

NORTH DEVON COUNCIL

Minutes of a meeting of Policy Development Committee held at Molton Room - Brynsworthy on Monday, 9th December, 2019 at 10.00 am

PRESENT: Members:

Councillor D. Spear (Chair)

Councillors Jenkins, Mack, Walker and York

Officers:

Chief Executive, Head of Resources, Assistant Benefits Manager
And Senior Benefits Officer.

Also Present:

Councillor L. Spear.

26. APOLOGIES

Apologies for absence were received from Councillors Campbell, Hunt, Luggar and Roome.

27. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 14TH NOVEMBER 2019 (ATTACHED).

RESOLVED, that the minutes of the meeting held on 14th November 2019 (circulated previously) be approved as a correct record and signed by the Chair.

28. ITEMS BROUGHT FORWARD WHICH IN THE OPINION OF THE CHAIR SHOULD BE CONSIDERED BY THE MEETING AS A MATTER OF URGENCY.

The Chair advised that he had been requested to raise a proposal to change the times of future meetings and added that the request would be discussed as the last item on the agenda.

29. DECLARATIONS OF INTEREST.

There were no declarations of interest announced.

30. COUNCIL TAX REDUCTION SCHEME 2020/21.

The Committee considered a report to the Strategy and Resources Committee on 2nd December 2019 by the Head of Resources regarding the Council Tax Reduction Scheme 2020/21.

The Head of Resources introduced the Assistant Benefits Manager and the Senior Benefits Officer to the Committee, advising the reason for their attendance was to answer any technical questions that the Committee had.

He outlined the proposals of the new scheme and highlighted the following:

- The original Council Tax Benefit scheme was replaced in 2013 by a new localised Council Tax Reduction Scheme.
- Each year the scheme was reviewed and the Devon Steering Group (of Benefits Officers) worked together to review the schemes; over recent years there had been some minor changes to bring the scheme in line with changes made by Central Government in Housing Benefit and Universal Credit (UC).
- The 'current' scheme had been reviewed and Devon Authorities had aimed to move to a "new discount based income-banded scheme" that was fairer, simpler and reduce admin costs.
- This reduced administration burden would enable the team to focus resource onto overall Council tax debt recovery and improve the overall collection rates.
- Previously Council Tax Reduction (CTR) was assessed and awarded in line with Housing Benefit (HB) – the advantages of this alignment had been lost since the roll out of Universal Credit (UC) in July 2018
- Universal Credit was highly reactive to change and the Council could typically receive monthly notifications from the Department of Works and Pensions (DWP) of a change in income. Whilst this was often very small sums as the CTR scheme was fully means tested, even a small change could result in reassessment, which required an amended Council Tax bill to be produced and rescheduling instalment plans, restarting the debt recovery process all over again.
- Households were often issued with many bills together with a frequent change of instalments/direct debits, which was extremely confusing for them and difficult to budget or understand exactly what was due to be paid. These continual set-backs for customers who were already on a low income meant that they were often required to pay a lump sum at the end of the year due to the constant changes.
- For these reasons and to minimise the number of changes to CTR assessment; Councils across the Country were starting to move towards a discount based income-banded scheme, which was simpler and cheaper to administer.
- South Hams and West Devon introduced an income-banded scheme for the current year April 2019 and the Devon Benefits Officer Group had recommended that the other Local Authorities follow suit for 2020/21.
- Introducing the income banded scheme resulted in over 80% of claimants benefiting financially.

- The Council had consulted on the proposals in September and October 2019 via press releases, the website, and social media together with direct mailshots within council tax bills, benefit notifications and advertising within the Council offices.
- Before the localised Council Tax Reduction Scheme the old Council Tax Benefit Scheme cost the public purse annually around £7.5million.
- The first year of the CTR scheme was estimated to reduce the cost to £6.5million; however the actual scheme costs had now come down from £6.3million to £5.6million.
- The impact to North Devon Council; was the same as the percentage split of the overall Council Tax that included all the major preceptors. So, about 10% of the costs related to North Devon Council, with 72% Devon County, 10% Police, 5% Fire and 3% Town and Parishes.
- The proposed income banded scheme would increase the cost of the scheme by an estimated £180,000. However, the overall scheme costs since 2013/14 had reduced significantly.
- Collection rates of overall Council tax had suffered in recent years; back in 2013/14 the Council was budgeting for a 98.5% collection rate; that figure was now down to 97.5%. An improvement of just 0.5% in this collection rate would achieve an additional £340,000 council tax income, which would mitigate the additional scheme cost.
- The aim of the changes proposed were to reduce the administration burden and the scheme benefits introduced were anticipated to improve ability of payment and increase collection rates, together with reduction in providing for bad debts and longer term write offs. Those measures would aim to offset the above additional scheme cost and in turn reduce the impact of the overall collection fund position materially and improve this position further.

In response to a number of questions, the Head of Resources, the Assistant Benefits Manager and the Senior Benefits Officer provided answers in relation to the following:

- If there was an income banding change, it would be the responsibility of the customer to inform the Council of any changes to their income or circumstances. However, the Council did undertake periodic reviews and also actively promoted public awareness of the requirement to notify them. For customers that were in receipt of UC payment, the Council also received a monthly update from the DWP in relation to any changes and their assessment would be updated accordingly.
- In terms of the percentages for those who would be better or worse off, a couple of examples were given:
 - Claimants who were on a higher income
 - The proposal to limit the number of children to two per household, which would have an impact upon larger families.
- The new scheme would allow for a maximum award of 80% whereas it was currently 75%. As with any scheme there was always going to be claimants that would gain and those that would see a reduction. However, to mitigate

the impact upon claimants that were affected detrimentally there was an option to apply to the Exceptional Hardship Fund (EHF).

- In terms of how much worse off claimants would be, the average decrease was about £300.00 a year.
- There would not be any financial savings. However, there would be administrative savings. So, resources could be re-deployed elsewhere i.e. within the Collections team, where the current collection rate was 97.5% and there were aspirations to increase the target 98 or better.
- At the current time all claimants of working age paid 25% council tax and under the proposed new scheme claimants on lower incomes would contribute less. So, the vast majority would benefit financially.
- The applications to the EHF could be made either online or via telephone with assistance from an officer.
- In certain cases claimants were exempt and the Council had a list of criteria to assess them against.
- As part of the proposals the new scheme would not take carers allowances into account and the officers had worked hard to ensure that carers were not disadvantaged.
- The EHF had not been fully utilised over the years and currently held £20-30K within its fund balance. As part of the roll out of the new scheme, the Council would ensure that the existence of the fund was fully publicised.
- When an application to the EHF was received, it would be means tested and processed by an officer. The application was then assessed by a second officer to ensure that all of the relevant checks were made.
- There had been no negative impacts reported from either South Hams or West Devon Councils following the roll out of their income-banded schemes in April 2019.
- As part of the introduction of the Local Council Tax Reduction Scheme, whereby the responsibility was passed directly from Central Government to Local Councils. These were now shown as discounts on the Council Tax bill.

RESOLVED, that the decisions and recommendations of the Strategy and Resources Committee be endorsed.

The Committee thanked the Head of Resources and his officers for their hard work in developing the revised scheme.

Councillor Walker declared a personal interest as she was in receipt of a Council Tax band reduction for use of her wheelchair within her property.

31. CLIMATE EMERGENCY - DESIGN OF CITIZENS' ASSEMBLY.

The Committee received an update from the Chief Executive regarding the Climate Emergency – design of Citizens' Assembly.

The Chief Executive drew the Committee's attention to the additional papers that had been circulated via email following the publication of the agenda, they were:

- Revising Devon County Council's Energy and Carbon Strategy.

- Developing a Net Zero Citizens' Assembly for Devon.

He explained that there was an opportunity for Members to comment on the proposals that were being made by the University of Exeter. In response to the Climate Emergency, which had been declared by Devon County Council. District Councils were working on an appropriate response plan, which was focussed on operations and community interaction. The next stage would be to hold Citizens' Assembly's and to achieve that a Devon Net-Zero Task Force led by Professor Patrick Devine-Wright and a panel of experts had been established.

He added that it was recommended that the assembly met in different locations that were representative of different areas in the county (for example Barnstaple, Plymouth, Exeter and Tavistock). The report also recommended that the assembly met on four separate days at weekends over a seven-week period. The Devon Net-Zero Task Force, as an independent body, should decide how many witnesses to call, following the guidance outlined in the papers. The witnesses should be as diverse as possible and include researchers, academics, representatives from various organisations and local residents. A panel of 100 citizens had been recommended with an assumption of a 5% drop off rate during the course of the meetings. Members of the panel should be provided with £100.00 a day to cover the cost of travel and childcare.

In response to a number of questions, the Chief Executive provided answers in relation to the following:

- The Citizens' Assembly meetings would not be held in public. However, they would be live streamed online.
- The report listed potential expert witnesses and made reference to the lower age limit, which was 16 years old to ensure a broad scale of age range.
- Was championing Barnstaple as a potential venue for one of the hearings and the benefits that it would bring to the town. The Council expressed its disappointment when the thematic hearing was withdrawn.
- There would be no Parish or District Member representation on the Assembly. However, the Parish Councils would have an opportunity to express their views on the call for evidence.
- As Chief Executive of North Devon Council he was a member of the Devon Climate Emergency Response Group. The Customer Services Manager was also a member of the Tactical Group and working hard to secure North Devon as a venue.

He added that he was happy to feed back any concerns from the Committee to the Devon Net-Zero Task Force.

The Committee thanked the Chief Executive for his update.

32. WORK PROGRAMME.

The Committee considered the work programme/forward plan for 2019/20 (circulated previously).

The Chief Executive advised that the Service Plans would be considered at the meeting on 9th January 2020. All Heads of Service had been invited to attend the Committee. However, the Committee was particularly interested in the following services:

- Environmental health and Housing.
- Planning.
- Economic Development.
- Waste and Recycling.

He added that the purpose of the meeting was to seek assurance from the Committee in relation to the content of the Service Plans and their contribution towards achieving the Corporate Objectives.

In response to a question in relation to the Car Parks service, the Chief Executive advised that the service fell under the remit of the Waste and Recycling Service. The Head of Resources advised that the Car Parks service had its own individual service plan, which would provide an overview of the service. The Car Parks Manager was looking at a whole range of improvements to the service, which would be detailed within the service plan.

The Chief Executive added that he would invite the Car Parks Manager to attend the meeting.

The Head of Resources advised that there was a couple typographical errors within the work programme and requested that they be amended for the next meeting.

He also requested that the following item was added for to the work programme for the meeting in February 2020:

- 10 Year Capital Strategy 2020/30.

RESOLVED, that the work programme be noted.

33. TIMES OF FUTURE MEETINGS

The Chairman addressed the Committee regarding the times of the scheduled meetings and stated that there was a requirement to be flexible to ensure that working Members were not prevented from sitting on the Committee.

The Committee discussed holding the meetings at alternative times. The Chief Executive added that whilst it might be more appropriate for working Members to attend meetings outside of office hours, there would be an additional cost to the Council in officer time in terms of TOIL or overtime.

RESOLVED, that an email be circulated to the current members of the Committee to seek their views in relation to alternative times for the remaining meetings of the current financial year.

Chairman

The meeting ended at 11.06 am

NOTE: These minutes will be confirmed as a correct record at the next meeting of the Committee.