



Welfare Reform Sub-Committee

Minutes of a meeting held on Tuesday 17 July 2012 at 2.00pm, Members Room, East Northamptonshire House, Thrapston

Present:

Councillors: Andy Mercer (Chairman)
 Glenvil Greenwood-Smith (Vice-Chairman)
 Richard Lewis
 Steven North
 Jeremy Taylor

Officers: Lisa Hyde (LJH)
 Glenn Hammons (GH)
 Richard Hadden (RH)
 Lucy Hogston (LH)
 David Pope (DP)

1.0 ELECTION OF CHAIRMAN AND VICE-CHAIRMAN

- 1.1 Councillor Andy Mercer was appointed Chairman of the Sub-Committee for the ensuing year.
- 1.2 Councillor Glenvil Greenwood-Smith was appointed as Vice-Chairman of the Sub-Committee for the ensuing year.

2.0 APOLOGIES

- 2.1 Councillor John Farrar gave his apologies.

3.0 DISCLOSURES OF INTEREST

- 3.1 There were no declarations of interest.

4.0 TERMS OF REFERENCE FOR THE WELFARE REFORM SUB-COMMITTEE

- 4.1 Members considered the draft Terms of Reference for the sub-committee which had been provided by LJH. Members noted that these would need to be recommended to Policy & Resources Committee and Council for adoption within the ENC Constitution.
- 4.2 Members agreed that the existing Terms of Reference were a good starting point but requested the addition of a further term of reference; for the sub-committee to liaise with neighbouring authorities on all aspects of Welfare Reform.

4.3 It was

RESOLVED TO RECOMMEND:

- (1) That the draft Terms of Reference be recommended to the Council for approval, subject to the additional term noted above.
- (2) That the Terms of Reference be subject to future revisions if deemed necessary.

6.0 PRESENTATIONS

6.1 LJH gave a presentation to members which outlined the implications of Welfare Reform, specifically the introduction of Universal Credit and the localisation of Council Tax benefit.

6.2 Universal Credit

The implications of Universal Credit were outlined to members and the inclusion of Housing Benefit within the scope of the changes was noted. The inevitable impact of the changes on ENC was detailed and members were advised that although Universal Credit would, by default, be delivered digitally to customers, district councils would still be responsible for providing face-to-face support for the vulnerable and those who required it.

6.3 The original implementation timetable for Universal Credit was provided which stated that delivery of Universal Credit was expected to commence to new claimants from October 2013 using existing resources. Caseload migration would commence in October 2014 and the anticipated completion date for this was October 2017.

6.4 Members noted that the Local Housing Allowance (LHA) used in Housing Benefit calculations would be linked to the Consumer Price Index (CPI) from April 2013, as opposed to local rent prices. Restrictions on benefit levels would apply to families occupying properties larger than their needs, and there would also be a benefit cap introduced which would be linked to national average earnings in 2013.

6.5 Members were advised that Discretionary Housing Payment (DHP) funding would be trebled nationally to a figure of £60m each year from 2012/13 to 2014/15 to help assist the transition.

6.6 The introduction of a single fraud service in association with the Department of Work and Pensions (DWP) was noted.

6.7 Local Support for Council Tax

GH provided members with the financial perspective of localisation of Council Tax Benefits. Members noted that the government required local authorities to make a 10% reduction in current benefit expenditure. However, with all pensioners and "vulnerable groups" having their benefits protected, the remaining claimants would have to bear the brunt of these reductions. Members were provided with figures which estimated the potential impact of a 10% Council Tax Benefit grant reduction, and noted that as 57% of East Northamptonshire claimants were protected as pensioners, the real reduction figure on the remaining claimants was likely to be above 23%. Members were advised that they would be responsible for deciding the qualifications for "vulnerable groups".

6.8 Members were then presented with various solutions including:

- Maintaining benefits at current level
- Other service savings / budget cuts.
- Reduction of Council Tax benefits
- Reduction of Council Tax discounts: (Uninhabitable, repossessed, unoccupied/unfurnished)

6.9 A timeline of action for the Welfare Reform Sub-Committee was presented as follows:

- To agree the key principles for East Northamptonshire Council Tax Support Scheme for Year 1.
- Define "Vulnerability"
- Determine the Draft Local Scheme model
- Consultation with interested parties
- Amendments according to consultation responses
- Approval of the final model by November/December Council
- Inform the DCLG by 31 January 2013 (a Default Penalty scheme will be applied if no local scheme approved by that point)

Members were advised of the current positions of neighbouring councils, and it was noted that four London councils had already commenced the consultation stage.

6.10 A list of thirteen options was submitted for consideration. Members were advised that impact assessments could be presented at the next meeting for any of the options they deemed necessary.

1. Across the Board cut for those of working age of **%
2. Reduce maximum entitlement from 100% to (85%)
3. Restrict support for the level for a Band (B) property
4. Remove entitlement from those in Bands (D) and above.
5. Count Child Benefit as income
6. Count Child Maintenance as income
7. Only give support to passported claimants
8. Introduce a minimum award of (£5) per week
9. Introduce a maximum award of (£1500) per annum
10. Increase the taper rate from 20% to (30%)
11. Increase Non-dependent deductions
12. Abolish Second Adult Rebate
13. Reduce the capital limit from £16k to (£10K)

6.11 It was

RESOLVED:

- (1) That option 7 be removed on the basis that it is considered to be unworkable.
- (2) That figures be supplied in respect of options 10, 12 and 13 at the next meeting.
- (3) That all other options listed be retained for consideration at the next meeting.

7.0 FUTURE MEETING DATES

Given that a considerable volume of follow-up data had been requested for presentation at the next meeting of the sub-committee, Members considered that a period longer than three weeks would be required in order to collate this information.

It was

RESOLVED:

That the next meeting of the Welfare Reform Sub-Committee would be held on Tuesday 28 August 2012 at 2pm, with subsequent meetings to be held every three weeks thereafter.

**8.0 QUESTIONS RECEIVED FROM MEMBERS UNDER COUNCIL PROCEDURE
RULE 10.3**

8.1 There were no questions received.

Chairman