



COUNCIL SUMMONS

To Members of the Metropolitan Borough Council

Dear Councillor

You are requested to attend a Meeting of the Sefton Metropolitan Borough Council to

be held on **Thursday 23rd January, 2014 at 6.30 pm at the Town Hall, Southport**

to transact the business set out on the agenda overleaf.

Yours sincerely,

A handwritten signature in black ink that reads "M. Carney".

Chief Executive

Town Hall,
Southport

Wednesday 15 January 2014

Please contact Steve Pearce, Democratic Services Manager
on 0151 934 2046 or e-mail steve.pearce@sefton.gov.uk

We endeavour to provide a reasonable number of full agendas, including reports at the meeting. If you wish to ensure that you have a copy to refer to at the meeting, please can you print off your own copy of the agenda pack prior to the meeting.

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AGENDA

1. Apologies for Absence

2. Declarations of Interest

Members are requested to give notice of any disclosable pecuniary interest, which is not already included in their Register of Members' Interests and the nature of that interest, relating to any item on the agenda in accordance with the Members Code of Conduct, before leaving the meeting room during the discussion on that particular item.

3. Minutes of Previous Meeting

(Pages 9 - 18)

Minutes of the meeting held on 21 November 2013

4. Mayor's Communications

Public Session

5. Matters Raised by the Public

To deal with matters raised by members of the public resident within the Borough, of which notice has been given in accordance with the procedures relating to public questions, motions or petitions set out in Paragraph 36 to 46 of the Council and Committee Procedure Rules in Chapter 4 of the Council Constitution.

Council Business Session

6. Questions Raised by Members of the Council

To receive and consider questions to Cabinet Members, Chairs of Committees or Spokespersons for any of the Joint Authorities upon any matter within their portfolio/area of responsibility, of which notice has been given by Members of the Council in accordance with Paragraph 48 to 50 of the Council and Committee Procedure Rules, set out in Chapter 4 of the Council Constitution.

7. Strategic Asset Management Plan

(Pages 19 -
38)

Report of the Director of Built Environment

8. Local Council Tax Reduction Scheme 2014/2015, Change to Council Tax Discount for Unoccupied Properties from 1st April 2014 and updating the Council Tax Base 2014/15

(Pages 39 -
96)

Report of the Head of Corporate Finance and ICT

- 9. Pay Policy** (Pages 97 - 118)
Report of the Head of Corporate Personnel
- 10. Re-adoption of the Local Government (Miscellaneous Provisions) Act 1976** (Pages 119 - 122)
Report of the Head of Corporate Legal Services
- 11. Membership of Committees 2013/14**
To consider any changes to the Membership of any Committees etc.
- 12. Notice of Motion Submitted by Councillor Robertson**
To consider the following Motion submitted by Councillor Robertson:
- “That this Council wishes to be seen to be fully signed up to the localism agenda that all 3 major political parties support both in broad terms and in many areas of detail.
- To this end we welcome and support in principle proposals from Parish Councils, community groups and local charities who wish to assist in running services that the Borough Council can't find the resources to sustain such as libraries, youth facilities, community halls etc.”
- 13. Notice of Motion Submitted by Councillor Robertson**
To consider the following Motion submitted by Councillor Robertson:
- "This Council
- (1) welcomes new investment in road and rail but is concerned that the transport plans of local transport authorities, including that of Lancashire County Council, should give appropriate priority to the transport needs of the Borough of Sefton and people travelling into the Borough from places outside Merseyside;
 - (2) recognises the economic importance to the Borough of transport links to Lancashire and Greater Manchester;
 - (3) commits itself to work in conjunction with West Lancashire Borough Council and Lancashire County Council to engage further with neighbouring transport authorities to ensure these links are preserved and

enhanced; and

- (4) requires a report to be prepared for and submitted to Cabinet at an early date indicating how these aims may best be achieved.”

14. Notice of Motion Submitted by Councillor Hardy

To consider the following Motion submitted by Councillor Hardy:

“This Council:

- (1) Expresses deep concern about both:
 - (i) the proliferation of high cost, short term lenders on our high streets and the increasing number of people becoming trapped in a cycle of long-term debt due to the extremely high interest rates charged by these companies; and
 - (i) the proliferation of betting shops on our high streets and particularly the huge increase in the number of high stakes, fixed odds betting terminals.
- (2) Notes that:
 - (i) there are an estimated 1 million families a month nationally taking out payday loans, including many families in Sefton; and
 - (ii) there are over 33,000 fixed odds betting terminal machines in the UK making about £1.5 billion profit each year, causing debt and creating anti-social behaviour in many deprived neighbourhoods.
- (3) Commits to working to tackle these problems in Sefton and protect vulnerable residents and employees through the following action:-
- (4) Requests the Chief Executive to write to the Minister for Employment Relations and Consumer Affairs to lobby the Government to:
 - (i) Look again at introducing a cap on interest rates charged by high cost, short term lenders;
 - (ii) Introduce restrictions around the practice of ‘rolling over’ loans given the OFT’s recent findings regarding the proportion of revenue generated through charges associated with this practice;

- (iii) Introduce restrictions on the number of fixed odds betting terminal machines allowed in each shop, reduce the maximum stake allowed and increase the time between each game; and
- (iv) Re-designate high interest lenders and betting shops within the Town and Country Planning Act so as to require planning permission to be granted before certain establishments can be converted into high interest loan or betting shops.”

15. Notice of Motion Submitted by Councillor Dawson

To consider the following Motion submitted by Councillor Dawson:

“This Council

- (1) welcomes the enthusiasm with which many businesses within Southport have actively endorsed the proposal to create a Business Improvement District (BID) in the central area of Southport;
- (2) notes the unanimous support for the proposed Southport BID of the Southport Area Committee and Sefton MBC Cabinet;
- (3) believes that a BID in the central area of Southport will contribute to a revival of Southport town centre led by the town's business community;
- (4) encourages businesses in the central Southport area who are eligible to vote in the matter to support the BID in the forthcoming ballot; and
- (5) as one of the major business ratepayers in the proposed Southport BID area, endorses the decision of the Cabinet to vote 'Yes' to the BID.”

16. Notice of Motion Submitted by Councillor Keith

To consider the following Motion submitted by Councillor Keith:

“This Council:

- (1) welcomes the relaunch by the NSPCC of the Underwear Rule campaign which provides parents and professionals with an easy way to start simple conversations with children that could help keep them safe from sexual abuse;
- (2) believes that everyone has a role to play to help

prevent the sexual abuse of children and that all children have the right to be happy and safe;

- (3) to this end, the Council will do its utmost to support the campaign both across Council staff, Children's centres and foster carers; and
- (4) will encourage all Sefton Primary Schools to take up the NSPCC Child Line training for primary school children. This training includes the key message that children's bodies belong to them and no one can touch it without their permission. Children have the right to refuse a kiss or a touch, even from a person they love. No one should touch them on the part of their body that their swimwear or underwear covers. The schools service programme creates a safe space for children and staff to discuss their understanding of what can be complex and embarrassing issues;

The Council will endeavour to share these key messages with parents, carers and agencies that work with children.”

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THIS SET OF MINUTES IS NOT SUBJECT TO "CALL – IN."

COUNCIL

MEETING HELD AT THE TOWN HALL, SOUTHPORT ON THURSDAY 21ST NOVEMBER, 2013

PRESENT: The Mayor Councillor M. Fearn (in the Chair)
The Deputy Chair, Councillor K. Cluskey, (Vice Chair)

Councillors Ashton, Atkinson, Ball, Bennett, Blackburn, Booth, Brennan, Brodie - Browne, Byrom, Carr, L. Cluskey, Crabtree, Cummins, Cuthbertson, Dawson, Dodd, P. Dowd, Fairclough, Lord Fearn, Friel, Gatherer, Hardy, Hands, Hartill, Hubbard, Jones, Keith, John Kelly, John Joseph Kelly, Kermode, Kerrigan, Killen, Lappin, P. Maguire, Maher, McGinnity, McIvor, McKinley, Moncur, Murphy, Page, Papworth, Preece, Rimmer, Roberts, Robertson, Robinson, Roche, Shaw, Sumner, Tweed, Veidman, Weavers and Webster

52. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Booth, Bradshaw, Dorgan, M. Dowd, Dutton, Mahon, McGuire, Tonkiss, Sir Ron Watson and Welsh.

53. DECLARATIONS OF INTEREST

Councillor Killen declared a disclosable pecuniary interest in Minute No. 60 (Public Health Annual Report 2013) as she is employed by BreastStart and she left the Council Chamber during consideration of the item.

54. MINUTES OF PREVIOUS MEETINGS

RESOLVED:

That the minutes of the Ordinary Council meeting held on 5 September 2013 and the Extraordinary Council meeting held on 27 September 2013 be approved as a correct record.

55. MAYOR'S COMMUNICATIONS

Remembrance Sunday – 10 November 2013

The Mayor extended her thanks and appreciation to all the Members of the Council, officers, the Royal British Legion, Ex-Service Organisations and

Agenda Item 3

COUNCIL- THURSDAY 21ST NOVEMBER, 2013

members of the Public who attended the various Remembrance Sunday events held throughout the Borough, which were all extremely well-attended.

Foodbanks

The Mayor stated that as we approached the joy of the Christmas period, we should also recognise that Christmas could be a very challenging time for families. These challenges had particularly been seen through the network of Foodbanks across Sefton. At this time of year the Foodbanks would be covering an extended period of support for families, so the Mayor asked Members to use the next few weeks to join with staff of the Council, as well as partners, in making a special effort through donations of food to ensure our Foodbanks had sufficient supply to support families in need over the current period, and particularly as we celebrate Christmas. All Members should have received an information leaflet on South Sefton Foodbank Festive Fridays; and whilst there were four Foodbanks covering the Borough, South Sefton Foodbank had seen the greatest demand giving out an average of one tonne of food per week. The Mayor encouraged every Member to support the Foodbank Festive Fridays appeal and in particular through donating UHT milk and juice as detailed in the information leaflet.

The Mayor also took the opportunity to say thank you at this time of year to the 250 volunteers who gave up their time to support the four Foodbanks and their many distribution points.

Toy Appeal

The Mayor urged Members to make donations to her Christmas Toy Appeal for Sefton's children that would be launched on 25 November 2013. Donations could be left at Bootle and Southport Town Halls.

56. NOTICE OF MOTION SUBMITTED BY COUNCILLOR P. DOWD

It was moved by Councillor P. Dowd, seconded by Councillor Moncur and unanimously

RESOLVED:

That the Council:

1. places on record its appreciation of the outstanding work of Sefton's Young Advisors in supporting the voice of young people across the Borough.
2. expresses its congratulations on their very many achievements, including their recognition through national awards for their innovative approaches to youth participation; and

COUNCIL- THURSDAY 21ST NOVEMBER, 2013

3. wishes every success to the Young Advisors in their future ventures.

Following the above resolution, the Mayor presented representatives of the Young Advisors with a commemorative certificate, on behalf of the Council, in recognition of their services to young people in Sefton.

57. MATTERS RAISED BY THE PUBLIC

The Mayor reported that no matters had been raised by Members of the Public.

58. QUESTIONS RAISED BY MEMBERS OF THE COUNCIL

The Council considered a schedule setting out the written questions submitted by:

- Councillor Sir Ron Watson, to the Cabinet Member – Regeneration and Tourism (Councillor Maher)
- Councillor Crabtree to the Leader of the Council – (Councillor P. Dowd)
- Councillor Papworth, to the Cabinet Member – Transportation (Councillor Fairclough)
- Councillor Robertson to the Leader of the Council – (Councillor P. Dowd)
- Councillor Dawson, to the Cabinet Member – Performance and Corporate Services (Councillor Tweed)
- Councillor Dawson, to the Cabinet Member – Transportation (Councillor Fairclough)
- Councillor Dawson, to the Cabinet Member – Communities and Environment (Councillor Hardy)
- Councillor Jones, to the Chair of the Planning Committee (Councillor Veidman)
- Councillor Jones to the Leader of the Council – (Councillor P. Dowd)

together with the responses given. Supplementary questions were asked and responded to by the Leader of the Council, the Cabinet Member – Performance and Corporate Services and the Chair of the Planning Committee.

Agenda Item 3

COUNCIL- THURSDAY 21ST NOVEMBER, 2013

59. DERBY WARD BY - ELECTION RESULT

The Council considered the report of the Chief Executive and Returning Officer on the results of the Derby Ward By - Election held on 7 November 2013 and the Mayor extended a welcome to Councillor Anne Thompson, who was attending her first Council meeting following her election to the Council.

It was moved by Councillor P. Dowd, seconded by Councillor Moncur and

RESOLVED:

That the report be noted.

60. PUBLIC HEALTH ANNUAL REPORT 2013

The Council considered the statutory annual report of the Director of Public Health which highlighted the progress made in improving health and the health issues facing the population of Sefton. The report provided details of the work that the Public Health Team was undertaking with colleagues across the Council and Partner Organisations linked to the four domains of the Public Health Outcomes Framework:

- Wider determinants
- Health improvement
- Health protection
- Healthcare

The report also indicated that in accordance with the Health and Social Care Act 2012, the Council had taken on the overall responsibility for protecting and improving the health of the population of Sefton with effect from 1 April 2013.

It was moved by Councillor Moncur, seconded by Councillor Cummins:

That the report be received and approval be given to its publication.

An amendment was moved by Councillor Brodie-Browne, seconded by Councillor Brennan that the Motion be amended by the addition of the following text:

“and

2. approval be given for the Council to sign up to the Local Authorities' Mental Health Challenge run by the Centre for Mental Health, the Mental Health Foundation, Mind, Rethink Mental Illness, the Royal College of Psychiatrists and YoungMinds.”

Following debate thereon, on a show of hands, the Mayor declared that the amendment was **carried** unanimously.

COUNCIL- THURSDAY 21ST NOVEMBER, 2013

On a show of hands, the Mayor declared that the Substantive Motion was **carried** unanimously and it was

RESOLVED:

That:

1. the report be received and approval be given to its publication; and
2. approval be given for the Council to sign up to the Local Authorities' Mental Health Challenge run by the Centre for Mental Health, the Mental Health Foundation, Mind, Rethink Mental Illness, the Royal College of Psychiatrists and YoungMinds.

61. CAPITAL ALLOCATIONS 2013/14

Further to Minute No.61 of the meeting of the Cabinet held on 7 November 2013, the Council considered the report of the Head of Corporate Finance and ICT which provided details of the latest capital projects that had been recommended for inclusion within the Capital Investment Plan for 2013/14 by the Strategic Capital Investment Group. The report also provided details of a proposal for the Council to grant delegated authority to the Cabinet to approve self financing schemes for inclusion in the Capital Investment Plan.

It was moved by Councillor P. Dowd, seconded by Councillor Maher and

RESOLVED:

That:

- (1) approval be given the inclusion of the schemes detailed in paragraphs 2 to 6 of the report, within the Capital Investment Plan for 2013/14; and
- (2) the Cabinet be given delegated authority to approve self financing schemes for inclusion in the Capital Investment Plan as detailed in paragraph 9 of the report.

62. FINAL DRAFT REVISED STATEMENT OF LICENSING POLICY - LICENSING ACT 2003

Further to Minute No. 5 of the Licensing and Regulatory Committee held on 23 September 2013, the Council considered the report of the Director of Built Environment on the revised Statement of Licensing Policy which had been produced in accordance with the Licensing Act 2003.

It was moved by Councillor Kerrigan, seconded by Councillor Robinson and

Agenda Item 3

COUNCIL- THURSDAY 21ST NOVEMBER, 2013

RESOLVED:

That the revised Statement of Licensing Policy, as set out in Annex 1 of the report be approved.

63. DESIGNATION OF FURTHER STREETS UNDER THE COUNTY OF MERSEYSIDE ACT 1980

Further to Minute No. 8 of the meeting of the Licensing and Regulatory (Urgent Referrals) Committee held on 6 November 2013, the Council considered the report of the Director of Built Environment on a proposal for the designation of two additional areas at Ormskirk Road between Park Lane and Copy Lane; and Park Lane from its junction with Ormskirk Road to the railway bridge, where street trading should be prohibited under the County of Merseyside Act 1980 in order to address the problems of ticket touts at the Grand National Meetings in Aintree.

It was moved by Councillor Kerrigan, seconded by Councillor Robinson and

RESOLVED:

That:

- (1) approval be given to the designation of those areas referred to in Annex 1 of the report under Section 36 of the County of Merseyside Act 1980 for where street trading is prohibited; and
- (2) the Head of Corporate Legal Services be authorised to arrange for the publication of the Council's proposals and be appointed as the proper officer of the Council for the receipt of any objections received.

64. RE-ADOPTION OF THE LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1976

Further to Minute No. 9 of the meeting of the Licensing and Regulatory (Urgent Referrals) Committee held on 6 November 2013 and Minute No. 62 of the Cabinet held on 7 November 2013, the Council considered the report of the Director of Built Environment which provided details of a proposal to re-adopt the provisions of Part II of the Local Government (Miscellaneous Provisions) Act 1976 within the Borough of Sefton, with regard to the licensing of private hire and hackney carriages, drivers and operators.

It was moved by Councillor Kerrigan, seconded by Councillor Preece and

COUNCIL- THURSDAY 21ST NOVEMBER, 2013

RESOLVED:

That:

- (1) the Head of Corporate Legal Services be authorised to provide notice, in accordance with Section 45 of Part II of the Local Government (Miscellaneous Provisions) Act 1976, ('the Act') of the Council's intention to pass a resolution to re-adopt the provisions of Part II of the Act in relation to the Council's administrative area, with effect from 7 February 2014, subject to no adverse comments being received in relation to that notice; and
- (2) if such adverse comments are received, this matter be referred back to the Licensing and Regulatory Committee and the Council be advised accordingly.

65. AMENDMENT TO CABINET MEMBER PORTFOLIOS

The Council considered the report of the Director of Corporate Services which indicated that the Leader of the Council had made amendments to the delegated executive functions of the Cabinet Member for Communities and Environment and the Cabinet Member for Transportation by transferring the responsibility for security issues within the remit of the Head of Direct Services from the Cabinet Member for Transportation to the Cabinet Member for Communities and Environment.

It was moved by Councillor P. Dowd, seconded by Councillor Maher and

RESOLVED:

That:

- (1) the changes to the portfolios of the Cabinet Member for Communities and Environment and the Cabinet Member for Transportation be noted; and
- (2) Chapter 5 of the Constitution be amended accordingly.

66. MEMBERSHIP OF COMMITTEES 2013/14

It was proposed by Councillor Webster that the following changes be made to the membership of Committees:

- Councillor Thompson to replace Councillor P. Maguire as a member of the Overview and Scrutiny Committee (Performance and Corporate Services)
- Councillor Thompson to replace Councillor McGinnity as the substitute member for Councillor P. Maguire on the Overview and Scrutiny Committee (Regeneration and Environmental Services)

Agenda Item 3

COUNCIL- THURSDAY 21ST NOVEMBER, 2013

It was then proposed by Councillor Blackburn that the following changes be made to the membership of Committees:

- Councillor Weavers to replace Councillor Dawson as the substitute member for Councillor Booth on the Planning Committee
- Councillor Dawson to replace Councillor Weavers as the substitute member for Councillor Dodd on the Planning Committee

RESOLVED:

That the changes to the membership of the Committees be approved.

67. NOTICE OF MOTION SUBMITTED BY COUNCILLOR JONES

It was moved by Councillor Jones and seconded by Councillor Hartill:

“That the Council:

1. recognises the devastating effect the disgraceful and cowardly act of trolling can have on individuals or their close relatives;
2. notes the concerns of the public expressed in recent research conducted by Kantar where 85% of those surveyed believed there needs to be new legislation to deal with the issue of trolling and stronger rules be introduced to govern it; and
3. requests the Government to amend legislation to ensure that:
 - (i) someone who has been proved to have taken part in trolling not be allowed to stand for election as a councillor; and
 - (ii) an elected member be removed from their position if proved to have taken part in trolling.”

An Amendment was moved by Councillor Brodie-Browne, seconded by Councillor Weavers that the Motion be amended by:

1. In paragraph 1, the addition of the word "malicious" before "trolling" and after "trolling" the insertion of "/cyberbullying as defined by the Malicious Communications Act 1988";
2. In paragraph 2, the addition of the word "malicious" before "trolling" and after "trolling" the insertion of "/cyberbullying"; and
3. The deletion of paragraph 3.

Following debate thereon Councillor Brodie-Browne agreed to delete Paragraph 3 of his amendment, providing that Paragraph 3 of Councillor Jones's Motion was amended by the substitution of the word "trolling" in (i) and (ii) with the words "trolling/cyberbullying".

COUNCIL- THURSDAY 21ST NOVEMBER, 2013

Following debate thereon, on a show of hands, the Mayor declared that the amendment was **carried** unanimously.

On a show of hands, the Mayor declared that the Substantive Motion was **carried** unanimously and it was

RESOLVED:

That the Council:

1. recognises the devastating effect the disgraceful and cowardly act of malicious trolling/cyberbullying, as defined by the Malicious Communications Act 1988 can have on individuals or their close relatives;
2. notes the concerns of the public expressed in recent research conducted by Kantar where 85% of those surveyed believed there needs to be new legislation to deal with the issue of malicious trolling/cyberbullying and stronger rules be introduced to govern it; and
3. requests the Government to amend legislation to ensure that:
 - (i) someone who has been proved to have taken part in trolling/cyberbullying not be allowed to stand for election as a Councillor; and
 - (ii) an elected member be removed from their position if proved to have taken part in trolling/cyberbullying.

68. NOTICE OF MOTION SUBMITTED BY COUNCILLOR JONES

It was moved by Councillor Jones and seconded by Councillor McIvor:

“That this Council writes to the Government to request that:

1. The emphasis of the National Planning Policy Framework is amended so that there is not such a strong presumption in favour of development and that there is more emphasis on protecting residential amenity;
2. The Government reconsider the direction of travel with regard to control of development so that local planning authorities have a greater degree of control through formal consents; and
3. Councils have a greater degree of freedom to refuse those developments which have a detrimental effect on residential amenity.”

Following debate thereon, on a show of hands, the Mayor declared that the Motion was lost by 33 votes to 21.

RESOLVED:

Agenda Item 3

COUNCIL- THURSDAY 21ST NOVEMBER, 2013

That no action be taken on the Motion.

69. NOTICE OF MOTION SUBMITTED BY COUNCILLOR ROCHE

It was moved by Councillor Roche and seconded by Councillor Veidman and unanimously

RESOLVED:

That the Council instructs Sefton MBC Highways Department to do everything possible to ensure that for any future development in Sefton, the highway plan for "Shared-Space" schemes will include a clearly defined and raised pavement with no less than 60mm kerb and other mitigating measures to ensure the safety of pedestrians, especially those with disabilities and importantly for those with visual impairment.

Agenda Item 7

Report to: Cabinet
Council

Date of Meeting: 5 December 2013
23 January 2014

Subject: Strategic Asset Management Plan

Report of: Director of Built Environment

Wards Affected: All

Is this a Key Decision? Yes

Is it included in the Forward Plan? Yes

Exempt/Confidential No

Purpose/Summary

To agree the adoption of a revised Strategic Asset Management Plan

Recommendation

Cabinet to agree for recommendation to Council:

- i. That the Council adopt the new Strategic Asset Management Plan annexed in Appendix A.
- i. To note that a further report will be presented in relation to the adoption of a formal Asset Disposal Policy.

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Jobs and Prosperity		√	
3	Environmental Sustainability		√	
4	Health and Well-Being		√	
5	Children and Young People		√	
6	Creating Safe Communities		√	
7	Creating Inclusive Communities		√	
8	Improving the Quality of Council Services and Strengthening Local Democracy	√		

Agenda Item 7

Reasons for the Recommendation:

While there is no statutory requirement to adopt a Strategic Asset Management Plan, it is good practice to do so. This Plan will guide decision making on the sale or retention of assets and it is envisaged that a report seeking approval to the Councils Asset Disposal Policy will be presented to a future Cabinet meeting.

What will it cost and how will it be financed?

(A) Revenue Costs

There are no additional costs arising out of the recommendations of this report

(B) Capital Costs

There are no additional costs arising out of the recommendations of this report

Implications: N/A

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal – None	
Human Resources - None	
Equality	
1. No Equality Implication	<input checked="" type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

Impact on Service Delivery:

The purpose of the asset management plan is to seek to enhance service delivery through the effective and efficient use of the Council's assets

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FD2610/) has been consulted and has no comments on the report as there are no direct financial implications

The Head of Corporate Legal Services (LD1915) has been consulted and has no comments on the report

Are there any other options available for consideration?

It is best practice to operate and manage property assets using a formal asset management plan. The Council could choose to select property for disposal using other criteria.

Implementation Date for the Decision

Following the expiry of the “call-in “period for the minutes of the Cabinet meeting

Contact Officer: David Street (Asset and Property Manager)

Tel: 0151 934 2751

Email: David.Street1@sefton.gov.uk

Background Papers:

None

Agenda Item 7

1.0 Introduction/Background

- 1.1 Cabinet at its meeting of 28th February 2013 considered the report of the Strategic Director – Place which provided details of a Capital Allocation framework and Capital Strategy. The report also stated that following a review a further report would be presented in relation to the Strategic Asset Management Plan.
- 1.2 It is established best practice that the Council has an asset management plan that sets out a framework by which its valuable property assets can be managed. The previous asset management plan, whilst still serviceable, required to be updated and this process of updating and redrafting has recently concluded and requires approval.
- 1.3 The Council has adopted a new Capital Strategy and the intention is that the new asset management plan will complement and support this strategy. As such it will act as an “umbrella document” under which a suite of relevant strategy and policy documents will sit.
- 1.4 The other key documents, still in draft format, will include;
 - The Asset Disposal Policy
 - The Community Asset Transfer Policy

Further reports will be presented seeking approval / adoption as soon as the policy documents are ready for consideration.

2.0 The Strategic Asset Management Plan

- 2.1 A revised draft asset management plan has been developed to facilitate a cohesive approach to the Council’s asset management and to reflect the various changes in policy, legislation and governance since the current asset management plan was adopted.
- 2.2 The new asset management plan was considered by the Strategic Capital Investment Group (SCIG) for comment and review at its scheduled meeting on 16th September. The Group has agreed that the plan should be reported to Cabinet and Council. The matter was also considered by Overview and Scrutiny (Performance and Corporate Services) at it’s meeting of September 10 2013.
- 2.3 The plan will inform the work of the Asset Management Group which will provide advice and put forward recommendations to SCIG (A Member reference group comprising of all 6 Cabinet members with Portfolio), Cabinet Member, Cabinet and Council as appropriate.
- 2.4 The key elements of the plan are as follows:
 - A definition of the role property assets play in the conduct of the Council’s business.
 - A consideration of national policy and governance matters that influence decision-making in respect of the property portfolio
 - How the level of backlog maintenance will be addressed
 - Property reviews utilising gap analysis techniques

- A review of potential funding options to support investment and project delivery
- The proposed formal governance arrangements.

3.0 The Asset Disposal Policy

- 3.1** The related ancillary strategy and policy documents are in an advanced stage of drafting. The key principles were approved by SCIG at its meeting of 25 October 2013 and will be reported to Cabinet / Council recommending adoption as soon as possible.
- 3.2** It is intended that the Asset Disposal Policy will contain the detailed exposition in terms of how assets will be selected for disposal and which method of disposal will be selected. Members (Cabinet or individual Cabinet Members) will decide which operational and non-operational assets are released for disposal and ultimately continue to make the decision to sell on the reported terms.
- 3.3** When a decision has been made to dispose, the Council will adopt the most appropriate method to dispose of a particular asset or portfolio of similar assets. The intention will be to secure best value for the Council by way of financial return or other valuable outputs compatible with the Council's established priorities and operational objectives. This may include utilising sites as a Council contribution to a partnership approach such as an asset backed vehicle.
- 3.4** Where appropriate the Council will secure a planning brief or outline planning consent prior to marketing and then seek to ensure that the chosen disposal method enables a sufficient degree of control to be retained in the case of disposals of buildings in need of refurbishment or sites to be redeveloped.

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APPENDIX A

Sefton Metropolitan Borough Council

STRATEGIC ASSET

MANAGEMENT PLAN

Contents

1. Introduction
2. Aims of the Strategic Asset Management Plan
3. Types of Asset
4. The Councils approach to Strategic Asset Management
5. Governance
6. Key Challenges
7. Property Assets – Investment Priorities
8. Funding Options
9. Key Strategy and Policy Documents
10. Review
11. Summary

Appendix A Capital Allocation Framework

Appendix B Strategy Asset Management Plan Governance

Appendix C

Agenda Item 7

APPENDIX A

1. Introduction

After its staff the Council's next biggest resource is its land and property. It is vital that this resource is managed and used effectively and efficiently to ensure that the Council derives maximum benefit from its assets in support of its strategic aims and priorities.

The continued pressure on local authority finances makes it more critical that the Council has a robust strategic approach to ensure the correct decisions are taken regarding its property asset base. In moving forward there will need to be an increased emphasis on challenging and justifying why assets are being retained, whilst looking at other alternative options for asset use and service delivery to maintain front line services within the stringent budgetary framework which local authorities will be required to operate within.

The Strategic Asset Management Plan (the Plan) will provide a framework for the planning, prioritisation, management and funding of the Council's asset base.

The Plan forms part of a suite of documents, including the Capital Strategy and Capital Investment Plan, which support and inform the Council's Medium Term Financial Plan (MTFP) and its budget for 2013/14 to 2015/16. (See Appendix 1)

2. Aims of the Strategic Asset Management Plan

The key aims of the Strategic Asset Management Plan are to:

- provide a clear context within which the Council's property assets can be managed to ensure that all asset based investment is targeted towards meeting the Council's Priorities and/or legislative requirements;
- maximise the use of revenue resources by establishing effective arrangements for the management of Council assets and expenditure including focused benchmarking and performance analysis to achieve of Value for Money.
- establish a corporate approach to the management and release of capital from the Council's existing asset base.

3. Types of Assets

The use and management of the authority's assets can play a fundamental role in delivery of corporate and local priorities, as well as shape and influence the quality of life and place for local people and businesses. The property asset base divides into two key categories;

APPENDIX A

Operational Properties – Owned or leased buildings that are required to enable the delivery of services. These are typically the main administrative buildings, but also encompass specialised facilities such as Schools and Care homes.

- Non-operational Properties – Also known as the investment portfolio, these assets are held because they generate an income return or present an opportunity for capital gain through redevelopment. The portfolio is a legacy of previous and often longstanding land ownerships that have come together with the merger of the composite authorities that now make up Sefton MBC. The portfolio is not typical of most commercial investment portfolios that are a consequence of conscious decisions to invest and hold property as an investment asset.

There are a small number of assets where there is a cross over between both categories, e.g. where the Council occupies a freehold property, but primarily for operational purposes

4. The Councils Approach to Strategic Asset Management

It is critical that the assets the Council retains are fit for purpose, provide value for money and meet/support both business and community needs. Decisions to invest and improve the asset base are made on the same robust and transparent basis. The Council's approach will be influenced by relevant factors and in particular requirements to meet the Council's statutory duties; e.g. the duty to ensure 'sufficient good quality school places', which is a key driver of capital investment in the schools estate.

The Council will adopt a formal Corporate Landlord Approach to drive a planned process to review and challenge the use and retention of assets, providing a transparent framework for investment and disinvestment decisions in the asset base.

The Council will also endeavour, through its programme of capital investment, to maintain its assets to a standard such that they remain fit for purpose, enabling continuity of service delivery to meeting corporate priorities. In particular, it will carry out regular surveys of its stock of buildings and structures to ascertain their state of repair and any remedial works which may be necessary

In addition the Plan will be influenced by the results of any service reviews which have been carried out by the Council, either as part of the budget preparation process or as one-off exercises. Where these reviews identify areas of service which are to be restructured or discontinued, this may give rise to surplus assets. These assets will be available for disposal and may possibly generate a capital receipt which will be available for funding further capital investment or realise other benefits, perhaps in the form of reduced costs falling on the General Fund Revenue Account. Alternatively, structured reviews may identify areas for investment, some of which may be capital investment.

Agenda Item 7

APPENDIX A

An essential component of this process is the Accommodation Strategy. An Ongoing review of the Council's accommodation provision will continually look at opportunities to rationalise occupation and release surplus accommodation from the Council's accommodation buildings. This will include identifying opportunities for shared use of Council facilities to enable the efficient provision of key services as well as potential co-locations with other public and private sector partners.

The Councils approach to the use of assets is broadly as follows:

Assets will only be retained where it can clearly be demonstrated that they:-

- support and meet the Corporate objectives of the Council
- contribute to the effective delivery of business provision (i.e. the condition and performance of the asset does not impede service delivery);
- provide a strategic landholding in key locations in the borough
- provide value for money (in respect of their current or future investment, capital value, revenue generation and/or ability to influence regeneration).

Where assets do not satisfy the above criteria consideration will be given to the asset either being better utilised to free up accommodation elsewhere, or disposed. The disposal process, including the rationale for using a particular method of disposal is set out in the Asset Disposal Policy.

5. Governance

The Council's governance arrangements are established and set out in the Council's Capital Strategy. Responsibility for the Strategic Asset Management Plan rests with Council.

Oversight and management of the strategy and process is through Cabinet, supported by a Member Reference Group, the Strategic Capital Investment Group (SCIG). This Group provides reference for the operational groups delivering the asset management priorities. (see Appendix 2)

The operational Groups are;

- Asset Management Group (AMG) – focus on delivery of asset management plan and oversight of all strategic asset management issues reporting into the Strategic Capital Investment Group (SCIG).
- Accommodation Working Group (AWG) – Focus on accommodation matters and reporting into the Asset Management Group

APPENDIX A

6. Key Challenges

In developing a rolling 3 year plan the Council will need to have a flexible approach to take account and accommodate a variety of factors and challenges which will impact on the future of the asset base. In summary these include:-

National level

The ongoing pressures on Local Government funding will produce a year on year reduction in available revenue and traditional forms of grant funding. This has placed increased pressure on how the Council uses and manages its assets in support of service delivery.

In addition there have been some key changes in Legislation. These include:

The Localism Act 2011

The Act seeks to decentralise power from the state to local communities by way of a variety of actions). Key areas under the Act impacting on the use of assets are Reform of the Planning System, Community Right to Bid, as part of which community groups can seek to bid for assets that have or continue to contribute to the social wellbeing or cultural, recreational or sporting interests of the local community, and Community Right to Challenge, which allows community groups or existing employees to bid to run Council services, as part of which alternative accommodation arrangements may be put in place.

.Disposal and Appropriation of School Land – Changes in Legislation (Education Act 2011 and new Schedule 1 to the Academies Act 2010)

The changes which came into force on 1 February 2012 means that Secretary of State consent is required if a Local Authority wishes to dispose of any school land or make an appropriation of school land. This enables the Secretary of State to consider all surplus school premises and land (regardless of size, ownership, status) against the demand for Free Schools, Academies, Studio Schools or University Technical College's ('UTC') in the area. These changes create a potentially greater risk of not securing the relevant consents from Central Government. As such the Council may not be able to fully rely on the receipts from those sales at the present time which may have an impact on budget forecasts for Capital Receipts and capital investment in Schools.

There remains an expectation by Central Government that the public sector will also rationalise its asset base to reduce costs and generate receipts to assist in reducing the budget deficit. The on-going poor performance of the property market in the majority of the UK and reduced bank lending is continuing to have a marked impact on the quantum of sales and level of capital receipts which can be realised and relied upon to support the MTFP.

Agenda Item 7

APPENDIX A

Although sites marketed in the North of the borough have attracted competitive bids, there is an issue in terms of land values in the South and the general situation is unlikely to substantially improve in the immediate future despite government-led initiatives such as the Funding for Lending and Help to Buy schemes. Alternative options will be continually explored to ensure that sites are brought forward and land values or other priority outcomes are maximized, e.g. through the use of development joint ventures and potentially through asset backed vehicles.

Corporate Level

Protection of Key Frontline Services

This is a key challenge that will inevitably require better alignment of asset provision to service delivery to reduce operational costs and achieve necessary savings. This will necessitate greater shared use of premises, both within the Council and with other organisations potentially with targeted investment to improve retained space where it will result in demonstrable improvements in service delivery.

Reducing the Level of Maintenance Backlog.

Figures below reflect the estimated level of Maintenance backlog for all the assets. Whilst there has been a decrease-in certain areas, through focused allocation of the maintenance resource and the transfer or disposal of surplus assets, other areas have seen an increase as a result of assets being resurveyed as part of the rolling programme of condition surveys and a general deterioration of the asset. It is expected that the situation will worsen over the next 3 - 5 years as capital funding remains constrained and the level of revenue funding for routine maintenance becomes increasingly stretched.

It should be noted that resources are in place in order to ensure that all operational and non operational building comply with statutory requirements.

Asset Group	Maintenance Backlog (£m)	
	2012	2013
Children's (Schools)	£ 65.1m	£63.7m
Leisure	£ 10.7m	£10.1m
Corporate	£ 8.5m	£ 6.6m
New Directions	£ 3.1m	£ 3.1m
Social Services	£ 0.73m	£ 0.71m
Tourism	£ 0.04m	£ 0.02m
Environmental	£ 1.8m	£ 1.9m

APPENDIX A

Total **£89.9m** **£86.1m**

The reduction in liability within the Schools portfolio has been driven largely by the transfer of assets arising from the recent creation of Academies and the Hawthorne's Free School.

Maintaining Revenue from the Council's Non-operational Estate.

The income stream derived from the estate (in real terms) has markedly declined as assets have been released to assist in the generation of capital receipts and support regeneration initiatives. This trend has been exacerbated by a further erosion of rents and increase in void costs caused by tenant default as adverse trading conditions continue to impact the business performance of tenants.

Without a significant intervention the portfolio will continue to lose value and influence (as a potential catalyst for stimulating regeneration and redevelopment schemes). As the estate is largely a legacy of the creation of the current Council and an accumulation of various landholdings over many years, it is an imperative that a structured review is undertaken.

A review would focus on the economic viability of the current portfolio, with a consideration of the Council's strategic ownerships in Bootle Town Centre and Southport. Where appropriate, rationalisation of the estate could create a useable capital resource and lead to the establishment of a more sustainable portfolio

7. Property Assets – Investment Priorities

Proposed Gap Analysis

Gap analysis of both the operational and non-operational property portfolios will be undertaken to identify;

- the level of required maintenance (as assessed from the condition surveys),
- including works needed in respect of statutory requirements, for instance, accessibility, asbestos, Legionella, environmental sustainability, etc;
- areas of proposed capital investment, including enhancement, replacement and shared use of facilities and provision of accommodation focused on the Council's core, freehold buildings;
- financial and opportunity savings realised through rationalisation and the level of anticipated receipts which could be relied upon (given the current and projected market conditions);
- the level of resources secured and/or potentially available to fund the Capital Investment Plan based on information known at the time the plan was prepared.

A financial summary of the capital funding requirement between current and future asset needs will be produced and then updated on a periodic basis.

Agenda Item 7

APPENDIX A

A formal disposals programme will be produced linked to the capital investment plan and the corporate requirement for capital from disposal receipts, and any agreed rationalisation of the portfolio to enable its efficient management within reducing resource.

The Council will continue to fund essential backlog maintenance and maintenance where it resolves a health and safety hazard or could remove an impediment to the delivery of front line services.

Delivery of Key Strategic Priorities

Building upon the momentum generated in previous years in regenerating key areas within the borough, the Council is committed to use its asset base to deliver the following key strategic priorities. As part of that process it will seek to align funding opportunities to those initiatives, including the allocation of specific land sites and land receipts to support the following programmes;

- **Housing Delivery Plan** - The Council signed up to the Liverpool City Region Investment Agreement in 2012, which commits all of the region's Councils to make available land for economic and housing development. There is also a commitment to explore ways to creatively use assets to underpin and accelerate programmes of investment and development. The Council is looking to maximise the delivery of new homes, both affordable and for sale, on Council owned land, to help facilitate the delivery of 510 new homes per year, as set out in the preferred option of the Council's Local Plan. This is likely to include partnerships with the Homes and Communities Agency, Registered Providers and other partners to develop new housing on a variety of Council owned sites across the borough. It may see the Council making available land towards a mixture of subsidy to deliver affordable housing.
- **Economic Regeneration** - the Council will continue to progress major development proposals involving its land resource. This would be similar to schemes such as Kings Gardens, Southport. It will initiate schemes that provide complementary support to Port Expansion which includes the provision of alternative sites and assets that facilitate business growth and displacements. It will support initiatives that assist in the support and regeneration of the key town centres across the borough

New Investment in Assets

In terms of other new capital bids for investment in property assets, these will be submitted on a case by case basis in accordance with the Council's Capital Strategy.

APPENDIX A

8. Funding Options

If the Council is to continue to invest in its property asset base it will need to consider alternative and innovative solutions to supplement more traditional funding sources as part of its resourcing strategy. All of the options listed below will be explored and where appropriate business cases will be prepared to develop these further:

- **Use of Specific Capital Allocations** – most particularly in relation to schools
- **Capital Receipts** – the Council will take a structured approach to the release of sites to ensure it maximises land values whilst at the same time disposes of problematic sites and supports the provision of affordable housing in areas of need.
- **Invest to Save** – where there is a robust economic case and a realistic payback period
- **Asset transfer** - to third parties & community organisations, in particular where organisations can take over and provide services previously delivered by the Council. The advent of the Localism Act reinforces the need for the Council to operate an appropriate policy to govern and manage any transfers.
- **Securitisation** against Council Assets and/or Covenant –the asset value of the Council's land and property could be utilised to secure useable capital or reduced revenue costs albeit in return for a sacrifice of upfront capital receipt via the following methods and investment vehicles;
 - **Sale Leaseback** – would usually be commercial properties but depending on the return and potentially increased revenue costs other operational assets could be sold on this basis
 - **Asset Backed Vehicles (ABV)** – the principle behind the proposed delivery vehicle for the Sefton Integrated Investment Strategy (SIIS) however the vehicle would have to be procured and there would be an expectation of a reasonable scale of development to justify the associated costs. A vehicle with the potential to capture additional value for the Council to be recycled in the vehicle or released for other purposes.
 - **Other Joint Venture Arrangements (JV)** – adopts similar principles to an ABV, but can be scaled up or down to reflect a more discrete or specific development outcome.
 - **Investment Funding** – this could be in the form of municipal bonds, equity funding, sub-loans (on a project by project basis) or the Council becoming an investment partner (as a lessee). This could be delivered through an ABV or as a stand-alone arrangement. The level of funding which could be delivered will depend upon the quantum, value and any mitigation of the associated risks of the projects which the Council can offer.

Agenda Item 7

APPENDIX A

- **Public Private Fund** – could be created using a cocktail of public (RGF, capital receipts, etc.) and private funding (equity investment, sub loans), which could then be targeted towards agreed priorities or used to lever in additional private investment.

- **Charitable & Heritage Trusts** – to take advantage of cost advantages in operation and broader eligibility for grant funding.
- **Shared Accommodation** – potentially through joint developments with public partners. Joint European Support for Sustainable Investment in City Areas (JESSICA) – Known locally as Chrysalis this is a substantial revolving ERDF fund to unlock development projects in the Merseyside region. Opportunities exist for the Council to put its assets in to the fund to lever in additional resources.
- **New and Existing Government Funding and Initiatives.**
 - These include
 - European Structural Funds 2014-20.
 - The Local Growth Fund from 2015
 - Regional Growth Fund (RGF)
 - Growing Places Fund (GPF)
 - Tax Increment Finance (TIF)
 - Community Infrastructure Levy (CIL)
 - Regional Venture Capital Loan Fund and Guarantees

- **Strategic Acquisition & Investment Proposals** – in particular where the strategic assembly of sites could yield a greater overall return for the Council when the assembled site is redeveloped
- **Capitalisation** – given that a number of the High Priority maintenance backlog schemes are in the region of £10,000 one option available could be to capitalise the cost of the works.
- **Additional Ad Hoc resources from Government Agencies**

9. Key Strategy & Policy Documents

This plan acts as an over arching document that sets the framework in which the Council's key, property asset based strategies, policies and procedures are developed, operated and reviewed. The other key strategy and policy documents are;

- The Asset Disposal Policy
- The Accommodation Strategy
- Community Asset Transfer Policy

APPENDIX A

10. Review

The Plan will be reviewed annually, adapting to the review of the Council's strategic objectives, changes in policy, professional practice and changes in the economy and property markets. It does not need to be redrafted annually if the existing documentation remains valid.

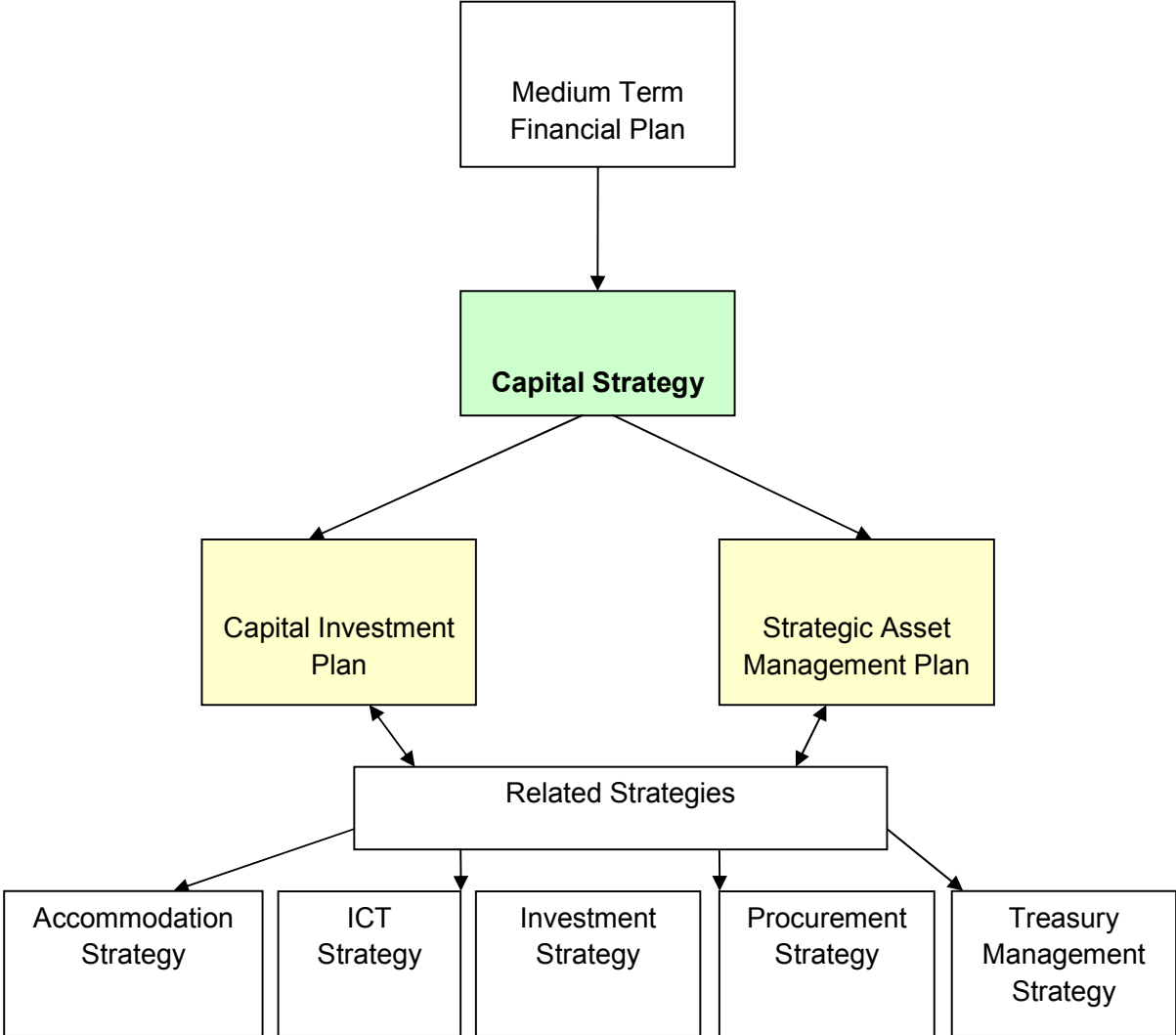
11. Summary

This Strategic Asset Management Plan demonstrates and sets the framework which enables the Council to build a long term asset management programme to ensure the efficient and effective use of assets to support the achievement of the Council's corporate priorities.

Agenda Item 7

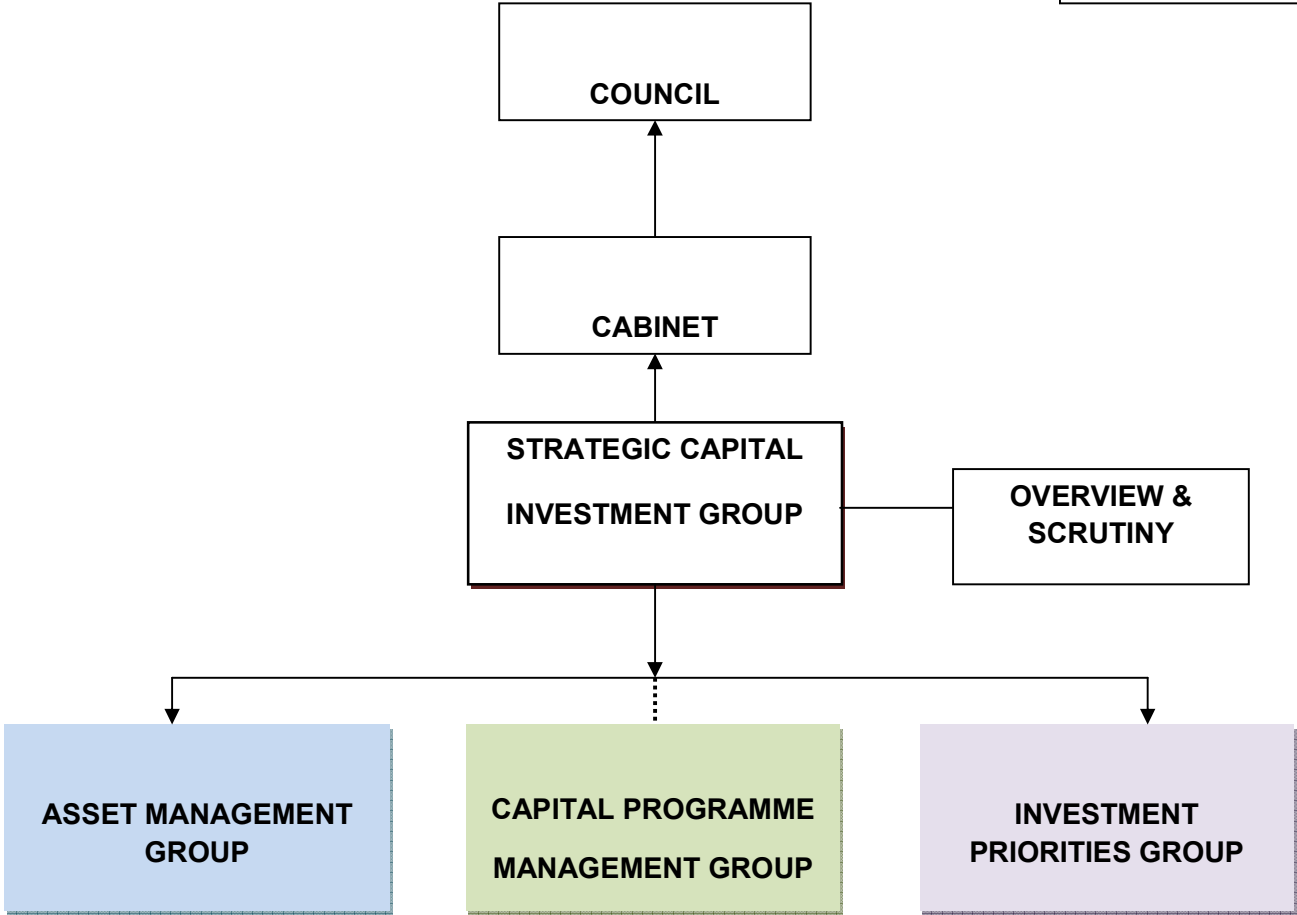
Appendix A

Capital Allocation Framework



STRATEGIC ASSET MANAGEMENT GOVERNANCE STRUCTURE

Appendix B



The purpose of the Asset Management Group is to act as a forum for the consideration and discussion of all matters relating to the Council’s property holdings. It will be chaired by the Director Built Environment and membership will comprise senior officers from Council service areas who are the key stakeholders. The group will make recommendations to Elected Members relating to the property assets that support service delivery and capital allocation

The purpose of the Capital Programme Management Group is to act as a forum to oversee the delivery of projects identified in the agreed capital plan. This plan includes the investment projects in the council’s physical assets, principally highways and property. It will be chaired by the Director Built Environment and membership will comprise senior officers involved in the delivery of capital schemes. Progress reporting will be to SCIG.

The purpose of the Investment Priorities Group is to act as a structured forum for the consideration and discussion of all matters relating to the identification, funding and delivery of development opportunities, both public and private sector led within the borough. It will be chaired by the Head of Economy & Tourism and membership will comprise senior officers involved in inward investment and business development strategy and delivery. Recommendations and

Agenda Item 7

APPENDIX A

Appendix C

SUMMARY OF OPERATIONAL & NON-OPERATIONAL ASSETS

As at 13th November 2013

OPERATIONAL

400 Assets

Town Halls
Children's Homes
Day Centres/Family Centres
High Schools
Primary Schools
Special Schools
Youth Centres
War Memorials
Public Conveniences
Children's Playgrounds
Libraries
Golf Courses
Miscellaneous Others - Including Car Parks and Playing Fields, etc

NON-OPERATIONAL

589
Assets

Allotment Sites
Golf Courses
Shop Units
Shopping Centres
Youth Organisation Buildings
Miscellaneous commercial land & Property interests (Producing annual rental in excess of £200 per annum)
Housing Market Renewal Assets (pending demolition)
Vacant Sites & miscellaneous commercial land & Property interests
(Producing annual rental per property less than £200 per annum)

RESIDENTIAL GROUND RENTS & CHIEF RENTS

3001
Assets

Freeholds subject to long leases (Typically 999 years) and Chief Rents (not the freehold, but a right to receive a small annual payment)

Agenda Item 8

Report to: Council **Date of Meeting:** 23rd January 2014

Subject: Local Council Tax Reduction Scheme 2014/2015, Change to Council Tax Discount for Unoccupied Properties from 1st April 2014 and updating the Council Tax Base 2014/2015

Report of: Head of Corporate Finance and ICT **Wards Affected:** All

Is this a Key Decision? Yes **Is it included in the Forward Plan?** Yes

Exempt/Confidential No

Purpose/Summary

This report seeks to –

- A. Provide Council with a review of the current Council Tax Reduction Scheme and to consider whether the scheme should be revised or replaced with another scheme for 2014/2015.
- B. Provide Council with feedback received on the recent consultation exercise regarding the proposed revision to the current Council Tax Reduction Scheme and approve a scheme for 2014/2015;
- C. Recommend Council to progress the Council Tax technical change discount for unoccupied properties from 1st April 2014; and
- D. Provide Council with an updated Council Tax Base for both Sefton Council and for each Parish Area for 2014/2015.

The report contains a number of Annexes listed below for ease of reference:

Annex A: Sefton MBC New Council Tax Reduction Proposed Scheme 2014/2015
Annex B: Consultation Summary – Local Council Tax Reduction Scheme 2014/2015
Annex C: Council Tax Base Report 2014/2015

Recommendations

1. Council approves and adopts the revision to the Council Tax Reduction Scheme as detailed in paragraph 4.3 of this report;
2. Council approves the change to the discount for empty and unoccupied properties to take effect from 1st April 2014 as set out in section 5;
3. Council approves a budget of £150,000 for exceptional hardship payments in 2014/2015;
4. Council approves the Tax Base for Sefton Council and for each Parish Area for 2014/2015 as set out in Annex C;
5. Council approves the payment of grants to the parish councils in 2014/2015 to compensate them for the cost of the Council Tax Reduction Scheme as set out in Annex C.

Agenda Item 8

How does the decision contribute to the Council's Corporate Objectives?

	Corporate Objective	Positive Impact	Neutral Impact	Negative Impact
1	Creating a Learning Community		✓	
2	Jobs and Prosperity		✓	
3	Environmental Sustainability		✓	
4	Health and Well-Being			✓
5	Children and Young People			✓
6	Creating Safe Communities		✓	
7	Creating Inclusive Communities		✓	
8	Improving the Quality of Council Services and Strengthening Local Democracy		✓	

Reasons for the Recommendations:

Local Council Tax Reduction Scheme

By law each financial year the Council must consider whether to revise or replace its Local Council Tax Reduction Scheme. Any revision must be made by 31 January in the preceding financial year to that which it is to take effect.

The 2013/2014 local scheme has only been in operation since April 2013 and the objectives of the scheme and its impact continue to be monitored and evaluated. Any decision to revise or replace the scheme would require compliance with statutory provisions in accordance with the Local Government Finance Act 2012 (Chapter 17), schedule 4.

Each year state benefits for working age people are increased by the Government. These increases, because they would result in a higher income for anyone receiving benefits, would subsequently result in a reduction in the amount of means-tested council tax reduction received unless the applicable amounts and personal allowances are also increased. This increase is referred to as uprating and a small revision is required to the existing scheme from 2014/2015 and the Council is required by law to publish and consult on this proposed change.

The proposed revisions to the Council Tax Reduction Scheme ensures that those householders on the lowest incomes are not adversely affected by the Government annual uprating of state benefits.

Change to Council Tax Discount for Empty Property

The Council at its meeting held on 28th February 2013 agreed a budget proposal for 2014/2015 which requires a change to council tax charges for vacant properties (unoccupied and substantially unfurnished) from the 1st April 2014.

Council Tax Base

In accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 1992, as amended, the Council is required to set a tax base for both Sefton and for each Parish Area for 2014/2015. This can only be achieved once the Local Council Tax Reduction Scheme and change to council tax discount for vacant properties have been approved.

What will it cost and how will it be financed?

(A) Revenue Costs

Local Council Tax Reduction Scheme: The proposal to up-rate the amounts used to calculate the level of support in the 2014/2015 Local Council Tax Reduction Scheme is expected to be cost neutral. As the uprating will be mainly in-line with the Government's proposed changes to pensions and benefits it is not expected to increase the level of claimants eligible for council tax support in 2014/2015.

Change to Council Tax Discount: The proposed removal of the 50% discount on homes that have been empty and substantially unfurnished for between 2 and 6 months is expected to increase the council tax income by £780,000 in 2014/2015. Sefton's share of this amount is £659,000 (84.4%). The Indicative Budget for 2014/2015 approved by Council on 28 February 2013 assumed additional income of £400,000 as a result of this change, so there will be a need to approve further savings of at least £400,000 in 2014/2015 if this change is not approved.

Exceptional Hardship Fund: The proposal to make the Exceptional Hardship Fund a permanent feature of the Council's Budget will cost £150,000. It is proposed to fund this budget from the increase in council tax income resulting from the removal of the discount on empty (and substantially unfurnished) homes.

Council Tax Base: The Council's tax base has increased by 475.8 Band D equivalent properties. This will lead to an increase in Sefton's share of forecast council tax income of £602,000 in 2014/2015. This includes the impact of removing the 50% discount highlighted above. This is £202,000 higher than assumed in the Indicative Budget for 2014/2015, before allowing for any increase in Sefton's Band D Tax rate.

Parish Funding: The proposed grant funding for Parish Areas to compensate them for the cost of the Council Tax Reduction Scheme is £118,116. This amount is already included in the Indicative Budget for 2014/2015, so there is no additional revenue budget implication.

Summary of Revenue Costs	2014/2015		
	Indicative Budget £000	Proposals £000	Variation £000
Council Tax Reduction Scheme Up-rating	0	0	0
Changes to Council Tax Discounts	-400	-659	-259
Other Changes in the Tax Base	0	57	57
Exceptional Hardship Fund	0	150	150
Parish Funding	118	118	0
Total	-282	-334	-52

Agenda Item 8

(B) Capital Costs

No capital costs are planned for this change in system.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal comments

By Section 5 of Schedule 1A of the Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012) for each financial year each billing authority must

- a. Consider whether to revise its Council Tax Reduction Scheme or to replace it with another scheme
- b. Make any revision to its scheme, or any replacement scheme, no later than 31st January in the financial year preceding that for which the revision or replacement is to have effect.
- c. If any revision to a scheme, or any replacement scheme, has the effect of reducing or removing a reduction to which any class of person is entitled, the revision or replacement must include such transitional provision relating to that reduction or removal as the authority thinks fit.
- d. Before revising its scheme or making a replacement scheme, an authority must:
 - i. Consult any major precepting authority which has power to issue a precept to it.
 - ii. Publish a draft scheme in such manner as it thinks fit and
 - iii. Consult other such persons as it considers are likely to have an interest in the operation of the scheme.

Human Resources None

1. No Equality Implication at this time
2. Equality Implications identified and mitigated
3. Equality Implication identified and risk remains

✓

What consultations have taken place on the proposals and when?

The Head of Corporate Finance and ICT (FD2757) and the Head of Corporate Legal Services (LD2063) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

Not to revise the 2013/2014 Council Tax Reduction Scheme in line with Department for Work and Pensions annual uprating for state benefits, applicable amounts and personal allowances. This would mean non-pensioner claimants would see a reduction in the amount of means-tested council tax reduction and will not match the applicable amounts and personal allowances for Housing Benefit calculation.

Implementation Date for the Decision

After the Council meeting.

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Background Papers:

There are no background papers available for inspection.

Agenda Item 8

1 Introduction/Background

1.1 Local Council Tax Reduction Scheme

- 1.1.1. The Government abolished Council Tax Benefit (CTB) from the 1 April 2013 and councils had to replace this with a local scheme which had to be approved and adopted by 31st January 2013 as prescribed within the Local Government Finance Act 2012.
- 1.1.2. The Government protected pensioners and the level of support received by pensioners did not reduce by the introduction of the local scheme.
- 1.1.3. Following public consultation between August and October 2012, Sefton Council's Local Council Tax Reduction Scheme 2013/2014 was approved and adopted by Council on 24th January 2013.
- 1.1.4. For each financial year, the Council must consider whether to revise its scheme or replace it with another scheme. The scheme must be approved and adopted no later than the 31st January in the preceding financial year.
- 1.1.5. **The proposed revisions to the Council Tax Reduction Scheme ensures that those householders on the lowest incomes are not adversely affected by the Government annual uprating of state benefits.**

1.2 Council Tax Technical Change

- 1.2.1. At its meeting on 24 January 2013 the Council approved a small number of technical changes to council tax discounts and exemptions in order to meet the funding requirements of the Council Tax Reduction Scheme and to encourage owners of empty properties to bring them back into use more quickly. These changes took effect on 1 April 2013 and were expected to deliver an increase in council tax income of £1.530m. This report provides a review of the impact of the technical changes based on information available at the end of October 2013.
- 1.2.2. At its budget meeting on the 28 February the Council approved an indicative budget for 2014/2015 that assumed a further technical change to council tax discounts that was expected to increase the Council's share of council tax income by £0.4m. This report progresses the formal approval process for this change and provides an updated forecast of the financial implications.

1.3 Setting the Council Tax Base

- 1.3.1. The Council is required to calculate its own tax base along with a tax base for each parish council within its area and have them approved by 31 January 2014.
- 1.3.2. The tax base is normally approved by Cabinet. However, for 2014/2015 the tax base calculation is affected by the changes to the council tax reduction scheme and the technical change to council tax discounts proposed in this report. These need to be agreed before the tax base can be formally approved, therefore, Council approval is required for these changes.

2. Review of the Scheme Approved for 2013

2.1. Local Council Tax Reduction Scheme Review

2.1.1. The Council is under a statutory duty to review its scheme annually. At the time of writing this report, we are only part of the way through the financial year. Therefore, the review is based on available data for the first seven months (April to October). The focus of the review centres on the following fundamental areas which include:

- Claimant caseload
- Prescribed requirement regulations
- Impact on the most vulnerable claimants.
- Review of scheme principles
- Local Scheme – review of feature changes made to Government national scheme
- Appeals / Disputes
- Council Tax Exceptional Hardship fund - discretionary provision
- Financial implications for the Council

2.2. **Claimant caseload** – the table below shows the caseload in comparison to the previous year.

Year	Pensioner Claimants	Working Age Claimants	Total
October 2012	15,723	17,814	33,537
October 2013	14,901	16,552	31,453

The working age caseload can be split further:

Vulnerable – identified from non-passported claims	26
Employed	3,080
Working Age Other	13,446
Total	16,552

2.3. **Prescribed Requirements regulations** – Statement of intent on up-rating for pensioners on council tax support

2.3.1. To ensure that this protection is maintained, the Government has amended the Prescribed Requirements Regulations to up-rate the allowances, premia and non-dependent deductions for pensioners for 2014/2015 [Statutory Instruments

Agenda Item 8

2013 No.3181 Council Tax, England, Council Tax Reduction Scheme (Prescribed Requirements)(England)(Amendment) Regulations 2013 which came into force 13/01/2014]. They will be amended again to up-rate for 2015/2016.

2.4. Impact on the most vulnerable claimants

2.4.1. The scheme implemented for 2013/2014 minimised the impact on vulnerable claimants as much as possible. The mitigating actions include:

- Provision of an Exceptional Hardship Fund – see paragraph 2.8
- Maintenance of core aspects of the Government Default scheme that provides additional assistance where there are children, disability and caring responsibilities.
- Council tax collection – 12 month instalment payments offered to council tax payers.
- Enforcement action – processes were reviewed and court costs were minimised to external charges only. Also customers are sign posted for debt advice and appointments can be arranged with Citizen Advice Bureau for advice on budgeting skills. In addition before cases are referred for bailiff enforcement action which would incur associated statutory costs, cases are dealt with under a separate debt recovery process to ensure the debt does not increase.

2.5. Review of scheme principles

2013/2014 Local Council Tax Reduction Scheme was based on 5 principles and is summarised below:

Principle	(CTRS) Scheme working for non-pensioner claimants?
The Council will continue to support work incentives	Yes – rules based on the Government default scheme regarding the treatment of earnings from employment is in place under the 2013/2014 scheme.
The Council will continue to recognise the additional needs of our most vulnerable residents.	Yes – the Council have retained the carer premium for those eligible for Carer’s Allowance and the various disability premiums for those in receipt of Disability Living Allowance, Attendance Allowance, Long Term Incapacity Benefit, Severe Disablement Allowance and other qualifying benefits. Procedures were reviewed for the collection of non-payment of council tax to ensure non-disproportionate impact on the most vulnerable households. Also financial budgeting skills and advice is being made available to all claimants. The Council Tax Exceptional Hardship Fund – is available with fair and transparent criteria for awards.
The Council will continue to recognise the additional needs of families with children	Yes – Child Benefit and Child Maintenance payments are not taken into account when calculating the income for CTRS. Also the Council continue to award the Disabled Child premium and disregard child care costs as administered under the government default scheme.
The Council supports households staying together to make better use of housing in Sefton and reduce	Yes - The amount deducted when calculating council tax reduction when other adults live in the household has been reduced.

Agenda Item 8

homelessness.	This is known as a non-dependant deduction.
The Council will continue to have due regard to the Armed Forces Covenant	Yes – War Disablement and War Widows pensions in calculating CTRS, including any Armed Forces compensation in accordance with the covenant is ignored.

2.6. Local Scheme - review of feature changes made to Government scheme 2013

The local scheme was based on the Government prescribed Default scheme from April 2013 with a number of modifications for non-pensioner claimants – see table below;

Feature	Sefton local Council Tax Reduction Scheme (CTRS) 01.04.2013 – 31.03.2014	2013/2014 review of non-pensioner modifications <u>Monitoring results @ 31.10.2013</u>
1	Reduce council tax eligible liability to 80%. All non-pensioner claimants will have to pay 20% of their council tax bill.	80% liability calculation - £3.3m saving within forecast Non pensioner claimants 16,552
2	Do not grant a Council Tax Reduction to a non-pensioner claimant who has capital/ savings above £6,000.	85 claimants were affected by the change, and 13 claims are now back in payment.
3	Remove entitlement to non-pensioner claimants to council tax second adult rebate	179 claims were affected by the change, and 13 claimants now qualify for CTRS The change simplifies the scheme and aligns to rules for Universal Credit. Claimants on low income can apply for the Council Tax Reduction scheme
4	Introduction of flat rate deduction for non-dependants – for working age claimants.	
	flat rate deductions for non-dependants for working age claimants:- <ul style="list-style-type: none"> £2.00 per week for non- working non-dependants £2.00 per week for non-dependant in remunerative work with a gross income of less than £183 per week. £5.00 per week to apply to all working age working no dependants. (there are no deductions if the non-dependant is in receipt of Income Support, Income -based Job Seekers Allowance, Income Related	<p>Note: There are no non- dependant deductions for Council Tax Benefit if the claimant or partner</p> <p>- <i>Is blind or has recently regained their sight or, receives the care component of disability living allowance payable at any rate or receives attendance allowance payable at any rate.</i></p> <p>Cost implication – currently indicating a cost of £60K which is within forecast.</p> <p>There has been anecdotal evidence that the flat rate deductions have supported non-dependant adults staying in the family home, or moving back to the family home. However, the impact of the Housing Benefit reductions in the social rented sector for under-occupied households (“bedroom tax”) has also resulted in non-dependants moving back into the family home to help minimise Housing Benefit cuts. This factor makes it difficult to quantify the exact impact of the flat rate non-dependant deduction in the CTRS.</p>

	Employment and Support Allowance, or Pension Credit	
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2.7. Appeals /Disputes

- There have been 174 appeals/disputes regarding the local Council Tax Reduction Scheme since April 2013. The majority of these were received between April-July when 130 appeals were submitted. Out of the 174 only 1 appeal has been submitted to the Valuation Tribunal Service which relates to a matter not concerning the design of scheme.
- Matters raised in the appeal process included some of the following comments:
 - why am I paying more this year ?
 - Why do I have to pay if on Income Support/ Job Seekers Allowance etc?
 - I cannot afford to pay anything
- Where payment difficulty has been identified claimants have been invited to apply for a Council Tax Exceptional Hardship Payment.

2.8. Council Tax Exceptional Hardship Fund

- 2.8.1. As part of the proposals to mitigate against potential issues for vulnerable claimants the Council set aside £143,000 for the exceptional hardship fund which is administrated within agreed policy and procedures.
- 2.8.2. The following is a brief summary of how the fund has been operating up until 31 October 2013:
- 1,758 requests for council tax hardship fund received.
 - 963 claimants received an award
 - 622 claims refused
 - 173 to be processed.
- 2.8.3. At that time £18,602.74 (13% of the total budget) remained unallocated. The fund is on target to be used in full by the year end.

2.9. Financial implications

- 2.9.1 The Council Tax Reduction Scheme approved in January 2013 was expected to generate savings of £3.130m against total forecast council tax benefit expenditure of £27.960m. This amount needed to be uplifted by £0.150m to take account of increases in council tax charges by the Police and Crime Commissioner, the Fire and Rescue Service and Parish Councils in 2013/2014, giving a net budgeted scheme cost of £24.980m. The latest forecast expenditure on council tax reduction scheme discounts in 2013/2014 is £23.620m, based on information at 25 October 2013. This is a saving of £1.360m which is due to a reduction in the number claimants during 2013.
- 2.9.2. The Council Tax Base also included an additional provision of approximately £0.800m for non-payment of council tax now charged to CTRS claimants. The latest budget monitoring forecast includes a provision of £1.200m based on the level of debt outstanding on CTRS accounts in October 2013. This is £0.400m higher than the budget.

Agenda Item 8

- 2.9.3. The forecast net scheme saving is therefore £0.960m. However, it should be noted that the number of claimants is changing daily and that the level of non-payment could increase as the year progresses, so there is still a significant level of uncertainty around this forecast.

2.10. Summary of local Council Tax reduction scheme review

- 2.10.1 The monitoring and evaluating activity being undertaken shows that the local scheme is working and fulfilling the principles of the scheme.

2.11. Council Tax Technical changes review

- 2.11.1 As part of the proposals to bridge the funding shortfall on the council tax reduction scheme the Council approved a small number of changes to council tax discounts and exemptions. These changes were forecast to deliver an increase in council tax income of £1.520m.
- 2.11.2. We are only part way through the first year of implementing the changes so it is not possible to fully assess their success in delivering the required additional income. However, the following table provides a comparison of the budgeted council tax income against the forecast position at the end of October 2013:

	<u>Technical Changes</u>	Budgeted Income 2013/2014 £	Updated Forecast 2013/2014 £	Variation £
B1	Reducing the discount from 10% to 0% for second homes and any other furnished properties not occupied as a main home.	-70,000	-57,000	13,000
B2	Removing the 6 month Class C exemption for vacant properties (unoccupied and substantially unfurnished). Introducing a 100% discount for 1 month and reducing the discount to 50% for the following 5 months.	-780,000	-781,000	-1,000
B3	Charging a premium of 50% on properties unoccupied longer than 2 years.	-450,000	-333,000	117,000
B4	Removing the 12 month Class A exemption for properties undergoing major structural repair / alteration. Introducing a 50% discount for up to 12 months when a property is in need of or undergoing major repair / alteration.	-230,000	-215,000	15,000
	Total	-1,530,000	-1,386,000	144,000

- 2.11.3. The shortfall in council tax income is largely due to a reduction in the number of properties subject to the empty homes premium. This is because a significant number of long-term empty homes have been brought back into use during the year.

3. Proposed draft local Council Tax Reduction Scheme 2014/2015

- 3.1. The scheme so far addresses the reduction in funding available and has been formulated to minimise the detrimental effect on the most vulnerable.
- 3.2. It is proposed to uprate state benefits for non-pensioner claimants in line with Department for Work & Pensions (DWP) uprating which was confirmed in the 'Welfare Benefits Uprating Act 2013' and enacted in March 2013. In addition to uprate the applicable amounts and personal allowances using DWP rates. This will ensure non-pensioner claimants are not adversely affected by annual uprating. To achieve this in 2014/2015, minor adjustments are required to the scheme.
- 3.3. Except for annual uprating the scheme should continue to run as at present for 2014/2015 taking into account the annual uprating for pensioners and any other statutory requirements. The scheme will continue to be monitored and evaluated. This will allow a more comprehensive review to be undertaken in early 2014/2015 when more comparative data will be available before recommending options for 2015/2016. This will include any required consultation to be undertaken during the summer /autumn of 2014.
- 3.4. See Annex A for proposed 2014/2015 Sefton local Council Tax Reduction Draft Scheme.

4. Council Tax Reduction Scheme – Feedback on Consultation

- 4.1 It was agreed at Cabinet on 5 December 2013 that the Head of Corporate Finance and ICT would publish and consult upon the draft revised Council Tax Reduction Scheme for 2014/2015, as set out in Annex A
- 4.2 The results of the consultation would be reported to this meeting – this is attached at Annex B. A summary of the consultation is as follows:
- a) 35 responses to the online survey have been received of which 28 agree and 7 disagree.
 - b) Letters were issued to the precepting authorities – Merseyside Police and Merseyside Fire and Rescue Service.
 - c) Letters were issued to stakeholders inviting them to take part in the consultation survey.
 - d) Comments received indicate there is no issue regarding the proposal to uprate working age personal allowances in line with Department for Work and

Agenda Item 8

Pensions uprating of income-related social security benefits. Comments received are also detailed in Annex B.

- e) As part of the consultation, equalities questions were asked in connection to gender, age, disability and ethnicity. The consultation responses do not indicate any disproportional impact.
- f) The Department for Work and Pensions has announced that housing benefit personal allowances will be uprated by 1% (Housing Benefit Circular A24/2013 (Revised) dated 18th December 2013). This is in accordance with the figures presented to Cabinet 5th December 2013.

4.3 It is recommended that the Council's existing Council Tax Reduction Scheme be revised so that it takes into account the annual uprating of applicable amounts and personal allowances for working age claimants as defined by Department for Work and Pensions Housing Benefit Circular A24/2013 (Revised) such revision to take effect from 1st April 2014.

5. Proposed Council Tax Technical Change 2014/2015

- 5.1. Section 11 of the Local Government Finance Act 2012, Chapter 17 allows Billing Authorities the power to determine the council tax discounts given on certain prescribed classes of dwelling in their area.
- 5.2. At its budget meeting on 28 February 2013 the Council approved an indicative budget for 2014/2015 that included additional income of £0.4m achieved by the removal of the current 50% council tax discount on dwellings that are empty and substantially unfurnished for two to six months.
- 5.3. The latest council tax forecast indicates that the removal of this discount will increase gross council tax income by £0.780m in 2014/2015. Sefton's share of this amount is £0.659m (84.4%). The remaining income is paid to the Police and Crime Commissioner, the Fire and Rescue Service, and Parish Councils.
- 5.4. The aim of the proposed change is to help keep down the overall level of Council Tax for our residents by increasing the council tax base and to make best use of housing stock by encouraging owners to bring empty properties into use more quickly.
- 5.5. The removal of council tax exemptions for certain classes of empty properties and their replacement with locally determined discounts was consulted on as part of the council tax reduction scheme proposals undertaken in 2012. An equalities assessment was also undertaken during 2012. Details of the consultation responses and equalities analysis was reported to Council on 24 January 2013.
- 5.6. The proposed change does not affect the 100% discount given in the first month that a dwelling becomes unoccupied. So registered social landlords, private landlords, and owner occupiers will still benefit from a reasonable period free from paying council tax within which to bring their properties into occupation.
- 5.7. Owners of vacant properties requiring, or undergoing, major structural repair will also continue to be able to claim a 50% discount for up to twelve months. So the proposed change should not discourage owners from making improvements to their properties.

5.8. There is no discretionary power for Councils to change:

- The rules around other empty properties being exempt from council tax, for example where the owner has died or in a nursing home.
- The rules around other occupied properties being allowed an exemption or discount from council tax for example, where certain occupants are students, carers or severely mentally impaired.

5.9. The Council is required to formally approve any change to local council tax discounts. This report seeks to formally recommend the approval of the removal of the current '50% discount on dwellings that are empty and substantially unfurnished for two to six months' with effect from 1 April 2014.

5.10 Additional budget savings of at least £0.4m will have to be identified in 2014/2015 if this change is not approved.

6. Exceptional Hardship Fund 2014/2015 and beyond

6.1. The cost of the Council Tax Exceptional Hardship Fund was met from one-off funding in 2013/2014. This funding will cease in 2014/2015 and the Council will be unable to address individual hardship cases if an extension is not agreed for 2014/2015 and beyond. It is therefore proposed to make the Exceptional Hardship Fund a permanent feature of the Council's Budget at a cost of £150,000. It is proposed to fund this budget from the increase in council tax income resulting from the removal the discount on empty (and substantially unfurnished) homes.

7. Proposed Council Tax base for 2014/2015:

7.1. The Council in its capacity as the local billing authority is required to set the council tax base for 2014/2015 for both Sefton and for each Parish Area no later than 31 January 2014. Details of the proposed tax base for each of these bodies is provided in Annex C of this report along with a brief explanation of the reason for any changes from the previous year.

7.2. The following table shows the tax base proposed for Sefton Council and each Parish Area for 2014/2015:

Area	Tax Base 2014/2015
Metropolitan Borough of Sefton	76,992.00
Parish of Aintree Village	1,972.24
Parish of Formby	8,877.62
Parish of Hightown	839.36
Parish of Ince Blundell	157.78
Parish of Little Altcar	261.79
Parish of Lydiate	1,976.84
Parish of Maghull	6,335.30
Parish of Melling	953.97
Parish of Sefton	228.65

Agenda Item 8

Parish of Thornton	735.83
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8. Compensating Parish Areas for Loss of Council Tax Income

- 8.1. The council tax income that parish areas can generate was reduced in April 2013 as a result of the introduction of the local council tax support scheme. The Government built funding into Sefton's Settlement Funding Assessment in order to provide Parish Areas with compensation for this loss of council tax income. How much, if any of this funding is to be passed on to Parish Council's has been left to Council's to decide in discussion with the parishes. In 2013/2014 the Council provided Parish Areas with a grant of £118,116 to bridge this funding gap. It is proposed that the same amount is paid to each Parish Area in 2014/2015 in order to prove stability of funding. Further detail is provided in Annex C of this report.

Annex A



LOCAL COUNCIL TAX REDUCTION DRAFT SCHEME 2014-2015

The Council propose to continue with the 2013/14 Local Council Tax Reduction Scheme subject to the following recommended revisions:

Pensioners – the Council will revise the 2013/14 Local Council Tax Reduction scheme to take account the annual uprating for allowances, premia , non-dependant deductions and any other statutory requirements in accordance with the Government’s Statement of intent dated 6 September 2013 for 2014 to 2015.

Non-Pensioners – the Council will revise the 2013/14 Local Council Tax Reduction scheme to take account the annual uprating for state benefits in accordance with the Department for Works and Pensions Welfare Benefits Uprating Act 2013, and enacted March 2013 for 2014 to 2015. The Council will also uprate applicable amounts and personal allowances in line with Housing Benefit uprating for 2014/15.

Agenda Item 8



LOCAL COUNCIL TAX REDUCTION SCHEME 2013-2014

Agenda Item 8

Contents

Glossary of Terms	Page 3
1.0 Introduction	Page 4
2.0 Prescribed Requirements	Page 4

Pension Age Claimants

3.0 Classes of persons who are entitled to a reduction under the scheme	Page 6
4.0 Reduction to which persons in a class are entitled	Page 7
5.0 Calculation of Capital	Page 10
6.0 Extended Reductions	Page 11
7.0 Applications	Page 12
8.0 Entitlement	Page 13
9.0 Decisions	Page 13
10.0 Changes of Circumstances	Page 14
11.0 Time and manner of granting relief and recoveries / over-payments	Page 14
12.0 DWP Changes to State Pension Credit Age	Page 14
13.0 Appeals	Page 15
14.0 Procedure for Applying for a Reduction Under Section 13A (1) (b)	Page 15

Persons who are not Pensioners

15.0 Introduction and classes entitled to a reduction	Page 16
16.0 Reductions attracted by classes	Page 17
17.0 Calculation of Income and Capital	Page 19
18.0 Calculation of Reductions	Page 21
19.0 Extended Reductions	Page 21
20.0 Entitlement	Page 22
21.0 Decisions	Page 23
22.0 Changes of Circumstances	Page 23
23.0 Time and manner of granting relief and recoveries/ over-payments	Page 23
24.0 Wider Welfare Changes – Universal Credit and PIP's	Page 23
25.0 Annual Updates	Page 24
26.0 Other Prescribed Requirements - Working Age	Page 24
27.0 DWP Changes to State Pension Credit Age	Page 24
28.0 Procedure for Applying for a Reduction under a Scheme	Page 24
29.0 Appeals	Page 25
30.0 Procedure for Applying for a Reduction Under Section 13A (1) (b)	Page 26

How to Contact Sefton	Page 27
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Agenda Item 8

Glossary of Terms

Applicable Amount

Means the combination of allowances and premiums used to determine a claimant's basic living needs and against which their income is compared for the purposes of the means test performed.

Couple

Means

(a) a man and a woman who are married to each other and are members of the same household;

(b) a man and a woman who are not married to each other but are living together as husband and wife;

(c) two people of the same sex who are civil partners of each other and are members of the same household; or

(d) two people of the same sex who are not civil partners of each other but are living together as if they were civil partners,

and for the purposes of paragraph (d), two people of the same sex are to be regarded as living together as if they were civil partners if, but only if, they would be regarded as living together as husband and wife were they instead two people of the opposite sex

CTB

Means Council Tax Benefit, (i.e. the existing national scheme)

CTR

Means Council Tax Reduction, (i.e. the Council's proposed local scheme)

Excess Income

Means the amount by which a claimant's weekly income exceeds their applicable amount.

Non-Dependant

A non-dependant is a person who is living with the claimant but who is not dependent upon them, and not living in their home on a commercial basis, (i.e. as a joint tenant or sub tenant). Non-dependants generally include an adult son or daughter, a mother or father, friend, etc of the claimant.

Pensioner

A pensioner is a person who has attained the qualifying age for State Pension Credit

Regulations

The original statutory instruments, schedules and regulations referred to in this document are:

The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, Statutory Instrument 2012 No.2885 (This is referred to throughout this document as Statutory Instrument 2012 / 2885 and can be accessed at:

<http://www.legislation.gov.uk/ukSI/2012/2885/contents/made><http://www.legislation.gov.uk/ukSI/2006/215/contents/made>)

The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012, Statutory Instrument 2012 No.2886 (This is referred to throughout this document as Statutory Instrument 2012 / 2886 and can be accessed at:

<http://www.legislation.gov.uk/ukSI/2012/2886/contents/made>)

1.0 Introduction

In April 2013, Council Tax Benefit, the current means of helping people on low incomes meet their Council Tax obligations, will be replaced by Sefton Council's Local Council Tax Reduction Scheme 2013-2014 (hereafter referred to as the Local Scheme 2013-2014).

Statutory Instrument 2012 / 2885 prescribes that a person who has attained the qualifying age for state pension credit is excluded from the effects of the Local Scheme 2013-2014, as they are subject to a national framework of rules and eligibility. Persons who have not attained the qualifying age for state pension credit are not, however, covered by this national framework and are therefore subject to the provisions of the Local Scheme 2013-2014.

This document sets out the provisions of the Local Scheme 2013-2014 and should be read in conjunction with Statutory Instrument 2012 / 2885 and Statutory Instrument 2012 / 2886.

The Local Scheme 2013 - 2014 takes into account the results of the Council's consultation exercise conducted between 6 August and 29 October 2012 and must be approved by the Council no later than 31 January 2013. After that date, the Local Scheme 2013 - 2014 applies for the whole of the following financial year and can only be changed in response to statutory provisions that have precedence over it.

The Council is required to publish details of the Local Scheme 2013 - 2014 and some of the contents of this document are unavoidably technical in detail. A Glossary of Terms has therefore been included on page three and examples of how the proposals may affect entitlement in comparison to the existing Council Tax Benefit scheme are provided on our web site: www.sefton.gov.uk/counciltax.

2.0 Prescribed Requirements Regulations

Statutory Instrument 2012 / 2885 outline the matters that the Local Scheme 2013 -14 must include. There are two elements to these requirements: those that will affect all claimants; and, those that apply only to pensioners.

In the main, the provisions that apply exclusively to pensioners fall under Regulation 14(2) and are set out in Schedules 1 to 6. Provisions for all applicants fall under Regulation 15(1) and are set out in Schedules 7 and 8.¹ Where these matters appear in the main body of this document they are mandatory elements.

2.1 Persons from Abroad

Regulations 12 and 13 prescribe those persons to be treated as not being in Great Britain and therefore excluded from receiving a Local Council Tax Reduction as:

- Foreign nationals with limited immigration status
- Individuals subject to immigration control as defined by Section 115 of the Immigration and Asylum Act 1999
- Non economically active European Economic Area (EEA) individuals who are not exercising EU treaty rights
- EEA nationals, who fall into the categories, set out in Regulation 12(4).

2.2 Refugees

¹ The exception to this rule is paragraph 6 in Schedule 8 which applies to pensioners alone.

Agenda Item 8

As long as their status has not been revoked, the following persons will be exempt from the habitual residence test and therefore entitled to apply for a Council Tax Reduction because they have been granted:

- recognised refugee status
- humanitarian protection
- discretionary or exceptional leave to remain in the country outside of the immigration rules

Pension Age Claimants

3.0 Classes of persons who are entitled to a reduction under the scheme

Statutory Instrument 2012/ 2885, Schedule 1, paragraphs 2 to 4 describe the three main classes of pensioners entitled to a reduction under the Local Scheme 2013 - 2014. In all classes, individuals must not be prescribed as excluded from the Local Scheme 2013 - 2014 within Regulations 12 and 13, such as those persons outlined in the “prescribed requirements” section above. The following are the classes identified in Schedule 1:

Class A

The individual must:

- . have attained the qualifying age for state pension credit,
- . be liable to pay Council Tax in respect of a dwelling in which they are resident
- . be somebody in respect of whom a maximum Council Tax Reduction amount can be calculated
- . be a person in respect of whom a day in which s/he is liable to pay Council Tax falls within a week in respect of which the person’s income does not exceed their applicable amount (as defined in Statutory Instrument 2012 / 2885 Schedule 1, paragraph 6 and Schedule 2),
- . have applied for the scheme.

The individual must not be someone with a partner of working age in receipt of Income Support, income-based Jobseeker’s Allowance or income-related Employment and Support Allowance.

The individual or couple must not have capital or savings above £16,000.

Class B

The individual must:

- . have attained the qualifying age for state pension credit,
- . be liable to pay Council Tax in respect of a dwelling in which they are resident
- . be somebody in respect of whom a maximum Council Tax Reduction amount can be calculated,
- . be a person in respect of whom a day in which s/he is liable to pay Council Tax falls within a week in respect of which the person’s income is greater than their applicable amount (as defined in Statutory Instrument 2012 / 2885 Schedule 1, paragraph 6 and Schedule 2),
- . have applied for the scheme,
- . be a person for whom amount X exceeds amount Y, where amount X is the appropriate maximum Council Tax liability in their case and amount Y is a prescribed percentage (20%) of the difference between their income in respect of the week in which the day falls and the appropriate applicable amount (Living needs) in their case.

The individual must not be someone with a partner of working age in receipt of Income Support, income-based Jobseeker’s Allowance or income-related Employment and Support Allowance.

The individual or couple must not have capital or savings above £16,000.

Class C

The individual must:

- . have attained the qualifying age for state pension credit,
- . be liable to pay Council Tax in respect of a dwelling in which they are resident
- . be somebody in respect of whom a maximum Council Tax Reduction amount can be calculated,

Agenda Item 8

- . have applied for a scheme,
- . be somebody who has at least one second adult living with them who is not their partner, not somebody who pays rent, and who is on a prescribed low wage and / or prescribed benefit, as set out in Statutory Instrument 2012/ 2885, Schedule 3.

The individual must not be someone with a partner of working age in receipt of Income Support, income-based Jobseeker's Allowance or income-related Employment and Support Allowance.

4.0 The reduction to which persons in each class are to be entitled

4.1 Class A Reduction

If an individual matches the criteria in Class A, including that income is less than their applicable amount (Living needs) in their case, that person qualifies for 100% reduction on their Council Tax liability, less any non-dependant deductions (see paragraph 4.4 below).

Statutory Instrument 2012/ 2885 Schedule 1, paragraph 13 requires that an individual in receipt of state pension credit guarantee credit will have their income and capital disregarded. This means that the individual's income will automatically be less than their applicable amount (Living needs) and they will qualify for a 100% Council Tax Reduction, less any non-dependant deductions.

Where a person has been awarded only the savings credit element of state pension credit, Statutory Instrument 2012/ 2885 Schedule 1, paragraph 14 define the way in which this is to be treated for the purposes of the Local Scheme 2013 - 2014.

4.2 Class B Reduction

If an individual matches the criteria in Class B, it will mean that their income is greater than their applicable amount (Living needs). They will receive a 100% Council Tax Reduction on their Council Tax liability less any non-dependant deductions and a deduction of 20% of the difference between their weekly income and applicable amount.

4.3 Class C Reduction

The Class C reduction is known as the alternative maximum Council Tax reduction or second adult rebate. This may be awarded in respect of a second adult sharing the household who would normally be expected to contribute towards the Council Tax bill but who cannot afford to do so, based on their low income as indicated by prescribed low wages bands or prescribed working-age benefit indicators.

This reduction will be awarded at 25%, 15%, 7.5% or 100% of the Council Tax liability, depending upon individual circumstances as identified in Statutory Instrument 2012/ 2885 Schedule 3.

4.4 Non-Dependant Deductions

A reduction amount is arrived at after a downward adjustment has been made to take into account non-dependant adults that normally reside in the dwelling and who would be expected to make a contribution toward Council Tax liability. Deductions for such non-dependant adults will be calculated and applied in accordance with Statutory Instrument 2012/ 2885 Schedule 1, paragraph 8.

4.5 Determination of Class and Award

Determination of the class an individual is put into and the reduction they will receive will be determined in two ways:

1. In respect of Class A and Class B, through means testing according to the rules and criteria prescribed by Statutory Instrument 2012/ 2885, Regulation 14(2).
2. Through application of the rules for the calculation of Class C under Statutory Instrument 2012/ 2885, Schedule 3.

4.6 Means Test for Class A and Class B

The means test is defined within Statutory Instrument 2012/ 2885 and is based on a comparison of income and a living allowance (applicable amount). The way in which these elements are defined and evaluated for the pension credit age scheme is set out below.

4.7 Living Allowance (Applicable Amount)

The individual's living allowance or applicable amount will be made up of four elements. These will be:

1. A personal allowance in respect of the applicant,
2. An amount in respect of any child or young person who is part of their family,
3. A family premium element (where the applicant is part of a family of which at least one member is a child or young person), and
4. Any premium amount (set out in regulations) that is applicable to the individual.

The elements and method of calculation for the applicable amount (Living needs) are set out in Statutory Instrument 2012/ 2885 Schedule 1, paragraph 6 and Schedule 2.

4.8 Calculation of Income and Capital

Income and capital will be calculated for a person who has reached the qualifying age for state pension credit in line with the provisions of Statutory Instrument 2012/ 2885, Schedule 1, paragraphs 11 to 37. The income and capital of a claimant's partner or partners in the case of a polygamous marriage will be treated as income of the claimant.

Income or capital of any child or young person will not be treated as income or capital of the claimant. The regulations allow the Council to treat the income or capital of a non-dependant as if it were the income or capital of the applicant in a case where it appears to the Council that the two have entered into arrangements to take advantage of the scheme; with the exception of those on Income Support, income-based Jobseeker's Allowance and income-related Employment and Support Allowance.

4.9 Income and capital for those on state pension credit

There is special treatment of income and capital for those in receipt of state pension credit.

For those in receipt of the guarantee credit element of state pension credit, the whole of their income and capital will be disregarded meaning that they will automatically qualify under Class A for a 100% Council Tax Reduction on their Council Tax liability less any non-dependant deductions.

Agenda Item 8

For those in receipt of the savings credit element of state pension credit, the Council will use the Secretary of State's assessment of the income and capital of the individual, and adjust this to take into account income from this benefit and any other relevant requirements (as set out in Statutory Instrument 2012/ 2885 Schedule 1, paragraph 14).

4.10 Calculation of income where a person is not in receipt of state pension credit

For those who have reached the qualifying age for state pension credit, but are not in receipt of this benefit themselves, provisions relating to income, its calculation on a weekly basis, what is to be regarded as income and what is to be disregarded as income are prescribed by Statutory Instrument 2012/ 2885 Schedule 1, paragraphs 15 to 37. In particular, earnings of employed earners and earnings of self-employed earners will be taken into account as set out in these paragraphs.

Statutory Instrument 2012/ 2885 also list a number of elements and amounts which should not be taken into account in the calculation of earnings.

Amounts to be disregarded from the weekly earnings of a claimant who has attained the eligible age for state pension credit are set out in Statutory Instrument 2012/ 2885 Schedule 4.

Amounts to be disregarded in terms of income other than earnings for those who have reached the eligible age for state pension-credit are set out in Statutory Instrument 2012/ 2885 Schedule 5. Treatment of other income (in relation to which the applicant has a right) will be calculated according to the rules prescribed by Statutory Instrument 2012/ 2885 Schedule 1, paragraphs 22 and 23.

Statutory Instrument 2012/ 2885, Schedule 5, paragraph 1, allows for £10 to be disregarded from weekly war widow's pension, war widower's pension, war disablement pension and certain other guaranteed income payments including, for example, those made under the Armed Forces and Reserve Forces Compensation Scheme.

The Local Scheme 2013 - 2014 continues previous local arrangements whereby the remainder of any weekly war widow's pension, war widower's or war disablement pension are disregarded in full in the assessment of a claimant's income.

4.11 Income and wider welfare changes

In relation to income, wider welfare changes mean that new benefits will be introduced in place of those received by persons who are not pensioners.

Despite these changes being mainly to benefits for non-pensioners, they may have relevance for individuals living with a person of pension credit age and consequently, it may be taken into consideration in the assessment of a Council Tax Reduction.

New applicants will be migrated onto these new benefits over time, so both benefits will co-exist for a number of years (for example, the Universal Credit migration will take place over four years). The Local Scheme 2013 - 2014 will therefore abide by the prescriptions outlined in Statutory Instrument 2012/ 2885 or other statutory provisions that take precedence.

5.0 Calculation of capital

5.1 Calculation of capital where a person is not in receipt of state pension credit

Provisions relating to capital – for example:

- the capital savings limit of £16,000 (after which individuals will not be eligible for Council Tax reductions);
- what is to be regarded as capital;
- what is to be disregarded as capital; and,
- other capital calculations.

will operate in accordance with Statutory Instrument 2012/ 2885, Schedule 1, paragraphs 31 to 37. Amounts to be disregarded as capital are set out under Statutory Instrument 2012/ 2885, Schedule 6.

5.2 Notional capital

Individuals may be treated as possessing capital of which they have deprived themselves for the purposes of securing Council Tax reductions. This notional capital (of which the individual is treated as being in possession) will be reduced over time to reflect payment of additional Council Tax liabilities incurred.

Notional capital excludes the value of any holding in a company where the applicant is the sole owner or partner (or where they hold an analogous position), but will include an amount of capital equal to the value (or their share of the value) of the capital of such a company. This notional capital (which the individual is treated as possessing) will be reduced over time to reflect payment of additional Council Tax liabilities incurred.

5.3 Tariff income on capital

Once an amount of capital is calculated, net of any amounts to be disregarded, this will be treated as if it is an income of £1 for every £500 (or part of £500) in excess of £10,000 but not exceeding £16,000. This amount of tariff income will be added to the initial income calculation to give a total income amount.

5.4 Calculation of Reduction

Once the total income amount has been calculated, it will be compared with the living allowance / applicable amount, to determine whether the individual falls into Class A (income does not exceed applicable amount) or Class B (income greater than applicable amount).

Persons in Class A will receive 100% Council Tax Reduction against their Council Tax liability, net of any Council Tax discounts under the Local Government Finance Act 1992) and less non-dependant deductions under Statutory Instrument 2012/ 2885 Schedule 1, paragraph 8.

Persons in Class B will receive 100% Council Tax Reduction against their Council Tax liability, net of any Council Tax discounts, less non-dependant deductions and less 20% of the difference between their income and applicable amount.

Where a person of pension credit age is not jointly liable for Council Tax with a second adult (or adults), but lives with a second adult (or adults) who is not their partner and does not pay rent in respect of the dwelling, they may fall under Class C, if conditions set out in Statutory Instrument 2012/ 2885, Schedule 3 are met.

The following table sets out the reductions that, according to individual circumstances, may be applied to maximum daily Council Tax liability (after discounts). The alternative maximum Council Tax Reduction is calculated in relation to the income and circumstances of the second adult – the applicant's income and capital is not taken into account.

	Alternative maximum Council Tax
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Agenda Item 8

Second adult	Reduction (net of discounts) due in respect of a day
a) The second adult (or all second adults) are in receipt of Income Support, income-related Employment and Support Allowance, state pension credit or income-based Jobseeker's Allowance.	25%
b) Where the gross income or aggregate gross income of any second adult(s) – disregarding benefits mentioned above - is: (i) less than £180.00 per week; (ii) not less than £180.00 but less than £235.00 per week.	(i) 15% (ii) 7.5%
c) If the dwelling is occupied by a full-time student(s) and a second adult/adults on state pension credit, income-based Jobseeker's Allowance, income-related Employment and Support Allowance or Income Support.	100%

If it appears to the Council that the claimant is entitled to a Class C reduction at the same time as means tested Class A or Class B Council Tax Reduction, a comparison of the two reductions will be made. The claimant will then be awarded the greater reduction of the two.

6.0 Extended reductions

Statutory Instrument 2012/ 2885, Schedule 1, paragraph 43 prescribes that an individual who is:

- (i) approaching pension credit eligible age, *and* who is
- (ii) in receipt of a local Council Tax Reduction and not in receipt of working age benefits (Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance), *or*
- (iii) whose partner has claimed state pension credit, will continue to receive an extended reduction of their localised Council Tax Reduction for a prescribed period of four weeks, whilst they or their partner apply for the state pension credit eligible age scheme.

From the point at which the person already in receipt of a Council Tax Reduction reaches the eligible age for pension credit they will, for the prescribed extended reduction period of four weeks, be entitled to whatever award is greater – the Local Scheme 2013 – 2014 reduction for working age claimants or the reduction under the national framework of rules and eligibility for those of state pension credit eligible age.

6.1 Extended reductions – qualifying contributory benefits – i.e. severe disablement allowance; incapacity benefit; or contributory employment and support allowance

Statutory Instrument 2012/ 2885, Schedule 1, paragraphs 38 to 42 set out that a person in receipt of one of the above benefits, who ceases to receive that benefit because they have returned to work, increased their earnings or increased their hours (and where that improvement in their situation is expected to last five weeks or more), will continue to receive a Council Tax Reduction calculated as if they were still in receipt of these benefits

for four weeks (where the resulting reduction amount is greater than the reduction amount taking into account their loss of these benefits).

If a pension credit age person moves from Sefton to the area of a new Local Authority, in the period from the Monday following the move to the point where entitlement to the qualifying benefit ceases (when the extended reduction rule applies), Sefton will pay the second billing authority or the individual their reduction amount for the extended period.

If the person applies for a Council Tax Reduction in the second Local Authority, the second authority will net off the reduction amount received from Sefton. Any balance of reduction award will be paid to the claimant (and the full amount will be paid to the claimant if there is no Council Tax liability in the second local authority). After the extended reduction period ends, Sefton's liability in relation to extended reductions will cease and the new authority's reduction will apply.

7.0 Applications

Statutory Instrument 2012/ 2885, Schedule 7, paragraphs 1 to 7 prescribe the procedure by which a person may apply for Council Tax Reduction:

A person may apply in writing using the Council's application form for that purpose and sending it to the address designated by the Council for that purpose. (See Contact Details on page 27)

A person may complete an application form for Council Tax Reduction online via the Council's website.

A person may complete an application form for Council Tax Reduction by telephone. An appointment to do this can be obtained by telephoning 0845 140 0845.

A person may apply for Council Tax Reduction by visiting a local One Stop Shop and completing an application online with a customer services advisor.

Any application form must be signed by the claimant and may also be signed by their partner if applicable and shall be supported by such information or evidence as is reasonably required to enable entitlement to be determined.

The Council shall not determine entitlement for an incomplete claim including one that is not signed until the relevant information, signature or both as appropriate is received. At all times, this should be provided within a period of one month from the date of the Council request or such longer period as may be reasonable in the circumstances.

A person who is in receipt of Council Tax Benefit immediately before 1 April 2013 is to be treated as having made an application for a reduction under the Local Scheme 2013 - 2014.

Where an individual has, prior to 1 April 2013, made an application for Council Tax Benefit which has not been determined by 1 April 2013, that individual is to be treated as having made an application for a reduction under the Local Scheme 2013 - 2014.

A claim for Council Tax Reduction may be amended or withdrawn in writing by the claimant at any time prior to the Council making a decision regarding entitlement.

The Council shall accept the withdrawal of an application where it has not yet made a decision concerning entitlement. This shall have effect on the same day that the notification was received by the Council.

Agenda Item 8

8.0 Entitlement

Statutory Instrument 2012/ 2885, Schedule 8, paragraph 6 prescribes that people of pension-credit eligible age will be able to backdate their applications by up to three months, provided they were entitled to pension-credit age reduction for all of the backdated period.

In all other cases, the start of entitlement to Council Tax Reduction for pensioners is covered by Statutory Instrument 2012/ 2885, Schedule 1 paragraph 45 and Statutory Instrument 2012/ 2885, Schedule 8, paragraph 5 governs the date on which a claim is to be treated as made.

If a claimant notifies the Council of an intention to claim Council Tax Reduction and submits their application form using one of the specified methods within one month of it being issued (or such longer period as may be reasonable in the circumstances), for example, the date of the claim shall be the date they notified their intention to claim. Any entitlement to Council Tax Reduction would then be awarded from the Monday following that date.

If a claimant applies for Council Tax Reduction within one month of the death or separation from their partner and the partner was in receipt of Council Tax Reduction at the time of their death or separation, the date of claim shall be the date of the death or separation in question and any entitlement to Council Tax Reduction shall be awarded from the Monday following the date of their claim.

A person treated as being in Great Britain can apply for Council Tax Reduction up to 13 weeks prior to an event that would entitle them to Council Tax Reduction.

A person treated as being in Great Britain can apply for Council Tax Reduction up to 8 weeks prior to becoming liable for Council Tax at their home.

Entitlement to a Council Tax Reduction may change or cease if there is a change of circumstances or be terminated if the claimant fails to respond to a request for information or evidence within one month or such longer period as may be considered reasonable in the circumstances.

9.0 Decisions

Statutory Instrument 2012/ 2885, Schedule 8, paragraphs 11 and 12 require the Council to notify the applicant in writing of its decision within 14 days from the date that all relevant information and evidence relating to the application has been received, or as soon as reasonably practicable thereafter. The written notification will include information on how an appeal can be made by the applicant.

10.0 Changes of circumstance

Statutory Instrument 2012/ 2885, Schedule 1, paragraph 46 sets out the dates from which various changes of circumstance are to take effect. In addition, paragraph 47 prescribes the dates from which changes of circumstance in relation to awards of state pension credit will be taken into account.

Statutory Instrument 2012/ 2885, Schedule 8, paragraph 9 prescribes that a relevant change of circumstances should be notified within a period of 21 days (including the day on which the change occurs).

11.0 Time and manner of granting relief and recoveries / over-payments

Matters relating to the payment of a reduction are prescribed by Statutory Instrument 2012/ 2885, Schedule 8, Paragraph 14 and those relating to overpayments by the Council Tax (Administration and Enforcement) Regulations 1992 (Statutory Instrument 1992/ 613).

Matters relating to the time and manner of granting reduction and dealing with under-payments will be as provided for in the prescribed scheme.

This will include payments to next of kin where a person in receipt of a Council Tax Reduction dies, allowing the billing authority to make payment of the reduction amount to their personal representative or next of kin.

Where the Council Tax Payer is entitled to an increase or decrease in their reductions following a reported change of circumstance, the Council can issue an amended Council Tax bill taking into account the increase or decrease in liability.

12.0 Department for Work and Pensions changes to State Pension Credit Age

The Department for Work and Pensions is intending to make changes to the way in which new applicants comprising couples of mixed age (i.e. where one member of the couple has attained state pension credit qualifying age and one has not) are treated for new applications. Currently, such couples would generally be treated under pension credit age regulations apart from a few exceptions.

It is anticipated that this new measure to be implemented by the Department for Work and Pensions at some point in the next two years will apply to *new* pension credit applications only. It is likely to mean that in future (from the point of change and for new applicants only) that it will not be possible for a couple to claim pension credit until both members have reached the qualifying age. It is anticipated that such couples will have access to Universal Credit, however, if they meet all the other eligibility criteria.

The Government proposes to align this change for new applicants to local Council Tax Reduction schemes on the same basis once it takes effect, so that Councils do not find themselves defining an individual in a mixed age couple differently from the way they are defined by the Department for Work and Pensions. It is the Government's intention that mixed age couples already applying for or receiving a pension-credit age Council Tax Reduction at the point of change (whether or not they are also receiving pension credit), will retain pension-credit age Council Tax Reduction whilst their entitlement continues.

13.0 Procedure by which a person can an appeal any decision of the authority which affects (a) the person's entitlement to a reduction under the Local Scheme 2013 - 2014 or (b), the amount of any reduction to which the person is entitled.

A claimant or a person acting on their behalf may appeal against the Council's decision concerning entitlement to a reduction under the Local Scheme 2013 - 2014 or the amount of a reduction by writing to the Council at its designated office specifying the nature of the appeal and the grounds on which the appeal is made.

The Council will consider the appeal and notify the applicant in writing of the outcome of their appeal and the reasons for the decision.

Agenda Item 8

Where the Council has considered the appeal and notified the applicant of the outcome in writing but they remain dissatisfied, or a response has not been given within a period of two months from the date of the written appeal, the applicant may further appeal to a Valuation Tribunal under section 16 of the 1992 Local Government Finance Act.

Where a response is not provided by the Council within two months of the appeal being made, any subsequent appeal to a Valuation Tribunal shall be made within four months of the date that the original appeal was sent to the Council.

The following specific matters shall not be the subject of an appeal under these provisions:

- The local CTR scheme provisions as set by the Council
- Any discretion applied to recover an overpayment of Council Tax Reduction
- Who to recover an overpayment of Council Tax Reduction from
- Suspending or restoring Council Tax Reduction
- Any decision to refuse the grant of a reduction under Section 13A(1)(c) of the Local Government Finance Act 1992

A claimant may also at any time in writing request the Council to review their entitlement to CTR or the amount of any reduction outside of the provisions for appeals detailed above.

14.0 Procedure by which a person can apply to the authority for a reduction under section 13A (1) (c).

A Council Tax Payer may apply for a reduction under Section 13A(1)(c)(a) of the Local Government Finance Act 1992. Such an application shall be made in writing to the Council at its designated office or by means of electronic communication and must give such details as are reasonable and necessary to enable the Council to properly consider the application. Such details should include but not be limited to the reason for the application, the circumstances and context in which the application is made and the period for which the application is made.

Local Council Tax Reduction Scheme for persons who are not pensioners

15.0 Introduction

The amount of support will be based upon individual circumstances and changes of circumstances will also be taken into account.

As well as the three classes of entitled persons that are covered by Statutory Instrument 2012 / 2885, there will be two classes for persons who are not pensioners and for each there will be a number of qualifying criteria.

In all cases, individuals must not be of a prescribed class exempted from support, such as a person from abroad with limited leave to remain as outlined previously in this document (paragraph 2.1, page 4).

In classes D and E below, the amount of a claimant's maximum Council Tax Reduction in respect of a day for which they are liable to pay Council Tax, shall be 80 per cent of the amount Q divided by R, less any deductions in respect of non-dependants, where:

- Q = the amount set by the Council as the Council Tax for the relevant financial year in respect of the dwelling in which they are a resident and for which they are liable, after any discount which may be appropriate to that dwelling under the Local Government Finance 1992 Act; and,
- R = the number of days in that financial year,

In calculating a person's maximum Council Tax Reduction any decrease in the amount that person is liable to pay as a consequence of any enactment made by or under the Local Government Finance Act 1992 such as Disabled Person's Relief, for example, shall also be taken into account.

Where a claimant is jointly and severally liable for Council Tax in respect of their home with one or more other persons but excepting any person residing with the claimant who is a student excluded from entitlement to local Council Tax Reduction, in determining the maximum Council Tax Reduction in their case, the amount Q shall be divided by the number of persons who are jointly and severally liable for that tax.

Where a claimant is jointly and severally liable for Council Tax in respect of a dwelling with only their partner, the paragraph immediately above shall not apply.

In any case where an extended reduction or an extended reduction (severe disablement allowance and incapacity benefit) has been allowed to a claimant, their entitlement shall be adjusted in such circumstances and by such an amount as defined within the Local Scheme 2013 - 2014.

Within the Local Scheme 2013 – 2014 set out below, a reference is made in Class E to a prescribed percentage of 20% where a claimant's weekly income exceeds their weekly applicable amount (Living needs).

Council Tax Reduction entitlement shall be calculated based upon a daily Council Tax liability. In line with Statutory Instrument 2012 / 2886, Paragraph 17, the prescribed percentage referred to within Sefton's scheme, particularly for Class E shall be 2 6/7 per cent (which equates to 20% in weekly terms and is referred to within our proposed scheme).

Agenda Item 8

15.1 Classes of persons who are entitled to a reduction under the scheme

Class D

The individual must:

- be a person who has not yet attained the qualifying age for state pension credit,
- be liable to pay Council Tax in respect of a dwelling in which they are resident,
- be somebody in respect of whom a maximum Council Tax Reduction amount can be calculated;
- have applied for the scheme;
- be a person in respect of whom a day in which they are liable to pay Council Tax falls within a week in respect of which the person's income does not exceed their applicable amount (Living needs).

The individual or couple must not have capital or savings above £6,000.

Class E

The individual must:

- be a person who has not yet attained the qualifying age for state pension credit,
- be liable to pay Council Tax in respect of a dwelling in which they are resident,
- be somebody in respect of whom a maximum Council Tax Reduction amount can be calculated,
- have applied for the scheme;
- be a person in respect of whom a day in which s/he is liable to pay Council Tax falls within a week in respect of which the person's income is greater than their applicable amount (Living needs as defined in Statutory Instrument 2012 / 2886, paragraphs 26 to 28),
- be a person for whom Class D is not fulfilled, but amount X exceeds amount Y, where amount X equals the appropriate maximum Council Tax liability in their case and amount Y equals a prescribed percentage (20%) of the difference between their income in respect of the week in which the day falls and the appropriate applicable amount in their case.

The individual or couple must not have capital or savings above £6,000.

The Local Scheme 2013 – 2014 does not include an alternative maximum Council Tax Reduction for persons who are not pensioners (called Class C on page 7).

16.0 Reductions attracted by classes: awards for persons who are not pensioners

16.1 Class D Reduction

If an individual matches the criteria in Class D, including that their income does not exceed their applicable amount (Living needs), that person qualifies for a maximum Council Tax Reduction entitlement equivalent to a maximum 80% of their weekly Council Tax liability (i.e. after discounts and any other relevant deductions) and after any relevant non-dependant deductions as described in 17.3 below.

An individual in receipt of Income Support, income-related Jobseeker's Allowance or income-related Employment and Support Allowance will have income and earnings counted as zero. The same shall apply to capital held that totals less than £6,000. This

Agenda Item 8

means that the individual's income will automatically be less than their applicable amount (Living needs), and they will qualify for a maximum Council Tax Reduction entitlement equivalent to a maximum 80% of their weekly Council Tax liability (i.e. after discounts and any other relevant deductions) and after any relevant non-dependant deductions as described in 17.3 below.

With the introduction of Universal Credit, which will start to replace income-related benefits for new applicants over a period of years from October 2013, the income and capital of people who receive Universal Credit will be treated in accordance with Statutory Instrument 2012 / 2886 paragraph 37.

16.2 Class E Reduction

If an individual matches the criteria in Class E, it will mean that the individual's income is greater than their applicable amount (Living needs). The maximum Council Tax Reduction for that person will be equivalent to a maximum 80% of their weekly Council Tax liability (i.e. after discounts and any other relevant deductions) and after any relevant non-dependant deductions, less 20% of the difference between their weekly income and applicable amount.

The Local Scheme 2013 - 2014 does not include an alternative maximum Council Tax Reduction for persons who are not pensioners.

16.3 Non-dependant deductions

Once a reduction amount is calculated, it is subject to a downward adjustment to take into account non-dependant adults that normally reside in the dwelling and who would be expected to contribute toward Council Tax liability.

Subject to the exceptions stated under Statutory Instrument 2012/ 2886, Paragraph 30 the weekly amounts of deductions to be applied in the Local Scheme 2013 – 2014 are:

Description of Deduction	Amount of Deduction
Non-dependant in receipt of Income Support, Income-based Jobseeker's Allowance, income-related Employment and Support Allowance, or Pension Credit	Nil
Non-dependant not in remunerative work	£2.00
Non-dependant in remunerative work with a gross income of less than £183 per week	£2.00
Non-dependant in remunerative work with a gross income of £183 per week or over	£5.00

16.4 Determination of class and award

Determination of the class the individual is put into, and the reduction they will receive, shall be determined in respect of Classes D and E through means testing.

Agenda Item 8

16.5 Means-test for Classes D and E

The means test compares income and a living allowance (known as the applicable amount). The way in which these elements will be defined and evaluated is explained in greater detail below.

16.6 Living allowance – the applicable amount

The individual's living allowance or applicable amount will be made up of four elements. These will be:

1. A personal allowance in respect of the applicant,
2. An amount in respect of any child or young person who is part of their family,
3. A family premium element (where the applicant is part of a family of which at least one member is a child or young person), and
4. Any premium amount (set out in regulations) that is applicable to the individual.

The elements and calculation method for the applicable amount (Living needs) will be as set out in Statutory Instrument 2012 / 2886, paragraphs 26 to 28.

17.0 Calculation of Income and capital

Income and capital will be calculated for a person who has not attained the qualifying age for state pension credit in line with existing provisions for Council Tax Benefit under Statutory Instrument 2012 / 2886 paragraphs 47 to 70 (excepting paragraph 68). The income and capital of a claimant's partner or partners in the case of a polygamous marriage will continue to be treated as that of the applicant.

Income or capital of any child or young person will not be treated as income or capital of the claimant.

The Council shall be permitted to treat the income or capital of a non-dependant as if it were the income or capital of the applicant in a case where it appears to the Council that the two have entered into arrangements to take advantage of the scheme.

Those on Income Support, income-based Jobseeker's Allowance and income-related Employment and Support Allowance are exempt from this rule.

There will be special treatment of income for those in receipt of Income Support, income-based Jobseeker's Allowance and income-related Employment and Support Allowance.

For those in receipt of these benefits, the whole of their income will be disregarded. Provided that capital held is less than £6,000, this shall also be disregarded. This will mean that they automatically qualify, under Class D, for a maximum 80% Council Tax Reduction on their Council Tax liability less any non-dependant deductions.

The income and capital of people who receive Universal Credit will be treated in accordance with Statutory Instrument 2012 / 2886 paragraph 37.

17.1 Calculation of income (including Earnings and Benefits)

War Pensions

Statutory Instrument 2012/ 2886, Schedule 8, paragraph 20, allows for £10 to be disregarded from weekly war widow's pension, war widower's pension, war disablement pension and

certain other guaranteed income payments including, for example, those made under the Armed Forces and Reserve Forces Compensation Scheme.

The Local Scheme 2013 - 2014 continues previous local arrangements whereby the remainder of any weekly war widow's pension, war widower's or war disablement pension are disregarded in full in the assessment of a claimant's income.

In General

Other provisions relating to income, its calculation on a weekly basis, what is to be regarded as income and what is to be disregarded as income will operate in line with Statutory Instrument 2012 / 2886, paragraphs 47 to 62. In particular, earnings of employed earners and earnings of self-employed earners (both net of tax and National Insurance contributions) will be taken into account as set out in the aforementioned paragraphs.

Amounts to be disregarded from an applicant's weekly earnings are set out in Statutory Instrument 2012 / 2886 Schedule 7.

Amounts to be disregarded in terms of income other than earnings are set out in Statutory Instrument 2012 / 2886 Schedule 8.

Treatment of other income (in relation to which the applicant has deprived themselves of) will be calculated according to Statutory Instrument 2012/ 2886, Paragraph 56.

17.2 Students

Statutory Instrument 2012 / 2886, paragraphs 73 to 86 describe the way in which students are to be treated under the Local Scheme 2013 - 2014. This will generally mean that full-time students and students who are not treated as being in Great Britain will be excluded from entitlement to Council Tax Reduction unless they meet one of the conditions specified within these paragraphs.

17.3 Calculation of capital where this is not disregarded

Other than the revised £6,000 capital and savings limit above which people will not qualify for CTR, the provisions relating to capital – including for example, what is to be regarded as capital and what is to be disregarded - will generally operate in line with Statutory Instrument 2012 / 2886, paragraphs 63 to 70 (excluding paragraph 68).

Amounts to be disregarded as capital in the Local Scheme 2013 - 2014 are defined in Statutory Instrument 2012 / 2886 Schedule 10.

There is also provision for certain elements of income to be treated as capital (for example, in relation to certain lump sum payments or tax arrears).

17.4 Notional capital

Individuals may be treated as possessing capital of which they have deprived themselves for the purposes of securing Council Tax reductions. This notional capital (of which the individual is treated as being in possession) will be reduced over time to reflect payment of additional Council Tax liabilities incurred.

Notional capital excludes the value of any holding in a company where the applicant is the sole owner or partner (or where they hold an analogous position), but will include an amount of capital equal to the value (or their share of the value of) the capital of such a

Agenda Item 8

company. This notional capital (which the individual is treated as possessing) will be reduced over time to reflect payment of additional Council Tax liabilities incurred

17.5 Tariff income

Tariff income for capital held does not apply to working age claims under the Local Scheme 2013 - 2014.

18.0 Calculation of Reductions

Once the total income amount has been calculated, it will be compared with the applicable amount (Living needs) to determine whether the individual falls into Class D (income does not exceed applicable amount) or Class E (income greater than applicable amount).

18.1 Calculation of Class D

Persons in Class D will receive a maximum 80% Council Tax Reduction for their Council Tax liability (net of any Council Tax discounts and reductions made by or under the Local Government Finance Act 1992) less any non-dependant deductions made as set out within the Local Scheme 2013 - 2014.

18.2 Calculation of Class E

Persons in Class E will receive a maximum 80% Council Tax Reduction entitlement for their Council Tax liability (net of any Council Tax discounts and reductions made by or under the Local Government Finance Act 1992) less any non-dependant deductions made as set out within the Local Scheme 2013 - 2014, less a deduction of 20% of the difference between their weekly income (net of any disregarded income) and applicable amount (Living needs).

19.0 Extended Reductions

Provisions concerning extended reductions for working age claimants Classes D and E are set out within Statutory Instrument 2012 / 2886, paragraphs 95 to 104:

19.1 Income Related Benefits

An applicant (or their partner) in receipt of:

- Employment and Support Allowance (Income-Related),
- Job Seeker's Allowance (Income-Based),
- Job Seeker's Allowance (Contribution-Based); or,
- Income Support

continuously for at least 26 weeks and who ceases to receive any of these benefits (other than Job Seeker's Allowance (Contribution-Based) because they have returned to work, increased their earnings or increased their hours (and where that improvement in their situation is expected to last five weeks or more), will continue to receive a Council Tax Reduction.

19.2 Qualifying Contributory Benefits

An applicant (or their partner) in receipt of

- Employment and Support Allowance (Contribution-Based);
- Incapacity Benefit;
- Severe Disablement Allowance; or,
- any combination of these

Agenda Item 8

continuously for at least 26 weeks, who ceases to receive that benefit because they have returned to work, increased their earnings or increased their hours (and where that improvement in their situation is expected to last five weeks or more), will continue to receive a Council Tax Reduction.

In both 20.1 and 20.2 above, the extended reduction will be calculated as if they were still in receipt of these benefits for four weeks where the resulting reduction amount is greater than the reduction amount would be if it were re-calculated to take into account their loss of these benefits.

In both 20.1 and 20.2 above, if a person moves from Sefton to the area of a new Local Authority in the period from the Monday following the move to the point where entitlement to the qualifying benefit ceases (when the extended reduction rule applies), Sefton will pay the second billing authority or the individual their reduction amount for the extended period.

If the person applies for a Council Tax Reduction in the second Local Authority, the second authority will net off the reduction amount received from Sefton. Any balance of reduction award will be paid to the claimant (and the full amount will be paid to the claimant if there is no Council Tax liability in the second local authority).

After the extended reduction period, Sefton Council shall have no liability in respect of the claimant and the new Council's Council Tax Reduction scheme shall apply as appropriate.

20.0 Entitlement

Any entitlement to Council Tax Reduction for persons who are not pensioners shall normally be awarded from the Monday following the date of receipt of a claim. This follows Statutory Instrument 2012/ 2885, Schedule 8 paragraph 5 which governs the date on which a claim is to be treated as made.

If a claimant notifies the Council of an intention to claim Council Tax Reduction and submits their application form using one of the specified methods within one month of it being issued (or such longer period as may be reasonable in the circumstances), for example, the date of the claim shall be the date they notified their intention to claim. Any entitlement to Council Tax Reduction would then be awarded from the Monday following that date.

If a claimant applies for Council Tax Reduction within one month of the death or separation from their partner and the partner was in receipt of Council Tax Reduction at the time of their death or separation, the date of claim shall be the date of the death or separation in question and any entitlement to Council Tax Reduction shall be awarded from the Monday following the date of their claim.

A person treated as being in Great Britain can apply for Council Tax Reduction up to 13 weeks prior to an event that would entitle them to Council Tax Reduction.

A person treated as being in Great Britain can apply for Council Tax Reduction up to 8 weeks prior to becoming liable for Council Tax at their home.

Entitlement to a Council Tax Reduction may change or cease if there is a change of circumstances or be terminated if the claimant fails to respond to a request for information or evidence within one month or such longer period as may be considered reasonable in the circumstances.

Agenda Item 8

21.0 Decisions

Statutory Instrument 2012/ 2885, Schedule 8, paragraphs 11 and 12 require the Council to notify the applicant in writing of its decision within 14 days from the date that all relevant information and evidence relating to the application has been received, or as soon as reasonably practicable thereafter. The written notification will include information on how an appeal can be made by the applicant.

22.0 Changes of circumstance

Statutory Instrument 2012/ 2886, paragraph 107 sets out how various changes of circumstance are to be dealt with.

Statutory Instrument 2012/ 2885, Schedule 8, paragraph 9 prescribes that a relevant change of circumstances should be notified within a period of 21 days (including the day on which the change occurs).

23.0 Time and manner of granting reduction and recoveries / over-payments

Matters relating to the payment of a reduction are prescribed by Statutory Instrument 2012/ 2885, Schedule 8 Paragraph 14 and those relating to overpayments by the Council Tax (Administration and Enforcement) Regulations 1992 (Statutory Instrument 1992/ 613)..

Matters relating to the time and manner of granting reduction and dealing with under-payments will be as provided for in the prescribed scheme.

This will include payments to next of kin where a person in receipt of a Council Tax Reduction dies, allowing the billing authority to make payment of the reduction amount to their personal representative or next of kin.

Where the Council Tax Payer is entitled to an increase or decrease in their reductions following a reported change of circumstance, the Council can issue an amended Council Tax bill taking into account the increase or decrease in liability.

24.0 Wider welfare changes to benefits – Universal Credit and Personal Independence Payments

The Government intends to reflect any relevant changes to the welfare and benefits system in regulations. In particular, it is intended that Universal Credit will be introduced for some new and existing claimants from October 2013 and migration will take place over four years.

A number of benefits and tax credits (Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance, housing benefit, working tax credit and child tax credit and others mentioned in mentioned in Statutory Instrument 2012 / 2885 and 2886) are expected to be incorporated within Universal Credit.

The Local Scheme 2013-2014 will therefore calculate the income and capital of persons who are not pensioners and who receive Universal Credit in accordance with Statutory Instrument 2012 / 2886, Paragraph 37.

25.0 Annual Updates

The Local Government Finance Act 2012 stipulates that a local authority must, each financial year, '*consider whether to revise its scheme or replace it with another scheme*'. Any updates to the scheme as it relates to persons who are not pensioners

may therefore be considered no later than 31 January in the financial year preceding that for which the revision or replacement scheme is to have effect.

26.0 Other Requirements Reflected in the Scheme for Persons who are not Pensioners

Unless stated otherwise in this document, it is intended that other aspects of administration that may impact on the Council Tax Reduction award (particularly for the scheme for persons who are not pensioners) will continue.

This includes provision for backdating for persons who are not pensioners in line with Statutory Instrument 2012 / 2886, Paragraph 112.

27.0 Department for Work and Pensions changes to State Pension Credit Age

The Department for Work and Pensions is intending to make changes to the way in which new applicants comprising couples of mixed age (i.e. where one member of the couple has attained state pension credit qualifying age and one has not) are treated for new applications. Currently, such couples would generally be treated under pension credit age regulations, apart from a few exceptions.

It is anticipated that in future (from the point of change and for new pension credit applicants only) that it will not be possible for a couple to claim pension credit until both members have reached the qualifying age. It is anticipated that such couples will have access to Universal Credit, however, if they meet all the other eligibility criteria.

The Government proposes to align this change for new applicants to local Council Tax Reduction schemes on the same basis once it takes effect, so that Councils do not find themselves defining an individual in a mixed age couple differently from the way they are defined by the Department for Work and Pensions.

It is the Government's intention that mixed age couples already applying for or receiving a pension-credit age Council Tax Reduction at the point of change (whether or not they are also receiving pension credit), will retain pension credit age Council Tax Reduction whilst their entitlement continues.

28.0 Procedure by which a person may apply for a reduction under the Local Scheme 2013 - 2014

Statutory Instrument 2012/ 2885, Schedule 7, paragraphs 1 to 7 prescribe the procedure by which a person may apply for Council Tax Reduction:

A person may apply in writing using the Council's application form for that purpose and sending it to the address designated by the Council for that purpose. (See Contact Details on page 27)

A person may complete an application form for Council Tax Reduction online via the Council's website.

A person may complete an application form for Council Tax Reduction by telephone. An appointment to do this can be obtained by telephoning 0845 140 0845.

Agenda Item 8

A person may apply for Council Tax Reduction by visiting a local One Stop Shop and completing an application online with a customer services advisor.

Any application form must be signed by the claimant and may also be signed by their partner if applicable and shall be supported by such information or evidence as is reasonably required to enable entitlement to be determined.

The Council shall not determine entitlement for an incomplete claim including one that is not signed until the relevant information, signature or both as appropriate is received. At all times, this should be provided within a period of one month from the date of the Council request or such longer period as may be reasonable in the circumstances.

A person who is in receipt of Council Tax Benefit immediately before 1 April 2013 is to be treated as having made an application for a reduction under the Local Scheme 2013 - 2014.

Where an individual has, prior to 1 April 2013, made an application for Council Tax Benefit which has not been determined by 1 April 2013, that individual is to be treated as having made an application for a reduction under the Local Scheme 2013 - 2014.

A claim for Council Tax Reduction may be amended or withdrawn in writing by the claimant at any time prior to the Council making a decision regarding entitlement.

The Council shall accept the withdrawal of an application where it has not yet made a decision concerning entitlement. This shall have effect on the same day that the notification was received by the Council.

29.0 Procedure by which a person can appeal any decision of the authority which affects (a) the person's entitlement to a reduction under the Local Scheme 2013 - 2014 or (b), the amount of any reduction to which the person is entitled.

A claimant or a person acting on their behalf may appeal against the Council's decision concerning entitlement to a reduction under the Local Scheme 2013 - 2014 or the amount of a reduction by writing to the Council at its designated office specifying the nature of the appeal and the grounds on which the appeal is made.

The Council will consider the appeal and notify the applicant in writing of the outcome of their appeal and the reasons for the decision.

Where the Council has considered the appeal and notified the applicant of the outcome in writing but they remain dissatisfied, or a response has not been given within a period of two months from the date of the written appeal, the applicant may further appeal to a Valuation Tribunal under section 16 of the 1992 Local Government Finance Act. Where a response is not provided by the Council within two months of the appeal being made, any subsequent appeal to a Valuation Tribunal shall be made within four months of the date that the original appeal was sent to the Council.

The following specific matters shall not be the subject of an appeal under these provisions:

- The local CTR scheme provisions as set by the Council
- Any discretion applied to recover an overpayment of Council Tax Reduction
- Who to recover an overpayment of Council Tax Reduction from

Agenda Item 8

- Suspending or restoring Council Tax Reduction
- Any decision to refuse the grant of a reduction under Section 13A(1)(c) of the Local Government Finance Act 1992

A claimant may also at any time in writing request the Council to review their entitlement to CTR or the amount of any reduction outside of the provisions for appeals detailed above.

30.0 Procedure by which a person can apply to the authority for a reduction under section 13A (1) (c).

A Council Tax Payer may apply for a reduction under Section 13A(1)(c)(a) of the Local Government Finance Act 1992. Such an application shall be made in writing to the Council at its designated office or by means of electronic communication and must give such details as are reasonable and necessary to enable the Council to properly consider the application. Such details should include but not be limited to the reason for the application, the circumstances and context in which the application is made and the period for which the application is made.

Agenda Item 8

How to Contact Sefton

You can write to us at: **Sefton MBC, Benefits Section, PO Box 21, Bootle, L20 3US.**

You can phone: **0845 140 0845.** Lines are open Monday to Friday 8am to 6pm.

You can visit:

our website at www.sefton.gov.uk/counciltax

Bootle one stop shop

324-342 Stanley Road
Bootle
Liverpool
L20 3ET

Southport one stop shop

Cambridge Arcade
Southport
PR9 1DA

Office Opening times are Monday to Friday, 9am to 5pm

Sefton libraries

Ainsdale Library, Liverpool Avenue, Ainsdale, Southport, PR8 3NE **01704 577345**

Aintree Library, Altway, Aintree, L10 6LF **0151 526 8503**

Birkdale Library, 240-244 Liverpool Road, Birkdale, Southport, PR8 4PD **01704 567380**

Bootle Library, 220 Stanley Road, Bootle, L20 3EN **0151 934 5781**

Churchtown Library, Mill Lane, Churchtown, Southport PR9 7PL **01704 228678**

College Road (Carnegie) Library, College Road, Great Crosby, L23 3DP **0151 924 5287**

Crosby Library, Crosby Road North, Waterloo, Liverpool, L22 0LQ **0151 257 6400**

Formby Library, Duke Street, Formby, Liverpool, L37 4AN **01704 874177**

Litherland Library, Linacre Road, Litherland, L21 6NR **0151 928 1357**

Meadows (Maghull) Library, Hall Lane, Maghull, Liverpool, L31 7BB **0151 228 6727**

Netherton Library, Glovers Lane, Netherton, Liverpool, L30 3TL **0151 525 0607**

Orrell Library, Linacre Lane, Orrell, L20 6ES **0151 922 3843**

Southport Library, Lord Street, Southport, PR8 1DJ **0151 934 2118**

Each Library has different opening times. Please phone your preferred library for details.

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ANNEX B

Consultation Summary

Local Council Tax Reduction Scheme 2014-2015

The summary of findings from the consultation and engagement on the Local Council Tax Reduction Scheme relating to annual uprating of personal allowances and applicable amounts for working age claimants is summarised below.

Pensioners - the Council will revise the 2013/14 Local Council Tax Reduction scheme to take account of the annual uprating for allowances, premia, non-dependant deductions and any other statutory requirements in accordance with the Government's legislation for 2014 to 2015.

The Council are required by law to implement these changes for pensioners and this does not require any consultation.

The Consultation

The Council has been consulting with the public on the proposed Local Council Tax Reduction Scheme 2014-2015.

Consultation commenced on 6th December 2013 and ended on 6th January 2014.

Methodology

The Consultation for the general public took the form of an on-line questionnaire which was accessed via the Council's website. Members of the public were able to view a copy of the proposed amendment to the scheme on the Council's website and then complete the questionnaire giving their views. A link to the questionnaire was also included on the intranet.

A press release was issued giving details of the proposed amendments to the scheme and how members of the public could have their say.

A letter was sent to 74 stakeholders inviting them to comment.

Details of the number of responses received are included in the results section of this report.

Contact was also made with Council Tax Preceptors to ascertain their views and details are also included in the results section.

Agenda Item 8

The Results

35 responses were received to the **online questionnaire** by the closing date on 6th January 2014.

The following paragraphs give details of the questions asked and responses.

Question 1

Do you agree that the Council should increase (uprate) the personal allowances and applicable amounts in accordance with the Department for Work and Pensions rates for non-pensioners?

Response	No of responses	%
Yes	28	80
No	7	20
Total	35	100

Question 2

Do you have any further comments?

The following comments were received from those who **Agreed** with the proposals:

- We are living on bare minimum I am on JSA and my partner works part time. I am pregnant and no-one will hire me as I'm due to go on maternity. We get 100 to help with our rent each month and no council tax reduction off our £150 bill.
- Discounts for non-pensioners must return too..Our CT bill doubled to £1300 this year - our income didn't double though, so we're paying CT from savings.
- People on benefits should always have them uprated. They are the sectors of society who need the help the most.
- £15 per month is still too cheap for them to pay.
- I have advanced HIV and I am struggling to pay each month 28.00 to me it is a lot of money, and I budgeted that for travel to hospital, which in turn is now affecting my health. This is not the UNITED KINGDOM values we were taught in history.
- The amount of council tax reduction for non pensioners who are in receipt of income based JSA /ESA(£71.00 per week) this group of people cannot afford the 20% they are expected to pay
- The personal allowance reduction is essential for those like myself who are the sole occupiers of a property. I feel it should be more in line with a 50% reduction rather than the 25% currently given.

Agenda Item 8

- It is obviously another paper exercise that is required, the same as the library review. YOU DON'T LISTEN TO WHAT RESIDENTS SAY!!!!!!!!!!!!!!!!!!!!
- I am a working parent of 4 children struggling to pay household bills. I am now trying to feed us all on the £60 surplus per week I have left. I cannot take anymore reduction to my personal budget.
- Have read the info, haven't got a clue what you are talking about can't be only one
- I believe that single under 25s should get full CTR like pensioners as their applicable amount is only £57. They cannot afford to pay council tax on that amount.
- I find this quite a confusing issue. I'm not sure if "uprating personal allowances" means that people pay more of less council tax - although, in my view, NO-ONE on any sort of benefit should be forced to pay ANY council tax at all.

The following comments were received from those who **did not agree** with the proposals:

- This does not make any sense at all you need to reduce council tax immediately
- I am my nan's fulltime carer. I get income support and carers allowance, which is to cover the left over of my housing costs, fuel, food and it doesn't. On top of that I then have to find an additional amount for council tax which is impossible
- It is not just pensioners in financial difficulty, single parents and those studying also need help. Stop wasting money on plants and lights for Christmas ensure vital services are maintained

Question 3

About yourself – gender

Response	No of responses	%
Female	19	54
Male	10	29
Prefer not to say	6	17
Total	35	100

Agenda Item 8

Question 4

About yourself – age

Response	No of responses	%
18-24	1	3
25-39	7	20
40-59	18	52
60-74	3	9
Prefer not to say	6	16
Total	35	100

Question 5

About yourself – Do you have a long term illness, health problem or disability which limits your daily activities?

Response	No of responses	%
Yes	4	11
No	25	72
Prefer not to say	6	17
Total	35	100

Question 6

About yourself – Which of these describes your ethnic group?

Response	No of responses	%
White	26	74
Black	0	0
Asian	1	3
Mixed	1	3
Other	0	0
Prefer not to say	7	21
Total	35	100

Agenda Item 8

Of those who said that they ***didn't agree*** with the proposal (7) the following statistics have been obtained:-

Gender

Response	No of responses	%
Female	2	29
Male	1	14
Prefer not to say	4	57
Total	7	100

Age

Response	No of responses	%
18-24	0	0
25-39	1	14
40-59	1	14
60-74	1	14
Prefer not to say	4	58
Total	7	100

Long Term Illness/Health Problem/Disability

Response	No of responses	%
Yes	1	14
No	2	29
Prefer not to say	4	57
Total	7	100

Agenda Item 8

Ethnicity

Response	No of responses	%
White	2	29
Black	0	0
Asian	0	0
Mixed	1	14
Other	0	0
Prefer not to say	4	57
Total	7	100

Of those who said that they **did agree** with the proposal (28) the following statistics have been obtained:-

Gender

Response	No of responses	%
Female	17	61
Male	9	32
Prefer not to say	2	7
Total	28	100

Age

Response	No of responses	%
18-24	1	4
25-39	6	21
40-59	17	61
60-74	2	7
Prefer not to say	2	7
Total	28	100

Long Term Illness/Health Problem/Disability

Response	No of responses	%
Yes	3	11
No	23	82
Prefer not to say	2	7
Total	28	100

Ethnicity

Response	No of responses	%
White	24	86
Black	0	0
Asian	1	4
Mixed	0	0
Other	0	0
Prefer not to say	3	10
Total	28	100

Consultation with the precepting Authorities –

Merseyside Police and Merseyside Fire and Rescue Services

The precepting authorities were consulted in writing. The Council has received written feedback from Merseyside Fire and Rescue Service and the following comments were provided:

“Broadly the Fire and Rescue Authority recognises that the districts face a challenging task balancing

- a) The impact on vulnerable individuals of the reductions in council tax benefit funding
- b) Trying not to lose council tax income as a result of the changes in a time when resources for local government are severely constrained.

Sefton’s original scheme and the proposed changes seem a pragmatic and fair approach and we support the proposed changes and in particular the change to the discount on empty dwellings.”

Police and Crime Commissioner for Merseyside

The feedback from the Commissioner is that she is supportive of the proposals.

Agenda Item 8

Stakeholders – were consulted in writing. 74 letters were issued inviting them to complete the online survey. There were no responses received in writing.

Equalities

As part of the consultation, equalities questions were asked in connection to gender, age, disability and ethnicity. The consultation responses do not indicate any disproportional impact.

Older people (pensioners) are a protected group within the Equalities Act and the annual uprating is covered in the proposed scheme by Government legislation.

SETTING THE COUNCIL TAX BASE FOR 2014/15

1. Setting the Council Tax Base

- 1.1 The Council Tax Base is the link between the Council's budget and the level of Council Tax. The tax base will be used to calculate the Council Tax in Sefton, once the Council's budget has been agreed. The Council is required to calculate the various Council Tax Bases and have them approved by the 31 January 2014.
- 1.2 The calculation of the Council Tax Base takes into account many factors such as the rate of new building and the trends in people living on their own (Sole Occupier Discount).
- 1.3 The tax base calculation assumes a collection rate of 96.5%, which reflects that fact that collection is proving challenging in the current economic climate and has deteriorated as a result of the requirement for council tax support claimants to pay at least 20% of their annual council tax liability.

2. Council Tax Base for Sefton Council in 2014/15

- 2.1 The new tax base for 2014/15 is 76,992.00 Band D equivalent dwellings for Sefton Metropolitan Borough Council, an increase of 475.8 in comparison with the tax base for 2013/14 that was 76,516.20. An analysis of the changes between the 2013/14 and 2014/15 tax base is provided in the table below:

Tax Base for Sefton Council	Band D Equivalents		
	2013/14	2014/15	Change
Dwellings on the Banding List	108,809.2	108,797.7	-11.5
Exemptions / Discounts etc			
Exempt Dwellings	-2,385.6	-2,611.6	-226.0
Disabled Persons Reductions	-143.7	-145.4	-1.7
Dwellings Subject to 25% Discount	-9,578.9	-9,581.6	-2.7
Dwellings Subject to 50% Discount	-907.7	-359.5	548.2
Dwellings Subject to 100% Discount	-215.2	-131.8	83.4
Net Additions / Deletions	51.7	241.8	190.1
MOD Properties	7.0	7.0	0
Premium			
Empty Homes Premium	308.6	221.9	-86.7
Council Tax Support Scheme (CTRS)			
Council Tax Support Scheme Discounts	-16,654.3	-16,654.3	0
Losses in Collection			
Collection Rate Adjustment	-2,774.9	-2,792.2	-17.3
Tax Base for Year	76,516.2	76,992.0	475.8

Agenda Item 8

2.2 The main reason for the changes in the tax base are:

Dwellings on the banding List: A number of properties in the Housing Market Renewal Area in the possession of in the Adactus Housing Association were removed from the Banding List in the year.

Exempt Dwellings: There has been an increase in the number of unoccupied dwellings owned by charities, and dwellings left empty by a deceased person.

Dwellings Subject to 50% Discount: The reduction in 2014/15 reflects the proposed removal of the discount currently available on empty (and substantially unfurnished) properties from month two to month six.

Dwellings Subject to 100% Discount: The number of vacant dwellings undergoing major repair works or structural alterations has reduced in 2013.

Net Additions / Deletions: The 2013/14 estimate included a significant number of deletions (260 properties). Fewer deletions are expected in 2014/15 (28 properties).

Empty Homes Premium: A number of long-term empty properties have been brought back into use during 2013.

Council Tax Reduction Scheme: The estimated level of discounts remains unchanged in 2014/15. This reflects the uncertainty about future growth in working age claimants.

Losses in Collection: The assumed collection rate of 96.5% remains unchanged. The increase in provision for non-payment on CTRS accounts has been offset by a reduction in the amount needed to manage any prior year debt at risk.

3. Council Tax Base in Parish Areas for 2014/15

3.1 There are also new tax base figures for each parish area in 2014/15. The following table provides details of the new tax base for each parish along with a comparison with current year:

Tax Base for Parish Areas	Band D Equivalents		
	2013/14	2014/15	Change
Parish of Aintree Village	1,953.05	1,972.24	19.19
Parish of Formby	8,756.63	8,877.62	120.99
Parish of Hightown	832.29	839.36	7.07
Parish of Ince Blundell	158.05	157.78	-0.27
Parish of Little Altcar	262.31	261.79	-0.52
Parish of Lydiate	1,951.38	1,976.84	25.46
Parish of Maghull	6,256.29	6,335.30	79.01
Parish of Melling	942.90	953.97	11.07
Parish of Sefton	220.73	228.65	7.92
Parish of Thornton	725.13	735.83	10.70

- 3.2 The increase in tax bases in most parish areas in 2014/15 is largely due to a fall in council tax reduction scheme costs and the proposed removal of the discount on empty (and substantially unfurnished) properties from month two to month six.

4. Compensating Parish Areas for Loss of Council Tax Income

- 4.1 The tax base in Parish Areas was reduced in April 2013 as a result of the introduction of the local council tax support scheme. The Government have built funding into Sefton's Settlement Funding Assessment in order to provide Parish Areas with compensation for the loss of council tax income as a result of this change. How much, if any of this funding is to be passed on to Parish Council's has been left to Council's to decide in discussion with the parishes.
- 4.2 The Government made the following comments on the funding for parish councils in their response to the consultation on council tax base and funding for local precepting authorities:

Certainty of Funding for Parish and Town Councils

B8. As there is not a mechanism for providing funding through the business rates retention system directly to parish and town councils the Government is providing the funding attributable to them to the billing authority. To enable this funding to reduce the local precepting authority's council tax requirement, and so potentially offset some or all of the costs of offering support, the billing authority will need to pass funding down to the local precepting authority.

B9. To support considerations over funding, the Government has published provisional funding allocations, setting out how much funding might be attributable to the local precepting authorities, based on its share of council tax in the billing authority area.

B10. This figure is intended as a starting point: Precisely how much funding should be passed down will depend on a number of factors, including the design of the scheme and the number of claimants in the local precepting authority area.

B11. In line with the localism agenda there will not be a legislative duty to pass down funding. Billing and local precepting authorities should be able to come to agreement on arrangements for passing down the funding attributable to the local precepting authority, reflecting the factors outlined above, and other relevant local circumstances.

Agenda Item 8

- 4.3 As part of the 2013/14 budget process it was agreed to pay the following amounts to each parish council in order to ensure that they were protected from the impact of the council tax reforms:

Parish Area	Grant £
Aintree Village	12,972
Formby	3,070
Hightown	246
Ince Blundell	311
Little Altcar	226
Lydiate	19,959
Maghull	77,638
Melling	2,470
Sefton	721
Thornton	505
	118,116

- 4.4 The total cost of £118,116 was built into the indicative budget for 2014/15 approved by Council on 28 February 2013. It is recommended that the same amount is paid to each of the Parish Council's in 2014/15 in order to provide stability of funding, with a review of this funding to be carried out as part of the 2015/16 budget process.

Agenda Item 9

Report to: Cabinet
Council

Date of Meeting: 16th January 2014
23rd January 2014

Subject: Pay Policy

Report of: Head of Corporate Personnel **Wards Affected:** All

Is this a Key Decision? No **Is it included in the Forward Plan?** Yes

Exempt/Confidential No

Purpose/Summary

To recommend a Pay Policy for the Council as required by the Localism Act 2011 and to provide a scheme for the approval of severance payments, as required by legislation.

Recommendation(s)

Cabinet

The proposed Pay Policy at Annex A to this report be recommended to the full Council for approval, noting the proposed arrangements for Council and Pay & Grading Committee in respect of severance payments over £100,000. This includes changes to the functions of the Pay and Grading Committee to approve and determine such payments.

Council

The proposed Pay Policy at Annex A to this report be approved (including the arrangements for severance payments over £100,000) including the changes to the functions of the Pay and Grading Committee to approve and determine such payments and the Constitution be amended accordingly.

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		✓	
2	Jobs and Prosperity		✓	
3	Environmental Sustainability		✓	
4	Health and Well-Being		✓	
5	Children and Young People		✓	
6	Creating Safe Communities		✓	
7	Creating Inclusive Communities		✓	
8	Improving the Quality of Council Services and Strengthening Local Democracy		✓	

Agenda Item 9

Reasons for the Recommendation:

To comply with the Localism Act 2011

What will it cost and how will it be financed?

(A) Revenue Costs

N/A

(B) Capital Costs

N/A

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal	<p>The Council has the following duties under the following sections of the Localism Act 2011 :-</p> <p>Section 38- The Council must prepare a Pay Policy Statement for each financial year which sets out its policies for the financial year relating to the remuneration of its chief officers and its lowest-paid employees and the relationship between the remuneration of its chief officers and its employees who are not chief officers.</p> <p>Section 39-The Council’s Pay Policy Statement must be approved by resolution of the authority before it comes into force and prior to 31st March immediately preceding the financial year to which it relates.</p> <p>Section 40- With regard to its functions under sections 38 and 39 [above] ,the Council must have regard to any guidance issued or approved by the Secretary of State</p>						
Human Resources	<p>The Pay Policy has been amended and updated to reflect any changes that have occurred since the last report.</p>						
Equality	<table> <tr> <td>1. No Equality Implication</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>2. Equality Implications identified and mitigated</td> <td><input type="checkbox"/></td> </tr> <tr> <td>3. Equality Implication identified and risk remains</td> <td><input type="checkbox"/></td> </tr> </table>	1. No Equality Implication	<input checked="" type="checkbox"/>	2. Equality Implications identified and mitigated	<input type="checkbox"/>	3. Equality Implication identified and risk remains	<input type="checkbox"/>
1. No Equality Implication	<input checked="" type="checkbox"/>						
2. Equality Implications identified and mitigated	<input type="checkbox"/>						
3. Equality Implication identified and risk remains	<input type="checkbox"/>						

Impact on Service Delivery: N/A

What consultations have taken place on the proposals and when? N/A

The Head of Corporate Finance (FD2722) notes that this report is to meet the Authorities statutory duties under the Localism Act 2011 to produce an Annual Pay Policy statement and has no other financial implications.

Agenda Item 9

Head of Corporate Legal Services (LD2027.) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

No

Implementation Date for the Decision

Immediately following the Council meeting.

Contact Officer: Mark Dale
Tel: 0151 934 3949
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Background Papers:

None

Agenda Item 9

INTRODUCTION/BACKGROUND

1. This report deals with a requirement in the Localism Act 2011 (the Act) which became statute in November 2011. The Act introduces a requirement for Local Authorities to agree and publish an Annual Pay Policy Statement commencing 20th December 2011. The Department of Communities and Local Government (DCLG) also published statutory guidance on openness and accountability in local pay.
2. This report deals with two specific issues:
 - (a) the amendments to the pay policy to reflect changes within the Authority
 - (b) decision making in relation to Authority employees who may receive a severance payment of £100,000 or over.
3. The DCLG guidance is that Full Council should be asked to determine whether it wishes to vote on any remuneration package or payment on termination of employment of £100,000 or greater.
4. On 20th February 2012 the DCLG issued statutory guidance “Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act 2011”. Local Authorities in England are required to take account of the supplementary guidance when preparing their Pay Policy Statements for 2013/14 and each subsequent year.
5. At its meeting on 28th February 2013 Council agreed the Pay Policy Statement for 2013/14 which included specifically a mechanism for the consideration of new appointments which have a remuneration package of £100,000 or greater. Full Council in accordance with the Pay Policy will have the opportunity to vote on this remuneration prior to a new appointment with a recommendation made by the Employment Procedure Committee.
6. In supplementary guidance issued subsequently “Openness and Accountability in Local Pay Guidance under Section 40 of the Localism Act 2011 – Supplementary Guidance” further guidance is given and the issue of severance payments is detailed. Additionally the Secretary of State for Communities and Local Government wrote to the Leaders of Local Authorities in England and Chairs of Fire and Reserve Authorities on this matter.

Severance Payments

7. The further guidance which detailed the following:

“Severance Payments

There has been a great deal of public scrutiny of the level of severance payments awarded to senior local government staff and rightly so. Authorities should ensure that they manage their workforces in a way that best delivers best value for money for local taxpayers and sets the right example on restraint. This included any payments offered to staff leaving the authority.

Authorities are already required to publish their policies on severance for chief officers under The Localism Act 2011, Section 38 (4) (f) and their policy

Agenda Item 9

on discretionary compensation for relevant staff in the event of redundancy (Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. In addition other regulations provide for the disclosure of remuneration of senior employees including details of severance payment within authorities' annual statement of accounts (Accounts and Audit (England) Regulations 2011).

Taken together these measures enable greater scrutiny of the money spent by authorities on severance. However, given continuing public concern about the level and frequency of such payments, there is a case for going further to ensure that decisions to spend local taxpayers' money on large pay-offs are subject to appropriate levels of accountability. Authorities should therefore offer full Council (or a meeting of members in the case of fire authorities) the opportunity to vote before large severance packages beyond a particular threshold are approved for staff leaving the organisation. As with salaries on appointment, the Secretary of State considers that £100,000 is the right level for that threshold to be set.

In presenting information to full Council, authorities should set out clearly the components of relevant severance packages. These components may include salary paid in lieu, redundancy compensation, pension entitlements, holiday pay and any bonuses, fees or allowances paid.”

8. Further guidance was sought from the DCLG in respect of the interpretation of a severance package elements and the DCLG indicated that they were unable to provide any further guidance as to the elements which the DCLG considered would constitute the total amount.
9. In considering the approach of what would constitute the elements of a severance package, Officers would recommend that given the intention of the guidance is to enable the monitoring of Local Authority costs, that elements of any severance package would include:
 - (a) A redundancy payment
 - (b) Any capital cost to the pension fund
 - (c) Any other contractual payments that are due to the employee
 - (d) Any other payments which the Local Authority may seek to make.
10. In respect of the definition of severance package, Officers considered as to whether the definition would include a lump sum from the pension scheme, however, Officers do not feel that this should be included as this is a benefit the employees draw from the relevant Fund according to their membership and length of service. It is not considered per se a cost to the Council, as any capital cost would be included in the definition above.

Decision Making

11. The guidance as detailed above was drafted it seems with primary concern in relation to severance packages in relation to senior officers. It is recommended in respect of any severance package of £100,000 or above that full Council are given an opportunity to vote to determine in respect of the Chief Executive, Deputy Chief Executive and Service Directors. This would be after a recommendation from Pay and Grading Committee.

Agenda Item 9

12. Officers would recommend that all other employees' severance packages if they were to be £100,000 or above be by determination of the Pay and Grading Committee and the terms of reference of the Pay and Grading Committee be amended accordingly to deal with such matters. Additionally for all officers other than those in paragraph 11, the matter may come before Full Council as part of the Budget process.
13. The reasoning for utilising the Pay and Grading Committee is that this would allow operational effectiveness in seeking the approval of such payments, leaving Full Council to deal with Senior Officers and Officer holders as detailed. Full Council would also be able to scrutinise matters and give approval to any severance payments over £100,000 as part of the process in respect of the approval of the budget.
14. It is also noted that given the transparency requirements listed already with the DCLG guidance, that there is a high level of transparency in respect of payments to employees.

Cabinet

15. The proposed Pay Policy at Annex A to this report be recommended to the full Council for approval, noting the proposed arrangements for Council and Pay & Grading Committee in respect of severance payments over £100,000. This includes changes to the functions of the Pay and Grading Committee to approve and determine such payments.

Council

16. The proposed Pay Policy at Annex A to this report be approved (including the arrangements for severance payments over £100,000) including the changes to the functions of the Pay and Grading Committee to approve and determine such payments.

PAY POLICY 2012/13 (As required by the Localism Act 2011)

	<u>Contents</u>	<u>Para(s)</u>
A.	Opening Statement	1 to 4
B.	Scope of Policy	5
C.	Availability of Policy	6
D.	Decision Making	7 to 10
E.	Basic Pay:	
	- Senior Officers	11 to 16
	- Educational Professionals/Educational Psychologist/ Youth & Community Workers	17 to 20
	- National Joint Council (NJC) Employees	21 to 23
	- Craft Employees	24
	- Annual Pay Awards and Incremental Progression	25
F.	Other Pay	26 to 33
G.	Pay Protection	34
H.	Pay Relationships	35 to 38
I.	Other Terms and Conditions	39 to 44
J.	Local Government and Teachers Pension Schemes	45 to 46
K.	Employees Transferring into the Council	47

Note: Reference is made in this policy to various national and local terms and conditions agreements, policies and schemes. These can be accessed from the following links:

National Pay Agreements within Local Government

1. JNC Chief Executive Terms and Conditions of Service: www.lge.gov.uk
2. JNC Chief Officer Terms and Conditions of Service: www.lge.gov.uk
3. Local Government Pension Scheme: www.lgps.org.uk
4. NJC Terms and Conditions of Service (Green Book): www.lge.gov.uk
5. NJC Terms and Conditions of Services for Craft Workers (Red Book): www.lge.gov.uk
6. Soulbury Terms and Conditions of Service: www.lge.gov.uk (Education & Young People)
7. Teachers Pension Scheme: www.teacherspensions.co.uk
8. Youth and Community Workers Terms and Conditions of Service (Pink Book): www.lge.gov.uk (Education & Young People)

Sefton Council – Local Pay Policies

1. Local Government Pension Scheme - Discretionary Powers:
2. Payments to Employees Temporarily Undertaking Additional Duties:
3. Point of Minimum Advantage:
4. Sefton's NJC Pay Scale:
5. Non Standard Working Arrangements – Associated Payments

These can be accessed through Sefton's website (www.sefton.gov.uk)

Senior Salary Pay Bandings

These can be accessed through the following link: <http://www.sefton.gov.uk/default.aspx?page=10903>

Agenda Item 9

SEFTON COUNCIL

PAY POLICY

(As required by the Localism Act 2011)

A. OPENING STATEMENT

1. The aim of this policy is to help maintain and improve the quality of service provision by ensuring that all employees are valued and receive proper reward for their work and contribution. It also serves to satisfy the requirements of the Localism Act 2011 relative to pay accountability.
2. It is recognised that both financial and non-financial rewards are necessary to attract, retain and motivate employees. As such there needs to be a close link between reward and the overall approach to people management, including workforce planning and development strategies. There needs to be a fair balance between changing organisational needs and the aspirations of individuals. Equally there needs to be a recognition of the financial constraints of the current economic climate and the imperative to manage public monies responsibly.
3. This policy will assist in managing pay and other rewards in a fair, equitable, responsible and transparent manner. The Council supports the principle of equality of opportunity in employment. In this regard every endeavour will be made to ensure that employees receive equal treatment, irrespective of their age, gender, race, colour ethnic origin, family commitments, marital status, sexual orientation, disability or religious beliefs.
4. All pay related decisions will be taken in compliance with the provisions of The Equality Act 2010, The Employment Rights Act 1996, The Employment Relations Act 1999, the Employment Act 2002, The Employment Act 2008, The Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, The Fixed Term Employees' (Prevention of Less Favourable Treatment) Regulations 2002, all as amended.

B. SCOPE OF POLICY

5. This policy covers all employees other than those in schools. Senior officers are defined as those currently earning £52,800 and above.

(*The £52,800 threshold is given in the Code of Recommended Practice for Local Authorities on Data Transparency issued by the Secretary of State for Communities and Local Government [CLG].)

C. AVAILABILITY OF POLICY

6. This policy is available on the transparency pages of Sefton's website (www.sefton.gov.uk).

D. DECISION MAKING

7. The pay policy aspects of this document are the responsibility of the Pay & Grading Committee with any recommendations for change being subject to the approval of the Council.
8. The policy will be reviewed by the Committee at least once every municipal year and referred to the Council for consideration prior to the beginning of the subsequent municipal year on 1st April.
9. The authority to make decisions in accordance with the policy (i.e. its application) is in accordance with the delegations described in the Council's constitution, which can be found in the documents library on Sefton's website
10. The full Council will have the opportunity to vote on the remuneration of senior officers where the value is over £100,000 prior to an offer being made in a new appointment. This will be when a decision is made to fill the post and a recommendation will be made by the Employment Procedure Committee.
11. In accordance with the guidance in respect of Section 40 of the Localism Act, any severance payment of £100,000 which will potentially be made to the Chief Executive, Deputy Chief Executive and any Service Directors will be subject to an opportunity of Full Council vote following a recommendation from Pay and Grading Committee.
12. In respect of any other Officers, Council has delegated the determination of severance packages of £100,000 or above in respect of all other Officers to the Pay and Grading Committee. Additionally Council may determine severance packages of £100,000 or more for other officers as part of the Budget process.
13. In respect of the definition of severance payment (for the purposes of paragraphs 11 and 12), this is defined as:
 - (a) A redundancy payment
 - (b) Any capital cost to the pension fund
 - (c) Any other contractual payments that are due to the employee
 - (d) Any other payments which the Local Authority may seek to make

E. BASIC PAY

(Senior Officers)

14. Senior officers (other than those paid under the Soulbury agreement – see paras 18 to 21) are paid in accordance with the following grading structure which was constructed on the recommendation of HAY consultants taking account of market value:

Agenda Item 9

	Chief Executive	*Strategic Directors	Service Directors	Senior Management		
		1	2	3	4	5
i	138,543	100,611	90,399	78,753	66,054	57,234
ii	142,008	103,128	92,661	80,724	67,707	58,665
iii	145,473	105,645	94,923	82,695	69,360	60,096
iv	148,938	108,162	97,185	84,666	71,013	61,527
v	152,403	110,679	99,447	86,637	72,666	62,958

*Although banding exists, no individual is currently paid within this grading

15. The terms and conditions for the post of Chief Executive are in accordance with the Joint National Council (JNC) Scheme for Chief Executives and, in the case of other senior officer posts, the JNC Scheme for Chief Officers.
16. There is a further senior officer HAY grade (HAY 6) which attracts a salary range below £52,800:

6
44,847
46,029
47,211
48,393
49,575

17. The terms and conditions for posts graded HAY 6 are in accordance with the National Joint Council (NJC) Scheme for Local Government services employees (known as the "Green Book").
18. HAY grades are allocated to posts using the HAY job evaluation system. This system enables the factors of a job to be analysed and translated into a points score which, in turn, is related to the appropriate grade associated with the score. A HAY review is currently ongoing which by virtue of the Cabinet Report dated 13th September 2012, the Chief Executive has delegated authority to undertake and implement.
19. In exceptional circumstances a market supplement may be paid in order to attract/retain the best person for the job and having regard to market values which must be evidenced.

(Educational Professionals – [Soulbury Agreement])

20. The Soulbury Committee provides national collective bargaining machinery for advisory staff in Local Authorities. Nationally it covers approximately 10,500 staff including: education improvement professionals, education psychologists, and young people's/community service managers. In addition to the annual pay increase, the Soulbury Committee also determines the national salary framework.

Agenda Item 9

21. The Soulbury agreement provides three separate sets of pay spines.

- (i) The first is the pay spine for education improvement professionals. The agreement specifies normal minimum entry points for main, senior and principal educational improvement professionals on that pay spine. The agreement also provides that the pay of other professionals on that spine should reflect the comparable levels of responsibility of those postholders and of other postholders, including all education improvement professionals, paid on Soulbury scale.

Spine Point	Salary from 1.9.2013
1	32,677
2	33,847
3	34,952
4	36,071
5	37,185
6	38,299
7	39,470
8	40,594*
9	41,906
10	43,075
11	44,230
12	45,348
13	46,614**
14	47,742
15	48,988
16	50,116
17	51,246
18	52,355
19	53,499
20	54,090***
21	55,226
22	56,215
23	57,305
24	58,282
25	59,328
26	60,346
27	61,389
28	62,445
29	63,505
30	64,563
31	65,611
32	66,676
33	67,742
34	68,833
35	69,920
36	71,040
37	72,141
38	73,254
39	74,352
40	75,449

Agenda Item 9

41	76,553
42	77,654
43	78,755
44	79,862
45	80,966
46	82,070
47	83,180
48	84,280****
49	85,384****
50	86,488****

Notes: Salary scales to consist of not more than four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit and motivate staff.

* normal minimum point for EIP undertaking the full range of duties at this level.

** normal minimum point for Senior EIP undertaking the full range of duties at this level.

*** normal minimum point for Principal EIP undertaking the full range of duties at this level

**** Extension to range to accommodate structured professional assessments

The second set of spines, for educational psychologists, comprises a single scale for main grade psychologists; a pay spine for senior and principal educational psychologists; and a scale for unqualified assistant educational psychologists.

EDUCATIONAL PSYCHOLOGISTS – SCALE A

Spine Point	Salary from 1.9.013
1	34,273
2	36,013
3	37,752
4	39,491
5	41,230
6	42,969
7	44,607
8	46,244
9	47,778*
10	49,313*
11	50,745*

Notes: Salary scales to consist of six consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff.

* Extension to scale to accommodate structured professional assessment points

SENIOR & PRINCIPAL EDUCATIONAL PSYCHOLOGISTS – SCALE B

Spine Point	Salary from 1.9.13
1	42,969
2	44,607
3	46,244*
4	47,778
5	49,313
6	50,745
7	51,333
8	52,431
9	53,519
10	54,626
11	55,711

12	56,818
13	57,944
14	59,031**
15	60,171**
16	61,300**
17	62,436**
18	63,571**

Notes: Salary scales to consist of not more four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff.

* Normal minimum point for the Principal Educational Psychologist undertaking the full range of duties at this level.

** Extension to range to accommodate discretionary scale points and structured professional assessments.

TRAINEE EDUCATIONAL PSYCHOLOGISTS

Spine Point	Salary from 1.9.13
1	£22,019
2	£23,631
3	£25,241
4	£26,853
5	£28,464
6	£30,075

ASSISTANT EDUCATIONAL PSYCHOLOGISTS

Spine Point	Salary from 1.9.13
1	£27,067
2	£28,172
3	£29,278
4	£30,377

- (iii) The third set of spines applies to Youth and Community Workers. The pay of Youth and Community Workers is determined from pay points that are prescribed by the Joint National Council (JNC) for this group of employees. There are two ranges of pay points, one for Youth and Community Support Workers and one for Professional staff. Scales are constructed from the ranges and the allocation of workers to the scales is undertaken using the JNC's guidance.

Youth and Community Support Worker Range

Pay Points	w.e.f. 1.9.09	Pay Points	w.e.f. 1.9.09
1	14,143		
2	14,733		
3	15,324		
4	15,917		
5	16,509		
6	17,100		
7	17,697		
8	18,291		
9	19,047		
10	19,636		
11	20,591	11	20,591
12	21,525	12	21,525
13	22,489	13	22,489
14	23,485	14	23,485
15	24,166	15	24,166
16	24,875	16	24,875
17	25,574	17	25,574
		18	26,270

Agenda Item 9

19	26,975
20	27,673
21	28,461
22	29,352
23	30,219
24	31,091
25	31,968
26	32,847
25	31,968
26	32,847
27	33,726
28	34,613
29	35,496
30	36,377

- 22. The agreement provides guidance on the construction of grades from the pay spines.
- 23. The Soulbury agreement does not set its own specific conditions of service for Soulbury paid officers. Instead it provides that:

“The conditions of service of officers shall be not less favourable than those prescribed for the local government services staff of the authority”

In the majority of cases this will be the NJC/Green Book agreement.”

(NJC/Green Book Employees)

- 24. The largest proportion of employees are paid in accordance with the NJC/Green Book terms and conditions of employment and in conjunction with a locally determined grading structure that is derived from the forty five spinal column points (SCPs) given in the Green Book. It is influenced by market values and is ‘shaped’ to reward employees fairly relative to job requirements.
- 25. Grades are allocated to posts using the Local Government Single Status Job Evaluation Scheme which forms part of the Green Book.
- 26. The grading structure and the arrangements for applying the job evaluation scheme are agreed with the local trade unions.

Current SCP		Grade			Grade			Grade
4	£12,266	A	18	£17,333	E	33	£28,127	
5	£12,435		19	£17,980		34	£28,922	
6	£12,614	B	20	£18,638		35	£29,528	
7	£12,915		21	£19,317		36	£30,311	
8	£13,321		22	£19,817	F	37	£31,160	I
9	£13,725		23	£20,400		38	£32,072	
10	£14,013	C	24	£21,067		39	£33,128	
11	£14,880		25	£21,734		40	£33,998	
12	£15,189		26	£22,443		41	£34,894	
13	£15,598		27	£23,188	G	42	£35,784	J
14	£15,882	D	28	£23,945		43	£36,676	
15	£16,215		29	£24,892		44	£37,578	
16	£16,604		30	£25,727		45	£38,422	
17	£16,998		31	£26,539		46	£39,351	K
			32	£27,323	H	47	£40,254	
						48	£41,148	L

					49	£42,032	M
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(Craft/Red Book Employees)

27. The remaining group of staff are employed under JNC Craft and Associated terms and conditions of employment known as the ‘Red Book’. This group of employees have been assimilated to NJC/Green Book grades and attract the same locally agreed allowances.

(Annual Pay Awards and Incremental Progression)

28. The employees covered by this policy have last received annual national pay awards or incremental pay progressions as detailed below:

	HAY	Soulbury	Youth & Community Workers	NJC/ Green Book	Craft/Red Book
• Pay Award	April ¹ 2013	September 2013	September 2009 ²	April 2013	April 2013
• Incremental Progression	April 2008	September 2009	September 2009	*April 2009	April 2009

*Does not apply to school employees who have progressed under school delegation

¹ In accordance with the Cabinet resolution on 1st April 2004, a 1% rise was awarded on recommendation from HAY.

² Current negotiations ongoing

OTHER PAY

29. Senior Officers (as defined in para. 5) do not receive any other pay.
30. The Council has to appoint a Returning Officer for elections. This is usually a senior officer of the Council who performs the role in addition to his/her normal duties. Appointment as a Returning Officer is deemed to be separate remunerable employment.
31. Employees are not eligible for honoraria or ex gratia payments under current Council policy. However, an employee who, following a fair selection arrangement, is asked to perform the full duties and responsibilities of a higher graded post on a temporary basis, and accepts, will be paid in accordance with the pay applying to the post for the specified period and without any commitment to permanency in that post. This is known as “Acting Up”. It is an operationally practical arrangement that is applied throughout the workforce. It is an expedient measure that should maintain for as short a period as possible – normally less than 12 months.

(Advisory Staff in Local Authorities – [Soulbury Agreement])

32. In each of the separate Soulbury pay spines there is provision for employees to receive up to three further spine

Agenda Item 9

Assessment (SPA) system. This element of the pay structure is based on performance assessment and, therefore, forms part of the overall pay structure. Progression under the SPA system is subject to local assessment against nationally prescribed criteria.

(Youth and Community Workers)

33. Youth and Community workers do not receive any other pay save reimbursements as outlined in paragraph 43 and Acting up arrangements contained in Paragraph 28.

(NJC/Green Book Employees)

34. In accordance with the NJC/Green Book provisions the Council has negotiated local allowances in respect of employees who are required to work outside what is regarded as normal working hours:
- (a) Additional Hours (overtime)
 - (b) Saturday and Sunday working
 - (c) Night work
 - (d) Public and Extra-Statutory Holidays
 - (e) Sleeping-in Duty
 - (f) Other non standing working patterns
 - (i) shift working
 - (ii) Free Day/Rest Day working
 - (iii) Evening work (unsocial hours)
 - (iv) Recall to work
 - (v) Standby Duty
 - (vi) Emergency Duty Team

(Performance Payments)

35. Other than the Soulbury SPA system (para 29 refers), the Council does not make any bonus or other performance related payments.
36. Consideration has not been given at this time to the potential for 'earn back pay' for senior officers (i.e. whereby an element of basic pay has to be 'earned back' each year through meeting pre-agreed objectives). This would require a transparent and fair process to be developed which complies with employment legislation and contract law. Full trade union and employee consultation would also be required. The possibility is not rejected – it is simply that a proper consideration of the complexity and sophistication of an 'earn back' scheme is required.

G. PAY PROTECTION

37. In certain circumstances where employees suffer a loss in basic pay which occurs as a result of the actions of the employer, 12 months pay protection is available.

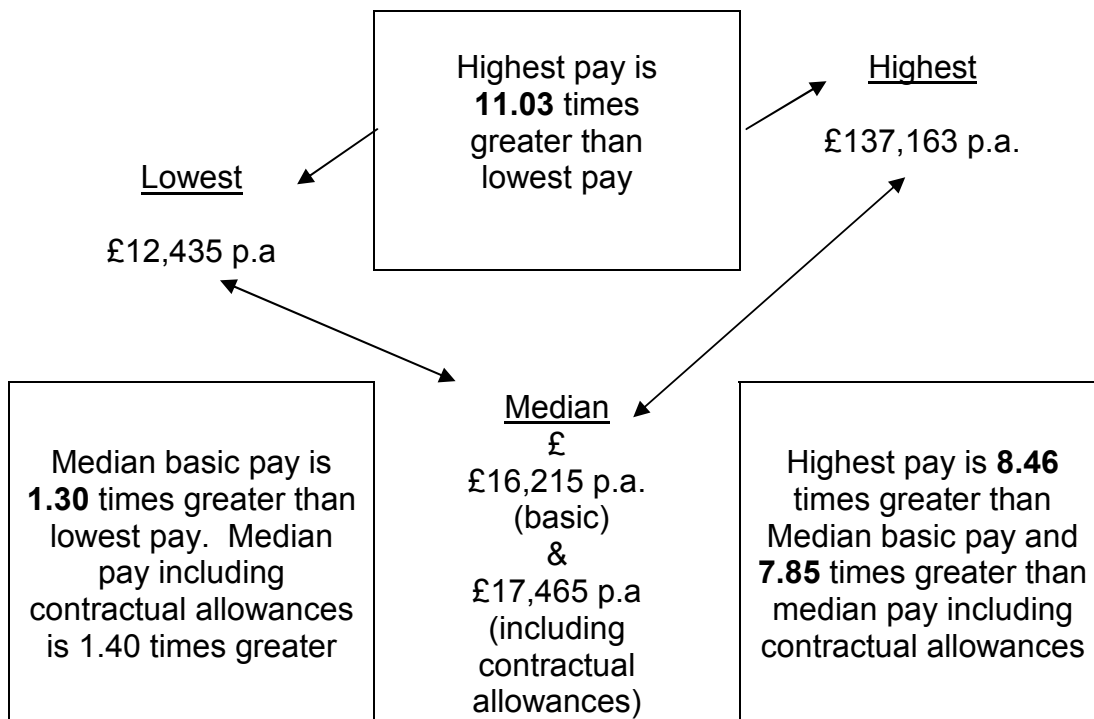
H. PAY RELATIONSHIPS

38. The highest level of (*full time equivalent – FTE*) employee remuneration in the Council is associated with the post of Chief Executive – para 6 refers.

Agenda Item 9

(NOTE: The current postholder is on the maximum of the grade but since February 2011 has volunteered a 10% reduction. The actual payment is £137,163 p.a.).

39. The lowest level of (FTE) employee remuneration is £12,435 p.a. (NJC/'Green Book' – Spinal Column Point [SCP5]).
40. The median level of (FTE) basic pay is £16,215 p.a. The median level of (FTE) pay including contractual allowances (e.g. overtime, shift pay) is £17,465 p.a.
41. The ratio listed is required under the provisions of the Localism Act 2011 and compares favourably with the Upper 20:1 ratio as detailed in the Hutton Fair Pay Review Report. The 2013/14 (FTE) actual pay relationships are:



I. OTHER TERMS AND CONDITIONS

42. Other than pay related terms and conditions there are the following provisions.
43. The normal working week is 36 hours (FTE) for all employees including those defined as senior officers. This is with the understanding, in the case of most senior officers, that, as necessary, additional hours will be worked without financial or time off recompense. However, it is acknowledged that senior officers will have the discretion to organise their times of attendance subject to them not compromising service requirements. For example, a senior officer starting at 8.00 a.m. on one day and, on the same day, concluding a meeting at, say, 7.30 p.m. may, subject to commitments on the second day, commence work at, say, 10.00 a.m. This will normally be in the knowledge of the person to whom s/he is responsible. For other employees a flexitime scheme is in operation, where appropriate, or fixed hours of work which may be at any time in the Monday to Sunday/24 hour period as defined relative to job requirements.

Agenda Item 9

44. The Council recognises the importance of the need to balance personal and working demands. Employees are required to be receptive to such needs both in their own case and relative to those for whom they may be responsible. It is considered that an empathetic management approach to controlled attendance will contribute to high performance and outcomes.
45. In addition, the Council's terms and conditions of employment generally provide for 27 days leave for employees with less than 5 years service and 32 days after 5 years have been completed (35 days for HAY 5 and above). The Council also recognises long service by granting an additional 5 days leave (one off) after 25 years service has been completed and celebrates longer periods of service.
46. The Council also supports officers in the discharge of their duties by reimbursing expenditure, paying subsistence allowances and providing access to car loans where appropriate.

Cabinet Decision February 2011

47. At its meeting on 17th February 2011 Cabinet approved a package of terms and conditions changes following consultation with the trade unions. It was implemented with effect from 1st April 2011 and lasted for two years and saved in the order of £2.5 million. It consisted of:
 - Freezing of Increments (to be reviewed, see below)
 - Pay award provision – frozen (in line with national policy) (Para 25 refers)
 - Night and Unsocial Hours payment reduced to 15%
 - Reducing all overtime to time and a half (including Sat/Sun, Free Day/Rest Day) and revised criteria for payment
 - Emergency Duty Team plussage reduced to 15%
 - No overtime at SCP32 and above
 - Continuing as a contractual matter 4 days unpaid leave to be associated with Christmas with deductions made at hourly rates (to be reviewed, see below)
 - Car allowances to be paid at HMRC rates

Cabinet Decision February 2012

Additionally for the years 2013/14 and 2014/15 the following will continue to apply:

- (1) There will be no incremental progression for any employees of the Council (with the exception of any employees who are employed on statutory contracts, i.e. teachers or career related progression). All NJC, JNC – HAY, Red Book, Youth Workers - JNC and Soulbury will therefore not have any form of incremental progression in 2013/2014 or 2014/15. This measure will deliver a projected saving of £1.69m in 2013/14 and a further £1.5m 2014/15. This measure does not apply to schools.
- (2) The 4 day shutdown over the Christmas period continues on the current basis, i.e. deductions will continue to apply to employees. This will become a permanent feature within employee contracts; however, the Council retains a discretion to make employees work over the period if needed. The concessionary day no longer applies in any form.
- (3) All other matters contained in February 2011 Cabinet decision being contractual.

Agenda Item 9

J. LOCAL GOVERNMENT PENSION SCHEME (LGPS)/TEACHERS PENSION SCHEME/NHS SCHEME

48. The Council's policy on the available discretions under the LGPS is available on Sefton's website. There are a number of employees within the Council who are members of the Teachers Pension Scheme. At this time the available discretions within that scheme are not exercised.
49. Subject to compliance with legislative/regulatory requirements:
- An individual may be in receipt of a pension (LGPS or otherwise) in addition to remuneration from their employment with the Council.
 - An individual who has left the Council and been in receipt of a severance or redundancy payment and/or pension (LGPS or otherwise) may subsequently be re-employed or engaged under a contract for services.
50. A number of individuals transferred pursuant to the Public Health function, these individuals are within the NHS Pension Scheme

K. EMPLOYEES TRANSFERRED INTO THE COUNCIL

51. Employees have transferred into the Authority as part of the re-integration of the Capita Contract on 1st October 2013. The Council recognised the Transfer of Undertakings (Protection of Employment) Regulations 2006. However organisational change will occur in the future.
52. Capita pay scales are as follows for employees who have transferred back to the Authority:

Salary Point	Employees on CAPITA Terms and Conditions	Salary Point	NJC Sefton pay scales - Scale 1 to 6	Salary Point	NJC Sefton pay scales - Senior Officer	Salary Point	NJC Sefton pay scales - Principal Officer	Salary Point	1Hay Grade
1	9,835	5	12,435.00	29	24,892.00	33	28,127.00	<i>vi</i>	50,757
2	18,000	6	12,614.00	30	25,727.00	34	28,922.00		
3	20,700	7	12,915.00	31	26,539.00	35	29,528.00		
4	23,473	8	13,321.00	32	27,323.00	36	30,311.00		
5	23,500	9	13,725.00	33	28,127.00	37	31,160.00		
6	24,000	10	14,013.00	34	28,922.00	38	32,072.00		
7	27,000	11	14,880.00			39	33,128.00		
8	28,000	12	15,189.00			40	33,998.00		
9	29,000	13	15,598.00			41	34,894.00		
10	30,000	14	15,882.00			42	35,784.00		
11	31,000	15	16,215.00			43	36,676.00		
12	32,000	16	16,604.00			44	37,578.00		
13	40,000	17	16,998.00			45	38,422.00		
14	42,500	18	17,333.00			46	39,351.00		
15	44,000	19	17,980.00			47	40,254.00		
16	55,000	20	18,638.00			48	41,148.00		

Agenda Item 9

17	56,000	21	19,317.00	49	42,032.00
18	62,184	22	19,817.00		
19	64,400	23	20,400.00		
		24	21,067.00		
		25	21,734.00		
		26	22,443.00		
		27	23,188.00		
		28	23,945.00		

Those employees who retained Sefton MBC terms whilst working within Capita

- 53. In respect of the Public Health function, some employees transferred to the Authority on 1st April 2013. The transfer was on a statutory basis within the Health and Social Care Act 2012.
- 54. The basis was on a statutory like TUPE scheme as detailed with a prescribed transfer scheme. All pay scales remain static.
- 55. Pay scales are as follows for employees who transferred on Agenda for Change pay scales:

Public Health - NHS Salary Points & Bands from April 2013					
Band 1		Band 4		Band 7	Band 8c
Point 1	14,294	Point 11	18,838	Point 26	30,764
Point 2	14,653	Point 12	19,268	Point 27	31,768
Point 3	15,013	Point 13	19,947	Point 28	32,898
Band 2		Point 14	20,638	Point 29	34,530
Point 1	14,294	Point 15	21,265	Point 30	35,536
Point 2	14,653	Point 16	21,388	Point 31	36,666
Point 3	15,013	Point 17	22,016	Point 32	37,921
Point 4	15,432	Band 5		Point 33	39,239
Point 5	15,851	Point 16	21,388	Point 34	40,558
Point 6	16,271	Point 17	22,016	Band 8a	
Point 7	16,811	Point 18	22,903	Point 33	39,239
Point 8	17,425	Point 19	23,825	Point 34	40,558
Band 3		Point 20	24,799	Point 35	42,190
Point 6	16,271	Point 21	25,783	Point 36	43,822
Point 7	16,811	Point 22	26,822	Point 37	45,707
Point 8	17,425	Point 23	27,901	Point 38	47,088
Point 9	17,794	Band 6		Band 8b	
Point 10	18,285	Point 21	25,783	Point 37	45,707
Point 11	18,838	Point 22	26,822	Point 38	47,088
Point 12	19,268	Point 23	27,901	Point 39	49,473
		Point 24	28,755	Point 40	52,235
		Point 25	29,759	Point 41	54,998
		Point 26	30,764	Point 42	56,504
		Point 27	31,768		
		Point 28	32,898		
		Point 29	34,530		

Agenda Item 9

56. Additionally, one employee transferred under the NHS Consultant Contract identified in the Pay Circular M&D 1/2013 (March 2013) for hospital, medical and dental staff, doctors and dentists in public health, the Community Health Service and salaried primary dental care.

MD
November 2013

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Report to: Council **Date of Meeting:** 23 January 2014

Subject: Re-adoption of the Local Government (Miscellaneous Provisions) Act 1976

Report of: Head of Corporate Legal Services **Wards Affected:** All Wards

Is this a Key Decision? No **Is it included in the Forward Plan?** No

Exempt/Confidential No

Purpose/Summary

The report provides a recommendation to re-adopt the provisions of Part II of the Local Government (Miscellaneous Provisions) Act 1976 (“the 1976 Act”) within the Borough of Sefton.

Part II of the Local Government (Miscellaneous Provisions) Act 1976 regulates the licensing of private hire and hackney carriage vehicles, drivers and operators. The legislation contains provisions which allow local authorities to control the operation and use of private hire and hackney carriage vehicles and to protect the public by ensuring that vehicles are fit for use as licensed vehicles and drivers are ‘fit and proper’ to act. The local authority must be able to demonstrate that the provisions of Part II of the 1976 Act have been adopted by the Council following the proper procedures.

Recommendation(s)

That the Council resolves that the provisions of Part II of the Local Government (Miscellaneous Provisions) Act 1976 be re-adopted .

How does the decision contribute to the Council’s Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		✓	
2	Jobs and Prosperity	✓		
3	Environmental Sustainability		✓	
4	Health and Well-Being		✓	
5	Children and Young People		✓	
6	Creating Safe Communities	✓		
7	Creating Inclusive Communities		✓	
8	Improving the Quality of Council Services and Strengthening Local Democracy	✓		

Agenda Item 10

Reasons for the Recommendation:

Further to the meeting of the Council on 21st November 2013, the Council authorised the Head of Corporate Legal Services to provide notice of the Council's intention to pass a resolution to re-adopt the provisions of the Local Government Miscellaneous Provisions Act 1976. Notices were placed in the Local newspapers and all the Parish Councils have also been notified. No representations have been received in response to those notices.

What will it cost and how will it be financed?

(A) Revenue Costs: Publication of the statutory notices will be financed from the Taxi Licensing budget, are likely to be in the region of £1,000.

(B) Capital Costs: Nil

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal

Where the Town Police Clauses Act 1847 is in force throughout a district Council, Section 45(3) of the 1976 Act provides that a council may resolve that Part II of the 1976 Act is to apply in the area.

The Council may not pass a resolution adopting Part II of the 1976 Act unless it has (a) published a notice of intention to pass the resolution in a local newspaper circulating in the area for two consecutive weeks; and (b) served a copy of the notice, not later than the date on which it is first published in the newspaper on each Parish or community council within the area to be affected.

The notices were published in a local newspaper on 18th and 25th December 2013 and the Parish Councils have been notified, no adverse representations were received .

Human Resources

None

Equality

- | | | |
|----|--------------------------------------------------|-------------------------------------|
| 1. | No Equality Implication | <input checked="" type="checkbox"/> |
| 2. | Equality Implications identified and mitigated | <input type="checkbox"/> |
| 3. | Equality Implication identified and risk remains | <input type="checkbox"/> |

Impact on Service Delivery:

Re-adoption of the Act will provide clarification and certainty.

What consultations have taken place on the proposals and when?

The Head of Corporate Finance and ICT (2751) notes that the revenue cost will be met from the ringfenced taxi licence reserve and, therefore, has no further financial impact. The Head of Corporate Legal Services is the author of this report.

Are there any other options available for consideration? No, failure to re-adopt the Legislation may result in uncertainty in the Council's ability to take enforcement action.

Implementation Date for the Decision:

Action will be taken immediately following the resolution of the Council. If the resolution is made the re-adoption will be effective from 27th February 2014.

Contact Officer: Suzette Cain

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Email: suzette.cain@sefton.gov.uk

Background Papers:

Report to the Licensing and Regulatory Urgent Referrals Committee dated 6th November 2013, Cabinet dated 7 November and Council dated 21st November 2013, which can be accessed via this link to the Council's website:

<http://modgov.sefton.gov.uk/moderngov/mgListCommittees.aspx?bcr=1>

Agenda Item 10

1. Introduction/Background

- 1.1 It was proposed in the report to the Licensing and Regulatory Urgent Referrals Committee that the Committee recommend to Cabinet that authority be given for the provision of notice, in accordance with section 45 of the Local Government (Miscellaneous Provisions) Act 1976, of the Council's intention to re-adopt the provisions of Part II of the 1976 Act. In accordance with statutory requirements, such notice will consist of the publication of a notice of intention in local newspapers for two consecutive weeks and service of the notice on the Town and Parish Councils within the Borough.
- 1.2 Council approved the recommendations of the Cabinet on 21st November 2013.
- 1.3 Notices were published in a local newspaper on 18th and 25th December 2013 and the Parish Councils have been notified.
- 1.4 No adverse comments or representations were received.
- 1.5 It is therefore recommended that Council resolve that the provisions of Part II of the Local Government (Miscellaneous Provisions) Act 1976 be re-adopted.