

Public Document Pack

Supplementary Information – Citizens and Communities Scrutiny Board – Monday 25th
July 2016

Pages 1-6 – Item 8 – Draft terms of reference for the Board’s forthcoming Inquiry into the development of a revised Council Tax Support scheme.

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SCRUTINY BOARD (CITIZENS AND COMMUNITIES)

THE DEVELOPMENT OF A REVISED COUNCIL TAX SUPPORT SCHEME

TERMS OF REFERENCE

1.0 Introduction

- 1.1 The Council has been delivering locally designed Council Tax Support schemes since April 2013. However, local Council Tax Support schemes operate within the wider context of national welfare support and this means that Government changes to welfare benefits can impact on the levels of Council Tax Support.
- 1.2 In its 2015 summer budget, the Government announced a number of welfare reforms that do have an impact on Council Tax Support levels. These include: the removal of the family premium, the restriction of support to 2 children, the removal of work allowances (reversed in Tax Credits but implemented in Universal Credit) and the limitation of backdating of claims to 4 weeks.
- 1.3 The roll out of Universal Credit is a particular key factor that needs to be taken into account when looking at local schemes. Last year, the Citizens and Communities Scrutiny Board undertook an in-depth inquiry into Universal Credit and its potential impacts on a number of stakeholders. The Board's report identified that many people in low-paid work with fluctuating earnings will also see their monthly Universal Credit payment fluctuate and, as things stand, this will lead to monthly changes to Council Tax Support with further implications for Council Tax payment dates and liability orders. A recommendation was therefore made by the Scrutiny Board to consider whether changes can be made to the Council Tax Support Scheme to manage this.
- 1.4 At its meeting on 22nd June 2016, the Executive Board received a report from the Assistant Chief Executive (Citizens and Communities) on Welfare Reform and Council Tax Support. This report referenced the findings of the Scrutiny Board's inquiry and highlighted the expected impacts of the Government's continuing package of welfare reform on local Council Tax Support schemes and options for how the Council can respond to these changes. Linked to this, approval was sought to develop and consult on a simplified scheme that would:
- Work more effectively with Universal Credit, recognising that Universal Credit makes provision for children, disability, housing and caring responsibilities;
 - Deliver administrative efficiencies;
 - Gradually replace the scheme of current protections with a hardship scheme; and
 - Help contain scheme costs in the future, particularly where there are further Government reforms to welfare.

- 1.5 In conclusion, the Executive Board approved the development of a revised scheme and the need to undertake public consultation on the revised scheme, to be concluded by November 2016.
- 1.6 At its meeting on 27th June 2016, the Citizens and Communities Scrutiny Board agreed to undertake an urgent review to assist in the development of this revised scheme. In liaison with key stakeholders, the Scrutiny Board will be considering the key features of a simplified alternative scheme that utilises the Universal Credit needs assessment. Linked to this, the Board will also be assessing the potential options and impacts of withdrawing current protections as part of the revised scheme.
- 1.7 In acknowledging the existing Personal Work Support package element of the current scheme, which was introduced in 2015/16, the Board will also be reviewing this scheme to ensure that it continues to work effectively as part of a revised Council Tax Support scheme.

2.0 Scope of the inquiry

- 2.1 The purpose of the Inquiry is to make an assessment of and, where appropriate, make recommendations on the following areas:
- The main issues surrounding the current Council Tax Support scheme and the development of an alternative scheme that utilises the Universal Credit needs assessment;
 - The potential options that will be subject to public consultation;
 - The key features and potential impacts of an alternative scheme that utilises the Universal Credit needs assessment;
 - The potential options and impacts of withdrawing current protections as part of the revised Council Tax Support scheme;
 - Potential changes to the existing Personal Work Support package element of the current scheme to ensure that it continues to work effectively as part of a revised Council Tax Support scheme

3.0 Desired Outcomes and Measures of Success

- 3.1 It is important to consider how the Scrutiny Board will deem if their inquiry has been successful in making a difference to local people. Some measures of success may be obvious and others may become apparent as the inquiry progresses and discussions take place.
- 3.2 The main objective of this inquiry is to assist the Citizens and Communities directorate in the development of a revised Council Tax Support Scheme with a view to introducing this scheme in April 2017.

4.0 Comments of the relevant Director and Executive Member

4.1 In line with Scrutiny Board Procedure Rule 12.1 where a Scrutiny Board undertakes an Inquiry the Scrutiny Board shall consult with any relevant Director and Executive Member on the terms of reference.

5.0 Timetable for the inquiry

5.1 The Inquiry will take place over a number of sessions. These sessions will also involve working group meetings with stakeholders, which will provide flexibility for the Board to gather and consider evidence.

5.2 The length of the Inquiry is subject to change. However it is anticipated that a final report will be produced by November 2016.

6.0 Submission of evidence

6.1 Session one – 25th July 2016

To consider evidence in relation to the following:

- The main issues surrounding the current Council Tax Support scheme and the development of an alternative scheme that utilises the Universal Credit needs assessment; and
- The potential options that will be subject to public consultation.

6.2 Session two – September 2016 (working group meeting date tbc)

To consider the key features and potential impacts of an alternative Council Tax Support scheme that utilises the Universal Credit needs assessment.

6.3 Session three – September 2016 (working group meeting date tbc)

To consider the potential options and impacts of withdrawing current protections as part of the revised Council Tax Support scheme.

6.4 Session four – September/October 2016 (working group meeting date tbc)

To review the existing Personal Work Support package element of the current scheme to ensure that it continues to work effectively as part of a revised Council Tax Support scheme.

6.5 Session five – October 2016 (working group meeting date tbc)

To consider the findings and potential recommendations arising from this inquiry.

6.6 **Session six – 7th November 2016**

To agree the Board's inquiry report.

7.0 **Witnesses**

7.1 The following have been identified as possible contributors to the inquiry, however others may be identified during the course of the inquiry:

- Assistant Chief Executive (Citizens and Communities)
- Executive Member for Communities
- Chief Officer Welfare and Benefits
- Project Manager (Council Tax Support)
- Representation from relevant external support organisations (e.g. Dial and Gipsil)
- Representation from the Leeds Equality Assembly and the Disability Hub
- Representation from Housing Tenancy Groups (e.g. VITAL)
- Representation from the New Policy Institute

8.0 **Equality and Diversity / Cohesion and Integration**

8.1 The Equality Improvement Priorities have been developed to ensure our legal duties are met under the Equality Act 2010. The priorities will help the council to achieve it's ambition to be the best City in the UK and ensure that as a city work takes place to reduce disadvantage, discrimination and inequalities of opportunity.

8.2 Equality and diversity will be a consideration throughout the Scrutiny Inquiry and due regard will be given to equality through the use of evidence, written and verbal, outcomes from consultation and engagement activities.

8.3 The Scrutiny Board may engage and involve interested groups and individuals (both internal and external to the council) to inform recommendations.

8.4 Where an impact has been identified this will be reflected in the final inquiry report, post inquiry. Where a Scrutiny Board recommendation is agreed the individual, organisation or group responsible for implementation or delivery should give due regard to equality and diversity, conducting impact assessments where it is deemed appropriate.

9.0 Post inquiry report monitoring arrangements

- 9.1 Following the completion of the Scrutiny inquiry and the publication of the final inquiry report and recommendations, the implementation of the agreed recommendations will be monitored.
- 9.2 The final inquiry report will include information on the detailed arrangements for how the implementation of recommendations will be monitored.

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