
South Somerset District Council

Thursday 16th January 2020

7.30 pm

**Council Chamber
Council Offices
Brympton Way
Yeovil, BA20 2HT**

(disabled access and a hearing loop are available at this meeting venue)



All members of Council are requested to attend this meeting

If you would like any further information on the items to be discussed, please contact the Democratic Services Specialist on 01935 462148 or democracy@southsomerset.gov.uk

This Agenda was issued on Wednesday 8 January 2020.

Alex Parmley, Chief Executive Officer

This information is also available on our website
www.southsomerset.gov.uk and via the Mod.Gov app



South Somerset District Council Membership

Chairman: Paul Maxwell
Vice-chairman: Jenny Kenton

Jason Baker	Henry Hobhouse	David Recardo
Robin Bastable	Ben Hodgson	Paul Rowsell
Mike Best	Charlie Hull	Dean Ruddle
Neil Bloomfield	Kaysar Hussain	Gina Seaton
Dave Bulmer	Val Keitch	Peter Seib
Hayward Burt	Andy Kendall	Garry Shortland
Tony Capozzoli	Tim Kerley	Alan Smith
Martin Carnell	Mike Lewis	Jeny Snell
Malcolm Cavill	Mike Lock	Andy Soughton
John Clark	Pauline Lock	Mike Stanton
Nicola Clark	Tony Lock	Rob Stickland
Louise Clarke	Kevin Messenger	Lucy Trimmell
Nick Colbert	Graham Oakes	Gerard Tucker
Adam Dance	Tricia O'Brien	Anthony Vaughan
Sarah Dyke	Sue Osborne	Linda Vijeh
Karl Gill	Tiffany Osborne	Martin Wale
David Gubbins	Robin Pailthorpe	William Wallace
Peter Gubbins	Clare Paul	Colin Winder
Brian Hamilton	Crispin Raikes	
Mike Hewitson	Wes Read	

Information for the Public

The meetings of the full Council, comprising all 60 members of South Somerset District Council, are held at least 6 times a year. The full Council approves the Council's budget and the major policies which comprise the Council's policy framework. Other decisions which the full Council has to take include appointing the Leader of the Council, members of the District Executive, other Council Committees and approving the Council's Constitution (which details how the Council works including the scheme allocating decisions and Council functions to committees and officers).

Members of the Public are able to:-

- attend meetings of the Council and its committees such as Area Committees, District Executive, except where, for example, personal or confidential matters are being discussed;
- speak at Area Committees, District Executive and Council meetings;
- see reports and background papers, and any record of decisions made by the Council and Executive;
- find out, from the Executive Forward Plan, what major decisions are to be decided by the District Executive.

Meetings of the Council are scheduled to be held monthly at 7.30 p.m. on the third Thursday of the month in the Council Offices, Brympton Way although some dates are only reserve dates and may not be needed.

The agenda, minutes and the timetable for council meetings are published on the Council's website – www.southsomerset.gov.uk/councillors-and-democracy/meetings-and-decisions

Agendas and minutes can also be viewed via the mod.gov app (free) available for iPads and Android devices. Search for 'mod.gov' in the app store for your device and select 'South Somerset' from the list of publishers and then select the committees of interest. A wi-fi signal will be required for a very short time to download an agenda but once downloaded, documents will be viewable offline.

The Council's corporate aims which guide the work of the Council are set out below.

Further information can be obtained by contacting the agenda co-ordinator named on the front page.

South Somerset District Council - Council Aims

South Somerset will be a confident, resilient and flexible organisation, protecting and improving core services, delivering public priorities and acting in the best long-term interests of the district. We will:

- Protect core services to the public by reducing costs and seeking income generation.
- Increase the focus on Jobs and Economic Development.
- Protect and enhance the quality of our environment.
- Enable housing to meet all needs.
- Improve health and reduce health inequalities.

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South Somerset District Council

Thursday 16 January 2020

Agenda

1. Apologies for Absence

2. Minutes

To approve and sign the minutes of the previous meeting held on Thursday, 19 December 2019.

3. Declarations of Interest

In accordance with the Council's current Code of Conduct (as amended 26 February 2015), which includes all the provisions relating to Disclosable Pecuniary Interests (DPI), personal and prejudicial interests, Members are asked to declare any DPI and also any personal interests (and whether or not such personal interests are also "prejudicial") in relation to any matter on the Agenda for this meeting.

Members are reminded that they need to declare the fact that they are also a member of a County, Town or Parish Council as a Personal Interest. Where you are also a member of Somerset County Council and/or a Town or Parish Council within South Somerset you must declare a prejudicial interest in any business on the agenda where there is a financial benefit or gain or advantage to Somerset County Council and/or a Town or Parish Council which would be at the cost or to the financial disadvantage of South Somerset District Council.

4. Public Question Time

5. Chairman's Announcements

Items for Discussion

6. Presentation from Somerset Rivers Authority (SRA) (Page 5)

7. Verbal update on the progress of projects in the SSSC Environment Strategy (Page 6)

8. Council Tax Support Scheme 2020/21 (Pages 7 - 22)

9. Report of Executive Decisions (Pages 23 - 25)

10. Motions

There were no Motions submitted by Members.

11. Questions Under Procedure Rule 10 (Page 26)

12. Date of Next Meeting (Page 27)

Agenda Item 6

Presentation from Somerset Rivers Authority (SRA)

Somerset Rivers Authority (SRA) was launched in January 2015 as a response to the floods of winter 2013-14. The SRA's purpose is to give Somerset an extra level of flood protection and resilience, as set out in Somerset's 20 Year Flood Action Plan.

At the request of Councillor Mike Stanton, the SSDC representative for the Somerset Rivers Authority, David Mitchell, SRA Senior Manager and Jonathan Hudston, SRA Communications Manager will provide an introduction and overview of the work of the Somerset Rivers Authority.

This will conclude with questions from Members.

More information can be found on their website: <https://www.somersetiversauthority.org.uk/>

Agenda Item 7

Verbal update on the progress of projects in the SSDC Environment Strategy

Executive Portfolio Holder: Sarah Dyke, Environment Portfolio Holder
Director: Clare Pestell, Strategic Director, Commercial Services
Lead Officers: Jan Gamon, Lead Specialist, Strategic Planning
Vicki Dawson, Lead Specialist, Environmental Health
Katy Menday, Countryside and Recreation Manager
Contact Details: Jan.gamon@southsomerset.gov.uk

The Portfolio Holder will provide a verbal update on the progress of projects in the SSDC Environment Strategy.

Agenda Item 8

Council Tax Support Scheme 2020/21

Executive Portfolio Holder: Peter Seib, Finance and Legal Services
Director: Martin Woods, Director – Service Delivery
Lead Specialist: Ian Potter, Lead Specialist – Vulnerable People, Service Delivery
Lead Officer: Ian Potter, Lead Specialist – Vulnerable People, Service Delivery
Contact Details: ian.potter@southsomerset.gov.uk or 01935 362690

Purpose of the Report

1. To request that Full Council approve the proposed Council Tax Support scheme for the 2020/21 financial year.

Public Interest

2. From April 2013 the Government changed the way in which financial help is given to working age residents to pay their Council Tax. The national Council Tax Benefit scheme was replaced with a local Council Tax Support scheme for working age people to help with the costs of Council Tax for those with low incomes. For those residents who have reached the qualifying age for a state pension continue to have support assessed under a national scheme. The Council is required to review and set a Council Tax Support scheme for each financial year.
3. In setting the scheme each year the Council has to balance the needs of those who need help towards paying their Council Tax with the Council Tax payers who help to pay for the scheme. The Council also looks to see if there are any ways the scheme can be simplified to make it easier for customers and reduce the cost of administering the scheme. The administration grant provided by the Ministry of Housing, Communities and Local Government to help pay for the administration of the scheme reduces each year.

Recommendations

4. That Full Council agree:
 - (a) that personal allowances and premiums are uprated in line with those for Housing Benefit;
 - (b) that non-dependent deductions are uprated in line with the annual percentage increase in Council Tax;
 - (c) that the non-dependent income bands are increased by the same percentage as those applied to the national Council Tax Support scheme for pensioners;
 - (d) that the hardship scheme budget be set at £30,000 for the 2020/21 financial year;
 - (e) to note the recommendations of the Scrutiny Task and Finish Group attached at Appendix 1;
 - (f) to note the scheme has been amended to reflect changes to the Prescribed Requirements;
 - (g) that the 2020/21 Council Tax Support Scheme attached at Appendix 2 (to follow) is adopted;
 - (h) to note that the proposed Council Tax Support Scheme has been reflected within the overall Council Tax Base.

- (i) that officers investigate a move to an income banded Council Tax Support scheme for the 2021/22 financial year

Background

5. The South Somerset Council Tax Support scheme (CTS) was introduced on 1 April 2013 and has now been running for almost seven years. Councils are required to review and set their CTS scheme each financial year. Applications to the CTS hardship scheme are monitored, along with the Council Tax collection rate and reported to members each quarter.
6. We carried out an extensive consultation process prior to the introduction of CTS in April 2013 and the scheme proposals were carefully and fully considered by the Scrutiny Task and Finish Group. Each year so far we have carried out further consultation and some additional changes have been made to the scheme. It was the view of the Scrutiny and Overview Task and Finish Group that all previously adopted proposals be retained.
7. The SSDC Council Tax Support scheme states that certain elements of the needs assessment may be uprated each financial year but does not specify the level of that uprating.

The Scrutiny Task and Finish Group originally considered what would be the most appropriate method of uprating certain figures used in calculating CTS awards and recommended the following:

- That while Housing Benefit (HB) still exists it would be appropriate for the CTS applicable amount figures (basic need allowance) to mirror those in the HB scheme
- That non-dependent deductions are uprated in line with the annual percentage increase in Council Tax
- That the non-dependent income bands are increased by the same percentage as those in the national CTS scheme for pensioners

These methods were adopted in the original scheme and have been retained.

Equality Impact Assessment

8. Councils have a legal responsibility to have due regard to the Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 when setting a Council Tax Support scheme. There has been a High Court ruling that there was insufficient evidence that members making the decision to implement a CTS scheme had given due regard to the Equality Impact Assessment (EIA) that had been attached to the council report in order that they could discharge their statutory obligation.

It is important that members have due regard to the PSED when making their decision on the various scheme proposals.

An equalities assessment was carried out prior to the scheme being introduced and this has been updated each year to consider any revisions to the scheme.

As we are not proposing any revisions to the scheme for 2020/21 there are no new equalities issues associated with this report.

Cost of CTS scheme

Caseload trajectory

9. The number of recipients of CTS had fallen consistently year on year in both the working age and pensioner groups until 2017/18. This had the effect of reducing the overall cost of the scheme. Details of the caseload reduction since the introduction of CTS are shown in the following table.

Financial year	Caseload count at beginning of year	Caseload count at end of year	Reduction in caseload
2013/14	11925	11568	357
2014/15	11568	11023	545
2015/16	11023	10411	612
2016/17	10411	9997	434
2017/18	9997	9939	48
2018/19	9939	9898	41
2019/20	9898	9710 (30/11/19)	188

10. The scale of caseload reduction for 2017/18 and 2018/19 was smaller. With effect from 1 June 2017 we removed the requirement for recipients of Universal Credit to make a separate claim for Council Tax Support. It is likely that this contributed to the smaller reduction in caseload as fewer people are missing out on Council Tax Support.
11. Some customers who receive a small amount of support often cease to receive it when re-calculating their entitlement where their income increases. This can happen at any time in the year but frequently occurs at the beginning of new financial year where there is an increase in benefits, pensions and tax allowances and when the national living wage increases. This has the effect of reducing the caseload.
12. The caseload figure at the end of November 2019 shows a larger reduction for this financial year. However, there are a number of CTS application forms yet to be processed which will increase the caseload count potentially beyond the opening count for the year. This will mean that we are providing support to an increased number of households.
13. We promote our Council Tax Support Scheme through a link on the Council's website homepage, and on the back of Council Tax bills. In addition to this we promote the scheme when dealing with customers who are in arrears with their Council Tax and tell us they are struggling to pay.

Effect of increases in Council Tax

14. The cost of the scheme will increase where SSDC and other preceptors put up their share of the Council Tax.

Legislation Changes – Prescribed requirements

15. At the time of writing we are awaiting details of any changes to the prescribed requirements – these are elements of the scheme that are set by central government. Confirmation of any such changes will be sent to members along with a revised version of the scheme document once announced by government.

Hardship Scheme

16. A Hardship Scheme was set up as a safety net for households who could demonstrate they could not afford to pay their Council Tax contribution following the introduction of the SSDC Council Tax Support Scheme. The level of demand in 2019/20 suggests that a Hardship Scheme budget of £30,000 for 2020/21 should be sufficient. At the end of November 2019 we had allocated £12,684 with 71 of the 81 applications being successful. This spend is monitored monthly and reported to members each quarter.

Council Tax Collection Rate

17. It was anticipated that the in-year Council Tax collection rate would fall as a result of the introduction of the CTS scheme in April 2013. There were also a number of changes to Council Tax discounts and exemptions introduced from April 2013 which impacted on the in-year collection rate.

Financial Year	Collection rate	Change on previous year
2012/13	97.80%	
2013/14	97.40%	-0.40%
2014/15	96.88%	-0.58%
2015/16	97.24%	+0.36%
2016/17	97.73%	+0.49%
2017/18	97.80%	+0.07%
2018/19	97.11%	-0.69%

18. The in-year collection rate fell in 2013/14 and again in 2014/15. However, collection performance improved in 2015/16, 2016/17 and 2017/18 returning to pre CTS levels.

19. The 2018/19 collection figure was impacted by the loss of resources resulting from the transformation programme rather than any aspect of the Council Tax Support scheme design.

Risks

20. The continued risk is that demand could rise with a downturn in the economy and the cost of the scheme would also rise. There is also a risk that reductions in other welfare support might result in an increase in entitlement to Council Tax Support.

21. Universal Credit (UC) awards are updated monthly where there is a change in the recipient’s income. This happens on a regular basis for many UC recipients. The consequence of this is that as our current CTS scheme requires we recalculate their CTS entitlement this leads to frequent revised Council Tax bills being issued. This frequent recalculation can lead to fewer instalments being available to the CTS recipient which makes budgeting more difficult and risks late or non-payment. It also creates high demand for administration resources.

Income band scheme

22. An income band scheme typically has a number of bands and which one a customer falls in to depends on their income and household make up. Each band has a discount value, for example, 25%, 50%, 75% or 100%. This is distinctly different to the council’s current scheme which where entitlement is means tested and calculated to the nearest penny.

23. A scheme can have more than four bands with different percentages applicable. An income band scheme means that a customer’s income can change by any amount within a band and not affect how much support they receive. This means fewer changes and more stability of the instalments they need to pay which helps with customers budgeting, reducing the risk of them falling in to arrears

and entering the recovery and enforcement process. This in turn reduces the amount of administration for the council.

24. A number of councils have already, or are planning to introduce income banded schemes which give a much wider variation in income change before it effects a recalculation of CTS. It is estimated that there will be more than 100 such schemes in place by April 2020. The managed migration of current Housing Benefit cases to Universal Credit is planned to begin in 2020, and the natural migration (where a person has a relevant change in their circumstances) is on-going. This means that increasing numbers of CTS recipients are having their entitlement recalculated on a frequent and sometimes monthly basis. This means more demand on resources to administer these changes and frequent changes to council tax liability and instalment amounts for customers. This risks them falling in to arrears which is undesirable for those customers and leads to further demands on resources in making arrangements and dealing with arrears.

Financial Implications

25. If members agree the recommendations set out in this report there will be minimal financial implications associated with this report since no changes to the scheme design are being proposed. The risk is that costs will ultimately be affected by any increase in council tax charges in 2020/21. We have made assumptions in this respect, and any differences between our assumptions and the preceptors' ultimate tax setting decisions will affect the surplus or deficit on the Collection Fund.

Council Plan Implications

26. Health and Communities - Support residents through national benefit changes including universal credit

Carbon Emissions and Climate Change Implications

27. None associated with this report.

Equality and Diversity Implications

28. None associated with this report - The current EIA is unchanged as there are no design changes proposed this year.

Privacy Impact Assessment

29. None associated with this report

Background Papers

30. The following background papers can be viewed on the council's website www.southsomerset.gov.uk

- Report to District Executive – January 2019 – item 10
- Report to District Executive – January 2018 - Item 7
- Report to District Executive – January 2017 - Item 8
- Report to District Executive – January 2016 - Item 6
- Report to District Executive – January 2015 - Item 8
- Report to District Executive – December 2013 - Item 10
- Report to District Executive – January 2013 – item 8



South Somerset District Council

Appendix 1

Monitoring SSDC Council Tax Support Scheme

**Report and Findings of the Overview
and Scrutiny Task and Finish Group**

December 2019

The Overview and Scrutiny Committee has commissioned a Task and Finish review each year since the introduction of Council Tax Support (CTS). The Task and Finish group conduct specific monitoring work to ensure the scheme continues to be effective and balances the needs of support recipients and all South Somerset Council Tax payers. This report summarises the monitoring activity and work conducted since the last Task and Finish report in December 2018.

The original Task and Finish report and December 2018 report are available at

<https://modgov.southsomerset.gov.uk/Data/South%20Somerset%20District%20Council/20130117/Agenda/7%20Appendix%201%20-%20Report%20and%20Findings%20of%20the%20Overview%20and%20Scrutiny%20Task%20and%20Finish%20Group%2017-01-2013.pdf>

<https://modgov.southsomerset.gov.uk/documents/g2364/Public%20reports%20pack%2017th-Jan-2019%2019.30%20South%20Somerset%20District%20Council.pdf?T=10>

Task and finish group members:

Tim Kerley
Sue Osborne
Jeny Snell
Rob Stickland – Task and Finish Chair

Officers supporting:

Joanna Gale – Scrutiny Specialist
Tamsin Gold – Specialist - Benefits
Ian Potter – Lead Specialist – Vulnerable Customers

Members met and worked individually to consider the actions in response to the previous task and finish group's recommendations, and the outcomes of the monitoring activity shown in appendix 1 to assess the success and sustainability of the present Council Tax Support (CTS) Scheme.

The Task and Finish group concluded that the scheme was still successful in achieving the original ambitions and that there was no evidence to suggest the scheme disadvantaged any particular group, or combination of household makeup, in terms of qualification of support. However, evidence did suggest that the scheme might need to alter to try to provide more stability to recipients due to external pressures:

- The changes in employment contracts and in particular zero hours contracts
- More CTS recipients in receipt of Universal Credit and the frequency of changes to the level of support which adversely impacts on the number of instalments available and the amount to be paid each month. (Universal Credit awards frequently change due to the real time link for earnings with HM Revenues & Customs).

With more frequent changes in an individual's income, altering the amount of Council Tax Support given and consequently the sum of Council Tax to be collected, the bill payer can be

offered fewer instalments, making it more difficult to pay¹ and this can result in Council Tax being carried forward to the following year, causing debt to accumulate.

With more changes to income and consequently the Council Tax Support award, there is much greater staff administration time to manage these cases.

Currently there is little flexibility in the scheme to cope with these frequent fluctuations. Last year a £5.00 tolerance was introduced (so if a person's income changed by less than £5.00 per week no change to CTS would take place, if a second change took place altering the income by an additional sum that made the difference from the original award greater than £5.00 then the CTS would be revised).

Increasingly now, Councils are looking to move, or are moving to an income related banded scheme for CTS to provide stability for customers, and to reduce the administration costs. It is expected that more than 100 councils will have such a scheme from April 2020. Last year the Task and Finish group considered this but recommended reviewing the impact of others banded schemes and cross checking arrears, and in particular stacking arrears (arrears accumulating over multiple years).

Members considered the format and structure of other authority banded schemes, and if it was viable and appropriate, to consider a change of scheme for 2020. Members concluded that there was not enough readily available data to make an informed decision about the potential transfer to a banded scheme. They felt it would therefore be better to conduct a detailed impact analysis - comparing the current scheme with forms of banded scheme, to assess outcomes for the customer, administration costs for the Council and risk of financial vulnerability by reviewing real cases over at least one year long period using a variety of households and income types.

Members agreed this was too big a piece of work to conduct for the 2020 scheme given the amount of work officers are already managing and the tight timescales, so have requested this is done in preparation for the 2021 scheme.

The group concluded that a new principle needs to be included to underpin the scheme moving forward for 2021 – The scheme needs to provide stability to help recipients better manage their circumstances (household budgets) in response to external changes and minimise their risk of falling into debt.

¹ We are required by law to provide a minimum notice period before collecting an instalment because of this customers can have fewer instalments to pay their Council Tax, for example if a customer has chosen to pay their Council Tax on the first of each and a change of income is processed on the 25th of the month altering the award of CTS and the amount of the next Council Tax instalment, the next instalment on the first of the month would not be taken, consequently the Council Tax liability will have to be split out across fewer instalments, making each instalment higher in value.

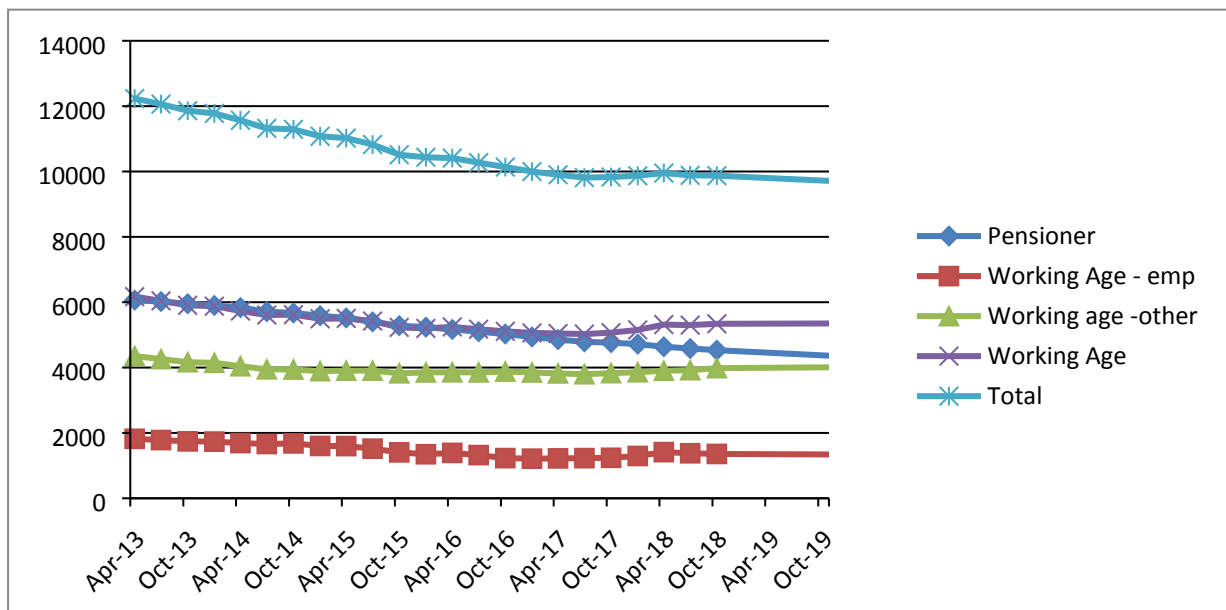
Recommendations

- a) A new principle is included to underpin the scheme moving forward for 2021 – The scheme needs to provide stability to help recipients better manage their circumstances (household budgets) in response to external changes and minimise their risk of falling into debt. (The full set of principles is included at Appendix 2).
- b) In preparation for the 2021/22 scheme, officers conduct a detailed impact analysis comparing the current scheme with forms of banded scheme by examining sample cases over a year long period that cover a wide sample of differing types of households and income type to assess:
 - Accessibility of the schemes
 - Outcomes for the customers overall awards, variance in support amounts, frequency of instalment changes
 - Administration costs for the council
 - Impact of risk of financial vulnerability in Council Tax Support recipients and potential new approaches to mitigation.
- c) For consideration to be given to a corporate approach/policy to managing customer debt. It was evident in some case studies that arrangements with customers had to be repeatedly revised due to changes, but also due to SSDC wanting to collect other debts from the same individual. Members felt a single point of contact would provide a more efficient and customer friendly service.
- d) The Hardship scheme budget is reviewed, to assess if it will be adequate to accommodate the anticipated increase in people applying as a result of wider promotion, and the caseload no longer decreasing as a result of increased take up in Council Tax Support due to the roll out and promotion of Universal Credit.
- e) That for the 2020/21 scheme annual upratings are implemented as usual:
 - Personal allowances and premiums are uprated in line with those for Housing Benefit;
 - Non-dependent deductions are uprated in line with the annual percentage increase in Council Tax;
 - Non-dependent income bands are increased by the same percentage as those in the Prescribed Requirements relating to pensioners
- f) The Task and Finish group who review the scheme for 2021/22 seek advice from an expert on successful schemes across the country and further consider feedback from those who have:
 - Introduced fixed periods moving forward – benefit on not altering instalment plans and reduction in number of customer notices- help mitigate upset and reduce avoidable contact/response.
 - Changed to an income banded scheme with specific focus on the customer experience, vulnerability, collection rates and stacking arrears.
 - Still award or have reverted to awarding 100% CTS in some circumstances.

Monitoring

Number of CTS Recipients

Number of Council Tax Support recipients from the start of scheme through to November 2019



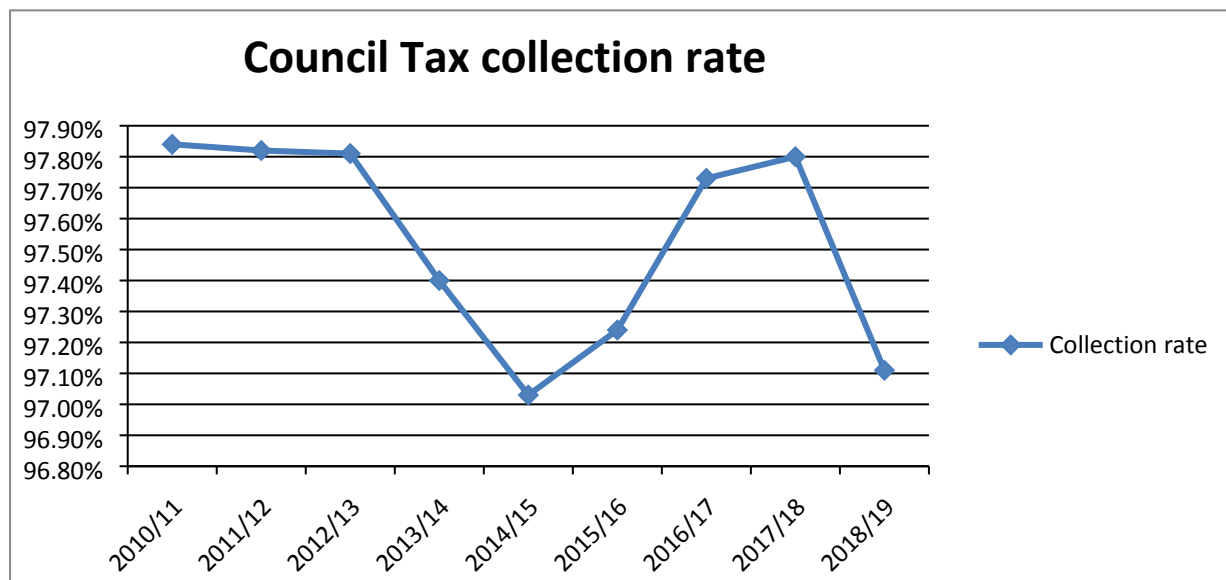
The above chart shows an overall slight decrease in CTS recipients over the last financial year. However, there has been a slight increase in working age recipients and this is likely to have been a consequence of the council accepting an application for CTS via the Department of Work and Pensions as part of the roll out of Universal Credit (UC). UC has been rolled out across South Somerset since October 2016 for new recipients of six benefits that moved to be included in UC. People have naturally migrated to receive UC and consequently apply for CTS either by a change of benefit award or change of address. At present approximately 60 cases a month transfer to UC through natural migration.

Please note the full UC roll out - Managed Migration, for people who are in receipt of the qualifying benefits but do not change address or have a change of benefit will take place in 2021 after a test migration in Harrogate.

With the full UC roll out there is a chance that numbers of CTS recipients could increase, however the scheme is already currently promoted via council tax bills and recovery notices, via partner organisations and charities and of course on SSSDC website.

Council Tax Collection Rate

In the original Task and Finish report members recommended that Council Tax collection rates were monitored. (The collection rate is the proportion of all net collectable council tax that has been collected; this shows how much of a gap there is between what SSDC needs to collect and the amount actually collected). This was to assess if the council has adopted appropriate methods to successfully collect Council Tax from new Council Tax payers and to prevent the authority from any financial risk; the monitoring is carried out every quarter and reported in the Medium Term Financial Plan Quarterly monitoring.



The Task and Finish group were disappointed in the collection rate, but having discussed all the evidence and case examples with officers, concluded there was no evidence to suggest a correlation in the drop in collection rate with the Council Tax Scheme and in particular the changes to the scheme last year which were:

1. A Minimum Award of £0.50 being introduced.
2. Introduction of a tolerance for small changes in income of up to £5.00, which prevented a change to entitlement of up to £1.00 due to the income taper in the CTS means test of 20%.

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Average Collection rate for England²	97.3	97.4	97.0	97.0	97.1	97.2	97.1	97.0
SSDC Collection rate	97.82	97.81	97.4	97.03	97.24	97.73	97.8	97.11

² Department of Communities and Local Government

The cost of the Council Tax scheme since it has been in operation

2013/14 £9.359 million

2014/15 £8.882 million

2015/16 £8.219 million

2016/17 £8.496 million

2017/18 £8.417 million

2018/19 £8.773 million

At the time of writing this report we have 385 outstanding CTS application forms so it is difficult to predict what the cost of the scheme will be at the end of the financial year.

To date the scheme has been affordable whilst maintaining the objectives in the Council Plan and the ambitions of the Task and Finish group. With the reduction in the collection rate and changing external pressures, we always have to be reviewing the approach to this support and learning from good practice. The Task and Finish group intend to seek the advice of an external expert next year who can advise on lessons learned and best practice.

Council Tax Arrears where Council Tax support is awarded

Council Tax arrears arise when a resident falls behind with their Council Tax payments. The approach councils take to pursue missed payments or incomplete payment varies. The statutory procedure is for a council to send up to two reminders about unpaid Council Tax before embarking on further collection and enforcement strategies. This may include asking for the entire year's liability to be paid in one instalment (a "Final Notice"), before making an application to the magistrate's court for a liability order. An order permits the council to use a range of measures such as, an attachment of earnings or benefits (where the council collects Council Tax direct from the household's wages or DWP benefits). They may proceed also with enforcement measures, such as debt collection by Enforcement Agents.

The total amount of Council Tax arrears on accounts where CTS has been awarded is £1,252,459.71. This figure is for arrears accrued since the CTS scheme was introduced in April 2013.

We know from the evidence of reviewing cases no specific types of household are more adversely affected than others, however what we have yet to determine is if there is any trend to those who have fallen into arrears. The Task and Finish group request officer resource is committed to investigating if any particular group(s) have fallen into council tax arrears that are also in receipt of CTS. If there are to identify if there are any new measures that could be introduced to make the CTS scheme more fair and robust or if additional debt advice measures could be introduced to try to prevent arrears accumulating.

Having undertaken analysis of some accounts in arrears it was identified that there are some accounts in arrears where Council Tax Support is awarded where the customer has never paid any council tax instalments. The Task and Finish members request that officers contact the individuals with these accounts to identify if there is a pattern to these non-payers to see if there is an issue of education, process or financial vulnerability and report the findings to the next Task and Finish group.

Discretionary Hardship

The original Task and Finish report recommended, creating a hardship fund for those people who are financially vulnerable (unable to afford a basic standard of living shelter, heat, light, water and food) and that awards are monitored in terms of identifying trends.

Year	No. of requests	Awarded	Not Awarded	Total paid £
13/14	171	121	50	11,292.82
14/15	152	115	37	11,581.32
15/16	163	136	27	14,551.14
16/17	152	128	22	16,540.95
17/17	107	84	23	14,211.00
18/19	123	98	25	14,362.37
19/20 (Nov 2019)	81	71	10	12,684.88

The Task and Finish group requested officers conduct a review of the applications made to the Hardship Fund, in order to identify if there were any trends, in terms of the numbers and age of people in the household, and the type of income they were in receipt of, to identify any trends. No trends were identified, The group were satisfied that the relatively low numbers of awards and the disparity to who they were awarded, gave no indication the scheme was the cause of any financial vulnerability.

To date there have been very few applications compared to the numbers of households that are in arrears with their Council Tax. However, having undertaken some analysis last year of cases in arrears, it was determined there was only a very small proportion of cases that could get some help through Council Tax Support and Discretionary Hardship that hadn't already applied. These cases are currently under review to see what support can be given. The Task and Finish group have requested the officer team consider:

- If there are any new approaches to further promote the Discretionary Hardship relief.
- If the current £30,000 annual budget is adequate for 2020/21 given that we still have a high number of cases to assess for Discretionary Hardship (as per the quarterly performance report), the high percentage of cases that have been awarded this year and the possibility that we may have more new people becoming aware of CTS through Universal Credit.

Members have requested monitoring of the hardship rewards continue. Monitoring this fund is the best internal way to identify real financial vulnerability, potential issues arising because of external changes and subsequent Council Tax collection problems

Costs of collecting Council Tax

Whilst it is important that SSDC collect Council Tax to pay for local services, we have to be sure that we do not inadvertently spend too much Tax Payers money trying to do so, therefore making the scheme inefficient.

The SSDC collection costs with effect from April 2019 are:

- Up to and including the cost of issuing a summons - the cost of collection from 2nd reminder stage onwards is currently £50.00.
- The cost of the Liability Order is £21.75.
- The total charge is £71.75

The Task and Finish group are concerned that the actual costings of officer time have not been reviewed in the last year, and suggest this is done as part of the data to help inform the 2021/22 scheme in terms of proportional effort and costs, while recognising this is less straight forward in the new working model.

Previous Task and finish recommendations still in progress:

Recommendation	Progress
<p>Providing a summary front sheet for Council Tax Support notification letters that detailed the sum owed/received and how to proceed</p> <p>The letters have now been switched off as they are not a legal requirement. The award information is on the council tax bill.</p>	<p><i>Some of the information that would be provided on a summary sheet is available through customer's personal online accounts</i></p>
<p>Benefits Officers explore the potential of creating a consultative group who can meet to discuss the Council Tax Support scheme</p>	<p><i>It is intended that this will be considered as part of the Customer insight and engagement work of the Transformation Programme</i></p>

Future monitoring

The Task and Finish group request monitoring of:

- Discretionary Hardship rewards continue
- Arrears for cases where Council Tax Support is being given, this is to best manage the scheme and have an effective and efficient approach to collection and recovery
- Costs of collecting Council Tax - It is important to ensure the balance is correct, whilst we must ensure we collect Council Tax to pay for local services, we have to be sure that we do not inadvertently spend too much Tax Payers money trying to do so, therefore making the scheme inefficient
- Other Local Authority schemes and National Best Practice to consider if the South Somerset scheme could be improved upon.

The Task and Finish group request officers:

- Contact individuals who are in arrears with their Council Tax, have been awarded Council Tax Support and have not paid any Council Tax instalments to identify if there is a pattern to these non-payers to see if there is an issue of education, process or financial vulnerability and report the findings to the next task and finish group.
- Assess the costs of collection of Council Tax arrears to ensure we have the assessment of affordability and financial vulnerability correct for the CTS scheme, and that appropriate sums of taxpayers money is being spent collecting unpaid council tax.
- Commit time to investigate if any particular group(s) that have fallen into council tax arrears that are also in receipt of CTS. If there are, to identify if there are any new measures that could be introduced to make the CTS scheme more fair and robust, or if additional debt advice measures could be introduced to try to prevent arrears accumulating.

Future Risks

The risk is always a downturn in the local economy and this is not possible to mitigate. It is a case of adopting a policy and working practices, that achieve the best collection rate, whilst protecting those who are financially vulnerable.

There are some groups suggesting CTS is unfair and too much of a postcode lottery and suggesting a national benefit or discount scheme should be reintroduced.

Food costs increase because of Brexit, making more people financially vulnerable. We will continue to publicise and monitor the hardship scheme, we work with numerous local agencies offering debt advice so we will be able to detect early any impact. We will signpost customers to receive the best support and advise whilst considering the scheme and affordability for our customers, we may need to revise the scheme awards and increase the hardship fund.

Appendix 2

The Task and Finish group principles for the SSDC Council Tax Support Scheme:

- Everyone should contribute something towards the cost of local services through Council Tax
- All income should be included to ensure the scheme is fair
- Greater account should be taken of the total income of a household
- Provide incentives to encourage people into work or increase their hours
- Provide protection for those who may become vulnerable under the scheme 'Unable to afford basic shelter, food, water, heating and lighting and essential transport'
- Not penalise those that have already saved for the future (to a greater extent than the Council Tax Benefit scheme)

Agenda Item 9

Report of Executive Decisions

Executive Portfolio Holder: Val Keitch, Leader of Council, Strategy and Housing
Director: Netta Meadows, Director (Strategy & Support Services)
Lead Officer: Angela Cox, Democratic Services Specialist
Contact Details: angela.cox@southsomerset.gov.uk or (01935) 462148

This report is submitted for information and summarises decisions to be taken by the District Executive at their meeting on 09 January 2020.

The District Executive meeting is due to be held after the publication of this Agenda and therefore the recommendations may be subject to change at the meeting.

Members are invited to ask any questions of the Portfolio Holders.

Background Papers

All Published

Val Keitch, Leader of the Council
Angela Cox, Democratic Services Specialist
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Portfolio	Subject	Decision	Taken By	Date
Environment	Somerset Waste Partnership Annual Report and Draft Business Plan 2020 - 2025	That the District Executive approves: a. the Somerset Waste Partnership's Draft Business Plan 2020-25. b. the draft budget for 2020/21. c. the amended Inter-Authority Agreement	District Executive	09/01/20
Health and Well-Being	District-wide strategic grants – funding arrangements with CASS and SPARK 2020-2021	That District Executive - a) Agrees to a one year funding agreement for the period April 2020 to March 2021, for Citizens Advice South Somerset and SPARK b) Agrees to a one-off increase of £30,000 to the Grants Budget to:- i. Provide an additional £23,305 to Citizens Advice South Somerset to further mitigate against the effects of the removal of the County Council core grant. ii. Provide an inflationary uplift of £1,260 to the annual grant to SPARK iii. Fund an initial allocation of £5,435 as SSDC's contribution to the package of support work with the Citizens Advice as described in Section 5.1 c) Agrees that the funding of CASS beyond 2021 will be subject to the outcome of the package of support work described in paragraph 4b(iii) above. d) Agrees that the future funding of SPARK beyond 2021 will be subject to the outcome of a wider piece of commissioning activity to be determined in line with emerging council priorities. e) Notes that Access for All's future is currently uncertain, and that until further investigative work has been completed on future sustainability, no commitment to funding is being sought.	District Executive	09/01/20

Portfolio	Subject	Decision	Taken By	Date
Finance and Legal Services	Council Tax Support Scheme 2020/21	This report appears elsewhere on this Agenda.	District Executive	09/01/20
Finance and Legal Services	2020/21 Draft Budget and Medium Term Financial Plan Update	That the District Executive: a. Note the current estimates and next steps in respect of the draft Medium Term Financial Plan and Capital Programme. b. Approve in principle the changes to budget estimates in respect of pressures and savings included within the report (para 17).	District Executive	09/01/20
Strategy and Housing	Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance	That the District Executive:- a. Agree that the Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance in Appendix 1 concerning the provision of financial assistance for private sector housing and associated matters, including disabled facilities grants be adopted as the future policy of the Council.	District Executive	09/01/20
Economic Development including Commercial Strategy	Commercial Assets Update Report	That the District Executive: a. Note progress made to date in acquiring new commercial investments b. Note the return being achieved across the portfolio which is slightly above the Council's target of 7%. c. Note progress being made in securing income from our existing assets and the contribution to the revenue budget in excess of the original £2.25m target. d. Note progress being made in disposals and transfers of existing assets, resulting in a reduction of future liabilities associated with these assets.	District Executive	09/01/20

Agenda Item 11

Questions Under Procedure Rule 10

The following question has been submitted by Councillor Nick Colbert under Procedure Rule 10:-

At the Full Council meeting on the 19th of December 2019 it was stated that despite Councillors being informed in writing that planning training was compulsory and that without it Councillors would not be allowed to sit on any planning committee meetings, it transpires that this was false information.

Who decided that lying to Councillors to persuade them to undertake unnecessary training was the correct policy decision to make and how far up the management ladder was this matter discussed and endorsed and by whom?

I have been a Councillor now for almost 9 years and have complained previously about Councillors is being manipulated by officers this is just the latest example. What can be done to prevent Councillors being lied to in future so that trust can be restored?

Agenda Item 12

Date of Next Meeting

Members are asked to note that the next scheduled meeting of the Full Council will take place on **Wednesday, 19th February 2020** in the Council Chamber, Council Offices, Brympton Way, Yeovil **commencing at 7.30 p.m.**
