

CABINET
15 January 2013

PRESENT - Councillor Harker (in the Chair); Councillors Copeland, C L B Hughes, D A Lyonette, McEwan, A J Scott and Wallis. (7)

INVITEES – Councillors Curry and Mrs H Scott. (2)

ALSO IN ATTENDANCE – Councillors Carson, Francis, Macnab and E A Richmond. (4)

APOLOGIES – Councillors Dixon and I Haszeldine and Mr M Phillipps. (3)

C109. DECLARATIONS OF INTEREST – There were no declarations of interest reported at the meeting.

C110. REPRESENTATIONS – Representations were made by representatives from two unions in attendance at the meeting.

C111. KEY DECISIONS - (1) Council Tax Support - Scheme Approval - The Cabinet Member with the Efficiency and Resources Portfolio introduced the report of the Director of Resources (previously circulated) requesting that consideration be given to the Council Tax Support (CTS) Scheme for 2013/14, following consultation.

Discussion ensued on the cuts to benefits and the implications of those cuts on the residents of the Borough.

RESOLVED - (a) That the results of the public consultation exercise and the equality impact assessments, as detailed in the submitted report, be noted.

(b) That it be recommended to Council that the Council Tax Support Scheme for 2013/14, as appended to the submitted, be approved.

REASON - The Council is required to publish a local Council Tax Support Scheme by 31 January 2013.

(2) Council Tax Empty Property Discounts - The Cabinet Member with the Efficiency and Resources Portfolio introduced the report of the Director of Resources (previously circulated) requesting that consideration be given to changes to discounts for empty dwellings and the introduction of an empty homes premium for long-term empty dwellings.

RESOLVED - That it be recommended to Council that the following discounts and premiums be approved :-

- (a) empty properties undergoing major repairs – no discount (0%);
- (b) empty unfurnished dwellings - 100% discount for one month;
- (c) second home –no discount (0%); and
- (d) empty homes - +50% premium.

REASONS - (a) The Council is required to set the level of discounts for empty dwellings and consider the introduction of an empty homes premium from April 2013.

(b) The changes proposed are considered to be reasonable in the light of the current financial situation.

(3) Medium Term Financial Plan 2013/14 to 2016/17 - The Deputy Leader introduced the report of the Chief Executive (previously circulated) proposing a budget for 2013/14 for consultation and to agree a timescale and approach to revising the Medium Term Financial Plan (MTFP) during 2013 to meet the further financial challenges faced by the Council over the life of the MTFP.

The submitted report stated that the Council continued to face a significant financial challenge; the Council had reduced expenditure by £24M since 2010; the Local Government Finance Settlement for 2013/14 and 2014/15 had given more certainty to the size of the financial reductions that needed to be made; the limit by which Council Tax could be increased without a referendum had been reduced from three and a half per cent to two per cent; the Council's budget was increasing as demand for services increased, particularly in relation to social care; and that the Council would have a significant challenge to fund services above the statutory minimum in the future.

Union representatives addressed Cabinet in respect of the Medium Term Financial Plan (MTFP) and the amount of savings that the Council were expected to make during 2013/14 and the life of the MTFP. References were made to a number of issues, including the various services that the Council currently provided; the possibility of the Council only being able to provide statutory services in the future; the levels of service that the Council would be able to provide those statutory services at, with a reduced budget; the erosion of the terms and conditions of officers employed by the Council; and the impact on the economy of Darlington of reducing the Council's budget. The Deputy Leader responded to those issues thereon.

RESOLVED - (a) That the 2013/14 Medium Term Financial Plan, as detailed in the submitted report, be approved for scrutiny and consultation, with any feedback being considered on the budget as detailed below, at a special meeting of Cabinet scheduled to be held on Tuesday 19 February 2013, namely:-

- (i) a Council Tax increase of 2% for 2013/14;
- (ii) the schedule of charges, as set out in Appendix 3 of the submitted report;
- (iii) the use of £3.991m of revenue balances, as detailed in the submitted report;
- (iv) no changes to agreed policy and service levels;
- (v) the transfer of £1.5m from revenue balances to the redundancy reserve; and
- (vi) the capitalisation of £1m of expenditure currently included in the revenue budget for years 2013/14 and 2014/15.

(b) That a report on proposals to reduce expenditure on HOW the Council operates be submitted to a future Cabinet meeting.

(c) That the approach to developing further budget reductions, as set out in paragraph 35 of the submitted report, be approved.

(d) That amendments to the capital programme, as set out in paragraph 43 of the submitted report, be approved.

REASONS - (a) To allow Cabinet to propose a Medium Term Financial Plan (MTFP) for 2013/14 to 2016/17 and to receive results of consultation.

(b) Further reductions in spending during 2013/14 will reduce the call on revenue balances.

(c) To provide an approach to develop a sustainable MTFP.

(d) To provide funding for capital schemes.

**DECISIONS DATED
FRIDAY 18 JANUARY 2013**