

You are requested to attend a meeting of the Executive to be held in The John Meikle Room, The Deane House, Belvedere Road, Taunton on 9 November 2016 at 18:15.

Agenda

- 1 Apologies.
- 2 Minutes of the meeting of the Executive held on 6 October 2016 (attached).
- 3 Public Question Time.
- 4 Declaration of Interests
To receive declarations of Disposable Pecuniary Interests or personal or prejudicial interests, in accordance with the Code of Conduct, in relation to items on the agenda. Such interests need to be declared even if they have already been recorded in the Register of Interests. The personal interests of Councillors who are also County Councillors, Town or Parish Councillors will automatically be recorded in the minutes of the meeting.
- 5 Housing Enforcement Policy. Report of the Patnership Manager, Somerset West Private Sector Housing Partnership (attached).
Reporting Officer: Christian Trevelyan
- 6 Review of Council Tax Support Scheme for 2017/2018. Report of the Revenues and Benefits Service Manager (attached).
Reporting Officer: Heather Tiso
- 7 Financial Monitoring – 2016/2017 as at 31 August 2016. Report of the Finance Manager (attached).
Reporting Officer: Jo Nacey
- 8 Quarter 2 (month 5) 2016/2017 Performance Report. Report of the Corporate Strategy and Performance Manager (attached).
Reporting Officer: Paul Harding
- 9 Executive Forward Plan - details of forthcoming items to be considered by the Executive and the opportunity for Members to suggest further items (attached)

Assistant Chief Executive

06 January 2017

Members of the public are welcome to attend the meeting and listen to the discussions.

There is time set aside at the beginning of most meetings to allow the public to ask questions.

Speaking under “Public Question Time” is limited to 4 minutes per person in an overall period of 15 minutes. The Committee Administrator will keep a close watch on the time and the Chairman will be responsible for ensuring the time permitted does not overrun. The speaker will be allowed to address the Committee once only and will not be allowed to participate further in any debate.

Except at meetings of Full Council, where public participation will be restricted to Public Question Time only, if a member of the public wishes to address the Committee on any matter appearing on the agenda, the Chairman will normally permit this to occur when that item is reached and before the Councillors begin to debate the item.

This is more usual at meetings of the Council’s Planning Committee and details of the “rules” which apply at these meetings can be found in the leaflet “Having Your Say on Planning Applications”. A copy can be obtained free of charge from the Planning Reception Desk at The Deane House or by contacting the telephone number or e-mail address below.

If an item on the agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group.

These arrangements do not apply to exempt (confidential) items on the agenda where any members of the press or public present will be asked to leave the Committee Room.

Full Council, Executive, Committees and Task and Finish Review agendas, reports and minutes are available on our website: www.tauntondeane.gov.uk



Lift access to the John Meikle Room and the other Committee Rooms on the first floor of The Deane House, is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available off the landing directly outside the Committee Rooms.



An induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter.

For further information about the meeting, please contact the Corporate Support Unit on 01823 356414 or email r.bryant@tauntondeane.gov.uk

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Executive Members:-

Councillor M Edwards	(Business Development and Asset Management and
Communications (Deputy Leader))	
Councillor J Warmington	(Community Leadership)
Councillor R Parrish	(Corporate Resources)
Councillor P Berry	(Environmental Services & Climate Change)
Councillor T Beale	(Housing Services)
Councillor J Williams - Leader of the Council	(Leader of the Council)
Councillor R Habgood	(Planning Policy and Transportation)
Councillor C Herbert	(Sports, Parks and Leisure)

Executive – 6 October 2016

Present: Councillor Williams (Chairman)
Councillors Beale, Edwards, Habgood and Mrs Warmington

Officers: Shirlene Adam (Director – Operations), Simon Lewis (Assistant Director – Housing and Community), Richard Sealy (Assistant Director – Corporate Services), Christian Trevelyan (Partnership Manager, Somerset West Private Sector Housing Partnership) and Richard Bryant (Democratic Services Manager)

Also present: Councillors Aldridge and Coles.

(The meeting commenced at 6.15 pm.)

48. Apologies

Councillors Mrs Herbert and Parrish.

49. Minutes

The minutes of the meeting of the Executive held on 8 September 2016, copies of which had been circulated, were taken as read and were signed.

50. Declarations of Interest

Councillor Beale declared personal interests as a Board Member and Director of Tone FM and as a Governor of the South West Ambulance NHS Trust. Councillor Edwards declared a personal interest as the Chairman of Governors of Queens College.

51. IT Update

The Assistant Director – Corporate Services, Richard Sealy, spoke about the recent issues some Members were having with the Council's e-mail system. Although there were several issues, the main one appeared to be Councillors not being able to access e-mails sent to them.

Mr Sealy reported however that Southwest One had identified the cause of the problem and that this was in the process of being remedied. This situation would continue to be monitored over the next few days.

The Chairman thanked Mr Sealy for his report.

52. Amendment to the Private Sector Renewal Policy – Disabled Facilities Grants and Repairs Assistance

Considered report previously circulated, which outlined a number of proposed amendments to the Somerset West Private Sector Housing Renewal Policy.

These included a new prevention grant and equipment provisions to assist applicants applying for disabled adaptations and to assist with essential modifications to housing or repairs for owner occupiers and tenants with repairing obligations in order to prevent accidents or ill-health.

The Council would essentially be offering vulnerable owner occupiers of properties with Category One hazards a grant of up to £4,000 to make their properties safe. Applicants would need to be in receipt of a means tested benefit and not be eligible for a loan from the Council's preferred loans provider Wessex Resolutions.

The Council would also be offering discretionary grants for people with housing conditions likely to lead to a health impact to assist with minor adaptations or modifications to their home. The grant was up to £1,000 and was non-means tested. A discretionary grant would also be available for applicants who had applied for a Disabled Facilities Grant and the cost of the works exceeded the mandatory grant limit of £30,000. Noted that access to the discretionary top up was subject to approval by the Strategic Housing Manager and Housing Portfolio Holder.

The above grants / loans were to be funded from the Better Care Fund from the Department of Health, which was distributed via Somerset County Council

All grants and loans would be a Land Charge on the property so that the funding could be reclaimed in the event of sale of the property within 20 years and the funds recycled.

The Somerset West Private Sector Housing Partnership (SWPSHP) was between Sedgemoor District Council, Taunton Deane Borough Council and West Somerset Council and had been established some years ago to deliver private sector housing services. The local authorities worked closely together to ensure consistency across the three Districts and to deliver financial and other benefits to those who lived and/or worked in the Somerset West area.

As in most parts of the country, Somerset faced the challenge posed by an expanding population, particularly at the older end of the age spectrum. There was also an increasing number of households with at least one family member having some form of disability, sometimes with complex medical and health needs particularly in children and young adults.

The Somerset Strategic Housing Framework recognised the importance of ensuring that accommodation was of sufficient quality and comfort to enable safe and healthy independent living. Priority 2 would make best use of the of sub-region's existing housing stock and Priority 3 was intended to meet the housing and accommodation related support needs of Somerset's most vulnerable and least resilient residents.

The numbers of non-decent homes in the private sector continued to increase and the reasons for this were set out in the report.

The aim of social care teams was to actively promote independence and choice.

The service helped people to live in their own homes for as long as possible, and when this was no longer possible, to choose a suitable care home. Disabled adaptations played a crucial part in assisting with independence.

Details of the current demands on provision of care and the anticipated future demands were set out in the report.

There was a strong correlation between unsatisfactory housing conditions and households in economic and social disadvantage. Elderly and vulnerable private sector households were over-represented in non-decent housing. There were limited resources available for private sector housing renewal but increasing dependency levels in the private rented sector and among vulnerable owner-occupiers who might be capital rich but revenue poor.

Further reported that the Somerset West Private Sector Housing Renewal Policy was the document which set out the types of financial assistance that the Council could offer owner occupiers and landlords to carry out essential repairs on their property and to bring empty properties back into use. The proposed amendments to the policy would need to be amended to enable the Council to offer the types of grants and assistance needed to assist the most vulnerable in society.

The funding for the grants and loans would come from an increased capital allocation through the Better Care Fund. The programme was over two years. Taunton Deane had been awarded £657,557 for each of the financial years 2016/2017 and 2017/2018. It was the intention that through the increased funding, Councils could maximise the services they could offer through low level interventions, which in turn reduced the prospect of a person being admitted to hospital and the costs, which this incurred.

Resolved that the proposed amendments to the Somerset West Private Sector Housing Renewal Policy be approved.

53. **Executive Forward Plan**

Submitted for information the Forward Plan of the Executive over the next few months.

Resolved that the Forward Plan be noted.

(The meeting ended at 6.44 p.m.)

Taunton Deane Borough Council

Executive – 9 November 2016

Housing Enforcement Policy

This matter is the responsibility of Executive Councillor Terry Beale

Report Author: Christian Trevelyan – Partnership Manager

1 Executive Summary / Purpose of the Report

- 1.1 The report seeks Member approval for the Somerset West Housing Standards Policy. The policy has been developed with the assistance of the Council's partners which include; Sedgemoor District Council, West Somerset Council, private sector landlords, tenants, Taunton Association for the Homeless, Bridgwater YMCA, and Somerset Care and Repair. It is a three year policy detailing how the partnership will regulate standards in private sector housing in Sedgemoor, Taunton Deane and West Somerset.
- 1.2 The policy aims to raise standards in housing through working with owners, landlords, letting agents and tenants. It is however recognised that there are circumstances where enforcement action is necessary to protect tenants, owner occupiers, the public and the environment.

2 Recommendations

The Executive is recommended to approve the Housing Standards Policy and charges.

3 Risk Assessment (if appropriate)

Risk Matrix

Description	Likelihood	Impact	Overall
Lack of resources to implement the Policy. The landlords ignore any informal advice/action given as they know there are not adequate staffing numbers to enforce.	2	4	8
Mitigation – Taunton Deane and West Somerset have agreed amendments to the team structure which will provide adequate cover for the two Councils and safeguard resources.	1	4	4

There is no revenue funding to initiate works in default. There may be situations where tenants are exposed to immediate health risks as a consequence of Category One hazards with a limited budget to act immediately to tackle the defect.	4	4	16
Mitigation - There is a limited budget which can be accessed subject to management approval. Expenditure can be reclaimed through the courts as a result of a successful prosecution. The LA has powers to prohibit properties if necessary.	1	4	4
Elements of the policy are not adopted by one or more of the partner Councils. Policy would need to be rewritten and dependent upon the percentage of changes required, may need further consultation, delaying adoption.	2	3	6
Mitigation - Consultation has already taken place with key Members and stakeholders ensuring the policy has the key ingredients that are required.	1	3	3
A landlord appeals against the formal action being taken by the Council. In some instances, the action required by the Council could be delayed subject to the decision by the Residential Property Tribunal.	4	4	16
Mitigation - Provision in place for appeals. All decisions to take formal action are decided through the Partnership Manager.	1	4	4

Risk Scoring Matrix

Likelihood	5	Almost Certain	Low (5)	Medium (10)	High (15)	Very High (20)	Very High (25)
	4	Likely	Low (4)	Medium (8)	Medium (12)	High (16)	Very High (20)
	3	Possible	Low (3)	Low (6)	Medium (9)	Medium (12)	High (15)
	2	Unlikely	Low (2)	Low (4)	Low (6)	Medium (8)	Medium (10)
	1	Rare	Low (1)	Low (2)	Low (3)	Low (4)	Low (5)
			1	2	3	4	5
			Negligible	Minor	Moderate	Major	Catastrophic
			Impact				

Likelihood of risk occurring	Indicator	Description (chance of occurrence)
1. Very Unlikely	May occur in exceptional circumstances	< 10%
2. Slight	Is unlikely to, but could occur at some time	10 – 25%
3. Feasible	Fairly likely to occur at same time	25 – 50%
4. Likely	Likely to occur within the next 1-2 years, or occurs occasionally	50 – 75%
5. Very Likely	Regular occurrence (daily / weekly / monthly)	> 75%

4 Background and Full details of the Report

- 4.1 The Somerset West Private Sector Housing Partnership (partnership) is a partnership between Sedgemoor District Council, Taunton Deane Borough Council and West Somerset Council to deliver private sector housing services. The local authorities work closely together to ensure consistency across the three Districts and to deliver financial and other benefits to those who live and/or work in the Somerset West area.
- 4.2 A Housing Enforcement Policy provides details of how Council's regulate standards in housing. In the last three years the Council has remedied over 200 Category 1 hazards, improving conditions in 180 properties in the private rented sector through housing enforcement and accredited over 100 properties. This has included taking formal action against 40 landlords.
- 4.3 The national strategy for housing in England set out the government's key areas of action to ensure a thriving, active but stable housing market, that offers choice, flexibility and affordable housing given how critical this is to our economic and social wellbeing. The Strategy contains four priorities, one of which is to support choice and quality for tenants. The Strategy supports growth and investment in the private rented market as the key to increasing choice, access and standards. The document recognises that the sector will continue to grow in size and importance.
- 4.4 Most tenants have a good experience of renting. Recent English Housing Survey research shows that 85 per cent of tenants in the private rented sector are very or fairly satisfied with their accommodation (compared with 81 per cent of social housing tenants). Seventy per cent of private tenants are also satisfied with the way their landlord carried out repairs and maintenance (compared with 69 per cent of social housing tenants).
- 4.5 The Government is committed to supporting growth and innovation by avoiding unnecessary regulatory burdens on landlords but are also keen on measures to deal with rogue landlords and encouraging local authorities to make full use of the robust powers they already have to tackle dangerous and poorly maintained homes.
- 4.6 It is important that landlords and tenants understand their rights and responsibilities. We have recently published newsletters aimed at both, to help them understand the fundamentals. These highlight the extent to which the law protects tenants:
- Landlords must keep the property they are renting in a good state of repair, including carrying out an annual gas safety check.
 - Other than in an emergency, landlords cannot enter the property without giving

proper notice.

- Any deposits given in connection with the property must be protected with a government-approved scheme.
- Landlords must give proper notice before seeking possession.

4.7 **Current Position** - The Council's existing Housing Standards Policy was advisory: as a joint policy between the Councils could not be drafted until the Partnership Agreement was signed.

4.8 The Government, recognising the growth of the private rented sector, has illustrated its commitment to improving the sector with the introduction of new legislation to help tackle poor illegal practices by landlords and letting agents, whilst recognising that the majority of landlords and letting agents provide decent, well managed accommodation.

4.9 In terms of the local context, of a total of 40,000 private sector dwellings in Taunton Deane, approximately 18% are privately rented. There are 380 Houses in Multiple Occupation and 69 are licensable HMO's. The Council received 129 housing standards complaints in 2015/16 an increase of 8%. The Council served 1 formal notice and issued 4 mandatory HMO licenses with a fee income of £1428.00.

4.10 There are pockets of deprivation in Taunton Deane, particularly Roman Road and Halcon estates. In areas of high deprivation, there are also high concentrations of private rented accommodation. This sometimes encompasses other issues such as anti-social behaviour, drug problems and crime. The policy encourages an area approach to managing housing resources and partners such as the third sector by focusing efforts on an area and looking to improve significant health indicators such as respiratory illnesses attributed to mould growth, slips, trips and falls from poor layout in ageing properties and reducing incidences of fire. Agencies could look to jointly tackle issues by building out crime.

4.11 The Government has introduced the Redress Schemes for Letting Agency Work and Property Management Work (Requirement to belong to a scheme etc.)(England) Order 2014, The Smoke Alarms and Carbon Monoxide Alarm (England) Regulations 2015, the Deregulation Act 2015 – Retaliatory Eviction, and the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 made under the Energy Act 2011 and the Housing and Planning Bill.

4.12 Besides the policy, Members are being asked to consider the attached paper to the report which will give the Council the power to enforce and charge for failure to comply with certain provisions.

4.13 The partnership will continue to sustain tenancies and encourage good practice by working with the Somerset West Lettings and Tenancy service (SWeLT) a multi-agency approach to working with landlords and owners to manage their properties and support tenants. Agencies include the three Council's Housing Options teams, the partnership, YMCA, CAB, Somerset Care and Repair, Probation, and Taunton Association for the Homeless.

5. **Links to Corporate Aims / Priorities**

5.1 Key Theme 1: Work with partners in both the private and public sector to develop a range of additional housing types suitable in particular for single person households,

young people in rural communities and elderly people – The Policy is designed to encourage a good standard of accommodation and management.

- 5.2 Work with others to support the wellbeing of an older population and our most vulnerable residents – The policy is instrumental in improving the current stock to the minimum legal standard and to the decent homes standard and improving the life chances for the most vulnerable in society through healthy housing.

6. Finance / Resource Implications

- 6.1 Within current revenue budget for staffing costs.

7. Legal Implications (if any)

- 7.1 The purpose of the policy is to detail how the Partnership will enforce legislation in a proper, fair and consistent manner. It sets out what owners, landlords, agents and occupiers of private sector properties can expect from the Partnership.

8. Environmental Impact Implications (if any)

- 8.1 Improvements to the private sector stock can lead to energy efficiency improvements such as loft insulation, more efficient heating systems and boilers both of which can lead to a reduction in the impact on the environment from carbon emissions and greenhouse gases. Properties can be brought into use which encourage more sustainable transport by discouraging car use.

9. Safeguarding and/or Community Safety Implications (if any)

- 9.1 Badly managed and neglected private rented properties can be detrimental to the health of the tenants as well as being detrimental to the neighbourhood. Poorly maintained properties tend to attract lower rents which in turn result in occupancy by tenants on lower incomes or on benefits. There are patterns which demonstrate drug or alcohol dependencies associated with lower incomes and recorded incidences of anti-social behaviour. There are also a considerable number of families with young children in the private rented sector. Damp and mould spores resulting from penetrating dampness and poor heating can lead to respiratory illness and hospitalisation.
- 9.2 The team may come across families where there are reported suspected safeguarding issues.

10. Equality and Diversity Implications (if any)

- 10.1 Summary. Main Equalities Impact Assessment is contained in the Appendix.

Analysis undertaken for:	<i>Housing Enforcement Policy</i>	Date undertaken: 30th November 2015
Scope	The policy aims to raise standards in housing through working with owners, landlords, letting agents and	

	tenants. It is however recognised that there are circumstances where enforcement action is necessary to protect tenants, owner occupiers, the public and the environment.
Evidence used	Evidence and Data used for assessment <ul style="list-style-type: none"> • Private Sector housing staff performance data • Joint Strategic Needs Assessment 2013/14 • ONS data 2014. • Six week consultation to key stakeholders.
Key findings and impacts	The policy is primarily aimed at landlords. A landlord could be anyone of the protected groups defined by : Age; Disability. Gender Reassignment; Pregnancy and Maternity; Race; Religion or belief; Sex; Sexual Orientation; Marriage and civil partnership. In the main a positive impact. The policy has to be delivered in a transparent and consistent way. To some extent, the policy is also guided and supported by the Enforcement Concordat which also sets out the framework for consistency, transparency and fairness.
Conclusion drawn	The EIA was drafted prior to the policy being put together. The conclusions of the EIA have been incorporated into the policy with checks and balances put in place to mitigate any potential discrimination.
Actions	Steps to ensure consistency and transparency when making decisions as to informal and formal action. Ensure appropriate guidance is up to date and decisions are monitored, staff trained and appraised of developments.

11. Social Value Implications (if any)

11.1 None (there is no commissioning / procurement involved with the implementation of this policy)

12. Partnership Implications (if any)

12.1 Collaborative working between the three districts that comprise SWPSHP enable the efficient and effective use of limited resources, and ensure there is equity throughout the districts avoiding a postcode lottery.

12.2 The NHS within Somerset (and nationally) is current facing a crisis with significant numbers of patients not being able to be released from hospital due to the conditions at home (cold, poor accessibility etc.). The implementation of the policy will help (see also Section 13 below).

13. Health and Wellbeing Implications (if any)

13.1 Improvements to housing standards assists with health and wellbeing. Accordingly, it is a national / local priority to regulate/eradicate Category One hazards in the stock i.e. damp and mould, serious disrepair and tackle cold homes which lead to winter deaths and cold related illnesses. This helps to reduce numbers going into hospital. It also prevents 'bed blocking' due to tenants not being able to go home as a result of unsuitable/dangerous conditions at home. Better health also leads to employment opportunities.]

13.2 The Health and Wellbeing Strategy currently has five priority work-streams, one of which states:

To identify and address the impacts of housing on health and wellbeing

13.3 A supporting 'action' is to 'drive improvements between health providers and the district housing function where housing standards are affecting health'

13.4 The amended policy (by raising standards in housing through working with owners, landlords, letting agents, tenants and a range of partners) will directly support such ambitions.

14. Asset Management Implications (if any)

14.1 None

15. Consultation Implications (if any)

15.1 The policy consultation was undertaken through various stakeholder partners who were representative of all of the stakeholders who will access the service. All of the partners responded and their feedback used to influence the draft and final version.

Democratic Path:

- **Scrutiny / Corporate Governance or Audit Committees – Yes**
- **Cabinet/Executive – Yes**
- **Full Council – No**

Reporting Frequency : Once only

List of Appendices (delete if not applicable)

Appendix A	Housing Enforcement Policy
Appendix B	Appendix 1

Contact Officers

Name	Mark Leeman - Strategy &	Name	Christian Trevelyan – Partnership
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	Partnerships Lead		Manager
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Name	Simon Lewis – Assistant Director; Housing and Community Development	Name	
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Appendix 1

The following legislation has been introduced:

1.0 The Redress Schemes for Letting Agency Work and Property Management Work (Requirement to belong to a scheme etc.) (England) Order 2014

This Order came into effect on the 1st October 2014 and requires letting agents and managing agents to be enrolled in an approved redress scheme of which there are three;

- Ombudsman Services Property (www.ombudsman-services.org/property.html)
- Property Redress Scheme (www.theprs.co.uk)
- The Property Ombudsman (www.tpos.co.uk)

1.1 Memberships of these schemes are subject to annual renewal. The details of the legislation are complex; it phrases the requirements in terms of those who carry out “lettings agency work” and “property management work”. There are a number of exclusions, the most significant of which are:

- Where the work is not being carried out as a business
- Where the work is being carried out by the owner of the property.

1.2 Generally letting agency work means acting on instructions from a landlord wishing to rent a home or the instructions of a prospective tenant wishing to find a home.

1.3 Generally property management work means repairs, maintenance, improvement or insurance carried out by a person acting on the instructions of (i) a landlord or (ii) a resident management company (of a block of leasehold flats).

1.4 The Order identifies two specific breaches in relation to letting agency work and property management work with a maximum fine of £5,000. However it is unclear whether it can be applied to both breaches individually (potentially a £10,000 fine) or whether the £5,000 is a cumulative fine when two breaches occur.

1.5 The guidance indicates that the maximum fine should be levied other than in exceptional circumstances:

- Lack of awareness
- Level of fine disproportionate for the business.

1.6 The Order specifies a specific procedure for levying the fine using Penalty Charge Notices, a new approach to enforcing standards in housing legislation. Before the fine is finalised the business may make representations to the Council. Afterwards the business may make a legal appeal to the First Tier Property Tribunal. The fine is payable to the authority and can be used for any

purpose it sees fit. However it is not possible to predict the value of fines collected.

1.7 **Recommendation**

That the level of fine for offences under the Redress Schemes for Letting Agency Work and Property Management Work (Requirement to belong to a Scheme etc.) (England) Order 2014, is set at £5,000.

That any fines payable to the Authority will be used to support housing enforcement work including training of landlords, promoting the awareness of the scheme to potential agents and to provide additional resources for housing enforcement work, where necessary.

2.0 **The Smoke Alarms and Carbon Monoxide Alarm (England) Regulations 2015**

2.1 These Regulations came into force on the 1st October 2015 and require landlords to:

- Provide a smoke alarm on every level where there is a room which is used as living accommodation
- A carbon monoxide alarm in every room where there is a solid fuel burning combustion appliance (not a gas boiler)
- Checks are made by or on behalf of the landlord that each alarm is in proper working order on the day the tenancy begins if it is a new tenancy.

2.2 The Regulations specifies a specific procedure for levying the fine using Penalty Charge Notices with a fine of up to £5,000. Again, the funding can be used by the Authority for any purpose that it sees fit.

2.3 The legislation requires the Local Authority to produce a Statement of Principles in relation to the level of fines levied which is attached as Appendix 2. The level of fine being proposed is a maximum fine of £5,000 with a reduction of 50% for landlords who pay within 14 days.

2.4 **Recommendation**

To approve the Statement of Principles (Appendix 2) The Smoke Alarms and Carbon Monoxide Alarm (England) Regulations 2015 detailing the level of fines at £5,000 with a 50% reduction for landlords who pay within 14 days.

That any fines payable to the Authority will be used to support housing enforcement work including training of landlords promoting the awareness of the scheme to potential tenants and to provide additional resources for housing enforcement work, where necessary.

3.0 Deregulation Act 2015 – Retaliatory Eviction

3.1 This Act came into force on the 1st October 2015 and was brought in to prevent landlords from evicting tenants who make a complaint regarding the condition of the property directly to the landlord or to the Local Authority.

3.2 Under this legislation a court can refuse to evict a tenant if:

- They complained to their landlord or letting agent in writing
- Their landlord issued a Section 21 (eviction notice) after they made the complaint
- They complained to the Council because the landlord didn't take steps to remedy the problem
- The Local Authority sent the landlord a formal notice telling them to make improvements or that the Council will carry out emergency work
- Once the Council serves an Improvement Notice or Notice requiring remedial action on the landlord, the Section 21 notice becomes invalid
- If the Local Authority serves a notice and the landlord later serves an eviction notice, it will be invalid if it is served within 6 months.

3.3 The partnership's Housing Enforcement Policy initially adopts an informal approach before moving to a formal approach (service of notice). The Policy provides clear guidelines when the Local Authority will move to formal action, ensuring that tenants are protected from retaliatory eviction as well as advice and guidance to tenants on their responsibility to make their landlord aware of disrepair issues.

3.4 Recommendation

Members note the changes in legislation with regard to Retaliatory Eviction and continue to support an initial informal approach with tighter controls to ensure a notice is served within an appropriate timescale.

4. The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 made under the Energy Act 2011

4.1 From April 2016, residential private landlords will not be able to unreasonably refuse consent to a tenant's request for energy efficiency improvements where subsidies are available to pay them.

4.2 From April 2018, private domestic and non-domestic landlords will need to ensure that their properties reach at least an E EPC rating before granting a tenancy to new or existing tenants.

4.3 There are certain exemptions to this legislation, for example where a building is listed.

4.4 Approximately 35% (4,000) of the private rented properties in Taunton Deane are currently let which are below energy rating E. This represents 5% of the

total housing stock of 48,000 properties. Much of this is attributed to solid walls and an ageing housing stock. Promotion of existing funding streams to improve the energy efficiency of the private rented sector such as landlord Accreditation grants and loans will help ensure that the energy efficiencies of these properties are improved.

4.5 **Recommendations**

Members note the changes in legislation in relation to energy efficiency of the private rented sector and continue to help to promote funding streams with landlords, as appropriate.

5.0 **Housing and Planning Bill**

5.1 The Housing and Planning Bill (published 13th October 2015) details further proposed legislation to regulate rogue landlords and letting agents in England. It particularly makes reference to Banning Orders, where a Local Authority can apply for this order where certain offences have been committed (to be prescribed regulations) preventing the offender (or associates) from letting properties. It also refers to the setting up of a database for rogue landlords and letting agents as well as changes to how rent repayment orders can be implemented.

5.2 **Recommendation**

Members note the proposed changes in legislation.

6.0 **Area approach to Housing Enforcement Work**

6.1 Traditionally Local Authorities respond to complaints from private tenants about the condition of their private rented property. This may lead to an investigation and informal or formal action. Formal action may be the serving of a statutory notice by the Council. The Council also has a duty to inspect Houses in Multiple Occupation (HMO's). The Council organise the HMO inspections using a risk based approach, scoring the HMO's based upon size, management, numbers of occupants etc.

6.2 This approach is not necessarily the best use of staff resource as they are reacting to complaints which could occur anywhere on the district and inspecting HMO's which could likewise be anywhere. With the increase in public demand for Local Authority intervention there is a need to refocus how staff are directed towards tackling the private rented sector.

6.3 One solution is an area based approach, whereby officers focus their attention on a particular area. The area is chosen due to a number of factors which can include a poor private rented sector (identified through the historical number of complaints and age of the stock), large concentration of HMO's, anti-social behaviour, poor health, deprivation and fuel poverty. Efforts would be on inspecting HMO's and private rented properties. Encouraging landlords to become accredited (accreditation recognising good management), identify and sign post people to appropriate agencies to resolve health and health related issues such as fuel poverty. There are many advantages to this

approach including encouraging an improvement in general health and wellbeing of the community, enhancement of the community environment, resolving anti-social behaviour, encouraging Disabled Facilities Grant take up for vulnerable clients who would otherwise have been hospitalised without an early intervention. There are a number of areas which the principles could be applied such as Taunton and Wellington, or more rural areas.

6.4 Recommendation

Members agree to an area based approach to Housing Standards which compliments the priorities of the Councils Health and Wellbeing Strategy and Somerset County Councils future approach to health intervention.

Appendix 2

Statement of Principles

The Smoke and Carbon Monoxide Alarm (England) Regulations 2015

Introduction

As of the 1st October 2015, a “relevant landlord” of a “specified tenancy” of residential premises must ensure during any period on or after 1 October 2015 when the premises are occupied under the tenancy that:

1. A smoke alarm is equipped on each storey of the premises on which there is a room used wholly or partly as living accommodation.
2. A carbon monoxide alarm is equipped in any room of the premises which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance; and
3. Checks are made by or on behalf of the landlord to ensure that each prescribed alarm is in proper working order on the day the tenancy begins if it is a new tenancy.

For the purposes of the legislation, living accommodation is a room that is used for the primary purposes of living, or is a room in which a person spends a significant amount of time, and a bathroom and lavatory would be classed within this definition.

Enforcement

Where the Local Housing Authority has reasonable grounds to believe that:

- There are no or insufficient number of smoke alarms or Carbon Monoxide Detectors in the property as required by the regulations or;
- The Smoke Alarms or Carbon Monoxide Detectors were not working at the start of a tenancy or licence.

Then the Authority must serve on the Landlord in a method prescribed by the Regulations a Remedial Action Notice (RAN) detailing the actions the landlord must take to comply with the Regulations. If after 28 days the Landlord has not complied with the Remedial Action Notice the Local Authority must issue a penalty charge levied through a Penalty Charge Notice (PCN).

The Local Authority **must** also undertake works in default in the manner specified in the Regulation.

Principles to be followed in determining the amount of a Penalty Charge

Any penalty charge levied will cover the cost of all works in default, officer time, recovery costs, administration fee and a penalty. The provision of smoke detectors and carbon monoxide alarms does not place an excessive burden on a landlord, and the lack of compliance directly impacts the safety and security of tenants, especially those that are vulnerable and those with families. It is understood that the imposition

of the maximum potential fine, being £5,000 under the regulations, can present an excessive financial burden but this is balanced against the risk and the fact that reasonable opportunity will have been given to comply prior to any penalty charge being levied. Therefore a penalty charge of £5,000 is set for any initial non-compliance of a Remedial Action Notice. The partnership considers that prompt payment of the penalty on the first occasion should attract a reduced penalty in recognition of early admission of liability.

In line with the legislation, a discount of 50% is offered on payment within 14 days of the charge being issued. This discount shall not apply when:

1. The person/company served on has obstructed the Authority in the carrying out of its duties; and/or
2. The person/company has previously received a penalty charge under this legislation;

The discount shall only apply to the first non-compliance of a notice, if a number of remedial notices have been served covering a number of premises under the same persons/company's control.

Recovery of Penalty Charge

The local housing authority may recover the penalty charge as laid out in the Regulations on the order of a Court, as if payable under a Court Order.

Appeals in relation to a penalty charge notice

The landlord can request in writing, in a period that must not be less than 28 days beginning with the day on which the penalty notice was served, that the local housing authority review the penalty charge notice. The Local Authority must consider any representation and decide whether to confirm, vary or withdraw the penalty charge notice. This decision will be made by the Strategic Housing Manager for Sedgemoor or the Assistant Director for Housing and Communities for Taunton Deane and West Somerset in consultation with the Council's Housing Portfolio Holder. A landlord who is served with a notice confirming or varying a penalty charge notice may appeal to the First Tier Tribunal against the Local Authority's decision.

Review of Statement

This Statement of Policy shall be reviewed and amended to reflect any change in legislation, corporate policy or official guidance. Any amendment shall be in line with meeting the requirements of the legislation.

Housing Enforcement Policy

Summary of Housing Enforcement Policy

The Somerset West Private Sector Housing Partnership (partnership) is a partnership between Sedgemoor District Council, Taunton Deane Borough Council and West Somerset Council to deliver private sector housing services. The local authorities work closely together to ensure consistency across the three Districts and to deliver financial and other benefits to those who live and/or work in the Somerset West area. Partnership throughout the document refers to the statutory duties of each of the partner Councils as the local housing authorities.

The Private Sector Housing Enforcement Policy details how the partnership will regulate standards in private sector housing in Sedgemoor, Taunton Deane and West Somerset.

The policy aims to raise standards in housing through working with owners, landlords, letting agents and tenants. It is however recognised that there are circumstances where enforcement action is necessary to protect tenants, owner occupiers, the public and the environment.

Equalities Statement

Enforcement decisions will be fair, independent and objective and will not be influenced by issues such as ethnicity or national origin, gender, religious beliefs, political views or sexual orientation of the suspect, victim witness or offender. Such decisions will not be affected by improper or undue pressure from any source.

Data Protection

The Partnership will comply with the Data Protection Act 1998. Any personal data will only be disclosed in accordance with the provisions of the act. All information gathered during the course of carrying out duties under this policy will be treated confidentially. Confidential information will only be divulged if required by law or by some other significant reason that is in the public interest.

What to expect from the partnership:

Landlords/Owners

- When requested, Housing Standards Officers will advise landlords of the legislation and help them understand how they can comply with it.
- Housing Standards officers will advise landlords as to the action required to comply with the legislation within a specified time period.
- If the landlord agrees to undertake this action, the Housing Standards Officer will monitor the progression of the works to ensure it is carried out within the agreed timescale.
- If the landlord fails to agree to undertake the work to an agreed satisfactory standard, the Housing Standards Officer will initiate formal action by the service of a Notice, and/or by carrying out Works in Default. Failure to comply may result in the partnership recommending prosecution.

In making the decision to prosecute, the partnership will have due regard to the Code for Crown Prosecutors and whether some other action would be more appropriate.

Where specified, a charge will be made for the service of the Notice.

Emergency enforcement action will be taken if the partnership considers there is an imminent risk to a person's life.

Tenants

- The Housing Standards Officer will inform tenants about the action they can take and the timescales that they think it will take.
- The Housing Standards Officer will keep tenants informed at all key stages of the case.

What the partnership expects from tenants and owners or letting agents

Tenants

- Tenants must inform their landlord either in writing, email or a text about issues within their property before contacting the partnership. The partnership will provide template letters to assist tenants to inform their landlord.
- Tenants must cooperate with their landlord at all times to get the works carried out and tell the partnership of any action taken by the landlord.
- If the tenant fails to cooperate with their landlord, the partnership may consider withdrawing their assistance.

Owners/letting agents

- The partnership expects owners to maintain the properties they own and let. The partnership expects owners to cooperate and carry out any works required within a specified time period.

Owners of Empty Homes

- The partnership will expect owners of empty homes to maintain them and bring them back into use within a specified timescale.
- Enforcement action (Compulsory Purchase Order, Empty Dwelling Management Order, and Enforced Sale) will be considered if an owner does not co-operate, and the empty home has an impact on their neighbourhood. Please refer to the Somerset West Private Sector Housing partnership – Empty Homes Strategy 2016 – 2019.

1. Background

The Private Sector Housing Enforcement Policy details how the partnership will regulate standards in private sector housing in Sedgemoor, Taunton Deane and West Somerset. It also provides a background to the legislation and guidance on which it is based.

The principal legislation that governs the condition of housing is the Housing Act 2004. However other legislation seeks to regulate the condition of housing detailed later in this policy.

It is important that the partnership have a comprehensive and effective enforcement policy. Such a policy will ensure consistency of approach among Housing Standards Officers and allow members of the public to know exactly what to expect from the service. It will also aid clarity if any of the Council's takes legal proceedings, or if enforcement action is appealed against.

The partnership will follow the principles of 'Better Enforcement and Regulation' which commits to good enforcement policies and procedures to protect both tenants and landlords, at the same time carrying out enforcement functions in an equitable, practical and consistent manner.

This policy will deal with housing enforcement in;

- All residential dwellings
- Houses in Multiple Occupation
- Empty dwellings

2. All residential dwellings

2.1 Housing Health and Safety Rating System

The Housing Act 2004 introduced the Housing Health & Safety Rating System (HHSRS). It is a calculation of the effect of 29 possible hazards on the health of occupiers and potential visitors.

The legislation provides a range of actions for addressing identified hazards. It is a two stage calculation combining the likelihood of an occurrence and the range of probable harm outcomes to give a numerical rating for each hazard identified. The assessment will be based on the potential occupant who is the most vulnerable to that risk. The two stages are combined to give a numerical rating in respect of each hazard.

Hazard ratings are banded A-J. Bands A to C (scores of 1,000 and over) are the most severe, and are known as **Category 1 hazards**. Bands D to J, the less severe (scores of less than 1,000) are known as **Category 2 hazards**. HHSRS provides a combined score for each hazard identified and does not provide a single score for the dwelling as a whole. It is applied to all residential premises, whether owner-occupied or rented.

The partnership has a duty to inspect premises where the existence of a hazard is suspected.

This Policy takes account of guidance provided by the Government and sets out how the Council's will use their powers and reach their decisions in relation to the Housing Health & Safety Rating System (Part 1 of the Housing Act 2004).

2.2 Hazard Categories

Local Authorities have a **duty** to take action in response to a **Category 1 hazard**. (When a Category 1 hazard is identified, the partnership must decide which of the available enforcement options it is most appropriate to use. These are explained in more detail below). The partnership has a **power** to take action in response to **Category 2 hazards**. The partnership will take action in the following circumstances:

- Where a Category 2 hazard falling within Band D or E exists in addition to one or more Category 1 hazards.
- Cases involving a member of the vulnerable age group, as defined within the specific hazard of the HHSRS, who would derive specific benefit from having Category 2 hazards (falling within Band D or E) addressed;
- Cases in which multiple Category 2 hazards which when identified, when considered together, create a more serious cumulative situation.
- Where a local house condition survey highlights specific local hazards e.g. excessive cold and dampness.
- Any other exceptional case determined by the Strategic Housing Manager for Sedgemoor in the case of enforcement action in Sedgemoor or the Assistant Director for Housing and Communities in Taunton Deane and West Somerset for enforcement action in Taunton or West Somerset in consultation with the respective Council Housing Portfolio Holder.

2.3 Choice of Appropriate Enforcement Action

Unless there is an imminent risk to the health and safety of the occupant or visitors to the property, the partnership will attempt to secure the required improvements informally, and within a reasonable timescale.

The partnership will require the landlord to advise, within 14 days, of their intention with regard to the works and their proposed time scales to reduce the hazard.

It is expected that the landlord will commence works within 28 days of being notified by the partnership of the issues identified.

If not satisfied with their intention or proposed timescales or the work is not carried out within this timescale the partnership **will** move to a formal approach and it will determine which of the specific enforcement options it will use, taking into account the facts and circumstances in each individual case.

A statement of reasons will be provided with any Notice served, explaining why the partnership decided to take a particular course of action.

The enforcement options available to the partnership are as follows:

- Improvement Notices (including Suspended Improvement Notice)
- Prohibition Orders (including Suspended Prohibition Notice)
- Hazard Awareness Notices
- Emergency Remedial Action or Emergency Prohibition Notices
- Demolition Orders
- Clearance Areas
- Service of Statutory Nuisance Notice under the Environmental Protection Act 1990.

a) Improvement Notices

It is anticipated that Improvement Notices will be an appropriate and practical remedy for most hazards.

Where the partnership determines that an Improvement Notice should be served in respect of a Category 1 Hazard, it will require works that will either remove the hazard entirely or will reduce its effect so that it ceases to be a Category 1 hazard, and will take whichever of these two options it considers appropriate, having considered the circumstances of the case.

If the partnership determines that the hazard can only be reduced to a Category 2 hazard rather than removed, it intends to require works to be carried out as far as is reasonably practical to reduce the likelihood of harm.

Where the partnership determines that an Improvement Notice should be served in respect of a Category 2 hazard, it will require works it judges sufficient either to remove the hazard or reduce it to an appropriate degree, and will make these decisions having considered the circumstances of the case.

b) Suspended Improvement Notice

The partnership has the power to suspend an Improvement Notice and will consider this course of action where it is reasonable, in all circumstances, to do so. The following are situations in which it may be appropriate to suspend an Improvement Notice:

- The need to obtain planning permission (or other appropriate consent) that is required before repairs and/or improvements can be undertaken.
- Works which cannot properly be undertaken whilst the premises are occupied and which can be deferred until such time as the premises falls vacant or temporary alternative accommodation can be provided.
- Personal circumstances of the occupants, for example, temporary ill-health, which suggests the case should be deferred.

When deciding whether it is appropriate to suspend an Improvement Notice the partnership will consider:

- The level of risk presented by the hazard(s);
- The turnover of tenants at the property;
- The response or otherwise of the landlord or owner;
- Any other relevant circumstances (e.g. whether the vulnerable age group, as defined within the specific hazard of the HHSRS, is present).

Suspended Improvement Notices will be reviewed after a maximum of 12 months and then at intervals of not more than 12 months, but suspension will not normally exceed 6 months.

Any variation to the approach described above in relation to Improvement Notices of all types will be determined by the Strategic Housing Manager for Sedgemoor or the Assistant Director for Housing and Communities Taunton Deane and West Somerset in consultation with the Council's Housing Portfolio Holder.

c) Prohibition Orders

Prohibition Orders can be used in respect of both Category 1 and Category 2 hazards for all or part of a dwelling and are likely to be used:

- If repair and/or improvement appear inappropriate on grounds of practicality or excessive cost (i.e. the cost is unrealistic in terms of the benefit to be derived.) An example might include a dwelling or part of a dwelling where adequate natural lighting or adequate fire escape cannot be realistically provided, or
- In a house in Multiple Occupation (HMO) to prohibit the use of specified dwelling units or of common parts. This might for example, be used if there are inadequate fire safety measures or
- To specify the maximum number of persons who can occupy a dwelling where it is too small for the household's needs, in particular, in relation to the number of bedrooms or
- In relation to premises lacking certain facilities but which are nonetheless suitable for a reduced number of occupants.

In addition to prohibiting all uses in relation to the whole or part of the premises in question (other than uses specifically approved by the Council), Prohibition Orders can prohibit specific uses (section 22 (4)(b) Housing Act 2004); this option may be employed to prevent occupation by particular descriptions of persons. Use of this power may be appropriate in situations such as the following:

- Premises with steep staircases or uneven floors which make them particularly hazardous to elderly occupants
- Premises with open staircase risers or widely spaced balustrades that make them particularly unsuitable for infants.

2.4 Suspended Prohibition Order

The partnership has the power to suspend a Prohibition Order and will consider this course of action where it is reasonable to do so if the facts of a particular case appear to justify it.

Suspended Prohibition Orders will be reviewed after a maximum of 12 months and then at intervals of not more than 12 months, but suspension will not normally exceed 6 months.

Any variation to the approach described above in relation to Prohibition Orders of all types will be determined by the Strategic Housing Manager for Sedgemoor or the Assistant Director for Housing and Communities Taunton Deane and West Somerset in consultation with the Council's Housing Portfolio Holder.

The partnership will consider any written requests made for alternative uses of premises or part-premises which are subject to a Prohibition Order, and will not withhold its consent unreasonably. The partnership will reply, in writing to any request stating reasons why the partnership has approved or refused the proposed alternative uses.

2.5 Hazard Awareness Notices

Hazard Awareness Notices may be served to notify owner-occupiers or landlords of the existence of hazards (for example where the risk from the hazard is mitigated by the longstanding nature of the occupancy). It might also be applicable where:

- It is judged appropriate to draw a landlord's attention to the desirability of remedial action;
- To notify a landlord about a hazard as part of a measured enforcement response;
- An occupant has expressed a particular view that this course of action is desirable (e.g. a tenant who, because of persistent ill-health, might not be able to tolerate the works).

In all cases where the decision to serve a Hazard Awareness Notice has been determined by occupancy, the partnership will review the Notice annually to ensure that any change does not put a more vulnerable occupant at risk.

2.6 Emergency Remedial and Prohibition Action

The situations in which Emergency Remedial Action and Emergency Prohibition Orders may be used are specified by Sections 40 to 45 of the Housing Act 2004. Before considering such action, the partnership must be satisfied that:

- a) A Category 1 hazard exists, and that;
- b) The hazard poses an imminent risk of serious harm to health and safety, and that immediate action is necessary.

If these conditions are met, the partnership will take appropriate emergency action.

Situations in which emergency action may be appropriate include:

- Residential accommodation located above commercial premises and which lack a safe means of escape in the event of fire because there is no independent access;
- Risk of electrocution, fire, gassing, explosion or collapse.

2.7 Demolition Orders

The Housing Act 2004 has retained the power to make Demolition Orders but has amended Section 265 of the Housing Act 1985 to align it with the new method of hazard assessment and enforcement provisions.

Demolition Orders are a possible response to a Category 1 hazard (where they are judged to be the most appropriate course of action). In determining whether to issue a Demolition Order the partnership will take account of Government guidance and will consider all of the circumstances of the case.

2.8 Clearance Areas

The partnership can declare a Clearance Area if it is satisfied that each of the premises in the area is affected by one or more Category 1 hazards (or that they are dangerous or harmful to the health and safety of the inhabitants as a result of bad arrangement or narrowness of streets).

In determining whether to declare a Clearance Area, the partnership will act only in accordance with Section 289 of the Housing Act 1985 (as amended) and having regard to relevant Government guidance on Clearance Areas and all the circumstances of the case.

2.9 Statutory Nuisance Notices Served Under The Environmental Protection Act 1990

It is anticipated that the vast majority of statutory nuisance will be eliminated using the enforcement provisions of the Housing Health and Safety Rating System under the Housing Act 2004. Where this is not possible, or the powers are not applicable, such as dealing with privately rented mobile homes, consideration will be given to the enforcement powers under Section 80 of the Environmental Protection Act 1990 or such other legislation as may be appropriate

2.10 Tenure

The HHSRS applies equally to all tenures. Furthermore, it does not specify that particular approaches or solutions should be used on the basis of ownership or the occupier's status. All of the enforcement options are available to the Council regardless of whether the premises in question are owner-occupied, privately rented or belong to a Registered Provider (RP). However, the partnership considers that owner-occupiers are usually in a position to take informed decisions concerning maintenance and improvement issues that might affect their welfare and are then able to set their financial priorities accordingly; whereas tenants, and particularly non-RP tenants, are not usually able to do so. For this reason the partnership judges that it is appropriate for its powers to be used differently according to tenure, as follows:

a) Owner-Occupiers

The partnership anticipates that Hazard Awareness Notices will frequently be the most appropriate course of action and intends to only use Improvement Notices, Prohibition Notices and emergency provisions in cases involving:

- Vulnerable elderly people who are judged not-capable of making informed decisions about their own welfare,
- Vulnerable individuals who require the intervention of the partnership to ensure their welfare is best protected,
- Hazards that might reasonably affect persons other than the occupants,
- Serious risk of life-threatening harm such as electrocution or fire,
- Any other exceptional case determined by the Strategic Housing Manager for Sedgemoor or the Assistant Director for Housing and Communities Taunton Deane and West Somerset in consultation with the Council's Housing Portfolio Holder

Unless an identified hazard is judged to pose an imminent risk of serious harm, the partnership will contact the owner to confirm its involvement, explain the nature of the hazard and confirm the action it is intending to take.

The partnership will take account of any proposals or representations made by, or on behalf of the owner. The partnership will ask and take account of the opinion of the relevant Welfare Authority in considering both the vulnerability and capability of such persons as well as in determining what action it will then take.

Any exceptions to this approach will be determined by the Strategic Housing Manager for Sedgemoor or the Assistant Director for Housing and Communities Taunton Deane and West Somerset in consultation with the Council's Housing Portfolio Holder.

b) Social Landlords

Registered Providers (RPs) exist to provide suitable and properly maintained accommodation for their tenants. They are managed by Boards (which typically include tenant-representatives) and their performance is scrutinised by the Homes and Community Agency. RPs normally employ staff to both manage and maintain their properties and will usually have written arrangements for reporting problems, setting out the response times they aim to achieve, and also for registering any complaints about service-failure.

On this basis the partnership will not normally take formal action against an RP unless:

- It is satisfied that the problem in question has been properly reported to the RP and,
- The RP has failed to take appropriate action within a reasonable timescale given the severity of the hazard.

If the partnership determines that it is appropriate to take action (in accordance with protocol) it will notify the RP that a complaint has been received and/or a hazard identified and seek the RPs comments and proposals within 14 days. Only in cases where it judges that an unsatisfactory response has been received will the partnership take further action, and will then determine which of the available enforcement options is the most appropriate, taking into account the facts of the case.

Any exceptions to this approach will be determined by the Strategic Housing Manager for Sedgemoor or the Assistant Director for Housing and Communities Taunton Deane and West Somerset in consultation with the Council's Housing Portfolio Holder.

c) Private Landlords

The partnership will proceed having regard to the principles of the three partners, Council's Enforcement Concordats and will initially aim to informally resolve the identified issues. Formal action will be initiated immediately if a hazard in question is judged by the Council:

- To pose an imminent risk of serious harm to any person (whether or not immediate action is required, and whether the hazard(s) in question is likely to affect an employee or a member of the public), or
- The landlord in question is known to have failed, on a previous occasion, to take appropriate action in response to an informal approach.

Where the informal approach is judged appropriate the partnership will contact the landlord, (or managing agent) stating the nature of the hazard and request proposals for reducing the hazard(s) identified to an acceptable level. A joint inspection with the landlord may also be required and a Requisition for Information Notice is likely to be served at this point. The landlord/agent will be expected to provide the partnership within 14 days, with a proposed timescale for completing the works. It is expected that the works will commence within 28 days of being notified by the partnership. If this proposal is deemed acceptable, and the work proceeds in accordance with the agreed timetable, the partnership will not normally need to take any further action.

Landlords are expected either to provide any agent acting for them with sufficient authority to act on their behalf in the event that they are contacted by the partnership, or to ensure that they maintain appropriate communication with their agent in order that appropriate decisions and responses can be provided to the partnership. The failure of an agent to respond to communication

from the partnership within an agreed timescale or any failure to take appropriate action may be treated as a failure by the landlord. The agreed timescale will depend on the severity of the hazard. If the partnership receives:

- No response from the landlord/agent or,
- An inadequate response or,
- Proposals that were judged acceptable but which are not then followed through (for example if works fail to start when agreed, fail to make proper progress or are completed to an inadequate standard),

the partnership will proceed with **formal action** by taking whichever of the various available enforcement actions it judges to be the most appropriate in accordance with this Policy.

d) Tenants

i) What is expected of tenants

Before considering taking any action in respect of a tenanted property the tenant(s) will normally be required to contact their landlord about the problems first. Legislation covering landlord and tenant issues require that tenants notify their landlords of any problems with the property. This is because it is more difficult for landlords to meet their legal duty, if unless they have not been made aware of the problem.

Where a hazard presents an imminent risk to the health and safety of the occupants, it is expected that tenants will still try to contact their landlord, even if this is after they have contacted the partnership. It is also expected that the tenant will provide the partnership with details of any written or oral communication that they have had with the landlord regarding the hazard.

In certain situations tenants will not be required to write to their landlord first, for example:

- Where there is an established history of harassment, threatened eviction or poor management practice;
- Where the tenant appears to be vulnerable or where there are vulnerable members of the household;
- Where the tenant could not for some other reason be expected to contact their landlord and/or managing agent;
- Where the property is a House in Multiple Occupation which appears to fall within mandatory HMO licensing.

Tenants are responsible for keeping the partnership informed of any contact they have had with their landlord (or the landlord's agent or builder, etc.), which may affect the action the partnership is taking or considering taking. Tenants should also consider seeking independent legal advice about any legal powers they may be able to use to resolve any dispute with their landlord.

Residential Providers (RPs) tenants have standard complaints procedures to follow if their landlord does not carry out repairs in a satisfactory manner, including a final right of appeal to the Housing Ombudsman Service. However if the RP has not taken appropriate action within a reasonable timescale given the alleged severity of the hazard, the partnership will investigate and take appropriate action to ensure that the hazard is reduced to an acceptable level.

ii) Situation where a service may not be provided

Where any of the following situations arise, consideration will be given to either not providing or ceasing to provide a service:

- Where the tenant(s) of their own free will shortly move out of the property
- Where the tenant(s) unreasonably refuses access to the landlord, managing agent or landlords building contractor to arrange or carry out works
- Where the tenant(s) has in the opinion of the partnership clearly caused damage to the property they are complaining about, and there are no other items of disrepair
- Where the tenants only intention for contacting the Housing Standards team, in the opinion of the partnership, is to get rehoused and does not wish their rented property to be brought up to standard
- Where the tenant(s) has requested a service and then failed to keep an appointment and not responded to a follow up letter or appointment card
- Where the tenant(s) has been aggressive, threatening, verbally or physically abusive towards staff
- Where there is found to be no justification for the complaint on visiting the property
- Where the tenant refuses to provide the partnership with relevant documentation
- Where the hazard has been created by the actions of the tenant and the landlord can prove that this is the case.

In these circumstances the partnership will notify the tenant in writing of the decision not to take action and reasons why.

2.11 Powers of Entry and Power to Require Information

The partnership has the power of entry to properties at any reasonable time to carry out its duties under the Housing Act 2004 provided that:

- Each Housing Standards Officer in the partnership has written authority from the 'Proper Officer' of Sedgemoor District Council, Taunton Deane Borough Council and West Somerset Council as defined in the Local Government Act 1972 stating the particular purpose for which entry is authorised
- The Officer has given a minimum of 24 hours written notice to the owner (if known) and the occupier (if any) of the premises they intend to enter. No notice is required where entry is to ascertain whether an offence has been committed under Section 72 (offences relating to Selective HMO licensing) or 234(3) (Management of HMO's).

If admission is refused, premises are unoccupied or prior warning of entry is likely to defeat the purpose of the entry then a warrant may be granted by a Justice of the Peace on written application. A warrant under this section includes power to enter by force, if necessary.

The partnership also has power under Section 235 of the Housing Act 2004 to require documentation to be produced in connection with:

- Any purpose connected with the exercise of its functions under Parts 1-4 of the Housing Act 2004
- Investigating whether any offence has been committed under Parts 1-4 of the Housing Act 2004.

The partnership also has powers under Section 237 of the Housing Act 2004 to use the information obtained above and Housing Benefit and Council Tax information obtained by the authority to carry out its functions in relation to these parts of the Act.

2.12 Power to Charge for Enforcement

The local authority has the power under Section 49 of the Housing Act 2004 to make a reasonable charge as a means of recovering certain administrative and other expenses incurred in serving an Improvement Notice, Hazard Awareness Notice, making a Prohibition, Emergency Prohibition or Demolition Order or taking Emergency Remedial Action.

The partnership will recover a reasonable amount for expenses incurred in connection with time spent gaining entry, visiting and inspecting the premises to determine the most appropriate action, and the administration costs for the production of a Notice, Order or Remedial Action.

2.13 Charges for Notices and Orders

If the partnership receives:

- No response from the landlord, agent or,
- An inadequate response or,
- Proposals that were judged acceptable but which are not then followed through (for example if works fail to start when agreed, fail to make proper progress or are completed to an inadequate standard),

...and the partnership proceeds with **formal action** a charge will be made in all cases for the service of the notice. The current charge is £150 as at the 1st January 2016. This is annually reviewed.

Hazard awareness notices will not be subject to a charge. Suspended improvement notices and suspended prohibition orders are not subject to charging if:

- There is an owner occupier currently at a property, or
- The landlord is willing to undertake works but the occupant does not wish for the works to be undertaken
- A crowding and space hazard exists and the partnership does not wish to make the current household homeless but however wishes to limit the number of future occupants.

Costs incurred carrying out Work in Default or Remedial Action will be charged separately.

When the charge demand is made the sum recoverable will be a local land charge, which will be removed on receipt of the monies due.

2.14 Failure to Comply

If a Notice is complied with, no further action will be taken. However if the Notice is not complied with the partnership will consider the following options:

- Prosecution
- Carrying out the works in default
- Carrying out the works in default and prosecution
- Where a formal caution is appropriate.

Wherever possible the partnership will prosecute before carrying out works in default.

Failure to comply with an Improvement Notice or a Prohibition Order is an offence punishable by an unlimited fine following conviction; it is an offence to carry on using the premises in breach of the Prohibition Order, attracting a daily fine.

The partnership will take action to recover its costs in connection with work in default. The partnership will also take action to recover the costs incurred in carrying out works associated with Emergency Remedial Action.

As a charge on the property, the costs give the authority the same powers and remedies as a Mortgagee under the Law of Property Act 1925. (Enforced Sale).

2.15 Revocation and Variation of Notices

The partnership must revoke an Improvement Notice once the notice has been complied with. However where a Category 1 hazard exists that has not been complied with the partnership may revoke the Notice if “special circumstances” exist. If a request is made to revoke a notice in these circumstances then a decision will be made by the Strategic Housing Manager for Sedgemoor or the Assistant Director for Housing and Communities Taunton Deane and West Somerset in consultation with the Council’s Housing Portfolio Holder.

If part of the work required within the notice is carried out then the notice can be varied.

2.16 Works in Default

In determining if work in default is appropriate, the partnership will consider:

- The effects of not carrying out the work on the health and safety of the occupant of the property concerned
- The wishes of the tenant where the Notice has been served in respect of a rented property
- The reason for the work not being carried out in the first place
- Any other factors that is specific to individual properties.

The Council will seek to recover all of the costs associated with undertaking work in default (including time spent by its officers, administrative costs, contractors costs, the cost of any specialist reports, and supervisory costs.)

In the case of officer time, the Council will calculate costs as follows:

- The actual time spent by partnership officers on the chargeable activities and recorded using file notes and database.
- Time spent will be converted into a monetary figure using the appropriate hourly rate set for the Housing Standards Officer(s) concerned.

The expenses are to be recovered from the person(s) on whom the Notice or Order is/are served (“the relevant person”). Where the relevant person receives the rent on behalf of another, the expenses are also to be recovered from that other person. The expenses will carry interest from the date of service until payment of all sums due under the demand at a rate of 1% over Bank of England Base Rate. The recoverable expenses, together with interest accrued on them, are a charge on the premises.

In addition, as a means of recovering the costs, the Council may also serve Recovery Notices to recover, receive and give a discharge for any rent or sums in the nature of rent.

Any exceptions to this approach will be made by the Strategic Housing Manager for Sedgemoor or the Assistant Director for Housing and Communities Taunton Deane and West Somerset in consultation with the Council's Housing Portfolio Holder.

2.17 Authority to Serve Notice

This policy delegates authority to serve all Notices and Orders specified under the Housing Act 2004 and statutory nuisance Notices under Sections 79-82 of the Environmental Protection Act 1990 to the posts of Strategic Housing Manager, Sedgemoor District Council, Partnership Manager (SWPSHP), and the Housing Standards Officers in the partnership.

3.0 Houses in Multiple Occupation

The Housing Act 2004 introduced a new mandatory licensing system for certain types of Houses in Multiple Occupation (HMO). The aim of licensing is to ensure that every licensable HMO is safe for the occupants and visitors, and is properly managed.

From April 2006 owners of certain types of HMOs must apply to the Local Authority to have their properties licensed. The responsibility for applying for a licence rests with the person having control of, or the person managing the property.

3.1 Definition of a House in Multiple Occupation

The definition of an HMO under the Housing Act 2004 is summarised below:

Any house or flat that is occupied by more than one household which shares (or lacks) kitchen, bathroom or toilet facilities. An HMO may comprise of bedsits, certain shared houses, hostels and houses converted into flats. A single household is made up of persons who are members of the same family.

The requirement for an HMO to be licensed arises when:

- A dwelling is three or more storeys high and
- It has five or more people in more than one household and
- The occupants share amenities such as bathrooms, toilets or cooking facilities

Properties exempt from the licensing regime include:

- Properties consisting entirely of self-contained flats
- Where the basement is in commercial use and there are only two residential storeys above
- Where the property is owned or managed by a RP, a Local Authority, an education, Police, Fire or Health Authority
- Where the building is occupied only by the owner and members of their household
- Where the building is occupied by only two persons.

3.2 Licensing Fees

The current licensing fee is £380 per licence for an HMO occupied by 5 persons. An additional £30 is charged per additional household in HMO's where the number of persons exceeds 5. This fee is charged to cover the set up cost of the licensing regime, inspections and general administration. To ensure that it reflects the true cost of licensing, the fee will be reviewed annually. The completed application form must be accompanied by the appropriate fee. Further details can be found on the partnership website at www.swpshp.org

3.3 Licensing Conditions

All licences must possess the following mandatory conditions:

- A requirement for gas safety certificates to be provided annually
- All oil fired and solid fuel systems to be appropriately serviced & maintained and any chimneys in use are similarly maintained & swept
- That electrical appliances and furniture supplied by the landlord meets the appropriate safety standard
- That any fire warning system is properly maintained (proven by documentation)
- That licence holders provide occupiers of the property with an appropriate written tenancy agreement.

The partnership may apply additional discretionary conditions which can be found in the partnership HMO handbook.

Licences will be valid for 5 years from the date of issue and will specify the maximum number of occupiers and/or households. The occupancy number will depend on the number and size of the rooms, kitchens and bathrooms. When determining the maximum number, reference will be had to all relevant legislation and the amenity standards as detailed below.

3.4 HMO Categories explained

The provision of amenities and health and safety standards that are appropriate for a particular HMO are related to the way the property is occupied and the differing needs of the occupiers. The following adopted standards take this into account and suggest standards for different categories of HMOs as described below:

a) Category A

The essential feature of this type of HMO is that the occupiers tend to live completely independently of each other. Commonly, these HMOs comprise parts that are rented as individual lettings with exclusive use of certain rooms. Occupiers may share washing, WC and kitchen facilities, but do not usually have a communal living or dining room. Individuals or households may have a letting agreement that specifies the part(s) of the accommodation that they may occupy.

Typical examples are:

1. Single room bedsits – may have exclusive use of, or may share, personal washing, WC and kitchen facilities
2. Flatlets – multi-room lettings sharing some personal washing, WC and kitchen facilities.

3. Non – self-contained conversions.

4. Buildings converted into 2 or more self-contained flats where the conversion did not comply with Part B of the Building Regulations 1991 (Fire protection facilities and means of escape)

Category A HMOs may or may not need to be licensed depending on the number of storeys, occupants and whether facilities are shared.

b) Category B

The essential feature of these types of HMO is that the occupiers tend not to live completely independently of each other and there is some element of communal occupancy. Occupiers will share personal washing, WC and kitchen/dining facilities and will often have a communal living room. Each occupier may have a separate tenancy, or may be on a group/joint contract, commonly students or young professional adults. Larger Category B HMOs may require to be licensed.

c) Hostels

These are HMOs that are generally referred to as hostels, guest houses, or bed & breakfast accommodation which provide accommodation for people with no other permanent place of residence.

The category includes hostel and bed and breakfast establishments used by local authorities for housing homeless people, or similar establishments which provide accommodation for single people whose only financial support is state benefit and who would otherwise be homeless, or foreign language students and migrant workers living in this type of accommodation for 3 months or more.

3.5 Standards in HMO's

General notes to be read in conjunction with the HMO handbook.

No kitchen facility should be more than one floor distant from the users of that facility. This will not apply if a communal living space or dining space is available on the same floor, or is not more than one floor away from the kitchen.

No personal washing or WC facility should be more than one floor distant in the case of a category A HMO, or two floors distant in the case of a category B HMO, from the users of those facilities.

A small household is one that consists of no more than 2 persons.

These standards apply to all properties specified. In exceptional circumstances a variation to these standards may be agreed at the discretion of the Strategic Housing Manager for Sedgemoor or the Assistant Director for Housing and Communities Taunton Deane and West Somerset in consultation with the Council's Housing Portfolio Holder.

3.6 Granting of the Licence

A licence is to be granted if the following criteria are met:

- The house is reasonably suitable for occupation having regard to amenity levels, available living space and general health and safety considerations
- Management arrangements are satisfactory
- The licensee, manager and others involved in the running of the property are 'fit and proper persons'. This is defined in the 2004 Housing Act. The partnership will rely on self-certification to determine whether a person is deemed 'fit and proper'. The partnership however reserves the right to carry out a full criminal records bureau check. In deciding whether a person is a fit and proper person, the partnership will have regard to amongst others; the severity and number of breaches, time elapsed since breach and its relevance, training received since breach etc.

3.7 Licensing Standards

Where a licensable HMO does not comply with the appropriate amenity or space standard at the time of application for a licence, the partnership may reject the application. Alternatively, the partnership may use its discretion to issue a licence subject to a condition that the property will comply with the appropriate standards within an agreed period of time from the granting of the licence.

3.8 Appeals

The partnership will enable license applicants to make representation to the Strategic Housing Manager for Sedgemoor or the Assistant Director for Housing and Communities Taunton Deane and West Somerset and the Council's Housing Portfolio Holder if they are aggrieved with an officer's decision to set particular conditions or to refuse, revoke or vary a licence. They will also be able to make representations against an intention to serve an Interim Management Order

A landlord may also appeal formally to a Residential Property Tribunal if the partnership makes a decision to;

- Refuse a licence
- Grant a licence with conditions
- Revoke a licence
- Vary a licence or refuse to vary a licence.

3.9 HMO Register

In accordance with the requirement of the Housing Act 2004, the partnership will hold a public register of licensable HMOs. This is available on the partnership website at www.swpshp.org

3.10 Licensing Offences

The Housing Act lays down a number of licensing related offences including:

- Operating an un-licensed HMO or allowing an HMO to be occupied by more persons than a licence allows: fine up to £20,000
- Breach of licence condition: fine up to level 5
- Supplying incorrect information in a licence application: fine up to level 5.

In addition to the above, a landlord who operates an un-licensed HMO can be subject to a Rent Repayment Order (RRO) by a Residential Property Tribunal. An RRO requires repayment of rent received by the landlord over a period of up to 12 months. The partnership will consider applying for such a measure if the landlord has received rent that has been paid by Housing Benefit.

Where an unlicensed HMO is identified by the partnership, the partnership will assess whether there are good reasons why an application has not been received. If there are no good reasons, the partnership will look to take formal proceedings with a view to prosecution in the courts.

If a landlord of an unlicensed HMO approaches the partnership for licensing, and the landlord fully co-operates with the partnership, including addressing any management, safety or amenity issue within an agreed timescale, the partnership would not normally take enforcement action.

Generally any breach of licence condition will be dealt with informally initially. However if the breach is serious and affects the safety of the occupants or the responsible person does not carry out necessary works within an agreed time scale, the partnership will pursue legal proceedings.

3.11 Enforcement Options for houses in multiple occupation

As well as the options discussed in Sections 2.3 the Council have specific powers in relation to houses in multiple occupation.

a) Interim and Final Management Orders

Where there is no prospect of an HMO being licensed, the partnership is required to apply to the Residential Property Tribunal to grant an Interim Management Order. This will allow the partnership to take over the management of an HMO, become responsible for running the property and collecting the rent. This normally lasts up to a year.

In exceptional circumstances the partnership can also apply for a Final Management Order. This lasts up to 5 years. Such powers will only be used in exceptional circumstances and will be agreed by the Strategic Housing Manager for Sedgemoor or the Assistant Director for Housing and Communities Taunton Deane and West Somerset and the Council's Housing Portfolio Holder

As management of any HMO will be resource intensive, the partnership will look to develop a procedure with partner Registered Social Landlords and Managing agents so that they can manage such properties on behalf of the partnership.

b) Temporary Exemption Notices

Where a landlord is, or shortly will be taking steps to make an HMO non-licensable, the partnership may serve a Temporary Exemption Notice (TEN). A TEN can only be granted for a maximum period of three months. In exceptional circumstances a second TEN can be served for a further 3 month period. A TEN will be served where the owner of the HMO states in writing that steps are being taken to make the HMO non licensable within 3 months.

3.12 HMO Inspection Policy

Whilst there is no requirement to inspect the property prior to issuing a licence, Housing Standards Officers will carry out an inspection to assess compliance with licensing requirements, amenity

standards and to assess whether any Category 1 or high scoring Category 2 hazards identified by the Housing Health and Safety Rating System (HHSRS) need to be addressed.

3.13 Discretionary licensing

The partnership has powers to apply to extend licensing to:

- A group of HMO's closely located together where there is a significant problem with antisocial behaviour
- An area of private housing which is subject to low demand or antisocial behaviour.

3.14 Raising Standards in HMOs

Many HMOs will not require a licence. These include houses containing self-contained flats and smaller HMOs. Many of these still pose a significant degree of risk to occupants and/or have a history of being poorly managed.

The partnership will continue to regulate such HMOs through enforcement of the HMO Management Regulations and by the use of the Housing Health and Safety Rating system. All HMOs will however be subject to a risk assessment which will allow the prioritisation of proactive inspections to secure appropriate improvement work.

The Local Authority will work closely with Devon and Somerset Fire and Rescue Service through consultation and joint inspections to ensure that Fire Safety in HMOs is adequate and appropriate.

3.15 Fire Safety in HMOs

Statistically HMOs have one of the highest incidences of deaths caused by fire in any type of housing. It is therefore essential that HMOs possess an adequate means of escape in event of a fire and adequate fire precautions.

The actual level of fire protection and detection required will be determined by a risk assessment. Guidance on risk assessments and the level of fire protection works required in HMOs can be found in the document 'Housing – Fire Safety' produced by the Local Authorities Co-ordination of Regulatory Services. A downloadable copy can be obtained from the partnership website at www.swpshp.org

The partnership is generally the lead enforcing authority for fire safety in HMOs, however there are circumstances where Devon and Somerset Fire and Rescue Service will be the lead authority. A protocol between the partnership and Devon and Somerset Fire and Rescue Authority identifies discrete areas of responsibility for inspection and enforcement of fire safety in HMOs

3.16 General Management of HMOs

'The Management of Houses in Multiple Occupation (England) Regulations 2006' and 'The Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007 (as amended)' require the person having control of the house to ensure that:-

- All services, furnishings, fixtures and fittings are maintained in good, sound and clean condition
- The structure is kept in good order
- All communal areas of the interior are regularly cleaned and redecorated as necessary

- All yards, boundary walls, fences, gardens and outbuildings are maintained in a safe and tidy condition
- Satisfactory arrangements for the disposal of refuse and litter have been made
- At the commencement of all tenancies the lettings are clean, in a satisfactory state of repair and decoration, and comply in all respects with these standards
- All staircases and multiple steps should be provided with suitable handrails
- All tenants should fulfil their tenancy obligations.

4.0 Empty Homes

Empty homes can be a blight on the community as well as a wasted housing resource. The partnerships approach will be to work with empty homeowners, to support and encourage voluntary action, but the partnership is committed to take appropriate enforcement action where reasonable negotiations fail, subject to appropriate funding being available to do so.

In deciding the most appropriate course of action regard shall be had to the risk assessment of the empty property, including its impact on the neighbourhood and the housing need in the area.

The partnership has published an Empty Homes Strategy www.swpshp.org which sets out how the partnership intends to tackle empty homes and engage with the owners.

5.0 Complaints procedure

Any complaints will be dealt with in accordance with each partner Council's Corporate Complaints Procedure. The relevant procedure will depend upon which council area the property is residing.

6.0 Monitoring and review

In accordance with the Regulators' Compliance Code, the Service will keep its regulatory activities and interventions under review, with a view to considering the extent to which it would be appropriate to remove or reduce the regulatory burdens they impose.

The Service will set up a monitoring system to examine a sample of enforcement cases. The quality system will aim to promote consistency in the enforcement procedures. Feedback and the results from the monitoring will be discussed as part of regular one to one with staff and team meetings. The results will also be reported regularly at the partnership management meetings and Housing Management Team meetings.

This document will be subject to regular review with additional reviews as and when required. Changes will be introduced to accommodate new legislation, guidance and local needs. The Partnership Manager will consult with the Strategic Housing Manager for Sedgemoor and the Assistant Director for Housing and Communities at Taunton Deane Council and the relevant Portfolio Holder for Housing before any such changes are implemented.

7.0 Application of the Policy

All officers will refer to this policy and the appended documents when making enforcement decisions. Any departure from this policy must be exceptional, capable of justification and be fully considered by the Partnership Manager before a final decision is taken. This provision shall not apply where a risk of injury or to health is likely to occur due to a delay in any decision being made.

Taunton Deane Borough Council

Executive - 9 November 2016

Review of Council Tax Support scheme for 2017/2018

This matter is the responsibility of Executive Councillor Richard Parrish

Report Author: Heather Tiso, Revenues & Benefits Service Manager

1 Executive Summary

- 1.1 This report provides the Executive with information on our existing Council Tax Support scheme and the context for reviewing our scheme for Working Age applicants from 2017/18.
- 1.2 The Council is legally required to give annual consideration on whether to revise its local Council Tax Support (CTS) scheme and to consult with interested parties if it wishes to change the scheme.
- 1.3 Consultation on options agreed by the Corporate Scrutiny Committee for our CTS scheme for 2017/18 has been undertaken. Following consultation, on 20 October 2016, the Corporate Scrutiny Committee recommend the Council amends the current CTS scheme for 2017/18 to align it with changes to other welfare benefits, with the exception that applicants aged 18-21 would continue to be eligible.
- 1.4 The Executive is asked to consider amendments to the scheme for the financial year 2017/18 that will require approval by Full Council by 31 January 2017.

2 Recommendations

- 2.1 The Executive, having regard to the recommendations from the Corporate Scrutiny Committee, the consultation response and the Equality Impact Assessment (EIA - see [Appendix 4](#)), recommends the Council amends the current CTS scheme to that illustrated in [Model 11](#). This will align the CTS scheme for 2017/18 with changes made by the Government to other welfare benefits with the exception that applicants aged 18-21 would continue to be eligible
- 2.2 The 2017/18 Council Tax Support scheme is recommended for 2017/18 only.

3 Risk Assessment (if appropriate)

3.1 Risk Matrix

Description	Likelihood	Impact	Overall
The increased complexity of financial planning that could result from growing pressure from the Council Tax Support scheme if funding reductions are not fully addressed	3	4	12
<i>Cautious assumptions on recovery rate and therefore yield from the scheme.</i>	2	4	8
Council incurs an unacceptably high-level of debt because of people's inability to make the payments particularly if the scheme is less generous. Lower Council Tax collection rate and bad debts. The impact of the scheme is that low incomes working age households are now paying more Council Tax. There will be a point if people are asked to pay more Council Tax where the liability is too high for them and they will not pay anything.	4	4	16
<i>Robust arrears management procedures to maximise collection rate and prudent assumptions on collection rates council increases bad debt provision with budget</i>	3	4	12
Higher administrative costs	3	3	9
<i>Maximisation of council tax collected</i>	2	3	6
Potential growth in the number of claimants.	4	4	16
<i>Realistic assumption on caseload growth based on trends in recent years</i>	3	4	12
If Taunton Deane's population increases, including an increase in the population segment that currently receives CTS, demand for CTS could increase against funding from the Government. This would increase the funding gap. Such population migration may occur if Taunton Deane's CTS scheme is more generous than those of neighbouring boroughs. Caseload increases (e.g. Major employer loss) and/or total value of awards exceeds estimates	3	4	12
<i>Details provided to members on a monthly basis</i>	2	4	8
Wider welfare reforms (HB reductions, Universal Credit) cause additional hardship and/or migration of people claiming to Taunton Deane from more expensive areas and impact on Council Tax Collection	3	3	9
<i>Ensure adherence to robust recovery timetable. Maximise take-up of all available discounts/exemptions/ hardship relief. Strict adherence to monthly monitoring of performance against targets.</i>	3	2	6
Council fails to meet obligations under relevant equality legislation in adopting a scheme	3	4	12
<i>Carry out consultation on proposed scheme. Consider the results and findings as part of the approval of any scheme. Make reasonable adjustments through application of any agreed scheme.</i>	2	4	8

Risk Scoring Matrix

Likelihood	5	Almost Certain	Low (5)	Medium (10)	High (15)	Very High (20)	Very High (25)
	4	Likely	Low (4)	Medium (8)	Medium (12)	High (16)	Very High (20)
	3	Possible	Low (3)	Low (6)	Medium (9)	Medium (12)	High (15)
	2	Unlikely	Low (2)	Low (4)	Low (6)	Medium (8)	Medium (10)
	1	Rare	Low (1)	Low (2)	Low (3)	Low (4)	Low (5)
			1	2	3	4	5
			Negligible	Minor	Moderate	Major	Catastrophic
			Impact				

Likelihood of risk occurring	Indicator	Description (chance of occurrence)
1. Very Unlikely	May occur in exceptional circumstances	< 10%
2. Slight	Is unlikely to, but could occur at some time	10 – 25%
3. Feasible	Fairly likely to occur at same time	25 – 50%
4. Likely	Likely to occur within the next 1-2 years, or occurs occasionally	50 – 75%
5. Very Likely	Regular occurrence (daily / weekly / monthly)	> 75%

3.2 In addition to the principle risks outlined on the previous page, a number of other factors have been considered:

Fairness: There is also a risk that scheme may be perceived as being unfair. This risk will be studied in line with the Government’s commitment to incentivise work, the recommended scheme requires a contribution. To mitigate this, all residents will have access to a discretionary fund.

Culture of non-payment: As we are mainly asking CTS recipients to make only a small contribution to their Council Tax bill, collection and recovery strategies may not be cost-effective, and small debts may be written off. This may over time develop into a culture of non-payment, where it becomes increasingly difficult and costly to recover small amounts of Council Tax from those who can least afford to pay it. We have mitigated this risk by minimising the level of contribution which is supported by robust arrears management procedures.

4 Background

4.1 Responsibility for Council Tax Support (CTS) passed to Local Authorities on 1 April 2013. Government also passed funding for CTS to Local Government through the annual Settlement Funding Assessment (SFA), but reduced the amount of funding available by 10% compared to the costs of the previous Council Tax Benefit (CTB) system. Previously, responsibility for CTB was held by central Government and funded by the Department for Work and Pensions (DWP).

4.2 Local Authorities therefore had to decide whether to absorb the funding reduction across other areas of their budget or pass it on to recipients of CTS by requiring them to make a contribution to their overall Council Tax bill.

- 4.3 Billing Authorities were tasked with designing a CTS scheme for people of working age, while rules for people of pension age are set in regulations prescribed by the Government. This means people of pension age continue to receive assistance at no less amount than had been available under the CTB scheme.
- 4.4 While we have some discretion on designing our CTS scheme for people of working age, the Government say we must protect vulnerable groups. There is no definition of which groups are counted as “vulnerable” as each authority has to make its own assessment. However, the Government have highlighted Local Authority statutory duties regarding:
- Children and duties under the 2010 Child Poverty Act to reduce and mitigate the effects of child poverty
 - Disabled people and duties under the Equality Act 2010
 - Homelessness Prevention and duties under the 1996 Housing Act to prevent homelessness with special regard to vulnerable groups.
- 4.5 Currently, our scheme considers disabled people’s needs and those responsible for children. It fully ignores income from a War Disablement or War Widows Pension. Also following the Government’s direction, our scheme strengthens work incentives and does not discourage people to move off benefits and into work or to stay in work.
- 4.6 Approaches to the design of local CTS schemes by individual Councils have varied greatly. In designing their local schemes, a few authorities have absorbed the funding reduction passed on by Government, without passing on the cut to residents eligible for CTS by requiring them to contribute to their Council Tax bill. Other Councils have asked households to make a contribution to their annual Council Tax bill for the first time, in some cases as much as 45% of their total bill. In 2015/16, 260 Local Authorities (80%) required everyone to pay at least some Council Tax regardless of income, 30 more than in 2013/14. From April 2016, just 41 Councils (13%) continue to provide support at the level paid under the former CTB scheme.
- 4.7 The Department for Communities and Local Government (DCLG) provides funding through the annual Settlement Funding Assessment (comprising Revenue Support Grant and Business Rates Baseline) to help meet the cost of localised CTS schemes. Each of the major precepting authorities in Somerset received the initial funding based on their share of Council Tax receipts. In Taunton Deane, the initial grant awarded to precepting authorities was £6,110,080, with Taunton Deane Borough Council share of this grant being £587,775 (based on a 9.62% share). From 1 April 2014, funding for localised CTS was incorporated in the LGFS and is not separately identified.
- 4.8 It is now impossible to ascertain funding provided for CTS in the LGFS. Government grants to councils are being phased out and local government will move to 100% business rates retention by 2020. It has not been confirmed, but this may well be how councils will be expected to fund CTS schemes in future.

- 4.9 Whilst it is not possible to identify the level of grant being received the approach taken by many authorities has been to assume the grant is being reduced at the same rate as the Settlement Funding Assessment. The Settlement Funding Assessment reduced by 26.1% in cash terms in the two years up to 2015/16 and by 16.2% from 2016/17. In applying this methodology, the funding available for Localised CTS has reduced by £2,326,217 to £3,783,863.
- 4.10 In 2015/16, we paid CTS of £2,934,244 for people of pensionable age. Based on the assumptions stated above, this would leave just £850k to spend on CTS for people of working age. As our expenditure for working age recipients in 2015/16 was £2,542,213, this leaves a funding shortfall of £1,692,594. Based on our precepting share of Council Tax for 2016/17 of 9.63%, the share of this shortfall in funding for Taunton Deane Borough Council equates to £162,997.
- 4.11 If there are no changes to Single Person Discounts or protection provided to pensioners, CTS is going to become an additional cost pressure to local government. The Council has effectively maximised discounts and exemptions to close the funding gap (see paragraphs 6.2 - 6.5) and the only significant variable is to adjust the taper (minimum payment), however this needs to be managed carefully so as not to have an adverse impact on collection rates. For example, the review of CTS schemes carried out by Eric Ollerenshaw OBE in December 2015, noted that every Council that set their minimum payment to above 20% saw collection rates drop
- 4.12 Therefore, we need to consider the affordability of our current CTS scheme, and consider the cost of the financial support provided against other service priorities and alternative options to address the overall budget gap.

5 Taunton Deane Borough Council's Council Tax Support Scheme

- 5.1 People of pension age are able to claim support at up to 100% of their Council Tax liability. If a person claims Pension Credit (guarantee element) there is no limit on the savings they can have and they will normally not pay Council Tax at all. Pensioners with higher incomes can also qualify, even if they do not get Pension Credit. Depending on their circumstances they can qualify for some help with their Council Tax with an income of £400 a week or more.
- 5.2 In designing our CTS scheme, we considered customers' ability to pay and the collectability of the resultant Council Tax liability. For people of working age, our scheme has the following key elements:
- Maximum support is 80% of Council Tax - everyone of working age has to pay something;
 - Increased non-dependant deductions;
 - No Second adult rebate;
 - Earned income disregards are at increased levels than those offered under CTB;
 - Hardship fund of £35k for short-term help (this is a Collection Fund commitment and not fully funded by TDBC).
- 5.3 In annual billing for 2016/17, Taunton Deane Borough Council sent Council Tax bills that after the award of CTS, totalled more than £60.7million. Approximately 14% of residents receive financial support through CTS, with under 8% of those liable to pay some Council Tax, being CTS recipients of working age.

- 5.4 There were 8,513 people who moved from the Council Tax Benefit scheme to the localised CTS scheme. At 31 March 2016, this had reduced to 7,325. Key information on CTS caseload, spending and budgets is shown below:

Claimant type	% of total claims	Caseload at 31 March 2016	% of total spend	CTS Expenditure
Working Age	52%	3,790	46%	£2,542,213
Pension Age	48%	3,535	54%	£2,934,244
Total	100%	7,325	100%	£5,476,457

Table 5.4.1

Authority	* Notional CTS Budget
Taunton Deane Borough Council (9.62%)	£551,044
Parishes and the Unparished Area (1.05%)	£59,868
Somerset County Council (71.67%)	£4,105,656
Avon and Somerset Police (12.19%)	£698,517
Devon and Somerset Fire and Rescue Authority (5.47%)	£313,409
Total Notional Budget	£5,728,495

Table 5.4.2

Comparative data	
Council Tax Benefit awarded 2012/13	£6,896,492
Council Tax Support awarded 2015/16	£5,476,457
Reduction in Council Tax Support expenditure in comparison to Council Tax Benefit (29%)	£1,420,035
Council Tax Benefit claims @ 31 March 2013	8,514
Council Tax Support claims @ 31 March 2016	7,325
Reduction in Council Tax Support caseload in comparison to CTB (14%)	1,189
Council Tax Support – Notional Budget 2015/16	£5,728,495
Council Tax Support awarded 2015/16	£5,476,457
Saving in CTS awarded in 2015/16 in comparison to *notional budget	£252,038

Table 5.4.3

* Notional budget calculated in accordance with CTS funding distribution in 2013/14

- 5.5 Members will see from the tables above that the cost of our CTS scheme has reduced considerably, both through the implementation of our local policy and the trend in demand / eligibility for financial assistance. The changes to our CTS scheme to reduce support offered to working age applicants in 2016/17 have reduced expenditure. At 30 June 2016 we estimated that the CTS we award this year will be nearly £300k less than our notional budget. However, there are a number of factors potentially affecting the ongoing reduction in costs and CTS recipients, namely:
- A downturn in the economy generally (as experienced in 2008 until 2013); or
 - A downturn in the local economy such as a local business going into liquidation or a reducing labour force; or
 - An increase in Council Tax above the increase in allowances available under the scheme.
- 5.6 The administration of the current scheme is both cost effective and efficient as for the majority of claims we can use information supplied by claimants for a Housing Benefit claim or direct from the Department for Work and Pensions (DWP).

6 Collection Activity and Debt Profile for 2015/16

- 6.1 From 1 April 2013 the Council decided to take advantage of new flexibilities related to second home discounts and short and long term empty properties to generate additional income through Council Tax in 2013/14.
- 6.2 For unoccupied and unfurnished properties the changes meant Council Tax would be payable at 100% of the liability after 3 months. For those remaining unoccupied and unfurnished after 2 years, the Council decided to charge Council Tax at 150% to encourage owners to put those properties back into use. Previously, there was no Council Tax payable for unoccupied and unfurnished properties for the first 6 months and after this, Council Tax was due at 90% of the liability.
- 6.3 For unoccupied furnished properties (“second homes”) Council Tax from 1 April 2013 was payable at 100% instead of 90% that previously applied.
- 6.4 The households liable for Council Tax increased from 50,211 in 2012/13 to 52,374 by 31 March 2016. While bringing additional income from Council Tax, this growth has increased the demand for services.
- 6.5 The net collectable amount for Council Tax in 2015/16 increased by over £4.8m in comparison to 2012/13. The collection of Council Tax in year, while at a rate slightly less than achieved in 2012/13, has resulted in additional income for Taunton Deane of £445k based on its preceptor share of 9.62%. Since 2012/13, approximately 50% of the increased income from Council Tax has been derived from growth, with 50% being the consequence of other factors, such as the new flexibilities on second home discounts and short and long term empty properties (technical reform).

	2012/13	2015/16	Difference since 2012/13	% change since 2012/13
Council Tax due	£52,147,230	£56,985,564	£4,838,334	9.3% ↑
Council Tax Collected (in year)	£51,125,612 (98.0%)	£55,746,919 (97.8%)	£4,621,307	9.0% ↑

Table 6.5.1

- 6.6 Despite our best endeavours, it has not been possible to maintain in-year Council Tax collection at the rate it was before the introduction of CTS. For many customers, having to pay Council Tax has caused them budgeting issues, not least because many have also been affected by other welfare reform, such as the removal of the spare room subsidy.
- 6.7 Overall, the Council Tax outstanding for 2015/16 was £1,238,645. Council Tax outstanding for working age CTS recipients was £375,857. Therefore, while working age CTS recipients represent just 8% of households, the value of their debt equated to 30% of Council Tax outstanding at 31 March 2016.
- 6.8 In some instances, significant effort is required to collect relatively small sums of money and that effort may not be economical when balanced against the value of the debt owed. Furthermore the impact of passing enforcement costs on to residents will only increase the level of the debt further.

7 Council Tax Support Scheme 2017/18

7.1 The Local Government Finance Act 2012 states that before making a scheme we must consult with any major precepting authorities, publish a draft scheme and then consult with other such persons who are likely to have an interest in the operation of such a scheme. We must set a realistic timeframe for consultation to ensure we can seek feedback from all appropriate individuals and groups in the community.

7.2 Consultation with precepting authorities (Somerset County Council, Avon and Somerset Police, and Devon and Somerset Fire and Rescue Authority took place on 24 June 2016. Public consultation started on 4 July 2016 and ended on 11 September 2016. At the closing date, we had received 78 responses. Full details of the consultation are shown in [Appendix 2](#). Information below shows a summary of the 4 options on which we consulted, as well as the response received.

7.2.1 Option 1 - No Change

Consultation Response: 41% in favour

Under this option we would work out CTS in the same way as we do now. Any shortfall in the funding we get and the CTS we pay in 2017/18 would need to be met from other Council budgets.

7.2.2 Option 2 - Reduce maximum CTS offered to working age recipients from 80%

Consultation Response: 42% in favour

This means working age CTS recipients would need to pay more and the Council could reduce the funding required to support the scheme in 2017/18 to assist in off-setting cuts in the Local Government Finance Settlement. Under our current CTS scheme the minimum contribution is 20%. If we were to reduce the maximum CTS offered to working age recipients to 70%, it would result in a potential saving as shown below:

Financial effect in reducing maximum CTS to 70% in isolation	
Current CTS spend based on 80% maximum support	£5,442,331
Revised spend on CTS based on 70% maximum support	<u>£5,090,716</u>
Potential saving	£351,595
<i>TDBC's share (9.63 %) of the saving</i>	<i>£33,859</i>

Increasing the contribution rate to 30% adds an additional Council Tax burden of £150.20 a year for a working age couple on CTS living in a band D property. It is important to consider the impact of increasing the Council Tax burden for those residents who are also likely to be impacted by wider Welfare Reform. Alternative reductions in the maximum CTS offered could be considered, for example, the maximum support provided through CTS could be any value less than 80% of the liability. Nationally, the maximum contribution required in 2016/17 is 45%.

Any reduction in the support offered to working age CTS recipients is likely to negatively impact on in-year collection of Council Tax and lead to a potential increase in administration costs to recover the Council Tax owed.

7.2.3 Option 3 - Increase maximum CTS offered to working age recipients from 80%

Consultation Response: 11% in favour

Option 3 would mean all working age CTS recipients could pay less Council Tax, but there would be an additional cost to the Council and precepting authorities. Increasing the level of support carries a high level of risk to the Council in protecting front line services as resources would be diverted to support the CTS policy. This risk is increased in future years as the Council continues to see the funding available for services reducing. If we were to increase the maximum CTS offered to recipients of working age to 90%, it would result in potential increased costs as shown below:

Financial effect in increasing maximum CTS to 90% in isolation	
Current CTS spend based on 80% maximum support	£5,442,311
Revised spend on CTS based on 90% maximum support	<u>£5,800,132</u>
Potential increased cost	£357,820
<i>TDBC's share (9.63 %) of the cost</i>	<i>£34,458</i>

7.2.4 Option 4 - Technical changes

Consultation Response: 64% in favour

Option 4 would mean the Council could chose to align the CTS scheme for 2017/18 with some or all of the changes the Government make to other welfare benefits. The changes known or expected to be implemented by the Government would have the following effect:

- The maximum period for which we will backdate CTS for working age recipients would reduce from 6 months to 1 month. This reduction in backdating has applied to working age Housing Benefit recipients since April 2016.
- From 1 April 2017, we would not include a Family Premium within in the applicable amount for new working age CTS applicants, or existing recipients who would otherwise have had a new entitlement to the premium. The Family Premium has not been included for the same category of Housing Benefit recipients since May 2016.
- When working out CTS, we would not include the Work Related Activity component in the applicable amount for new claimants of Employment and Support Allowance (ESA). New claimants for ESA in the Work-Related Activity Group (WRAG) will receive the same rate of CTS as those claiming Jobseeker's Allowance. The Work Related Activity component will not be included in Universal Credit from April 2017.
- Under our current scheme, we include £66.90 in the applicable amount for every child up to the age of 20. From 1 April 2017, we would remove this amount for third and any subsequent children born after that date to align with revised rules for Housing Benefit, Tax Credits and Universal Credit that are expected to apply in 2017/18. We would continue to include the amount for first and second children. There will be protection for multiple births or women who have a third child as the result of rape or other exceptional circumstances.
- From 1 April 2017 we would align our CTS scheme with changes made to the temporary absence rules in Housing Benefit and Pension Credit on 28 July 2016. This would reduce the allowable period of temporary absence outside Great Britain from 13 weeks to 4 weeks. Northern Ireland, the Channel Islands and the Isle of Man are not part of Great Britain for Housing Benefit purposes. There are exceptions to the general temporary absence rule that we would similarly apply to CTS recipients, for example absences related to the death of a close relative

- From April 2017, 18-21 year olds who are not in work may no longer be eligible for help through our CTS scheme. We would implement this change to align with new rules expected to apply to Universal Credit applicants. Under Universal Credit, 18-21 year olds will be required to participate in an “*intensive regime of support from day one of their benefit claim*”, and after six months they will be expected to apply for an apprenticeship or traineeship, gain work-based skills, or go on a mandatory work placement. There will be a range of exemptions for vulnerable young people, including those in danger of suffering abuse and those receiving disability benefits. People who have been in work for 6 months before making a claim, will continue to be eligible for CTS for up to 6 months while they look for work. Applicants who have previously been in care will not be affected.

All the changes outlined above would mean that some working age CTS recipients would need to pay more and the Council could reduce the funding required to support the scheme in 2017/18 to assist in off-setting cuts in the Local Government Finance Settlement. Making such changes would mean the scheme for Housing Benefit recipients would be less complicated as rules would be aligned as well as easing administration. The potential saving by implementing all the changes outlined above is shown below.

Financial effect in amending the CTS scheme to align with welfare benefit changes	
Current CTS spend based on 80% maximum support	£5,442,311
Revised spend on CTS based on alignment with other welfare benefit changes	<u>£5,417,054</u>
Potential saving	£25,257
<i>TDBC's share (9.63 %) of the saving</i>	<i>£2,432</i>

8 Key considerations applicable to all options

- 8.1 Any of the options to reduce or increase the level of support we offer through CTS will have an adverse or positive impact on certain applicants or groups of applicants. If we need to cut the support offered through our CTS scheme, we need to consider a careful selection of options for our particular demographic unless additional funding can be raised through other Council initiatives or by cuts in services generally. The reality is that any revised scheme that has less funding, needs to establish which applicants are more able to pay an increased level of Council Tax with the reduction in their CTS.
- 8.2 There is no single option or change to the CTS scheme that can deliver sufficient savings to meet the predicted budget gap from the reduced LGFS in 2017/18. The decision will be to choose what options are acceptable to the Council bearing in mind the overall level of finance available.
- 8.3 Although the Council is not legally required to include transitional protection for claimants moving from one CTS scheme to a replacement scheme, the legislation does state that Members must consider if transitional arrangements may be needed and if protection should apply to all groups or just certain groups. Such protection could limit our ability to realise savings.
- 8.4 Should there be any shift in proportions between working age and pension age or an economic downturn resulting in more people relying on some form of state financial support, there would be greater pressure on remaining Council Taxpayers to meet potentially higher outlay.
- 8.5 A decision to reduce CTS for people of working age will mean that Council Tax Collection will be an even harder task. It will result in more pressure on Revenues staff and may require additional capacity to maintain tax collection rates.

8.6 Detailed modelling on the options, is shown in [Appendix 3](#). Financial modelling for Option 4 is based on data derived from customers affected by Housing Benefit changes from 1 April 2016 to 15 September 2016. Modelling illustrates the effect on applicants and potential savings.

9 Links to Corporate Aims / Priorities

9.1 Council Tax Support is most closely linked with Key Theme 1 - People where we will ‘*Work with others to support the wellbeing of an older population and our most vulnerable residents*’.

10 Finance / Resource Implications

10.1 As reported earlier in this report, funding for CTS was reduced by 10% in 2013/14. Subsequently the Settlement Funding Assessment reduced by 26.1% in cash terms in the two years up to 2015/16 and by 16.2% from 2016/17. The Medium Term Financial Plan (MTFP) for the Council, as reported to the Corporate Scrutiny Committee on 30 June 2016 reported that we have a projected annual budget gap rising from £527,024 in 2017/18 to £2,531,747 by 2021/22 based on current projections for costs and funding. The plans for transformation will reduce but not fully close the gap and as recognised in the business case, further options will need to be explored to address the residual gap.

10.2 The Council has been required to make significant financial savings in recent years, and faces further cuts in funding and increasing financial risks over the coming years. It is becoming increasingly difficult to preserve core services to local residents. Reducing Council Tax income will increase the Council's budget gap (and increase budget pressures for major preceptors) increasing the challenge for Members in identifying savings required to balance the budget overall.

10.3 The financing risk of the scheme is shared with other precepting Authorities through the tax base calculation. The financial impact of the CTS scheme is on the Collection Fund that is used to manage all Council Tax income, before that funding is shared between the various local precepting bodies. As TDBC's share of the Collection Fund is only 9.63%, the major element of the risk is on the other precepting local authorities.

10.4 The maximum saving that can be achieved is through implementing Options 2 & 4 combined ([Model 10](#)). The illustrative savings for each preceptor, when compared to the estimated shortfall in funding as described in paragraph 4.10 is shown below.

Authority	% CTS budget	Estimated CTS spend with no change	Estimated CTS spend in implementing Options 2 & 4	Estimated saving
TDBC	9.63%	£524,095	£487,969	£36,126
Parishes / Unparished	1.17%	£63,675	£59,286	£4,389
Somerset County Council	72.01%	£3,919,008	£3,648,871	£270,137
Avon and Somerset Police	11.87%	£646,002	£601,473	£44,529
Devon & Somerset Fire Auth.	5.32%	£289,531	£269,574	£19,957
Total	100%	£5,442,311	£5,067,173	£375,139

Table 10.4.1.

10.5 The saving to be achieved by amending the current scheme for 2017/18 to align the scheme with changes to other welfare benefits, with the exception that applicants aged 18-21 would remain eligible for CTS ([Model 11](#)), would be £1,059.

11 Legal Implications

- 11.1 Section 33 of the Welfare Reform Act 2012 abolished Council Tax Benefit and any replacement scheme is excluded from the scope of the Universal Credit system set up by Section 1 of that Act. The Local Government Finance Act 2012 (“the 2012 Act”) amends the Local Government Finance Act 1992 (“the 1992 Act”) to make provision for the localisation of Council Tax Support.
- 11.2 The 2012 Act amends the 1992 Act by adding a new section 13A to state that Council Tax will be reduced to the extent set out in an authority’s Council Tax reduction scheme and to such further extent as the authority sees fit (new s13A(1)(c) replicating the existing provision for authorities to adopt specified additional classes).
- 11.3 Local authorities must make a Council Tax Reduction Scheme setting out the reductions which are to apply in its area by persons or persons in classes consisting of persons whom the authority considers to be in financial need.
- 11.4 Paragraph 5 of Schedule 1A to the Local Government Finance Act 1992, as inserted by Schedule 4 to the Local Government Finance Act 2012, requires the authority to consider whether, for each financial year, the CTS scheme is to be revised or replaced. Where the scheme is to be revised or replaced the procedural requirements in paragraph 3 of that schedule apply. Any revision/replacement must be determined by 31st of January in the preceding year to the year which the changes are to apply.
- 11.5 The council must therefore consider whether the scheme requires revision or replacement and if so, consult with precepting authorities (Somerset County Council, Avon and Somerset Police, and Devon and Somerset Fire and Rescue Authority), publish a draft scheme and then consult with such persons as are likely to have an interest in the operation of that scheme prior to determining the scheme before 31st January. If any proposed revision is to reduce or remove a reduction to which a class of person is entitled, the revision must include such transitional provision as the Council sees fit.
- 11.6 Case law has confirmed that consultation must
- be undertaken when proposals are at a formative stage;
 - include sufficient reasons for particular proposals to allow those consulted to give intelligent consideration and an intelligent response;
 - give consultees sufficient time to make a response; and
 - be conscientiously taken into account when the ultimate decision is taken.

Therefore, it is most important that Members in considering amending our CTS scheme for 2017/18, carefully consider such issues, as a failure to do so may render the scheme unlawful.

12 Environmental Impact Implications

- 12.1 There are no environmental implications associated with this report.

13 Safeguarding and/or Community Safety Implications

- 13.1 Safeguarding and community safety implications have been considered, and there are not expected to be any specific implications relating to this report.

14 Equality and Diversity Implications

- 14.1 Members need to demonstrate they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process. The three aims the authority must have due regard for:
- Eliminate discrimination, harassment, victimisation
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it
- 14.2 The public sector equality duty, as set out in section 149 of the 2010 Equality Act, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic.
- 14.3 The “protected characteristics” are: age, disability, race (including ethnic or national origins, colour or nationality), religion or belief, sex, sexual orientation, pregnancy and maternity, and gender reassignment. Marriage and civil partnership are also a protected characteristic for the purposes of the duty to eliminate discrimination.
- 14.4 The Council must pay due regard to any obvious risk of such discrimination arising from the decision before them. There is no prescribed manner in how the equality duty must be exercised, though producing an EIA is the most usual method. For this reason these matters are examined in the EIA at [Appendix 4](#). In addition, debt levels are broken down by claim profile in [Appendix 5](#).
- 14.5 Councillors must consider the effect that implementing any changes to the CTS for 2017/18 will have on equality before making a decision. The EIA will assist with this. Where it is apparent the CTS policy would have an adverse effect on equality, then adjustments should be made to seek to reduce that effect and this is known as “mitigation”.
- 14.6 Implementing Option 4 to remove CTS entitlement from people aged 18 to 21 will have a disproportionate effect on younger applicants. Under the Public Sector Equality Duty, we have a responsibility to foster good relationships between people who share a protected characteristic and those who do not. There is a risk of harming the relationship between young people and those aged 22 or over, as applicants aged 18 to 21 will receive no support, while older applicants will see no reduction in their CTS through this amendment. In considering to implement this measure, based on current recipients, 23 individuals aged 18-21 would no longer receive any CTS.
- 14.7 The Council has a duty to prevent child poverty under provisions within the Child Poverty Act 2010, but inevitably in aligning our CTS scheme to some of the changes made by the Government to other welfare benefits, there could be a disproportionate effect on applicants with responsibility for children. There are 861 working age CTS recipients with children, accounting for 50% of all working age CTS recipients.

- 14.7.1 In not including a Family Premium this would result in a “notional” weekly loss of CTS of £3.49. As this measure only applies to new claims to CTS, or those who have a first child while claiming CTS, this alignment measure will not result in a reduction in actual support paid. However, this provision has applied to Housing Benefit since 1 May 2016 and so we have undertaken modelling to ascertain the likely effect should we apply this measure from 1 April 2017. This modelling shows there would be 6 CTS recipients who would see the support we provide reduce by an average of £3.28 a week.
- 14.7.2 In limiting dependants’ additions to a maximum of two, households who have a third or subsequent child on or after 1 April 2017 will see a “notional” weekly loss of CTS of £13.38 (20% of £66.90). Modelling on the likely effects of implementing this measure shows there would be 13 CTS recipients who would no longer receive CTS, while 12 further applicants would continue to receive CTS, but the support provided would reduce by an average of £9.71 a week.
- 14.8 In mitigating the effects of any reduction to CTS for working age applicants, officers could apply a discretionary reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our policy
- 14.9 Budgetary pressures and economic and practical factors will also be relevant. The amount of weight to be placed on the same countervailing factors in the decision making process will be for Members to decide.

15 Social Value Implications

- 15.1 There are no social value implications associated with this report.

16 Partnership Implications

- 16.1 CTS costs will increase if any of the precepting Authorities increase their Council Tax.

17 Health and Wellbeing Implications

- 17.1 There are no Health and Wellbeing implications associated with this report.

18 Asset Management Implications

- 18.1 There are no asset management implications associated with this report.

19 Consultation Implications

- 19.1 Before implementing any change to the CTS scheme for 2017/18, we have consulted with the public. Case law has established that consultation must give the public options on how we can keep our CTS scheme at the same level by making funding available from other sources or by reducing other services. A copy of our consultation document is contained in [Appendix 2](#).

20 Scrutiny Comments / Recommendation(s)

- 20.1 The Corporate Scrutiny Committee, at its meeting on 20 October 2016 considered the outcome of consultation and the Equalities Impact Assessment. Their recommendation on the preferred CTS scheme for Working Age applicants from 2017/18 is to amend the current scheme to align the scheme with changes to other welfare benefits, with the exception that applicants aged 18-21 would continue to be eligible. This recommendation is illustrated in [Model 11](#).

Democratic Path:

- **Corporate Scrutiny Committee - Yes**
- **Executive - Yes**
- **Full Council - Yes**

Reporting Frequency: **Annually**

List of Appendices (delete if not applicable)

Appendix 1	Taunton Deane's Council Tax Support Scheme
Appendix 2	Public Consultation
Appendix 3	Modelling of impact of options for CTS applicants and financial effect
Appendix 4	Equality Impact Assessment
Appendix 5	Council Tax debt profile @ 31 March 2016

Contact Officers

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Taunton Deane Borough
Council
Council Tax Reduction
Scheme

S13A and Schedule 1a of the Local Government Finance Act
1992

The existing policy document is a large file of 144 pages.

A hard copy is available on request.

The policy is available on-line through the following web
address:

<http://www.tauntondeane.gov.uk/irj/go/km/docs/CouncilDocuments/TDBC/Documents/Revenues%20and%20Benefits/LCTScheme2016-17.pdf>

Appendix 2

Council Tax Support - Consultation for Changes in 2017/18

Option 1

Do you agree with the principal that the current CTS scheme is unchanged for 2017/18?



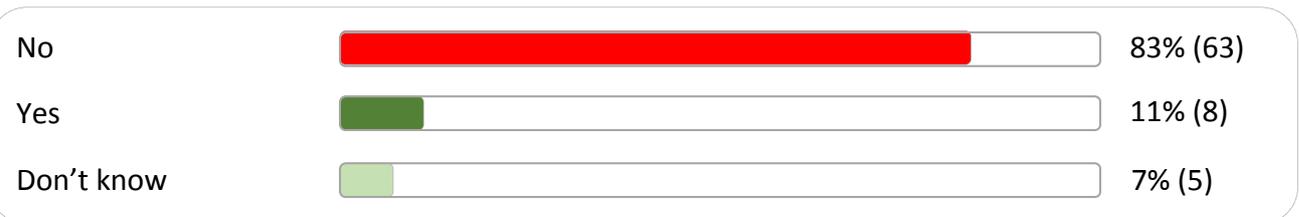
Option 2

Do you agree with the principle that the Council reduces the maximum support a working age person can receive for 2017/18?



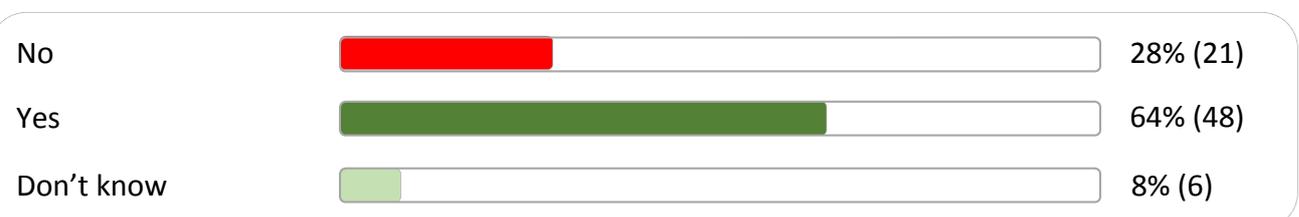
Option 3

Do you agree with the principle that the Council increases the maximum support a working age person can receive for 2017/18?

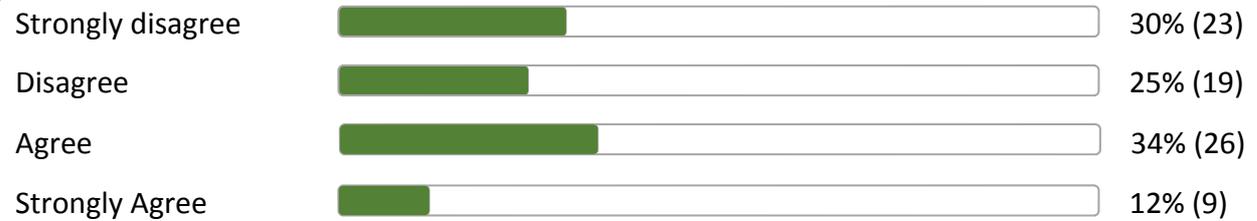


Option 4

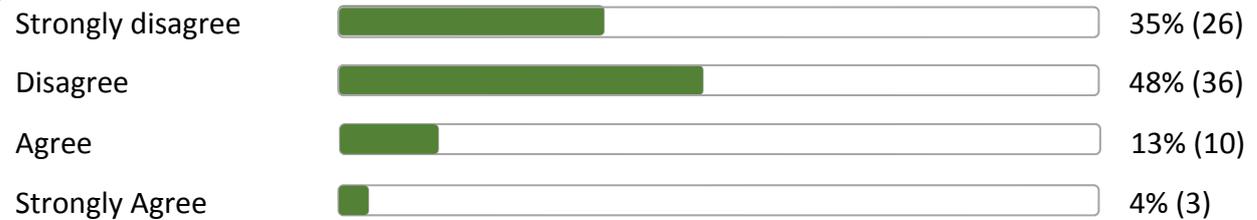
Do you agree with the principle that the Council may change the Council Tax Support scheme to reflect changes made by the Government to welfare benefits?



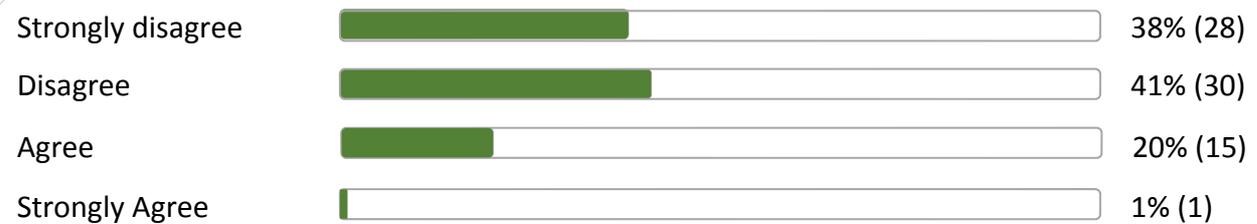
Should the Council increase Council Tax to help pay for the scheme?



Should the Council reduce funding to other services to help pay for the scheme?



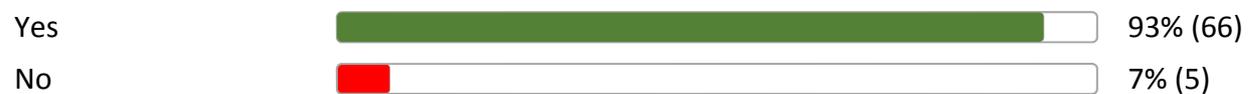
Should the Council use its reserves to help pay for the scheme?



Are you a resident of Taunton Deane?



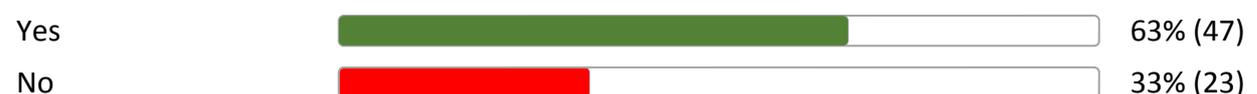
Do you pay Council Tax?



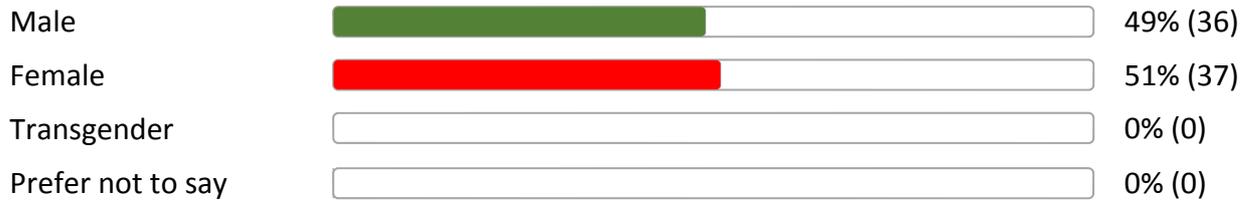
Do you currently receive Council Tax Support?



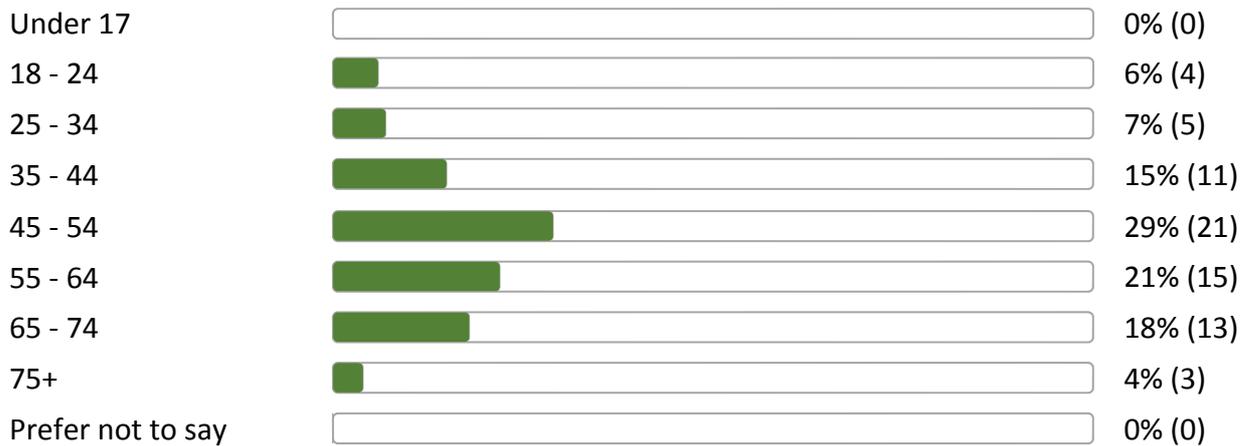
Do you work, either full or part time?



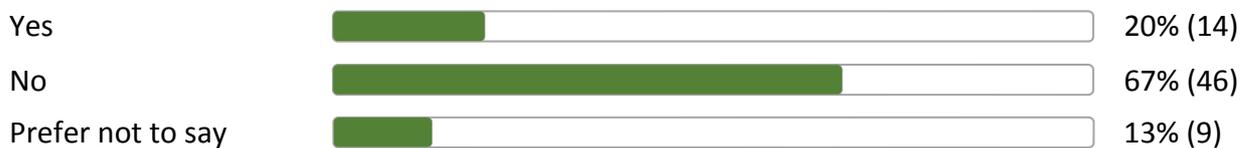
What is your gender?



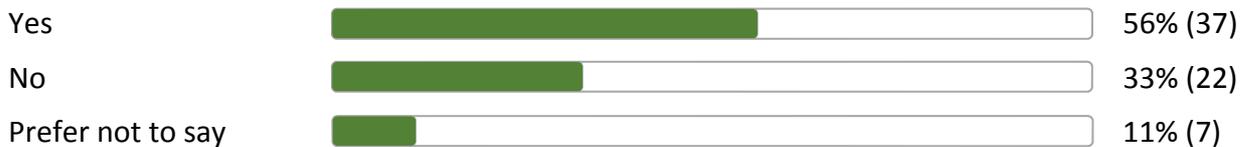
What is your age group?



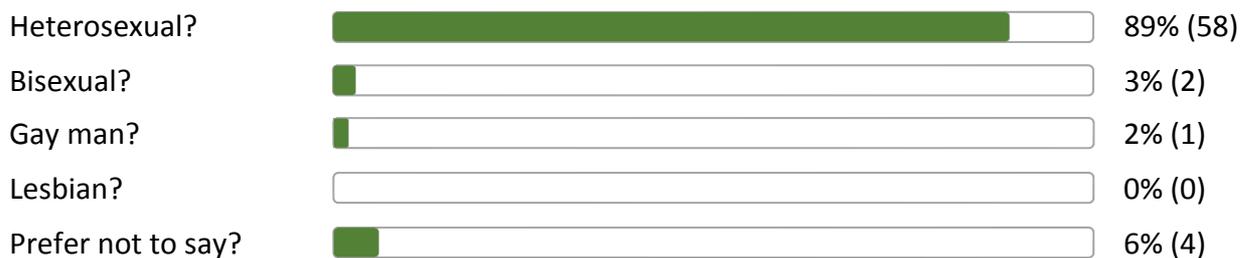
Do you consider yourself as having a disability or long-term physical or mental health condition?



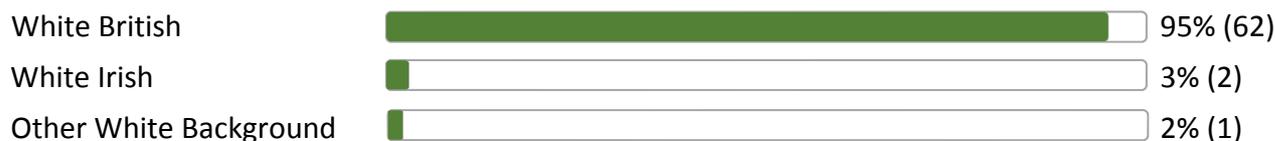
Do you consider yourself to have a religion or belief?



Do you consider your sexual orientation to be



Which of these ethnic groups do you feel you belong to?



Question A1: Should the Council continue with the existing scheme?

- 4: Reduction and changes to in Government assistance and direct grant to local authorities makes this unaffordable and unviable for TDBC
- 23: Working people are fed up with supporting those on benefits. Disabled people need supporting though.
- 28: Although these ideas fall within the confines of balancing budgets and economies (a sliding scale)
- 31: There have been so many cuts and changes to benefits, surely it would be kindest to leave this one unchanged until forced to change.
- 34: Not sure we can afford to without impacting on other services.
- 38: With minimum wage at £288 per week and rent at £100 per week (I'm a landlord) leaves enough to pay you and utilities and living. Better still reduce council tax for ABCD Bands so subsidy is not required - saves on admin too.
- 48: Savings need to be made and people who have historically received MIS should not continue to expect to receive it. It should only be provided in the short term and people should look to better their own lives instead of relying on others to do it for them.
- 58: Why change something that works.
- 59: Receiving CTS is a fantastic help, but everyone should try and contribute to our community. 20% is a relatively small amount and should be affordable to most people.
- 68: I think it is best to maintain the current level of support.
- 70: Yes until we know of any changes by the Government and what the merger of West Somerset entails then put all facts to tenants.
- 73: The present arrangements are fair to everyone.
- 74: Present system is fair to everyone after last year's changes.
- 76: System is fair to everyone.

Question A2: Should the Council reduce maximum CTS from 80%

- 23: Working people should pay their way.
- 28: Possibly but I feel a sliding is more appropriate to reflect the range of capital/savings the community has saved.
- 34: I hope planned incremental increases in living wage may mitigate a reduction for those on low wages. As should increases in basic tax allowance. Those on low wages should then keep more of their earnings. Can you balance reduced CT support with these to ensure most are not worse off?
- 38: With minimum wage at £288 per week and rent at £100 per week (I'm a landlord) leaves enough to pay you and utilities and living. Better still reduce council tax for ABCD Bands so subsidy is not required - saves on admin too.
- 48: Definitely. If they are of working age they should be working. If they are looking for work then surely this is what Job Seekers Allowance is for.
- 50: I agree, there should be a reduction in the benefit available to people of working age.

- 59: No. When the 80/20% change came in I had to adjust my budget to afford the 20%. Sadly that meant cancelling my reduced rate local gym membership which had been really good for my mental health. I honestly would have needed to eat less if the bill had been more than 20% per month.
- 60: But perhaps make it 75% for a year to make the change easier to manage for people.
- 63: Not for working people. But I do think the local authority should continue to review them on a case by case basis.
- 68: I think reducing would cause hardship.
- 73: If absolutely necessary do not reduce below 70%.
- 76: If necessary to reduce it no more than another 10% to 70%.
- 79: There are no benefits for someone like me because I go to work every day but don't earn a fortune. I'm fed up with subsidising other people who show no awareness of their situation and no gratitude when they are helped.

Question A3: Should the Council increase maximum CTS from 80%

- 4: reduction and changes to in Government assistance and direct grant to local authorities makes this unaffordable and unviable for TDBC
- 28: Maybe a sliding scale would be appropriate based on income or savings eg 0-6000=80%, 6000-10000 = 85%, 10000-16000 = 95%, 16000 + = No CTS
- 34: Minimum 20% contribution should be asked for from each household of working age not less as it currently is.
- 38: With minimum wage at £288 per week and rent at £100 per week (I'm a landlord) leaves enough to pay you and utilities and living. Better still reduce council tax for ABCD Bands so subsidy is not required - saves on admin too.
- 48: You're having a laugh aren't you?
- 57: If TDBC can't afford 80%, what is the point of trying to find more?
- 59: Possibly - finding 20% meant losing a vital healthy gym membership at Tone Leisure for me, which was a shame because it helped me control my disabilities better. If there was enough money to increase CTS that would obviously be nice, but some CTS is better than none at all.
- 63: I think this is more than acceptable.
- 68: I think we need to be mindful of costs.
- 73: Everyone should be made to pay some Council Tax and not make any payments towards essential services.
- 76: Everyone should pay at least 20% of their council tax liability.

Question A4: Should the Council modify the CTS scheme to reflect changes made by the Government to welfare benefits?

- 4: It is vital TDBC publish the restrictions placed on it by Central Gov decisions, it's only fair and transparent
- 13: The Government seems to think that people who are legally adults but under 21 should not be treated as such.
- 14: Adoption of this approach would cause further hardship for the poorest and vulnerable people within our communities
- 23: Great idea to reduce benefits.
- 28: Local Government is responsible to local community not to government changes that I feel only reflects a mean average.
- 34: I think so but likely to result in ongoing reduction in CT support? Again might living wage mitigate these? We must make sure it pays to work and not penalise those who do.
- 38: See A1

- 48: Agree
- 50: Elements of this option make sense so I feel they all should be introduced with option 2.
- 53: Councils should not be influenced by government and should try and call the shots themselves. Sometimes however Government will affect all councils. Therefore change to don't know.
- 56: What do you do with Council Tax now.
- 57: There is an element whereby families need to take responsibility, i.e. aim to keep family size the parent(s) can afford financially
- 59: No. The Government is playing daft games with the benefits system. If they stopped changing it every few months they would save £'s on administration - same would apply to the Council.
- 60: CTS needs to be flexible for future changes/restrictions on money available.
- 68: I think provision should be made for young people and children.
- 70: Do agree that benefit should not be given for more than two children.
- 73: If there is a substantial change made by Government ensure that everyone who gets CTS at present is notified by TDBC.
- 74: Agree with changes government propose in 2017.
- 76: Agree that TDBC follow government alterations to welfare benefits.

Please use the space below to make any other comments you have about the Council's preferred options:

- 3: How do you propose to determine if a claimant has a third child as the result of rape? These seems hugely sensitive and unnecessarily complex to determine.
- 23: Option 4 seems good but also option 2. Benefits people should get employment/do voluntary work to help out in society.
- 28: I feel the current rules governing Council Tax Support should be changed for those who have over £6,000 in capital or savings. When you take into account that other organisations allow up to £16,000 in savings for support, namely for example NHS low wage support, I think there needs to be a rethink on this amount particularly those who are on a low wage or below minimum wage (self-employed/starting a business) and OAPs. Maybe a more sliding scale 0-6,000, 5,000-8,000, 8,000-10,000 etc.
- 31: I would like to see Council Tax Benefit increase because the poorest people in society have been subject to some of the greatest cuts. However, I appreciate that this would affect other services, therefore best left as it is for now (knowing that even keeping the status quo needs to be funded from somewhere!)
- 32: Little wonder IDS was trying to simplify the welfare system. I have never read such a complicated explanation to receive so little - I shouldn't think most people bother to apply!
- 34: If we accept CT support is to reduce - what is the most efficient way to do this between options 2 and 4? If both result in a similar reduction would option 4 be far less admin? If so this would be the better option. Again I hope living wage and rising basic tax allowance will still keep those on lower incomes better off even with reduced CT support.
- 50: The options selected above all promote the concept of you should be better off in work than claiming benefits.
- 54: I have very little money. Answers of resident noted by Cllr Tom Aldridge.
- 55: Another option would be to offer 80% support for a maximum of 1 year then use option 4.

- 59: I am self-employed and this year earned less than in previous years. This wasn't through any fault in the business, it was simply a reflection on the market. I had been receiving CTS but now, when I needed it more than ever because my income had dropped, I was told I had effectively earned under the national minimum wage and so no longer qualified for support and had to try and pay 100% of the bill instead of the usual 20%. I have health issues, exacerbated by stress, so the sudden increase in outgoings at a time when money was already very tight was very difficult to deal with. I ended up having to borrow money to pay the first few months bills which I'm now paying back. So the system seems a bit broken for self-employed people.
- 63: Why are pension age people protected? They are normally the people with capital and savings. I think this is discriminating to working age people who don't have savings, big houses and expendable income.
- 65: Only to people who earn the right by working
- 68: I think the money should be found to maintain the current level of support.
- 71: Option 4 seems most sensible although it hasn't been explained how much would be saved. Cutting CTS by 10% seems like the next best option. Listing the increase CTS by 5% and decrease by 10% shows the figures slightly.
- 73: Fully support removal of applicable support for third and subsequent children. If you decide to have children ensure you can provide for them.

Part B - Question B1: Should the Council increase Council Tax to help pay for the scheme?

- 4: An equitable society shares the burden and helps those less fortunate
- 8: CT increase shouldn't be used to support scheme
- 20: Council tax has not increased for several years so an increase would be a sensible solution.
- 23: We are then paying for people on benefits twice.
- 27: Yes BUT only to fund a skeleton CT benefit scheme that has been scaled back to absolute minimum levels. Increases need to be affordable going forward.
- 31: Council Tax has been held static for a few years, I believe, therefore a small increase to help the less well-off would be ok.
- 34: Feasible. Collection rate costs versus ability to pay.
- 38: See A1
- 45: I believe Council Tax should equate to need in the District it serves.
- 48: If cuts are being made elsewhere why should the taxpayer have to contribute more to fund this? One suggestion do not merge with West Somerset Council - why should we fund this!!
- 53: If that is truly the best solution then try it.
- 55: This would punish many working families who are paid very low wages and are struggling already.
- 56: No way they do not do any work on home we live in.
- 57: This merely has the effect of "shifting the load" on to people who may be just above the CTS level. Taking from "Peter to give to Paul".
- 58: This would seem prudent.
- 59: Yes, but by an affordable amount, otherwise the burden on CTS would increase wiping out the profit.
- 60: But CT increase should not just be used for this but to help other services too e.g. parks, grass verges, toilets etc.
- 63: Everything is more expensive now so it seems logical to increase Council Tax.
- 68: A small increase for everyone should be acceptable.
- 71: Tax increases are fine to increase funding to services however CTS should be lowered if it is unaffordable.

- 73: Most people in TDBC area are finding it a struggle to meet monthly outgoings.
- 74: Council Tax payers incurred a 5% increase last year so why is another increase being considered we are already suffering a loss of services and are not getting value for money.
- 76: Went up 5% last year which has caused problems for many households.

Question B2: Should the Council reduce funding to other services to help pay for the scheme?

- 8: shouldn't reduce other services
- 14: If the scheme remains unchanged then there should be no need to reduce other services as result of that decision. CTS should remain a high priority in any assessment of cost reduction.
- 27: Needs to be considered and judged against other costs e.g. reduced fire services not ok.
- 34: Other service cuts would be likely to have a wider impact such as collecting litter and cutting grass.
- 38: See A1
- 45: It would depend on the options you were considering.
- 48: Depends on the service and funds as I am sure money is wasted on many things which should be looked at before cutting essential services.
- 50: With the implementation of options 2 and 4 the cost of the scheme should reduce anyway. For any remaining shortfall there is so much waste in spending anyway, I'm sure savings could be made in other areas (e.g. not combining Taunton Deane and West Somerset CC).
- 53: Sorry to be sarcastic - if you shut all the services down you wouldn't have to charge council tax. Things just have to balance and the council make decisions.
- 55: Council Tax support should not be a priority. Basic services should always be protected for the benefit of the majority.
- 56: Yes I do agree with that.
- 58: No, other services are already struggling.
- 59: Cuts are nonsensical - it's often those who need the CTS who use these services to get back into work and off benefits.
- 63: I think enough cuts have been made to other services like police, fire service etc. as they struggle massively with their work loads.
- 66: It's difficult to know what services might be affected and the impact it would have.
- 67: This would depend on what services would be reduced.
- 68: The elderly and vulnerable should be protected.
- 74: Council Tax payers incurred a 5% increase last year so why is another increase being considered we are already suffering a loss of services and are not getting value for money..

Question B3: Should the Council use its reserves to help pay for the scheme?

- 4: Absolutely not, reserves should be used to generate future income and stimulate growth which is more sustainable, it should not be used to maintain a status quo. Think of wider electorate, visitors, residents and businesses
- 8: Shouldn't use reserves
- 28: Depends on the amount of reserves if you have too much saved earnings interest this should be spent in part for the support of those in need.
- 34: Unsustainable.
- 35: Use reserves then increase Council Tax.
- 36: Once the reserve is gone then make an increase of 1% as stated in Question B1.
- 38: Basic economics you don't use capital for everyday expenses.

- 45: As long as the Council does not hold excessive reserves - reserves are for emergency situations not propping up existing policies.
- 48: No, if the scheme cannot be funded then it shouldn't be in existence or looked to be funded by increasing tax. Run it like a private business where your outlays are less than income.
- 53: Reserves are as they it states - they should be used only in emergency.
- 55: Reserves should be used to improve current services not to pay for others support.
- 56: No comments.
- 58: Not wise.
- 59: Possibly.
- 63: Once it's gone, it's gone and the Council need some reserves for a rainy day (so to speak).
- 66: What are they expecting people who need 80% to do?
- 68: This could help till finances improve.
- 71: This would be the worst option in the long run.
- 74: Look at cutting unnecessary costs within TDBC and also WSDC (especially if merger goes through) why should TDBC tax payers bail out WSDC.

Part C - If you have any further comments or suggestions to make on the Council Tax Support Scheme please use the space below:

- 12: The removal of Council Tax Support to 18-21 year olds from April 2017 is another attack on young people's rights and benefits which seems unfair.
- 19: I am 67 years old. My wife and I have both worked all our lives. We have brought up three children of our own two boys and one girl, of which our daughter works as a nurse and herself has raised three boys on her wage, which she can only work so many hours per week. Her husband has long been retired from work because he is quite a lot older than her. We would like to see more help provided put her way as well as others in this circumstance than what is at the present moment.
- 22: People should pay more and get less CTS. Protection for the disabled though.
- 23: CTS should be cut so none of us working people are affected, we already pay enough.
- 31: How about increasing the ridiculously query rents people (who are in work) are paying for their Council Houses where people in private rentals are seriously struggling.
- 32: How much did the consultation document cost? What pray will be done with the results - nothing I assume. Another waste of taxpayers' money. What the devil has my sexual orientation/religion and ethnicity got to do with it?
- 49: Don't join with West Somerset Council.
- 56: Have no comments or suggestions about Taunton Deane Council Tax you need cash to pay for it.
- 60: Why do pension age continue to be protected? Lots of pensioners have large incomes, no mortgages etc. and could well afford to pay full Council Tax.
- 61: I think it's wrong that some pensioners are protected. Some have large houses, no mortgages and pension pots more disposable income.
- 63: Again you seriously need to look into not protecting pension age people. Some of them are really rich and don't need the help and more working age people are skint and need the help.
- 65: Should only be paid to those who work and earn it no layabouts.

Model 1

No change to current Council Tax Support Scheme

	Pension Age	Working age	Total
Number of claims	3,590	4,050	7,640
Total weekly awards	£56,629.22	£47,743.88	£104,373.10
Average weekly award	£15.77	£11.79	£13.66
Estimated 2017/18 awards	£2,952,809.35	£2,489,502.13	£5,442,311.48
Estimated expenditure 2016/17			£5,442,311.48
Saving			£0.00
* Notional Budget 2016/17			£5,768,206.00
Estimated underspend in 2017/18 compared to *notional budget for 2016/17			£325,894.52

Working age customers	Number	Average award
Single, no children	1,646	£8.94
Couple no children	275	£12.67
Couple with children	587	£7.36
Lone parent with children	1,542	£8.17
Total	4,050	£11.79
Employed & self employed	1,126	£9.40
Applicants with a disability	281	£12.12
Applicants with caring responsibilities	66	£11.81

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Model 2

Reduce maximum support through CTS to 70% for all working age recipients

	Pension Age	Working age	Total
Number of claims	3,590	3,968	7,558
Total weekly awards	£56,629.22	£41,000.95	£97,630.17
Average weekly award	£15.77	£10.33	£12.92
Estimated 2017/18 awards	£2,952,809.35	£2,137,906.80	£5,090,716.15
Estimated expenditure 2016/17			£5,442,311.48
Saving			£351,595.33
* Notional Budget 2016/17			£5,768,206.00
Estimated underspend in 2017/18 compared to *notional budget for 2016/17			£677,489.85

Working age customers	Number reduced	Average weekly reduction	Applicants that would no longer qualify
Single, no children	1,632	£1.62	14
Couple no children	270	£2.20	5
Couple with children	563	£2.29	24
Lone parent with children	1,503	£1.74	39
Total	3,968	£1.70	82
Employed & self employed	1,122	£1.89	74
Applicants with a disability	280	£1.94	10
Applicants with caring responsibilities	65	£2.26	4

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Model 3

Increase maximum support through CTS to 90% for all working age recipients

	Pension Age	Working age	Total
Number of claims	3,590	4,092	7,682
Total weekly awards	£56,629.22	£54,606.18	£111,235.40
Average weekly award	£15.77	£13.34	£14.48
Estimated 2017/18 awards	£2,952,809.35	£2,847,322.20	£5,800,131.55
Estimated expenditure 2016/17			£5,442,311.48
Additional expenditure			£357,820.07
* Notional Budget 2016/17			£5,768,206.00
Estimated <u>overspend</u> in 2017/18 compared to *notional budget for 2016/17			£31,925.55

Working age customers	Number increased	Average weekly increase	<u>Additional</u> applicants that would qualify
Single, no children	1,646	£1.61	7
Couple no children	275	£2.20	2
Couple with children	587	£2.31	13
Lone parent with children	1,542	£1.76	20
	4,050	£1.69	42
Employed & self employed	1,126	£1.92	40
Applicants with a disability	281	£1.98	3
Applicants with caring responsibilities	66	£1.79	1

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Model 4

Current scheme modelled to show CTS payable if backing for working age applicants is reduced to one month

	Pension Age	Working age	Total
Number of claims	3,590	4,050	7,640
Total weekly awards	£56,629.22	£47,741.21	£104,370.43
Average weekly award	£15.77	£11.79	£13.66
Estimated 2017/18 awards	£2,952,809.35	£2,489,363.31	£5,442,172.66
Estimated expenditure 2016/17			£5,442,311.48
Saving			£138.82
* Notional Budget 2016/17			£5,768,206.00
Estimated underspend in 2017/18 compared to *notional budget for 2016/17			£326,033.34

Working age customers	Number reduced	Average weekly decrease
Single, no children	9	£0.09
Couple no children	3	£0.20
Couple with children	0	£0.00
Lone parent with children	6	£0.22
Total	18	£0.15
Employed & self employed	9	£0.10
Applicants with a disability	6	£0.09
Applicants with caring responsibilities	0	£0.00

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Model 5

Current scheme modelled to show CTS payable if Family Premium is withdrawn for new working age CTS applicants, or existing recipients who would otherwise have had a new entitlement to the premium

	Pension Age	Working age	Total
Number of claims	3,590	4,050	7,640
Total weekly awards	£56,629.22	£47,724.19	£104,353.41
Average weekly award	£15.77	£11.78	£13.66
Estimated 2017/18 awards	£2,952,809.35	£2,488,475.39	£5,441,284.74
Estimated expenditure 2016/17			£5,442,311.48
Saving			£1,026.74
* Notional Budget 2016/17			£5,768,206.00
Estimated underspend in 2017/18 compared to *notional budget for 2016/17			£326,921.26

Working age customers	Number reduced	Average weekly reduction	Applicants that would no longer qualify
Single, no children	0	£0.00	0
Couple no children	0	£0.00	0
Couple with children	2	£3.19	0
Lone parent with children	4	£3.33	0
Total	6	£3.28	0
Employed & self employed	6	£3.28	0
Applicants with a disability	0	£0.00	0
Applicants with caring responsibilities	0	£0.00	0

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Model 6

Current scheme modelled to show CTS payable if Work Related Activity Component is withdrawn

	Pension Age	Working age	Total
Number of claims	3,590	4,050	7,640
Total weekly awards	£56,629.22	£47,743.88	£104,373.10
Average weekly award	£15.77	£11.79	£13.66
Estimated 2017/18 awards	£2,952,809.35	£2,489,502.13	£5,442,311.48
Estimated expenditure 2016/17			£5,442,311.48
Saving			£0.00
* Notional Budget 2016/17			£5,768,206.00
Estimated underspend in 2017/18 compared to *notional budget for 2016/17			£325,894.52

Working age customers	Number reduced	Average weekly reduction	Applicants that would no longer qualify
Single, no children	0	£0.00	0
Couple no children	0	£0.00	0
Couple with children	0	£0.00	0
Lone parent with children	0	£0.00	0
Total	0	£0.00	0
Employed & self employed	0	£0.00	0
Applicants with a disability	0	£0.00	0
Applicants with caring responsibilities	0	£0.00	0

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Model 7

Current scheme modelled to show CTS payable additional allowance for children included in the applicable amount is capped to 2 children

	Pension Age	Working age	Total
Number of claims	3,590	4,037	7,629
Total weekly awards	£56,629.22	£47,555.39	£104,184.61
Average weekly award	£15.77	£11.78	£13.66
Estimated 2017/18 awards	£2,952,809.35	£2,479,673.84	£5,432,483.19
Estimated expenditure 2016/17			£5,442,311.48
Saving			£9,828.29
* Notional Budget 2016/17			£5,768,206.00
Estimated underspend in 2017/18 compared to *notional budget for 2016/17			£335,722.81

Working age customers	Number reduced	Average weekly reduction	Applicants that would no longer qualify
Single, no children	0	0	0
Couple no children	0	0	0
Couple with children	11	£9.57	13
Lone parent with children	1	£11.28	0
Total	12	£9.71	13
Employed & self employed	11	£10.59	13
Applicants with a disability	0	£0.00	0
Applicants with caring responsibilities	1	£4.86	0

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Model 8

Current scheme modelled to show CTS payable if there is no assistance is available to unemployed 18-21 year olds

	Pension Age	Working age	Total
Number of claims	3,590	4,027	7,617
Total weekly awards	£56,629.22	£47,470.33	£104,099.55
Average weekly award	£15.77	£11.79	£13.67
Estimated 2017/18 awards	£2,952,809.35	£2,475,238.45	£5,428,047.80
Estimated expenditure 2016/17			£5,442,311.48
Saving			£14,263.68
* Notional Budget 2016/17			£5,768,206.00
Estimated underspend in 2017/18 compared to *notional budget for 2016/17			£340,158.20

Working age customers	Number reduced	Average weekly reduction	Applicants that would no longer qualify
Single, no children	0	£11.89	23
Couple no children	0	£0.00	0
Couple with children	0	£0.00	0
Lone parent with children	0	£0.00	0
Total	0	£11.89	23
Employed & self employed	0	£0.00	0
Applicants with a disability	0	£13.31	1
Applicants with caring responsibilities	0	£0.00	0

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Model 9

Current scheme modelled to show CTS payable if all Government changes to other Welfare Benefits are implemented for working age CTS recipients

	Pension Age	Working age	Total
Number of claims	3,590	4,014	7,604
Total weekly awards	£56,629.22	£47,259.49	£103,888.71
Average weekly award	£15.77	£11.77	£13.66
Estimated 2017/18 awards	£2,952,809.35	£2,464,244.60	£5,417,053.95
Estimated expenditure 2016/17			£5,442,311.48
Saving			£25,257.53
* Notional Budget 2016/17			£5,768,206.00
Estimated underspend in 2017/18 compared to *notional budget for 2016/17			£351,152.05

Working age customers	Number reduced	Average weekly reduction	Applicants that would no longer qualify
Single, no children	9	£0.09	23
Couple no children	3	£0.20	0
Couple with children	13	£8.49	13
Lone parent with children	11	£1.81	0
Total	36	£3.66	36
Employed & self employed	26	£4.87	13
Applicants with a disability	6	£0.09	1
Applicants with caring responsibilities	1	£4.86	0

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Model 10

Current scheme modelled to show CTS payable if maximum support through CTS is reduced to 70% and all Government changes to other Welfare Benefits are implemented for working age CTS recipients

	Pension Age	Working age	Total
Number of claims	3,590	3,932	7,522
Total weekly awards	£56,629.22	£40,549.44	£97,178.66
Average weekly award	£15.77	£10.31	£12.92
Estimated 2017/18 awards	£2,952,809.35	£2,114,363.55	£5,067,172.90
Estimated expenditure 2016/17			£5,442,311.48
Saving			£375,138.58
* Notional Budget 2016/17			£5,768,206.00
Estimated underspend in 2017/18 compared to *notional budget for 2016/17			£701,033.10

Working age customers	Number reduced	Average weekly reduction	Applicants that would no longer qualify
Single, no children	1,609	£1.64	37
Couple no children	270	£2.20	5
Couple with children	550	£2.54	37
Lone parent with children	1,503	£1.75	39
Total	3,932	£1.85	118
Employed & self employed	1,039	£2.04	87
Applicants with a disability	270	£1.95	11
Applicants with caring responsibilities	62	£2.34	4

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Model 11

Current scheme modelled to show CTS payable if all Government changes to other Welfare Benefits are implemented for working age CTS recipients with the exception of removing entitlement for applications aged 18-21

	Pension Age	Working age	Total
Number of claims	3,590	4,037	7,627
Total weekly awards	£56,629.22	£47,533.04	£104,162.26
Average weekly award	£15.77	£11.77	£13.66
Estimated 2017/18 awards	£2,952,809.35	£2,478,508.28	£5,431,317.63
Estimated expenditure 2016/17			£5,442,311.48
Saving			£10,993.85
* Notional Budget 2016/17			£5,768,206.00
Estimated underspend in 2017/18 compared to *notional budget for 2016/17			£336,888.37

Working age customers	Number reduced	Average weekly reduction	Applicants that would no longer qualify
Single, no children	9	£0.09	0
Couple no children	3	£0.20	0
Couple with children	13	£8.49	13
Lone parent with children	11	£1.81	0
Total	36	£3.66	13
Employed & self employed	26	£4.87	13
Applicants with a disability	6	£0.09	0
Applicants with caring responsibilities	1	£4.86	0

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Summary of the impact of models for working age customers

Number of claims with reduced or no entitlement

	Model										
	1	2	3	4	5	6	7	8	9	10	11
Single, no children	0	1,646	0	9	0	0	0	23	32	1,646	9
Couple, no children	0	275	0	3	0	0	0	0	3	275	3
Couple with children	0	587	0	0	2	0	24	0	26	587	26
Lone parent with children	0	1,542	0	6	4	0	1	0	11	1,542	11
Total claims reduced	0	4,050	0	18	6	0	25	23	72	4,050	49
Employed & self employed	0	1,126	0	9	6	0	24	0	39	1,126	39
Applicants with a disability	0	281	0	6	0	0	0	1	7	281	6
Applicants with caring responsibilities	0	66	0	0	0	0	1	0	1	66	1

Average weekly decrease in entitlement

	Model										
	1	2	3	4	5	6	7	8	9	10	11
Single, no children	£0.00	£1.62	£0.00	£0.09	£0.00	£0.00	£0.00	£11.89	£0.09	£1.64	£0.09
Couple, no children	£0.00	£2.20	£0.00	£0.20	£0.00	£0.00	£0.00	£0.00	£0.20	£2.20	£0.20
Couple with children	£0.00	£2.29	£0.00	£0.22	£3.19	£0.00	£9.59	£0.00	£8.49	£2.54	£8.49
Lone parent with children	£0.00	£1.74	£0.00	£0.00	£3.33	£0.00	£11.28	£0.00	£1.81	£1.75	£1.81
Total claims reduced	£0.00	£1.70	£0.00	£0.15	£3.28	£0.00	£9.71	£11.89	£3.66	£1.85	£3.66
Employed & self employed	£0.00	£1.89	£0.00	£0.10	£3.28	£0.00	£10.59	£0.00	£4.87	£2.04	£4.87
Applicants with a disability	£0.00	£1.94	£0.00	£0.09	£0.00	£0.00	£0.00	£11.74	£0.09	£1.95	£0.09
Applicants with caring responsibilities	£0.00	£2.26	£0.00	£0.00	£0.00	£0.00	£4.86	£0.00	£4.86	£2.34	£4.86

Summary of potential savings for CTS expenditure

	Estimated 2017/18 awards	Saving against estimated spend 2016/17	Estimated saving against notional* budget 2016/17	Net shortfall for TDBC (see para. 4.10)	Estimated saving for TDBC
Model 1. No change to current CTS Scheme	£5,442,311.48	£0.00	£325,894.52	£162,997.00	£0.00
Model 2. Reduce maximum support through CTS to 70% for all working age recipients	£5,090,716.15	£351,595.33	£677,489.85	£129,138.37	£33,858.63
Model 3. Increase maximum support through CTS to 90% for all working age recipients	£5,800,131.55	-£357,820.07	-£31,925.55	£197,455.07	-£34,458.07
Model 4. Limit backdating for working age CTS recipients to no more than one month	£5,442,172.66	£138.82	£326,033.34	£162,983.63	£13.37
Model 5. Withdraw Family Premium for new working age CTS applicants, or existing recipients who would otherwise have had a new entitlement to the premium	£5,441,284.74	£1,026.74	£326,921.26	£162,898.12	£98.88
Model 6. CTS Scheme amended for working age recipients to withdraw Work Related Activity Component from the applicable amount	£5,442,311.48	£0.00	£325,894.52	£162,997.00	£0.00
Model 7. CTS Scheme amended to limit additional allowance for children to 2 children for working age recipients	£5,432,483.19	£9,828.29	£335,722.81	£162,050.54	£946.46
Model 8. No CTS payable to unemployed people aged 18-21	£5,428,047.80	£14,263.68	£340,158.20	£161,623.41	£1,373.59
Model 9. CTS Scheme aligned with all changes made by Government to other Welfare Benefits for working age recipients	£5,417,053.95	£25,257.53	£351,152.05	£160,564.70	£2,432.30
Model 10. Reduce maximum support through CTS to 70% for all working age recipients and align CTS Scheme with all changes made by Government to other Welfare Benefits for working age recipients	£5,067,172.90	£375,138.58	£701,033.10	£126,871.15	£36,125.85
Model 11. As Model 9 with the exception of removing entitlement for applications aged 18-21	£5,431,317.63	£10,993.85	£336,888.37	£161,938.29	£1,058.71

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Equality Impact Assessment Form and Action Plan

Officer completing EIA Form	Job Title	Team/Service	
Heather Tiso	Revenues & Benefits Service Manager	Revenues & Benefits Service	
Why are you completing the Equality Impact Assessment? Please ✓ as appropriate			
Proposed new policy or service	Change to policy or service	New or change to budget	Service review
	✓		
1 Description of policy, service or decision being impact assessed:			
<p>Background</p> <p>From 2013/14 district councils have operated localised Council Tax Support (CTS) schemes to provide assistance to people on low income. CTS replaced the previous Council Tax Benefit scheme that was administered by the council on behalf of the Department for Work and Pensions (DWP). Councils are responsible for the design and implementation of these schemes and need to consider if they are to be revised or replaced on an annual basis. The subsidy reimbursement for CTS reduced nationally by 10% in 2013/14 with councils having the option of funding the shortfall or designing a CTS scheme that is cost neutral. The Government state any CTS scheme must protect pensioners at the existing level of support. That decision means the burden falls disproportionately upon those of Working Age.</p> <p>From 1 April 2014, funding for localised CTS is incorporated in Settlement Funding Assessment (SFA) and not separately identified. The SFA has reduced by 26.1% in cash terms in the two years up to 2015/16 and by 16.2% from 2016/17. In applying this methodology, the funding available for Localised CTS has reduced by £2,326,217 to £3,783,863. In 2015/16 we paid CTS of £5,476,457, meaning that if there is no change to the existing CTS scheme, we estimate we will have a funding shortfall of £1,692,594, with TDBC's share of that shortfall being £162,997. The financing risk of the scheme is shared with other precepting Authorities through the tax base calculation. Taunton Deane's share of the collection fund in 2016/17 is 9.63%.</p> <p>Taunton Deane's Council Tax Support Scheme</p> <p>On 11 December 2012, the Council adopted the Local Council Tax Support scheme for 2013/14. While those of pension age receive support of up to 100% of their Council Tax liability, from 1 April 2013, the maximum support for those of working age was set at 80%.</p> <p>On 10 December 2013, the Council decided to continue the 2013/14 CTS scheme for 2014/15.</p> <p>Taunton Deane Borough Council's Local Council Tax Support scheme is designed to retain the majority of features of the CTB scheme. The CTB scheme recognised the additional financial burden of disability through a system of additional allowances/premiums within the means test. The authority's scheme continues to include the allowances/premiums that featured in the CTB scheme and, as such, the scheme positively recognises disability.</p> <p>The CTB scheme recognised the additional financial burden those with children have, through a system of additional allowances that recognise each child, child care costs and enhanced premiums for lone parents in the means test. TDBC's CTS scheme continues to include the allowances/premiums that featured in the CTB scheme and, as such, the scheme positively recognises those with caring responsibilities.</p> <p>In designing our CTS scheme, we considered customers' ability to pay and the collectability of the resultant Council Tax liability. The key changes between our local CTS scheme, for working age claimants, and the former CTB scheme are set out below. Dependent on household circumstances, more than one of these proposals may apply simultaneously to a household.</p> <ul style="list-style-type: none"> • Maximum support is 80% of Council Tax - everyone of working age has to pay something; • Non-dependant deductions were increased; • Second adult rebate ceased for working age applicants; • Child maintenance was counted as income until 31 March 2015; • Disregards for earned income are at increased levels than those offered under CTB; • Exceptional Financial Hardship fund of £35k, through Discretionary Reduction in Council Tax Liability for short-term help (this is a Collection Fund commitment and not fully funded by TDBC). <p>In December 2014, the Council decided to continue the 2014/15 CTS scheme for 2015/16 with an amendment to no longer treat maintenance received for children as income.</p>			

In developing options for our CTS scheme for 2016/17, we worked in collaboration with the County Council (as the major preceptor) and the other Somerset District billing authorities of West Somerset, Sedgemoor, Mendip and South Somerset. On 15 December 2015 Full Council, having regard to the consultation response and the Equality Impact Assessment, agreed to revise support for working age applicants in 2016/17 by:

- removing entitlement to applicants with capital over £6,000;
- applying a Minimum Income for Self-Employed applicants; and
- paying CTS at a level that would be no more than for a Band D property

As a result of the continuing reductions to the Settlement Funding Assessment, continuing to allow the same level of CTS in 2017/18 for working age recipients could impact negatively upon TDBC's budget and the budget of those that levy a precept to it (County Council, Fire, Police Authorities and Parish Councils). An adverse effect on service provision might result in us, and the other major preceptors, having to stop, reduce or seek additional charges for services with a disproportionate effect on the most vulnerable. Therefore, on 2 June 2016, the Corporate Scrutiny Committee agreed on options to take to public consultation for our CTS scheme for 2017/18.

Public consultation on proposals to change the CTS scheme in 2017/18 started on 4 July 2016 and ended on 11 September 2016. Every Council Taxpayer had the opportunity to comment on the proposals. The options on which we consulted were as follows:

Option 1 - No change - we would work out CTS in the same way as we do now. Any shortfall in the funding we get and the CTS we pay in 2017/18 would need to be met from other Council budgets.

Option 2 - Reduce maximum support offered under our CTS scheme from 80% for working age applicants.

Option 3 - Increase maximum support offered under our CTS scheme from 80% for working age applicants.

Option 4 - Align our CTS scheme for 2017/18 with some or all of the changes made by the Government to other welfare benefits. Currently, the changes known or expected to be implemented by the Government would have the following effect:

- The maximum period for which we will backdate CTS for working age recipients would reduce from 6 months to 1 month. This reduction in backdating has applied to working age Housing Benefit recipients since April 2016.
- From 1 April 2017, we would not include a Family Premium within in the applicable amount for new working age CTS applicants, or existing recipients who would otherwise have had a new entitlement to the premium. The Family Premium has not been included for the same category of Housing Benefit recipients since May 2016.
- When working out CTS, we would not include the Work Related Activity component in the applicable amount for new claimants of Employment and Support Allowance (ESA). New claimants for ESA in the Work-Related Activity Group (WRAG) will receive the same rate of CTS as those claiming Jobseeker's Allowance. The Work Related Activity component will not be included in Universal Credit from April 2017.
- Under our current scheme, we include £66.90 in the applicable amount for every child up to the age of 20. From 1 April 2017, we would remove this amount for third and any subsequent children born after that date to align with revised rules for Housing Benefit, Tax Credits and Universal Credit that are expected to apply in 2017/18. We would continue to include the amount for first and second children. There will be protection for multiple births or women who have a third child as the result of rape or other exceptional circumstances.
- From April 2017, 18-21 year olds who are not in work may no longer be eligible for help through our CTS scheme. We would implement this change to align with new rules expected to apply to Universal Credit applicants. Under Universal Credit, 18-21 year olds will be required to participate in an "*intensive regime of support from day one of their benefit claim*", and after six months they will be expected to apply for an apprenticeship or traineeship, gain work-based skills, or go on a mandatory work placement. There will be a range of exemptions for vulnerable young people, including those in danger of suffering abuse and those receiving disability benefits. People who have been in work for 6 months before making a claim, will continue to be eligible for CTS for up to 6 months while they look for work. Applicants who have previously been in care will not be affected.
- From 1 April 2017 we would align our CTS scheme with changes made to the temporary absence rules in Housing Benefit and Pension Credit on 28 July 2016. This would reduce the allowable period of temporary absence outside Great Britain from 13 weeks to 4 weeks. Northern Ireland, the Channel Islands and the Isle of Man are not part of Great Britain for Housing Benefit purposes. There are exceptions to the general temporary absence rule that we would similarly apply to CTS recipients, for example absences related to the death of a close relative.

2 People who could be affected, with particular regard to the legally defined protected characteristics¹:

Our localised CTS scheme affects all claimants who are of working age (and those of working age currently not in receipt of CTS but who may apply in the future). Limited equality data is held within TDBC's CTS computer system (as the collection of such information has not been necessary for administering CTS) given the caseload can come from all sections of the community it is likely there will be claimants (and their household members) that contain the full range of protected characteristics ¹ as defined within the Equalities Act 2010 and include:

- Age
- Disability
- Gender
- Gender Reassignment
- Marriage and Civil Partnership
- Pregnancy and Maternity
- Race
- Religion and belief
- Sexual orientation

The Government expect local authorities to establish schemes that minimise the impact on vulnerable groups. The Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012 include provisions for those of working age but none of those prescribed requirements set out the level of support to be given.

3 People and Service Area who are delivering the policy/service/decision:

Council Staff in the Revenues & Benefits Service

4 Evidence used to assess impact: Please attached documents where appropriate.

We have obtained data relating to people affected from our Council Tax Support processing system. The data available has allowed us to analyse impact on people according to their age, disability, family circumstances and level of income. We have modelled options on scenarios with "live" data based on actual entitlements and CTS recipients at that point in time. We asked general diversity questions as part of the consultation exercise.

In addition, we have undertaken debt profiling against the Council Tax Support (CTS) customer base ([Appendix 5](#)) and also against those customer groups impacted most by the key elements of our localised scheme.

We have also considered the following assessments undertaken by the DWP:

- [Equality Analysis](#) to remove the Family Premium and limit backdating for Housing Benefit to one month;
- [Impact Assessment](#) to remove the ESA Work-Related Activity Component
- [Equality Analysis](#) for Housing Benefit (Temporary Absence)(Amendment) Regulations 2015

To raise awareness of our proposals and to encourage participation in the consultation process we requested that every TDBC Members obtain views on the options from constituents within their Wards. We distributed a minimum of 10 consultation questionnaires to each of our 56 Members. Consequently, if every Member obtained the views of one of their constituent each week of the consultation period (4 July 2016 to 11 September 2016 - 10 weeks) we would obtain views of 560 residents across the entirety of the TDBC area. This would provide a confidence level of 95% with a margin of error of 4%. Obtaining only 78 responses increases the margin of error to 11%.

In supplementing Member involvement, we also created a dedicated web page with an online survey, as well as promoting consultation and encouraging participation from customers, staff and external partners.

Should Members decide to align our CTS scheme with changes made to the temporary absence rules in Housing Benefit and Pension Credit on 28 July 2016, this would apply to all customers equally from April 2017 and so will not affect customers differently because of any protected characteristic.

The impact of implementing other changes to our local Council Tax Support Scheme for each of the protected groups, is considered on the following pages.

¹ For protected characteristics, please visit:

<http://www.equalityhumanrights.com/private-and-public-sector-guidance/guidance-all/protected-characteristics>

Equality Impact Assessment (by protected characteristic)

Age

The proposed scheme for 2017/18 is subject to some national prescription relating to protecting pensioners' entitlements. Therefore we have no discretion about whether or not to follow this principle. The Government is committed to protecting pensioners on low incomes and have prescribed a scheme for pensioners through legislation. This means pensioners will not see any reduction in their CTS in comparison with their former levels of Council Tax Benefit.

Pensioners are still entitled to claim up to 100% of their Council Tax liability through CTS. The Council's general equality duty is lessened to an extent with regard to older people as Government has prescribed that pensioners are not affected by CTS. However, we have a responsibility to foster good relationships between people who share a protected characteristic and those who do not. There is a risk of harming the relationship between pensioners and working age claimants of CTS as pension age claimants are not affected and working age claimants have a greater reduction to their CTS to cover the shortfall in funding.

Our CTS scheme's premiums and personal allowance are linked to the rates set by the DWP. The main rates of working age benefits and tax credits are frozen in cash terms for 4 years from April 2016. Pensioner benefits are excluded from the benefit freeze and will be protected by the 'triple lock'. This means that for pensioners, premiums and personal allowance will rise by the higher of price inflation, earnings growth or 2.5%.

	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Pension Age	3,960	42	1%	£212.60	£8,929
Working Age Employed	1,727	540	31%	£338.56	£182,823
Working Age Other	3,528	982	28%	£196.57	£193,034
Total for CTS recipients	9,215	1,564	17%	£246.03	£384,786
Working age	5,255	1,522	29%	£246.95	£375,857

The CTS scheme retains the majority of the former Council Tax Benefit assessment rules, including the use of applicable amount and personal allowances. The personal allowances and applicable amounts used to calculate CTS are the amounts deemed necessary to provide for basic needs based on household composition and disability. These allowances and applicable amounts take the claimant's circumstances into account and mean they are awarded more support if they have children or dependents under the age of 18.

The CTS scheme for 2017/18 will continue to disregard Child Benefit in income calculations meaning that the added income this provides will not reduce the CTS that an applicant receives.

In conducting consultation for our CTS scheme for 2017/18, Option 4 proposes to align our scheme with some or all of the changes the Government make to other welfare benefits. Under Option 4, from April 2017, 18-21 year olds who are not in work would no longer be eligible for help through our CTS scheme. There will be a range of exemptions for vulnerable young people, including those in danger of suffering abuse and those receiving disability benefits. People who have been in work for 6 months before making a claim, will continue to be eligible for CTS for up to 6 months while they look for work. Applicants who have previously been in care will not be affected. Analysis of our current caseload identified just 2 (two) CTS recipients for the period April - August 2016 that were not working and aged 18-21. In considering to implement this measure, based on current recipients, 23 individuals aged 18-21 would no longer receive any CTS.

In mitigating any of the effects under Option 4, officers could apply a discretionary reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our policy.

Disability

Disabled people have a limited ability to work and are likely to have higher level disability related living expenses. This group in particular find it difficult to access and sustain employment and therefore improve on their current financial situation. This group of people is less resilient to the impact of recession and unemployment and are often living in poverty. These further impacts on the individual's mental health.

The personal allowances and applicable amounts currently used to calculate CTS, are the amounts deemed necessary to provide for basic needs based on household composition and disability. These allowances and applicable amounts already take the claimant's circumstances into account and mean that they are awarded more support if they or anyone in their household has a disability than if the household had the same income but contained no-one with a disability.

Disability benefits, the disability-related elements of tax credits and statutory payments including Personal Independence Payment, Attendance Allowance, Disability Living Allowance, Employment and Support Allowance (Support Group only), Maternity Allowance, Statutory Maternity/Paternity Pay and Statutory Sick Pay, are uprated in line with the Consumer Prices Index (CPI). The CPI fell in the year to September 2015 so it meant the benefits mentioned above were not increased from April 2016.

In common with other working age recipients, people with disabilities receive less CTS under the localised scheme than they did under CTB. However, the limited changes between CTB and our local CTS scheme are not such as to introduce disproportionately adverse effects on people based on disabled people as a specific group. Outside of CTS, the Council Tax scheme itself recognises disability by exempting those with a severe mental impairment. The CTS scheme does not impact upon that exemption and it will continue to apply where appropriate. Additionally, the Council Tax scheme also recognises disability where a dwelling occupied by a disabled person has a room that is adapted or additional to meet the needs of that resident. In those cases the band attributable to that dwelling for the purposes of Council Tax is reduced in advance of any further reduction under CTS.

In consultation for our CTS scheme for 2017/18, Option 4 proposes that new claimants for Employment and Support Allowance in the Work Related Activity Group will receive the same rate of CTS as those claiming Jobseeker's Allowance. Analysis of our current CTS caseload has not identified any applicants where we include the Work Related Activity Component within the Applicable Amount and so implementing this measure is unlikely to have a disproportionate negative impact for working age customers with disabilities.

The average level of debt for working age CTS recipients in 2015/16 receiving the disability premium was £222.16 - lower than the scheme average of £246.95 for working age claims, with only 11% of CTS recipients with a disability premium were in arrears with their Council Tax - significantly less than the scheme average of 29%.

Table 2

CTS recipients with disabilities	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Working Age Employed	168	22	13%	£258.36	£5,684
Working Age Other	247	23	9%	£187.52	£4,313
Working age	415	45	11%	£222.16	£9,997

Gender

There are a greater number of female recipients of CTS within our caseload (either single, lone parents or part of a couple) than male recipients. Consequently more females will be impacted by changes made to our CTS scheme than males. This is not deliberate but is simply a product of the makeup of our caseload. However, gender will not be a direct factor in any part of the assessment of CTS as it is not considered to be a characteristic that requires a higher applicable amount when assessing support.

The majority of lone parents in receipt of CTS are female. Under Option 4, aligning the backdating period from six months to one month means the potential entitlement period changes, but there is no actual reduction in CTS to the applicant. This measure would apply to all CTS applicants regardless of any protected characteristic. There is no evidence that reducing the period for which CTS can be backdated for working age applicants would change the gender profile of the caseload.

In reducing the period for which a person can be absent from Great Britain and still receive CTS to 4 weeks, the DWP consider there will be small cases of claimants impacted (mainly women) who leave their homes through fear of violence in that dwelling. Currently those fleeing domestic violence are allowed CTS during a period of temporary absence for up to 52 weeks. Under the changes if they decide to flee to a place of safety outside Great Britain, for example to Northern Ireland, then their CTS will be stopped after 4 weeks. Due to the relatively low numbers likely to be affected officers could apply a discretionary reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our policy.

The average level of debt for working age lone parents in 2015/16 was £279.16 - greater than the scheme average of £246.95. See table 3 detailing debt levels for this group.

Table 3

Lone Parents	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Working Age Employed	925	230	25%	£280.62	£64,543
Working Age Other	1,083	278	25%	£277.95	£77,269
Working age	2,008	542	25%	£279.16	£141,812

Gender Reassignment

We hold no data on our Council Tax system to identifying the names or numbers of current CTS applicants who share this protected characteristic. Gender reassignment is not a factor in any part of the assessment of CTS and it is not considered to be a characteristic which requires a higher applicable amount when assessing support. In common with other working age CTS applicants, transgendered people may receive less CTS under the proposals for change in 2017/18. However, these are not such as to introduce disproportionately adverse effects on transgendered people as a specific group.

Marriage and Civil Partnership

Marital or civil partnership status is not currently a factor in determining CTS as it is not considered to be a characteristic that requires a higher applicable amount. Our CTS scheme will continue to recognise and retain the treatment rules for those in Polygamous marriages. Options for changing our CTS scheme for 2017/18 do not introduce disproportionately adverse effects on people based on their marriage or civil partnership status.

Religion and Belief

We do not gather data on religion or belief as part of the CTS application process; we do not hold full data specific to religion or belief within our caseload. Religion and belief is not a factor in any part of the assessment of Council Tax Support as it is not considered to be a characteristic which requires a higher applicable amount.

Some working age CTS applicants, people of all or no religion or belief, may receive less CTS under the proposals for change in 2017/18. However, these are not such as to introduce disproportionately adverse effects on people based on their religion or belief status.

Race

Race is not a factor in the assessment of CTS and it is not considered to be a characteristic that requires a higher applicable amount. Some people of all races, may receive less CTS under the proposals for change in 2017/18. However, these are not such as to introduce disproportionately adverse effects on people based on their race status.

Pregnancy and Maternity

For the purposes of CTS, pregnancy and maternity must be considered as two separate characteristics as while the applicants is pregnant, her applicable amounts and personal allowances are lower (as for a person without children). Once a child is born, it becomes part of the household composition and increased allowances are applied. Pregnancy alone is not a factor in the current assessment of CTS as it is not considered to be a characteristic that requires a higher applicable amount. Providing that the child (or children) forms part of the mother's household composition once it is born, the application for CTS will then include the child (or children) as part of the household and the applicable amount will increase which, once other income changes have been taken into account may provide for a more generous assessment of CTS and reduced Council Tax payments. The CTS scheme will retain the current disregard of Child Benefit in income calculations, meaning the income that Child Benefit provides will not reduce the amount of CTS that a recipient receives as a result of having a baby.

In considering our CTS scheme for 2017/18, Option 4 proposes that we will not include a Family Premium within in the applicable amount for new working age CTS applicants, or existing recipients who would otherwise have had a new entitlement to the premium. This would result in a "notional" weekly loss of CTS of £3.49 (20% of the current Family Premium of £17.45). As this measure only applies to new claims to CTS, or those who have a first child while claiming CTS, this alignment measure does not result in a reduction in actual support paid.

Sexual Orientation

Sexual orientation is not be a factor in any part of the assessment of CTS as it is not considered to be a characteristic which requires a higher applicable amount when assessing support. Some working age CTS applicants may receive less CTS under the proposals for change in 2017/18. However, these are not such as to introduce disproportionately adverse effects on people based on their sexual orientation.

Children and duties under the 2010 Child Poverty Act

The minimum age for receiving CTS is 18 and so people under the age of 18 will not be impacted directly by the CTS scheme. Indirect impact has been considered as people under the age of 18 are included as part of a claimant's household and the Council has a duty to prevent child poverty as outlined in the Child Poverty Act 2010. There are 2,811 working age CTS recipients with children, accounting for 53% of all working age CTS recipients. Of those with children, 30% (856) have debt totalling £226k with these arrears making up 60% of all Council Tax debt for those of working age getting CTS.

In conducting consultation for our CTS scheme for 2017/18, Option 4 proposes to align our scheme with some or all of the changes the Government make to other welfare benefits. In not including a Family Premium within in the applicable amount for new working age CTS applicants, or existing recipients who would otherwise have had a new entitlement to the premium, this would result in a "notional" weekly loss of CTS of £3.49 (20% of the current Family Premium of £17.45). As this measure only applies to new claims to CTS, or those who have a first child while claiming CTS, this alignment measure does not result in a reduction in actual support paid.

Within the current scheme, applicants who have children are awarded a dependants addition of £66.90 for each child within the calculation of their needs (Applicable Amounts). There is no limit to the number of dependants' additions that can be awarded. From April 2017 the Government will limit dependants' additions in Universal Credit, Housing Benefit and Tax Credits to a maximum of two. This will only affect households who have a third or subsequent child on or after 1 April 2017. This measure only applies to new claims for CTS, or those who have a third child on or after 1 April 2017 and so does not result in a reduction in actual support paid. However, it would result in a "notional" weekly loss of CTS of at least £13.38 (20% of £66.90). We would continue to include the amount for first and second children. There will be protection for multiple births or women who have a third child as the result of rape or other exceptional circumstances.

In mitigating any of the effects under Option 4, officers could apply a discretionary reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our policy. Analysis of debt levels for existing working age applicants with children is shown in Table 4 below

Table 4

Working age claims with children	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Working Age Employed	1,693	418	25%	£331.49	£138,564.00
Working Age Other	1,118	438	39%	£199.69	£87,465.00
Total	2,811	856	30%	£264.05	£226,029.00

Other Groups (non-statutory)

Employment

The number of working age CTS recipients in employment is 1,727, accounting for 33% of all working age recipients. Those CTS recipients without employment are 3% more likely to have Council Tax arrears, although the average value of their debt (£196.57) is less than for those with employment (£338.56) - see Table 5.

Table 5

	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Working Age Employed	1,727	540	31%	£338.56	£182,823
Working Age Other	3,528	982	28%	£196.57	£193,034
Total for working age	5,255	1,522	29%	£246.95	£375,857

Couples in employment with no responsibility for children have the greatest average debt at £405.42, while non-working applicants with children have the lowest average debt of £63.73 - see Table 6.

Table 6

Average debt for those in arrears	Couples with children	Couples, no children	Single, no children	Lone parent	Disabled
Working Age Employed	£393.73	£405.42	£329.91	£280.62	£258.36
Working Age Other	£63.73	£363.02	£285.10	£277.95	£187.52
Total for working age	£242.00	£386.07	£298.74	£279.16	£222.16

The National Living Wage is currently £7.20 an hour for those 25 or over from April 2016 and will increase to £9.00 an hour by 2020.

For people of working age that are not in employment, the benefit cap restricts the amount in certain benefits that a household can receive. Any household receiving more than the cap will have their Housing Benefit reduced to bring them back within the limit. The Benefit Cap will be cut from £26,000 to £20,000 for households living in the Taunton area and will be phased-in gradually from November 2016. We estimate up to 150 households will be affected. This reduction in income may mean Council Tax is more difficult to collect from those households.

Carers

Larger families or people with disabilities may be in larger properties to cater for disability needs and so carers are able to stay overnight.

Armed Forces

Veteran Benefits will continue to be fully disregarded in the means test for Council Tax Support. Our scheme does not appear to have a differential impact but we are aware some ex veterans experience mental health issues and have physical disabilities.

5 Conclusions on impact of proposed decision or new policy/service change:

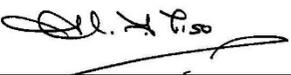
In considering options to change our CTS scheme we have tried hard to balance the reality of a significant cut in Central Government funding to protecting the most vulnerable members of our community as far as practicable. The proposals acknowledges that recipients of CTS need to contribute more to meet the funding shortfall but also looks to protect people with protected characteristics as much as possible.

In mitigating any disproportionate effect through implementing any of the proposed options to change our CTS scheme, officers could apply a reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our discretionary policy.

6 Recommendation based on findings. These need to be outlined in the attached action plan.

Adjust the policy/decision/service.

Equality Impact Assessment Action Plan					
Group Affected	Action required	Expected outcome of action	Person to undertake action	Service Plan - for monitoring	Expected Completion date
Age	Young people aged 18 to 21 that are not working will receive no help with either their housing costs (rent) or with paying Council Tax. It will be important to work closely with DWP colleagues in ensuring such people receive the "intensive regime of support" stipulated by the Government to increase their skills and confidence in gaining for employment.	Flagging affected individuals as "vulnerable" with Revenue IT systems to ensure collection of debt is appropriately managed	DHP/Welfare Reform Officer	Revenues & Benefits	On-going
Disability	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Marriage and Civil Partnership	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Pregnancy and Maternity	In not including a Family Premium within in the applicable amount for new working age CTS applicants, or existing recipients who would otherwise have had a new entitlement to the premium, there will be less CTS available to those affected. In addition, limiting dependant additions to a maximum of two children is similarly likely to reduce support.	Provide short-term help for instances of hardship.	DHP/Welfare Reform Officer	Revenues & Benefits	On-going
Race	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable

Gender Re-assignment	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable		
Religion and Belief	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable		
Sex	There are a greater number of female CTS recipients within our caseload (either single, lone parents or part of a couple) than male recipients. Consequently more females will be impacted by changes made to our scheme. However, gender is not a direct factor in any part of the assessment of CTS as it is not considered to be a characteristic that requires a higher applicable amount when assessing support.	Provide short-term help for instances of hardship.	DHP/Welfare Reform Officer	Revenues & Benefits	On-going		
Sexual Orientation	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable		
Rurality	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable		
Author's Signature:		Report Title	Review of CTS scheme for 2017/18	Date	20/10/2016	EIA Version	1.1
Contact Details:	Tel:	01823 356541	Email:	h.tiso@tauntondeane.gov.uk			

Council Tax Support – Debt Profile @ 31 March 2016

Table 1 – Profile of claims with arrears

	Number of cases	Cases with debt	Percentage of cases with debt	Average arrears cases	Average arrears across scheme	Total arrears
Pension Age	3,960	42	1%	£212.60	£2.25	£8,929.00
Working Age Employed	1,727	540	31%	£338.56	£105.86	£182,823.00
Working Age Other	3,528	982	28%	£196.57	£54.71	£193,034.00
Total	9,215	1,564	17%	£246.03	£41.76	£384,786.00
Total for working age	5,255	1,522	29%	£246.95	£71.52	£375,857.00

Table 2 – Profile of claims – Claim numbers

	Total claims	Passported	Children	Couple	Single	Lone parent	Disabled
Pension Age	3,960	2,397	43	526	1,008	3	198
Working Age Employed	1,727	0	1,693	879	392	925	168
Working Age Other	3,528	2,757	1,118	677	896	1,083	247
Total	9,215	5,154	2,854	2,082	2,296	2,011	613
Total for working age	5,255	2,757	2,811	1,556	1,288	2,008	415

Table 3 – Total arrears

	Total arrears	Passported	Children	Couple	Single	Lone parent	Disabled
Pension Age	£8,929.00	£3,097.00	£53.00	£1,536.00	£4,296.00	£0.00	£27.00
Working Age Employed	£182,823.00	£0.00	£138,564.00	£85,949.00	£32,331.00	£64,543.00	£5,684.00
Working Age Other	£193,034.00	£172,927.00	£87,465.00	£64,617.00	£63,863.00	£77,269.00	£4,313.00
Total	£384,786.00	£176,024.00	£226,082.00	£152,102.00	£100,490.00	£141,812.00	£10,024.00
Total for working age	£375,857.00	£172,927.00	£226,029.00	£150,566.00	£96,194.00	£141,812.00	£9,997.00

Table 4 – Number of claims with arrears

	Total with arrears	Passported	Children	Couple	Single	Lone parent	Disabled
Pension Age	42	17	1	5	20	0	1
Working Age Employed	540	0	418	212	98	230	22
Working Age Other	982	886	438	178	224	278	23
Total	1,564	903	857	395	342	508	46
Total for working age	1,522	886	856	390	322	508	45

Table 5 –Percentage of claims with arrears

	Total claims	Total with arrears	Passported	Children	Couple	Single	Lone parent	Disabled
Pension Age	43%	1%	1%	2%	1%	2%	0%	1%
Working Age Employed	19%	31%	0%	25%	24%	25%	25%	13%
Working Age Other	38%	28%	32%	39%	26%	25%	26%	9%
Total	100%	17%	18%	30%	19%	15%	25%	8%
Total for working age	57%	29%	32%	30%	25%	25%	25%	11%

Table 6 – Average arrears per case

	Total	Passported	Children	Couple	Single	Lone parent	Disabled
Pension Age	£212.60	£182.18	£53.00	£307.20	£214.80	£0.00	£27.00
Working Age Employed	£338.56	£0.00	£331.49	£405.42	£329.91	£280.62	£258.36
Working Age Other	£196.57	£195.18	£199.69	£363.02	£285.10	£277.95	£187.52
Total	£246.03	£194.93	£263.81	£385.07	£293.83	£279.16	£217.91
Total for working age	£246.95	£195.18	£264.05	£386.07	£298.74	£279.16	£222.16

Table 7– Average arrears across scheme

	Total	Passported	Children	Couple	Single	Lone parent	Disabled
Pension Age	£2.25	£1.29	£1.23	£2.92	£4.26	£0.00	£0.14
Working Age Employed	£105.86	£0.00	£81.85	£97.78	£82.48	£69.78	£33.83
Working Age Other	£54.71	£62.72	£78.23	£95.45	£71.28	£71.35	£17.46
Total	£41.76	£34.15	£79.22	£73.06	£43.77	£70.52	£16.35
Total for working age	£71.52	£62.72	£80.41	£96.76	£74.68	£70.62	£24.09

Table 8 – Total Arrears by Council Tax Band

	A	B	C	D	E	F	G
Pension Age	£4,219.00	£2,148.00	£2,073.00	£415.00	£0.00	£74.00	£0.00
Working Age Employed	£38,388.00	£84,541.00	£40,593.00	£15,446.00	£3,543.00	£312.00	£0.00
Working Age Other	£77,834.00	£92,569.00	£17,051.00	£5,828.00	£0.00	£0.00	£0.00
Total	£120,441.00	£179,258.00	£59,717.00	£21,689.00	£3,543.00	£386.00	£0.00
Total for working age	£116,222.00	£177,110.00	£57,644.00	£21,274.00	£3,543.00	£312.00	£0.00

Table 9 Number of cases with arrears by Council Tax Band

	A	B	C	D	E	F	G
Pension Age	14	12	4	1	0	1	0
Working Age Employed	63	138	61	16	3	1	0
Working Age Other	346	342	70	15	4	0	0
Total	423	492	135	32	7	2	0
Total for working age	409	480	131	31	7	1	0

Table 10 – Average Arrears by Council Tax Band

	A	B	C	D	E	F	G
Pension Age	£301.36	£179.00	£518.25	£415.00	£0.00	£74.00	£0.00
Working Age Employed	£609.33	£612.62	£665.46	£965.38	£1,181.00	£312.00	£0.00
Working Age Other	£224.95	£270.67	£243.59	£388.53	£0.00	£0.00	£0.00
Total	£284.73	£364.35	£442.35	£677.78	£506.14	£193.00	£0.00
Total for working age	£284.16	£368.98	£440.03	£686.26	£506.14	£312.00	£0.00

Table 11 – Claims with Children – Arrears Analysis

	Number of cases	Cases with arrears	Average arrears case	Average arrears across scheme	Total arrears
Pension Age	43	1	£53.00	£1.23	£53.00
Working Age Employed	1,693	418	£331.49	£81.85	£138,564.00
Working Age Other	1,118	438	£199.69	£78.23	£87,465.00
Total	2,854	857	£263.81	£79.22	£226,082.00
Total for working age	2,811	856	£264.05	£80.41	£226,029.00

Table 12 – Lone Parent Claims – Arrears Analysis

	Number of cases	Cases with arrears	Average arrears case	Average arrears across scheme	Total arrears
Pension Age	3	0	£0.00	£0.00	£0.00
Working Age Employed	925	230	£280.62	£69.78	£64,543.00
Working Age Other	1,083	278	£277.95	£71.35	£77,269.00
Total	2,011	508	£279.16	£70.52	£141,812.00
Total for working age	2,008	508	£279.16	£70.62	£141,812.00

Table 13 – Claims with a Disability Premium – Arrears Analysis

	Number of cases	Cases with arrears	Average arrears case	Average arrears across scheme	Total arrears
Pension Age	198	1	£27.00	£0.14	£27.00
Working Age Employed	168	22	£258.36	£33.83	£5,684.00
Working Age Other	247	23	£187.52	£17.46	£4,313.00
Total	613	46	£217.91	£16.35	£10,024.00
Total for working age	415	45	£222.16	£24.09	£9,997.00

Table 14 – Passported Claims – Arrears Analysis

	Number of cases	Cases with arrears	Average arrears case	Average arrears across scheme	Total arrears
Pension Age	2,397	17	£182.18	£1.29	£3,097.00
Working Age	2,757	886	£195.18	£62.72	£172,927.00
Total	5,154	903	£194.93	£34.15	£176,024.00

Table 15 – Couples claiming CTS – Arrears Analysis

	Number of cases	Cases with arrears	Average arrears case	Average arrears across scheme	Total arrears
Pension Age	526	5	£307.20	£2.92	£1,536.00
Working Age Employed	879	212	£405.42	£97.78	£85,949.00
Working Age Other	677	178	£363.02	£95.45	£64,617.00
Total	2,082	395	£385.07	£73.06	£152,102.00
Total for working age	1,556	390	£386.07	£96.76	£150,566.00

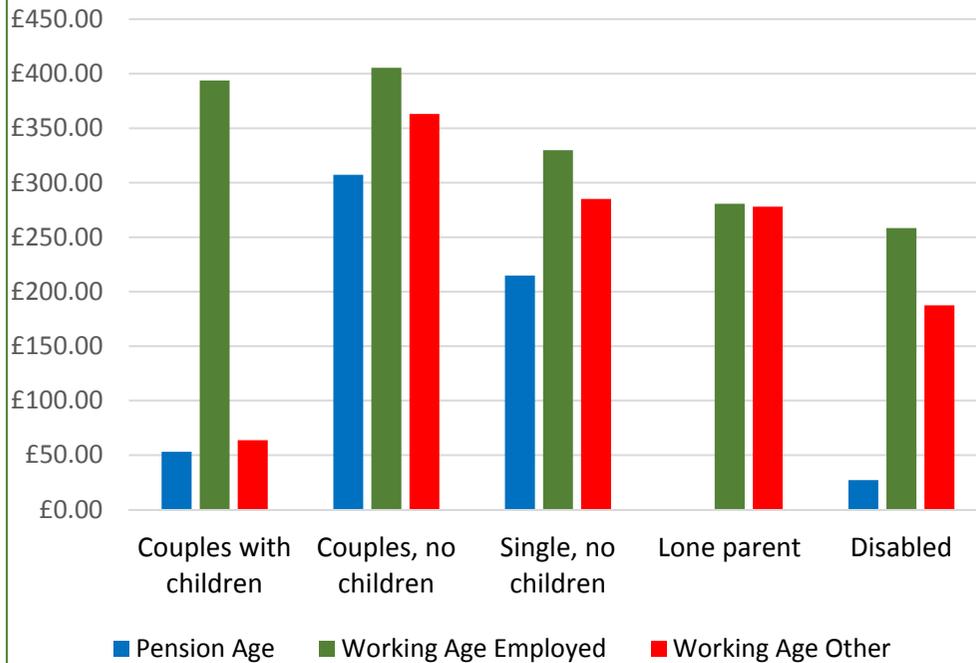
Table 16 – Single People Claiming CTS – Arrears Analysis

	Number of cases	Cases with arrears	Average arrears case	Average arrears across scheme	Total arrears
Pension Age	1,008	20	£214.80	£4.26	£4,296.00
Working Age Employed	392	98	£329.91	£82.48	£32,331.00
Working Age Other	896	224	£285.10	£71.28	£63,863.00
Total	2,296	342	£293.83	£43.77	£100,490.00
Total for working age	1,288	322	£298.74	£74.68	£96,194.00

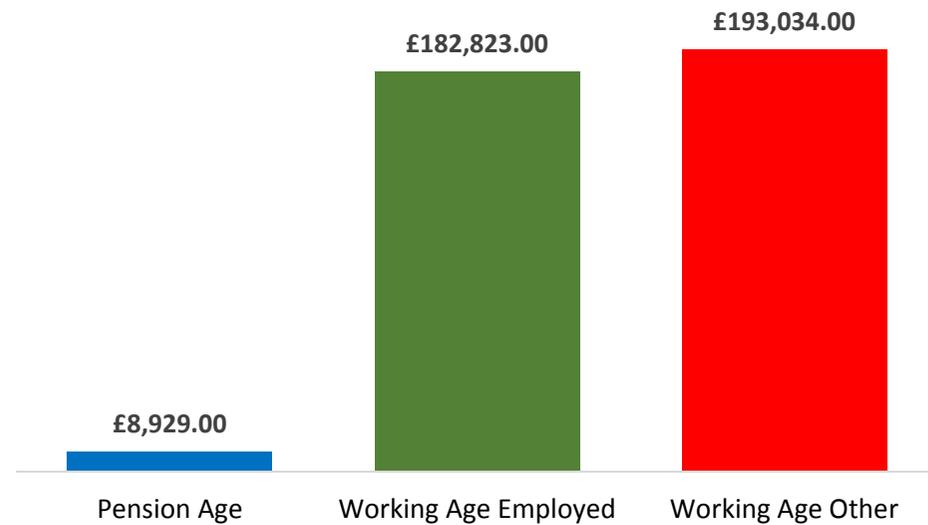
Table 17 – Comparison of Working Age cases – Arrears Analysis

	Number of cases	Cases with arrears	Average arrears case	Average arrears across scheme	Total arrears
Working age (working)	1,727	540	£338.56	£105.86	£182,823.00
Working age (not working)	3,528	982	£196.57	£54.71	£193,034.00
Total for working age	5,255	1,522	£246.95	£71.52	£375,857.00

Average arrears for CTS recipients @ 31/03/2016



Council Tax arrears outstanding for CTS recipients @ 31 March 2016



Taunton Deane Borough Council

Executive – 9 November 2016

Financial Monitoring – 2016/2017 as at 31 August 2016

This matter is the responsibility of the Leader, Councillor John Williams

Report Author: Jo Nacey, Finance Manager

1 Executive Summary

- 1.1 This report provides an update on the projected outturn financial position of the Council for the financial year 2016/17 (as at 31 August 2016).
- 1.2 Monitoring the budget is an important part of the Council's Performance Management Framework.
- 1.3 The current revenue forecast outturn for the financial year 2016/17 is as follows:

The General Fund (GF) Revenue Outturn is forecasting a net underspend of £271k (1.88% of Net Revenue Budget);

The Housing Revenue Account (HRA) is forecasting an underspend of £129k.
- 1.4 The current capital forecast position for 2016/17 is as follows:

The General Fund capital account is forecasting spend of £11.805m against a budget of £12.692m with £887k forecast to be spent in future years;

The HRA capital account is forecasting spend of £17.873m against a budget of £20.129m with £2.256m forecast to be spent in future years.

There are no predicted overspends in the capital forecast at this time.
- 1.5 The General Fund reserves forecast balance as at 31 March 2017 is projected to be £2.184m. The balance remains above the recommended minimum reserves level approved in the Council's Budget Strategy (£1.6m).
- 1.6 The Housing Revenue Account (HRA) Reserve forecast balance as at 31 March 2017 is £2.471m, which is above the recommended minimum level (£1.8m) set within the Council's Budget Strategy and HRA Business Plan.

2 Recommendations

- 2.1 It is recommended that Executive note the Council's forecast financial performance for 2016/17 financial year as at 31 August 2016.
- 2.2 It is recommended that Executive approve and recommend to Council a capital supplementary estimate of £1.326m for Grants to Registered Social Landlords (RSL).

3 Risk Assessment

Risk Matrix

Description	Likelihood	Impact	Overall
That the Authority overspends against the approved budget	3	4	12
<i>Mitigated by - Regular budget monitoring reports are produced and managers actively manage the budgets under their responsibility</i>	1	4	4

Risk Scoring Matrix

Likelihood	5	Almost Certain	Low (5)	Medium (10)	High (15)	Very High (20)	Very High (25)
	4	Likely	Low (4)	Medium (8)	Medium (12)	High (16)	Very High (20)
	3	Possible	Low (3)	Low (6)	Medium (9)	Medium (12)	High (15)
	2	Unlikely	Low (2)	Low (4)	Low (6)	Medium (8)	Medium (10)
	1	Rare	Low (1)	Low (2)	Low (3)	Low (4)	Low (5)
			1	2	3	4	5
			Negligible	Minor	Moderate	Major	Catastrophic
Impact							

Likelihood of risk occurring	Indicator	Description (chance of occurrence)
1. Very Unlikely	May occur in exceptional circumstances	< 10%
2. Slight	Is unlikely to, but could occur at some time	10 – 25%
3. Feasible	Fairly likely to occur at same time	25 – 50%
4. Likely	Likely to occur within the next 1-2 years, or occurs occasionally	50 – 75%
5. Very Likely	Regular occurrence (daily / weekly / monthly)	> 75%

4 Background and Full details of the Report

- 4.1 This report provides the Council's forecast end of year financial position for revenue and capital expenditure as at 31 August 2016 for the Council's General Fund (GF), Housing Revenue Account (HRA) and trading services.
- 4.2 The regular monitoring of financial information is a key element in the Council's Performance Management Framework. Crucially it enables remedial action to be taken in response to significant budget variances, some of which may be unavoidable. It also provides the opportunity to assess any consequent impact on reserves and the Council's the Medium Term Financial Plan.
- 4.3 Members will be aware from previous experience that the position can change between 'in-year' projections and the final outturn position, mainly due to demand-led service costs and income levels. The budget monitoring process involves a detailed review of the more volatile budgets and a proportionate review of low risk/low volatility budget areas. However it should be noted that the frequency of formal reporting has reduced from this year as business processes are streamlined to reflect reductions in the overall capacity within the Council.
- 4.4 Budget Holders, with support and advice from their accountants, regularly review the position and update their forecasts based on currently available information and knowledge of service requirements for the remainder of the year. As with any forecast there is always a risk that some unforeseen changes could influence the position at the year end, and a number of risks and uncertainties are highlighted within this report. However, the following forecast is considered to be reasonable based on current information.

5 2016/17 Forecast Outturn

General Fund Revenue Account – 2016/17 Forecast as at 31 August 2016

- 5.1 The Council is currently forecasting an overall net underspend of £271k. This represents 1.88% of the Net Budget and 0.47% of Gross Budget.
- 5.2 A Summary Statement of the General Fund Revenue Outturn by Portfolio is provided in **Appendix A**.

Summary of Significant Variances

- 5.3 The main variances to budget are:

Asset Management: A number of vacant properties in Blackdown Business Park has led to a projected shortfall in rental income of £30k. Work is underway to let these properties where possible.

Car Parking: An underspend of £34k has been forecast. The increased income forecast in the budget setting has not fully materialised. This has been offset by £150k savings in expenditure.

Deane Helpline: There is a projected over-recovery against the net trading account budget of £15k due to an increase in income and savings due to the change in staffing rota. The changes to the staff rota were introduced in 2016/17.

Crematorium: An increase in gas costs and DLO increased prices has led to a pressure of £25k. Management will seek to control costs where possible to mitigate the cost pressure, but this may not be covered in full.

Waste Recycling: The service is projecting additional income from green waste £46k with demand for the service exceeding budget expectations. As this is a demand-led service the position can fluctuate, however as the majority of income is received early in the financial year for the annual kerbside collection service the forecast is expected to be reasonably accurate at this stage.

Community Open Spaces & Parks: This overspend is mainly as a result of additional temporary staffing of £11k. This resource, approved by Councillor Herbert, was needed to handle complaints of the parks service, an area which had previously not been addressed adequately.

Homelessness: This projected one-off overspend of £50k relates to legal costs of removing a person from a site and trying to provide suitable alternative accommodation. There is no base budget to cover the costs of this particular case.

Insurance: Premiums have increased more than anticipated by £80k as a result of increased claims. The General Fund share of this projected overspend is £56k.

Council Tax Collection: This projected underspend of £32k is in respect of additional court fees recovered through enforcement of our debt recovery processes. There is increased volume of cases taken through the court as part of the Council's tax collection activity.

Rent Allowances: The Council included a contingency budget of £205k for anticipated housing benefit costs as rental costs for supported accommodation were being reviewed under 'Pathway for Adults' (P4A). This matter appears to have been resolved through provision of P4A support through social housing – with TDBC and Knightstone Housing – meaning full HB costs can be recovered through Subsidy. This situation may be reviewed again in 2018 therefore the contingency will be retained within the Council's MTFP but it is assumed this will not be needed in this year or next. There is also a small surplus projected of £16k under standard HB Subsidy arrangements.

Revenues and Benefits: Additional funding has been provided by Government for various welfare reforms, meaning service costs that had planned to be funded from earmarked reserves can now be funded from in-year surplus income plus additional Housing Benefit administration grant totalling £75k.

Interest Costs and Income: Additional investment income has been received due to the interest charge on the loan given to Somerset Waste Partnership £20k.

6 General Fund Reserves

General Reserves

- 6.1 The following table summarises the movement on the General Reserves Balance to 31 August 2016.

Table 1: General Reserve Balance

	£k
Balance Brought Forward 1 April 2016	2,113
Supplementary estimate to Fund Transformation Implementation	-200
Budgeted Balance 31 March 2017	1,913
2016/17 Projected Outturn Variance – Mid-Year Forecast	271
Projected Balance 31 March 2017	2,184
Recommended Minimum Balance	1,600
Projected Balance above recommended minimum	584

- 6.2 The forecast balance as at 31 March 2017 is £2.184m. This would be £584k above the recommended balance of £1.600m. The balance is only a forecast and can change which means it must be caveated at this stage.
- 6.3 In view of the Council's future financial pressures the prudent advice is to maintain reserves above the recommended minimum, to provide some resilience for emerging costs and to provide some flexibility to support measures to address ongoing financial sustainability.

General Fund - Risk and Uncertainty

- 6.4 Budgets and forecasts are based on known information and the best estimates of the Council's future spending and income. Income and expenditure over the 2016/17 financial year is estimated by budget holders and then reported through the budget monitoring process. During this process risks and uncertainties are identified which could impact on the financial projections, but for which the likelihood, and/or amount are uncertain.

6.5 The following risks and uncertainties have been identified:

- 6.5.1 **Fluctuation in demand for services:** We operate a number of demand-led services and the levels of demand do not always follow a recognisable trend. We therefore have to caveat the forecasts in these areas to account for fluctuations.
- 6.5.2 **General Spend:** It is conceivable that, whilst budget holders are optimistic that they will spend all of their budget, we could see underspends of £50k-£100k by year end caused by the cumulative effect of minor underspends in a number of service areas.
- 6.5.3 **Year End Adjustments:** Certain items are not determined or finalised until the financial year end. For example, the final assessment of provisions required for bad debts, and final allocations of support service recharges. These can result in potentially significant differences to current forecasts.
- 6.5.4 **Business Rates:** There are inherent risks and uncertainties within the Business Rates Retention system. The Council's share of business rates funding is directly linked to the total amount of business rates due and collected in the area. The figures are subject to volatility. Forecasts have to reflect this uncertainty. Due to delays caused by the additional work required on last year's accounts, the current forecasts still need to be prepared.
- 6.5.5 The Council carries protection against risk and uncertainty in a number of ways, such as insurances and maintaining reserves. This is a prudent approach and helps to mitigate unforeseen pressures.

Deane DLO Trading Account

- 6.6 At 31 August 2016 the DLO is forecasting to come in on budget after contributing £101k to the General Fund. Any surplus will be transferred to the DLO trading reserve. Due to the complexities of the business and the significant sums involved in the DLO operation, the year-end outturn forecast is a best estimate at this point in time. This forecast outturn needs to be flagged as a risk and will be continually monitored.
- 6.7 The Trading Account Reserves Position balance brought forward of £505k (see **Appendix C**) relates to a retained trading surplus of £165k, plus capital reserves set aside to support investment in the service: £25k for fuel tanks; and £315k to fund vehicle replacement. £200k of the DLO Trading reserve is being used to fund Transformation implementation costs.
- 6.8 As agreed within the transformation plan, continuous improvement of DLO services will enhance all aspects of operational efficiency and effectiveness.
- 6.9 A Trading Account Summary and Reserves Position Statement for the DLO are also included in **Appendix C**. The trading account reserves are reported as part

of the General Fund Earmarked Reserves balance.

Deane Helpline Trading Account

- 6.10 The Deane Helpline's net budget is £107k. The service is predicting a net underspend of £15k at year end (see 5.6).
- 6.11 There are no funds held in the Deane Helpline Trading Account Reserve, therefore any deficit would have to be underwritten by the General Fund.

General Fund Capital Programme

- 6.12 The total approved General Fund Capital Programme is currently £12.692m. This relates to schemes which will be completed over the next five years. Of this, Budget Holders are projecting that £11.805m will be spent during 2016/17 with £887k due to be spent in future years. Current spend as at 31 August 2016 is £2.586m. The Council is supporting this investment through the use of Capital Grants and Contributions, Capital Receipts, Revenue Funding and Borrowing.
- 6.13 Members are asked to approve a supplementary estimate of £1.326m for Grants to RSLs which is funded by £624k from s106, £572k from affordable housing capital receipts and £130k from housing enabling earmarked reserve. The Grant to RSL's scheme is the capital funding ring-fenced for the provision of new affordable housing. The funds consist of historic grant funding which has been allocated to schemes currently being developed and also Section 106 monies/ capital receipts collected from developments in lieu of affordable housing on site. These funds are allocated to specific schemes which need additional funding to secure the delivery of new affordable housing. On most occasions these funds are paid to Housing Association Partners who also contribute funding through the Homes and Communities Agency and their recycled capital grant funding received through shared ownership and disposals.
- 6.14 The major areas of capital spend planned for 2016/17 include £2.808m for the relocation of the Depot, £1.108m of Disabled Facility Grants, £270km for DLO vehicles and plant acquisition, £821k of grant support for private and social sector housing, £2.084m for Blackbrook Swimming Pool and £1.433m on Firepool land assembly.
- 6.15 Of the £887k due to be spent in future years £714k relates to the acquisition of employment site in Taunton and £172k to Castle Green.
- 6.16 A summary of the General Fund Capital Programme budget and forecast for the year is included in **Appendix E**.

7 Housing Revenue Account (HRA)

- 7.1 The HRA is a 'Self-Financing' account for the Council's Housing Landlord function,

which is budgeted to break-even (net of approved transfers to/from HRA Reserves). The current forecast HRA Revenue Outturn for 2016/17 is a net surplus of £129k (0.5% of gross income).

- 7.2 The current forecast outturn for 2016/17 is provided in more detail in **Appendix B**.
- 7.3 The major under and overspends forecast for year are summarised as follows:
- 7.4 **Dwelling Rents and Service Charges:** Void rate is lower than budgeted leading to additional income of £299k.
- 7.5 **Leasehold Income:** Income from leaseholders is higher than budgeted by £48k to reflect the increased cost of maintenance on shared blocks.
- 7.6 **PV Income:** This is a one year pressure in expected feed in tariff income of £60k due to limited unit size. This has been taken into account in the Business Plan on an ongoing basis.
- 7.7 **Housing Management:** Underspends in IT costs (-£20k) are expected pending implementation of new IT systems, along with RTB income of £39k, which from 2017/18 is included in the Business Plan.
- 7.8 **Asbestos Surveys:** Asbestos surveys and testing continues to be a priority and the forecast variance is £58k overspent due to the increased activity.
- 7.9 **Voids:** The forecasted overspend of £100k on void repairs will be monitored through the year but this fluctuates with the number of voids at any one time.
- 7.10 **Grounds Maintenance:** A review of Grounds Maintenance works on HRA land is currently underway and will shape the ongoing service. The current forecast variance is £20k over budget.
- 7.11 **Supported Housing:** Additional works and equipment in Supported Housing have created a forecast overspend variance of £20k.
- 7.12 **Other Maintenance:** A forecast overspend in General Maintenance (+£100k) and Responsive electrical (£20k), driven by demand is partially offset by an expected underspend in Responsive Heating works (-£65k). This will continue to be monitored throughout the year.
- 7.13 **Interest Receivable:** Higher reserve balances mean that the interest received on investments is higher than budgeted by £40k.

HRA - Risk and Uncertainty

- 7.14 As with the General Fund, budgets and forecasts are based on known information and the best estimates of the Council's future spending and income. Income and

expenditure over the financial year 2016/17 is estimated by budget holders and then reported through the budget monitoring process. During this process risks and uncertainties are identified which could impact financial projections, but for which the likelihood and/or amount are uncertain.

Housing Revenue Unearmarked Account Reserves

- 7.15 The HRA reserves at the start of the year were £2.675m. The use of the 2015/16 underspend and the surplus of £129k in 2016/17 reduce the balance to £2.471m. This is above the minimum recommended reserve level of £1.800m by £671k.

Table 2: General Reserve Balance

	£k
Balance Brought Forward 1 April 2016	2,675
Use of 2015/16 underspend (Full Council July)	-333
Budgeted Balance March 2017	2,342
Forecast Outturn 2016/17 (as at 31 August 2016)	129
Forecast Balance Carried Forward 31 March 2017	2,471
Recommended Minimum Balance	1,800
Forecast Balance above recommended minimum	671

8 HRA Capital Programme

- 8.1 The HRA approved Capital Programme is £20.129m. This relates to schemes which will be completed over the next five years. The Council is supporting this investment through the use of Capital Receipts, Revenue Funding and Borrowing.
- 8.2 **Appendix D** provides a breakdown of the HRA Capital Programme Outturn by scheme.
- 8.3 The capital programme can be split into two distinct areas:

Major Works:

- 8.4 £10.743m of the capital budget in the HRA relates to major works on existing dwellings and includes works such as kitchens, bathrooms, heating systems, roofs, doors and windows. Actual spend at 31 August 2016 is £3.384m. This is lower than would be expected due to invoicing in arrears. £2.235m of the HRA Major Repairs and Improvements Fund is to be used over the next few years as set out in the Business Plan.
- 8.5 A total of £1.965m relates to Other Works such as disabled facilities adaptations, asbestos removal, external wall insulations and extensions.

Development:

- 8.6 The remaining budget of £7.421m is for the provision of new housing through

Creechbarrow Road, Weavers Arms and the Social Housing Development Programme. These are set to complete in 2016/17.

9 Links to Corporate Aims / Priorities

9.1 The financial performance of the Council underpins the delivery of corporate priorities and therefore all Corporate Aims.

10 Finance / Resource Implications

10.1 Contained within the body of the report.

11 Legal Implications

7.1 There are no legal implications associated with this report.

12 Environmental Impact Implications

12.1 None for the purpose of this report.

13 Safeguarding and/or Community Safety Implications

13.1 None for the purpose of this report.

14 Equality and Diversity Implications

14.1 None for the purpose of this report.

15 Social Value Implications

15.1 None for the purpose of this report.

16 Partnership Implications

16.1 A wide range of council services are provided through partnership arrangements e.g. Tone Leisure for leisure services and Somerset Waste Partnership for Waste and Recycling services. The cost of these services is reflected in the Council's financial outturn position for the year.

17 Health and Wellbeing Implications

17.1 None for the purpose of this report.

18 Asset Management Implications

18.1 None for the purpose of this report.

19 Consultation Implications

19.1 None for the purpose of this report.

20 Scrutiny Comments / Recommendation(s)

20.1 The Scrutiny Committee requested that more information is provided in relation to the capital supplementary estimate request in section 2.2. Further information has therefore been provided to Executive in 6.13.

Democratic Path:

- **Scrutiny – Yes 20 October 2016**
- **Executive – Yes 9 November 2016**
- **Full Council – No**

Reporting Frequency: Twice-yearly

List of Appendices

Appendix A	General Fund Revenue Account Outturn Summary
Appendix B	Housing Revenue Account Outturn Summary
Appendix C	DLO Trading Account and Reserves Summary
Appendix D	General Fund and Housing Revenue Account Capital Programme Outturn Summary

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APPENDIX A

GENERAL FUND REVENUE ACCOUNT SUMMARY 2016/17

	Current Budget £000s	Forecast Outturn £000s	Forecast Variance £000s
Service Portfolios			
Community Leadership	480	480	0
Corporate Resources	1,879	1,607	(272)
Economic Development, Asset Management, Arts & Tourism	1,345	1,375	30
Environmental Services	4,814	4,793	(21)
General Services	1,286	1,286	0
Housing Services	2,506	2,556	50
Planning, Transportation & Communications	(2,505)	(2,539)	(34)
Sports, Parks & Leisure	2,830	2841	11
Somerset Rivers Authority	68	68	0
Net Cost of Services	12,703	12,467	(236)
Other Operating Costs and Income			
Deane Helpline Trading Account	107	92	(15)
DLO Trading Account	(101)	(101)	0
Interest and Investment Income	(314)	(334)	(20)
Parish Precepts & Special Expenses	717	717	0
Capital Financing from GF Revenue (RCCO)	482	482	0
Repayment of Capital Borrowing (MRP)	180	180	0
Transfers to Capital Adjustment Account	(2,513)	(2,513)	0
Transfers To/(From) Earmarked Reserves	3,335	3,335	0
Transfers To/(From) General Reserves	(200)	(200)	0
Transfers To/(From) Pension Reserve	0	0	0
Total Other Operating Costs and Income	1,693	1,658	(35)
NET EXPENDITURE BEFORE GRANTS AND TAXATION	14,396	14,125	(271)
Business Rates and Council Tax Income	(10,513)	(10,513)	0
New Homes Bonus Grant	(3,883)	(3,883)	0
TOTAL FUNDING	(14,396)	(14,396)	0
PROJECT (UNDER)/OVERSPEND FOR THE YEAR	0	(271)	(271)

APPENDIX B
HOUSING REVENUE ACCOUNT SUMMARY 2016/17

	Current Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Income			
Dwelling Rents	(24,614)	(24,801)	(187)
Non Dwelling Rents	(610)	(601)	9
Charges for Services/Facilities (Service Charges, Rechargeable Repairs, Leaseholder Charges)	(995)	(1,157)	(162)
Contributions Towards Expenditure	(549)	(489)	60
Total Income	(26,768)	(27,048)	(280)
Expenditure			
Repairs and Maintenance	6,122	6,334	212
Housing Management	6,299	6,240	(59)
Capital Charges – Depreciation and Revenue Contribution to Capital	7,708	7,708	0
Other Expenditure	1,811	1,849	38
Provision for Bad Debt	223	223	0
Total Expenditure	22,163	22,354	191
Other Costs & Income			
Interest Payable	3,011	3,011	0
Interest and Investment Income	(80)	(120)	(40)
Provision for Repayment of Debt	1,007	1,007	0
Social Housing Development Fund	1,000	1,000	0
Transfers To/(From) Earmarked & Other Reserves	(333)	(333)	0
Total Other Costs & Income	4,605	4,565	(40)
NET (SURPLUS)/DEFICIT FOR THE YEAR	0	(129)	(129)

APPENDIX C

DEANE DLO TRADING ACCOUNT AND RESERVES SUMMARY

	2016/17		
	Income £'000	Expenditure £'000	Net £'000
(Surplus)/Deficit for the year:			
Grounds Maintenance	(3,231)	2,655	(576)
Building Maintenance	(5,253)	4,414	(839)
Trading (Surplus) / Deficit Before Adjustments	(8,484)	7,069	(1,415)
Capital Charges & Income			140
Net Recharges			948
Offset IFRS Technical Accounting Adjustments			226
Adjusted Trading (Surplus) before Contributions			(101)
Contribution to General Fund			101
Contribution from Trading Reserve			0
Trading Surplus After Adjustments and Contributions			(0)
Surplus transferred to Trading Account Reserve			(0)
	Reserves £000s		
	Vehicle	Capital Replacement	Trading
Reserve balance brought forward 1 April	(315)	(25)	(365)
Retained Trading (Surplus) / Deficit			
Transfer to Capital Replacement Reserve Fund			
Transfer to Vehicle Replacement Reserve Fund			
Transfer to Fund Transformation Implementation			200
Reserve balance carried forward 31 March	(315)	(25)	(165)

Notes:

1. These are forecast figures provided by managers from the DLO, and may be subject to change as the year progresses.

Scheme	Original Budget	Carry Forward	Supplementary Estimates	Revised Budget	Actual Spend	Forecast Total Spend	Forecast Total Spend	Variance Against Revised Budget	Comment
	2016-17	2015-16	2016-17	2016-17	2016-17	2016/17	Future Years		
	£	£	£	£	£	£	£	£	
GENERAL FUND									
General Schemes									
* 800000 PC Refresh Project	35,000	42,600	0	77,600	-1,073	77,600		0	On Going Refresh - spending paused pending approval of ICT Strategy and move to thin client platform
* 800001 Members IT Equipment	4,000	8,600	0	12,600	0	12,600		0	
* 800002 DLO Vehicles	180,000	64,000	0	244,000	53,668	244,000		0	
* 800003 DLO Plant	23,000	2,800	0	25,800	-2,121	25,800		0	
* 800004 PT Longrun Meadow C	30,300	103,000	0	133,300	0	133,300		0	
* 800009 Waste Containers	93,000	0	0	93,000	0	93,000		0	
* 800010 Paul Street Car Park	340,600	335,100	0	675,700	0	675,700		0	
* 800012 Grants to Halls & Sports	10,000	48,300	0	58,300	10,268	58,300		0	
* 800013 Grants to Parishes	10,000	19,100	0	29,100	7,098	29,100		0	
* 800014 Replace Play Equip	55,000	15,400	0	70,400	6,206	70,400		0	
* 800016 Energy Efficiency	0	29,900	0	29,900	0	29,900		0	
* 800017 Landlord Accreditation Schemes	0	5,000	0	5,000	0	5,000		0	
* 800018 Wessex HI Loans	0	5,000	0	5,000	0	5,000		0	
* 800019 DFGs Private Sector	741,100	367,800	0	1,108,900	104,928	1,108,900		0	
* 800020 Grants to RSLs	205,000	615,600	0	820,600	511,754	820,600		0	
* 800040 IT Infrastructure	0	19,300	0	19,300	15,514	19,300		0	being used for GIS infrastructure refresh, ICT service return
* 800041 Mercury Abatement	0	3,800	0	3,800	0	3,800		0	
* 800042 DLO System	0	61,100	0	61,100	29,005	61,100		0	
* 800045 PT Castle Green	0	172,300	0	172,300	410	0	172,300	0	
* 800046 PT High St Retail	0	2,800	0	2,800	0	2,800		0	
* 800052 PT Coal Orchard	0	2,500	0	2,500	0	2,500		0	
* 800058 Swimming Pool PV Cells	0	5,600	0	5,600	0	5,600		0	
* 800059 Vivary Park Play s106	0	0	24,220	24,220	24,219	24,220		0	
* 800063 Wellington Recreation s106	0	0	10,790	10,790	10,785	10,790		0	
* 800068 French Weir Park s106	0	0	360	360	356	360		0	
* 800075 Gypsy Site	25,000	25,000	0	50,000	0	50,000		0	
* 800076 Station Road Pool	0	27,700	0	27,700	0	27,700		0	
* 800101 GF Community Alarms	0	4,600	0	4,600	9,764	4,600		0	
* 800102 Blackbrook Pool	247,900	1,835,900	0	2,083,800	1,803,827	2,083,800		0	
* 800103 Brewhouse	0	5,000	0	5,000	0	5,000		0	
* 800105 Creech Castle Improvement	0	375,000	0	375,000	0	375,000		0	
* 800106 Employment Land Purchase	0	794,400	0	794,400	2,625	80,000	714,400	0	
* 800111 Joint Mgt & Shared Services	0	649,800	0	649,800	0	649,800		0	

2016/17 CAPITAL PROGRAMME AS AT 31st August 2016

APPENDIX D

Scheme	Original Budget	Carry Forward	Supplementary Estimates	Revised Budget	Actual Spend	Forecast Total Spend	Forecast Total Spend	Variance Against Revised Budget	Comment
	2016-17	2015-16	2016-17	2016-17	2016-17	2016/17	Future Years		
	£	£	£	£	£	£	£	£	
* 800112 Crematorium Chapel Roof	0	20,000	0	20,000	0	20,000		0	Roof is being patched
* 800113 Firepool Land Assembly	450,000	983,400	0	1,433,400	-1,687	1,433,400		0	
* 800135 Car Park Improvements	126,000	156,400	0	282,400	0	282,400		0	
* 800136 Cemetery Extension -	0	20,000	0	20,000	0	20,000		0	
* 800138 Spec Exp play grants	0	16,800	0	16,800	0	16,800		0	
* 800147 TD P Depot Reloc Cap	78,890	2,728,810	0	2,807,700	0	2,807,700		0	
* 800152 Cems & Crems Vehicles	0	17,700	0	17,700	0	17,700		0	
* 800160 Youth Project Capital	0	281,500	0	281,500	0	281,500		0	
* 800167 Ride on Mowers	60,000	0	0	60,000	0	60,000		0	
* 800168 Cremator Brick Work	20,000	0	0	20,000	0	20,000		0	
* 800169 Cemetery IT System	50,000	0	0	50,000	0	50,000		0	Project not yet underway
Sub-total - General Schemes	2,784,790	9,871,610	35,370	12,691,770	2,585,546	11,805,070	886,700	0	
HRA Schemes									
* 800021 HRA Community Alarms	5,000	5,000	0	5,000	14,872	5,000	0	0	
* 800022 HRA Kitchens	120,000	120,000	0	120,000	31,189	70,000	0	-50,000	
* 800023 HRA Bathrooms	1,450,000	1,450,000	0	1,450,000	697,867	1,450,000	0	0	
* 800024 HRA Roofing	100,000	100,000	0	100,000	760	760	0	-99,240	
* 800025 HRA Windows	50,000	50,000	0	50,000	10,928	10,928	0	-39,072	
* 800026 HRA Heating Improvements	2,604,000	2,604,000	0	2,604,000	1,568,748	4,248,355	0	1,644,355	
* 800027 HRA Doors	450,000	450,000	0	450,000	194,820	750,000	0	300,000	
* 800028 HRA Fire Safety Work	225,000	225,000	0	225,000	67,235	150,000	0	-75,000	
* 800030 HRA Fascia's and Soffits	750,000	750,000	0	750,000	433,509	850,000	0	100,000	
* 800031 HRA Heat Pumps	680,000	680,000	0	680,000	195,634	700,000	0	20,000	
* 800032 HRA IT Development	394,000	394,000	0	394,000	0	394,000	0	0	
* 800033 HRA Door Entry Systems	300,000	300,000	0	300,000	164,287	221,264	0	-78,736	
* 800034 HRA Aids and Adapts	120,000	120,000	0	120,000	55,151	120,000	0	0	
* 800036 HRA Meeting Halls	71,000	71,000	0	71,000	4,736	71,000	0	0	
* 800037 HRA Asbestos Works	331,000	331,000	0	331,000	89,050	346,612	0	15,612	
* 800038 Tenant Improvements	5,000	5,000	0	5,000	0	0	0	-5,000	
* 800039 HRA DFGs	315,000	315,000	0	315,000	85,325	315,000	0	0	
* 800077 HRA Creechbarrow Road	2,099,000	2,099,000	0	2,099,000	120	2,099,000	0	0	
* 800078 Sustainable Energy Fund	224,000	224,000	0	224,000	38,765	224,000	0	0	
* 800079 Environmental Improvemen	291,000	291,000	0	291,000	-9,950	291,000	0	0	
* 800080 Other Ext Insulation	10,000	10,000	0	10,000	17,791	19,240	0	9,240	
* 800081 Garages	30,000	30,000	0	30,000	19,242	30,000	0	0	
* 800083 Extensions	158,000	158,000	0	158,000	650	158,000	0	0	

2016/17 CAPITAL PROGRAMME AS AT 31st August 2016

APPENDIX D

Scheme	Original Budget	Carry Forward	Supplementary Estimates	Revised Budget	Actual Spend	Forecast Total Spend	Forecast Total Spend	Variance Against Revised Budget	Comment
	2016-17 £	2015-16 £	2016-17 £	2016-17 £	2016-17 £	2016/17 £	Future Years £	£	
* 800085 HRA Ph1 Vale Vw WBag	0	0	0	0	3	0	0	0	
* 800087 HRA Ph1 Bacon Drive	0	0	0	0	-8,777	0	0	0	
* 800088 HRA Ph1 Normandy Drv	0	0	0	0	-18,810	0	0	0	
* 800108 HRA Buybacks	0	0	0	0	108	0	0	0	
* 800110 HRA Unadopted Areas	21,000	21,000	0	21,000	26,479	26,479	0	5,479	
* 800119 HRA SHDP	1,950,000	1,950,000	0	1,950,000	0	1,950,000	0	0	
* 800142 HRA Weavers Arms	3,372,000	3,372,000	0	3,372,000	0	3,372,000	0	0	
* 800177 HRA Major Repairs & Mtce	4,004,000	4,004,000	0	4,004,000	0	0	2,235,560	-1,768,440	
			0						
Sub-total - HRA Schemes	20,129,000	20,129,000	0	20,129,000	3,679,731	17,872,638	2,235,560	-20,802	
Capital Programme Total	22,913,790	30,000,610	35,370	32,820,770	6,265,277	29,677,708	3,122,260	-20,802	

2016/17 CAPITAL PROGRAMME AS AT 31st August 2016

APPENDIX D

Scheme	Original Budget	Carry Forward	Supplementary Estimates	Revised Budget	Actual Spend	Forecast Total Spend	Forecast Total Spend	Variance Against Revised Budget	Comment
	2016-17	2015-16	2016-17	2016-17	2016-17	2016/17	Future Years		
	£	£	£	£	£	£	£	£	
GENERAL FUND									
General Schemes									
									On Going Refresh - spending paused pending approval of ICT Strategy and move to thin client platform
* 800000 PC Refresh Project	35,000	42,600	0	77,600	-1,073	77,600		0	
* 800001 Members IT Equipment	4,000	8,600	0	12,600	0	12,600		0	
* 800002 DLO Vehicles	180,000	64,000	0	244,000	53,668	244,000		0	
* 800003 DLO Plant	23,000	2,800	0	25,800	-2,121	25,800		0	
* 800004 PT Longrun Meadow C	30,300	103,000	0	133,300	0	133,300		0	
* 800009 Waste Containers	93,000	0	0	93,000	0	93,000		0	
* 800010 Paul Street Car Park	340,600	335,100	0	675,700	0	675,700		0	
* 800012 Grants to Halls & Sports	10,000	48,300	0	58,300	10,268	58,300		0	
* 800013 Grants to Parishes	10,000	19,100	0	29,100	7,098	29,100		0	
* 800014 Replace Play Equip	55,000	15,400	0	70,400	6,206	70,400		0	
* 800016 Energy Efficiency	0	29,900	0	29,900	0	29,900		0	
* 800017 Landlord Accreditation Schemes	0	5,000	0	5,000	0	5,000		0	
* 800018 Wessex HI Loans	0	5,000	0	5,000	0	5,000		0	
* 800019 DFGs Private Sector	741,100	367,800	0	1,108,900	104,928	1,108,900		0	
* 800020 Grants to RSLs	205,000	615,600	0	820,600	511,754	820,600		0	
* 800040 IT Infrastructure	0	19,300	0	19,300	15,514	19,300		0	being used for GIS infrastructure refresh, ICT service return
* 800041 Mercury Abatement	0	3,800	0	3,800	0	3,800		0	
* 800042 DLO System	0	61,100	0	61,100	29,005	61,100		0	
* 800045 PT Castle Green	0	172,300	0	172,300	410	0	172,300	0	
* 800046 PT High St Retail	0	2,800	0	2,800	0	2,800		0	
* 800052 PT Coal Orchard	0	2,500	0	2,500	0	2,500		0	
* 800058 Swimming Pool PV Cells	0	5,600	0	5,600	0	5,600		0	
* 800059 Vivary Park Play s106	0	0	24,220	24,220	24,219	24,220		0	
* 800063 Wellington Recreation s106	0	0	10,790	10,790	10,785	10,790		0	
* 800068 French Weir Park s106	0	0	360	360	356	360		0	
* 800075 Gypsy Site	25,000	25,000	0	50,000	0	50,000		0	
* 800076 Station Road Pool	0	27,700	0	27,700	0	27,700		0	
* 800101 GF Community Alarms	0	4,600	0	4,600	9,764	4,600		0	
* 800102 Blackbrook Pool	247,900	1,835,900	0	2,083,800	1,803,827	2,083,800		0	
* 800103 Brewhouse	0	5,000	0	5,000	0	5,000		0	
* 800105 Creech Castle Improvement	0	375,000	0	375,000	0	375,000		0	
* 800106 Employment Land Purchase	0	794,400	0	794,400	2,625	80,000	714,400	0	
* 800111 Joint Mgt & Shared Services	0	649,800	0	649,800	0	649,800		0	

2016/17 CAPITAL PROGRAMME AS AT 31st August 2016

APPENDIX D

Scheme	Original Budget	Carry Forward	Supplementary Estimates	Revised Budget	Actual Spend	Forecast Total Spend	Forecast Total Spend	Variance Against Revised Budget	Comment
	2016-17	2015-16	2016-17	2016-17	2016-17	2016/17	Future Years		
	£	£	£	£	£	£	£	£	
* 800112 Crematorium Chapel Roof	0	20,000	0	20,000	0	20,000		0	Roof is being patched
* 800113 Firepool Land Assembly	450,000	983,400	0	1,433,400	-1,687	1,433,400		0	
* 800135 Car Park Improvements	126,000	156,400	0	282,400	0	282,400		0	
* 800136 Cemetery Extension -	0	20,000	0	20,000	0	20,000		0	
* 800138 Spec Exp play grants	0	16,800	0	16,800	0	16,800		0	
* 800147 TD P Depot Reloc Cap	78,890	2,728,810	0	2,807,700	0	2,807,700		0	
* 800152 Cems & Crems Vehicles	0	17,700	0	17,700	0	17,700		0	
* 800160 Youth Project Capital	0	281,500	0	281,500	0	281,500		0	
* 800167 Ride on Mowers	60,000	0	0	60,000	0	60,000		0	
* 800168 Cremator Brick Work	20,000	0	0	20,000	0	20,000		0	
* 800169 Cemetery IT System	50,000	0	0	50,000	0	50,000		0	Project not yet underway
Sub-total - General Schemes	2,784,790	9,871,610	35,370	12,691,770	2,585,546	11,805,070	886,700	0	
HRA Schemes									
* 800021 HRA Community Alarms	5,000	5,000	0	5,000	14,872	5,000	0	0	
* 800022 HRA Kitchens	120,000	120,000	0	120,000	31,189	70,000	0	-50,000	
* 800023 HRA Bathrooms	1,450,000	1,450,000	0	1,450,000	697,867	1,450,000	0	0	
* 800024 HRA Roofing	100,000	100,000	0	100,000	760	760	0	-99,240	
* 800025 HRA Windows	50,000	50,000	0	50,000	10,928	10,928	0	-39,072	
* 800026 HRA Heating Improvements	2,604,000	2,604,000	0	2,604,000	1,568,748	4,248,355	0	1,644,355	
* 800027 HRA Doors	450,000	450,000	0	450,000	194,820	750,000	0	300,000	
* 800028 HRA Fire Safety Work	225,000	225,000	0	225,000	67,235	150,000	0	-75,000	
* 800030 HRA Fascia's and Soffits	750,000	750,000	0	750,000	433,509	850,000	0	100,000	
* 800031 HRA Heat Pumps	680,000	680,000	0	680,000	195,634	700,000	0	20,000	
* 800032 HRA IT Development	394,000	394,000	0	394,000	0	394,000	0	0	
* 800033 HRA Door Entry Systems	300,000	300,000	0	300,000	164,287	221,264	0	-78,736	
* 800034 HRA Aids and Adapts	120,000	120,000	0	120,000	55,151	120,000	0	0	
* 800036 HRA Meeting Halls	71,000	71,000	0	71,000	4,736	71,000	0	0	
* 800037 HRA Asbestos Works	331,000	331,000	0	331,000	89,050	346,612	0	15,612	
* 800038 Tenant Improvements	5,000	5,000	0	5,000	0	0	0	-5,000	
* 800039 HRA DFGs	315,000	315,000	0	315,000	85,325	315,000	0	0	
* 800077 HRA Creechbarrow Road	2,099,000	2,099,000	0	2,099,000	120	2,099,000	0	0	
* 800078 Sustainable Energy Fund	224,000	224,000	0	224,000	38,765	224,000	0	0	
* 800079 Environmental Improvemen	291,000	291,000	0	291,000	-9,950	291,000	0	0	
* 800080 Other Ext Insulation	10,000	10,000	0	10,000	17,791	19,240	0	9,240	
* 800081 Garages	30,000	30,000	0	30,000	19,242	30,000	0	0	
* 800083 Extensions	158,000	158,000	0	158,000	650	158,000	0	0	

2016/17 CAPITAL PROGRAMME AS AT 31st August 2016

APPENDIX D

Scheme	Original Budget	Carry Forward	Supplementary Estimates	Revised Budget	Actual Spend	Forecast Total Spend	Forecast Total Spend	Variance Against Revised Budget	Comment
	2016-17	2015-16	2016-17	2016-17	2016-17	2016/17	Future Years		
	£	£	£	£	£	£	£	£	
* 800085 HRA Ph1 Vale Vw WBag	0	0	0	0	3	0	0	0	
* 800087 HRA Ph1 Bacon Drive	0	0	0	0	-8,777	0	0	0	
* 800088 HRA Ph1 Normandy Drv	0	0	0	0	-18,810	0	0	0	
* 800108 HRA Buybacks	0	0	0	0	108	0	0	0	
* 800110 HRA Unadopted Areas	21,000	21,000	0	21,000	26,479	26,479	0	5,479	
* 800119 HRA SHDP	1,950,000	1,950,000	0	1,950,000	0	1,950,000	0	0	
* 800142 HRA Weavers Arms	3,372,000	3,372,000	0	3,372,000	0	3,372,000	0	0	
* 800177 HRA Major Repairs & Mtce	4,004,000	4,004,000	0	4,004,000	0	0	2,235,560	-1,768,440	
			0						
Sub-total - HRA Schemes	20,129,000	20,129,000	0	20,129,000	3,679,731	17,872,638	2,235,560	-20,802	
Capital Programme Total	22,913,790	30,000,610	35,370	32,820,770	6,265,277	29,677,708	3,122,260	-20,802	

Scheme	Original Budget	Carry Forward	Supplementary Estimates	Revised Budget	Actual Spend	Forecast Total Spend	Forecast Total Spend	Variance Against Revised Budget	Comment
	2016-17	2015-16	2016-17	2016-17	2016-17	2016/17	Future Years		
	£	£	£	£	£	£	£	£	
GENERAL FUND									
General Schemes									
									On Going Refresh - spending paused pending approval of ICT Strategy and move to thin client platform
* 800000 PC Refresh Project	35,000	42,600	0	77,600	-1,073	77,600		0	
* 800001 Members IT Equipment	4,000	8,600	0	12,600	0	12,600		0	
* 800002 DLO Vehicles	180,000	64,000	0	244,000	53,668	244,000		0	
* 800003 DLO Plant	23,000	2,800	0	25,800	-2,121	25,800		0	
* 800004 PT Longrun Meadow C	30,300	103,000	0	133,300	0	133,300		0	
* 800009 Waste Containers	93,000	0	0	93,000	0	93,000		0	
* 800010 Paul Street Car Park	340,600	335,100	0	675,700	0	675,700		0	
* 800012 Grants to Halls & Sports	10,000	48,300	0	58,300	10,268	58,300		0	
* 800013 Grants to Parishes	10,000	19,100	0	29,100	7,098	29,100		0	
* 800014 Replace Play Equip	55,000	15,400	0	70,400	6,206	70,400		0	
* 800016 Energy Efficiency	0	29,900	0	29,900	0	29,900		0	
* 800017 Landlord Accreditation Schemes	0	5,000	0	5,000	0	5,000		0	
* 800018 Wessex HI Loans	0	5,000	0	5,000	0	5,000		0	
* 800019 DFGs Private Sector	741,100	367,800	0	1,108,900	104,928	1,108,900		0	
* 800020 Grants to RSLs	205,000	615,600	0	820,600	511,754	820,600		0	
* 800040 IT Infrastructure	0	19,300	0	19,300	15,514	19,300		0	being used for GIS infrastructure refresh, ICT service return
* 800041 Mercury Abatement	0	3,800	0	3,800	0	3,800		0	
* 800042 DLO System	0	61,100	0	61,100	29,005	61,100		0	
* 800045 PT Castle Green	0	172,300	0	172,300	410	0	172,300	0	
* 800046 PT High St Retail	0	2,800	0	2,800	0	2,800		0	
* 800052 PT Coal Orchard	0	2,500	0	2,500	0	2,500		0	
* 800058 Swimming Pool PV Cells	0	5,600	0	5,600	0	5,600		0	
* 800059 Vivary Park Play s106	0	0	24,220	24,220	24,219	24,220		0	
* 800063 Wellington Recreation s106	0	0	10,790	10,790	10,785	10,790		0	
* 800068 French Weir Park s106	0	0	360	360	356	360		0	
* 800075 Gypsy Site	25,000	25,000	0	50,000	0	50,000		0	
* 800076 Station Road Pool	0	27,700	0	27,700	0	27,700		0	
* 800101 GF Community Alarms	0	4,600	0	4,600	9,764	4,600		0	
* 800102 Blackbrook Pool	247,900	1,835,900	0	2,083,800	1,803,827	2,083,800		0	
* 800103 Brewhouse	0	5,000	0	5,000	0	5,000		0	
* 800105 Creech Castle Improvement	0	375,000	0	375,000	0	375,000		0	
* 800106 Employment Land Purchase	0	794,400	0	794,400	2,625	80,000	714,400	0	
* 800111 Joint Mgt & Shared Services	0	649,800	0	649,800	0	649,800		0	

2016/17 CAPITAL PROGRAMME AS AT 31st August 2016

APPENDIX D

Scheme	Original Budget	Carry Forward	Supplementary Estimates	Revised Budget	Actual Spend	Forecast Total Spend	Forecast Total Spend	Variance Against Revised Budget	Comment
	2016-17	2015-16	2016-17	2016-17	2016-17	2016/17	Future Years		
	£	£	£	£	£	£	£	£	
* 800112 Crematorium Chapel Roof	0	20,000	0	20,000	0	20,000		0	Roof is being patched
* 800113 Firepool Land Assembly	450,000	983,400	0	1,433,400	-1,687	1,433,400		0	
* 800135 Car Park Improvements	126,000	156,400	0	282,400	0	282,400		0	
* 800136 Cemetery Extension -	0	20,000	0	20,000	0	20,000		0	
* 800138 Spec Exp play grants	0	16,800	0	16,800	0	16,800		0	
* 800147 TD P Depot Reloc Cap	78,890	2,728,810	0	2,807,700	0	2,807,700		0	
* 800152 Cems & Crems Vehicles	0	17,700	0	17,700	0	17,700		0	
* 800160 Youth Project Capital	0	281,500	0	281,500	0	281,500		0	
* 800167 Ride on Mowers	60,000	0	0	60,000	0	60,000		0	
* 800168 Cremator Brick Work	20,000	0	0	20,000	0	20,000		0	
* 800169 Cemetery IT System	50,000	0	0	50,000	0	50,000		0	Project not yet underway
Sub-total - General Schemes	2,784,790	9,871,610	35,370	12,691,770	2,585,546	11,805,070	886,700	0	
HRA Schemes									
* 800021 HRA Community Alarms	5,000	5,000	0	5,000	14,872	5,000	0	0	
* 800022 HRA Kitchens	120,000	120,000	0	120,000	31,189	70,000	0	-50,000	
* 800023 HRA Bathrooms	1,450,000	1,450,000	0	1,450,000	697,867	1,450,000	0	0	
* 800024 HRA Roofing	100,000	100,000	0	100,000	760	760	0	-99,240	
* 800025 HRA Windows	50,000	50,000	0	50,000	10,928	10,928	0	-39,072	
* 800026 HRA Heating Improvements	2,604,000	2,604,000	0	2,604,000	1,568,748	4,248,355	0	1,644,355	
* 800027 HRA Doors	450,000	450,000	0	450,000	194,820	750,000	0	300,000	
* 800028 HRA Fire Safety Work	225,000	225,000	0	225,000	67,235	150,000	0	-75,000	
* 800030 HRA Fascia's and Soffits	750,000	750,000	0	750,000	433,509	850,000	0	100,000	
* 800031 HRA Heat Pumps	680,000	680,000	0	680,000	195,634	700,000	0	20,000	
* 800032 HRA IT Development	394,000	394,000	0	394,000	0	394,000	0	0	
* 800033 HRA Door Entry Systems	300,000	300,000	0	300,000	164,287	221,264	0	-78,736	
* 800034 HRA Aids and Adapts	120,000	120,000	0	120,000	55,151	120,000	0	0	
* 800036 HRA Meeting Halls	71,000	71,000	0	71,000	4,736	71,000	0	0	
* 800037 HRA Asbestos Works	331,000	331,000	0	331,000	89,050	346,612	0	15,612	
* 800038 Tenant Improvements	5,000	5,000	0	5,000	0	0	0	-5,000	
* 800039 HRA DFGs	315,000	315,000	0	315,000	85,325	315,000	0	0	
* 800077 HRA Creechbarrow Road	2,099,000	2,099,000	0	2,099,000	120	2,099,000	0	0	
* 800078 Sustainable Energy Fund	224,000	224,000	0	224,000	38,765	224,000	0	0	
* 800079 Environmental Improvemen	291,000	291,000	0	291,000	-9,950	291,000	0	0	
* 800080 Other Ext Insulation	10,000	10,000	0	10,000	17,791	19,240	0	9,240	
* 800081 Garages	30,000	30,000	0	30,000	19,242	30,000	0	0	
* 800083 Extensions	158,000	158,000	0	158,000	650	158,000	0	0	

2016/17 CAPITAL PROGRAMME AS AT 31st August 2016

APPENDIX D

Scheme	Original Budget	Carry Forward	Supplementary Estimates	Revised Budget	Actual Spend	Forecast Total Spend	Forecast Total Spend	Variance Against Revised Budget	Comment
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	£	£	£	£	£	£	£	£	
* 800085 HRA Ph1 Vale Vw WBag	0	0	0	0	3	0	0	0	
* 800087 HRA Ph1 Bacon Drive	0	0	0	0	-8,777	0	0	0	
* 800088 HRA Ph1 Normandy Drv	0	0	0	0	-18,810	0	0	0	
* 800108 HRA Buybacks	0	0	0	0	108	0	0	0	
* 800110 HRA Unadopted Areas	21,000	21,000	0	21,000	26,479	26,479	0	5,479	
* 800119 HRA SHDP	1,950,000	1,950,000	0	1,950,000	0	1,950,000	0	0	
* 800142 HRA Weavers Arms	3,372,000	3,372,000	0	3,372,000	0	3,372,000	0	0	
* 800177 HRA Major Repairs & Mtce	4,004,000	4,004,000	0	4,004,000	0	0	2,235,560	-1,768,440	
			0						
Sub-total - HRA Schemes	20,129,000	20,129,000	0	20,129,000	3,679,731	17,872,638	2,235,560	-20,802	
Capital Programme Total	22,913,790	30,000,610	35,370	32,820,770	6,265,277	29,677,708	3,122,260	-20,802	

Taunton Deane Borough Council

Executive – 9 November 2016

Quarter 2 (month 5) 2016/17 Performance Report

This matter is the responsibility of Cllr Richard Parrish, Lead Member for Corporate Resources

Report Author: Paul Harding, Corporate Strategy & Performance Manager

1 Purpose of the Report

- 1.1 This report provides Members with key performance management data up to the end of month 5 Quarter 2 2016/17, to assist in monitoring the Council's performance.

2 Recommendations

- 2.1 It is recommended that:-

- The Executive review the Council's performance and highlight any areas of particular concern;

3 Risk Assessment

Risk Matrix

Description	Likelihood	Impact	Overall
The key risk is that the Council fails to manage its performance and use the subsequent information to inform decisions and produce improved services for customers.	Likely (4)	Major (4)	High (16)
The mitigation for this will be the continued strong leadership from Lead Members and JMT to ensure that performance management remains a priority.	Unlikely (2)	Major (4)	Medium (8)

4 Background and Full details of the Report

- 4.1 Regularly monitoring our performance is a key element of the Council's Performance Management Framework.
- 4.2 There are **35** individual measures which are reported within the Corporate Scorecard.

- 4.3 The TDBC Corporate Scorecard at Appendix A contains details of the Quarter 2 (month 5) 2016/17 position against the Council's key corporate indicators. It should be stressed that this information is at **30th August 2016** (this is one month earlier than usual but is designed to allow performance information to be produced and available to the committee earlier in the financial year than previously).
- 4.4 Each action/measure is given a coloured status to provide the reader with a quick visual way of identifying whether it is on track or whether there might be some issues with performance or delivery or an action.
- 4.5 The key used is provided below:

KEY:

	Planned actions are on course or achieved		Some uncertainty in meeting planned actions		Planned actions are significantly off course
	Performance Indicators are on target		Some concern that performance indicators may not achieve target. <15% variance		Significant concern that Performance indicators may not achieve target. > 15% variance

- 4.6 The table below provides an overview of the reported indicators within the Corporate Scorecard.

GREEN 	AMBER 	RED 	NOT DUE	NOT AVAILABLE	TOTAL
16	5	3	8	3	35

Please refer to **Appendix A** for full details of each of the reported measures.

4.7 Further detail is provided concerning the red measures below:

Reference	Description	Measure	Comments
HC4.2	<p>Housing Stock To manage the housing stock and maintenance service to meet the needs of the tenants</p> <p>Completion of repairs within priority target times:</p> <p>Urgent (Emergency) – Within 24 hours</p>	Target = 98%	<p>Q1 - 95.29%</p> <p>Q2 - 80.25%</p> <p>We are still not in a position to collect accurate data. Changes to O/C and the introduction of tablets will give us more data going forward however data collection for the remainder of the year will not accurately reflect the service</p>
6.2.4	Customer Complaints	90% of complaints responded to with 20 working days	<p>Q1 = 60.87%</p> <p>Q2 (July/Aug only) = 42.31%</p> <p>52 complaints received (22 answered in time, 30 not answered in time)</p> <p><u>The complaints answered out of time were:</u></p> <p>11 x Parks and Open spaces 7 x Housing/Property repairs 4 x Housing Estates issues 3 x Asset management 1 x Housing Options 1 x Customer Service 1 x Waste 1 x Street Cleaning 1 x Planning</p>
TH14	Timeliness of draft minutes of committee meetings being provided to committee chair.	100% within 7 days of meeting.	<p>Q1 = 13 out of 15 minutes completed on time = 86.66%</p> <p>Q2 = 7 out of 10 minutes completed on time = 70%</p>

- 4.7 This report was considered by the **Corporate Scrutiny Committee** at their meeting of **20th October 2016**.

The committee looked particularly closely at the performance relating to complaints handling and requested additional information regarding complaints handling performance over the past year. This has been provided to the committee members following the meeting. The Assistant Director Housing and Communities handled a number of questions regarding complaints handling within the Housing and the Property service teams and was able to tell the committee about the recent refresher training given to all front line staff within these service areas during the past couple of weeks, their Customer Service project and their commitment to get this improved.

The committee also focused on the two KPIs relating to completion of urgent and non-urgent repairs to Council homes. Some members were unhappy that we were unable to report fully on this information (but noted the comments in the report about O/C and tablets).

5 Links to Corporate Aims / Priorities

- 5.1 KPIs within this report support progress against the Council's key priorities in relation to place, people and being an efficient and modern Council.

6 Finance / Resource Implications

- 6.1 The scorecard references some financial performance measures, a separate more detailed financial performance report for the quarter is listed as a separate item on this agenda.

7 Legal Implications

- 7.1 There are no legal implications associated with this report.

8 Environmental Impact Implications

- 8.1 There are no direct environmental impact implications associated with this report although the scorecard includes measures relating to fly-tipping.

9 Safeguarding and/or Community Safety Implications

- 9.1 There are no safeguarding and /or community safety implications associated with this report.

10 Equality and Diversity Implications

- 10.1 There are no equality and diversity implications associated with this report.

11 Social Value Implications

11.1 There are no Social Value implications associated with this report.

12 Partnership Implications

12.1 A number of corporate aims and objectives reported within the corporate scorecard are delivered in partnership with other organisations, in particular through shared services arrangements with Taunton Deane Borough Council. .

13 Health and Wellbeing Implications

13.1 There are no direct health and wellbeing implications associated with this report although the corporate scorecard includes measures relating to disabled facilities grants which enable residents to live independently, for example.

14 Asset Management Implications

14.1 There are no direct asset management implications associated with this report.

15 Consultation Implications

15.1 The performance scorecard has been reviewed by JMT at the performance review day held on 30th September 2016 and by the Corporate Scrutiny Committee on 20th October 2016. This performance report will be published on the Council's website for public scrutiny and information.

Democratic Path:

- **Corporate Scrutiny - Yes**
- **Executive– Yes**
- **Full Council – No**

Reporting Frequency: 6 Monthly.

List of Appendices (delete if not applicable)

Appendix A	Corporate Scorecard
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Contact Officers

Name	Paul Harding
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Email	p.harding@tauntondeane.gov.uk

Reference	Directorate	AD	Council	Corporate Aim/Priority	Description	Measure	Previous Year Performance	Q1 (RAG)	Q2 (RAG)	Comments
HC3.1	Director Housing & Community	Terry May	TDBC	Key Theme 1 - People (TDBC)	Decent Homes - To comply with Government Standards - To improve energy efficiency of housing stock Percentage of dwellings with a valid gas safety certificate	Target = 100%	Q1 – 99.84% Q2 – 99.93% Q3 – 99.90% Q4 - 99.98%	AMBER	AMBER	Q1 - 99.90% Q2 - 99.97% 1 property non-compliant. Tenant in a nursing home, Estates Officer having no response from NOK. Will gain access to property 4.10.16 @ 2.00
HC4.16	Director Housing & Community	Terry May	TDBC	Key Theme 1 - People (TDBC)	Facilitate the delivery of the affordable housing development pipeline to achieve 200 new affordable homes in 2016/17 with at least 10% being new build council housing.	Target = 200 affordable housing units, 20 being new build council housing (Affordable includes social rent, affordable rent, shared ownership, shared equity, discounted open marked and any other units which go through the HCA information system.)	222 new affordable homes completed during 2015/16.	GREEN	GREEN	95 affordable homes completed so far in 2016/17. The completion pipeline is showing in excess of 200 homes of which over 10% will be new build council homes
HC4.12	Director Housing & Community	Simon Lewis	TDBC	Key Theme 1 - People (TDBC)	Number of households making a homeless application and percent accepted where we have a duty (lower is better) . KPI 45	Target = 195 or fewer per year	183 applications	AMBER	AMBER	Q1 - Homeless applications = 69 Homeless acceptances = 34 (50%) Q2 - Homeless applications = 32 Homeless Acceptances = 15 (46%)
HC4.19	Director of Growth	Tim Burton	TDBC	Key Theme 1 - People (TDBC)	Total net increase in the number of homes within the district	Target (TDBC Core Strategy) 17,000 by 2028 (Borough) (5 year target 2011-16 = 700 p.a = 3500)	Completions for 2015-16: 883 dwellings/678 market/private housing, 205 affordable housing)	Not Due	Not Due	Figures monitored annually. Report Q4.
TH1	Director of Growth	Ian Timms	TDBC	Key Theme 2 - Business & Enterprise (TDBC)	Births of new enterprises (Business 'birth' rates as a % of business stock)	target - Increase > Somerset average & business 'births' to exceed deaths'		Not Due	Not Due	Figures monitored annually. Report Q4.
TH2	Director of Growth	Ian Timms	TDBC	Key Theme 2 - Business & Enterprise (TDBC)	Skill level within the workforce (NVQ Level 2,3 & 4)	TD target - Levels 3 & 4 better than national average		Not Due	Not Due	Figures monitored annually Report Q4.
TH3	Director of Growth	Ian Timms	TDBC	Key Theme 2 - Business & Enterprise (TDBC)	New jobs - links to employment rate	TDBC target = 12,000 by 2028 = 63,000 economically active.		Not Due	Not Due	Figures monitored annually Report Q4
TH4	Director of Growth	Ian Timms	TDBC	Key Theme 2 - Business & Enterprise (TDBC)	Wage Levels	TD target - Increase to equal national average		Not Due	Not Due	Figures monitored annually Report Q4
TH5	Director of Growth	Ian Timms	TDBC	Key Theme 2 - Business & Enterprise (TDBC)	Business Survival rate (5 year survival %)	TD target - 5 year survival = min 50% (ie Better than national average)		Not Due	Not Due	Figures monitored annually Report Q4

TH6	Director of Growth	Ian Timms	TDBC	Key Theme 2 - Business & Enterprise (TDBC)	Employment land New Office space and new industrial land – 100% requirements as per Core Strategy	Increase to meet Core Strategy targets by 2028 • Total 49,500 sq.m. new office space • Total 36.5ha new industrial land		Not Due	Not Due	Figures monitored annually Report Q4
TH7	Director of Growth	Ian Timms	TDBC	Key Theme 2 - Business & Enterprise (TDBC)	Vibrant town centre	• Low shop vacancy rate (compared to national average) • High / increasing footfall		Not Due	Not Due	Figures reported annually. Report Q4
TH9	Director Operations	Paul Fitzgerald	TDBC	Key Theme 2 - Business & Enterprise (TDBC)	Number of NDR hereditaments and Rateable Value	New Measure	Total Rateable Value as at 31/3/16 = £103,078,898 Total number of hereditaments as at 31/3/16 = 4001	GREEN	GREEN	Q1 Total Rateable Value = £103,174,443 Total Hereditaments = 4191 Q2 Total Rateable Value = £103,161,518 Total Hereditaments = 4201
3.3	Director Operations	Chris Hall	TDBC	Key Theme 3 - Our Place (TDBC)	Fly Tipping - % of reported incidents responded to within target time (5 days)	80% of reported incidents responded to within 5 days of report.	Q1 = 80.99% Q2 = N/A Q3 = 86.86% Q4 = 83.82%	GREEN	Not Available	Q1 = 156 incidents 140 responded to within 5 days = 89.74% Q2 = 161 incidents There is currently a problem with how the information is being recorded. This is being rectified and more accurate figures will be available in October.
KPI 103a	Director Operations	Chris Hall	TDBC	Key Theme 3 - Our Place (TDBC)	Street Cleansing - % service requests actioned within 5 working days	85%		Not Available	Not Available	Q1 = 144 requests Q2 = 92 requests There is currently a problem with how the information is being recorded. This is being rectified and more accurate figures will be available in October.
HC1.1	Director Housing & Community	Simon Lewis	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Budgets – Income To maximise income opportunities and collection Income collected as a % of rent owed excluding arrears b/f Figures over 100% indicate that arrears have been cleared or balances are in credit.	Target = 98.3%	Q1 – 104.37% Q2 – 99.46% Q3 – 99.68% Q4 - 99.96%	GREEN	GREEN	Q1 - 100.57% Q2 - 100.34% As at end Week 22
HC2.8	Director Housing & Community	Terry May	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Customer Satisfaction To deliver customer-focussed services, achieving high levels of customer satisfaction Percentage of tenants satisfied with the most recent repair.	Target = 98%	Q1 - 97.8% Q2 - 96.8% Q3 - 96.9% Q4 - 96.9%	Not Available	GREEN	Not able to report for Q1 as a system failure means surveys were not produced. Q2 - 98% satisfied
HC4.2	Director Housing & Community	Terry May	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Housing Stock To manage the housing stock and maintenance service to meet the needs of the tenants Completion of repairs within priority target times: Urgent (Emergency) - within 24 hours	Target =98%	Q1 - 86% Q2 - 87.10% Q3 - 88.26% Q4 - 91.70%	AMBER	RED	Q1 - 95.29% There are further actions to be taken in accuracy of data entry. For example some P1 jobs were attended as callouts but completion dates have not been correctly updated. This also happens when interfaces between Academy and OC fail at a weekend so it is not possible to accurately record completion dates. The reality is that more P1 job are completed that data suggests. Q2 - 80.25%
HC4.3	Director Housing & Community	Terry May	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Housing Stock To manage the housing stock and maintenance service to meet the needs of the tenants Completion of repairs within priority target times: Non Urgent (up to 28 days)	Target =85% Show breakdown of Building Services and external contractors.	Q1 – 90% Q2 – 92.95% Q3 – 93.30% Q4 - 91.94%	GREEN	AMBER	Q1 - 89.05% Q2 - 86.11 We are still not in a position to collect accurate data. Changes to O/C and the introduction of tablets will give us more data going forward however data collection for the remainder of the year will not accurately reflect the service
1.1.5	Director of Growth	Tim Burton	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	% major planning applications determined within 13 weeks (or within agreed extension of time)	Target 60%	Q1 – 81.8% Q2 – 77.8% Q3 – 72.2% Q4 – 88.9% Year – 81.6%	GREEN	GREEN	Q1 = 100% 10 applications determined, 5 of which were within 13 weeks and 5 within an agreed extension of time. Q2 (as of end of August) = 100% 6 applications determined, 2 of which were within 13 weeks and 4 within an agreed extension of time.

2.1.3	Director of Growth	Chris Hall	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Licensing	Target - 95% licensing applications processed within 14 days	Q1 = 75% Q2 = 60% Q3 = 71% Q4 = 91%	AMBER	GREEN	Q2 = 95%
6.1	Director Operations	Richard Sealy	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Staff Sickness	Average of 8 days or lower per FTE	8.86 days	AMBER	Not Available	Q 1 - 2.09 days per FTE/ predicted 8.4 days per FTE per annum
6.2.4	Director Operations	Richard Sealy	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Customer Complaints	90% of complaints responded to with 20 working days	Q1 = 87.5 % Q2 = 52% Q3 = 72% Q4 = 82%	RED	RED	Q1 = 60.87% 69 Complaints received in Q1. 42 responded to within time and closed. 21 responded to out of time and closed. 6 complaints received in Q1 which are still open and over 20 days. Q2 (July/Aug only) = 42.31% 52 Complaints received in Q2 22 responded to within time and closed 6 responded to out of time and closed. 24 complaints received in Q2 which are still open 16 are open and currently over 20 days.
KPI 90B	Director of Growth	Tim Burton	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	% of minor planning application determined within 8 weeks or agreed extension of time	65%	Q1 – 67.9% Q2 – 70.4% Q3 – 60.9% Q4 – 69.4% Year – 67.1%	GREEN	GREEN	Q1 = 84.5% 71 applications determined, 46 of which were within 8 weeks and 14 within an agreed extension of time. Q2 (as of end of August) = 83.3% 36 applications determined, 16 of which were within 8 weeks and 14 within an agreed extension of time.
KPI 90C	Director of Growth	Tim Burton	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	% of other planning applications determined within 8 weeks or an agreed extension of time.	80%	Q1 – 81.8% Q2 – 77.8% Q3 – 83.4% Q4 – 83.0% Year – 81.4%	GREEN	GREEN	Q1 = 91.6% 178 applications determined, 147 of which were within 8 weeks and 16 within an agreed extension of time. Q2 (as of end of August) = 88.2% 102 applications determined, 79 of which were within 8 weeks and 11 within an agreed extension of time.
KPI 5	Director Operations	Paul Fitzgerald	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Average processing times or new housing benefit claims	20 days or lower	19.74 days	AMBER	AMBER	End of Q1 = 23.59 days End of August = 22.04 days
KPI 6	Director Operations	Paul Fitzgerald	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Average processing times for charges in circumstances (lower is better)	10 days or lower	6.95 days	GREEN	GREEN	End of Q1 = 7.98 days End of August = 7.69 days
KBI 132	Director Operations	Paul Fitzgerald	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	% of undisputed invoices for commercial goods and services paid within 30 days of receipt	90% or more	93.66%	GREEN	GREEN	Q1 = 97.05% Q2 = 95.27%
KPI 56a	Director Operations	Chris Hall	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Environmental Health % of requests completed within stated service standard (60 days)	75% or higher	66%	GREEN	GREEN	Quarter 1: 91% of requests were completed within stated service standard (242 out of 265). Quarter 2: 93% of requests were completed within stated service standard (362 out of 389) (up to the 31st August 2016)

HC4.6	Director Housing & Community	Simon Lewis	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Average overall waiting time for high priority DFGs (once recommendation made by OT) - KPI 52a (The priority is determined by the Occupational Therapist and the assessment is determined on the combined risk and functional independence score. The score puts them into High, Medium or Low. Low = 0 - 8 points, Medium = 9 - 14, High = 15+ points)	Measure only - no target	New Indicator	RED	AMBER	Q1 - 12 months Wet room installation. Held on waiting list for 2 months then delayed due to staff shortages at Aster Living whilst implementing new HIA contract Q2 29 weeks for Council and 49 weeks for non Council Overall average 39 weeks (9 months) Q1 was 22 weeks for Council properties and 70 weeks for non Council which made the average 46 weeks. - Similar position to HC4.7 below in that the picture will continue to improve as the old cases filter out of the system.
TH10	Director Operations	Richard Sealy	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Abandoned Call Rate to main switchboard number - as a % of total calls	Below 5%		GREEN	GREEN	Apr = 1.07% May = 3.37% Jun = 2.94% Average for Q1 = 2.46% July = 2.48% Aug = 2.85% Average for Q2 = 2.67%
TH11	Director Operations	Richard Sealy	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Number of Complaints investigated by the Ombudsman requiring a remedy (excludes minor injustices)	0	0	GREEN	GREEN	No complaints requiring a remedy
TH14	Assistant Chief Executive	Bruce Lang	TDBC	Key Theme 4 - An Efficient & Modern Council (TDBC)	Timeliness of draft minutes of committee meetings being provided to committee chair.	100% within 7 days of meeting.	New Measure for 2016/17	AMBER	RED	Q1 = 13 out of 15 minutes completed on time = 86.66% Q2 = 7 out of 10 minutes completed on time = 70%
5.4	Director Operations	Paul Fitzgerald	TDBC	Key Theme 4 - An Efficient & Modern Council (wsc)	Council Tax Collection	Council Tax Target = 97.8% to be collected by 31st March	Q1 = 34.91% Q2 = 62.7% Q3 = 90.61% Q4 = 97.83% 97.83% for year	GREEN	GREEN	End of Q1 = 34.74% End of Aug 16 = 53.12%
5.4.1	Director Operations	Paul Fitzgerald	TDBC	Key Theme 4 - An Efficient & Modern Council (wsc)	Business Rate Collection	Target = 98.4% to be collected by 31st March	98.41%	GREEN	GREEN	End of Q1 = 31.18% End of Aug 16 = 50.80%
6.2.5	Director Operations	Richard Sealy	TDBC	Key Theme 4 - An Efficient & Modern Council (wsc)	Freedom of Information Requests	Measure: - Number of FOI enquiries received. Target 75% answered within 20 working days.	572 requests received in 2015/16. Q1 = 80% Q2 = 82% Q3 = 87% Q4 = 79%	GREEN	GREEN	Q1 = 81.46% 151 requests received in Q1. 123 requests responded to within 20 days. 14 responded to outside 20 days. 14 received in Q1 still open and over 20 days. Q2 = 79.82% 114 requests received in Q2. 91 requests responded to within 20 days. 1 responded to outside 20 days. 22 received in Q2 still open. 11 over 20 days.

09/11/2016, Report:Review of Council Tax Support Scheme
Reporting Officers:Heather Tiso

09/11/2016, Report:Quarter 2 Performance Report
Reporting Officers:Paul Harding

09/11/2016, Report:Quarter 2 Financial Monitoring Report
Reporting Officers:Jo Nacey,Steve Plenty

09/11/2016, Report:Report on Housing Standards Enforcement
Reporting Officers:Christian Trevelyan

30/11/2016, Report:Task and Finish Group Report on Parishing the Unparished Area of Taunton
Reporting Officers:Richard Bryant

30/11/2016, Report:Somerset Waste Partnership Recycle more/New Service Model
Reporting Officers:Chris Hall
Contains exempt information requiring private consideration: Yes
Exempt reason:The report is likely to contain some confidential information.

11/01/2017, Report:Earmarked Reserves
Reporting Officers:Jo Nacey

09/02/2017, Report:Financing Development of Coal Orchard, Taunton – Borrowing Approval Request
Reporting Officers:Ian Timms

09/02/2017, Report:Hinkley Point C Housing Fund Strategy
Reporting Officers:Lisa Redston

09/02/2017, Report:Genral Fund Revenue Budget Estimates 2017/2018
Reporting Officers:Jo Nacey

09/02/2017, Report:Housing Revenue Account Budget Estimates 2017/2018
Reporting Officers:Jo Nacey

09/02/2017, Report:Capital Programme Estimates 2017/2018
Reporting Officers:Jo Nacey

09/02/2017, Report:Treasury Management Strategy 2017/2018
Reporting Officers:Jo Nacey

09/02/2017, Report:Somerset Waste Partnership Business Plan
Reporting Officers:Chris Hall

08/03/2017, Report:Supported Housing Property Review
Reporting Officers:Tim Child

08/03/2017, Report:Investment in The Collar Factory, Taunton.

Reporting Officers:David Evans

Contains exempt information requiring private consideration: Yes

Exempt reason:This item is likely to contain confidential information relating to financial and business affairs.

Executive – 9 November 2016

Present: Councillor Williams (Chairman)
Councillors Beale, Berry, Habgood, Mrs Herbert, Parrish and Mrs Warmington

Officers: Shirlene Adam (Director – Operations), Simon Lewis (Assistant Director – Housing and Communities), Christian Trevelyan (Partnership Manager, Somerset West Private Sector Housing Partnership), Heather Tiso (Revenues and Benefits Manager), Jo Nacey (Finance Manager), Paul Harding (Corporate Strategy and Performance Manager) and Richard Bryant (Democratic Services Manager)

Also present: Councillors Aldridge and Coles.

(The meeting commenced at 6.15 pm.)

54. Apology

Councillor Edwards.

55. Minutes

The minutes of the meeting of the Executive held on 6 October 2016, copies of which had been circulated, were taken as read and were signed.

56. Declarations of Interest

Councillor Williams declared a personal interest in item No. 5 on the agenda as the owner of two properties that were currently being let. Councillor Mrs Warmington declared a personal interest in item No. 6 as her daughter was in receipt of Housing Benefit.

57. Housing Enforcement Policy

Considered report previously circulated, which sought approval for the draft Somerset West Housing Standards Policy.

The policy aimed to raise standards in housing through working with owners, landlords, letting agents and tenants. It was however recognised that there were circumstances where enforcement action was necessary to protect tenants, owner occupiers, the public and the environment.

The policy had been developed with the assistance of the Council's partners which included Sedgemoor District Council, West Somerset Council, private sector landlords, tenants, the Taunton Association for the Homeless, Bridgwater YMCA, and Somerset Care and Repair.

It provided details as to how Councils would regulate standards in housing. In the last three years the Council had remedied over 200 Category 1 hazards, improved conditions in 180 properties in the private rented sector through housing enforcement and accredited over 100 properties. This has included taking formal action against 40 landlords.

The National Strategy for Housing in England set out the Government's key areas of action to ensure a thriving, active but stable housing market, that offered choice, flexibility and affordable housing which was perceived as critical to our economic and social wellbeing.

Most tenants had a good experience of renting. Recent English Housing Survey research had shown that 85% of tenants in the private rented sector were very or fairly satisfied with their accommodation and 70% were also satisfied with the way their landlord carried out repairs and maintenance.

It was considered important that landlords and tenants understood their rights and responsibilities. The Partnership had recently published newsletters aimed at both, to help them understand the fundamentals.

Further reported that the Council's existing Housing Standards Policy was advisory: as a joint policy between the Councils could not be drafted until the Partnership Agreement was signed.

The Government had illustrated its commitment to improving the sector with the introduction of new legislation to help tackle poor illegal practices by landlords and letting agents, whilst recognising that the majority of landlords and letting agents provided decent, well managed accommodation.

In terms of the local context, of a total of 40,000 private sector dwellings in Taunton Deane, approximately 18% were privately rented. There were 380 Houses in Multiple Occupation (HMO's) and 69 were licensable HMO's. The Council had received 129 housing standards complaints in 2015/2016; an increase of 8%. The Council had served one formal notice and issued four mandatory HMO licenses with a fee income of £1428.

There were pockets of deprivation in Taunton Deane, particularly within the Halcon Ward. In areas of high deprivation, there were also high concentrations of private rented accommodation. This sometimes encompassed other issues such as anti-social behaviour, drug problems and crime. The policy encouraged an area approach to managing housing resources and partners such as the third sector by focusing efforts on an area and looking to improve significant health indicators.

Further reported that the Government had introduced a raft of legislation in recent years aimed at the private rented sector – full details of which were submitted – which would give the Council the power to enforce and charge for failure to comply with certain provisions.

The partnership would continue to sustain tenancies and encourage good practice by working with the Somerset West Lettings and Tenancy service (SWeLT) a multi-agency approach to working with landlords and owners to manage their properties

and support tenants.

Resolved that:-

(1) With regard to:-

- (i) The Redress Schemes for Letting Agency Work and Property Management Work (Requirement to belong to a Scheme etc.) (England) Order 2014, the proposal to set the level of fine for offences under this Order at £5,000 be approved.

It be also agreed that any fines payable to the Authority should be used to support housing enforcement work including training of landlords, promoting the awareness of the scheme to potential agents and to provide additional resources for housing enforcement work, where necessary;

- (ii) The Smoke Alarms and Carbon Monoxide Alarm (England) Regulations 2015, the Statement of Principles detailing the level of fines at £5,000 with a 50% reduction for landlords who paid within 14 days be approved.

It be also agreed that any fines payable to the Authority should be used to support housing enforcement work including training of landlords, promoting the awareness of the scheme to potential agents and to provide additional resources for housing enforcement work, where necessary;

- (iii) The De-Regulation Act 2015 – Retaliatory Eviction (to prevent landlords from evicting tenants who made a complaint regarding the condition of the property directly to the landlord or to the Local Authority), the changes in legislation be noted and that an initial informal approach with tighter controls to ensure a notice is served within an appropriate timescale be approved;

- (iv) The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 made under the Energy Act 2011, the changes in legislation in relation to energy efficiency of the private rented sector be noted and the continuation of help to promote funding streams with landlords, as appropriate, be approved;

- (v) The Housing and Planning Bill, the proposed changes in legislation be noted; and

- (vi) The area approach to Housing Enforcement Work, an area based approach to Housing Standards which complimented the priorities of the Council's Health and Wellbeing Strategy and Somerset County Council's future approach to health intervention, be approved; and

(2) The Housing Standards Policy and charges be approved.

58. **Review of Council Tax Support Scheme for 2017/2018**

Considered report previously circulated, concerning the latest review of the Council Tax Support Scheme.

On 1 April 2013 Council Tax Benefit (CTB) had been abolished and replaced with a locally designed "CTS" (CTS) Scheme. The Government had provided each billing authority with a grant and expected Councils to design a CTS Scheme to help those on low incomes to meet their Council Tax liability. Initially, 90% of funding previously granted by the Government for CTB was provided for localised CTS.

Whilst the Council had discretion on the rules for CTS for people of working age, the Government had stipulated that pensioners should be fully protected under the same criteria that previously applied to CTB. The Government had also stipulated that, as far as possible, CTS for vulnerable groups should be protected too.

The Department for Communities and Local Government (DCLG) provided funding through the annual Settlement Funding Assessment (SFA) to help meet the cost of localised CTS Schemes. Each of the major precepting authorities in Somerset received the initial funding based on their share of Council Tax receipts.

In Taunton Deane, the initial grant for precepting authorities was £6,110,080, with this Council's share being £587,775 (based on a 9.62% share in 2013/2014). From 1 April 2014, funding for localised CTS had been merged into the Revenue Support Grant (RSG) and Business Rates Funding Baseline and was not separately identified.

Noted that the SFA had reduced by 26.1% in cash terms in the two years up to 2015/2016 and by a further 16.2% from 2016/2017. In applying this methodology, the funding available for localised CTS had reduced by £2,326,217 to £3,783,863.

In 2015/2016, the precepting authorities had paid CTS of £2,934,244 for people of pensionable age. Based on the assumptions stated above, this would leave just £850,000 to spend on CTS for people of working age. As the expenditure for working age recipients in 2015/2016 was £2,542,213, this would leave a funding shortfall of £1,692,594. Based on Taunton Deane's precepting share of Council Tax for 2016/2017 of 9.63%, the share of this shortfall in funding for this Council equated to £162,997.

Reported that if there were no changes to Single Person Discounts or protection provided to pensioners, CTS would become an additional cost pressure to Local Government. The Council had effectively maximised discounts and exemptions to close the funding gap and the only significant variable was to adjust the taper (minimum payment). However this would need to be managed carefully so as not to have an adverse impact on collection rates.

In designing the CTS Scheme, the Councils had considered the customers' ability to pay and the resultant Council Tax liability. For people of working age, the scheme had the following key elements:-

- Maximum support was 80% of Council Tax - everyone of working age had to pay something;
- Increased non-dependant deductions;

- No second adult rebate;
- Earned income disregards were at increased levels than those offered under CTB; and
- A Hardship Fund of £35,000 for short term help.

In annual billing for 2016/2017, Taunton Deane had sent Council Tax bills that after the award of CTS, totalled more than £60,700,000. Approximately 14% of residents received financial support through CTS, with under 8% of those liable to pay some Council Tax, being CTS recipients of working age.

Noted that 8,513 people had originally moved from the CTB scheme to the localised CTS Scheme. At 31 March 2016, this had reduced to 7,325. Key information on the CTS caseload, spending and budgets was set out in detail in the report.

The cost of the CTS Scheme had reduced considerably, both through the implementation of the local policy and the trend in demand / eligibility for financial assistance. The changes to the CTS Scheme to reduce support offered to working age applicants in 2016/2017 had reduced expenditure. At 30 June 2016 it was estimated that the CTS awarded this year would be nearly £300,000 less than the notional budget. However, there were a number of factors potentially affecting the ongoing reduction in costs and CTS recipients, namely:-

- ❖ A downturn in the economy generally (as experienced in 2008 until 2013); or
- ❖ A downturn in the local economy such as a local business going into liquidation or a reducing labour force; or
- ❖ An increase in Council Tax above the increase in allowances available under the scheme.

Further reported on the Collection Activity of the Council and the Debt Profile for 2015/2016. The households liable for Council Tax had increased from 50,211 in 2012/2013 to 52,374 by 31 March 2016. Whilst this had brought in additional income from Council Tax, this growth had increased the demand for services.

The net collectable amount for Council Tax in 2015/2016 had increased by over £4,800,000 in comparison to 2012/2013. The collection of Council Tax in year, while at a rate slightly less than achieved in 2012/2013, had resulted in additional income for Taunton Deane of £445,000 based on its preceptor share of 9.62%. Since 2012/2013, approximately 50% of the increased income from Council Tax had been derived from growth, with 50% being the consequence of other factors, such as the new flexibilities on second home discounts and short and long term empty properties.

However, it had not been possible to maintain in-year Council Tax collection at the rate it was before the introduction of CTS. For many customers, having to pay Council Tax had caused them budgeting issues, not least because many had also been affected by other welfare reforms.

Overall, the Council Tax outstanding for 2015/2016 was £1,238,645. Council Tax outstanding for working age CTS recipients was £375,857. Therefore, whilst working age

CTS recipients represented just 8% of households, the value of their debt equated to 30% of Council Tax outstanding at 31 March 2016.

With regard to the CTS Scheme for 2017/2018, the Local Government Finance Act 2012 stated that any local scheme had to be agreed with the major precepting authorities such as the Somerset County Council, Avon and Somerset Police and Devon and Somerset Fire and Rescue Authority.

Consultation with the precepting authorities and the public had taken place during the summer in respect of the following four options:-

Option 1 – The Council to work out CTS in the same way as was done now. Any shortfall in the funding received and the CTS paid in 2017/2018 would need to be met from other Council budgets. Response – 41% in favour;

Option 2 – Reduce the maximum CTS offered to working age recipients from 80%. This would mean working age recipients would need to pay more. As a result, the Council would be able to reduce the funding required to support the scheme off-setting cuts in the Local Government Finance Settlement. It was recognised however that such a reduction in the support offered was likely to negatively impact on the in-year collection of Council Tax and lead to a potential increase in administration costs to recover the Council Tax owed. Response – 42% in favour;

Option 3 – Increase the maximum CTS offered to working age recipients from 80%. This would mean an additional cost to the Council and precepting authorities. This option would carry a high level of risk to the Council in protecting front line services as additional resources would have to be diverted to support the CTS policy. Response – 11% in favour;

Option 4 – The Council to make various technical changes to align the CTS scheme for 2017/2018 with some or all of the changes the Government made to other welfare benefits. The changes known or expected to be implemented by the Government were set out in the report. All of these would mean that some working age CTS recipients would need to pay more and the Council could reduce the funding required to support the scheme in 2017/2018. Making such changes would mean the scheme for Housing Benefit recipients would be less complicated as rules would be aligned as well as easing administration. Response – 64% in favour;

Any of the options to reduce the level of support the Council offered through CTS would have an adverse or positive impact on certain applicants or groups of applicants. If the support offered through the CTS Scheme was cut, the Council would need to consider a careful selection of options for Taunton Deane's particular demographic. There was no single option or change to the CTS Scheme that could deliver sufficient savings to meet the predicted budget gap from the reduced Local Government Finance Settlement in 2017/2018.

The decision for the Executive was therefore to choose what options were acceptable to the Council bearing in mind the overall level of finance available. The report contained financial modelling on the four options to amend the scheme (set out above) to illustrate the effect on applicants and any potential savings which could perhaps be made. In all, eleven models were detailed.

The above proposals and options had been considered by the Corporate Scrutiny Committee on 20 October 2016. Their recommendation on the preferred CTS Scheme for working age applicants from 2017/2018 was to amend the current scheme to align the scheme with changes to other welfare benefits, with the exception that applicants aged 18-21 should continue to be eligible. This recommendation was illustrated in Model 11.

If implemented, the saving that was likely to be achieved would be £1,059.

Having taken account of the contents of the very detailed Equality Impact Assessment that had been undertaken, the Executive decided to agree the proposed amendments to the CTS scheme based on Model 11.

Resolved that:-

- (1) It be recommended to Full Council that having regard to the consultation responses and the contents of the Equality Impact Assessment, the Council Tax Support Scheme be amended to that illustrated in Model 11. This would align the Council Tax Support Scheme for 2017/2018 with changes made by the Government to other welfare benefits with the exception that applicants aged 18-21 would continue to be eligible; and
- (2) It be noted that the 2017/2018 Council Tax Support Scheme was recommended for 2017/2018 only.

59. **Financial Monitoring 2016/2017**

Considered report previously circulated, concerning the projected financial position of the Council performance for the financial year 2016/2017 (as at 31 August 2016).

Effective financial management formed an important part of the Council's overall performance management framework.

A summary of the Council's Financial Performance was as follows:-

General Fund (GF) Revenue - The GF Revenue Outturn position was currently projected as a net underspend of £271,000 which was 1.88% below budget.

The main variances to the budget related to Asset Management, Car Parking, the Deane Helpline, the Crematorium, Waste Recycling, Community Open Spaces and Parks, Homelessness, Insurance, Council Tax Collection, Rent Allowances, Revenues and Benefits and Interest Costs and Income. Full details of these variances were set out in the report.

With regard to the GF reserves, the forecast balance as at 31 March 2017 was £2,184,000 which would be £584,000 above the recommended balance of £1,600,000.

In view of the Council's future financial pressures the prudent advice was to maintain reserves above the recommended minimum, to provide some resilience for

emerging costs and to provide some flexibility to support measures to address ongoing financial sustainability.

Reported that budgets and forecasts were based on known information and the best estimates of the Council's future spending and income. During the budget monitoring process risks and uncertainties are identified which could impact on the financial projections, but for which the likelihood, and/or amount are uncertain.

To date the following risks and uncertainties had been identified:-

- ❖ Fluctuation in demand for services;
- ❖ General Spend;
- ❖ Year End Adjustments; and
- ❖ Business Rates.

Noted that the Council carried protection against risk and uncertainty in a number of ways, such as insurances and maintaining reserves. This was a prudent approach and helped to mitigate unforeseen pressures.

Deane DLO Trading Account - The DLO was forecasting to come in on budget and after contributing £101,000 to the GF. Any surplus would be transferred to the DLO trading reserve.

The Trading Account Reserves Position balance brought forward of £505,000 related to a retained trading surplus of £165,000, plus capital reserves set aside to support investment in the service - £25,000 for fuel tanks and £315,000 to fund vehicle replacement. £200,000 of the DLO trading reserve was being used to fund Transformation implementation costs.

Deane Helpline Trading Account - The Deane Helpline's net budget was £107,000. The service was predicting a net underspend of £15,000 at year end.

General Fund (GF) Capital - The GF approved Capital Programme was currently £12,692,000. This related to schemes which would be completed over the next five years. Of this, Budget Holders were projecting that £11,805,000 was planned to be spent during 2016/2017 with £887,000 due to be spent in future years. The Council was supporting this investment through the use of Capital Grants and Contributions, Capital Receipts, Revenue Funding and Borrowing.

With regard to the GF Capital Programme, the Executive was asked to consider approving a supplementary estimate of £1,326,000 for grants to Registered Social Landlords (RSLs) which would be funded by £624,000 from Section 106 Agreements, £572,000 from affordable housing capital receipts and £130,000 from the housing enabling earmarked reserve.

The 'Grant to RSL's' scheme was the capital funding ring-fenced for the provision of new affordable housing. The funds consisted of historic grant funding which had been allocated to schemes currently being developed and also Section 106 Agreement monies/capital receipts collected from developments in lieu of affordable housing on site. These funds were allocated to specific schemes which needed additional funding to secure the delivery of new affordable housing. On most

occasions these funds were paid to Housing Association Partners who also contributed funding through the Homes and Communities Agency and their recycled capital grant funding received through shared ownership and disposals.

Housing Revenue Account (HRA) - The current forecast HRA Revenue Outturn was a net surplus of £129,000 (0.5% of gross income).

The major under and overspends forecast for the year were likely to relate to Dwelling Rents and Service Charges, Leasehold Income, PV Income, Housing Management, Asbestos Surveys, Voids, Grounds Maintenance, Supported Housing, Other Maintenance and Interest Receivable. Full details of these variances were set out in the report.

The HRA Reserves (“working balance”) at the start of the year were £2,675,000. The use of the 2015/2016 underspend and the surplus of £129,000 in 2016/2017 had reduced the balance to £2,471,000. This was above the minimum recommended reserve level of £1,800,000 by £671,000.

Housing Revenue Account (HRA) Capital - The approved HRA capital programme was £23,459,000, of which £12,927,000 related to works on existing dwellings and £10,532,000 for the provision of new housing through development.

Resolved that:-

- (1) The Council’s forecast financial performance for the 2016/2017 financial year as at 31 August 2016 be noted; and
- (2) Full Council be recommended to approve a capital supplementary estimate of £1,326,000 for Grants to Registered Social Landlords.

60. **Quarter 2 (month 5) 2016/2017 Performance Report**

Considered report previously circulated, which detailed key performance management data up to the end of month 5 Quarter 2 2016/2017, to assist in monitoring the Council’s performance.

Regularly monitoring performance was a key element of the Council’s Performance Management Framework. There were 35 individual measures which were reported within the Corporate Scorecard.

The Taunton Deane Corporate Scorecard contained details of the Quarter 2 (month 5) 2016/2017 position against the Council’s key corporate indicators. It was stressed that this information was the situation as at 30 August 2016.

Each action/measure had been given a coloured status to provide the reader with a quick visual way of identifying whether particular measures were on track or whether there might be some issues with performance or delivery or an action.

The table below provided an overview of the reported indicators within the Corporate Scorecard:-

GREEN 	AMBER 	RED 	NOT DUE	NOT AVAILABLE	TOTAL
16	5	3	8	3	35

Submitted a comprehensive summary of each of the 35 performance measures. The three indicators on the scorecard allocated 'red' status were:-

- Housing Stock – To manage the stock and maintenance service to meet the needs of the tenants;
- Customer Complaints – Complaints answered out of time; and
- Timeliness of draft minutes being provided to the Committee Chairman.

Reported on the actions that would be taken in an attempt to meet the performance targets that had been set for these three indicators.

The Performance Report had been considered by the Corporate Scrutiny Committee on 20 October 2016 and the views expressed at that meeting were submitted.

Resolved that the report be noted.

61. **Executive Forward Plan**

Submitted for information the Forward Plan of the Executive over the next few months.

Resolved that the Forward Plan be noted.

(The meeting ended at 8.11 p.m.)