

COUNCIL TAX SUPPORT TASK AND FINISH WORKING PARTY

15 September 2015 at 4.00 pm

Present: Councillors Hitchins, (Chairman), Clayden, Mrs Oakley and Mrs Rapnik.

Councillor Wensley, Cabinet Member for Corporate Governance, was also present during the meeting.

[Note:- Councillor Mrs Rapnik was absent from the meeting during consideration of the matters referred to in Minute 1 to 5 (part)].

1. Apology for Absence

An apology for absence had been received from Councillor Dingemans.

2. Declarations of Interest

The Monitoring Officer has advised Members of interim arrangements to follow when making declarations of interest. They have been advised that for the reasons explained below, they should make their declarations on the same basis as the former Code of Conduct using the descriptions of Personal and Prejudicial Interests.

Reasons

- The Council has adopted the Government's example for a new local code of conduct, but new policies and procedures relating to the new local code are yet to be considered and adopted.
- Members have not yet been trained on the provisions on the new local code of conduct.
- The definition of Pecuniary Interests is narrower than the definition of Prejudicial Interests, so by declaring a matter as a Prejudicial Interest, that will cover the requirement to declare a Pecuniary Interest in the same matter.

Where a member declares a "Prejudicial Interest", this will, in the interests of clarity for the public, be recorded in the minutes as a Prejudicial and Pecuniary Interest.

Councillors Mrs Oakley and Clayden declared their Personal Interests in Agenda Item 6 (Council Tax Reduction Scheme – Year 4 – April 2016) in so far as they both claimed the single discount in respect of their Council Tax.

3. Minutes

The Minutes from the last meeting of the Working Party held on 7 January 2015 were approved by the Working Party as a correct record and were signed by the Chairman.

4. Start Times

The Working Party

RESOLVED

That its start times for meetings during the remainder of this Municipal Year be 4.30 pm.

5. Council Tax Reduction Scheme – Year 4 – April 2016

The Working Party received a report from the Benefits Manager which asked Members to consider:

- The response received from West Sussex County Council (WSCC) regarding Arun's wish to not change its Council Tax Reduction Scheme for Year 4 – April 2016;
- The effect of the Summer Budget proposals on the recommended scheme for 2016;
- Recommending that the scheme for 2016 remains unchanged; and
- A timetable to consider the design and content of the Local Council Tax Reduction Scheme for Year 5 – April 2017.

In considering the consultation response received from WSCC, the Working Party noted WSCC's request for Arun to consider, as part of its next review, the potential for a modified scheme of support for Council Tax, incorporating a minimum level of contribution from claimants. Alongside this, it was explained that WSCC would be a willing partner in introducing measures to support and encourage claimants in improving their employment prospects and incentivising work as well as supporting cases of genuine need by way of a hardship fund. The Benefits Manager confirmed that no response had been received from the Sussex Police.

Turning to the Summer Budget, the Benefits Manager advised that a range of cuts would be introduced which would affect claimant's incomes. These had been set out within the report at Paragraph 3.0. This Bill was still going through Parliament and so no confirmed timescale was in place for when these changes might need to be adopted, however, it was anticipated that they would most likely be implemented for the new financial year from April 2016.

In discussing the changes to tax credits and the abolishment of the housing benefit family premium, it was noted that these changes represented a cut in benefit income for working age people which would result in the Council having to increase what it would pay out.

Modelling the effect of these changes on the existing scheme had been difficult due to the range of changes that could affect an individual household. Though it was estimated that the likely overall cost to the scheme would come in at under £400k equating to an approximate additional cost to Arun of around £39,000.

The Benefits Manager outlined that in response, the Council could consider changing the Year 4 scheme but there were major issues to bear in mind. Firstly, council tax reduction scheme caseload had been falling and it was calculated that this year's scheme was forecast to cost approximately £360,000 less than last year's. Secondly, in order to make changes to the proposed scheme for April 2016, a full range of options would need to be considered together with the relevant impact assessments. Any changes made would also need to be the subject of a full public consultation which normally took around 12-14 weeks to complete. As the scheme needed to be approved by Full Council before 31 January 2016, it was felt that there would be insufficient time to prepare the range of options and then to undertake the meaningful consultation required. The Working Party was therefore being asked to reconfirm its view expressed back in January 2015 that the 2016 scheme should remain unchanged for a further year which was accepted and agreed by the Working Party.

In looking ahead at the Year 5 scheme for 2017, the Working Party was mindful of:

- The response received from WSCC requesting that Arun's scheme is modified when next reviewed;
- The points made by the Head of Finance in his report to Cabinet on the Council's Financial Prospects 2015/16 to 2020/21. The Working Party noted that this report had been deferred for consideration to the meeting of Cabinet taking place on 16 November 2015 but that its content was noted.
- The Summer Budget changes which would increase the cost of the scheme if it continued unchanged.

The Working Party considered a proposed timetable for the work that would need to be undertaken for Year 5 – the 2017 scheme. This had been circulated to the meeting.

In reviewing this timetable, the Working Party agreed that its first meeting should be brought forward from January 2016 to December 2015 so as to allow it to commence its work earlier.

The Working Party also requested the Benefits Manager to come up with some modelling options that it could consider and for the Director of Customer Services to report back on various meetings he would be attending over the next few weeks that could affect the scheme.

The Working Party then

RECOMMEND TO THE OVERVIEW SELECT COMMITTEE – That

- (1) the response received from West Sussex County Council be noted;
- (2) the possible effect of the Summer Budget proposals on the recommended scheme for 2016, as set out at Paragraph 3 of the report be noted;
- (3) the recommended scheme for 2016 remains unchanged; and
- (4) the timetable to consider the design and content of the Local Council Tax Reduction Scheme for Year 5 is approved, subject to the change minuted above.

(The meeting concluded at 4.38 pm)