



Welfare Reform Sub-Committee

Minutes of a meeting held on Wednesday 19 October at 10.00am, in the Kasen Room, East Northamptonshire House, Thrapston

Present:

Councillors: Andy Mercer (Chairman)
 Steven North (Leader of the Council)
 Helen Harrison
 Sarah Peacock

Officers: Julia Smith – Head of Customer and Community Services
 Lucy Hogston – Benefit Manager
 Michelle Drewery – Finance Manager

1.0 APOLOGIES FOR ABSENCE

1.1 Apologies for absence were received from Councillor Richard Lewis.

2.0 MINUTES

2.1 The minutes of the meeting held on 30 June 2016 were approved as a correct record.

3.0 DECLARATIONS OF INTEREST

3.1 No declarations of interest were made.

4.0 QUESTIONS UNDER PROCEDURE RULE 10.3

4.1 No questions had been submitted under Procedure Rule 10.3.

5.0 COUNCIL TAX SUPPORT SCHEME 2017/18

5.1 The Benefits Manager presented a report which gave options for a local Council Tax Support (CTS) Scheme for 2017/18 prior to public consultation.

5.2 Since its introduction in 2013/14, the CTS scheme had increased the minimum amount of Council Tax liability households were required to pay from 0% to the current 20%. Since that time the number of claimants had reduced from 5,550 to 4,835.

5.3 In developing the various options for a CTS scheme for 2017/18 onwards, a number of assumptions had been made:

- Grant funding would be reduced
- CTS expenditure would be reduced by the same percentage levels as experienced during 2016/17
- CTS caseload would reduce by the same percentage levels as

experienced in 2016/17

- Council Tax collection rates would stay the same

5.4 For a cost neutral CTS scheme in 2017/18, the percentage reduction required was 25%, with the figure remaining the same for 2018/19 and a 30% reduction in 2019/20.

5.5 A number of technical amendments to the scheme had been put forward to bring the CTS scheme in line with the nationally designed Housing Benefit and Universal Credit schemes and would ensure CTS administration was efficient and consistent with both of those schemes.

5.6 **Amendment 1 – To limit the number of dependent children within the calculation for Council Tax Support to a maximum of two**

This would lead to a restriction in CTS for customers that had a third or subsequent child on or after 1 April 2017.

5.7 **Amendment 2 – Reducing the period for which a person could be absent from Great Britain and still receive Council Tax Support to four weeks**

This would lead to a claimant who was absent from Great Britain for a period likely to exceed four weeks having their CTS stopped from when they left the country and they would need to reapply on return. There would be exceptions for certain occupations such as mariners and the armed forces or where a person had to go abroad due to the death of a close relative.

During discussion on the proposed amendment, the Sub-Committee agreed to amend the term 'Great Britain' to 'United Kingdom' and to include reserve forces in those who would be exempt.

5.8 **Amendment 3 – To remove the Work Related Activity Component in the current scheme for new Employment and Support Allowance claimants**

All new claimants of Employment and Support Allowance who fell within the Work Related Activity Group would no longer receive the work related activity component within the calculation of CTS.

5.9 **Amendment 4 – To remove entitlement to the Severe Disability Premium where another person is paid Universal Credit (Carer's Element) to look after them**

This amendment would align the scheme with Housing Benefit by treating persons who received the Universal Credit (Carer's Element) in the same way as others receiving Carer's Allowance.

5.10 Two options for the CTS had also been put forward for consultation:

Option 1 – Status Quo

No change to the percentage reduction in the current scheme

Working age people would be required to pay at least 20% of their Council Tax liability. This would present an estimated overall funding gap of around £31k of which £3k related to ENC.

5.11 **Option 2 – Breakeven**
Increase the percentage reduction in the current CTS scheme

This option would enable the scheme to be cost neutral and working age people would be required to pay at least 25% of their Council Tax liability.

5.12 For the two options, the minimum amount of council tax a household would have to pay each week, depending on their property band and the % of liability reduction was:

| | Option | 1 | 2 |
|---------------------|-------------------------------------|------------------------|------------------------|
| Average Band | Number of customers affected | 20% Reduction £ | 25% Reduction £ |
| A | 1,266 | 3.85 | 4.82 |
| B | 741 | 4.47 | 5.62 |
| C | 192 | 5.14 | 6.42 |
| D | 78 | 5.78 | 7.23 |
| E | 24 | 7.07 | 8.83 |
| F | 17 | 8.35 | 10.44 |
| G | 2 | 9.63 | 12.04 |
| H | 0 | 11.56 | 14.45 |

5.13 During discussion on the proposed options, Members were concerned at the impact that increasing the liability reduction would have on some households. The impact on ENC was relatively small and Members indicated that their preference was to maintain the existing reduction.

5.14 Councillor Steven North moved, seconded by Councillor Andy Mercer, that consultation should take place on the four amendments, as amended today, and Option 1 only. On being put to the vote, the Sub-Committee unanimously:

RESOLVED

- (i) That consultation on a new Council Tax Support Scheme for 2017/18 with the four amendments and Option 1 be approved; and
- (ii) That the Welfare Reform Sub-Committee meet on 21 December 2016 to consider the consultation responses and recommend a Council Tax Support Scheme 2017/18 to Policy and Resources Committee on 9 January 2017 and then approval by Council on 23 January 2017.

(Reason – to deliver a Council Tax Support Scheme for 2017/18 that meets all the statutory requirements.)

Chairman