep the second adult rebate at current levels”
12. Appendix 7, Page 137 – delete “Class H – persons who are not pensioners who are subject to second adult rebate”

AGENDA ITEM 6 (CRISIS FUND)

Insert the following into Section 7 (Legal Issues) to reflect the proposal to use any surplus from the Council Tax Support scheme to provide support via the Crisis Fund for those in hardship as a result of the CTS scheme:

- “7.6 The Local Government Finance Act 2012 retained the power to remit Council Tax under a new s13A(1)(c), which is a restatement of the current law; this allows an authority to reduce a person's Council Tax liability to a lower amount, or to nil.

- 7.7 Under s13A(1)(c), the Council could exercise this power in some instances (e.g. individual hardship, in cases where the taxpayer was not eligible for Council Tax Benefit, where the dwelling was not their sole or main residence), or it may determine classes of cases in which liability is to be reduced (i.e. the equivalent of the Council determining exempt dwellings classes, or reductions in circumstances other than those covered by the Council Tax Reduction Scheme). It is proposed for this power to be incorporated into the crisis fund to ensure a consistent and transparent approach and that those in most need are given a reduction of council tax liability.”

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