

PEOPLE SCRUTINY COMMITTEE

Thursday 3 November 2016

Present:

Councillor Wardle (Chair)
Councillors Foale, Branston, Foggin, Holland, Newby, Packham, Robson and Vizard

Apologies:

Councillor Hannan

Also present:

Assistant Director Customer Access, Assistant Director Housing, Technical Accounting Manager, Service Improvement Lead (Benefits) and Democratic Services Officer (Committees) (HB)

In attendance

Councillor Phil Bialyk - Portfolio Holder for Sport, Health and Wellbeing
Councillor Paul Bull - Portfolio Holder for the Communities and Neighbourhoods
Councillor Emma Morse - Portfolio Holder for Customer Access
Councillor Keith Owen - Portfolio Holder for the Housing Revenue Account

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MINUTES

The minutes of the meeting of People Scrutiny Committee held on 1 September 2016 were taken as read and signed by the Chair as correct.

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DECLARATION OF INTERESTS

No declarations of disclosable pecuniary interests were made.

ITEMS FOR DISCUSSION

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HOUSING REVENUE/ACCOUNT - BUDGET MONITORING TO SEPTEMBER 2016

The Technical Accounting Manager advised Members of any major differences, by management unit between the approved budget and the outturn forecast for the first six months of the financial year up to 30 September 2016 in respect of the Housing Revenue Account (HRA) and the Council's new build schemes. An outturn update in respect of the HRA Capital Programme was also incorporated in the report in order to help provide a comprehensive financial update in respect of the Housing Revenue Account.

During this period, the total budget variances indicated that there would be a net surplus of £197,753 in 2016/17. This represented a reduction in net costs of £339,878 compared to the revised budgeted deficit of £142,125 for 2016/17.

The total amount of HRA capital expenditure for 2016/17 showed a total forecast spend of £12,038,520 compared to the £14,504,530 approved programme, a decrease of £2,466,010.

People Scrutiny Committee noted the report.

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PEOPLE - BUDGET MONITORING TO SEPTEMBER 2016

The Technical Accounting Manager advised Members of any material differences, by management unit between the approved budget the outturn forecast for the first six months of the financial year up to 30 September 2016 in respect of People Services. An outturn update in respect of the People Capital Programme was also incorporated in the report in order to help provide a comprehensive financial update in respect of the People Services budget.

The current forecast suggested that net expenditure would increase from the approved budget by a total of £109,000 after transfers from reserves and revenue contributions to capital. This represented a variation of 3.19% from the revised budget and included a supplementary budget of £130,000.

The 2016/17 Capital Programme, including commitments brought forward from 2015/16, was £1,434,540, as set out in the report.

People Scrutiny Committee noted the report.

ITEMS FOR CONSIDERATION BY THE EXECUTIVE

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EXETER CITY COUNCIL TAX SUPPORT SCHEME 2017/18

The Assistant Director Customer Access presented the report seeking Members' views on the local Council Tax Support (CTS) Scheme for working age residents for 2017-18. The local CTS Scheme started in April 2013 and Members were required to agree the Scheme rules annually.

The changes proposed had been presented to the Devon Local Government Steering Group meeting on 15 April 2016 by Devon County Council and District Heads of Finance. The preferred option at that meeting was to make a series of administrative changes to the CTS Scheme from April 2017 and introduce a Minimum Income Floor (MIF) for self-employed claimants. This option was felt to provide sufficient financial savings for the County Council - mostly through the introduction of MIF – and help to keep the CTS scheme in line with changes to national schemes. Since that meeting, the Devon Benefit Officer Group (made up of Revenues and Benefits officers from Devon districts, Plymouth and Torbay as well as finance representatives from the major preceptors) had worked to progress the preferred option.

The proposals were intended to help align the Council Tax Support scheme with changes already confirmed for Child Tax Credit from April 2017 and introduced to Housing Benefit in April 2016 and/or Universal Credit and reflected the increased understanding of Universal Credit as roll out continued. The Equality Impact Assessment and consultation indicated that impact on individuals was likely to be limited and that any resulting hardship could be managed through the Exceptional Hardship Fund.

Adopting all of the proposed changes would reduce the amount of Council Tax Support granted under the scheme, caseload modelling indicating that the maximum eventual savings would be £275,000 annually.

Members expressed concerns that the proposals, in many cases, did not reflect the realities of those suffering from difficult financial and personal circumstances and some felt that, whilst recognising that advantages would include eventual savings and a greater clarity for benefit claimants, they were unable to support the recommendations as a package.

In particular, the removal of the Family Premium for all new applicants had received the highest level of responses objecting to this proposal. Noting that the annual financial cost would be an average of approximately only £32 per family, Councillor Foale moved and Councillor Packham seconded the rejection of this proposal. This was carried.

People Scrutiny Committee noted the requirement to read and consider the contents of the accompanying Equality Impact Assessment in order to consider the impact of the proposals on relevant groups and recommended to Executive and Council that:-

- (1) the revised Exceptional Hardship policy be approved;
- (2) the proposal for removing Family Premium for all new applicants be not supported;
- (3) the following changes to the local Council Tax Support Scheme be approved;
 - a) reducing backdating to 1 month;
 - b) using a minimum income for self-employed earners after 1 year's self-employment;
 - c) reducing the period for which a person can be absent from Great Britain and still receive Council Tax Support to 4 weeks;
 - d) removing the Work Related Activity Component in the calculation of the entitlement for new applicants;
 - e) removing entitlement to the Severe Disability Premium where another person is paid Universal Credit (Carers Element) for looking after them; and
 - f) removing entitlement to the additional earnings disregard for Universal Credit customers in work;
- (4) delaying implementation of change to 2d) above to 1 April 2018 if the policy is introduced to Housing Benefit from a date after 1 April 2017; and
- (5) not adopting limiting the number of dependent children within the calculation for Council Tax Support to a maximum of two.

DISCRETIONARY HOUSING PAYMENTS POLICY

The Service Improvement Lead (Benefits) presented the report seeking Member's approval for a Discretionary Housing Payment policy allowing the Council to make awards of Discretionary Housing Policy in a fair, lawful and consistent way.

People Scrutiny Committee noted the report and recommended that Council approve the Discretionary Housing Payments Policy.

(The meeting commenced at 5.30 pm and closed at 6.30 pm)

Chair