

AGENDA

OVERVIEW AND SCRUTINY PANEL

MONDAY, 15 JULY 2019

2.30 PM

**COUNCIL CHAMBER, FENLAND HALL,
COUNTY ROAD, MARCH PE15 8NQ**

Committee Officer: Izzi Hurst
Tel: 01354 622281
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- 1 To receive apologies for absence.
- 2 Previous Minutes. (Pages 3 - 10)

To confirm and sign the minutes of the meeting of 3 June 2019.
- 3 To report additional items for consideration which the Chairman deems urgent by virtue of the special circumstances to be now specified.
- 4 Members to declare any interests under the Local Code of Conduct in respect of any item to be discussed at the meeting.
- 5 Update on previous actions. (Pages 11 - 12)

Members to receive an update on the previous meeting's Action Plan.
- 6 Council Tax Support - 2020/21 scheme (Pages 13 - 22)

Each year the Council is required to review its Council Tax Support (CTS) Scheme. This report advises Overview and Scrutiny of the progress of the 2019 annual review and the resultant proposals for consultation for changes to the CTS scheme to take effect from April 2020.
- 7 Future Work Programme (Pages 23 - 30)

To consider the Draft Work Programme for Overview & Scrutiny Panel 2019/20.

8 Items which the Chairman has under item 3 deemed urgent.

Friday 5 July 2019

Members: Councillor A Miscandlon (Chairman), Councillor A Hay (Vice-Chairman), Councillor G Booth, Councillor A Bristow, Councillor M Cornwell, Councillor M Humphrey, Councillor D Mason, Councillor M Purser, Councillor R Skoulding, Councillor D Topgood, Councillor B Wicks and Councillor F Yeulett

OVERVIEW AND SCRUTINY PANEL MONDAY, 3 JUNE 2019 - 2.30 PM



PRESENT: Councillor G Booth, Councillor A Bristow, Councillor M Cornwell, Councillor A Miscandlon (Chairman), Councillor M Purser, Councillor D Topgood, Councillor S Wallwork, Councillor Wicks and Councillor F Yeulett

APOLOGIES: Councillor A Hay (Vice-Chairman), Councillor M Humphrey and Councillor D Mason

OFFICERS IN ATTENDANCE: Izzi Hurst (Member Services & Governance Officer), Sam Anthony (Head of HR and OD), Nick Harding (Head of Shared Planning) and Carol Pilson (Corporate Director and Monitoring Officer)

OSC1/19 APPOINTMENT OF CHAIRMAN FOR THE MUNICIPAL YEAR.

Izzi Hurst requested a nomination for Chairman of the Overview and Scrutiny Panel.

It was proposed by Councillor Purser, seconded by Councillor Topgood and resolved that Councillor Miscandlon be elected Chairman of the Overview and Scrutiny Panel for the Municipal Year.

OSC2/19 APPOINTMENT OF VICE-CHAIRMAN FOR THE MUNICIPAL YEAR.

It was proposed by Councillor Miscandlon and seconded by Councillor Bristow that Councillor Hay be nominated as Vice-Chairman of the Overview and Scrutiny Panel for the Municipal Year.

Councillor Miscandlon asked if there were any other nominations for the position of Vice-Chairman of the Overview and Scrutiny Panel.

It proposed by Councillor Booth and seconded by Councillor Cornwell that Councillor Yeulett be nominated as Vice-Chairman of the Overview & Scrutiny Panel for the Municipal Year.

A vote was taken which resulted in the need for a casting vote by the Chairman for this Item, Councillor Miscandlon, resulting in Councillor Hay being appointed Vice-Chairman of the Overview and Scrutiny Panel for the Municipal Year.

OSC3/19 PREVIOUS MINUTES.

The minutes of the meeting of 18 March 2019 were confirmed and signed, subject to the following amendments;

1. Councillor Booth asked that Minute Number OSC45/18 point 16, be amended to reflect that Clarion had mentioned that they have grant funding for community groups available and are keen to promote this across the district.

Councillor Miscandlon proposed that the ratification of the Previous Minutes be deferred as only Councillor Booth was present at the meeting of 18 March 2019.

Following advice from Carol Pilson (Monitoring Officer), members agreed to ratify the minutes of

the meeting of 18 March 2019.

OSC4/19 UPDATE ON PREVIOUS ACTIONS.

There were no updates provided to members in relation to actions raised at the previous meetings.

Councillor Booth highlighted that there was an outstanding action from the previous Municipal Year regarding Contact Centre Statistics. Izzi Hurst agreed to follow up the response for this action.

Izzi Hurst informed members that she would suitably capture any actions raised during this meeting and include them in the action plan for future meetings.

OSC5/19 2018/19 PLANNING SERVICE ANNUAL REVIEW.

Members considered the 2018/19 Planning Service Annual Review, presented by Councillor Mrs Laws and Nick Harding.

Councillor Mrs Laws highlighted that Planning is a key service within the Council enabling both housing growth and regeneration. She stated that the report being considered today includes key statistics and a broader content of the service, following feedback from the Overview and Scrutiny Panel last year.

Nick Harding informed members that there were two minor amendments to the report as follows;

- Paragraph 5.12 the second bullet point should read; 96% of minor applications decided within 8 weeks (or within alternative extension of time agreement) – Government Target is 70%
- Paragraph 5.13 refers to 'both councils' and should only refer to Fenland District Council.

Members asked questions, made comments and received responses as follows;

1. Councillor Yeulett asked what the biggest challenges are faced by the Planning Service. Councillor Mrs Laws explained that the Local Plan Review will involve a great deal of work with multiple outside bodies and organisations.
2. Councillor Mrs Laws confirmed that the Council will be visiting all Town and Parish Councils to present the review to them. She highlighted the importance of consulting and working with them, developers and Internal Drainage Boards as they will all form part of the review.
3. Nick Harding reiterated that the Local Plan review is the largest piece of work within the planning service currently. He explained that Local Authorities are under increasing pressure to improve the delivery of development and serious consideration needs to be given to this in the future.
4. Councillor Yeulett asked if the planning service has the staffing capacity to cope with this impending work. Nick Harding confirmed that they had as the Council will be using the services of Peterborough City Council's planning policy team to assist. The team have a wealth of knowledge in this area.
5. Councillor Booth asked if there is staffing capacity within the planning service to cope with the day-to-day workload, aside from the Local Plan Review. He highlighted that previously there had been recruitment issues within the team. Nick Harding highlighted the improvements from the previous year's statistics and confirmed that the service has less agency staff now following a successful recruitment drive. He explained that staff shortages are the nature of the job market however the Council have recently recruited new members of staff, including potential candidates for apprenticeships within the planning service.
6. Councillor Booth suggested that officers provide tangible statistics in the future to show members the number of Full Time Equivalent (FTE) staff working within the service and where there are vacancies in the team.

7. Councillor Booth asked for clarification on the validation statistics provided on page 10 of the agenda pack as he has heard varying statistics during recent seminars and meetings. Nick Harding agreed to look in to this further.
8. Carol Pilson highlighted that often these statistics fluctuate as they can change daily. She confirmed that the team are working with developers and agents to tackle validation issues following recommendations from the PAS (Planning Advisory Service) review, who advised that the Council should take a tougher stance when validating applications.
9. Councillor Miscandlon said he was happy to hear that officers are taking a tougher stance with the validation of planning applications as whilst officers can assist with applications, a number of times they were being expected to assist above their remit.
10. Councillor Mrs Laws confirmed that this is an ongoing issue and has been raised with agents and developers on several occasions at meetings of the Fenland Developers Forum.
11. Councillor Cornwell asked for further information on how the Council set their performance indicators and whether the Council benchmark with other Local Authorities. Nick Harding confirmed that Local Performance Indicators are set by the Council with the assistance of the Portfolio Holder for Planning. There are other Performance Indicators that are set nationally and the statistics for each local authority are published on the Government's website. Due to Local Performance Indicators differing between local authorities, it is difficult to benchmark against other Councils as each area has their own individual planning areas.
12. Councillor Cornwell asked that Councillor Mrs Laws give consideration to a benchmarking exercise of these performance indicators.
13. Councillor Booth highlighted that the 'Speed of Validation' statistics reported on page 10 of the agenda pack, have remained static for many years.
14. Councillor Mrs Laws stated that it is often the case that individuals submitting their own planning applications have no issues with the validation process as they follow the suggested checklists.
15. Councillor Wicks asked for further information on apprenticeships available in the planning service and how the Council encourage these. Nick Harding explained that generally speaking, many of the Technical Team are qualified and therefore not suitable candidates for apprenticeships. He added that as a result of recent recruitments, there may be potential apprenticeships and other qualifications that are pursued by these new officers.
16. Councillor Cornwell stated that one of the most important requirements of the sector is meeting housing demand locally however this is an issue in Fenland. He asked how the Local Plan review could drive forward the delivery of housing. Nick Harding explained that local authorities use a prescribed methodology when assessing housing requirements in their area. To a degree, construction of these properties is largely outside of the control of the Council, as the private sector generally drives the delivery. He explained that there are several ways in which the Council can influence the private sector in relation to housing needs such as clear planning policies, a robust Planning Committee, up-to-date Local Plans and an efficient and effective development service.
17. Nick Harding informed members that consideration needs to be given as to whether the Council consider using their own land and buildings for development purposes to ensure delivery of homes. He added that officers are currently working on an Investment Strategy which will be presented to members in the near future. He added that the Council
18. Councillor Cornwell asked if the Local Plan review will consider the differing housing needs across the district. Nick Harding confirmed that the Local Plan will undertake a housing study to assess the nature of demand. He stated that one had been undertaken during the previous Local Plan review however the information will need to be updated. He expressed the difficulty in balancing the demands locally for housing when assessing planning applications.
19. Councillor Cornwell agreed and highlighted that developers tend to build properties that can be easily sold in the private sector. He explained that often these developments encourage new people to move in to Fenland as oppose to meeting Fenland's existing residents housing demand. He said consideration need to be given as to how the Council can assist local residents housing needs.

20. Carol Pilson explained that the Council do seek to influence developers when considering planning applications. For example, the Wisbech Broad Concept Plan (BCP) involved a lot of input from officers with recommendations however the Council can only influence landowners and developers. She reminded members that the Council can only refuse planning permission if there is a genuine planning issue.
21. Carol Pilson highlighted other means available to the Council to ensure that they are not solely reliant on the private sector, such as engagement with the Cambridgeshire and Peterborough Combined Authority (CPCA) and Housing Associations etc.
22. Councillor Mrs Laws agreed and stated that housing needs tend to be ignored in relation to housing provisions.
23. Councillor Booth stated that Housing Associations also build properties dependent on their policy at the time rather than the housing demand of the local area.
24. Carol Pilson agreed but explained it is another tool to consider outside of the private sector housing market.
25. Councillor Miscandlon stated that it is important for the planning team to continue to influence and advise developers during the initial stages of planning applications.
26. Councillor Yeulett stated that Fenland is an area of deprivation and housing, health outcomes and employment is paramount to improving this.
27. Councillor Mrs Laws said members must be mindful that each town and parish in Fenland has differing demands and needs. She is confident that members of the Local Plan Review Group will consider this.
28. Councillor Wicks asked if there were any plans to develop small business units in Fenland as this area is vastly under resourced. Nick Harding confirmed that this is being considered as part of the ongoing review in to Fenland's Economic Development service and the upcoming Investment Strategy.
29. Councillor Booth highlighted that for a number of years there has been an ongoing discussion in regards to developments with planning permission not being delivered. He asked if the Council could write to the Ministry of Housing, Communities and Local Government (HCLG) to encourage a reform of powers available to tackle this.
30. Nick Harding agreed and confirmed that a high proportion of developments do not get delivered. He added that it is difficult to find the best approach to this issue.
31. Councillor Cornwell stated that tackling this issue may be outside of the Council's remit and asked if upper-tier authorities are considering this problem. Nick Harding confirmed that this issue has been ongoing for a number of years and the Government have considered many options in this time.
32. Councillor Cornwell suggested that the Local Government Association (LGA) could pursue this further.
33. Carol Pilson explained that the Council has an upcoming Partner Engagement Event with developers, housing associations and national house-builders. The event will involve marking out key sites in Fenland and discussing with these partners how the Council and CPCA can assist with delivery of these. One of the main issues raised by the developers is that landowners tend to have too high an expectation on what their land is worth. She added that one of the biggest issues in Fenland is potential development sites that have multiple owners as this can be difficult to co-ordinate and satisfy each landowners needs to ensure delivery of homes.
34. Councillor Booth agreed and stated that many developments cannot proceed due to multiple landowner issues. He said the Local Plan review needs to consider this and consider less prescriptive policies in relation to this.
35. Carol Pilson reminded members that the Council is keen to pursue Section 106 agreements on large sites in order to improve communities, affordable housing and infrastructure for local residents. If development starts on these sites start at different times due to issues with landowners, this can be difficult to obtain and therefore these community improvements are lost. She reiterated that it is a very fine balancing act when we consider development.
36. Councillor Yeulett urged that the Government need to reconsider planning laws to tackle the housing crisis nationally. He suggested the Conservative Party lobby the Government.

37. Councillor Wicks stated that modular housing is becoming increasingly popular and asked if this is an area the Council can pursue. Councillor Miscandlon confirmed that he had discussed this with the CPCA at a recent meeting and this is an area of development they are seriously considering and discussions are ongoing in relation to this.
38. Councillor Wicks stated that if modular homes are to be pursued further, consideration needs to be given to the mortgageability and insurability of these properties. Councillor Booth explained that he has a background in Financial Services and this must be seriously considered.
39. Councillor Yeulett asked that members make every effort to attend pre-meetings of the Overview and Scrutiny Panel as it had been poorly attended in preparation for this meeting.
40. Councillor Yeulett asked for a breakdown of the complaints reported on page 14 of the agenda pack. Nick Harding confirmed that the complaints reported relate to those that have been considered under the Council's 3Cs process. He provided members with a breakdown of these.
41. Councillor Yeulett asked if there were any complaints that raised any concerns. Nick Harding explained that the Council can learn from any negative feedback or complaints to ensure future improvement in the service. He added that no complaints have been referred to the Local Government Ombudsman (LGO).
42. Councillor Booth asked for clarification on this as he believed there had been a complaint referred to the LGO. Nick Harding agreed to look in to this further but confirmed that no complaints referred to the LOG had been upheld.
43. Councillor Booth asked for clarification on the figures provided on page 14 of the agenda pack in relation to Planning Compliance Performance and enforcement action. Nick Harding agreed to check these figures and report back to members.
44. Councillor Booth thanked Nick Harding and said the number of enforcement cases pursued seems low and the Council could be in danger of being perceived as not taking strong enough action.
45. Councillor Yeulett asked for further information on 'ldox' referenced on page 16 of the agenda pack. Nick Harding confirmed that ldox is the software system used to log planning applications.
46. Councillor Booth asked if the planning service had identified any further potential savings to the Council such as further shared services, as per discussions at at last year's Overview and Scrutiny Panel meeting. Nick Harding confirmed that no specific progress had been made due to staff absence at Peterborough City Council however discussions are still ongoing regarding other shared service options. He confirmed that this would be considered under the Council's upcoming Transformation and Efficiency Plan (TEP).
47. Councillor Bristow asked if there are any other benefits to a shared service aside from financial savings. Nick Harding said work had not been undertaken to fully assess this however there are several benefits to a shared service such as; shared running costs, shared IT systems and a single administration team which would work to a common robust standard. For officers, there would be increased working flexibility and larger resources available to them. He stated that consideration would be given to ensure that the public are not negatively affected by any future changes.
48. Councillor Cornwell asked Councillor Mrs Laws if she is happy with the level of engagement and involvement she has with officers as part of her role as Portfolio Holder for Planning. Councillor Mrs Laws confirmed that she works tremendously well with officers and is kept up to date on all proposals and discussions. She urged members to attend All Member Seminars as these are crucial in member and officer engagement and unfortunately are often poorly attended.
49. Councillor Booth agreed and asked that consideration be given to potentially changing the time of All Member Seminars to ensure more members can attend.
50. Councillor Booth asked why Councillor Hiller (Peterborough City Council) was not in attendance at today's meeting as he had attended last year's meeting when this item was considered. Nick Harding confirmed that unfortunately Councillor Hiller had given his apologies as he was unavailable to attend today.

51. Councillor Booth asked Councillor Mrs Laws for further information on the Local Plan Review Group and when information on this would be available to members. Councillor Mrs Laws confirmed that this information would be available to all members imminently as she is currently finalising membership of the Review Group.
52. Councillor Booth asked if political proportionality is required when considering membership of Review Groups. Carol Pilson confirmed that Review Groups are not subject to political proportionality as this only applies to statutory meetings and outside bodies; however the Council have had success with cross-party Review Groups in the past.
53. Councillor Booth asked that serious consideration is given to cross-party membership of the Local Plan Review Group. Councillor Mrs Laws confirmed that she had considered this.
54. Councillor Cornwell asked if Review Groups can be subject to scrutiny by the Overview and Scrutiny Panel. Carol Pilson confirmed that members of the Overview and Scrutiny Panel are in control of their own work programme and are able to undertake reviews of different aspects of the Council subject to the decision making process. She confirmed that the Local Plan Review will be subject to a robust consultation process and heavily involve member engagement. It will eventually be considered by Full Council too.
55. Councillor Booth asked when further Conservation Area appraisals will be completed by the Council. Nick Harding informed members that currently the Council only has the resource of 1FTE Conservation Officer and the majority of their time is spent commenting on Planning Applications, undertaking work in relation to dilapidated buildings and the Heritage Lottery Fund scheme. He reminded members that last year a review was undertaken on Whittlesey's conservation area and work is currently underway in Coates. The Council hope to undertake further 1-2 studies next year.
56. Councillor Cornwell requested that the Overview and Scrutiny Panel be provided with progress reports on the Local Plan Review Group's findings.
57. Councillor Booth asked if there were updated statistics available for the Council's current land-supply. Nick Harding confirmed that this year's figure had not yet been published so the statistics provided to members last year remain the most recent.

Councillor Miscandlon thanked officers and Councillor Mrs Laws for the report and update provided to members.

(Councillor Miscandlon declared a personal interest by virtue of the fact that he was the previous Chairman of the Planning Committee at Fenland District Council)

OSC6/19 DRAFT OVERVIEW AND SCRUTINY ANNUAL REPORT.

Members considered the Draft Overview and Scrutiny Annual Report.

Members asked questions, made comments and received response as follows;

1. Councillor Cornwell queried whether members were in a position to approve the report as they were not members of the Overview and Scrutiny Panel the last Municipal Year.
2. Councillor Booth explained that this report is considered as a backward look on the progress of the Overview and Scrutiny Panel. He did suggest that the previous Chairman's name, Councillor Boden, be included on the report to reflect his past contribution.
3. Councillor Booth highlighted a formatting error with the bullet points on page 27 of the agenda pack, point 5.6.
4. Councillor Booth asked that point 5.25 and 5.26 referencing the Economic Development Review (page 29 of the agenda pack) be merged and incorporated into one point.

Proposed by Councillor Booth, seconded by Councillor Miscandlon and AGREED;

3.1 To approve the annual report for forwarding to Council.

OSC7/19 FUTURE WORK PROGRAMME

Members considered the draft Future Work Programme 2019-2020.

Member asked questions, made comments and received responses as follows;

1. Councillor Booth asked that members invite Councillor Tierney to a future meeting to discuss his portfolio; Transformation and Communication as this is a new portfolio.
2. Izzi Hurst confirmed that the Wisbech 2020 agenda item is to be moved to a meeting date later in the year.
3. Councillor Bristow noted a future agenda item referencing Wisbech 2020 and Wisbech Rail Update. He asked an item be included in a future meeting informing members of updates in relation to the other town's Railway Stations.
4. Councillor Cornwell asked if an item could be included in relation to a review of the Freedom Leisure contract. Sam Anthony confirmed that the contract had started in December 2018 so this would be best placed in December's meeting.
5. Councillor Booth asked if the Clarion review scheduled for the meeting on 20 April 2020 be moved to an earlier meeting date to allow members to assess earlier if there are any ongoing heating issues during the winter months.
6. Councillor Cornwell asked if the Overview and Scrutiny Panel could consider an item in regards to the relationship between Fenland District Council and the Town and Parish Councils. Councillor Miscandlon highlighted that this may be difficult due to the number of town and parish councils. He agreed to consider this item.
7. It was agreed that Councillor Miscandlon, Anna Goodall and Izzi Hurst would arrange a meeting to discuss the Future Work Programme.

4.21 pm

Chairman

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Agenda Item 5

Outstanding actions from Overview and Scrutiny – July 2019

MEETING DATE AGENDA ITEM AND MINUTE NUMBER	RECOMMENDATION/ ACTION	UPDATE	TIMESCALE
OSC5/19	Councillor Booth asked for clarification on the statistics provided on page 10 of the agenda pack in relation to the validation of Planning Applications.	In the period 1/4/19 to 30/6/19, 20% of planning applications were valid on receipt.	COMPLETE
OSC5/19	Councillor Cornwell asked that the PFH for Planning consider benchmarking exercises available between FDC and other Local Authorities	<p>Benchmarking information is available here: https://www.gov.uk/government/statistical-data-sets/live-tables-on-planning-application-statistics</p> <p>Different local authorities will prioritise its own planning in different ways to other council's and so this should be considered when comparing performance between councils. The performance reported to the meeting in relation to the Government's 24 Month rolling tracker is arguably the benchmark to follow as failure to meet this will result in the 'designation' of the service. The reported performance shows that we are comfortably above the designation threshold.</p>	COMPLETE
OSC5/19	Councillor Booth suggested that the PFH could write to MHCLG to discuss powers available to the Council in relation to the delivery of housing	A briefing paper summarising these powers will be provided to members	August 2019
OSC5/19	Councillor Booth asked for clarification on the number of complaints considered by the LGO. Nick Harding agreed to provide this	Nick Harding was incorrect to state that there had not been any LGO decisions in relation to planning in 2018/19. This error was due to him not being made aware that the LGO elements of the complaints log	O&S MEETING SEPTEMBER 2019

	information to members.	were no longer in use. The 3Cs team have advised that the information will be presented to members as and when the LGO publishes its annual report.	
OSC5/19	Councillor Booth asked for clarification on the number of breaches pursued by the Council (page 14 of the agenda pack)	<p>Of the cases closed in 2018/19, 154 of these were able to be closed following intervention by officers that resulted in:</p> <ul style="list-style-type: none"> • Voluntary remedy of the breach by the owner/ occupier e.g. by stopping the unauthorised use / removing / altering the unauthorised development • The submission of a retrospective application that went on to be granted • Compliance with a formal notice which provided a remedy to the breach 	COMPLETE

Agenda Item No:	6	
Committee:	Overview and Scrutiny Panel	
Date:	15 July 2019	
Report Title:	Council Tax Support – 2020/21 scheme	

Cover sheet:

1 Purpose / Summary

Each year the Council is required to review its Council Tax Support (CTS) Scheme. This report advises Overview and Scrutiny of the progress of the 2019 annual review and the resultant proposals for consultation for changes to the CTS scheme to take effect from April 2020.

2 Key issues

- We are now in the seventh year of CTS; a locally set scheme that replaced the nationally set Council Tax Benefits (CTB) scheme from April 2013.
- In 2013-14 we were able to take advantage of a one-off Government grant that compensated in part for the reduction in Government funding that year. This meant that the maximum CTS awarded was the amount calculated, less 8.5% (Pensioners are protected by legislation and receive up to 100% CTS).
- In 2014-15, we initially proposed this reduction be increased to 20%. However a reduction in demand meant that we were able to revise this reduction to 14%.
- For 2015-16 and 2016-17 we kept the same scheme as 2014-15, except that allowances and premiums (the amounts of income from state-administered benefits such as Jobseekers' Allowance) were increased in line with other benefits such as Housing Benefit. This means that customers have a higher income before losing CTS.
- For the 2017-18 scheme, as part of the Council's Comprehensive Spending Review (CSR1), we consulted customers on a proposal to increase the CTS reduction for working age customers from 14% to 20% starting from 1 April 2017. Based upon feedback from customers and the potential impact on collection rates, Overview and Scrutiny members at their meeting on 28 November 2016, recommended to Cabinet and Council that the 14% reduction level be maintained. This recommendation was subsequently approved and the scheme contribution rate remained unchanged.

- For the 2018-19 scheme we consulted on a proposal to harmonise the scheme to DWP welfare reforms introduced for Housing Benefit and CTS for Pensioners, and introducing closer links to Universal Credit data share for claims, thereby removing the stipulation to make a separate claim. This was subsequently approved and introduced.
- For 2019-20 we kept the same scheme as for 2018-19.
- Councils are required to consider whether to review their LCTRS schemes annually. Where it is determined to retain the existing scheme this must be decided by 11 March of the preceding year.
- Where Councils seek to amend their scheme it will be necessary to consult preceptors and stakeholders prior to a wider consultation to inform a final scheme design by 28 February of the preceding year. Therefore work has commenced to allow sufficient time to consult, approve and implement changes prior to 28 February 2020.
- The current Fenland CTS scheme provides a maximum benefit of 86% for working age claimants and our scheme also fully protects War Pensioners. The aim in designing the scheme was to achieve a balance in charging an amount of Council Tax to encourage customers back into work whilst setting the amount charged at an affordable and recoverable level.
- Two options are presented for consideration:
 - (i) to increase the customer contribution rate to 20% and
 - (ii) to introduce a fluctuating earnings rule to the treatment of Universal Credit.

3 Recommendations

The Panel is requested to:

- Review the CTS scheme for 2020-21 as outlined in this report and recommend to Cabinet any changes to the scheme which will require consultation to be undertaken.

Wards Affected	All
Forward Plan Reference	This item is included in the Forward Plan
Portfolio Holder(s)	Cllr Chris Boden, Leader & Portfolio Holder, Finance Cllr Mrs Jan French, Deputy Leader
Report Originator(s)	Sam Anthony, Head of HR & OD Mark Saunders, Chief Accountant
Contact Officer(s)	Peter Catchpole, Corporate Director and Chief Finance Officer Sam Anthony, Head of HR & OD Mark Saunders, Chief Accountant
Background Paper(s)	None

Report:

1 Introduction

- 1.1 Before April 2013, Council Tax Benefit (CTB) was a nationally controlled scheme administered by District and Unitary Councils that give reductions from Council Tax to people on low incomes according to set criteria specified by regulations. The maximum reduction was 100% of a person's Council Tax bill.
- 1.2 The costs of CTB were fully reimbursed to the Council by the DWP, so that if demand rose or fell, the Council did not bear the costs of these changes.
- 1.3 CTB was localised and replaced by CTS in April 2013. At the same time, Government funding was reduced and CTS was localised, coming under the control of District and Unitary Councils. Whilst pensioners were protected and regulations specified that they must still receive up to 100% CTS, this protection did not apply to working age people.
- 1.4 Unlike CTB, the costs of CTS are borne by Councils. Funding is given by the Government within the overall finance settlement, but this has reduced significantly over the years so that Councils bear the costs of an increase in demand but gain from reduced demand.
- 1.5 The implementation of CTS left Fenland with a funding gap, that potentially saw working age customers only being entitled to 80% CTS. However, Members considered the options available to help increase CTS and were able to implement a scheme in 2013-14 that saw working age customers be entitled to up to 91.5% of CTS; in two ways.
- 1.6 Members primarily met the funding shortfall by revising Council Tax exemptions on empty properties, permitted by regulations that changed in 2013. This meant that the Council would no longer give a Council Tax reduction for most empty domestic properties.
- 1.7 The funding shortfall was further closed by a one-off transitional Government grant that applied in 2013-14 only.
- 1.8 In 2014-15 this grant was not available. With demand for CTS not growing as much as was predicted for 2013-14, Members were able to revise the CTS scheme to feature a reduction of 14% CTS for working age customers.
- 1.9 Councils are required to review the operation of their CTS schemes annually. They are required to make any revisions no later than 28 February in the financial year preceding that for which the scheme will be revised (i.e. 28 February 2020 for the scheme relating to the 2020-21 financial year).
- 1.10 Further annual reviews determined that the CTS reduction remained at 14% since 2015-16, with further links to Welfare Reform and Universal Credit introduced for 2018-19. That scheme was retained for 2019-20.
- 1.11 We are now reviewing our CTS scheme for the 2020-21 financial year.

2 The 2019 review

- 2.1 Councils are required to review operation of their CTS schemes each year. Where a change is proposed, we are required to undertake customer consultation; the results of which assist in the final decision made by the Council regarding the CTS scheme next year.
- 2.2 Two proposals are presented for members consideration, to increase the contribution rate from 14% to 20% and to introduce a fluctuating earnings rule to the assessment of Universal Credit awards.
- 2.3 Members will be aware that this Council is one of five partners forming the Anglia Revenues Partnership (ARP). The other four Councils are Breckland, East Cambridgeshire, West Suffolk (formerly Forest Heath and St. Edmundsbury) and East Suffolk (formerly Waveney and Suffolk Coastal). These Councils have maintained the contribution rate in their schemes at 8.5% since 2013. They are not proposing any changes to this rate for 2020-21.
- 2.4 The other Councils within ARP will all be considering the change to introduce a fluctuating earnings rule to the assessment of Universal Credit awards as detailed in section 4 of this report.
- 2.5 Currently, apart from a different contribution rate, all other aspects of the CTS scheme are consistent across all of the ARP partners. This aids the efficient administration of the schemes across the partnership. This does not however preclude any of the partners amending their scheme independently of the others.

3 The impact of CTS to date

- 3.1 CTS with its associated gap between Council Tax payable and the maximum help working age people can receive has been in operation now for six full years and we are in the seventh year of operation.
- 3.2 The table below shows how the amount of CTS awarded and numbers of customers claiming it have changed since CTS was introduced in 2013:-

CTS cases and amount awarded			
Date	CTS awarded	Working age claims	Pensioner claims
31/3/13 (CTB)	£8.16m	4,682	4,727
31/3/14	£7.89m	4,755	4,667
31/3/15	£7.45m	4,620	4,431
31/3/16	£7.21m	4,450	4,202
31/3/17	£7.02m	4,228	3,998
31/3/18	£6.91m	4,189	3,827
31/3/19	£6.98m	4,227	3,629
Change 2013 to 2019	- £1.18m -14.46%	- 455 -9.72%	- 1,098 -23.23%

3.3 The amount of CTS awarded since 2013 has reduced as a result of both the increase in contribution rate to 14% and a significant reduction in claims.

4 Feasibility of changes to CTS for 2020-21 – increasing the contribution rate

4.1 Any potential benefit from increasing the contribution rate would be shared between the major preceptors in proportion to their Council Tax requirements in the Collection Fund. The proportions based on 2019/20 Council Tax, is detailed in the table below. This shows that any changes to the contribution rate would generate significantly more savings to the County Council, as they receives a much higher proportion of Council Tax receipts overall.

How Council Tax allocated is split	
Authority	%
Cambridgeshire County Council	68.61
Cambridgeshire Fire Authority	3.70
Cambridgeshire Police & Crime Commissioner	11.64
Fenland District Council	16.05

4.2 Changing the CTS reduction for working age customers from 14% to 20% is forecast to decrease CTS expenditure by £202,014, achieving gross savings to this Council of £32,423 (16.05%) based on the numbers of CTS claimants as at June 2019.

4.3 Changing the rate of contribution has also been shown to result in additional arrears and subsequent recovery action. Additional bad debts provision would be required for non-payment and to help maintain expected collection levels, extra resources would be required to undertake recovery work in respect of additional arrears that would accrue from working age customers having payment difficulties as a result of the proposed changes. The net additional cost is estimated to equate to 50% of the additional Council Tax raised:-

Additional Council Tax collectable @ 20%	£202,014
District share - 16.05%	£32,423
Estimated cost of additional recovery/bad debts provision	£16,211

4.4 As the Council is responsible for collecting Council Tax and administering CTS but only keeps 16.05% of the income, the potential benefit from increasing the CTS contribution rate from 14% to 20% is reduced by around 50%.

4.5 When the Council last considered increasing the contribution rate to 20% in 2016, Members asked Officers to request Cambridgeshire County Council to part-fund the above post's costs. However after considering the severe financial constraints that they were under, with the need to make significant savings, CCC felt that it would not be possible to agree to the funding request.

- 4.6 There are also options available to Members to increase the CTS contribution rate to higher amounts, possibly 30% or even 40%. This would result in correspondingly higher amounts of gross Council Tax being received but would also result in higher bad debts provision for non-payment and the possibility of further resources being required to help maintain collection levels.
- 4.7 Previous experience shows that when a significant change in the level of support given takes place, there is a spike in the level of recovery action and also the amount that becomes outstanding. The last changes of this nature was between 2012 (the last year of the old CTB system) and 2013 (the first year of the new CTS system) when the minimum working age customer's Council Tax contribution increased from zero to 8.5% and 2014 when the contribution rate increased from 8.5% to 14%.
- 4.8 The table below compares Fenland's in year Council Tax collection rate with the National average.

	Effects of changing CTS reduction percentages			
	2012-13	2013-14	2014-15	2018-19
All England Authorities- Average In Year Council Tax collection rate	97.4%	97.0%	97.0%	97.0%
Cumulative change in National Average rate since 2012-13		-0.4%	-0.4%	-0.4%
Fenland increase in CTS reduction level		8.5%	5.5%	0.0%
Fenland In Year Council Tax collection rate	98.0%	97.7%	97.3%	96.8%
Annual Change in Fenland collection rate		-0.3%	-0.4%	-0.5%
Cumulative change since 2012-13		-0.3%	-0.7%	-1.2%

- 4.9 It can be seen that there is a reduction in Council Tax collection rates after the reduction in CTS is increased. However the collection rate effects are complicated and could be caused by a variety of other factors.
- 4.10 Bearing in mind the previous consultation results from 2016, the financial constraints that prevented CCC from supporting the funding of additional recovery resources, together with data that suggests a further change in the CTS reduction at Fenland will adversely affect collection performance, Members are asked to consider whether or not they wish to recommend to Cabinet that consultation be carried out on changing the contribution rate and what rate the consultation should be carried out on.

5 Feasibility of changes to CTS for 2020-21 – fluctuating earnings rule

- 5.1 Claims dependent upon Universal Credit (UC) have become increasingly apparent since the Council entered the UC full service during summer 2018, whereby the significant majority of new claims now go through UC and are received by the ARP through the Universal Credit Data Sharing hub (UCDS).
- 5.2 UC is designed to be paid monthly, calculated on the customer's circumstances, including Real Time Information (RTI) earnings data from HMRC every month. Given customer's circumstances, especially earnings, fluctuate, this leads to monthly revised UC awards sent to the Council by the DWP.
- 5.3 The existing Council Tax Support scheme rules require the Council to revise awards when a customer's Universal Credit changes leading to reassessment of Council Tax Support. In turn this means customers receive a revised Council Tax bill for balance due for the year and have to amend their payment arrangements, typically direct debit instructions. Increasingly, this can be a monthly occurrence for customers.
- 5.4 We have seen an increase in customer contact regarding these notifications because customers are unsure as to what they have to pay due to the requirement to re-profile their Council Tax payments on receipt of UCDS files on a monthly basis. The uncertainty caused toward the customer also has an impact on Council Tax collection, as well as increased administration costs and postage associated with producing additional notification letters.
- 5.5 Within the Anglia Revenues Partnership, Waveney (East Suffolk) has been in the UC Full Service the longest, since May 2016, where we have seen a 72% increase in revised UC awards sent to the Council. Over time we expect this pattern to continue and increase for all the partner Councils, given full service has been rolled out nationally and UC is set to expand. Fenland entered the UC Full Service September 2018.
- 5.6 To ease the burden on the customer, and the Council we recommend a tolerance rule is introduced into the Council's scheme. This would have the effect of freezing a customer's assessment when a revised UCDS notification would otherwise trigger a reassessment. UCDS changes notified above the tolerance level would be processed as usual, whereas changes within the tolerance level would not be updated, no correspondence issued to the customer, and without amendment to Council Tax repayments.
- 5.7 We have analysed UCDS award notifications for the past three months. The table below shows the level of reduction in reassessments for changes in UC banded in £5 increments, were a tolerance rule to be applied:
- | | | | | | |
|----------------------------|-----|-----|-----|-----|-----|
| weekly earnings tolerance | £5 | £10 | £15 | £20 | £25 |
| reduction in reassessments | 14% | 21% | 32% | 32% | 36% |
- 5.8 We recommend a weekly tolerance level of £15 (£65 monthly) to achieve a 32% reduction in revised Council Tax adjustments. We consider a £10, 21% reduction to be less effective, whilst there is little to gain by increasing the tolerance level. Setting the tolerance level at £15 equates to less than two hours employment at national minimum hourly rates.

- 5.9 A relatively small tolerance level will ensure smoothing of customer's fluctuating UC awards and will not disadvantage those customers receiving greater or occasional beneficial changes.
- 5.10 It should be noted where customers circumstances noticeably change, for example when employment ceases, the tolerance rule will not apply, given the change will be greater than £15 per week. In these circumstances the customer's Council Tax Support will be immediately adjusted to provide extra benefit.
- 5.11 It is also recommended that the changes to the Council Tax Support Scheme include discretion to reassess entitlement where a reduction in earnings occurs and it is clear that this level of earnings have and will be likely to continue at a lower level.
- 5.12 In looking at how a tolerance would apply, a typical case would currently have 12 monthly reassessments and 12 amended Council Tax bills during the year. However, with a tolerance rule a typical customer will only have 4 monthly reassessments and the weekly difference in support would be £0.27p per week.
- 5.13 We are working with our software supplier to introduce additional functionality to enable a tolerance rule, along with automation of these assessments.
- 5.14 Should the Panel approve the recommendation to introduce a tolerance rule, the Council will be required to enter a formal public consultation to amend the scheme for 2020 - 21.
- 5.15 Consultation responses will be reported to the Panel, Cabinet and Full Council as necessary to conclude the review in time for 28th February 2020, or by 11th March 2020 if continuing with the existing scheme.

6 Expected benefits of implementing fluctuating earnings rule

- 6.1 Reduced customer notifications and contact, and stable Council Tax repayment arrangements for customers.
- 6.2 Setting the tolerance at a low level with discretion to review will minimise any implications.

7 Stakeholders / Consultation / Timescales

- 7.1 Consultation will be required if Committee agree to the recommendation. Initial discussions indicate a six to eight week preceptor, stakeholder and web based consultation. ARP will work with the Policy and Communications teams throughout the partnership to organise a consultation.
- 7.2 It is anticipated an Equality Impact Assessment is likely to be required.

8 Next steps

- 8.1 This report has given the Panel an update on progress of the annual review of the Council's CTS scheme, with options to change the existing customer contribution rate and to introduce a fluctuating earnings rule.
- 8.2 The recommendations from this Panel will be reported to Cabinet at their meeting on 18 July 2019. If Cabinet approve any changes that require consultation, it is anticipated that this consultation will occur over an eight week period between August and October.
- 8.3 The Overview and Scrutiny Panel will scrutinise the consultation responses and proposals after the consultation has ended, at their meeting on 2 December 2019. The final proposals will then be recommended to Cabinet and Council at their meetings on 13 December 2019.

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Overview and Scrutiny – Draft Work Programme 2019 – 2020

All Formal meetings are held in the Council Chamber at Fenland Hall

Meeting Dates

<u>Agenda Despatch Date</u>	<u>Informal pre-meeting</u>			<u>Formal Overview & Scrutiny Meeting</u>		
	<u>Date</u>	<u>Time</u>	<u>Location</u>	<u>Date</u>	<u>Pre-Brief</u>	<u>Meeting</u>
Thursday 23 May 2019	Tuesday 28 May 2019	2.00pm	Room 38	Monday 3 June 2019	2.00pm	2.30pm
Thursday 4 July 2019	Monday 8 July 2019	2.00pm	Room 38	Monday 15 July 2019	2.00pm	2.30pm
Thursday 22 August 2019	Tuesday 28 August 2019 **please note the amendment to the date	2.00pm	Room 38	Monday 2 September 2019	2.00pm	2.30pm
Thursday 3 October 2019	Monday 7 October 2019	2.00pm	Room 38	Monday 14 October 2019	2.00pm	2.30pm
Thursday 31 October 2019	Monday 4 November 2019	2.00pm	Room 38	Monday 11 November 2019	2.00pm	2.30pm
Thursday 21 November 2019	Monday 25 November 2019	2.00pm	Room 38	Monday 2 December 2019	2.00pm	2.30pm
Thursday 2 January 2020	Monday 6 January 2020	2.00pm	Room 38	Monday 13 January 2020	2.00pm	2.30pm

Thursday 30 January 2020	Monday 3 February 2020	2.00pm	Room 38	Monday 10 February 2020	2.00pm	2.30pm
Friday 13 March 2020 **please note the amendment to the date	Monday 16 March 2020 **please note the amendment to the date	2.00pm	Room 38	Tuesday 24 March 2020** Please note the amendment to this date	2.00pm	2.30

2 September 2019

Time	Agenda Item	Fenland Corporate Priority	Portfolio Holder/ Officer/ External Witness
2.00 – 2.30pm Pre Briefing			
2.30pm Meeting	Local Health Partnership Update (TBC) Health and Wellbeing Strategy	Communities	Councillor Mrs Wallwork Annabel Tighe TBC - NHS Representative
	Progress of Corporate Priority – Communities	Communities	Councillor Mrs Wallwork Councillor Miss Hoy Councillor S Clark Dan Horn, Phil Hughes Carol Pilson
	Wisbech 2020 Vision & Wisbech Rail Update	Communities	Councillor Boden Councillor Seaton Gary Garford/ Russell Beal (Anglian Water)
	Local Government Ombudsman annual review of complaints		Councillor Tierney Peter Catchpole David Wright
	Matters arising – Update on previous actions		Anna Goodall
	TEP items as required		
	Future Work Programme 2019/20	Quality Organisation	Councillor Miscandlon Anna Goodall

14 October 2019

Time	Agenda Item	Fenland Corporate Priority	Portfolio Holder/ Officer/ External Witness
14.00 to 14.30 Pre Briefing			
14.30 to 16.30 Meeting	Annual Meeting with the Leader and Chief Executive	Quality Organisation	Councillor Boden Paul Medd Cabinet and CMT
	Matters arising – Update on previous actions		Anna Goodall
	TEP items as required		
	Future Work Programme 2019/20	Quality Organisation	Councillor Miscandlon Anna Goodall

11 November 2019

Time	Agenda Item	Fenland Corporate Priority	Portfolio Holder/ Officer/ External Witness
14.00 to 14.30 Pre Briefing			
14.30 to 16.30 Meeting	Freedom Leisure Review	Communities	Councillor Sam Clark Carol Pilson Phil Hughes Simon Bell Representative from Freedom (TBC)
	LA Support (Kingdom) Review	Communities	Councillor Murphy Carol Pilson Annabel Tighe John Roberts (Kingdom)
	TEP items as required		
	Future Work Programme 2019/20	Quality Organisation	Councillor Miscandlon Anna Goodall

2 December 2019

Time	Agenda Item	Fenland Corporate Priority	Portfolio Holder/ Officer/ External Witness
14.00 to 14.30 Pre Briefing			
14.30 to 16.30 Meeting	Progress of Corporate Priority – Economy	Economy	Councillor Benney Gary Garford, Justin Wingfield
	Annual review of Anglia Revenues Partnership	Economy	Sam Anthony / Peter Catchpole Councillor Mrs French Paul Corney (ARP) Mark Saunders
	Update on CPCA Growth Service and impact on Economic Development in Fenland	Economy	Paul Medd Gary Garford Councillor Benney Justin Wingfield
	Matters arising – Update on previous actions		Anna Goodall
	TEP items as required		
	Future Work Programme 2019/20	Quality Organisation	Councillor Miscandlon Anna Goodall

13 January 2020

Time	Agenda Item	Fenland Corporate Priority	Portfolio Holder/ Officer/ External Witness
14.00 to 14.30 Pre Briefing	Draft Overview and Scrutiny Future Work Programme 2017/2018	Quality Organisation	Councillor Miscandlon Anna Goodall
14.30 to 16.30 Meeting	Draft Budget	Economy	Cabinet CMT
	Draft Business Plan	Economy	Cabinet CMT Dave Wright

	Fees and Charges	Economy	Councillor Boden Peter Catchpole Cabinet Mark Saunders & Neil Krajewski
	Matters arising – Update on previous actions		Anna Goodall
	TEP items as required		
	Future Work Programme 2019/20	Quality Organisation	Councillor Miscandlon Anna Goodall

10 February 2020

Time	Agenda Item	Fenland Corporate Priority	Portfolio Holder/ Officer/ External Witness
14.00 to 14.30 Pre Briefing			
14.30 to 16.30 Meeting			
	Progress of Corporate Priority – Environment	Environment	Councillor Murphy Councillor Tierney Dan Horn, Phil Hughes, Mark Mathews, Annabel Tighe Carol Pilson
	Crime Disorder and Reduction Partnership	Communities	Councillor Mrs Wallwork Carol Pilson, Dan Horn and Aarron Locks
	Draft Overview and Scrutiny Future Work Programme 2019/2020	Quality Organisation	Councillor Miscandlon Anna Goodall
	Matters arising – Update on previous actions		Anna Goodall
	TEP items as required		
	Future Work Programme 2019/20	Quality Organisation	Councillor Miscandlon Anna Goodall

24 March 2020

Time	Agenda Item	Fenland Corporate Priority	Portfolio Holder/ Officer/ External Witness
14.00 to 14.30 Pre Briefing			
14.30 to 16.30 Meeting			
	Review of Clarion	Communities	Dan Horn Councillor Miss Hoy Councillor S Clark Councillor Mrs Wallwork Carol Pilson Sue Stavers (Clarion)
	Transformation & Communications Portfolio Holder update		Councillor Tierney Carol Pilson David Wright Peter Catchpole
	Matters arising – Update on previous actions		Anna Goodall
	TEP items as required		
	Future Work Programme 2019/20	Quality Organisation	Councillor Miscandlon Anna Goodall

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