



# Welfare Reform Sub-Committee

**Minutes of a meeting held on Tuesday 28 August 2012 at 2.00pm, CHG2, East Northamptonshire House, Thrapston**

**Present:**

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

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

**1.0    MINUTES**

1.1    The minutes of the meeting held on 17 July 2012 were approved as a correct record and signed by the Chairman.

**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    REPORT AND RISK ANALYSIS OF OPTIONS FOR A LOCAL COUNCIL TAX SCHEME IN EAST NORTHAMPTONSHIRE**

4.1    LJH presented members with a report which sought to outline all the available options for a Local Council Tax Discount Scheme (LCTDS) in East Northamptonshire.

4.2    Members noted the DCLG had now provided Local Authorities with an estimate of the reduction in funding to be received, with the exact figure to be published in November 2012. East Northamptonshire Council would currently face a reduction in funding of £523k.

4.3 At the initial meeting of the Sub-Committee on 17 July 2012, members had been presented with a list of thirteen LCTDS options for consideration. One option, relating to passported benefit claimants, had been deemed unworkable and was not investigated further. The remaining twelve options had been analysed by officers, taking into account the criteria below:

- To recover at least the 10% reduction in government funding
- To act as an incentive for people to work rather than remaining on benefits; or at least not to act as a disincentive to work
- To protect the vulnerable as far as possible
- To be simple to administer and to avoid increased costs where possible.

A summary highlighting whether each of the options met the criteria was supplied to the meeting.

4.4 The twelve options listed below had been split into two distinct groups during the analysis process. Options 1 to 4 were seen to provide financially significant changes to the scheme and could stand alone. Options 5 to 12 would require combination with other options to achieve significant savings.

- Option 1 – Across the board reduction for all working age customers as a set %.
- Option 2 – Working age claims capped on a percentage of their Council Tax Liability
- Option 3 – Restriction for working age claimants to a maximum liability of Band B.
- Option 4 – Remove support from those in Band D or above.
- Option 5 – Include Child Benefit as income.
- Option 6 – Include Child Maintenance as income.
- Option 7 – Increase minimum entitlement to Council Tax Support to £5 per week.
- Option 8 – Introduce a maximum award of £1,500 per annum.
- Option 9 – Increase income taper rate from 20% to 30%.
- Option 10 – Increase Non Dependant deductions.
- Option 11 – Removal of Second Adult Rebate scheme for working age claimants
- Option 12 – Reduced capital limit from £16K to £10K.

4.5 Members were provided with in-depth scenarios highlighting the potential impact on ENC claimants for each of Options 1 to 4.

4.6 The provision of a hardship fund to protect vulnerable working age claimants was discussed by members. Section 13A of the Local Government Finance Act would enable the creation of the fund. Members noted that a scheme for hardship could be agreed at county level, which would simplify administration and appeals systems.

4.7 Members were advised that a full Equalities Impact Assessment would be published alongside the consultation documents.

4.8 It was

**RESOLVED:**

- (1) That Options 2 and 11 were the preferred options to take forward to public consultation.
- (2) That consultation also include details of possible amendments to Council Tax discounts and exemptions and the possible creation of a hardship fund.

**5.0 UPDATE ON CURRENT POSITION UNDER CONSIDERATION ACROSS OTHER LOCAL AUTHORITIES IN NORTHAMPTONSHIRE**

5.1 LJH provided the meeting with a verbal update regarding the current position of five other Local Authorities in Northamptonshire regarding the LCTDS. Members noted that only one Local Authority in the county did not intend to implement an LCTDS in year one, and that all other authorities were currently examining options available to them.

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

6.1 There were no questions received.

**Chairman**