

Welfare Reform and the "Bedroom Tax" Report by John Blair, Director, Resources

1 Purpose of Report

To advise Council of the response from Lord Freud, Minister for Welfare Reform, in response to a letter from the Provost with regard to Welfare Reform and the "Bedroom Tax".

2 Background

2.1 At their meeting on 19 March 2013, Council unanimously agreed the following Motion submitted by Councillor Thompson and Countersigned by Councillor Beattie:-

"Midlothian Council condemns the decision of the UK Government to introduce the "Bedroom Tax" from 1 April 2013; Recognises that at a recent vote on this in Westminster that more than 90% of Scottish MP's voted against this tax; notes with concern this measure will have a detrimental impact on a number of Midlothian residents and agrees to write to Prime Minister Cameron calling for the introduction of the "Bedroom Tax" to be scrapped immediately".

A response from Lord Freud dated 29 May 2013, was reported to Council on 25 June 2013. The Minutes of the Council meeting of that date states:-

"During debate Members expressed severe disappointment at Lord Freud's response which ignored the impact of Welfare Reform on the Council and which could in Midlothian amount to £25 million per year. His letter did not reflect housing in Scotland which was a devolved matter. In this regard the Provost agreed to write to Lord Freud."

The Provost's letter of 18 July 2013 is attached as **Appendix 1** and Lord Freud's response of 5 September 2013 is attached as **Appendix 2**.

3 Report Implications

3.1 Resource

There are no resource implications arising directly from this report.

3.2 Risk

There are no risk implications arising directly from this report.

3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- X None of the above
- 3.4 Impact on Performance and Outcomes Not applicable
- 3.5 Adopting a Preventative Approach Not applicable
- **3.6 Involving Communities and Other Stakeholders** Not applicable
- 3.7 Ensuring Equalities Not applicable
- 3.8 Supporting Sustainable Development Not applicable
- 3.9 IT Issues Not applicable

4 Recommendations Council is invited to note the response from Lord Freud, Minister for Welfare Reform.

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