

REPORT OF CABINET

(Meeting held on 2 December 2015)

1. COUNCIL TAX REDUCTION SCHEME 2016-17 (REPORT ITEM 4) (MINUTE NO. 38)

The Council's Council Tax Reduction Scheme has been reviewed by a Task and Finish Group, reporting to the Corporate Overview and Scrutiny Panel, to assess whether any changes should be made to the current scheme which was introduced from 1 April 2013. A number of changes have been made to other benefits that affect the context within which the Council's local scheme is calculated and further reforms are expected to be introduced during the spring of next year.

The Corporate Overview and Scrutiny Panel and the Cabinet concurred with the Task and Finish Group's recommendations. It is suggested that the current scheme should be adjusted to reflect changes to other benefits.

In the light of the increased financial pressures facing those on low incomes, and the likelihood that collection rates may suffer counter-productively in the face of any increase, the Cabinet proposes that there should be no change to the minimum contribution that each household must pay towards the Council Tax. At present all working age claimants (except those classified as vulnerable) must pay 10% of their Council Tax.

The two changes that are proposed are to remove the family premium and to reduce the period for which a claim can be backdated from 6 months to 4 weeks. This will mirror changes being made to Housing Benefit and ultimately Universal Credit with effect from 1 April 2016 and will assist the administration of the Council's scheme. Some changes will be needed to the software used to manage the scheme, but the cost of this is expected to be modest and able to be contained within existing budgets. Removing the family premium is projected to achieve savings of £30,000 per annum, and reducing the backdating period to savings of £6,000 per annum. Very few claimants seek backdating of more than 4 weeks.

The Council carried out extensive consultations on the proposed changes and received 13 responses, most of which supported the proposal that the minimum contribution payable by working age claimants should not be increased.

Insofar as they are empowered to do so by law, the Cabinet has agreed that the scheme should be amended as set out above for 2016/17 and recommends this course of action to the Council.

RECOMMENDED:

That, in so far as it is empowered to do so by law, the Council agrees that the Local Council Tax Reduction Scheme be amended with effect on 1 April 2016 as follows:

- (i) That, subject to the necessary upgrading of the software administering the Council Tax Reduction Scheme, the current scheme be amended by removing the family premium for new claims;***
- (ii) That the period for which claims can be backdated be reduced from 6 months to 4 weeks; and***

(iii) That no change be made to the minimum contribution paid by those of working age (except those classified as vulnerable).

2. COUNCIL TAX DISCRETIONARY DISCOUNTS AND EMPTY HOMES PREMIUM 2016-17 (REPORT ITEM 5) (MINUTE NO 39)

The Task and Finish Group appointed by the Corporate Overview and Scrutiny Panel also considered whether any changes should be made to the discounts currently offered where properties are unoccupied. They also reviewed the previous decision that this Council should not levy a premium charge where properties are unoccupied and substantially unfurnished for more than 2 years.

Insofar as they are empowered to do so by law, the Cabinet has accepted the recommendations that the discounts currently applied locally are working well and should not be changed, and also that the Council should not introduce a premium charge where properties have been empty and substantially unfurnished for more than 2 years.

RECOMMENDED:

That, in so far as it is empowered to do so by law, the Council agrees that the current scheme of discounts and charges remain unchanged so that:

- (i) No changes be made to the discounts for properties which are unoccupied and substantially unfurnished where major repair works or structural alterations are required, under way or recently completed;*
- (ii) No changes be made to the discounts for properties that are unoccupied and substantially unfurnished; and*
- (iii) The empty homes premium be not introduced.*

3. THE COUNCIL TAX 2016-17 – SETTING THE TAX BASE (REPORT ITEM 6) (MINUTE NO 40)

The Cabinet considered and, insofar as they are empowered by law, approved the Tax Base for 2016/17, which is an important step in setting the Council Tax payable for that period. The factors taken into account in the calculation of the tax base are set out in Report Item 6 to the Cabinet and a summary of the tax base in 2016/17 compared to 2015/16 is attached as Appendix 3 to that report.

RECOMMENDED:

That, in so far as it is empowered to do so by law, the Council agrees that:

- (i) The calculation of the Council's tax base for the year 2016/17 be approved; and*
- (ii) Pursuant to this report and in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by this Council as its council tax base for the year 2016/17 be as follows and as detailed in Appendix 1 to Report Item 6 to the Cabinet.*

PARISH/TOWN	TAXBASE 16/17
<i>Ashurst & Colbury</i>	915.8
<i>Beaulieu</i>	512.7
<i>Boldre</i>	1052.6
<i>Bramshaw</i>	344.2
<i>Bransgore</i>	1798.5
<i>Breamore</i>	177.4
<i>Brockenhurst</i>	1852.3
<i>Burley</i>	782.3
<i>Copythorne</i>	1205.7
<i>Damerham</i>	227.2
<i>Denny Lodge</i>	153.2
<i>East Boldre</i>	387.4
<i>Elingham, Harbridge & Ibsley</i>	603
<i>Exbury & Lepe</i>	110.4
<i>Fawley</i>	4505.8
<i>Fordingbridge</i>	2232.2
<i>Godshill</i>	221
<i>Hale</i>	254
<i>Hordle</i>	2381.9
<i>Hyde</i>	521.6
<i>Hythe & Dibden</i>	7323.5
<i>Lymington & Pennington</i>	6974.1
<i>Lyndhurst</i>	1399.2
<i>Marchwood</i>	2050.8
<i>Martin</i>	195.7
<i>Milford on Sea</i>	2781.1
<i>Minstead</i>	368.5
<i>Netley Marsh</i>	816
<i>New Milton</i>	10289.1
<i>Ringwood</i>	5146.6
<i>Rockbourne</i>	163.9
<i>Sandleheath</i>	281.6
<i>Sopley</i>	295.5
<i>Sway</i>	1686.4
<i>Totton & Eling</i>	9270.5
<i>Whitsbury</i>	102.3
<i>Woodgreen</i>	248.3
<i>Whole District</i>	69632.3

4. SENIOR MANAGEMENT REVIEW (REPORT ITEM 7) (MINUTE No 41)

The Cabinet is supporting the introduction of a new senior management structure for the authority following a review undertaken by the Chief Executive. The proposed new structure seeks to provide robust, flexible arrangements to meet the challenges facing this authority over coming years in the climate of continuing financial restraint.

In future it is proposed that the Chief Executive will be supported by a single tier structure of 5 Executive Heads, with the current 9 service areas being amalgamated into functional groups. Three of the Executive Heads will focus on operating the Council's front line services; with 2 ensuring that business management arrangements are effective and efficient, with statutory duties and responsibilities being delivered. The proposed structure is attached as Appendix 1 to this report. The current 1.6 FTE Executive Posts will be deleted.

The pay level for the new Executive Head posts will have been considered by the General Purposes and Licensing Committee in the light of advice from an independent consultant and the views expressed by the Cabinet. A recommendation in this regard will come forwards to the Council from that Committee.

For a trial period of one year it is also proposed that one of the Executive Heads should deputise for the Chief Executive when absent, with an allowance being paid in recognition of the additional duties.

If the new structure is approved at this Council meeting the selection process will be held on 10 and 11 December 2015. The Head of Planning and Transportation and Head of Legal and Democratic Services are natural successors to two of the new posts (Planning and Transportation and Statutory Responsibilities respectively). Those who are not natural successors may volunteer for redundancy. The posts will, initially, be ring fenced for the current Heads of Service, but will be subject to an external recruitment process if no appointment is made on 10/11 December. The appointments will take effect from 1 January 2016 where an internal appointment is made. Any displaced Heads of Service will be placed on the redeployment register pending the outcome of future reviews, by the new Executive Heads, of the staffing structure for their service areas.

It is anticipated that the new senior management structure will generate savings of £300,000 per annum.

For the time being the Chief Executive will continue to act as the Statutory Financial Officer (Section 151 Officer) to provide essential continuity, but this will be reviewed in 6 months' time. Day to day management responsibilities will be undertaken by the Executive Head with responsibility for Statutory Duties.

To increase flexibility of response it is proposed that the powers delegated to the current Executive Directors and Heads of Service should be delegated to all of the new Executive Heads. This will help ensure that, even with a smaller senior management team, decision making is not delayed. The Cabinet has agreed the revised delegation arrangements for their areas of responsibility.

The Employees Side has welcomed the openness and clarity of the report and trusts that the same level will be maintained as the process filters down through the employee structure.

At this time there are no proposals to alter the roles of Portfolio Holders to mirror the new officer structure.

The Leader has thanked all those involved in developing the new proposals, through a complicated process, and considers that the new structure will place the Council in a strong position to face the challenges ahead.

RECOMMENDATIONS

- (a) *That the proposed new senior management structure, as set out in Appendix 1 to Report item 7 considered by the Cabinet, including the deletion of the post of Executive Director and the review of Heads of Service, be approved;***

- (b) That the proposals for recruitment to the posts of Executive Heads, as set out in paragraph 5 of Report item 7 considered by the Cabinet, be approved;**
- (c) That the principle of designating one Executive Head to act as a deputy for the Chief Executive, subject to review within 12 months, be approved;**
- (d) That all existing delegations of powers to Heads of Service and Executive Directors, that are not the responsibility of the Cabinet, be delegated to the proposed new Executive Heads (regardless of their respective disciplines); and**
- (e) That the Chief Executive be authorised to take all the necessary action and decisions to achieve the proposals set out in Report item 7 considered by the Cabinet, including arrangements for the selection process and transitional period.**

**Councillor B Rickman
CHAIRMAN**