



MID SUFFOLK DISTRICT COUNCIL

AGENDA

COUNCIL MEETING

Thursday, 26 October 2017



COUNCIL	
DATE	Thursday, 26 October 2017
PLACE	King Edmund Chamber, Endeavour House, Russell Road, Ipswich
TIME	5.30 p.m.

Please ask Committee Services
for:

Direct 01449 724673

Line:

Email: Committees@baberghmidsuffolk.gov.uk

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A G E N D A

		<u>Page(s)</u>
1	Apologies for absence	
2	To receive any declarations of pecuniary or non-pecuniary interests by Members	
3	MC/17/15 Confirmation of the minutes of the meeting held on 20 July 2017	1 - 8
4	MC/17/16 Confirmation of the minutes of the meeting held on 8 August 2017	9 - 12
5	MC/17/17 Chairman's Announcements	13 - 14
6	Leader's Announcements	
7	To receive notification of petitions in accordance with the Council's Procedure Rule	

In accordance with Council Procedure Rule 10, The Chief Executive will report the receipt of any petitions. There can be no debate or comment upon these matters at the Council meeting.

8 Questions by the Public

The Chairmen of Committees to answer any questions from the public of which notice has been given no later than midday three clear working days before the day of the meeting in accordance with Council Procedure Rule 11.

9 Questions by Councillors

The Chairman of the Council, the Chairman of Committees and Sub-Committees and Portfolio Holders to answer any questions on any matters in relation to which the Council has powers or duties or which affect the District of which due notice has been given in accordance with Council Procedure Rule 12.

10 MC/17/18 Overview and Scrutiny Committee Report 15 - 16

11 MC/17/19 Revising and Updating the Council Tax Reduction (CTR) Scheme for Working Age Households 17 - 30

Cabinet Member for Finance – John Whitehead

12 Resolution to Exclude the Public

Recommended Motion

That under section 100(4) of the Local Government Act 1972 the public be excluded from the meeting for item(s) {item number} on the grounds that they involve/it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act in the paragraph registered against the/each item:

Note: Information is exempt only if:

It falls within one of the 7 categories of exempt information in the Act and; In all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information

13 MC/17/20 Funding approval for acquisition of land 31 - 352

Cabinet Member for Assets and Investment – Nick Gowrley

Please note that the next meeting is scheduled for Thursday 23 November 2017 commencing at 5.30 p.m.

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Agenda Item 3

MID SUFFOLK DISTRICT COUNCIL

Minutes of the Meeting of the **MID SUFFOLK COUNCIL** held at the Council Chamber, Mid Suffolk District Council Offices, High Street, Needham Market on Thursday, 20 July 2017

PRESENT:

Councillors:	Gerard Brewster	Michael Burke
	David Burn	James Caston
	Rachel Eburne	Paul Ekpenyong
	John Field	Nick Gowrley
	Kathie Guthrie	Lavinia Hadingham
	Glen Horn	Anne Killett
	John Levantis (Vice Chairman in the Chair)	Sarah Mansel
	John Matthissen	Suzie Morley
	Mike Norris	Derek Osborne
	Penny Otton	Andrew Stringer
	Keith Welham	Kevin Welsby
	John Whitehead	David Whybrow
	Jill Wilshaw	

In attendance:

Chief Executive
Deputy Chief Executive
Strategic Director (KJ/ME)
Assistant Director – Law and Governance and Monitoring Officer
Corporate Manager – Strategic Planning
Governance Support Officer (VL/HH/RC)

52 APOLOGIES FOR ABSENCE

An apology for absence was received from Councillors Roy Barker, Julie Flatman, Jessica Fleming, Gary Green, Elizabeth Gibson-Harries, Derrick Haley, Matthew Hicks, Barry Humphreys MBE, Esther Jewson, Diana Kearsley, Wendy Marchant, Lesley Mayes, Dave Muller, Tim Passmore and Jane Storey.

53 TO RECEIVE ANY DECLARATIONS OF PECUNIARY OR NON-PECUNIARY INTERESTS BY MEMBERS

There were no declarations of interest.

54 MC/17/9 CONFIRMATION OF THE MINUTES OF THE ANNUAL COUNCIL MEETING HELD ON 22 MAY 2017

The minutes of the meeting held on 22 May 2017 were confirmed as a correct record subject to an amendment to Minute 12 (g) Appointments to the Joint Gypsy and Traveller Steering Group, to read:

RESOLUTION

That Jessica Fleming, Kevin Welsby and Andrew Stringer be appointed to the Joint Gypsy and Traveller Steering Group

55 **MC/17/10 CHAIRMAN'S ANNOUNCEMENTS**

The report was received.

56 **MC/17/11 LEADER'S ANNOUNCEMENTS**

The report was received.

Councillor Gowrley advised that Jonathan Stephenson, currently with Enfield Council and formerly with Ipswich Borough Council had been appointed as the new Strategic Director.

It was noted that Sue Cook, Corporate Director for Children and Adult Services had been appointed as Interim Chief Executive at Suffolk County Council.

In response to a Member's question he confirmed that although the Secretary of State, at the LGA Conference, had indicated that the Government was open to devolution bids he did not think devolution was now an option for Suffolk.

57 **TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH THE COUNCIL'S PROCEDURE RULE**

A petition signed by 460 residents was received regarding Applications 1432/17 and 1648/17 and Stradbroke Road (not yet active) in Fressingfield, asking that the above planning applications be rejected.

In accordance with the Petition Scheme the petition had been dealt with as a Consultation Petition lodged in response to invitations for a representation in connection with planning applications 1432/17 and 1648/17.

The petitions were noted.

58 **QUESTIONS BY THE PUBLIC**

None received.

59 **QUESTIONS BY COUNCILLORS**

Councillor Matthissen put the following questions to the Cabinet Member for the Environment:

In view of the deteriorated contractor performance regarding brown bin and latterly also twin bin collections:

1. What action was being taken to restore the service to an acceptable level?

Councillor Burn, Cabinet Member for the Environment responded:

While in general the level of service remained high, the service had experienced a period, between May and June, where service standards had dropped below the expected level.

Members were informed that Serco managed 19 domestic waste collection rounds, 4 garden waste rounds, 2 trade waste rounds, 2 bulky / delivery rounds, and a clinical and glass collection around, servicing in the region of 100,000 waste collections a week.

There were two main factors for the drop in level of service, these were:

1. Staff shortages, particularly drivers, and
2. Vehicle availability

Serco had suffered from a high turnover of HGV drivers, the retention and recruitment of trained HGV drivers was an industry wide issue. Serco had been through a period with a high number of vacancies, they had now addressed this and had recruited more staff and agency drivers. Operational staffing levels were now back to normal levels.

Serco management also seem to have resolved the issues with their vehicle maintenance contractor. The pressure of maintaining the fleet of vehicles had been eased with hiring of 2 additional vehicles while long term issues with vehicles were resolved.

Officers raised the issue of poor performance with Serco at the beginning of May, writing to both the Managing Director and Regional Director. Performance review meetings were held in May and June and a further meeting was programmed in August. Some additional actions have also been undertaken:

- Serco have also appointed a new contract supervisor within the last 2 weeks to help improve the day to day management that had impacted the service.
- Restructuring had been undertaken of the garden waste rounds in Mid-Suffolk earlier this year to rebalance the rounds due to the continued growth of the service and this had a positive impact.
- A more fundamental review was undertaken of all the rounds later this year to ensure there was a better balance which would minimise potential issues.

During the summer period, the service experienced a peak in demand on the garden waste service both in terms of the numbers of bins presented and the weight of waste the rounds have collect. On occasions, this resulted in areas at the end of some collection rounds not being collected on the correct day, however any outstanding work was cleared first thing the next morning.

Throughout this period, the service had continued to work with Serco locally and raised the Council's concerns at senior level as explained. The Council continue to maintain a strong working relationship Serco and were working with them through the recent problems.

2. What penalties were imposed on the contractor for failures?

Councillor Burn, Cabinet Member for the Environment responded:

No penalties had been imposed on Serco at this time. There was a need to work constructively with Serco and build a strong partnership at a local level rather than take a punitive approach, as long as they were actively working to correct any issues.

Councillor Matthissen put the following question to the Cabinet Member for Customers:

What certainty and clarity could members provide to their local communities when, having originally assured them that the HQ move to Ipswich would be mitigated by four or five public access points, or "spokes" (based on briefings and MSDC Exec 7/9/2015) subsequently reduced to only two (Council 22/9/2016) when they read the Article in Stowmarket Mercury 22/6 which states:

"In Stowmarket the set up will be around giving members of the public help with self service. They will be able to make pre-bookable appointments to see council officers but there will be no walk ins." said DC spokeswoman.

At the recent parish liaison meeting, members are now told:

"Alongside presentations, Parish representatives were asked for their suggestions on what we should call our two centres in Sudbury and Stowmarket, which to date have been called "Customer Access Points". The current name is readily acknowledged to not be the right one and suggestions ranged from "council walk in centre" to local service point". (The Moves update 6/7/2017)

Please could members and public have some consistency and clarity as to the function and operation of these two remaining outposts within the districts?

Councillor Horn, Cabinet Member for Customers replied:

There was to be two Customer Access Points, one in the Babergh District at Sudbury Town Hall and one in the Mid-Suffolk District at 54 Ipswich Street, Stowmarket. These two facilities would provide support to people who 'dropped-in' on an ad-hoc basis to access services. They would operate a supported self-service provision where people could access all the services via on-line facilities with staff available to assist them if needed. The two sites would also cater for appointment based service provision where Officers could make pre-determined appointments and meet face to face in a meeting room or via a video link to Endeavour House.

60

RECOMMENDATION FROM CABINET

Housing Revenue Account
Summary of the 30 Year Business and Financial Plan

Councillor Wilshaw, Cabinet Member for Housing introduced the report and recommendation from Cabinet. She said that under the self-financing regime introduced in 2011/12 stock holding authorities must have a 30 year business plan for how they would manage stock. There had been several changes recently that had affected the Authority's previous Plan, for example the increase in Right to Buy and the changes introduced by the Welfare Reform Act, and the report provided a summary of the update position of the Business Plan. Following a considerable amount of work across a whole range of services the Plan would now enable financial security for the Council and would keep it below the debt cap for the foreseeable future, enabling use of that headroom for the delivery of additional homes.

Councillor Wilshaw moved the recommendation which was seconded by Councillor Ekpenyong.

It was noted that there would be a six-monthly review of the Plan to ensure it was still appropriate for the time.

Members fully supported the Business Plan but made the following comments:

More could have been included regarding empty homes, local housing companies, help-to-rent schemes for the self-employed, zero carbon standards for council houses.

A review of the de-sheltering of the Sheltered Housing Schemes was also requested to ensure that it had been successful.

By a unanimous vote

RESOLUTION

That the updated 30 year business and financial plan is approved

61

RECOMMENDATION FROM JOINT AUDIT AND STANDARDS COMMITTEE

Councillor Morley, Joint Chairman of the Joint Audit and Standards Committee introduced the report. She said that there had been no changes requested to the report following its consideration at the Joint Audit and Standards Committee meeting on 17 July.

Councillor Morley moved the recommendation which was seconded by Councillor Guthrie.

By a unanimous vote

RESOLUTION

That the Treasury Management activity for the year 2016/17 be noted. Further, that it be noted that performance was in line with the Prudential Indicators set for 2016/17

MC/17/12 CONSULTATION ON THE BABERGH AND MID SUFFOLK JOINT LOCAL PLAN

The report was introduced by Councillor Whybrow, Cabinet Member for Planning. He said the Council needed to replace its current Local Plan and Focused Review with a new Plan that identified the up to date requirements of its communities, used contemporary information that provided evidence of those requirements and capacity to meet them and which provided a realistic prospect of delivering growth in a way which was proportionate, appropriate and measured. A considerable amount of work had been undertaken to update the evidence base, including the annual housing requirement, jobs forecast and town centre and retail requirements. Work continued on updating the position on heritage, leisure and infrastructure requirements. In consequence, there was now a good understanding of the key issues that arose from meeting the growth requirements of the District. The new Joint Local Plan would complement the priorities of the Council and the objectives of the Joint Strategic Plan. Among the 79 questions in the Consultation Document were a number of issues on which the Council particularly wanted to engage with communities, including where it should distribute or concentrate growth over the next 20 years, the range and mix of homes and to develop a robust approach to ensuring appropriate infrastructure provision when development was implemented, hence the proposal for Infrastructure Management Policies. An extensive programme of consultation would commence in August to ensure that communities' views on these issues were obtained.

Councillor Whybrow proposed the recommendations. Councillor Stringer seconded the motion and thanked the team for their work.

In response to Members' questions Councillor Whybrow clarified that:

- the proposed timetable
- the Local Plan weight in planning terms as it progressed
- future briefings for Members / Member involvement

By a unanimous vote

RESOLVED 1

That the Babergh and Mid Suffolk Joint Local Plan: Consultation Document (July 2017) appended to this report be approved.

RESOLVED 2

That the Corporate Manager – Strategic Planning, in consultation with the Leader and Portfolio Holder for Planning, be authorised to make consequential amendments to the consultation document arising from:

- (i) the outcomes of the Sustainability Appraisal of the document,*

(ii) removal of drafting and technical errors and typing mistakes, and

(iii) improvements to the layout of the document necessitated by printing requirements.

RESOLVED 3

That consultation on the Babergh and Mid Suffolk Joint Local Plan: Consultation Document (July 2017) be commenced

63 **MC/17/13 APPOINTMENTS OF COUNCILLORS TO SERVE ON DENHAM PARISH COUNCIL AND MELLIS PARISH COUNCIL**

The report was noted.

64 **APPOINTMENT OF COUNCILLORS TO COMMITTEES AND OUTSIDE BODIES**

Councillor Gowrley advised Members that it was proposed to appoint Councillor Derrick Haley to the Joint Traveller and Gypsy Steering Group, together with those appointments detailed on the agenda.

By a unanimous vote

RESOLUTION

That the following appointments are made to Committees and Outside Bodies:

Development Control Committee B

Dereck Osborne (replacing John Levantis)

Joint Audit and Standards Committee

John Levantis (replacing Elizabeth Gibson-Harries)

Joint Gypsy and Traveller Steering Group

Councillor Derrick Haley

65 **MC/17/14 OVERVIEW AND SCRUTINY COMMITTEE REPORT**

Councillor Rachel Eburne introduced the report.

She advised that a further meeting of the Overview and Scrutiny Committee had been held earlier in the day when an excellent discussion had been held on the topics of homelessness, use of bed and breakfast accommodation and temporary accommodation. These topics would be followed up at a future meeting.

The Committee would be undertaking a scoping review of Voids at the August meeting and she advised any Member who wished to comment to contact a Member of the Committee.

The report was noted.

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Agenda Item 4

MID SUFFOLK DISTRICT COUNCIL

Minutes of the Meeting of the **MID SUFFOLK COUNCIL** held at the Council Chamber, Mid Suffolk District Council Offices, High Street, Needham Market on Tuesday, 8 August 2017

PRESENT:

Councillors:	Roy Barker	Gerard Brewster
	Michael Burke	David Burn
	James Caston	John Field
	Julie Flatman	Nick Gowrley
	Kathie Guthrie	Lavinia Hadingham
	Derrick Haley (Chairman)	Matthew Hicks
	Glen Horn	Barry Humphreys MBE
	Diana Kearsley	Anne Killett
	Sarah Mansel	Wendy Marchant
	John Matthissen	Lesley Mayes
	Suzie Morley	Dave Muller
	Mike Norris	Derek Osborne
	Penny Otton	Timothy Passmore
	Jane Storey	Andrew Stringer
	Keith Welham	Kevin Welsby
	John Whitehead	David Whybrow
	Jill Wilshaw	

In attendance:

Chief Executive – Arthur Charvonia
Strategic Director – Mike Evans
Assistant Director of Law and Governance - Emily Yule
Governance Support Officers – (RC/HH)

66 **APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillors Rachel Eburne, Paul Ekpenyong, Jessica Fleming, Gary Green, Elizabeth Gibson – Harries, Esther Jewson and John Levantis.

67 **TO RECEIVE ANY DECLARATIONS OF PECUNIARY OR NON-PECUNIARY INTERESTS BY MEMBERS**

There were no declarations of interest.

68 **CHAIRMAN'S ANNOUNCEMENTS - VERBAL UPDATE**

Councillor Derrick Haley, Chairman of the Council attended the Wattisham Flying Station Annual Cocktail Party few weeks ago and said a good relationship existed between the Wattisham military base, Stowmarket and surrounding areas.

Councillor Haley reminded Members of his Civic Service Ceremony in Thurston on 24 September 2017.

On 13 October 2017, there would be an Auction of Promises at the Museum of East Anglian Life. The Museum is one of the Chairman's chosen charities.

69 **LEADERS REPORT - VERBAL UPDATE**

Councillor Nick Gowrley, Leader of the Council, informed Members that the customers' portfolio had been renamed as 'organisational delivery'.

70 **TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH THE COUNCIL'S PROCEDURE RULE**

None received.

71 **QUESTIONS BY THE PUBLIC**

None received.

72 **QUESTIONS BY COUNCILLORS**

None received.

73 **MC/17/14 BOUNDARY REVIEW- RESPONSE TO STAGE ONE CONSULTATION ON WARDING PATTERNS**

Councillor Gowrley, Leader of Council introduced report MC/17/14 and informed Members of an amendment to recommendation 2.1, that the tabled Proposal B replaced the Appendix.

Councillor Gowrley explained that the proposal had been developed after workshops and drop-in sessions for all Councillors and a cross-party task and finish group. Mid Suffolk District Council was a consultee at this stage of the process and the Council's submission would be considered by the Local Government Boundary Commission for England alongside all other consultation responses. A further period of consultation would follow after the Boundary Commission had published its draft proposals. He commended all who had worked on this challenging project, which had resulted in Proposal B.

Councillor Gowrley moved the recommendations in 2.1 and 2.2. and was seconded by Councillor John Whitehead.

Councillor Whitehead described to Members how the process of creating viable ward patterns had been developed. Councillor Whitehead felt Proposal B had achieved the best ward pattern possible but recognised that this was only the beginning of the boundary review and that the proposal would be developed further once the Boundary Commission had considered all the submitted proposals.

Councillor Andrew Stringer proposed an amendment to the recommendations to include a warding pattern developed by his group which was tabled at the meeting.

The motion was seconded by Councillor John Matthissen.

Councillor Stringer considered the possibility of submitting the four proposals currently suggested to the Council as they all carried some merits, and reminded Members that the administration could submit more than one proposal.

Councillor Matthew Hicks made a point of order with regards to the title of the Green Boundary Proposal version 2 as it contained the word 'administration'. He asked this to be removed from the title of the proposal, on the grounds that the Green Boundary Proposal did not represent the administration's proposal for the ward pattern.

Councillor Penny Otton informed Members that the Liberal Democrat group would submit their own Boundary Review proposal as Members had not had enough time to consider their proposal.

Members then debated the amended recommendation and some Members felt that the representation to the Boundary Review Commission from the District Council should be decisive and therefore only one proposal should be submitted. Others felt that the proposed warding pattern had observed the historical collaboration between parishes.

Councillor Andrew Stringer said since that Proposal B was a tabled proposal Members had not had the opportunity to consider this proposal properly.

The Chairman announced an adjournment of fifteen minutes for Members to consider the proposals before them.

The Meeting adjourned at 6.00pm and reconvened at 6.15pm.

The Chairman reiterated the proposed amended recommendation:

That the Green Boundary Proposal be added to the proposal 'B' and submitted to the Boundary Review Commission for consideration.

The amendment was lost by 9 votes to 24.

Members then debated the recommendations proposed by Councillor Gowrley and made various comments including:

- That rural parishes often shared facilities such as schools, village halls, shops, sports facilities, and other amenities and that the warding pattern did not always reflect this.
- Some parishes had natural boundaries which some Members felt had not been taken into consideration.
- The division to the North of the District was considered acceptable.

- The division of Parish Councils sharing facilities, which had been divided by the new warding pattern, were not considered practical.
- Concerns regarding future population growth in wards, which had large developments planned.
- That Members had already decided to reduce the total numbers of councillors to 34.
- Parish Councils sharing facilities and working together would not be influenced by the warding pattern.
- Three Member wards did not work in rural areas.
- Because of the strength of identity large villages should have an allocation of one ward member each.
- The allocations of wards patterns were based on a percentage range of +/- 10% of the total population.
- Some Members felt that including rural parishes in wards with larger villages or towns was not a satisfactory combination as they did not share the same issues.
- The existing parish boundaries would be preserved so parishes would not be merged together within the new wards.

In response to Members' questions The Assistant Director for Law and Governance explained how the estimated population growth for 2022 had been calculated in accordance with the criteria defined by the Boundary Review Commission. The electoral roll for 2015 was used as the baseline and had therefore not been affected by the General Election or European Election. Only built out and occupied properties would be included in the calculation by the Boundary Commission.

Councillor John Whitehead asked Members to vote on the ward boundaries outlined in the tabled Proposal B map.

By 22 votes to 9

RESOLUTION 1

That the tabled proposal 'B' be submitted as Mid Suffolk District Council's formal response to the consultation

RESOLUTION 2

That the Chief Executive be authorised to submit the consultation response on behalf of the Council, and to include any relevant information arising from the Council's debate which provides further context and rationale behind the proposal

The business of the meeting concluded at 6.55pm.

Agenda Item 5

MC/17/17

MID SUFFOLK DISTRICT COUNCIL CHAIRMAN'S ANNOUNCEMENTS

COUNCIL - 26 OCTOBER 2017

EVENT	LOCATION	DATE	CHAIRMAN	VICE CHAIR
AUGUST 2017				
St Eds Mayor's Charity Cheese & Wine Evening	Bury St Edmunds	17-Aug		✓
Opening Night of The Railway Children	Stowmarket	22-Aug	✓	
SEPTEMBER 2017				
Tour of Britain Stage Six Start	Newmarket	08-Sep	✓	
Mayor's Civic Service	Stowmarket	10-Sep	✓	
Battle of Britain Parade & Thanksgiving Service	Bury St Edmunds	17-Sep	✓	
Mid Suffolk District Council Chairman Civic Service	Thurston	24-Sep	✓	
OCTOBER 2017				
Sudbury Mayor's Civic Service	Sudbury	01-Oct	✓	
Wingfield Barns Open Day	Wingfield, Diss	06-Oct	✓	
St Edmundsbury Suffolk Harvest Festival	Bury St Edmunds	08-Oct	✓	
University of Suffolk Graduation	Bury St Edmunds	14-Oct	✓	
Needham Market Town Council Civic Service	Needham Market	15-Oct	✓	
Ipswich Mayor Sunday Service	Ipswich	15-Oct	✓	
Citizens Advice Bureau Lunch and AGM	Stowmarket	18-Oct	✓	
HMS Vengeance Freedom Parade	Bury St Edmunds	22-Oct		✓
St John Service of Celebration & Awards Ceremony	Ipswich	22-Oct	✓	

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Overview & Scrutiny Committee Report for Council – 26 October 2017

Since the last Council report in July, meetings of Mid Suffolk District Council Overview & Scrutiny Committee have been held in July, August, September and October.

These meetings covered the following items:

- Homelessness and use of B&Bs
- Performance and risk
- Community Safety Partnership
- Void times
- Community engagement on public access

The October meeting (which at the time of writing will be held on 19 October 2017) will cover:

- An update on recommendations from the Neighbourhood Plan work
- Scoping of a review on supporting business growth for small and micro businesses.

Outcomes from the Committee's recent work can be summarised as follows:

Homelessness: It was noted that the use of B&B accommodation had fallen however there will be more changes next year when the Homelessness Reduction Act comes into force in April 2018. The councils are undertaking a huge amount of work in preparation for this and members will check progress at the November meeting.

Performance and risk: Risk is a key area for the Joint Audit & Standards Committee. Performance measures will be reviewed in December to ensure the right indicators are being monitored.

Community Safety Partnership: Members appreciated St Edmundsbury Councillor Robert Everitt's contributions to the meeting but it was felt clear outcomes should be stated from the Partnership's activities. Members asked that a report be provided to Council on an annual basis.

Void times in Council properties: With recent changes to the management of voids, including the creation of BMBS (Babergh and Mid Suffolk Building Services) and a new IT system, there had been less reduction in void times than expected over the last year. The Committee received assurances that steps were being taken to improve this and asked that any underperformance was monitored and reported.

Community engagement on public access: Members were advised that lessons had been learnt from recent activity including changes to the telephone system and general access to council services.

Forward plan: Items include:

- Review of the Shared Legal Service
- Pre-scrutiny of the Waste Strategy
- Review of BMBS (Babergh and Mid Suffolk Building Services)

Members also raised concerns regarding staff welfare (including absences, turnover and morale) and asked for assurance from Cabinet that this would be reviewed.

Councillor Rachel Eburne

Agenda Item 11

MID SUFFOLK DISTRICT COUNCIL

From: Cabinet Member - Finance	Report Number: MC/17/19
To: Council	Date of meeting: 26 October 2017

REVISING AND UPDATING THE COUNCIL TAX REDUCTION (CTR) SCHEME FOR WORKING AGE HOUSEHOLDS

1. Purpose of Report

To outline proposed changes to the Council Tax Reduction Scheme and to seek approval from Councillors to consult on the proposed amendments before Council looks to adopt a revised scheme in December 2017, to come into effect from 1st April 2018.

2. Recommendation

2.1 That public consultation is undertaken on the following proposed changes to the CTR scheme:

- Align the MSDC Working Age Council Tax Reduction scheme with the Housing Benefit Scheme
- Introduce a minimum weekly award of £1 per week
- Make provision for Universal Credit.

3. Financial Implications

3.1 The financial effect of:

- a. The legislative changes and their potential for impact are outlined in Appendix A, most of the proposed changes have no cost or saving implications for current customers;
- b. The cost of changes to accommodate UC are nil. These amendments seek to equalise access to CTR as for customers still in receipt of legacy benefits;
- c. The introduction of a minimum Working Age CTR award would affect seven current cases. As the intention is to award Discretionary Financial Assistance (DFA) instead of a minimal CTR award, the financial implications will be nil. It is not possible to gauge how many new applications will be received where the customers will become entitled to a new CTR or DFA award.

4. Legal Implications

4.1 Under the Local Government Act 1992 (as amended) Mid Suffolk has the power to set its own Working Age CTR scheme.

- 4.2 Section 13a of the Local Government Finance Act gives power to reduce the amount of Council Tax payable.
- 4.3 There have been successful legal challenges against Council's Working Age CTR schemes where the consultation has not complied with the courts' interpretation. It is believed that the proposals for consultation outlined in this report would comply with the requirements.

5. Risk Management

- 5.1 This report is most closely linked with the Councils' Significant Risk No 5f – If we do not understand our financial position and respond in a timely and effective way, then we will be unable to deliver the entirety of the Joint Strategic Plan. Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
It there is a successful legal challenge to the Working Age CTR scheme changes then it will negate any potential benefits.	1 – Highly Unlikely	3 – Bad / Serious	Liaison with Legal Services and use of the wording used in Statutory Instruments referred to in Appendix A
If the changes impact individuals ability to pay then it could result in hardship and a reduction in the amount of council tax collected	2 - Unlikely	2 – Noticeable / Minor	Monitor collection closely and use discretionary financial assistance in special cases.

6. Consultations

- 6.1 Any changes to the Council's CTR Scheme must be adopted prior to 31st January before the financial year that the proposed changes affect i.e. 31st January 2018 in this case.
- 6.2 In addition, before any such changes can be adopted the Council is required to:
- consult any major precepting authority which has power to issue a precept to it;
 - publish a draft scheme in such manner as it thinks fit; and
 - consult such other persons as it considers are likely to have an interest in the operation of the scheme.
- 6.3 For 6.2 a) this would be Suffolk County Council and the Police & Crime Commissioner, both of whom will be approached direct.
- 6.4 6.2 b) would be satisfied by publishing the revised CTR Scheme on the Council's website, provided that attention is drawn to it on the "Home" page and elsewhere, such as:
- In a standard paragraph in every Council Tax, CTR and Housing Benefit letter sent out;
 - Posters in public access offices;

- Use of social media
- Consideration should be given to a Press Release.

6.5 6.2. c) would include:

- Council Tax liable persons;
- Those currently in receipt of a Council Tax Reduction (CTR):
- Advisers regarding debt problems – including SCC FIAS, CAB, IHAG, Step Change and Shelter;
- Landlords, in particular, social landlords and each Council's Housing Department.

6.6 Consulting those in 6.5 above can be carried out in tandem with the publication of the scheme by inviting comments from those who view it on-line and by the publicity suggested regarding publication above. Consideration could also be given to:

- e-mailing landlords, in particular social landlords;
- e-mailing current CTR recipients

6.7 It is proposed that consultation, as set out above, should be carried out for a period of 4 weeks from 30th October 2017, with the outcome being reported back to the Councils in a report to the December 2017 meetings.

7. Equality Analysis

7.1 An Equality Impact Assessment has been completed for this report.

7.2 The proposals in this report, aside from the maximum and minimum CTR proposals, equalise the Pension Age CTR Scheme and the Working Age CTR Schemes ensuring age is not a reason for difference in treatment under either scheme.

7.3 The Council is required to operate a Discretionary Financial Assistance (DFA) scheme. DFAs are outside both the Council's Working Age CTR scheme and the Pensioner CTR scheme, but contained within the same legislation. DFAs are not dependent upon receipt of CTR for eligibility but are a reduction in Council Tax liability (effectively, a write-off) in a similar way to CTR.

7.4 DFAs exist to help with anomalies in the CTR schemes and council tax liability legislation, dealing with exceptional and unusual cases, enabling Councils to assist those in greatest need more than "normal" CTR.

8. Shared Service / Partnership Implications

8.1 Equalising the maximum CTR across both Councils at 95% will avoid confusion for staff in the Shared Revenues Partnership administering the schemes. It also eases confusion for customers moving between the areas or those who have joint HB/CTR claims. Babergh are currently going out to consultation with the proposal that the maximum award for CTR is changed from 91.5% to 95%

9. Links to Joint Strategic Plan

The outcome to be achieved by this report most closely aligns with the ambition outlined in the Enabled and Efficient Organisation section of the Joint Strategic Plan.

10. Key Information

Background

- 10.1 From April 2013 the Government abolished the previous state benefit for Council Tax known as Council Tax Benefit (CTB) and replaced it by giving Councils the power to implement their own schemes, termed Council Tax Reduction (CTR) (also known as Council Tax Support). An overview of the current scheme is shown in Appendix B.
- 10.2 Prior to April 2013, CTB was funded by Government by a formula based upon actual expenditure. The basis was 100% funding for CTB properly paid, with reduced rates for overpayments etc.
- 10.3 As a result, in 2012/13, the last year of CTB, Mid-Suffolk District Council (MSDC) received 98.79% Government funding on CTB expenditure totalling £4,890,933.
- 10.4 CTR is classed as a discount and is taken into account when calculating each parishes and the Councils' tax base. The value of the discount is converted to a dwelling equivalent and reduced from the overall tax base.
- 10.5 From April 2013 the Government paid billing authorities a grant to compensate them for the loss of council tax income as a result of the tax base being reduced. Some of this grant was paid to parish and town councils on a reducing basis over a four year period. The grant was subsequently subsumed within the Revenue Support Grant (RSG), which is reducing to zero for both councils by 2019/20.
- 10.6 Since the introduction of CTR, the national picture has seen an increase in Council Tax arrears of £400m from 2012-13 to 2016-17. This will have been partially caused by Council Tax increases and the impact of local CTR schemes.
- 10.7 Analysis of collection rates and receipts of Council Tax published by the DCLG show that during 2016/17, 44% of authority's charged 20% or more in Council Tax as a minimum, 27% charged less than 20% and 21 % had retained the default scheme (effectively CTB) or introduced a scheme which required no minimum payment from those in receipt of CTR.
- 10.8 Local authorities with the highest minimum payments continue to be the local authorities with the largest increases in uncollected Council Tax. When comparing this to Councils that abolished CTB but did not set a minimum payment it was noticeable that there was no significant change between arrears in the 2016-17 year compared to 2012-13 (the group overall had an increase of £10,000) and Councils that retained CTB continued to have lower arrears this year than they did in 2012-13. This group's arrears declined by £13.8 million relative to their arrears in 2012-13. Mid Suffolk's collection performance is shown in Appendix D.
- 10.9 Mid Suffolk District Council currently operates two CTR schemes
- CTR State Pension Age Scheme; and
 - CTR Working Age (Local) Scheme
- 10.10 The state Pension Age Scheme is a prescribed scheme and Councils are prohibited from changing any aspect of the scheme.

- 10.11 Mid Suffolk District Council's CTR scheme was introduced in April 2013 and the scheme allowed for the automatic adoption of annual uprating changes. However, in the intervening years, there have been a significant number of legislative changes which have both modified the Housing Benefit scheme and given Prescribed Requirements to the State Pension Age Scheme to align it with the Housing Benefit (HB) scheme. This has led to fundamental differences between the schemes currently in operation which are administratively burdensome and cause confusion for customers.
- 10.12 Additionally, the current CTR scheme makes no allowance for those customers who receive Universal Credit. MSDC begins to move to a Full Service Universal Credit area in February 2018. The number of claims received for CTR from Universal Credit customers is expected to steadily rise. These customers need to be treated in the same way for Universal Credit as entitlement to the legacy benefits would have secured. The scheme needs to be amended to allow for this fundamental change.

Options for a Revised Scheme from 1st April 2018

- 10.13 In setting out to update the scheme consideration was given to ensure the amended scheme would:-
- Adopt and continue to adopt, any relevant change set out in the Housing Benefit Regulations 2006 (or subsequent iterations) or issued as an amendment to the Council Tax Default or Pension Age Scheme as a change to the MSDC Working Age CTR scheme
 - Ease the administrative burden upon the authority
 - Deal equitably with customers based on their financial situation
 - Cater for the transfer to Universal Credit Full service for new customers
 - Ensure a 'like for like' outcome for customers who have HB/CTR claims now but may need to claim Universal Credit following a relevant change of circumstances or migrate from such legacy benefits in due course.
 - Continue to support those residents most in need; and
 - Minimise any negative impact to the poorest households

Legislative Changes

- 10.14 Over the last 4 years the Government has amended the Housing Benefit scheme, including annual uprating. The proposal is to incorporate all of these changes (Listed in Appendix A) in to the Working Age Scheme from April 2018. There is no financial cost and minimal impact on our customers with existing claims.

Changes to Accommodate Universal Credit

- 10.15 As working age Housing Benefit (HB) cases move over to Universal Credit (UC) the Councils will cease processing new working age HB claims. The current timetable shows this commencing in full in February 2018. There are some procedural changes proposed to ease the claiming of CTR for Universal Credit claimants as set out in Appendix C

11. Appendices

Title	Location
(a) Legislative Changes	Attached
(b) Overview of the current schemes	Attached
(c) Details of proposed changes to accommodate Universal Credit	Attached
(d) CTR collection performance	Attached

12. Background Documents

- 12.1 The current MSDC Working Age CTR Scheme at <http://www.babergh.gov.uk/assets/SRP/Council-Tax/Mid-Suffolk-S13a-Scheme-Complete-v1.91.pdf>
- 12.2 New Policy Institute's report on 'Are cuts to Council Tax Support in England a false economy for Councils?' <http://www.npi.org.uk/publications/council-tax/are-cuts-council-tax-support-england-false-economy-councils/>

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Appendix A – Legislative Changes

- Legislative changes and their impact explained.

- Restrictions on “persons from abroad” such that a person receiving a Job Seekers Allowance is no longer automatically deemed to have a right to reside in the UK and can be excluded from CTR eligibility;

There are very few such customers in the MSDC area, the financial effect of this change will therefore be minimal.

- Making changes to the list of persons from abroad who do not need to show habitual residence in the UK;

There are very few such customers in the MSDC area, the financial effect of this change will therefore be minimal.

- Excluding persons subject to immigration control from CTR entitlement;

There are very few such customers in the MSDC area, and as such customers tend to occupy Hostel or Houses in Multiple Accommodation where CTR does not apply, the financial effect of this change will therefore be minimal.

- Removing the non-dependant deduction from a member of the military away on operations;

This change would only affect a member of the military whose sole or main residence was at their Parent’s or other relative’s home. To date, SRP has not come across such a case in any of the Council areas.

- Disregarding certain relatively unusual payments;

The payments listed are very rare and the financial effect would therefore be minimal, if any.

- Correcting drafting errors;

These do not affect the overall meaning of the legislation and have no financial effect.

- Changing the wording due to changes to Employment & Support Allowance;

These changes accommodate the removal of the “Work” element from Employment & Support Allowance. As this change has already taken place, the wording is currently obsolete and has no financial effect in itself.

- Changes consequent upon introduction of Personal Independence Payments and Universal Credit.

This is a wording clarification and has no financial effect.

- Further changes affecting persons from abroad

There are very few affected customers in the MSDC area; the financial effect of this change will therefore be minimal.

- Minor wording changes.

This is a wording clarification and has no financial effect.

- When earnings are taken in to account, consequent on a Court case;

This is a wording clarification and has no financial effect.

- Changes consequent upon changes to National Insurance changes;

As this change has already taken place, the wording is currently obsolete and this has no financial effect in itself.

- Remove the Family Premium from the means test for new claims;

This would result in a reduction in the CTR award for means-tested working age **new** CTR claims of a maximum of £3.49 per week (20% of the £17.45 Family Premium). This has been introduced as a transition step towards UC where no Family Premium applies.

- Where a carer gets a care element in their Universal Credit the person being cared for cannot get a care addition in their CTR;

Carers cannot currently claim UC in MSDC, there is therefore no financial effect as yet. This change prevents a “double” carer award in such cases.

- Reduce the period that a customer can be temporarily absent, yet maintain their claim, from 13 weeks to 4 weeks in most cases.

A Temporary Absence award is very rare in CTR as, for example, if the person liable for Council Tax is on remand, they are exempt from Council Tax. In many other cases, the property remains occupied by another person, who would then become liable for the Council Tax.

- Introduces the “2 child” restriction for new claims to CTR so as to align the CTR scheme with all other Benefits

Many of our current Working Age claims with more than 2 children have “passport benefits” and therefore are unaffected by this change (as far as CTR is concerned); a few are Pension Age customers and their claims will be subject to this change already.

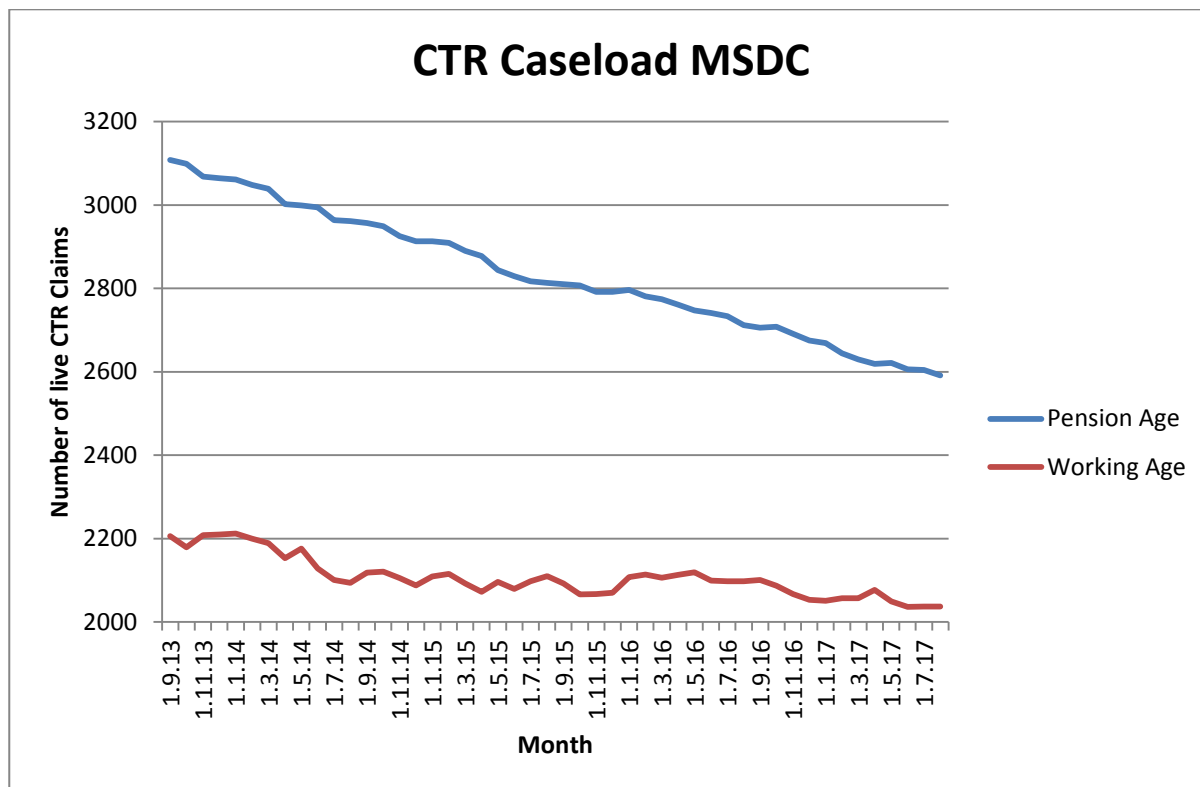
Appendix B - Overview of the Current Schemes

1. This report is using June 2017 as its reference point. At June 2017 the number of CTR claims was:

CTR Claims as at June 2017	MSDC No	MSDC %
Total CTR claims	4,642	100.00%
Pension Age Passported	1,477	31.82%
Pension Age Means Tested	1,129	24.32%
Working Age Passported	1,217	26.22%
Working Age Means Tested	819	17.64%

2. A few of these claims have a zero award, but remain live whilst the claimant can challenge the figures used. This shows that MSDC can control expenditure on just under 44% of the claimant population.
3. "Passported" means in receipt of:
 - Pension Credit (Guarantee Credit);
 - Job Seekers Allowance (Income Based);
 - Income Support; or
 - Employment & Support Allowance (Income Related).
4. In such cases the Council does not carry out any means testing and automatically awards the maximum rate of CTR, less any non-dependant deduction. The maximum CTR for Pensioners is 100%. For MSDC working age it is currently set at 95%, in other words MSDC working age residents pay 5% Council Tax.
5. "Means Tested" means not in receipt of the specified benefits in 8 below. In these cases a full means test is required that compares income to a Government set Applicable Amount. Since 2013 the Applicable Amount set for Housing Benefit has been used. If the income is below the applicable amount, maximum CTR is paid, then for each £1 a week of income that exceeds the applicable amount, 20 pence a week is deducted from the maximum CTR. This is known as the "taper" and is currently set at 20% for Pensioners and 20% for CTR Working Age schemes.
6. In both "Passported" and "Means Tested" cases, a non-dependant deduction is made from the award of CTR if there are any non-dependants in the household. A non-dependant is a person over the age of 16 who is not residing there on a commercial basis (boarders and lodgers), typically a grown-up child or other relative.
7. It should be noted that Universal Credit is replacing:
 - Job Seekers Allowance (Income Based);
 - Income Support;
 - Employment & Support Allowance (Income Related).
 - Housing Benefit
 - Working Tax Credits; and
 - Child Tax Credits.

8. There is no equivalent to “Passported” for a person in receipt of Universal Credit (UC).
9. From its introduction, the number of CTR claims has been steadily reducing, mainly due to the pick-up in the economy. Records of CTR claims for the two councils are shown in the tables below:



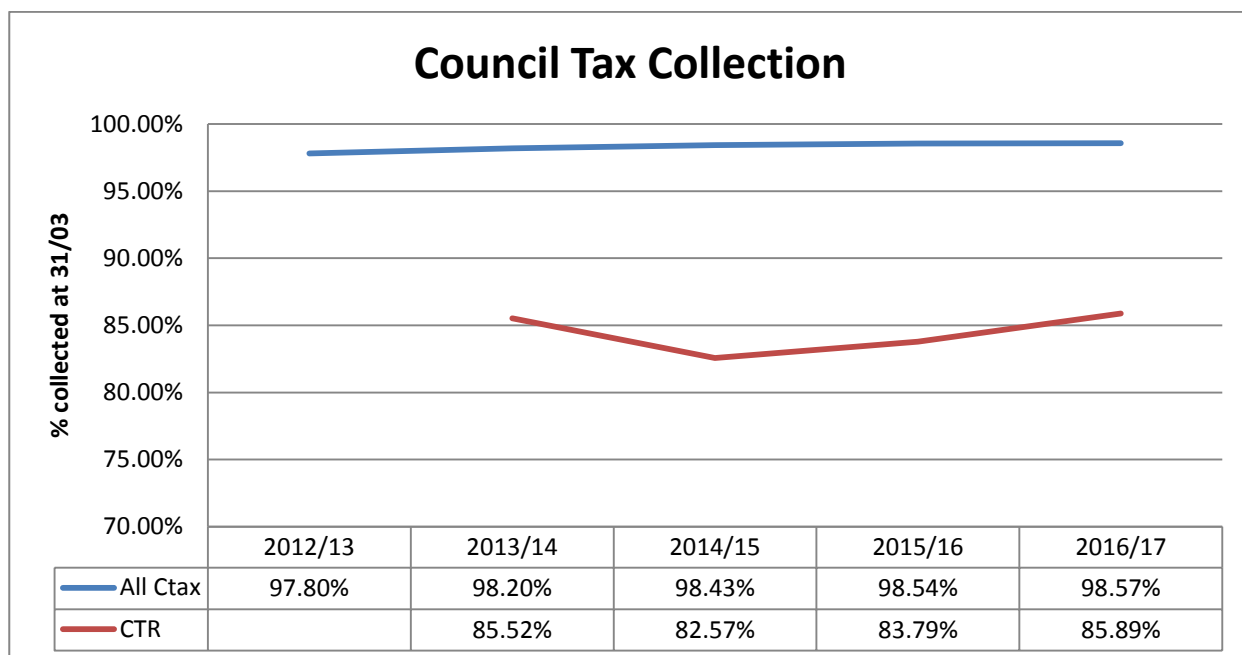
10. For MSDC, working age claims fell from 2,206 to 2,037 in 4 years, a fall of 7.66%. The number of pensioner claims has fallen significantly over the same period, 16.6% in MSDC. This fall in claim numbers reduces the Council’s expenditure on CTR, but could, of course, reverse if the economy goes in to decline.

Appendix C – Details of proposed changes to accommodate Universal Credit

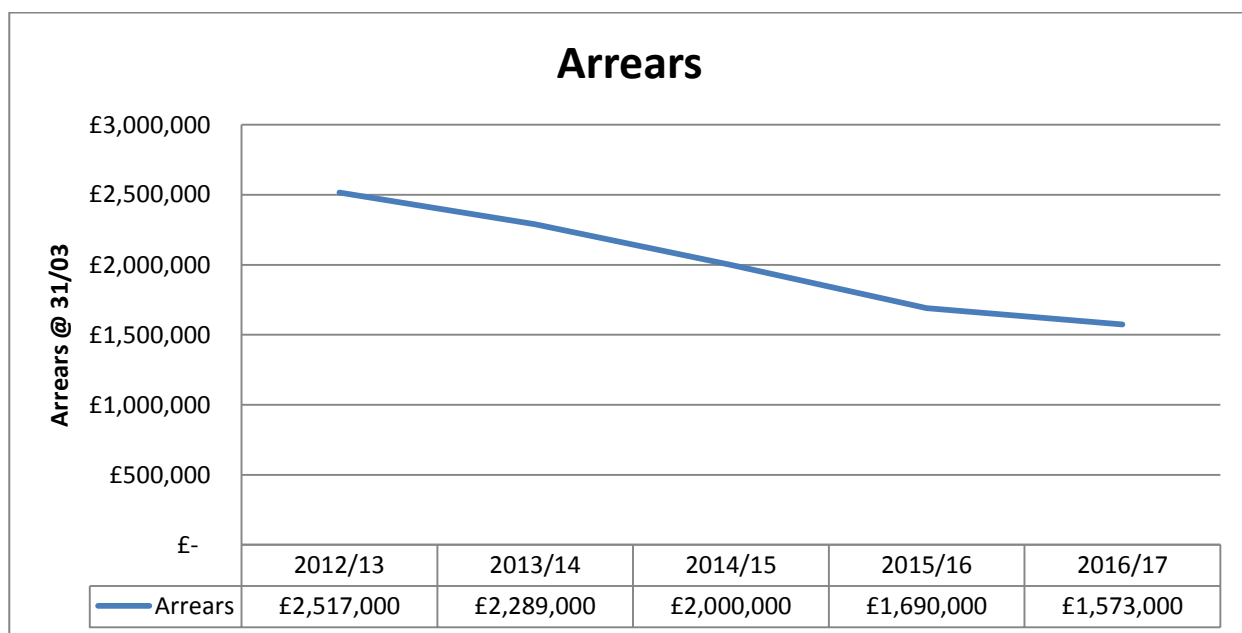
1. There will still be a requirement to consider CTR awards for recipients of Universal Credit. This presents several issues as outlined below:
 - At present the CTR assessment “piggy backs” on the HB assessment as both are assessed using similar rules and the same IT system. Losing the HB claims removes the economy of scale and the Councils would be carrying out a complex means test for what is often a nominal award.
 - UC awards are taking 8 -12 weeks to process. In many cases customers do not realise that they need to claim CTR separately from the Council – they believe their on-line UC claim covers CTR. It can be up to 12 weeks before they realise this and the current rules only allow a month after making a UC (or passport benefit) claim to submit a CTR claim that can run from the date of the UC claim.
 - UC requires a full means test and customers would be subject to a separate means test for CTR unless a new approach is adopted.
2. In order to resolve these issues it is proposed that:
 - The Councils Working Age CTR schemes treat a UC award based upon nil earnings and nil income as a “passported” award and automatically awards full CTR with no means test (subject to any non-dependant deduction). The “proof” required would be sight of the claimant’s full UC award letter proving nil earnings and nil income.
 - The Working Age CTR scheme be amended so that a person who makes a UC claim has 13 weeks from the date of that claim in which to make a CTR claim that can treat the CTR claim made date as the UC claim made date, therefore awarding CTR from that UC claim date.
 - A claimant in receipt of UC, with no earnings and no income, would receive maximum CTR after a means test under the current scheme. By classifying these customers as “passported” means there will be an administrative saving from not having to conduct a means test. There is no effect on the amount of CTR awarded and the risk of challenge is negated.
3. There will also be a beneficial effect upon collection due to the proposed 13 weeks to make a CTR claim for UC claimants and a consequent saving in administration with not having to consider back-dating requests.

Appendix D Council Tax collection performance 2012-2016

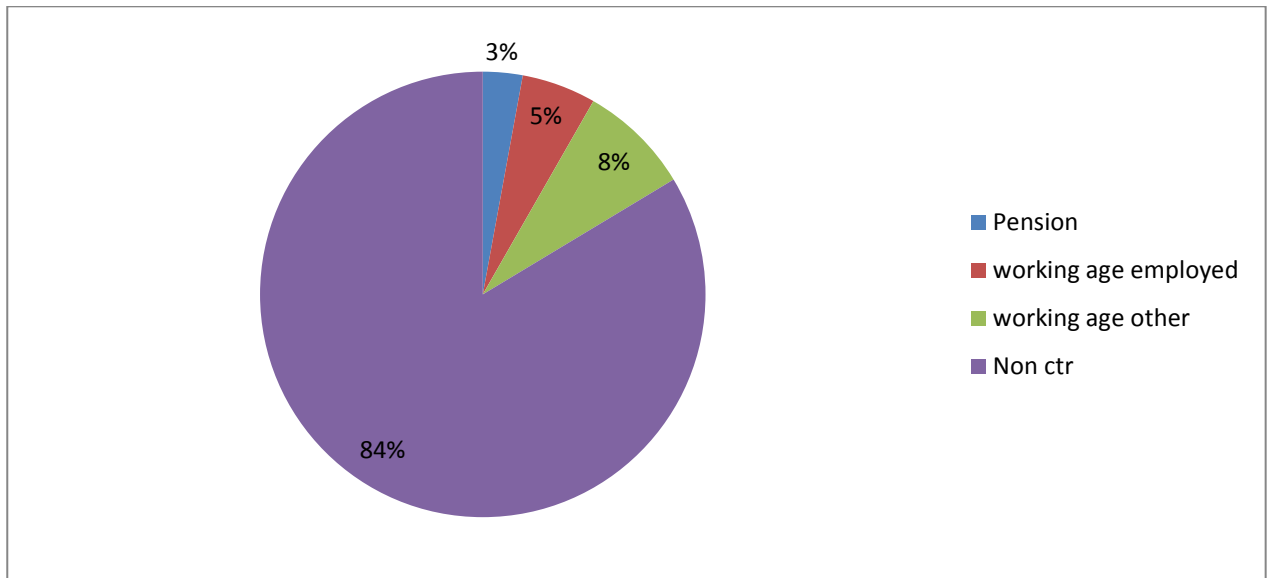
Mid Suffolk Council Tax / CTR performance



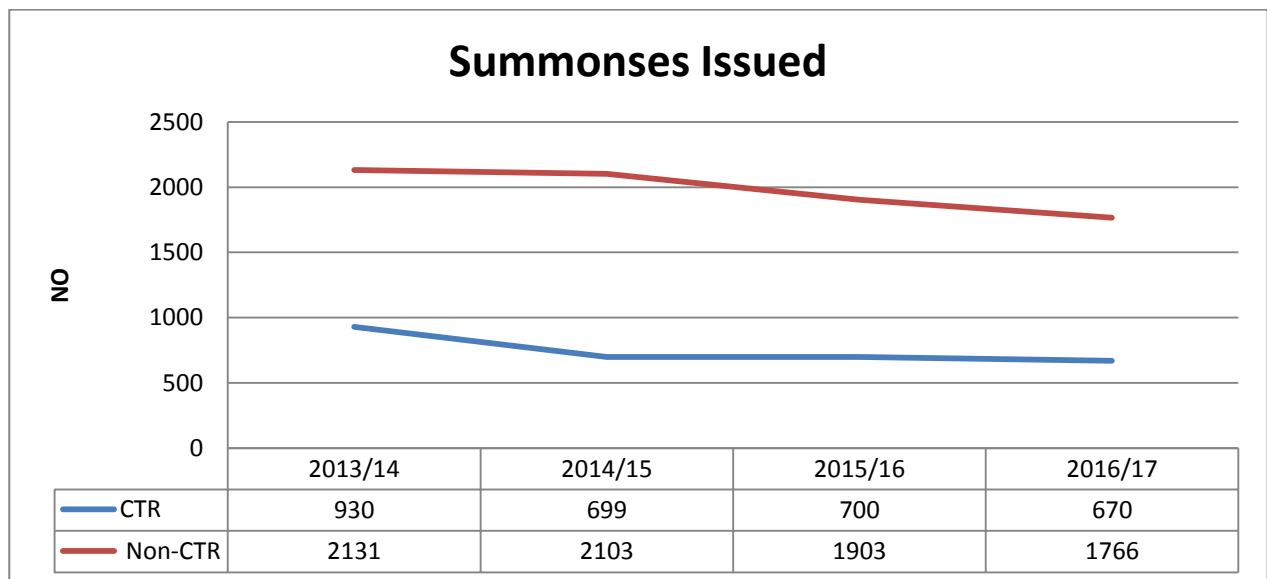
CTR was introduced on the 1/4/2013



Breakdown of 2016/17 arrears



Around 16% of the arrears at the 31/3/17 are in respect of customers in receipt of CTR, but please note the arrears could include debts accrued before entitlement to CTR.



The number of summonses issued to CTR cases has fallen, but so has the overall CTR caseload.

Where a customer in receipt of CTR fails to pay and a liability order is obtained the Council applies to the DWP for a deduction from their benefit. This is £3.75 per week. At the current 5% this could still be recovered in year. Around 14% of the CTR caseload received a summons 2016/17.

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Agenda Item 13

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