

## Select Committee Review

**Wednesday 30 November 2016**

### **PRESENT:**

Councillor Bowie, in the Chair.

Councillor Ball, Vice Chair.

Councillors Fletcher, Fry, James, Morris, Penberthy and Tuohy.

Also in attendance: Faye Batchelor-Hambelton (Assistant Director for Customer Services), (Nick Dilworth (Citizens Advice Plymouth), Councillor Downie (Cabinet Member for Safer and Stronger Communities), Andrew Hardingham (Assistant Director for Finance), Ross Jago (Lead Officer), Giles Perritt (Assistant Chief Executive), Emma Rose (Strategic Development Manager) and Helen Wright (Democratic Adviser).

The meeting started at 3pm and finished at 4pm.

**Wednesday 11 January 2017**

### **PRESENT:**

Councillor Bowie, in the Chair.

Councillor Ball, Vice Chair.

Councillors Fletcher, Fry, James, Morris, Penberthy and Tuohy.

Also in attendance: Nick Dilworth (Citizens Advice Plymouth), Councillor Downie (Cabinet Member for Safer and Stronger Communities), Andrew Hardingham (Assistant Director for Finance), Ross Jago (Lead Officer), Giles Perritt (Assistant Chief Executive), Emma Rose (Strategic Development Manager) and Helen Wright (Democratic Adviser).

The meeting started at 2.00 pm and finished at 3.15 pm.

*Note: At a future meeting, the Panel will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.*

Please note that this meeting will be webcast and can be viewed at –

<http://council.webcast.vualto.com/plymouth-city-council/home?EventId=17621> and

<http://council.webcast.vualto.com/plymouth-city-council/home?EventId=18597>

1. **Declarations of Interest**

There were no declarations of interest made by Councillors, in accordance with the code of conduct.

2. **Chair's Urgent Business**

There were no items of Chair's urgent business.

3. **Select Committee Review: Council Tax Support Scheme**

Councillor Downie (Cabinet Member for Safer and Stronger Communities), Giles Perritt (Assistant Chief Executive), Andrew Hardingham (Assistant Director for Finance) and Emma Rose (Strategic Development Manager) presented the Cabinet report and associated information which highlighted the following points -

- (a) the Council Tax Support (CTS) scheme was designed to provide help to households with low income and with limited savings to reduce their council tax liability; local CTS schemes had replaced the nationally administered Council Tax Benefit in 2013;
- (b) Devon local authorities had worked on proposals for CTS scheme across the county; in April 2016 it was agreed that consultation would cover eight changes, effective from 1 April 2017 which would bring the CTS schemes in line with the changes being made by central government in Housing Benefit and Universal Credit; the proposals were intended to encourage people to into work and reduce the level of welfare benefits available;
- (c) the eight proposed changes were as follows –
  - (1) removal of the Family Premium for all new working age claimants;
  - (2) reduction in backdating new claims to one month;
  - (3) to assume a set minimum income within the calculation of CTS for self-employed earners after one year's self-employment;
  - (4) reducing the period a person can be absent from Great Britain and still receive CTS to four weeks;
  - (5) removal of the work related activity component in the calculation of the current scheme for new employment and support claimants;
  - (6) limit the number of dependent children within the calculation of CTS to a maximum of two;

- (7) to remove entitlement to the Severe Disability Premium where someone with a disability was cared for by another person who received Universal Credit with a carer's element;
  - (8) to remove the additional earnings disregard and apply the standard earnings disregards regardless of hours worked to those claimants who received Universal Credit;
- (d) following the consultation process and the concerns raised regarding the potential impact of two of the proposals on families and children it was recommended that these two proposals were not implemented (one and six).

The committee heard from a witness representing Citizens Advice Plymouth (Nick Dilworth) who highlighted the following key areas -

- welcomed the decision not to include proposals one and six following the consultation process;
- urged the council to reject the -
  - ▶ proposed backdating of new claims to one month but continue to establish genuine cases on the grounds of good cause;
  - ▶ proposal to adjust self-employed earnings to set minimum earnings after one year but allow special cases where it would be reasonable to base the calculation on real rather than assumed earnings;
  - ▶ proposal to remove the Work Related Activity Component from the calculation on the basis that it was based on flawed national policy and should remain in place to provide for people who had recognised limitations following Work Capability Assessment;
- seeking acceptable exclusions in the cases where a claimant had a genuine reason for absence (such as being taken ill whilst abroad);
- the requirement for further assessment of the proposals -
  - ▶ to remove the Severe Disability Premium, in the case of Universal Credit carers in receipt of the carers' element;
  - ▶ to standardise the additional earnings disregard removal (to give consideration to transitional protection measures).

The key areas of questioning related to –

- officers' discretion relating to the backdating of claims;

- the potential impact of reducing the time for backdating new claims to one month, on those people, who led a more chaotic life style;
- managing the cash limited Exceptional Hardship Fund (ie as awards were discretionary the Fund could be used by the end of the year);
- what measures were being put in place to identify when a claimant had been absent from the country;
- the modelling of the scheme and the impact of the changes;
- whether the 12 week consultation process had been fair due to the number of people affected by the proposed changes;
- whether benchmarking had taken place with authorities that were demographically similar to Plymouth;
- the breakdown of the number of responses received during the consultation process (per each proposal);
- concerns relating to the assumption of setting a minimum income for self-employed earners after one year of self-employment.

The Chair thanked Nick Dilworth for his valuable contribution at the meeting and for the comprehensive report that he had submitted.

The committee agreed –

- (l) to support the portfolio holders' view that proposals 1 (removing the Family Premium for all new working age claimants) and proposal 6 (to limit the number of dependent children within the calculation for Council Tax Support to a maximum of two) are not implemented as part of the scheme;
- (b) that scrutiny would review the operation of the scheme and any proposed changes for the 2018/19 scheme in the new municipal year;
- (c) in addition, to recommend to Cabinet that –
  - proposal 2 (reducing the number of back dating claims to one month) is not implemented as part of the Council Tax Support scheme and that officer discretion is retained;
  - proposal 3 (to assume a set minimum income within the calculation of Council Tax Support for self-employed earners after 1-year self-employment) and proposal 5 (to remove the work related activity component in the calculation of the current scheme for new Employed and Support claimants) should be delayed until 2018/19;

- with regard to proposal 4 (reducing the period a person can be absent from Great Britain and still receive Council Tax Support to four weeks) it considers the advice from the Citizens Advice Plymouth that acceptable exclusions are made (for example recognised medical treatment overseas).