

## Minutes of a meeting of the Corporate Overview and Scrutiny Committee held on Tuesday, 8 August 2017 in Committee Room 1 - City Hall, Bradford

Commenced 5.30 pm  
Concluded 6.20 pm

### Present – Councillors

LABOUR	CONSERVATIVE
Bacon Duffy Arshad Hussain Warburton	Cooke Riaz M Smith

Observers: Leader of Council

Apologies: Councillor Jeanette Sunderland

### Councillor Arshad Hussain in the Chair

#### 10. DISCLOSURES OF INTEREST

No disclosures of interest were in matters under consideration were received.

#### 11. INSPECTION OF REPORTS AND BACKGROUND PAPERS

There were no appeals submitted by the public to review decisions to restrict documents.

#### 12. REFERRALS TO THE OVERVIEW AND SCRUTINY COMMITTEE

No referrals had been received.

#### 13. COUNCIL TAX SUPPORT

At its meeting held on 19 July 2017, this Committee considered a report on the options for the delivery of the Council Tax Reduction Scheme. The Committee resolved that the comments raised by Members be considered in further modelling of the Council Tax Reduction Scheme and that a further report be presented to this Committee in August 2017.

In response to the above resolution, the Strategic Director, Corporate Services submitted a report (**Document “F”**) which looked at options for responding to the challenges for the operation and delivery of the Council Tax Reduction Scheme.

The Assistant Director, Revenues, Benefits and Payroll attended the meeting and gave a synopsis of the report.

Following presentation of the report, the Chair opened a session for questions and answers, as follows:

- What was Calderdale and Kirklees Councils plans for 2017/18?
  - The two neighbouring Councils had not planned any changes to the existing arrangements, with the continuation of a maximum support of 80% to help support for the poorest families;
- What Council Tax scheme was Leeds City Council planning to put into operation/or had rolled out in April 2017?
  - Since 1 April 2017, Leeds City Council had operated 2 Council Tax Support schemes for those of working age, (a) the Council Tax Support scheme which was the one that had operated since April 2013 and to a great degree mirrored the scheme currently operated in Bradford. The maximum entitlement was based on 75% of liability unless the claimant fell into one of the protected groups such as being severely disabled or a carer, in which case entitlement was based on 100% of liability and, (b) a new scheme, the Universal Credit and Council Tax Support scheme (UCCTS) had been introduced from April 2017. This scheme was for those who received Universal Credit, people claiming for the 1<sup>st</sup> time and receiving UC would be assessed on this scheme, and existing claimants would migrate to it when they moved onto UC.
- Was Bradford Council considering the administration of a similar scheme to neighbouring authorities?
  - The service took into consideration the most vulnerable of the district during the consideration of Council Tax for 2018/19 and disabled groups would be better off on a Universal Credit Scheme. The Council planned to commence with all new claims for Universal Credit and therefore the receipt of further cases;
- How did Bradford’s scheme compare to Leeds?
  - Leeds acknowledged the support of the district’s citizens and communities to the proposed changes to the Council Tax Support scheme as presented as part of its review. The roll out of Universal Credit in Leeds was a paramount reason that needed to be taken into account when it looked at local schemes. Leeds was aware that many people in low-paid work with fluctuating earnings would see their monthly Universal Credit payment fluctuate and, as things stand, this would lead to monthly changes to Council Tax Support with further implications for Council Tax payment dates and liability orders;
- What would be the difference in future Council Tax Reduction (CTR) in comparison to the current CTR?
  - In considering the differences, impacts had to be noted that these schemes operated in different and complex ways. Each scheme would have been designed to achieve a different set of outcomes

depending on local priorities; for example, to reduce or maintain scheme costs, incentivise work, protect the poorest, mitigate the impact of Universal Credit, reduce administration, and increase transparency had to be applied. There was a support of 100% for most vulnerable groups and then reducing down to 75% to the not so vulnerable groups;

- What if the worst case scenario, that someone had no money to pay their Council Tax?
  - Then Council Tax would be written off; and,
- How would the hardship scheme work?
  - The CTR scheme sought to support vulnerable residents who may struggle to pay their Council Tax. The current CTR scheme was means tested and could provide for a reduction of net council tax liability. Working age Council Tax payers, or their partner, who qualify for a severe or enhanced disability premium, or the Carers premium, could receive a reduction of up to 100%. All other working age Council Tax payers could receive a reduction of up to 75%. The scheme for those of pension age, which allowed a reduction of up to 100%, was prescribed by national legislation and cannot be changed by the Council.

During the discussion, the Committee and officers made the following comments:

- The level of support to the poorest should be increased; particularly for working families. The scheme had to be fair and help people who were struggling and should address the needs and problems facing claimants;
- Any new scheme should be phased in;
- The Bradford district had a diverse cultural makeup which included many vulnerable families with significant financial constraints;
- The service most likely knew enough in order to make a decision for the year 2017/18 and, as highlighted in the report, there would be various degrees of success for collecting from different groups; and,
- There were two sides to this equation, saving could only make sense if the Council was making actual savings hence, officers needed to delve further into groups that had the least amount of impact on paying the Council Tax then by making a right cross balance in order for a positive impact in years to come, not only for the Council but equally, for the residents of the Bradford District.

The Committee acknowledged the fact that it would take some time for the Council and residents to become accustomed to the new Council Tax scheme and of course, it was the Executive to consider whether it would change the scheme for 2018/19, therefore:

**Resolved –**

- (1) That this Committee requests that the Executive makes a decision on the model of the Council Tax Reduction Scheme for Bradford and to review the effectiveness of the model in two years.**
- (2) That this Committee requests that the Executive takes into account the comments raised by Members in the development of the new**

**Council Tax Reduction Scheme, including the consideration of a Hardship Scheme.**

***ACTION: Strategic Director, Corporate Services***

Chair

**Note: These minutes are subject to approval as a correct record at the next meeting of the Corporate Overview and Scrutiny Committee.**

THESE MINUTES HAVE BEEN PRODUCED, WHEREVER POSSIBLE, ON RECYCLED PAPER