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29 August 2012

To: Chairman – Councillor Ben Shelton
Vice-Chairman – Councillor David Whiteman-Downes
Members of the Scrutiny and Overview Committee – Councillors Alison Elcox,
Jose Hales, Roger Hall, Lynda Harford, Mark Hersom, Roger Hickford,
Douglas de Lacey, Janet Lockwood, Ted Ridgway Watt, Bridget Smith and
Bunty Waters

Quorum: 6

Dear Councillor

You are invited to attend the next meeting of **SCRUTINY AND OVERVIEW COMMITTEE**, which will be held in the **SWANSLEY ROOM, GROUND FLOOR** on **THURSDAY, 6 SEPTEMBER 2012** at **6.00pm**.

Members of the committee only are invited to attend for refreshments from 5.30pm

Members are respectfully reminded that when substituting on committees, subcommittees, and outside or joint bodies, Democratic Services must be advised of the substitution *in advance of* the meeting. It is not possible to accept a substitute once the meeting has started. Council Standing Order 4.3 refers.

Yours faithfully
JEAN HUNTER
Chief Executive

The Council is committed to improving, for all members of the community, access to its agendas and minutes. If you have any specific needs, please let us know, and we will do what we can to help you.

AGENDA

PAGES

PROCEDURAL ITEMS

- 1. Apologies**
Apologies for absence have been received from Cllrs Douglas de Lacey and Ted Ridgway Watt.
- 2. Declarations of Interest**
Please note that the Constitution requires that when considering any decision in respect of which a member of the Committee is subject to a party whip, the member must declare the existence of the whip. Under the Code of Conduct, any Councillor who has a personal or prejudicial interest should declare this at the meeting.

3. Minutes of Previous Meeting

To authorise the Chairman to sign the Minutes of the meeting held on 5 July 2012 as a correct record. The minutes can be accessed on the Council's website by following the links at:

<http://scdcmg:9070/ieListDocuments.aspx?CId=417&MId=5795&Ver=4>

4. Public Questions

5. Localised Council Tax Support (Key)

1 - 26

A benefit reform workshop: consultation on a local scheme will be held for Members following an introduction by the Benefits Manager, Dawn Graham and Revenues Manager, Phil Bird. The following documents are attached for your information:

- Briefing note
- Draft Scheme for Council Tax Support 2012/13
- Changes to Council Tax Support – Have Your Say
- Frequently Asked Questions

6. Work Programme 2012/13

27 - 32

7. Monitoring the Executive

A Leader's Portfolio Holder meeting was held on 23 July 2012, however, neither of the Scrutiny Monitors were in attendance.

8. To Note the Dates of Future Meetings

Future meetings are scheduled as follows:

27 September 2012 at 4pm - New Build Strategy: Members-only workshop

01 November 2012 at 5:30pm – Members-only Finance workshop

05 November 2012 at 6.00pm

10 January 2013 at 6.00pm

11 February 2013 at 6pm – Members-only Finance workshop

14 February 2013 at 6.00pm

21 March 2013 at 6.00pm

23 April 2013 at 6.00pm

Exclusion of Press and Public

The law allows Councils to consider a limited range of issues in private session without members of the Press and public being present. Typically, such issues relate to personal details, financial and business affairs, legal privilege and so on. In every case, the public interest in excluding the Press and Public from the meeting room must outweigh the public interest in having the information disclosed to them. The following statement will be proposed, seconded and voted upon.

"I propose that the Press and public be excluded from the meeting during the consideration of the following item number(s) in accordance with Section 100(A) (4) of the Local Government Act 1972 on the grounds that, if present, there would be disclosure to them of exempt information as defined in paragraph(s) of Part 1 of Schedule 12A of the Act."

If exempt (confidential) information has been provided as part of the agenda, the Press and public will not be able to view it. There will be an explanation on the website however as to why the information is exempt.

OUR VISION

South Cambridgeshire will continue to be the best place to live and work in the country. Our district will demonstrate impressive and sustainable economic growth. Our residents will have a superb quality of life in an exceptionally beautiful, rural and green environment. The Council will be recognised as consistently innovative and a high performer with a track record of delivering value for money by focussing on the priorities, needs and aspirations of our residents, parishes and businesses.

OUR VALUES

We will demonstrate our corporate values in all our actions. These are:

- Trust
- Mutual respect
- A commitment to improving services
- Customer service

GUIDANCE NOTES FOR VISITORS TO SOUTH CAMBRIDGESHIRE HALL

While the District Council endeavours to ensure that visitors come to no harm when visiting South Cambridgeshire Hall, those visitors also have a responsibility to make sure that they do not risk their own or others' safety.

Security

Members of the public attending meetings in non-public areas of the Council offices must report to Reception, sign in, and at all times wear the Visitor badges issued. Before leaving the building, such visitors must sign out and return their Visitor badges to Reception.

Emergency and Evacuation

In the event of a fire, a continuous alarm will sound. Evacuate the building using the nearest escape route; from the Council Chamber or Mezzanine viewing gallery this would be via the staircase just outside the door. Go to the assembly point at the far side of the staff car park.

- **Do not** use the lifts to exit the building. If you are unable to negotiate stairs by yourself, the emergency staircase landings are provided with fire refuge areas, which afford protection for a minimum of 1.5 hours. Press the alarm button and wait for assistance from the Council fire wardens or the fire brigade.
- **Do not** re-enter the building until the officer in charge or the fire brigade confirms that it is safe to do so.

First Aid

If someone feels unwell or needs first aid, please alert a member of staff.

Access for People with Disabilities

The Council is committed to improving, for all members of the community, access to its agendas and minutes. We try to take all circumstances into account but, if you have any specific needs, please let us know, and we will do what we can to help you. All meeting rooms are accessible to wheelchair users. There are disabled toilet facilities on each floor of the building. Infra-red hearing assistance systems are available in the Council Chamber and viewing gallery. To use these, you must sit in sight of the infra-red transmitter and wear a 'neck loop', which can be used with a hearing aid switched to the 'T' position. If your hearing aid does not have the 'T' position facility then earphones are also available and can be used independently. You can obtain both neck loops and earphones from Reception.

Toilets

Public toilets are available on each floor of the building next to the lifts.

Recording of Business and Use of Mobile Phones

The Council is committed to openness and transparency. The Council and all its committees, sub-committees or any other sub-group of the Council or the Executive have the ability to formally suspend Standing Order 21.4 (prohibition of recording of business) upon request to enable the recording of business, including any audio / visual or photographic recording in any format.

Use of social media during meetings is permitted to bring Council issues to a wider audience. To minimise disturbance to others attending the meeting, all attendees and visitors are asked to make sure that their phones and other mobile devices are set on silent / vibrate mode during meetings.

Banners, Placards and similar items

No member of the public shall be allowed to bring into or display at any Council meeting any banner, placard, poster or other similar item. The Chairman may require any such item to be removed.

Disturbance by Public

If a member of the public interrupts proceedings, the Chairman will warn the person concerned. If they continue to interrupt, the Chairman will order their removal from the meeting room. If there is a general disturbance in any part of the meeting room open to the public, the Chairman may call for that part to be cleared.

Smoking

Since 1 July 2008, the Council has operated a Smoke Free Policy. Visitors are not allowed to smoke at any time within the Council offices, or in the car park or other grounds forming part of those offices.

Food and Drink

Vending machines and a water dispenser are available on the ground floor near the lifts at the front of the building. Visitors are not allowed to bring food or drink into the meeting room.

**LOCALISED COUNCIL TAX SUPPORT (LCTS)
BRIEFING NOTE FOR SCRUTINY & OVERVIEW COMMITTEE
6 SEPTEMBER 2012**

Background Information

1. Localised Council Tax Support was introduced as part of the June 2010 Budget which included:
 - Welfare Reforms
 - Localisation
 - Deficit Reduction
2. The spending review in September 2010 introduced more changes to welfare benefits. Those changes to welfare benefits which are considered as having the most significant impact to South Cambs residents are detailed within this document.

Changes to Local Housing Allowance (LHA)

3. The changes to LHA were introduced from April 2011 for new benefit claimants and phased in for those already in receipt of LHA. These changes will be fully in place for all from the start of 2013. The aim of the changes was to reduce the rising cost of Housing Benefit (HB) for those in privately rented accommodation. LHA rates reduced to 30th percentile calculation from median calculation and restriction to 4 bedroom rate. The rate of LHA reduced significantly as a result of this change and privately rented properties are increasingly unaffordable within South Cambridgeshire. There are currently 821 residents receiving LHA of which 662 have their benefit restricted due to rent liability being higher than the LHA. Details are shown below of changes to LHA calculation.

	Median	30 th Percentile
Shared room rate	£335.83 per month	£325.00 per month
1 bedroom rate	£599.99 per month	£520.00 per month
2 bedroom rate	£675.00 per month	£585.00 per month
3 bedroom rate	£794.99 per month	£679.99 per month
4 bedroom rate	£1,100.02 per month	£895.01 per month
5 bedroom rate	£1,499.98 per month	No longer applies- 4 bedroom rate applies

Under 35 Shared Room Rate

4. This change was introduced from January 2013 to reduce the cost of HB for the majority of single claimants aged between 25 and 35 who receive benefit in self-contained accommodation; previously this restriction applied to those under 25. The majority of those claiming benefit in self-contained accommodation now have their benefit entitlement restricted to shared room rate. There were 33 residents within South Cambridgeshire which were identified as likely to receive less benefit because of this change.

Benefit Cap

5. The Benefit cap will be implemented in April 2013. The Cap limits the total amount of welfare benefits for non-working families who claim welfare benefits. The Department of Work and Pensions (DWP) have identified that there are 46 families who have been identified as likely to be affected by the cap. The cap will reduce the amount of

HB for those identified; the average cap in South Cambridgeshire is £60 weekly and the highest cap is £220 weekly. This reduction does not include any reduction to help with council tax benefit.

Social Housing Tenants – Housing Benefit reduction for those under occupying

6. The introduction of a reduction in benefit for working age social tenants (including council tenants) from April 2013 will affect 600 South Cambridgeshire residents. The reduction will mean residents will have to pay significantly more.
 - Reduction for 1 bedroom under occupied
14% of eligible rent
 - Reduction for 2 Bedrooms or more under occupied
25% of eligible rent

Localised Council Tax Support

7. The estimated reduction in budget for 2013/14 is £1m; the Council Tax Benefit expenditure for 2012/13 is £6.4m. The estimate for Council Tax Support for 2013/14 based on the current scheme is £6.72m.
8. Pensioners are protected from the changes and will have benefit for 2013/14 based on current rules.
9. There are currently 3555 pensioners who receive Council Tax Benefit, based on current rules for 2013/14 it is estimated that Council Tax Support will be £3.62m.
10. There are 3051 people of working age who are currently claiming benefit. There are 855 lone parents with children under 5 and 326 claiming benefit who can be considered disabled.
11. There are changes to the exemptions and discounts which could help lessen the impact but doing this will mean that some Council Taxpayers will be paying much more than they do now.

Council Tax Exemptions/Discounts Granted in 2011/12

Exemption	Number	Amount
Class A – Vacant dwellings where major repair works or structural alterations are required, under way or recently completed	225	£179385
Class C – Vacant dwelling, empty and substantially unfurnished	5023	£943220
Second Homes Discount	462	£57785



South Cambridgeshire District Council's Draft scheme for Council Tax Support 2012/13

This document is a draft Council Tax reduction scheme, set out under the proposed section 13A(1)(a) of the Local Government Finance Act.

This document does not make any proposals for discretionary reductions under section 13A(1)(c) of the Local Government Finance Act.

The Council's current policy is to award a reduction under this power only in cases of exceptional financial circumstances and this is not proposed to change.

This scheme, referred to as Council Tax Support (CTS), is set out as a number of proposals that are dependent on:

1. The outcome of a consultation on this scheme;
2. The passing of the Local Government Finance Bill and subsequent secondary legislation;
3. The bringing into force of the Welfare Reform Act 2012 and any secondary legislation.
4. Draft Council Tax Reduction Scheme (Prescribed Requirements) Regulations and subsequent legislation

The Council scheme will in these proposals include all the prescribed requirements as detailed in the above mention legislation including any draft legislation. In these proposals 'the new scheme' means the proposed Council Tax Support scheme (CTS) and 'the current scheme' means the existing Council Tax Benefit scheme (CTB).

Class of Persons

1. This draft scheme sets out proposed rules for working age claimants. Regulations will prescribe a scheme for claimants of state pension credit age and will prescribe certain classes of persons who are not eligible to claim Council Tax Support.
2. It is proposed that eligibility for Council Tax Support be determined by reference to the income and capital of the claimant and any partner; and by the income capital and number of non-dependants in the household.
3. It is proposed that eligibility under the new scheme is defined by the terms of the existing Council Tax Benefit scheme as set out in the Social Security Contributions and Benefits Act 1992, the Social Security Administration Act 1992, the Council Tax Benefit Regulations 2006 and the Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001.
4. These regulations set out how Council Tax Support is claimed, how it is calculated and how it is paid. This draft scheme proposes that the principals and methods set out in those

Class of reduction

5. It is proposed that Council Tax Support be calculated as a means tested discount, defined by the terms of the existing Council Tax Benefit scheme except as identified:
 - This draft scheme proposes that: the benefit calculated could be reduced at percentage between 0 and 100 and/or
 - A maximum figure is placed on the amount of council tax that can be considered eligible for Council Tax Support.

The eligible council tax can be limited by one or a combination of the following ways:

- a) A cap set as a proportion of the claimant's eligible Council Tax liability (determined in the manner set out in the Council Tax Benefit regulations 2006). This cap could be set at a percentage between 0 and 100 of the uncapped liability. The capped liability will be used.
 - b) A cap set at a maximum band equivalent. The maximum band would be defined within this scheme this may be defined as Band C, D or E or any other band the Local Authority defines. The claimant's liability for council tax would be capped at this band before any discount or apportionment for joint liability is taken into account.
 - c) A cap set as a reduction to the eligible council tax eligible Council tax would become the eligible liability minus any reductions set out in this scheme.
5. It is proposed to protect those considered vulnerable by the Authority by calculating Council Tax Support based on the default scheme as at 1 April 2013.
 6. The draft scheme proposed that those defined as vulnerable may be those who receive Disability Living Allowance Care or Mobility, Carers Allowance, or who receive the Support Component or Single Parent with children under 5 The scheme will define those who the Authority will consider vulnerable.
 7. Council Tax Benefit is means tested with a taper as per sub-section (5)(c)(ii) of section 131 of the Social Security Contributions and Benefits Act 1992. This taper is set as 2 6/7 per cent per day, which is equivalent to 20 per cent per week. This draft scheme proposes to set this rate at an equivalent weekly rate at 20 per cent.
 8. This draft scheme proposes to keep the current system of making deductions from the eligible Council Tax for each non-dependant person in the household.
 9. It proposes that the categories of non-dependant are set out as they are in the Council tax Benefit regulations at the date this scheme is created. It proposes that the income brackets may be altered in line with the general uprating arrangements in the scheme. It proposes that the amounts of deduction may be increased by an amount to be determined. It also proposes that a deduction may be made for those who currently receive a nil deduction of an amount up to the lowest deduction set out in the scheme.
 10. This draft scheme proposes that the earnings disregards applied to all claims with earned income may be amended. The level of this disregard may be reduced to nil or may be set at an amount higher or lower than the current level of disregard.

11. The scheme proposes that any amount of unearned income that is disregarded in the current scheme may be included as unearned income in the calculation of council tax support.
12. This draft scheme proposes that the maximum amount of capital that a claimant may hold before becoming ineligible for Council Tax Support may be set at any amount between £3,000 and £16,000.
13. It is also proposed that the limit at which capital is disregarded in the calculation of capital tariff income may be set at a rate between £3,000 and £16,000.
14. Consideration will be given as to how to determine income from benefits established under the Welfare Reform Act 2012, such as Universal Credit and Personal Independence Payments, when regulations have been issued setting out the method of calculation for these benefits.
15. It is proposed that the treatment of income and capital set out in schedules 3, 4 and 5 of the CTB regulations (2006) may be revised at any point.
16. It is proposed to introduce notional earnings for those with established self-employment (a period to be defined); and levels of earnings are below the National Minimum Wage or another rate as which would be defined within the scheme by the Local Authority..
17. It is proposed that the maximum period to which a claim can be backdated may be amended to such period other than six months this could also be defined as nil. This period will be defined in the scheme.
18. It is proposed that any entitlement to Council Tax Support below a level set out in the scheme, not greater than £3 per week, shall be treated as an entitlement of nil for the purpose of determining the amount of Council Tax Support awarded.
19. This draft scheme proposes that an Alternative Council Tax Benefit (Second Adult Rebate) is not determined in any claim for Council Tax Support. It may not be claimed directly and it will not be awarded through a 'better buy' calculation.

Applications

20. An application will be required for all new claims from the 1 April 2013. An appropriate means of application will be decided by the Authority and may be revised as required.
21. Statutory regulations are intended to define how claimants currently in receipt of Council Tax Benefit will transition onto the new scheme. This statutory method will be used in the new scheme.
22. A review process may be implemented by the Local Authority for new and existing awards. Awards may be reviewed in a time period to be determined by the Authority and failure of the claimant to fulfil any request during a review of their award may result in the termination of that award.

General administration of the scheme

23. Apart from where statutorily required, advice of any award granted, removed or revised will be by an adjustment to the council tax bill and the bill itself will be the formal notification. The Authority may reserve the right to include additional notifications. Consideration will be given as to how further notifications of an award or non-award of council tax support will be made under the new scheme.
24. Any overpayment will be rectified by the amount being reclaimed by an adjustment to the Council Tax bill.

Appeals process

25. Consideration will be given as to how a claimant may appeal a decision made by the Local Authority under the new scheme and to what decisions are appealable under the new scheme. Regulations are intended to define the body to which an appeal can be made.

Uprating

26. This draft scheme proposes that any figures set out in the scheme may be uprated, to take effect on 1st April each year following the commencement of the scheme, by the consumer price index, retail price index rate of inflation set out in the preceding September, or by Credit or as decided by the Authority.
27. This draft scheme will have parameters set out for 1 year, starting 1 April 2013 until 31st March 2014 but the Authority may consider a different period which will be defined.

Other Matters

28. It is proposed that this scheme may be amended to take into account any circumstances subsequently identified, whether through government statute, public consultation or any other means

Fraud and Error

29. Department of Communities and Local Government has confirmed its intention that regulations will be in place for information sharing and powers to tackle fraud these regulations will have the necessary powers, offences and penalties, to allow Local Authorities to investigate and tackle potential fraudulent Council Tax Support claims. These will be similar to existing rules in relation to Council Tax Benefit which will end in April 2013. These regulations will form part of the proposed new scheme.



Changes to Council Tax Support

Have your Say!

Council Tax Benefit is changing from April 2013

Welcome to our consultation on important changes to Council Tax support and discounts.

The Government is handing over the running of Council Tax benefit to local councils in April, but will also be cutting the money we receive by around £1 million. Because of this, we need to develop our own rules on how we provide Council Tax Support to those who need it. We need your views to help us put in place a scheme which protects our most vulnerable groups and encourages people who are able to work into employment but is affordable given that we have less money available.

The Government is also changing the rules on how much Council Tax we're able to charge people with second homes or empty homes. There are no changes at present planned to Council Tax discounts for single occupants.

The changes will only affect working age claimants – pensioners will be protected and will not have their benefit reduced as a result of the changes.

This consultation booklet:

- explains what we have to change and why
- identifies groups we have identified as most vulnerable and in need of protection
- Sets out a number of rules we can change in order to make the savings we require, and
- Sets out by how much people's Council Tax benefit is likely to be cut using a number of scenarios, based around changing the current Council Tax Benefit rules.

How can you give us your views?

You have until Friday 5 October to give us your views and can do so in a number of ways:

Questionnaires – You can start by filling in the questionnaire which came with this booklet

Public events around the district – Please come along and talk to us; we'll be around the district at the following times:

- Monday 3 September, 3.30pm – 8.00pm, Longstanton Village Institute, 24 High Street, Longstanton, CB24 3BS
- Tuesday 4 September, 3.30pm – 8.00pm, Gamlingay Village College, Station Road, Gamlingay, SG19 3HD
- Wednesday 5 September, 3.30pm – 8.00pm, Great Shelford Memorial Hall, Woollards Lane, Great Shelford, CB22 5LZ
- Saturday 8 September, 12:00pm – 4.00pm Impington Village College, New Road Impington CB24 9LX
- Monday 10 September, 3.30pm – 8.00pm, All Saints Church Hall, Church End, Cottenham, CB24 8SA
- Wednesday 12 September, 12:00pm - 4.00pm Linton Village College, Cambridge Road, Linton, CB21 4JB
- Saturday 29 September 12:00pm - 4.00pm Melbourn Village Hall, Station Road Melbourn SG8 6DX

Online – Visit <http://www.scambsgov.uk/ctsupport> where you'll find all the information about the consultation, including the questionnaire and answers to some frequently asked questions.

Specific discussions – We've invited local community groups to comment and will be talking separately to particular individuals and households who are likely to be affected, face-to-face and in writing.

Consultation Panel – We'll be asking our residents' Consultation Panel for views.

What are the Changes to Council Tax Benefit?

Under planned Welfare Reform, from next April, Council Tax Benefit will be abolished and instead all Councils must develop a Localised Council Tax Support scheme.

The Government will be giving us less money to provide this new scheme and we have estimated that we need to save around £1 Million

The requirements for the scheme are set out in the Local Government Finance Bill, which is currently going through the Parliamentary process. The Council needs to have a scheme in place by 31st January 2013.

The Government has outlined the changes the new scheme should include:

- **There will be no change to the amount of help pensioners currently receive.**
- **The impact on the most vulnerable should be considered when councils design their new schemes.**
- **The new scheme should encourage people to work and in particular should not act as a disincentive to working.**

The new scheme will be designed to meet the needs of the local area and Local Authorities are allowed to decide the rules for their own Localised Council Tax Support scheme. This means that neighbouring Authorities such as Cambridge City Council and Huntingdonshire District Council will have schemes which will differ to South Cambridgeshire.

Impact on Vulnerable Residents

We believe that it is right to protect the most vulnerable people who claim benefit within South Cambridgeshire and we consider these to be:-

- **People with Disabilities** –Those classified as disabled. We define disabled as those residents who claim Council Tax Support who receive Disabled Living Allowance or its replacement Personal Independence Payments and/or Employment Support Allowance with Support Component.

- **Lone parents with children under 5 years old**

Do you agree that these groups are the most vulnerable? Are there other groups within our community in equal, or greater, need of protection? We welcome your views as we want to ensure that the most vulnerable residents are supported. Please let us know via the methods shown at the end of this document.

We anticipate that everyone except those considered vulnerable and pensioners will be affected by the changes and will have to pay something towards their Council Tax.

The Council has published a draft Localised Council Tax Support Scheme which can be found on the Council's website

www.scambs.gov.uk

Changes to Council Tax Discounts 2013/14

There are also some potential changes to Council Tax Discounts and exemptions which are included with the Local Government Finance Bill

	Current Position	Options	Council's Proposal
Class A – Vacant dwellings where major repair works or structural alterations are required, under way or recently completed	100% exemption for 12 months	1. Remain unchanged 2. 50% exemption for 12 months 3. 0% exemption	0% exemption
Class C – Vacant dwelling, empty and substantially unfurnished	100% exemption for 6 months	1. Remain unchanged 2. 50% exemption for 6 months 3. 0% exemption	0% exemption
Second Homes Discount	10% Discount	1. Remain unchanged 2. 0% Discount	0% Discount
Empty Homes Premium	100% charge after being empty over 2 years	1. Remain unchanged 2. Add 50% premium creating a charge of 150% after 2 years	Add 50% premium creating a charge of 150% after 2 years
Class L – An unoccupied dwelling which has been taken into possession by a mortgage lender	Liability for charge rests with borrower	Liability for charge to rest with lender	Liability for charge to rest with lender

Changes to Council Tax Discounts and Exemptions Continued

The Council is consulting on changes to Council Tax which may mean that extra income could be achieved to offset some of the £1 Million savings required.

By introducing some of these changes to exemptions and discounts locally, the council will be able to raise additional funds which will help lessen the impact of the implementation of the new Council Tax Support. In doing this, it will mean that some Council Taxpayers will be paying much more than they do at the moment.

Do you agree with the Council proposals regarding changes to Council Tax Discounts and Exemptions? We welcome your views on whether you support these changes and think they're reasonable - we're aiming to support all Council taxpayers, including those who receive Council Tax Support, now or in the future. Please let us know via the methods shown at the end of this document.

Proposed Main Rule Changes for Council Tax Support

Here are some of the main rules which could either on their own or in combination make the savings of around £1 million required to balance the books of our new Council Tax Support scheme. These changes would apply to all except those in the protected groups.

Introducing a percentage cut in Support for all (Rule 1)

Currently we are able to give people on the lowest income help to pay all of their Council Tax. This change would mean all non-protected claimants would receive a percentage cut to their entitlement no matter what their circumstances are.

This change could mean reductions of up to 55% of your benefit entitlement.

This change could make the total required savings of £1 million in 2013/14.

Introducing a maximum limit to the amount of Council Tax Support that can be paid (Rule 2)

This change would mean that all claimants (except protected) would have to pay part of their Council tax. The reduction would mean all unprotected claimants would have to pay up to the first 45% of their Council Tax and even those on the lowest income would only get help to pay part of their Council Tax.

This change could make the total required savings of £1 million in 2013/14.

Increasing Contributions from other adult members of the household (Rule 3)

Council Tax Benefit is currently assessed on the needs of the claimant, partner and dependent children. Other adults living in the household are expected to contribute towards the Council Tax bill dependant on their income. This change would mean that these adults would contribute more towards the Council Tax bill.

This rule could make savings of £20,000 so would need to be used alongside other rules in a new scheme.

Changing the amount of savings a person can have and still receive any benefit. (Rule 4)

In the current scheme a person is not entitled to claim Council Tax Benefit when their savings are more than £16,000. If they are a part of a couple this is jointly held savings.

Under this option we would reduce the savings limit below £16000.

This rule could make savings of £3,000 and would need to be used alongside other rules in a new scheme.

Capping the Council Tax Support to a Band D (Rule 5)

The current scheme means that a person could get 100% Council Tax Benefit no matter how large their house is.

This could change so that a person's Council Tax Support is limited to a level for a smaller house.

This rule could make savings of £52,000 and would need to be used alongside other rules in a new scheme.

Removing Second Adult Rebate (Rule 6)

Currently if you can afford to pay your Council Tax but live with someone on a low income you may receive help with your Council Tax.

This might change so that we do not offer this discount as part of the new scheme.

This rule would make a saving of £16,000 and would need to be used alongside other rules in a new scheme.

Introduce minimum income level for Self-Employed (Rule 7)

The current scheme means that benefit for self-employed people is calculated on net profit rather than an hourly rate. Claimants who do not earn the minimum wage may be asked to contribute more towards their Council Tax bill.

This change would see those with businesses established for more than a year paying more. This rule could make a saving of £52,000 and would need to be used alongside other rules in a new scheme.

Introduce Minimum Benefit Awards (Rule 8)

Currently the scheme does not have any minimum award. Introduction

of a minimum award would mean those receiving small amounts of benefit currently, could no longer receive benefit. This change would see those with small entitlement no longer qualifying.

This rule could make a saving of £ 5,000 and would need to be used alongside other rules in a new scheme.

Introduce an Additional Earnings Disregards for those whose income includes Earnings. (Rule 9)

The current scheme allows for some earnings not to be taken into account. The introduction of increased earnings disregards would mean that those claiming support due to low earnings would qualify for more help.

This change would see those with low earnings receiving more Council Tax benefit. This rule would increase expenditure.

Other Options Considered

The Council also considered including Child Benefit, Disability Living Allowance and Child Maintenance income. Under the present scheme, these incomes are not taken into account when assessing entitlement to Council Tax benefit .We believe taking these incomes into account would unfairly affect some of the most vulnerable residents who claim Council Tax Benefit, so we're not going to include them in our scheme.

Another option considered was that of setting a Maximum period for which any discount is receivable. We believe that there is no particular benefit in limiting the period of award.

Do you agree that we should not include these options in the new Council Tax Support scheme? We welcome your views as we want to

ensure that the most vulnerable residents are supported. Again, please let us know via the methods available at the end of this document.

Model Schemes

The following model schemes are based on the rules described and are intended to help you understand the impact of the different combinations of the rules could have on different people. All models achieve the savings estimate of £1 Million

Model Scheme 1

Introduce a reduction of 55% to the amount of Council Tax Support (Rule 1)

Model Scheme 2

Introduce a Maximum limit of 55% of Council Tax Support (Rule 2) for those in unprotected groups

Model Scheme 3

- The following rules are used in this model:-
- Introduce a 50% reduction to the Council Tax Support (Rule 1)
- Increase by 50% the contribution by other household members (Rule 3)
- Change the savings limit to £6000 (Rule 4)
- Cap Council Tax Support to Band D (Rule 5)
- Remove Second Adult Rebate (Rule 6)
- Introduce minimum income levels for Self-Employed (Rule 7)

Model Scheme 4

The following rules are used in this model:-

- 1) Introduce a Maximum limit of 60% Council Tax Support (Rule 2)
- 2) Increase by 50% the contribution by other household members (Rule 3)

- 3) Change the savings limit to £6000 (Rule 4)
- 4) Cap Council Tax Support to Band D (Rule 5)
- 5) Remove Second Adult Rebate (Rule 6)
- 6) Introduce minimum income levels for Self-Employed (Rule 6)
- 7) Introduce Minimum Benefit Awards (Rule 8)
- 8) Increase all earnings to disregards to a minimum of £25

On the Following pages there are a number of examples which show the impact of each based on a number of different scenarios

EXAMPLE 1

Mr and Mrs V do not have children and Mr V Works 37 hours a week. He earns £194.50 net after deduction for tax and National Insurance

Mr and Mrs V live in council accommodation and whilst Housing Benefit pays most of the rent they have to find £27.10 per week towards it.

Their weekly Council Tax charge is £25.40 and they currently receive £14.21 Council Tax Benefit which means they have to pay £11.19 per week which equals **£61.76 per month**

<p>Model 1 Mr & Mrs V would receive £6.39 each week which would mean they would have to pay £82.58 per month</p>	<p>Model 2 Mr & Mrs V would receive £2.78 each week which would mean they would have to pay £98.29 per month</p>
<p>Model 3 Mr & Mrs V would receive £7.11 each week which would mean they would have to pay £79.50 per month</p>	<p>Model 4 Mr & Mrs V would receive £7.05 each week which would mean they would have to pay £79.74 per month</p>

EXAMPLE 2

Ms B is a lone parent with 2 children aged 7 and 9. She is self-employed and works 24 hours a week. Her weekly income is £320.00 of which £105 a week is self-employed earnings

Ms B lives in a Housing Association property and whilst Housing Benefit pays most of the rent she has to find £16.78 per week towards it.

The weekly Council Tax charge is £19.66 and she currently receives £14.50 per week Council Tax Benefit which means she has to pay £5.16 per week which equals **£22.43 per**

month

Model 1

Ms B would receive £6.53 each week which would mean she would have to pay **£57.07 per month**

Model 2

Ms B would receive £5.59 each week which would mean she would have to pay **£61.14 per month**

Model 3

Ms B would receive £2.99 each week which would mean she would have to pay **£72.44 per month**

Model 4

Ms B would not receive any benefit which would mean she would have to pay **£85.43 per month**

EXAMPLE 3

Mr P is a single man and has recently lost his job.

Mr P lives in his own property which is a Band E. His weekly Council Tax Charge is £ 27.03 and he currently receives £27.03 Council Tax Benefit so at present he is not required to make any payment towards the Council Tax.

Model 1

Mr P would receive
£12.16 each week
which would mean he
would have to pay
£64.60 per month

Model 2

Mr P would receive
£14.87 each week
which would mean he
would have to pay
£52.85 month

Model 3

Mr P would receive
£11.06 each week
which would mean he
would have to pay
£69.40 per month

Model 4

Mr P would receive
£13.27 each week
which would mean he
would have to pay
£59.79 per month

EXAMPLE 4

Mr and Mrs S have 4 children under 16. Mr S is claiming Job Seekers Allowance and Mrs S Works 24 hours a week.

Mr and Mrs S live in council accommodation and whilst Housing Benefit pays most of the rent they have to find £32.50 per week towards it.

Their weekly Council Tax charge is £20.20 and they currently receive £10.20 Council Tax Benefit which means they have to pay £10.00 per week which equals **£43.45** per month

Model 1

Mr & Mrs S would receive £4.89 each week which would mean they would have to pay
£67.83 per month

Model 2

Mr & Mrs S would receive £1.11 each week which would mean they would have to pay
£82.95 per month

Model 3

Mr & Mrs S would receive £5.10 each week which would mean they would have to pay
£65.61 per month

Model 4

Mr & Mrs S would receive £2.12 each week which would mean they would have to pay
£78.56 per month

Contact Details

You can contact us with your views on the options for Council Tax Support in the following way:-

Web www.scambs.gov.uk

Telephone 03450 450 500

Post South Cambridgeshire District Council
 South Cambridgeshire Hall
 Cambourne Business park
 Cambourne
 Cambridge
 CB23 6EA

Email : Benefits@scambs.gov.uk

How the decision will be made

Once the consultation is complete we will collate the feedback; and use this feedback to shape the design of the recommended scheme.

A report will be presented at the Council Cabinet and Full Council in November when the final decision will be taken on the best scheme which meets the local needs of residents of South Cambridgeshire.

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Frequently Asked Questions

What is changing?

From April 2013, the Government intends to abolish Council Tax Benefit. Every council will have to replace it with a new local scheme. We call this new scheme Council Tax Support. The Government is giving councils less money to pay for their new schemes. The cut will be 10% of the current expenditure and will not be increased if the number of people claiming or the council tax charge goes up.

Why does the council have to save £1 million in 2013/14?

When the Government hands over the funding for the Council Tax Support scheme, it will be reduced, meaning we will have to save approximately £1 million to be able to fund the new scheme next year.

To calculate the expected savings above we have looked at the number of people currently claiming Council Tax Benefit and reduced the funding we receive by 10%.

Who will these changes affect?

All current working age Council Tax Benefit claimants will be affected by these changes and might see their benefit change. Although pensioners will move onto the new benefit, they will be protected and will not have their benefit reduced under the new scheme.

For further information please read our [consultation booklet](#).

Are your consultation documents available in a format that is easier to understand?

Please telephone (01954) 713465 if you require the documents in a different format.

What is Council Tax?

Council Tax is a local tax on domestic properties. It is set by the Council based on a property's valuation band. Each home is placed in one of eight valuation bands based on its value at 1st April 1991. The District Council is responsible for collecting Council Tax and this money funds about 10% of local public services, including refuse collection, planning and environmental health. Most of the money collected is passed to other authorities to help fund police, fire, education and public transport services.

Who has to pay Council Tax?

Council tax is a charge which is usually paid by the occupants of the property. The full tax assumes that there are at least two adults living in the property. If there is only one person living in the home, they may be eligible for a discount. The tax is

also paid by the property owner where the property is unoccupied and no relief is applicable.

What is Council Tax Benefit?

Council Tax Benefit is a means tested benefit that helps people on a low or no income to pay their Council Tax. It is administered by local councils using rules set nationally by the government. No money is paid to the claimant. Instead, their Council Tax bill is reduced by the amount of their benefit.

Who can get Council Tax Benefit currently?

Anyone who is liable for Council Tax may apply. In the case of couples, a joint claim should be made. The amount of benefit they can receive is based on the makeup of their household, the amount of money they have coming in and their Council Tax charge.

Are other discounts and exemptions affected?

Existing Council Tax discounts and exemptions, such as the 25% single person's discount and the exemption for people who are severely mentally impaired and live on their own have not changed and are not part of this consultation. See the full list at <http://www.scams.gov.uk/CouncilTaxAndBenefits/HousingAndCouncilTaxBenefits/default.htm>

Who will be able to get the new Council Tax Support?

Anyone who currently receives Council Tax Benefit will be assessed for the new Council Tax Support. It is likely that most people who qualify for Council Tax Benefit will get some Council Tax Support. Anyone liable for Council Tax may apply for Council Tax Support and will be assessed in the same way as current claimants moving from Council Tax Benefit.

How much will I have to pay?

Depending on how the new scheme is designed, it is likely that most working age people who qualify for Council Tax Support will have to pay more than they do now or they would have done under Council Tax Benefit. The outcome of this consultation will help to determine how much more people in different groups will have to pay. Pensioners will not have to pay more than they do now.

Will I have to re-apply?

If you currently receive Council Tax Benefit you will not have to re-apply under the new scheme. You will automatically be re-assessed using the new rules. Your award may be reviewed once you have moved across to the new benefit.

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Scrutiny and Overview Committee

6 September 2012

AUTHOR: Scrutiny Development Officer

WORK PROGRAMME 2012/13**Purpose**

1. To enable the committee to plan its work programme for 2012/13.

Options

2. The Committee may wish to agree the draft programme at **Appendix A** subject to amendments made at this meeting.

Considerations

3. At the meeting of 5 July Members agreed a draft work programme as at Appendix A.
4. This included the intention to begin a joint task and finish group with two parish councils looking at their street scenes.
5. Members also agreed to invite one or two portfolio holder(s) per meeting, to scrutinise their work programmes and explore any areas for further scrutiny input.
6. Further topics may be chosen from the Council's Forward Plan as at <http://scambs.moderngov.co.uk/mgListPlans.aspx?RPId=293&bcr=1>.
7. All scrutiny activities need to add value to the work of the Council and contribute to the achievement of its corporate objectives.
8. In choosing topics for the work programme, Members are reminded of the agreed selection criteria as at **Appendix B**.

Current reviews

9. There are no task and finish group reviews currently running. However discussions have begun at an officer level regarding a possible joint review with Bassingbourn and Litlington parish councils as suggested at the last meeting. It was felt that such a review would help the Council to demonstrate its readiness to embrace the spirit of localism.
10. The chairman and vice-chairman of this committee plan to meet with the chairmen of the parish councils shortly to seek their views.

Potential topics for scrutiny in 2012/13

11. At the last meeting, the committee agreed that a possible topic for scrutiny was the housing of vulnerable people, specifically young people who fell outside the statutory category for housing. Officers have since briefed the committee on the extensive and

imaginative ways in which this group is served by the council and partners and the chairman was satisfied that there is no immediate scope for the committee to add value. The committee may wish to discuss this again when meeting the Housing Portfolio Holder in March.

12. A review of bus and [community transport](#) has been listed for further consideration via a one-day review in October, subject to any progress made by the County Council. Officers plan to brief the chairman later this month.
13. At the start of 2011/12 the committee expressed an interest in reviewing communication and community engagement, once a new communications manager was in post. A review of corporate communication was reported to the committee in March 2012, with community engagement being left for future scrutiny. The committee might wish to discuss the timing of this with the Corporate and Customer Services portfolio holder when he attends the committee in November.
14. The County Council is planning a joint scrutiny event with all Cambridgeshire councils, Forest Heath, North Herts, Peterborough, Rutland, St Edmundsbury, Uttlesford and West Norfolk regarding the Local Enterprise Partnership. Further details are expected later this month.

Scrutiny of Crime and Disorder issues

15. At the last meeting, the committee was advised to wait until January 2013, when the Police and Crime Commissioner and Police and Crime Panel are in place, before deciding how best to complement scrutiny activities regarding crime and disorder.

Progress on past recommendations

16. At the last meeting the committee recommended that the Council:
 - a) has a target on the amount of waste being put to landfill and
 - b) considers having a separate collection of small electrical goods and cabling.
17. Officers confirm that the amount of waste being put to landfill is already measured but not published on CorVu. The committee may therefore wish to ask for this figure periodically, for example when holding the portfolio holder to account annually, and when examining costs during the budget and service planning process.
18. With regard to the separate collection of small electrical goods and cabling, officers have advised that following a Producer Responsibility European Directive, manufacturers are using various means of enabling customers to recycle. The Council currently has two recycling banks for such items (at Sawston and Bassingbourn) and we are waiting to see if usage, and therefore cost efficiency, increases once the banks become more widely known. We are contacting the two parish councils to ask for help with publicity of the banks.
19. The Chairman has invited the Environmental Services Portfolio Holder to attend the meeting to allow further discussion.
20. At the last meeting the committee also made recommendations regarding the Council's response to the draft health and wellbeing strategy for Cambridgeshire. The Council's public health specialist undertook to weigh these points along with those gained through other local consultation when drafting a response to the shadow

Health and Wellbeing Board. A draft response will be circulated by email to members prior to issue.

Implications

21.	Financial	The Committee has a discretionary budget of £5,000. Up to £3,000 may be needed for Member training. Some external venues carry a small hire charge. External witnesses and co-optees may claim expenses.
	Legal	The Local Government Act 2000 requires the Council to have at least one scrutiny committee. The Police and Justice Act 2006 requires the Council to place crime and disorder matters on at least one scrutiny agenda each year. However, the Committee is advised to wait until later in 2012/13, given the provisions of the Police Reform and Social Responsibility Act 2011 and the imminent establishment of a Police and Crime Panel. The Constitution states that the Committee will set its own work programme.
	Staffing/capacity	The committee has been supported by one scrutiny officer; however the post holder is about to resign and officers are working with the chairman to agree the best way to support the scrutiny function in future. Each item selected for scrutiny will require the additional support of at least one lead officer in the relevant service area. Capacity for sub committee work is also dependent on the number of elected members available and willing to participate.
	Risk Management	The potential burden on the organisation of supporting scrutiny work must be balanced against the potential value it can add. External scrutiny carries the risk of affecting the Council's relationship or credibility with partners.
	Equality opportunities	All proposed changes to policy or services require an Equality Impact Assessment.

Involvement of Children and Young People

- 22. Children and young people (CYP) have been invited to suggest topics and this will continue. The Committee has also agreed to involve CYP in reviews and to ensure that all reports to the committee describe CYP involvement.
- 23. Consultation will be extended to include the new Youth Council once it is in place later this month and joint scrutiny projects may be suggested. Youth Council members will be invited to join the finance workshop in November.

Consultation

- 24. Cabinet, elected members, senior officers and residents, including the Council's nascent consultation panel, have been invited to suggest potential topics. Parish councils continue to be consulted during the year.
- 25. Ongoing consultation with nearby councils, including the county council, explores the potential for joint scrutiny activities.

Effect on Corporate Objectives

26. The Committee's selection criteria ensure that any topic selected for scrutiny will contribute to at least one of the Council's priorities.
27. Scrutiny itself helps the Council to "listen to and engage with residents, parishes and businesses to ensure it delivers first class services and value for money".

Contact Officer: Jackie Sayers, Scrutiny Development Officer Tel: (01954) 713451

Draft Work Programme 2012/13

Thursday 27 Sept 4pm	New Build Strategy - workshop
Thursday 1 Nov 5.30pm	Finance workshop – to include Youth Council?
Mon 5 November 6pm	<p>Progress on corporate plan actions/performance Medium Term Financial Strategy Portfolio Holder Presentation by Leader, Finance and Corporate & Customer Services portfolio holders – to include updates on:</p> <ul style="list-style-type: none"> • Corporate communications • Customer contact • Learning from feedback <p>Q2 service and finance performance</p>
Thurs 10 Jan 2013 6pm	
Monday 11 Feb 5.30pm	Finance workshop
Thurs 14 Feb 6pm	<p>Corporate Priorities Medium Term Financial Strategy Q3 service and finance performance 2013/14 Budget</p>
Thurs 21 March 6pm	<p>Mears update Portfolio Holder Presentation by Housing portfolio holder – to include update on Sheltered Housing Support review</p>
23 April 2013 7pm	<p>Q4 service and finance performance Portfolio Holder Presentations by Planning Policy & Localism and Planning & Economic Development portfolio holders - to include update on review of planning and historic buildings service, last updated in December 2011 Draft annual scrutiny report</p>



PAPER Analysis



When considering whether to adopt an item onto its agenda programme, the Committee will score the item using the following criteria:

1. **Public Interest:** the concerns of local people should influence the issues chosen for scrutiny
(1= low public interest, 2=medium public interest, 3=high public interest)
2. **Ability to change:** priority should be given to issues that the Committee can realistically influence
(1= little chance of changing, 2=reasonable chance, 3=good chance)
3. **Performance:** priority should be given to the areas in which the Council, and other agencies, are not performing well.
(1= good performance, 2=moderate performance, 3=low performance)
4. **Extent:** priority should be given to issues that are relevant to all or large parts of the District.
(1= only one ward, 2= multi-ward issue, 3= the entire District)
5. **Replication:** work programmes must take account of what else is happening in the areas being considered to avoid duplication or wasted effort.
(1= already well covered, 2=already partly covered, 3=not already covered)

Also of major importance is the extent to which any potential scrutiny issue has implications for the Council's priorities, as well as the overall Vision:

South Cambridgeshire will continue to be the best place to live and work in the country. Our district will demonstrate impressive and sustainable economic growth. Our residents will have a superb quality of life in an exceptionally beautiful, rural and green environment.

The Council will be recognised as consistently innovative and a high performer with a track record of delivering value for money by focusing on the priorities, needs and aspirations of our residents, parishes and businesses.

The Vision is supported by the following strategic aims:

- A. We will listen to and engage with residents, parishes and businesses to ensure we deliver first class services and value for money.
- B. We will work with partners to create and sustain opportunities for employment, enterprise and world-leading innovation.
- C. We will make sure that South Cambridgeshire continues to offer outstanding and sustainable quality of life for our residents.