## Statement to Cabinet 14-Nov-12

Last Thursday the Council approved a new local council tax benefit scheme. It did so on the basis of an inadequate report, which was largely devoid of facts, figures and examples. It was an important subject of great complexity, and I am sure most of the councillors in the chamber had only a hazy grasp of how the proposals would affect the people concerned.

I have only an imperfect understanding of the scheme, but it seems to me that it will bear particularly heavily on families with children with modest household incomes in the range of £13,000 to £19,000. Typically, they will have to pay about £250 additional council tax, which is a considerable sum.

I am aware that central government has made changes to the tax system to take low income earners out of income tax. However, I am sure it was not intended that what has been given nationally by the right hand should be taken back locally by the left hand through withdrawal of council tax benefit. Just as we contribute to national taxation according to our means, I feel it is socially just that at least a modicum of the burden of local council tax benefit should be borne by the community as a whole. Otherwise, the proposed scheme effectively means the poor will be paying the council tax benefit of the very poor.

I would also like to complete the remarks about discounts, which I was unable to make on Thursday because time ran out. I did manage to say then that the total abolition of void relief for private landlords was unfair and would discourage landlords from improving their properties or even from letting at all. I would like to add that it might also be a perverse incentive to let to students rather than needy local people. Letting to students is not only more remunerative, but landlords can usually contrive never to have voids, because they can gain access to their properties during the vacations when the students are not actually in occupation. It seems odd that at a time when the Administration is proposing to alter the planning system to curb the number of student houses, it is creating an incentive to let to students. A proposal to reduce the maximum period for void relief from 6 months to 2 would be acceptable, but total abolition is unreasonable.