

APPENDIX 1 - EXTRACT FROM DRAFT UNAPPROVED MINUTES OF A MEETING OF THE SUSTAINABLE GROWTH AND ENVIRONMENT CAPITAL SCRUTINY COMMITTEE. HELD AT THE FORLI ROOM - TOWN HALL ON 8 NOVEMBER 2012

ITEM 8 - Council Tax Support Scheme Consultation

The report informed the Committee on the proposed Council Tax Support Scheme that would replace Council Tax Benefit on 1 April 2013. The Head of Corporate Services introduced the report highlighting the following:

- Current position and legislative changes
- Financial impact for Peterborough
- Options available to the Council
- Impact of the proposed new scheme and mitigating actions
- Consultation approach and feedback
- Survey results

The scheme would need to be approved by Full Council by the end of January 2013.

Questions and observations were made around the following areas:

- Members sought clarification on the following statement in the report "Consultation has also taken place with the Community Cohesion Manager, although the Equalities Impact Assessment did not identify that black or minority ethnic groups would be adversely affected by these changes". *The Project Manager informed Members that when the Equalities Impact Assessment took place different groups had been looked at that might be affected by the 35% reduction in benefits. This was an across the board reduction for anyone that was of working age excluding anyone of pensionable age and it was identified that the black and minority ethnic groups would not be adversely affected. It was however felt that engagement with the Community Cohesion Manager should take place to go through the proposals in detail. As a result officers were signposted to the Peterborough Council for Voluntary Service (PCVS) as a point of contact to disseminate information across various groups.*
- Members noted that only 93 people had completed the survey and wanted to know if all avenues of communication had been exhausted to ensure the message regarding the changes had reached everyone who might be affected. *Members were advised that in addition to the groups that had been engaged with an additional notification letter had been sent out to approximately 6000 people who claimed benefit and had a change of circumstance during the consultation period. Officers felt confident that a large range of groups had been contacted about the change. Liaison with other authorities had indicated that the overall volume of responses in other Councils had been low. Drop in sessions at the library and Bayard place had been successful.*
- Members were concerned at the low number of responses and wanted to know how much credence was being put on the results of the consultation. *Members were informed that every effort had been made to engage with as many people as possible. Any communication that the benefit team had with people in receipt of benefits had included information on the changes. Even though the response was low the results of the consultation were inconclusive with a fairly equal split between people on benefits who were not in favour of the changes and those paying full council tax and not on benefits who were in favour. It would be the responsibility of Cabinet and Council to make a decision based on their judgement and the limited feedback received.*
- The report mentions Fuel Poverty and a range of initiatives on offer to help people tackle fuel poverty. How would people find out about these initiatives? *The Head of Corporate Services advised that information regarding these initiatives could be obtained from the Strategic Housing team.*

- What other alternative mitigating options had been considered other than those listed in the report? *Members were informed that the Government were currently consulting on a range of 'technical discounts' on council tax for example if a property was empty a lower charge of council tax may be paid. The 'technical discounts' would be considered once they had been confirmed. The ability of councils across the country to close the gap through 'technical discounts' varied greatly. Councils such as Ipswich and Cambridge City found that removing all of the discounts would offset the entire issue. Other councils including Peterborough found that by removing the discounts it would not close the gap.*
- The Head of Corporate Services advised Members that people who were currently in receipt of 100% Council Tax benefit would under the new scheme have to pay something and this would have to be managed very carefully. Those people would be given as much support as possible.
- Members were concerned about how those people who were in receipt of benefits and had long term health issues and people living below the poverty line would manage if they had to make extra payments. Members felt it was the council's duty to minimise the impact on those people.
- Had consideration been given to the longer term impact of the scheme whilst taking into account the changing demographics, population growth and increase in new arrivals to the city. *Members were informed that two elements in particular had been looked at in this regard and they were; if there would be any increased take up of benefit and also given that pensioners were exempt would there be an increase in numbers of pensioners moving into the exempt bracket. The council would be monitoring the impact of the new scheme and collection rates to see whether the scheme would need to be revised on an annual basis. If a change to the scheme was required it would be brought back through the approval process.*
- Had the council made any representations to the Government with regard to the impact that the new scheme would have on Peterborough. *Members were informed that there had been a consultation on the proposed new scheme which closed in September. Members were advised that representations had been made but no response had been received.*
- What would the overall impact be on people when the Universal Credit which was a National Scheme and the local Council Tax Support Scheme were both introduced? *The Head of Corporate Services informed Members that he was working with the Head of Neighbourhood Services on Welfare Reform and looking at the impact of the proposed changes. It was too early to say what this impact would be.*
- Councillor Thulbourn who had recently completed some research on the impact of the new scheme felt that the group of people that would be impacted the most by the new scheme would be those families that were working and receiving benefits. The impact may mean that they would have to stop work.

The Chair thanked the Head of Corporate Services for an informative presentation.

ACTION

The Committee requested that the Head of Corporate Services look at solutions to reduce the impact of the new Council Tax Support Scheme on the following groups:

- people who were working and receiving benefits
- disabled people