



CABINET

8 August 2012

**A Meeting of the CABINET will be held on Wednesday, 15th August, 2012, 6.00 pm
in Committee Room 1 Marmion House, Lichfield Street, Tamworth**

A G E N D A

NON CONFIDENTIAL

1 Apologies for Absence

2 Minutes of the Previous Meeting (Pages 1 - 4)

3 Declarations of Interest

To receive any declarations of Members' interests (personal and/or personal and prejudicial) in any matters which are to be considered at this meeting.

When Members are declaring a personal interest or personal and prejudicial interest in respect of which they have dispensation, they should specify the nature of such interest. Members should leave the room if they have a personal and prejudicial interest in respect of which they do not have a dispensation.

4 Matters Referred to the Cabinet in Accordance with the Overview and Scrutiny Procedure Rules

None

5 Localism Act 2011 (Pages 5 - 48)
(Report of the Leader of the Council)

6 Annual Review 2011/12 (Pages 49 - 62)
(Report of the Leader of the Council)

7 Localising Support For Council Tax (Pages 63 - 152)
(Report of the Portfolio Holder for Core Services and Assets)

- 8 **Write Offs 01/04/2012 – 30/06/2012** (Pages 153 - 158)
(Report of the Portfolio Holder for Core Services and Services)
- 9 **Consideration Of Issues And Options Arising From The Cemetery Gates
Petition** (Pages 159 - 164)
(Report of the Portfolio Holder for Environment and Waste Management)

Yours faithfully

A handwritten signature in black ink, appearing to read 'J. Wheatley', with a horizontal line underneath the name.

pp Chief Executive

People who have a disability and who would like to attend the meeting should contact Democratic Services on 01827 709264 or e-mail committees@tamworth.gov.uk preferably 24 hours prior to the meeting. We can then endeavour to ensure that any particular requirements you may have are catered for.

To Councillors: D Cook, R Pritchard, L Bates, S Claymore, S Doyle, M Greatorex and J Oates



MINUTES OF A MEETING OF THE CABINET HELD ON 25th JULY 2012

PRESENT: Councillor D Cook (Chair), Councillors R Pritchard, L Bates, S Claymore, M Greatorex and J Oates

The following officers were present: Anthony E Goodwin (Chief Executive), John Wheatley (Executive Director Corporate), Jane Hackett (Solicitor to the Council and Monitoring Officer), Rob Barnes (Director - Housing and Health), Tina Mustafa (Housing Operations Manager), Karen Taylor (Head of Benefits), Michael Buckland (Head of Revenues), Sue Philp (Housing Manager), Neil Mason (Community Leisure Manager), Elanor Thompson (Arts and Events Manager), Stephanie Ivey (Children and Young Person Officer) and Claire Keeling (Housing Strategy Officer)

28 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor S Doyle

29 CORPORATE UPDATE

The Head of Benefits and the Head of Revenues gave a presentation on the changes to Council Tax Support and reforms which was endorsed by Members, going forward for consultation and report back to Cabinet on 15 August 2012.

30 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 13 June 2012 were approved and signed as a correct record.

(Moved by Councillor D Cook and seconded by Councillor J Oates)

31 DECLARATIONS OF INTEREST

There were no Declarations of Interest.

32 MATTERS REFERRED TO THE CABINET IN ACCORDANCE WITH THE OVERVIEW AND SCRUTINY PROCEDURE RULES

None

33 GRANTS TO VOLUNTARY ORGANISATIONS (SMALL GRANTS SCHEME)/LOCAL ARTS GRANT SCHEME

The Report of the Portfolio Holder for Core Services and Assets informing Members of the Small Grants, Arts Grants and Sport Grants awards made during 2011/12 was considered.

RESOLVED: That the outturn of the Cabinet (Grants) Sub-Committee be endorsed.

(Moved by Councillor R Pritchard and seconded by Councillor S Claymore)

34 RE-DEVELOPMENT OF TRANCHES 2 AND 3 GARAGE SITES

The Report of the Portfolio Holder for Housing and Portfolio Holder for Core Services and Assets providing members with an update on progress concerning the disposal of 26 Council owned garage sites for the purpose of developing affordable housing was considered.

RESOLVED: That:

- 1 The progress made to date regarding the disposal of garage sites to partner Registered Providers (RPs) to develop affordable housing be noted, and;
- 2 The commencement of work in relation to sites identified in Trenches 2 and 3 be approved.

(Moved by Councillor M Greatorex and seconded by Councillor R Pritchard)

35 TAMWORTH HOMELESSNESS EDUCATION PROGRAMME

The Report of the Portfolio Holder for Housing seeking approval for the revised Tamworth Homelessness Education Project (THEP) was considered.

RESOLVED: That the use of the revised Tamworth Homelessness Education Programme as a key prevention tool to support homelessness prevention activity be approved.

(Moved by Councillor M Greatorex and seconded by Councillor J Oates)

36 THE IMPACT OF WELFARE BENEFIT REFORM ON TENANTS

The Report of the Portfolio Holder for Housing setting out the challenges and opportunities arising from the Welfare Reform Act 2012 following the receipt of Royal assent in March was considered.

- RESOLVED:** That:
- 1 The impact arising from the key legislative changes, as set out at Annex 1 as set out in the Member Presentation delivered at the end of May 2012 be acknowledged, and;
 - 2 Investment in the Third sector be increased to £10,000 in order to facilitate the improvement of debt management services and sensible lending solutions, and;
 - 3 The principles used to access funding available through the “homelessness prevention grant” as set out in the report, delegating authority to the Portfolio Holder to agree the final details of a scheme be endorsed, and;
 - 4 The increase in income management staff, subject to the usual Appointments and Staffing Committees arrangements be supported, and;
 - 5 The investigation into the introduction of electronic means to pay rent using the rent app, mobile payment methods as part of the corporate change management programme be endorsed, and;
 - 6 The development of a Social Enterprise Partnership with Mears to develop a skills academy, delegating authority to the Portfolio Holder of Housing to agree the detail be supported, and;
 - 7 The Communications and Action plans (attached at annexes 2 and 3) which set out the next steps in relation to the wider partnership opportunities around the LEP and the banking sector to help tackle financial exclusion and worklessness be agreed, and;
 - 8 A further report to be received in the summer of 2013 detailing the initial impact of the changes and to set out final preparations for Universal Credit in October 2013.

(Moved by Councillor M Greatorex and seconded by Councillor R Pritchard)

37 SAFEGUARDING UPDATE

The Report of the Portfolio Holder for Housing updating Members on the number and type of initial safeguarding concerns that the council received between April 2011 and March 2012 and informing Members of the current position in relation to our Policy regarding safeguarding children and vulnerable adults was considered.

- RESOLVED:** That:
- 1 The proposal to delay (until the autumn of 2012) the scheduled review of our current Safeguarding policy in order to benefit from the national guidance due to be published in summer 2012 be endorsed, and;
 - 2 Attendance by Tamworth Borough Councillors be promoted at all future Safeguarding Children and Vulnerable Adult awareness training.

(Moved by Councillor M Greatorex and seconded by Councillor R Pritchard)

38 TAMWORTH ASSEMBLY ROOMS DEVELOPMENT PHASE

The Report of the Portfolio Holder for Economic Development and Enterprise updating Members on the Tamworth Assembly Rooms Development Project and seeking permission and agreement on the "Development Phase" timeline and actions was considered.

RESOLVED:

That:

- 1 The £88,200 Heritage Lottery Fund (HLF) round one grant be accepted and the use of £50,000 TBC capital (from the £400k) budget be endorsed to enable further feasibility work as part of the Development Phase, and;
- 2 The actions contained in the Development Phase timetable attached at appendix 1 be endorsed, and;
- 3 The procurement of Architectural support (Including survey works) and the procurement of a project manager be approved, and;
- 4 It was noted that a further report detailing the proposal for a second round Heritage Lottery Grant will be brought to Cabinet prior to the submission in December 2012.

(Moved by Councillor S Claymore and seconded by Councillor D Cook)

Leader

15 August 2012

REPORT OF THE LEADER OF THE COUNCIL**LOCALISM ACT 2011****EXEMPT INFORMATION**

None

PURPOSE

To consider the Council's approach to the implementation of a key part of the Localism Act 2011 – the Community Right to Challenge set out in Part 5 Chapter 2.

RECOMMENDATIONS

To approve the guidance document attached (Appendix 2) and the decision and notification timetables required under sections 82 to 84 of the Localism Act 2011 as relating to the Community Right to Challenge which are set out below:-

- (1) To accept expressions of interest under the Community Right to Challenge duties annually only between 1 June and 30 June, commencing 2013,
- (2) To accept expressions of interest under the Community Right to Challenge duties for services already delivered by a third party as set out in the contracts register,
- (3) Determination of these expressions will take no more than 26 weeks from the close of the period (30 June) and follow generally the process outlined in Appendix 1,
- (4) The minimum period between the date of our decision to accept an expression of interest and the date on which the procurement exercise will begin is 12 weeks. The maximum period is 26 weeks, however depending on the complexity of the EOI on the services involved this period may be waived and the relevant body notified accordingly,
- (5) To publish the guidance document and the decision and notification periods on the Council's website as required by the legislation
- (6) To delegate to the Chief Executive and the Leader of the Council authority to make any necessary policy amendments

EXECUTIVE SUMMARY

The Community Right to Challenge requires relevant authorities (County, District or London Borough Councils) to consider expressions of interest in running Council services from various bodies specified in legislation, and when expressions of interest are accepted, carry out a procurement exercise.

The relevant bodies specified in the legislation include:

- A voluntary or community body;

- A body of persons or a trust which is established for charitable purposes only;
- Parish Councils;
- Two or more employees of the Council; or
- Any other person or body specified by the Secretary of State by regulations

Whilst only relevant bodies are eligible to submit an expression of interest they may do so in partnership with other relevant bodies and/or non-relevant bodies such as private companies. Relevant bodies do not have to be local to the area.

The Right to Challenge relates to **services** provided by the authority and not to **functions** of the authority. The guidance uses an example of the distinction between an authority's function of determining planning applications and the service of processing applications to illustrate this.

An expression of interest from a relevant body must be in writing and contain certain information specified in the Regulations. The guidance does not specify the form that this information could take. Information outside the scope of the requirements in the Regulations may not be used as a ground on which to reject an expression of interest.

The Council must consider the expression of interest and may accept it, accept it with modifications or reject it. The guidance sets out that any modifications should be proportionate and gives suggestions of potential modifications including rectifying omissions from expressions or clarifying details of services. The Council can only reject expressions of interest on the grounds set out in the Regulations.

If the expression is accepted, the Council must then conduct a procurement exercise for the specified service. The procurement exercise must be appropriate having regard to the value and nature of the contract. The Council will need to comply with procurement law and must consider how both expressions of interest and procurement exercises would promote, or improve the economic, social or environmental well-being of Tamworth.

The Council must make a number of decisions in respect of when it will consider expressions of interest, a maximum period for deciding whether to accept an expression of interest and a minimum and maximum periods for beginning procurement exercises once expressions are accepted. The proposed periods for Tamworth are set out in the recommendations. These periods must be published.

Particular attention needs to be given to how we will deal with expressions of interest for services which are provided on a joint arrangement with other authorities and officers will commence discussions on how these are to be handled.

A review of the process and overall approach to the Community Right to Challenge will take place after 12 months or sooner if required to reflect learning from our current arrangements and the impact of case law.

RESOURCE IMPLICATIONS

The resource consequences of this report will be met primarily from within existing staff resources. However, it is likely that there will be as yet unknown costs associated with legal advice, potential procurement exercises and possible mobilisation costs should a challenge be successful. It would not be unreasonable to expect there to be additional requirements for specialist legal, procurement, and HR advice as well as support to draft service specifications.

If the Council should decide to submit an in-house bid then this will have additional resource implications. It will be necessary to ensure that the team preparing any in-house 'tender' are treated in exactly the same way as external tenderers and do not receive any information which is not made available to all other bidders and which might give the in-house bid team

an unfair advantage in the preparation of their bid.

The potential resource implications from the Community Right to Challenge will be discussed as part of the next round of the Council's budget process.

At the moment it is difficult to assess what kind of impact the Community Right to Challenge will have on the Council's services.

LEGAL/RISK IMPLICATIONS BACKGROUND

The Localism Act 2011 was enacted on 15 November 2011. The provisions relating to the Community Right to Challenge were brought into force on 27 June 2012.

There are likely to be unknown demands placed upon current resources, some of which may impact on the delivery of existing services as management attention is directed to responding to expressions of interest and any potential procurement exercises.

SUSTAINABILITY IMPLICATIONS

There are no sustainability issues arising from this report.

BACKGROUND INFORMATION

A range of specialist support is being put in place by the Department for Communities and Local Government to help community groups bid to take over local services. The Social Investment Business will deliver a three year support programme worth £11.5 million to help groups to use the new Right.

Cabinet will be aware that Tamworth's Public Sector Commissioning Framework is now out for consultation with a final report due this autumn.

REPORT AUTHOR

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LIST OF BACKGROUND PAPERS

None

APPENDICES

Appendix 1 – Community Right to Challenge Process Map
Appendix 2 – Community Right to Challenge Guidance Document
Appendix 3 - Community Right to Challenge Statutory Guidance

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Appendix 1 – Community Right to Challenge Process Map



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Community Right to Challenge

Guidance Document

June 2012

Introduction

The Localism Act 2011 was enacted on 15 November 2011. The provisions relating to the Community Right to Challenge, Part 5 Chapter 2 were brought into force on 27 June 2012.

The Community Right to Challenge (hereafter called “the Right”) enables voluntary and community bodies, employees of the authority that wish to form a mutual organisation to deliver services, and parish councils, to express an interest in running a local authority service. The authority must consider expressions of interest and, where they accept them, run a procurement exercise for the service. The Right will hand the initiative to groups with good ideas about how services can be run differently or better, ensure their ideas get a fair hearing, and that they get the time they need to prepare effective bids for services.

Definitions – who is involved?

A relevant authority, (Tamworth Borough Council) must consider expressions of interest from ‘relevant bodies’. These bodies include:

- voluntary and community bodies (defined as non-public and not for profit);
- a body of persons or a trust which is established for charitable purposes only;
- parish councils but not limited to services or facilities within its area; and
- local authority employees. Under the power, two or more employees are eligible to create an employee-led structure to take over running services but are not expected to have these arrangements finalised before submitting expressions of interest.

There is the potential for partnerships between relevant bodies using the Right, and collaborating with non-relevant bodies, which may strengthen the case for running the service. This is permitted when the relevant body provides information in the expression of interest for both parties.

Incorporated joint ventures may make an expression, provided they meet the definitions of a relevant body. However, in a contractual joint venture only one of the parties is required to meet the definition.

No group expressing an interest in running a service – whether they are a defined relevant body or are acting in partnership with one – has to be local to the area. A relevant body can be small or it can be a national or an international organisation.

Included and excluded services

Relevant services

Any service provided by Tamworth Borough Council is eligible for an expression of interest unless it is specifically excluded.

The Right to Challenge relates to **services** provided by the authority and not to **functions** of the authority. The guidance uses an example of the distinction between an authority's **function** of determining planning applications and the **service** of processing applications to illustrate this.

Excluded services

Time limited exclusions:

Until 1 April 2014, a relevant service commissioned in conjunction with one or more health services by Tamworth Borough Council or by a Primary Care Trust, NHS trust, or NHS foundation trust under a partnership arrangement or by Tamworth Borough Council and an NHS body or a Strategic Health Authority, acting jointly.

Until 1 April 2014 a relevant service commissioned by an NHS body on behalf of Tamworth Borough Council.

Permanently excluded:

Services commissioned by individuals using Direct Payments, and services provided to named individuals with complex needs, are not within the scope of the Right.

Submitting an Expression of Interest (EOI)

Local authorities may choose to specify windows of time for accepting expressions of interest and can refuse to consider an application outside the specified period.

Tamworth Borough Council will only accept Expressions of Interest during the period of 1 June to 30 June 2013 and then at the same time each year thereafter. This applies to those services not currently delivered by a third party.

Tamworth Borough Council will maintain a contract register of third party service agreements on its website. All agreements will have their window

of opportunity for an Expression of Interest identified and this shall, where possible, correspond with the procurement cycle.

Information required in an EOI:

1. An expression of interest must include the following information and, where the relevant body proposes to deliver the relevant service as part of a consortium or to use a sub-contractor for delivery of any part of the relevant service, the information and evidence referred to in paragraphs 2 and 3 must be given in respect of each member of the consortium and each sub-contractor as appropriate.
2. Information about the financial resources of the relevant body submitting the expression of interest.
3. Evidence that demonstrates that by the time of any procurement exercise the relevant body submitting the expression of interest will be capable of providing or assisting in providing the relevant service.
4. Information about the relevant service sufficient to identify it and the geographical area which the expression of interest relates.
5. Information about the outcomes to be achieved by the relevant body or, where appropriate, the consortium of which it is a part, in providing or assisting in the provision of the relevant service, in particular –
 - a. how the provision or assistance will promote or improve the social, economic or environmental well-being or the relevant authority's area and
 - b. how it will meet the needs of the users of the relevant service.
6. Where the relevant body consists of two or more employees who deliver the relevant service, details of how the relevant body proposes to engage other employees of Tamworth Borough Council who are affected by the expression of interest.

In addition, Tamworth Borough Council requests the EOI to also include how the relevant body submitting the EOI meets the definition of a 'relevant body'.

The EOI should be submitted by completing the electronic EOI form on the Tamworth Borough Council website. Any supporting information may be attached. Your submission will be formally acknowledged. If you require this form in an alternative format please contact Tamworth Borough Council's Customer Services on 01827 709709.

If additional information is provided by the relevant body, information outside of the scope of the requirements in the Regulations will not be used as a ground on which to reject an EOI.

Notifying decisions on Expressions of Interest (EOI)

Tamworth Borough Council will notify the relevant body that has submitted an expression of interest of the timescale within which the authority will notify the body of its decision. This notification will be in writing and done within 30 days after the close of the period (30 June) specified by the authority for submitting expressions of interest.

In specifying the period for notifying relevant bodies of a decision we will have regard to the following factors:

- The need to notify relevant bodies of a decision within a reasonable period;
- The nature, scale and complexity of the service to which expressions of interest relate;
- The complexity of the EOIs received;
- The likely need to agree modifications to EOIs in order to accept them; and
- The timescales for any existing commissioning cycles relevant to the service which an EOI relates to or any other relevant authority processes (i.e. Council, Cabinet decision making or budget setting processes)

The maximum period that Tamworth Borough Council will take to make a decision is 26 weeks from the close of the period (30 June) specified for submitting expressions of interest.

Grounds whereby an expression of interest may be rejected

Tamworth Borough Council may only reject an EOI on one or more of the grounds specified in the Regulations. They are listed below:

- The EOI does not comply with any requirements specified in the Localism Act or in regulations.
- The relevant body provides information in the EOI which in the opinion of Tamworth Borough Council is in a material particular inadequate or inaccurate.

- Tamworth Borough Council considers, based on the information in the EOI, that the relevant body or where applicable –
 - any member of the consortium of which it is a part, or
 - any sub-contractor referred to in the EOI.

is not suitable to provide or assist in providing the relevant services.
- The EOI relates to a relevant service where a decision, evidenced in writing, has been taken by Tamworth Borough Council to stop providing that service.
- The EOI relates to a relevant service-
 - provided, in whole or in part, by or on behalf of the relevant authority to persons who are also in receipt of a service provided or arranged by an NHS body which is integrated with the relevant service; and
 - the continued integration of such services is, in the opinion of the relevant authority, critical to the well-being of those persons.
- The relevant service is already the subject of a procurement exercise.
- Tamworth Borough Council and a third party have entered into negotiations for provision of the service, which negotiations are at least in part conducted in writing.
- Tamworth Borough Council has published its intention to consider the provision of the relevant service by a body that 2 or more specified employees of that authority propose to establish.
- Tamworth Borough Council considers that the EOI is frivolous or vexatious.
- Tamworth Borough Council considers that acceptance of the expression of interest is likely to lead to contravention of an enactment or other rule of law or a breach of statutory duty.

Modifying an expression of interest

Tamworth Borough Council may seek to modify an EOI in agreement with the relevant body if it would otherwise reject it. The guidance gives suggestions of potential modifications including rectifying omissions from expressions or clarifying details of services. This can bring further clarity to an expression and allow proper consideration by the authority. If an agreement cannot be reached, Tamworth Borough Council may reject the EOI.

Period between an EOI being accepted and a procurement exercise starting

Tamworth Borough Council must specify periods between an expression of interest being accepted and a procurement exercise starting.

In specifying the period set out below Tamworth Borough Council has had due regard to:

- The need to provide Tamworth Borough Council employees and other relevant bodies with a fair and reasonable and realisable opportunity to bid the procurement exercise for the service;
- The nature, scale and complexity of the service being procured.
- The timescales for any existing commissioning cycle relevant to the service being procured, and Council Cabinet decision making or budget setting processes.

The minimum period between the date of our decision to accept an expression of interest and the date on which the procurement exercise will begin is 12 weeks. The maximum period is 26 weeks. However depending on the complexity of the EOI on the service involved this period may be waived and the relevant body will be notified accordingly.

The Procurement Exercise

When an expression of interest is accepted, Tamworth Borough Council must carry out a procurement exercise for the service. The procurement exercise must be appropriate having regard to the value and nature of the contract that may be awarded as a result of the exercise.

The Public Contracts Regulations 2006 shall apply to the procurement of all services that exceed the current EU threshold of £173,934. For the procurement of services below the EU threshold, general principles of equality of treatment, non-discrimination and transparency are required to ensure that the selection process used is consistent with EU principles. All procurements shall be conducted in accordance with the Procurement and Contracts Section of Tamworth Borough Council's Financial Guidance which may be accessed on both its intranet and websites.

Consideration of social value in the procurement exercise:

Tamworth Borough Council will consider how both the expressions of interest and procurement exercises triggered would promote or improve the economic,

social and environmental well-being of Tamworth. This will be consistent with the law applying to the awarding of contracts.

Further Advice and Guidance

A range of specialist support is being put in place by the Department of Communities and Local Government to help community groups bid to take over running local services. The Social Investment Business will deliver a three year support programme to help groups to use the new Right.

More information is available from:

Community Right to Challenge Statutory Guidance at:

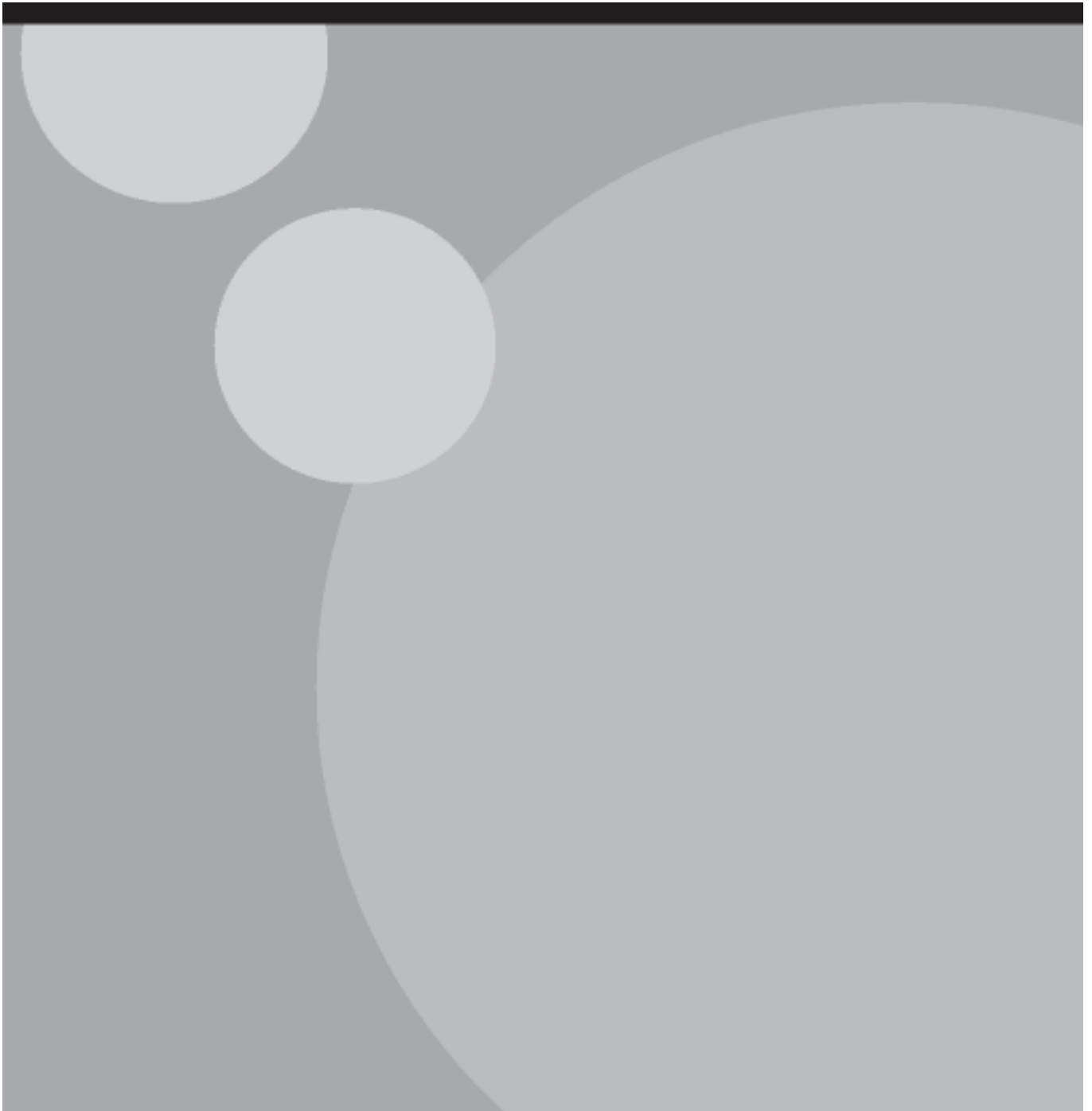
<http://www.communities.gov.uk/publications/communities/righttochallengestatguide>

My Community Rights Website

www.mycommunityrights.org.uk



Community Right to Challenge Statutory Guidance





Community Right to Challenge Statutory Guidance

June 2012
Department for Communities and Local Government

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Ministerial foreword

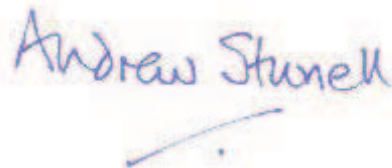
The Localism Act 2011 is driving a shift in power away from Whitehall and handing it back to communities, giving them more opportunities to take control locally.

The new community rights in the Act will help to create the conditions for communities to play a bigger part in shaping the world around them - whether that's shaping and running local services through the community right to challenge, taking over local assets of community value through the community right to bid, community-led development using the community right to build, or adopting a neighbourhood plan under neighbourhood planning.

Communities rightly have high expectations of local services that offer excellent value for money. But local authorities do not have to have a monopoly over service delivery in the area to ensure excellent services. Nor do they have to have all of the good ideas for where improvements can be made. The most creative authorities welcome innovative ideas from communities about how services can be reformed and improved to better meet local needs, and work with groups who believe they can run services differently and better.

The community right to challenge paves the way for more communities to help shape and run excellent local services. This might include making services more responsive to local needs, offering additional social value outcomes, or delivering better value for money. It may act as a springboard for radical re-shaping of services, or simply trigger small changes that will make a big difference to the quality of service communities receive.

Every council should be looking carefully at how they can improve local services, deliver better value for money, and empower their communities to do more. I hope that they will embrace the community right to challenge as a positive tool that will help them to achieve these aims.



Andrew Stunell MP
Parliamentary Under Secretary of State

Introduction

Scope of the guidance

- i. This guidance provides further explanation of the legislative framework for the community right to challenge. This is contained in Part 5, Chapter 2 of the Localism Act 2011, The Community Right to Challenge (Expressions of Interest and Excluded Services) (England) Regulations 2012, and The Community Right to Challenge (Fire and Rescue Authorities and Rejection of Expressions of Interest) (England) Regulations 2012.
- ii. The Localism Act (“the Act”) was enacted on 15 November 2011. Provisions were brought into force on 27 June 2012.
- iii. The Regulations:
 - a) Specify information required in an expression of interest;
 - b) Specify grounds whereby an expression of interest may be rejected;
 - c) State which kinds of services are excluded from the Right; and
 - d) Add certain fire and rescue authorities as relevant authorities.
- iv. The guidance only applies to England.
- v. A glossary of terms is at Annex A at the end of this guidance.

Section 1

Relevant authorities and relevant bodies

- 1.1 The community right to challenge refers to two sets of bodies. Relevant authorities must consider expressions of interest and, where they accept an expression of interest, carry out a procurement exercise for the service. Relevant bodies are eligible to submit expressions of interest to deliver relevant services on behalf of relevant authorities.

Relevant authorities

- 1.2 The Act lists the following as relevant authorities:
- a) A county council;
 - b) A district council;
 - c) A London borough council; or
 - d) Any other person or body carrying out a function of a public nature specified by the Secretary of State in regulations.¹
- 1.3 Certain fire and rescue authorities are added as relevant authorities in the Regulations. Many fire and rescue authorities will already be relevant authorities by reason of being a local authority.

Relevant bodies

- 1.4 The Act lists the following as relevant bodies:
- a) A voluntary or community body;
 - b) A body of persons or a trust which is established for charitable purposes only;
 - c) A parish council;
 - d) Two or more employees of the relevant authority; or
 - e) Any other person or body specified by the Secretary of State by regulations.

Voluntary and community bodies

- 1.5 A voluntary body is a body that is not a public or local authority, the activities of which are not carried on for profit. It can generate a surplus provided it is used for the purposes of its activities or invested in the community.

¹ These refer to the legal status of a body. Unitary authorities fall within these categories.

- 1.6 A community body is a body which is not a public or local authority, the activities of which are primarily for the benefit of the community.
- 1.7 The definitions of voluntary and community body are intended to cover a wide range of civil society organisations. They reflect the required characteristics of such bodies rather than referring to types of organisational structure. This allows for flexibility to accommodate future forms of civil society organisation.
- 1.8 The Government expects the definition of voluntary and community body to include but not be limited to the following types of organisation:
- Community benefit societies (a type of industrial and provident society);
 - Co-operatives whose activities are primarily for the benefit of the community (another type of industrial and provident society);
 - Community interest companies;
 - Charitable incorporated organisations; and
 - Other incorporated forms of body such as companies limited by guarantee or shares where the company's Memorandum and/or Articles of Association state that the company's objects are in the interest of the community, rather than to make a profit for shareholders.
- 1.9 The way in which groups demonstrate community benefit will vary depending on their legal form and the associated requirements. Some examples are given below.

Type of body	How community benefit is evidenced
Co-operative society	A body must register with the Financial Services Authority. It must set out the society's rules, including its activities, its character and how it is organised. This is where social and community objectives should be demonstrated. ²
Community benefit society	A body must register with the Financial Services Authority. Its reasons for registering must demonstrate its social objectives. It must state the society's rules and describe its activities, character and how it will be organised. It must also describe how its activities will benefit which communities, and how any surplus will be used. Its rules must not allow profit or the society's assets to be distributed to members, but that they are used to further the society's objectives. ³
Company limited by guarantee or shares	A body for community interest registering with the Registrar of Companies at Companies House must provide a memorandum of association and articles of association. It may have an objects clause stating its aims and purpose. Although such objects may be commercial, if the business is a social enterprise, they must also relate to social and/or environmental objectives. ⁴

² Further information is available at: http://www.fsa.gov.uk/pubs/forms/MS_appform_notes.pdf

³ Ibid

⁴ Further information is available at: <http://www.businesslink.gov.uk>

- 1.10 Some voluntary and community bodies may be unincorporated associations - for example, an unincorporated association where the stated purpose of the association in its constitution is primarily to benefit the community. We would normally expect bodies that will be delivering contracts for local authorities and other public bodies to be incorporated with limited liability, to limit the risk to individual members. If a relevant body identifies a need to incorporate in order to be capable of providing a relevant service in its expression of interest, the period between an expression of interest being accepted and a procurement exercise starting (see Section 8) will provide an opportunity for this.

Charitable bodies

- 1.11 Bodies of persons or trusts established for charitable purposes only may be a voluntary or community body, but are eligible to use the right.

Parish Councils

- 1.12 Parish councils are not listed as relevant authorities. They are however relevant bodies and can submit an expression of interest to provide services relating to functions of relevant authorities. The term "parish council" includes those councils of parishes that bear the style of town and call themselves "town councils".

Employees of the relevant authority

- 1.13 The Government is committed to giving public sector workers the right to bid to take over running the services they deliver. Two or more employees of the relevant authority are eligible to use the right. We expect employees to form an employee-led structure to take on running services under the right. Employees using the Right are not expected to have finalised all of their arrangements before submitting an expression of interest but will probably need to form a separate legal entity in order to bid in a procurement exercise (so that management and contractual relationships are clear). The period between an expression of interest being accepted and a procurement exercise being carried out (see Section 8) will help here.

Partnership working

- 1.14 Whilst only relevant bodies are eligible to submit an expression of interest, they may do so in partnership with other relevant bodies and/or non-relevant bodies. Indeed, such cooperation may strengthen a relevant body's case that it is capable of providing the service. Where a relevant body proposes to deliver a service in partnership with one or more other bodies, certain information must be provided in the expression of interest in respect of all partners (see Section 4).

- 1.15 Some relevant bodies will wish to form, or be part of a joint venture. Incorporated joint ventures (the joint venture is a body in its own right) will need to meet the definition of a relevant body to submit an expression of interest. One or more bodies in a contractual joint venture (co-operative arrangements between two parties that keep their separate identities) must meet the definition of a relevant body.

Section 2

Relevant services

- 2.1 The community right to challenge applies to all relevant services. A relevant service is a service provided by or on behalf of a relevant authority in the exercise of its functions in relation to England, except services which are excluded from the right in secondary legislation.

Functions and services

- 2.2 The right only applies to the provision of services. It does not provide for delegation of the functions of a relevant authority. The responsibility for the function itself remains with the relevant authority. The things that relevant authorities are required to do or may do, their functions, are many and varied as will be the services that it may be necessary to provide in order for the relevant authority to carry out those functions.

What constitutes a function and a service?

Example 1: Planning

Section 70(1) of the Town and Country Planning Act 1990 gives powers to local planning authorities to grant or refuse planning permission where a planning application is made to the authority. The right does not allow for the function of determining planning applications to be provided by a third party.

The delivery of planning functions, for example the processing of a planning application (not the decision), may be carried out by the local planning authority itself, or by a third party on behalf of the authority.

Example 2: Youth justice

The Crime and Disorder Act (1998) places a duty on local authorities to ensure there is appropriate provision of youth justice services. Decisions (reached following consultation with interested parties as part of the commissioning cycle) on which services are provided, where they are located, funding etc. are a function of the authority. The community right to challenge will not apply here.

Individual (parts of) services with young people to prevent further offending may be provided by the local authority, or by a third party on behalf of the authority. This means the authority would set out the requirements of the service as part of any procurement exercise which potential providers would bid to deliver. This may, for example, include addressing specific difficulties faced by young offenders, such as drug and alcohol problems or homelessness. The right will apply here.

Delegation of functions

- 2.3 Orders made by the Secretary of State under section 70 of the Deregulation and Contracting Out Act 1994 have authorised named persons to carry out specified local authority functions. In addition, local authorities may have arranged for other local authorities (which includes parish councils) or named committees or officers to discharge their functions, using powers in section 101 of the Local Government Act 1972. Where this is done the authority remains ultimately responsible for the discharge of the function. Services relating to those functions therefore remain within the scope of the right, unless they are excluded in the Regulations.

Jointly commissioned/provided services and shared services

- 2.4 Some services will be shared, jointly commissioned, or jointly provided by two or more relevant authorities, e.g. tri-borough arrangements between Westminster, Hammersmith and Fulham and Kensington and Chelsea Councils for education, adult social care and children's services. Here, those authorities should agree the relevant timescales and arrangements for considering and responding to expressions of interest and, where necessary, carrying out a procurement exercise for services.
- 2.5 Other services will be shared, jointly commissioned or jointly provided by one or more relevant authority and one or more non-relevant authority, e.g. a local authority working with an NHS body. Here the application of the right will depend on:
- a) Whether the service is excluded. Certain services are excluded from the Right until 1 April 2014; and
 - b) Where responsibility for the function lies. Only relevant services (i.e. those provided by or on behalf of a relevant authority in the exercise of its functions) are within the scope of the right; and only the relevant authority is required to consider and act on expressions of interest, though others are not prevented from doing so. It is recommended that relevant authorities should seek advice from NHS bodies in assessing expressions of interest to deliver health-related relevant services where appropriate, for example (after April 2014) for jointly-commissioned services. As a minimum, the NHS commissioner should be informed that an expression of interest has been submitted and is being considered by the relevant authority.
- 2.6 Services commissioned by a relevant authority on behalf of an NHS body (i.e. an NHS service) fall outside the scope of the right.

Excluded services

- 2.7 The following services are excluded from the community right to challenge, either for a limited period or permanently:
1. Until 1 April 2014, a relevant service commissioned in conjunction with one or more health services by a relevant authority or by a Primary Care Trust, NHS trust or NHS foundation trust (in this paragraph 2.8 referred to as an “NHS body”) under a partnership arrangement or by a relevant authority and an NHS body or a Strategic Health Authority, acting jointly.⁵
 2. Until 1 April 2014, a relevant service commissioned by an NHS body on behalf of a relevant authority.
 3. A relevant service commissioned or provided by a relevant authority in respect of a named person with complex individual health or social care needs.
- 2.8 Services under bullets 1 and 2 in paragraph 2.7 are excluded temporarily until 1 April 2014. This is to enable the NHS commissioners (the NHS Commissioning Board and local clinical commissioning groups) established by the Health and Social Care Act 2012, to have sufficient time to become fully operational, consider the contractual arrangements they have inherited from their predecessor NHS commissioners (primarily Primary Care Trusts) and develop new commissioning relationships with relevant authorities in the period up to April 2014. A relevant authority should be able to advise relevant bodies if the service they wish to challenge is covered by this time-limited exemption.
- 2.9 Sure Start Children’s Centres deliver both local authority and health services. There are many different delivery models for children’s centre services across the country. As indicated in bullets 1 and 2 of paragraph 2.7, where relevant children’s centre services have been commissioned jointly by a local authority and an NHS body or by the NHS on behalf of the local authority, these services will be excluded from the right temporarily until April 2014. However, this exclusion does not prevent relevant bodies from expressing an interest in running children’s centre services that are delivered directly by local authority employees or commissioned by a local authority acting alone (i.e. not jointly with an NHS body). The Government wants to see a wide range of providers running children’s centres across the country helping to improve outcomes for children and families. Relevant bodies should be able to express an interest in delivering most children’s centre services as soon as the relevant parts of the Act are commenced and regulations come into force.⁶

⁵ Partnership arrangements referred to here must be made in accordance with the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000.

⁶ Services commissioned or provided wholly by the NHS or by the local authority on behalf of an NHS body are out of scope of the community right to challenge.

- 2.10 Services commissioned or provided under bullet 3 of paragraph 2.7 are permanently excluded because those services relate to named individuals with complex needs. It is not the intention of the community right to challenge to directly or indirectly disrupt the package of care provided to an individual patient or service user, as such disruption could result in social or clinical disadvantages for that individual. Named patient or spot contracts are usually contracts for complex packages of NHS continuing health care and social care for individuals. Such packages may last for months or years, often involve nursing home care and often the service user and or family/ carers have been offered choices in relation to the providers of that care.

Direct payments

- 2.11 Services which are commissioned and managed by individuals or their representatives using direct payments, for example under The Community Care, Services for Carers and Children's Services (Direct Payments) (England) Regulations 2009 do not fall within the scope of the community right to challenge as the individuals or their representatives, as opposed to the relevant authority, commission the services. Direct payments are one way of giving people more choice and control over the services they receive. Individuals or their representatives are given funding in lieu of services. They use this money to arrange their own care and support which meets their needs in ways that are most appropriate for them.

Section 3

Submitting expressions of interest

- 3.1 Relevant authorities may choose to specify periods during which expressions of interest can be submitted in relation to a particular relevant service. They must publish details of any periods specified in a manner as they think fit, including on the authority's website. Specifying such periods will help authorities to manage the flow of expressions of interest and allow this to be synchronised with any existing commissioning cycles for services. Where authorities choose not to set periods, expressions of interest can be submitted at any time.
- 3.2 In specifying periods for submission of expressions of interest, relevant authorities should have regard to the following factors:
- a) *The need to provide relevant bodies with sufficient time to prepare and submit expressions of interest.* In considering this, authorities may take account of how much notice they are giving relevant bodies ahead of the period;
 - b) *The nature, scale and complexity of the relevant service for which a period is being specified.* For example, it may take relevant bodies longer to prepare expressions of interest for larger, complex services than smaller more straightforward ones; and
 - c) *The timescale for any existing commissioning cycle relevant to the service for which a period is being specified, or any other relevant authority processes.* These may include Council Cabinet decision making or budget setting processes.
- 3.3 Authorities opting to specify periods are encouraged to consider where such periods can be aligned to allow expressions of interest relating to two or more services to be submitted.

Section 4

Expression of interest requirements

- 4.1 Relevant authorities must consider an expression of interest submitted by a relevant body which is in writing and meets other requirements for such an expression of interest. These are specified in the Regulations. A relevant authority may refuse to consider an expression of interest submitted outside a specified period for submitting expressions of interest. Relevant authorities may request further information from relevant bodies but they cannot make inclusion of such information a requirement in order for the expression of interest to be considered. They should make it clear in any such request that provision of the further information is optional. Information outside the scope of requirements in the Regulations may not be used as a ground on which to reject an expression of interest. Relevant authorities should make this clear to relevant bodies.
- 4.2 Relevant authorities may require the information below to be provided in expressions of interest. They may also that require bodies demonstrate they meet the definition of a relevant body (see Section 1).

Information required in an Expression of Interest

1. Where the relevant body proposes to deliver the relevant service as part of a consortium or to use a sub-contractor for delivery of any part of the relevant service, the information in paragraphs 2 and 3 must be given in respect of each member of the consortium and each sub-contractor as appropriate.
2. Information about the financial resources of the relevant body submitting the expression of interest.
3. Evidence that demonstrates that by the time of any procurement exercise the relevant body submitting the expression of interest will be capable of providing or assisting in providing the relevant service.
4. Information about the relevant service sufficient to identify it and the geographical area to which the expression of interest relates.
5. Information about the outcomes to be achieved by the relevant body or, where appropriate, the consortium of which it is a part, in providing or assisting in the provision of the relevant service, in particular:
 - (a) How the provision or assistance will promote or improve the social, economic or environmental well-being of the relevant authority's area; and
 - (b) How it will meet the needs of the users of the relevant service.

6. Where the relevant body consists of employees of the relevant authority, details of how that relevant body proposes to engage other employees of the relevant authority who are affected by the expression of interest.

- 4.3 The Government has committed, in respect of the procurement exercises it runs, to eliminating the Pre-Qualification Questionnaire for procurement exercises under £100,000 and to ensuring that organisations should only have to provide Government with the information it requires once. The Local Government Association is also keen to help reduce the perceived and real barriers and bureaucratic processes on councils and businesses when services are procured through disseminating good practice across the local government sector.

Promoting or improving the social, economic or environmental well-being

- 4.4 Relevant authorities are required to consider social value of expressions of interest and in carrying out procurement exercises. This is also reflected in the Public Services (Social Value Act) 2012 and the general duty of best value in the Local Government Act 1999. Expressions of interest should demonstrate how the proposal might offer the social, economic or environmental benefits to the community and take into account social considerations, over and above the provision of the service. This could include creating local jobs, improving local skills, increasing local volunteering opportunities, or improving environmental conditions. An example is given below of how one organisation provides social value.

Example: Social value

Bulky Bob's, a social enterprise, has won contracts with Liverpool City Council and other authorities to collect, reuse and recycle bulky household waste. Bulky Bob's reuses and recycles 70% of the furniture and white goods, reducing the environmental impact and saving councils money in landfill costs. They have helped over 34,000 low-income families gain access to affordable furniture and run training programmes which have provided more than 250 long-term unemployed people with skills and experience. They assess that the social benefits to the community are 2.5 times the initial investment.

Service user needs

- 4.5 It is important that proposals in expressions of interest meet the needs of service users. In demonstrating how they will deliver outcomes that meet the needs of users of the relevant service, relevant bodies may refer to evidence such as needs assessments prepared by the relevant authority, or other sources. This may, for example, include a survey of service users conducted by the relevant body itself.

Employee engagement

- 4.6 How employees of the relevant authority engage with other relevant authority employees is best decided locally. Nonetheless, well-established staff engagement and governance channels could play a part. The face-to-face meetings, intranet updates and staff clinics undertaken when some 1,200 staff from Hull Primary Care Trust transferred to a social enterprise under the Right to Request scheme is an example of good practice. However, we would expect the level of engagement to be appropriate and proportionate to the size and nature of the service and the number of employees directly affected by the expression of interest. There is no requirement for a ballot to demonstrate support for a proposal under the NHS Right to Request or under the community right to challenge.

Section 5

Notifying decisions on expressions of interest

- 5.1 The relevant authority must specify the maximum period that it will take to notify the relevant body of its decision on an expression of interest and publish details of the specification including on its website. Different periods may be specified for different cases.
- 5.2 The relevant authority must also notify a relevant body that has submitted an expression of interest of the timescale within which the authority will notify the body of its decision.
- 5.3 The relevant authority must make this notification in writing. This must be done within 30 days after the close of any period specified by the authority for submitting expressions of interest or, if no such period has been specified, within 30 days of the relevant authority receiving the expression of interest.
- 5.4 In specifying periods for notifying relevant bodies of decisions on expressions of interest, relevant authorities should have regard to the following factors:
 - a) The need to notify relevant bodies of a decision within a reasonable period;
 - b) The nature, scale and complexity of the service to which expressions of interest relate (for example is the service shared with one or more other relevant authorities, or jointly commissioned with one or more other public bodies?);
 - c) The complexity of the expressions of interest received (for example do they propose radical change to the way a service is delivered?);
 - d) The likely need to agree modifications to expressions of interest in order to accept them (see Section 7); and
 - e) The timescales for any existing commissioning cycle relevant to the service which an expression of interest relates to, or any other relevant authority processes. These may include Council Cabinet decision making or budget setting processes.

Section 6

Grounds whereby an expression of interest may be rejected

- 6.1 Relevant authorities may only reject an expression of interest on one or more of the grounds specified in the Regulations. These are listed below.
- 6.2 If an authority decides to modify or reject an expression of interest, it must give reasons for that decision in its notification to the relevant body (see Section 5). The authority must publish the notification in such a manner as it thinks fit, which must include publication on the authority's website.

Grounds whereby an Expression of Interest may be rejected

1. The expression of interest does not comply with any of the requirements specified in the Act⁷ or in regulations.⁸
2. The relevant body provides information in the expression of interest which in the opinion of the relevant authority, is in a material particular inadequate or inaccurate.
3. The relevant authority considers, based on the information in the expression of interest, that the relevant body or, where applicable-
 - (a) any member of the consortium of which it is a part, or
 - (b) any sub-contractor referred to in the expression of interestis not suitable to provide or assist in providing the relevant service.
4. The expression of interest relates to a relevant service where a decision, evidenced in writing, has been taken by the relevant authority to stop providing that service.
5. The expression of interest relates to a relevant service -
 - (a) provided, in whole or in part, by or on behalf of the relevant authority to persons who are also in receipt of a service provided or arranged by an NHS body which is integrated with the relevant service; and
 - (b) the continued integration of such services is, in the opinion of the relevant authority, critical to the well-being of those persons.

⁷ Section 81(1) of the Localism Act

⁸ Made by the Secretary of State under section 81(1)(b) (duty to consider expression of interest)

6. The relevant service is already the subject of a procurement exercise.

7. The relevant authority and a third party have entered into negotiations for provision of the service, which negotiations are at least in part conducted in writing.

8. The relevant authority has published its intention to consider the provision of the relevant service by a body that 2 or more specified employees of that authority propose to establish.

9. The relevant authority considers that the expression of interest is frivolous or vexatious.

10. The relevant authority considers that acceptance of the expression of interest is likely to lead to contravention of an enactment or other rule of law or a breach of statutory duty.

Inadequate and inaccurate information

6.3 A judgement on the adequacy and accuracy of information supplied by a relevant body must be based only on the information that the relevant authority may require (see Section 4). Relevant authorities need to have sufficient information on which to base a decision on whether or not to accept an expression of interest. A relevant authority may consider whether sufficient and accurate information is given, for example, on financial resources, the area to which the relevant service relates, or how the proposal will meet service user needs. If a relevant authority considers that the information in an expression of interest is inadequate or inaccurate it should consider asking the relevant body for further information.

Suitability of relevant body

6.4 The judgement of suitability must be based on the requirements for information to be included in an expression of interest (see Section 4). For example, a relevant authority may judge that a relevant body does not have the financial resources to undertake the service, or does not demonstrate that it will be able to partake in a procurement exercise. The relevant authority may judge that the relevant body does not have the approved or qualified staff that can carry out the service. The judgement on suitability must not be based on information other than that which the relevant authority may require under the Regulations.

Relevant authority has stopped/decided to stop providing the service

6.5 The community right to challenge is not a mechanism to require relevant authorities to provide services that they have stopped providing, or have taken a decision to stop providing. A decision to stop providing a service is considered to have been taken once it has been approved or endorsed by the authority. How this is done will vary according to the authority's established processes and delegation arrangements. For example, such decisions may be taken at different levels, such as Cabinet Committee or by an individual officer. Relevant authorities should be aware that this ground for rejection does not allow an expression of interest to be rejected before the decision is made to stop the service. Indeed the situation where consideration is being given to the possibility of stopping a service is just the sort of circumstance when an expression of interest in providing that service from a relevant body may be critical.

Continued integration

6.6 A relevant authority may decide to reject an expression of interest related to integrated services (i.e. a relevant service which is provided by or on behalf of a relevant authority to a person who also receives a service provided or arranged by an NHS body) where it considers that the continued integration of the services is critical to the well-being of the persons in receipt of the integrated services. This may affect health, health-related and social care services, such as services for frail and older people, and those with issues relating to mental health, dementia, learning and physical disabilities.

6.7 Not all integrated services will be subject to this ground for rejection. The examples below illustrate how this may be assessed for day centres for adults with a learning disability.

Example 1: Integration critical to the well-being of persons

A day centre for individuals with complex needs. The health and social care staff work side by side to deliver personal care support and medical treatment to individuals who require considerable monitoring and individual care.

Example 2: Integration not critical to the well-being of persons

A day centre for individuals with mild to moderate needs where they gain support with daily tasks, undertake a range of activities, including for example activities which may help them find employment, and also receive health advice.

6.8 If the relevant authority receives an expression of interest for a service where this ground for rejection may apply, it is recommended that the authority should seek advice from the NHS body in assessing it. As a minimum, the NHS body should be informed that an expression of interest has been submitted and is being considered by the relevant authority.

Authority entered negotiations with a third party

- 6.9 This ground for rejection seeks to achieve a balance between giving groups the opportunity to submit expressions of interest and allowing processes, such as negotiations for a grant agreement, that are sufficiently progressed to be concluded. If an authority is merely considering options for future service provision, one of which is to negotiate for a third party to provide the service, this ground for rejection could not be applied.

Authority published its intention to consider mutualising the service

- 6.10 Under the Government's public service mutuals policy, employees proposing to establish a public sector mutual are encouraged to do so in a way that that gives employees a high degree of control. More information can be found at: <http://mutuals.cabinetoffice.gov.uk/>
- 6.11 This ground for rejection seeks to achieve a similar balance to that relating to negotiations in paragraph 6.9 above. It allows relevant bodies to submit expressions of interest before the point at which a relevant authority has published its intention to consider the provision of a relevant service by an organisation that will be established by 2 or more specified employees. Once past that point, this ground for rejection allows such processes that are sufficiently progressed to continue.
- 6.12 Relevant authorities will need to publish their intention under this ground for rejection. How they do this is best decided locally. This may, for example, include a statement on the authority's website, minutes of a Cabinet Committee meeting, or an announcement in a speech. Relevant authorities must ensure they are able to evidence that they have published their intentions in order to be able to reject an expression of interest on this ground. Authorities are encouraged to consider how such publication can be made easily accessible for relevant bodies that may wish to submit expressions of interest.

Frivolous or vexatious

- 6.13 We consider a request would be vexatious if it is likely to cause distress or irritation without justification, or if it is aimed at disrupting the work of an authority or harassing individuals in it. A request could be considered frivolous if it is apparent that it is not a genuine offer to provide a service and lacks any serious purpose. This will allow relevant authorities to reject expressions of interest where, for example, a relevant body wishes to make a complaint about a service rather than wishing to compete to deliver it.

Likely to lead to contravention of rule of law/statutory duty

- 6.14 This ensures that a relevant authority is not required to accept an expression of interest which would put it in breach of the law.

Example:

The Safeguarding Vulnerable Groups Act 2006 prevents anyone included on the Children's Barred List from providing childcare services. If a relevant body proposed that employed staff who were on the list would run such a service then the expression of interest could be rejected on the grounds that acceptance would be likely to contravene a rule of law.

- 6.15 A local authority will have to comply with its best value duty when procuring services, which requires it to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. Guidance on the best value duty was published in September 2011.⁹

⁹ <http://www.communities.gov.uk/documents/localgovernment/pdf/1976926.pdf>

Section 7

Modifying an expression of interest

- 7.1 If a relevant authority believes it would otherwise reject an expression of interest, it may seek instead to agree to it being modified. Any modification must be agreed with the relevant body. If an agreement cannot be reached, the relevant authority may reject the expression of interest. Some illustrative examples of where a modification may lead to successful submission are given below.

Example 1: Part of a service not subject to challenge

A relevant body submits an expression of interest to run all 20 library services in the area. The authority has taken a decision to stop one of the services, meaning it is no longer a relevant service. The authority proposes modifying the expression of interest to relate instead to the 19 remaining libraries.

Example 2: Inadequate information

A relevant body submits an expression of interest to run the waste collection services. It does not complete the financial information section. The relevant body proposes modifying the expression of interest to include this information.

Example 3: Suitable body

A relevant body submits an expression of interest to run a local youth club. It sets out how the outcomes it proposes to achieve will meet the needs of service users, but bases this on a survey of 3 out of the 250 young people who use the club. The relevant authority proposes modifying the expression of interest to include sufficient information on which it can base its decision to accept or reject.

Section 8

Period between an expression of interest being accepted and a procurement exercise starting

- 8.1 Relevant authorities must specify periods between an expression of interest being accepted and a procurement exercise starting. This enables authorities to weigh up the factors below. Depending on local circumstances, this aims to allow relevant bodies the time they need to prepare to compete in the procurement exercise.
- 8.2 In specifying these periods relevant authorities should have regard to:
- a) The need to provide employees of the relevant authority, and other relevant bodies, with a fair, reasonable and realisable opportunity to bid in the procurement exercise for the service;
 - b) The nature, scale and complexity of the service being procured. For example, it may take relevant bodies longer to prepare to bid for larger, complex services than smaller more straightforward ones; and
 - c) The timescales for any existing commissioning cycle relevant to the service being procured, or any other relevant authority processes. These may include Council Cabinet decision making or budget setting processes.
- 8.3 A relevant body may submit an expression of interest at any time if the relevant authority has not set a period under section 82(2) of the Act. The relevant authority may well already have a contract with a third party to provide that service. It is for the relevant authority to set the period between accepting an expression of interest and starting a procurement exercise. In order to take into account its contractual obligations and commissioning cycle. It would be undesirable if an expression of interest was accepted and there was a lengthy period before a procurement exercise could be started.

Section 9

The procurement exercise

- 9.1 When a relevant authority accepts one or more expressions of interest for a relevant service, it must carry out a procurement exercise for the service. The procurement exercise must be appropriate having regard to the value and nature of the contract that may be awarded as a result of the exercise. As is already the case, authorities will need to comply with procurement law.
- 9.2 Where the service is of a value or nature to which the Public Contracts Regulations 2006 apply and/or is not listed as an exempt service in Part B of those regulations, the procurement exercise must follow the procedures for advertising, specifying and awarding contracts set out in those regulations. Further information can be found at:
http://ec.europa.eu/internal_market/publicprocurement/index_en.htm
- 9.3 Where the Public Contracts Regulations do not apply – i.e. where the service is worth less than the threshold value, or is listed in Part B of the 2006 regulations, it is for the relevant authority to decide how to procure the service. This applies in the same way to procurement exercise triggered by the community right to challenge as those which are not. Generally, Part B services are those that the EU has considered would largely be of interest only to bidders located in the Member State where the contract is to be performed.

Consideration of social value in the procurement exercise

- 9.4 Relevant authorities must consider how both expressions of interest and procurement exercises triggered by one or more expressions of interest being accepted would promote or improve the economic, social or environmental well-being of the authority's area. This must be consistent with the law applying to the awarding of contracts. Authorities may include social clauses in contracts provided they comply with the relevant requirements. These are explained in the European Commission publication *Buying Social: A Guide to Taking Account of Social Considerations in Public Procurement*.¹⁰

¹⁰http://www.procurement.ie/sites/default/files/Buying%20Social_SocConsidPubProcu_101210.pdf

Example:

In conducting a procurement exercise for its school transport services, London Borough of Waltham Forest asked bidders to demonstrate how their proposal could contribute to efficiencies and give added value to the service. This accounted for 10% of the assessment score and gave bidders the opportunity to demonstrate how they could achieve a wider impact from their service to local community. The contract was won by HCT Group, a social enterprise. It proposed to reinvest any profits into a learning centre for long-term unemployed people in the borough.

Transparency

- 9.5 Authorities should have regard to the DCLG's Code of Recommended Practice on publishing new contracts and tenders information as part of the government's transparency agenda.¹¹

¹¹ <http://www.communities.gov.uk/localgovernment/transparency/transparencyguidance/>

Annex A

Glossary of terms

<i>NHS body</i>	Except where another meaning is given in paragraph 2.7 of this Guidance, NHS body has the same meaning as set out in the National Health Service Act 2006.
<i>Pre Qualification Questionnaire</i>	A stage in the procurement process used to shortlist organisations to be invited to tender. The questionnaire assesses the suitability of organisations' commercial, technical and financial capabilities.
<i>Relevant authority</i>	Public body listed in the Act and the Regulations whose services can be challenged under the community right to challenge. The Act lists district, county and London borough councils as relevant authorities. Certain fire and rescue authorities are added as relevant authorities in the Regulations.
<i>Relevant body</i>	A body listed in the Act which can express an interest in providing a relevant service. The Act lists voluntary and community bodies, bodies of persons or trusts established for charitable purposes only, parish councils and two or more employees of the relevant authority as relevant bodies. Other persons or bodies can be specified as relevant bodies by regulations.
<i>Relevant service</i>	A service provided in the exercise of any of a relevant authority's functions, either by the relevant authority using its own workforce, or provided on its behalf under a service contract or some other arrangement, unless such a service is excluded from the community right to challenge in the regulations.
<i>The Act</i>	The Localism Act 2011
<i>The Regulations</i>	The Community Right to Challenge (Relevant Authorities and Rejection of Expressions of Interest) (England) Regulations 2012 and the Community Right to Challenge (Requirements for Expressions of Interest and Excluded Services) (England) Regulations 2012.
<i>The Right</i>	The community right to challenge.

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REPORT OF THE LEADER

Annual Review 2011/12

EXEMPT INFORMATION

N/A

PURPOSE

To inform Cabinet of the contents of the Annual Review.

RECOMMENDATIONS

That Cabinet approves the Annual Review so that it can be published without delay.

EXECUTIVE SUMMARY

It is good practise for organisations to provide stakeholders with an annual review of activity.

The Annual Review informs stakeholders (including members, staff, partners and the public at large) about the council's past performance; to meet its obligations in accordance with the authority's policy to communicate effectively with the public, be open to public scrutiny and to share its performance with the community

RESOURCE IMPLICATIONS

There are no financial implications directly arising from this report.

LEGAL/RISK IMPLICATIONS BACKGROUND

There are no legal or risk implications directly arising from this report.

SUSTAINABILITY IMPLICATIONS

There are no sustainability implications directly arising from this report.

BACKGROUND INFORMATION

REPORT AUTHOR

John Day

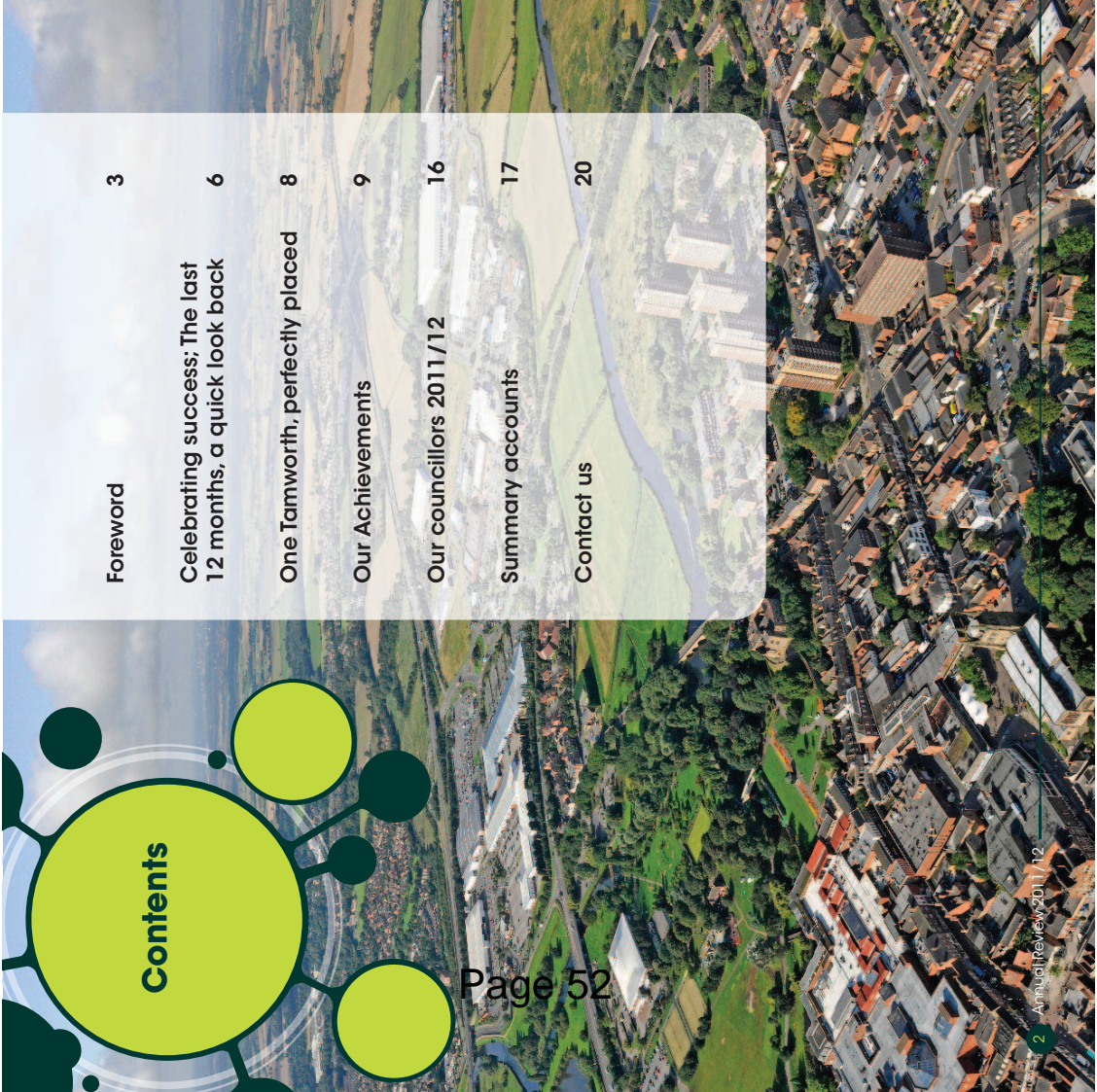
LIST OF BACKGROUND PAPERS

APPENDICES

Annual Review 2011/12

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Foreword

"We will do all we can with the resources available and we know our partners will do so too". Taken from the 2010/2011 Annual Review this statement represented a commitment to working with others either in partnership or in collaboration with all those who share our vision for Tamworth.

The last 12 months have been described as **"The most challenging times for Local Government in living memory"**... and yet, despite this, Tamworth Borough Council recorded one of its most successful years to date in terms of performance, achievement, financial management and, most importantly, customer satisfaction.

"Looking back with pride... Looking forward with confidence" was the title of this year's Annual General Meeting. Despite the uncertainty surrounding government grant funding, heavily reduced income from services and the fact that legislative change and policy reforms were being implemented almost weekly, Tamworth Borough Council not only maintained service levels and standards, it improved them too.

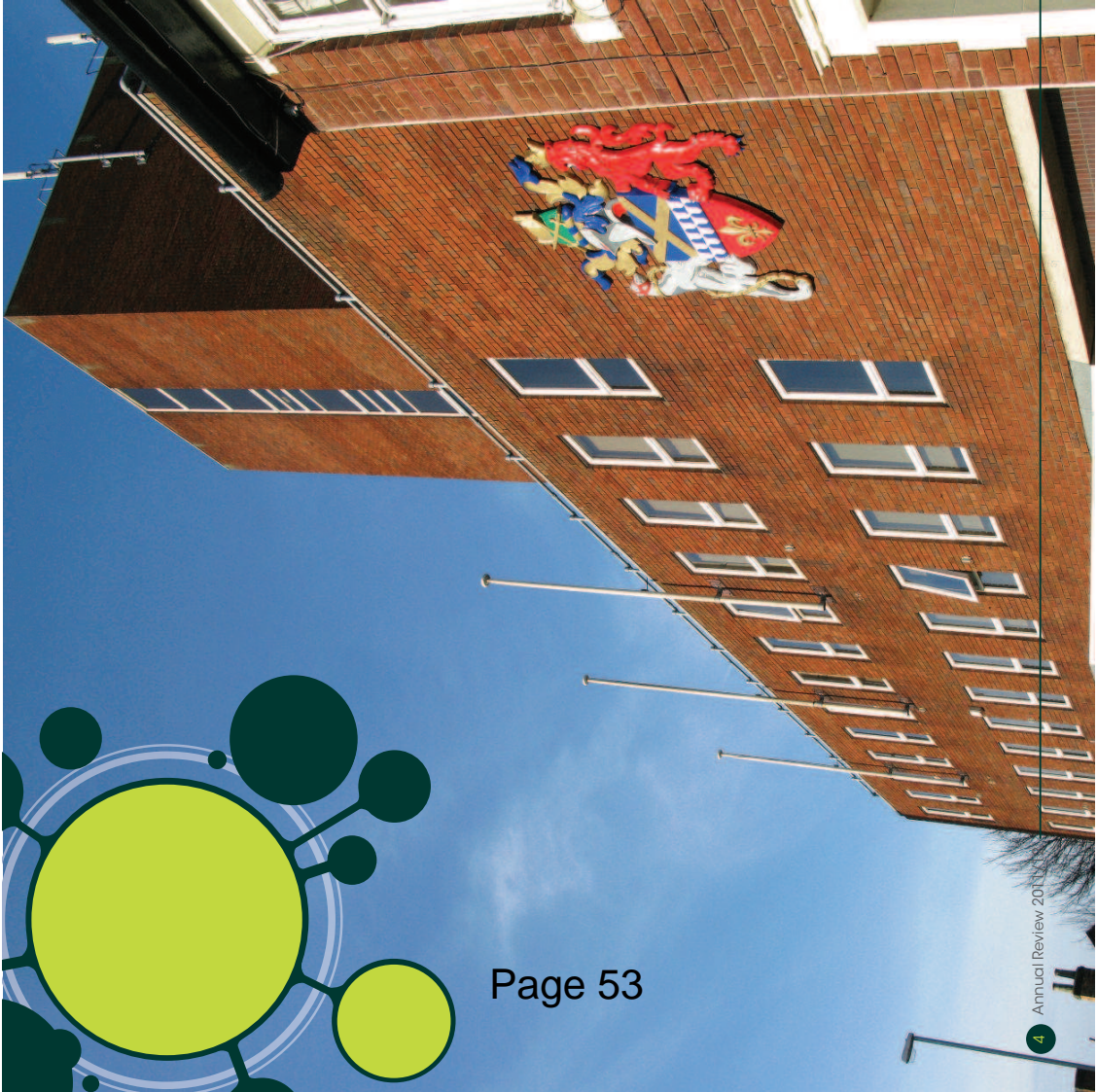
By being open to change and innovative in how we work, the Council is able to operate to a high standard with less money and fewer staff. A series of well planned, well managed reviews have led to more efficient ways of working that not only save money, but that reflect the changing needs of our customers. Converting challenges into opportunities is often clichéd, but in truth, it has been the basis of our success thus far.

- **Financial Stability** – The Council has produced a balanced 4 year financial strategy which includes opportunities for growth;
- **Improving Health and Wellbeing** – the Council was the first in the region to produce a joint housing and health strategy and is at the forefront of planning to become a commissioning body;
- **Cleaner, Green Environment** – Award winning Waste & Recycling Service, Gold medalists in Britain in Bloom, lower levels of litter and communities taking action in their environments;
- **Meeting our Housing Needs** – Core Strategy approved by Council; both neighbouring authorities agree to assisting our housing proposals; millions to be invested in social housing;
- **Safer Communities** – Partnership Hub receives national recognition; crime figures drop; ASB reduced; Town Centre considered safer.

With our front line services secure and no planned redundancies forecast, staff are better motivated and are proud of their achievements.

With technology supporting them, staff will be able to work in a more flexible and agile manner and in doing so, position themselves and the organisation so that it, together with our partners, can take the next step on the journey to **"One Tamworth, perfectly placed"**.





Foreword

The annual review contains many of the highlights which show what a busy and successful year it has been. A year that has seen councillors, staff, partners and residents work together to aspire, prosper, be healthier and safer in Tamworth.

In 2010/11, I presented a four-year balanced budget to Full Council, and I was pleased to do so again in 2011/12. This is a huge achievement when coupled with the fact we have, for the second year running, frozen Council Tax with no cuts to front line services.

Our objective to create opportunities for business growth and create local employment was strengthened when we joined forces with the Birmingham Local Enterprise Partnership (LEP). This means we are now able to play a key role in making strategic decisions to drive sustainable growth and job creation across the region.

In order to improve the promotion of the Town, the Tamworth Information Centre relocated to bigger and better premises. This has proven to be very successful as in the first year 140,000 people have visited it, with a quarter of those buying tickets or souvenirs.

Some 80,000 people attended our varied outdoor events programme which included the Ultrasound Music Festival, the Christmas lights switch on, the Firework display, St. George's Day event, Heritage open days and Saxon Summer Festival. These events not only attract visitors to our town, but also put Tamworth on the map as a premier location to live life to the full.

2011/12 will also be remembered as being the year when the Staffordshire Hoard was displayed at Tamworth Castle. As anticipated, this proved to be very popular and attracted 14,000 visitors, not only locally, but from as far a field as the United States and Australia.

Our commitment to the Town Centre has been evident in us leading on the Gateway project for the improvement of two key linkages to the town centre. We also continued to promote the Gungate development site and have been investigating options to kick start this development.

2012/13 promises to be an equally busy year and our recently approved corporate plan shows the activities we will be undertaking. I know that with the continued commitment and hard work of everyone that in next year's annual review I will be recalling similar success stories.

**Councillor
Daniel Cook**
Leader of
the Council



Celebrating Successes

The last 12 months: a quick look back.

April New Tamworth Information Centre relocates to the Phillip Dix Centre

May The Finding a Home scheme has proved a huge success with 93% customer satisfaction

June DIY Demo day for tenants
Open days showcasing extra care housing

July Joint waste service receives major national award
Residents came along to Community Together days

August Hoard exhibition and Saxon Festival
Outdoor gyms opened in Doshill & Wiginton Parks

September Uppercourt music festival
In Bloom Luncheon Gold Award

October Sheltered Housing Schemes receive a quality award
Audit Commission gives our finances approval

November Announcement that Olympic torch relay coming to Tamworth
Fireworks Spectacular Event

December The new Healthier Homes Strategy was launched

January Tamworth Castle receives Sandford Award for its education programme
First tenants' conference attracts more than 100 people

February Plans to develop Assembly Rooms and create a cultural quarter announced
0% increase to Council Tax for second year

March An energy saving scheme saw loft and wall insulation installed free in 2000 homes
Two new multi-million pound housing contracts went live

One Tamworth, Perfectly Placed

One Tamworth, Perfectly Placed' is the new, single vision for Tamworth Borough Council, approved by Cabinet at the start of 2011.

It has long been a political aspiration that organisations we work with agree to tackle the most important issues facing Tamworth and we all share the same vision.

By working towards one single goal, this will help us achieve our new goal for those who live, work and visit the area: to ensure our focus is 'One Tamworth, Perfectly Placed'.

However, the real challenge facing politicians and officers is balancing the increasing needs and aspirations of our diverse communities, with the funds and resources available.

We believe we have done this: the single vision shows how we will deliver services, support communities and influence partners and organisations. This allows us to tackle the most important, long terms issues facing Tamworth, the community and the place.

The County Council, Police, Health Service, Fire & Rescue Services, voluntary sector and others will also adopt a similar approach.

By working together, sharing skills and resources while focusing on what is important, is the most effective way for not only the borough council to work, but all our partner organisations. By adopting one single vision we know residents will see a difference.

The "our achievements" section that follows shows attainments under the strategic priorities in the last year.

Our achievements

Shown below, against our objectives, are some of achievements in 2011/12. All we have achieved is not included but we have identified those achievements which we feel will be of most community interest due to their impact and benefits.

We have developed, and maintain, a corporate scorecard of performance indicators so that we can keep a check on progress made against these objectives. Rather than list them in this document, which would only provide a static picture anyway, readers should go to our website where they can view, via our dedicated performance management system, the most up to date performance information available. www.tamworth.gov.uk/council_and_democracy/performance/current_performance_information.aspx

To Aspire and Prosper in Tamworth

To create and sustain a thriving local economy and make Tamworth a more aspirational and competitive place to do business.

a) Raise the aspiration and attainment levels of young people

- Tamworth Castle won a Sandford Award for a second time for its education workshops for children, each year the castle attracts more than 10,000 school children who take part in a wide range of workshops.
- Schools and academies reported improved attainment levels.
- Officers attended meetings with head teachers to influence the County to develop a vision for education in Tamworth.
- The Wall – one of the biggest community arts project ever staged in Tamworth - was launched and looked to bring people from all ages and communities together.

b) Create opportunities for business growth through developing and using skills and talent

- Work Club created at the Storydeiph Arch.
- The Think Local 4 Business show was held for the 8th consecutive year and attracted 612 delegates, 64 exhibitors and provided 11 seminars.



c) Promote private sector growth and create quality employment locally

- Major retailers such as John Lewis at Home, B&Q, Maplins and Next Home stores opened stores creating almost 400 jobs in the town.
- Tamworth Borough Council joined forces with the Birmingham Local Enterprise Partnership (LEP), this means we are now able to play a key role in making strategic decisions to drive sustainable growth and job creation across the region.
- Tamworth Borough Council led on the Gateway project with a landscape architect being recruited to prepare schemes for the improvement of two key linkages to the town centre.
- To boost trade in the town centre, free parking was available in the run up to Christmas.

d) Brand and market "Tamworth" as a great place to "live life to the full"

- 80,000 people attended our varied outdoor events programme which included the Ultrasound Music Festival, the Christmas lights switch on, the Firework display, St. George's Day event, Heritage open days and Saxon Summer Festival.
- The Staffordshire Hoard was displayed at Tamworth Castle and attracted 14,000 visitors.
- The Heritage Lottery Fund awarded a grant of £875k to Tamworth Castle for a conservation & education programme.
- 38 new market traders were attracted to the new look Tamworth market following the transfer to a new market operator.
- The Tamworth Information Centre relocated to bigger and better premises at the Philip Dix Centre attracting more than 140,000 people visitors and 36,000 buying tickets or souvenirs.
- It was announced that Tamworth will host the Olympic Torch as part of its UK relay in June 2012.
- International travel website, Trip Advisor, revealed figures which show that Tamworth is the fourth fastest growing European destination in 2011.
- A brand new iPhone app means that Tamworth's fascinating Heritage Trail is always available.

e) Create the physical and technological infrastructure necessary to support the achievement of this primary outcome

- The Tamworth & Lichfield Waste & Recycling Team won the local authority team of the year at the National Recycling Awards and, with the participation of the public, boosted household recycling levels to 50%.
- Tamworth won gold in the Heart of England in bloom competition for the second year running and also a special award for horticultural excellence.

- Whilst being unsuccessful in our bid to be a "Portas Pilot town" many of the recommendations suggested by the shopping guru are already in place in Tamworth like working with the Small Business Federation and Chamber of Commerce on a number of initiatives to raise the profile of small traders in the town centre and, under the umbrella of the Tamworth and District Tourism Association, 50 businesses have joined together to boost and promote the town centre.
- Ambitious plans to develop Tamworth Assembly Rooms and create a cultural quarter with the Library were announced.
- Through our conservation grant scheme, almost £50,000 was invested by Tamworth Borough Council to help preserve some of Tamworth's historic buildings.
- Under the new housing budget system, Tamworth Borough Council will be able to keep all of the rental income it receives - and will be able to plan with more certainty for the future.

To be Healthier and Safer in Tamworth

To create a safe environment in which local people reach their full potential and live longer, healthier lives

a) Address the causes of poor health in children and young people

- Free Swimming for all was made available at Wilnecote Leisure Centre and nearly 3,000 free swims were enjoyed there by the under 16s.
- Tamworth Borough Council supported local sports initiatives and projects such as the BMX track, Tamworth Athletics Club and Tamworth Rugby Club.
- Tamworth Borough Council provided continued support for the Schools Sports Programmes.

b) Improve the health and well being of older people by supporting them to live active, independent lives

- Outdoor gyms were installed at Dosthill & Wigginton Parks. The outdoor gym in the Castle Grounds attracts around 400 users per week.
- In conjunction with the Primary Care Trust, Phase Four Cardiac support was established at the Casle grounds gym and the opening hours of general referrals was extended to cope with demand.



- The Home Repair Assistance Grant scheme was made available to homeowners and private tenants to carry out repairs on their homes.
- Tamworth Borough Council worked alongside Thomas Guys Almshouses to install new solar panels on the building.

c) Reduce the harm and wider consequences of alcohol abuse on individuals, families and society

- Tamworth Borough Council took part in major partnership initiatives including Operation Take Home and the Proxy sales campaign.
- The findings of the reducing alcohol misuse project were sent to the Chief Constable, Community Safety Commissioner and County Commissioner for Substance Misuse to be integrated within the wider County project plan.
- Continued enforcement of a robust licensing policy to fulfil its objectives of crime and disorder and nuisance prevention, public safety and protection of children from harm.

d) Implement 'Total Place' solutions to tackling crime and ASB in designated localities

- Community Safety Hub was created at Tamworth Police Station where Council Community Safety staff work alongside other organisations including victim support and housing staff.
- Various crime prevention events were held throughout the year including a number of events at the Assembly Rooms and Ankerside, a presence at community days held by the borough council, a town centre based event at Christmas and, in conjunction with the Tamworth Community Safety Partnership, a powerful new domestic abuse campaign targeting male perpetrators was launched.
- Incidents of anti-social behaviour continue to fall. Last year there were 2295 incidents compared to 4570 in 2008/09.

e) Develop innovative early interventions to tackle youth crime and ASB,

- Operation Safer Nights Plus was aimed at informing and educating revellers about how to stay safe, while at the same time supporting the town's night-time economy by making Tamworth a much safer place to be at night.
- Introduced alternative/diversionary activities such as the Skateboard Park, BMX Track and other music and arts based programmes.
- Through locality working and in partnership with the Community Safety Partnership, Tamworth Borough Council had £20,000 to spend on projects in Amington, the decision where the money was spent being made by the residents themselves.

f) Create an integral approach to protecting those most vulnerable in our local communities.

- The first annual tenants conference was held where attendees were given the opportunity to have their say on housing services and hear about the latest developments.
- Accreditation was achieved against the Centre Sheltered Housing Studies quality assessment framework.
- The HEAT scheme was extended enabling residents to benefit from improvements to insulation with more than 2000 properties benefitting from such measures.
- The "Estate Walkabouts" continued in Belgrave, Stonydelph and Glascoate giving residents in those areas the opportunity to identify problems, make suggestions and become involved in providing solutions.
- The "Big Glascoate Health Tidy Up" saw various public sector agencies and residents take part in a clean up operation in their area. The project was funded from the £4,500 awarded as part of the participatory budgeting scheme for the tidy-up and the rest of the ongoing project to make a difference in Glascoate Health through education, enforcement and action to address litter and fly-tipping issues.
- A DIY Demo Day for council tenants was held to show how they could undertake minor repairs to their property.
- The Housing and Health Strategy was launched.
- Four community together days were held in Glascoate, Kettlebrook, Stonydelph and Amington giving residents the opportunity to not only have a fun day out taking part in various activities but also get advice from various organisations such as Tamworth Borough Council, Staffordshire Fire and Rescue Service and the NHS.
- The Finding a Home scheme has proved a huge success with 93% customer satisfaction.
- Open days showcasing "extra care housing" took place. Extra care housing combines independent living with 24 hour care and support, offering an alternative to residential care.
- Two new multi-million pound housing for Housing repairs and gas maintenance went live.
- Citizen Watch – a town centre offering people with learning disabilities a safe haven if they feel threatened, bullied or scared – was launched.
- Grants of up to £10,000 became available from Tamworth Borough Council to bring empty properties back into use. It is estimated that there are around 250 empty properties in the borough which could be used to provide housing to people looking for accommodation. 61 dwellings were brought back into use last year.



To be accountable, approachable and visible

Value for money and accountability will underpin the delivery of all corporate priorities. Working with others, the Council will deliver services that are well-governed, ethical, effective, efficient and economically viable.

- There was no increase in Council Tax for the second year running.
- A four-year balanced budget was set.
- Traffic improvements at Ventura Park, the wider promotion of Tamworth town centre for shopping, and the success of outdoor events and the Staffordshire Hoard exhibition all came under the spotlight during the State of Tamworth debate. The meeting saw councillors take part in a lively debate on the findings of Tamworth Listens' consultations with residents, groups and businesses.
- We achieved an unqualified external audit opinion and a positive value for money conclusion following production of IFRS compliant accounts for the first time.
- The Tamworth Strategic Partnership was formed and the new vision and priorities were launched.
- Undertook both local elections and national referendum on voting reform.
- As a result of reviewing and streamlining their services, through the Transforming Tamworth Programme, including the implementation of e-billing, the revenues section reduced the cost of Council Tax collection per dwelling to £9.78 from £14.47 in 2008/09, whilst maintaining a high collection rate of 98.1%.
- The benefits service was involved in 31 successful prosecutions for benefit fraud involving more than £209k in over claimed benefit.
- The benefits service maintained a live caseload of 7,560 Council Tax and Housing Benefit claims and implemented e-claim for benefit claimants.
- The Support Services Options Appraisal identified £85k year on year savings.
- Over 200 members of staff attended the AGM.
- Recovered £5.557m, more than 70% of monies due, deemed at risk in Icelandic deposits, with further distributions expected.

- Implemented ATLAS (Automated Transfers to Local Authority Systems) allowing the Department for Works and Pensions to securely transfer benefit data.
- Commenced and extended the ICT service desk support to Bromsgrove and Redditch Councils respectively.
- Supported the HRA self financing process including the successful arrangement of £44.68m funding to deliver the buy out of the housing subsidy scheme.
- Received successful accreditation of both ISO assessments covering information security and IT processes and procedures.
- Working with Staffordshire Connects, a specification for a new customer relationship management system is being developed.
- A new on line Housing and Council Tax Benefit application was launched and now more than 40% of applications are received in this way.
- Residents can now elect to receive their council tax bills on line. To date 250 receive their bills in this way.



Tamworth Listens 2011

Tamworth Listens is a regular consultation process that feeds into the State of Tamworth Debate.

The idea behind Tamworth Listens is to involve the public in a debate about Tamworth borough and to make the councillors and partners more visible and accountable.

Key findings this year were: reduce level of crime, improve job prospects, cleanliness, affordable decent housing and shopping facilities.

To view the whole report visit our website www.tamworth.gov.uk/council_and_democracy/consultations/tamworth_listens1.aspx

Our Councillors 2011/12

Tamworth Borough Council consists of 30 Councillors in 10 wards.

Following the local authority election in May 2011, the Council was made up of 23 Conservative, 6 Labour and 1 Independent councillors. Details of all our councillors can be found by visiting www.tamworth.gov.uk

Summary Accounts 2011/12

The Cost of Council Services for 2011/12.

The Comprehensive Income and Expenditure Account below details the cost of running Council Services between April 2011 and March 2012, where the money came from to finance those costs along with the surplus or deficit at the year end.

Tamworth Borough Council budgeted to use £0.70m from General Fund balances in 2011/12.

The year-end position showed an increase of £0.21m to £4.72m.

The improvement in the Council's estimated financial position arose mainly from increased returns from Icelandic deposits, unspent reserves and savings in contingency budgets.

Comprehensive Income and Expenditure Account

2010/11 £m	2011/12 £m
0.9	0.4
2.5	2.7
5.5	4.1
1.8	1.7
0.4	(0.3)
(19.2)	(0.1)
-	44.7
55.4	-
(1.8)	-
1.7	1.6
1.6	1.6
-	0.1
(7.0)	-
41.8	56.5
(2.3)	(2.8)
(28.6)	(44.9)
10.9	8.8
(3.5)	(3.5)
(1.0)	(1.5)
(6.0)	(4.0)
0.4	(0.2)
4.9	4.5
4.5	4.7



Housing Revenue Account

The overall revenue financial position relating to council housing shows a reduction in balances for the year of £0.60m from £5.09m to £4.49m - to be carried forward to 2012/13.

This equates to an underspend of £0.08m when compared to the approved budget for the year, mainly due to lower interest costs together with higher than expected rent income - offset by housing repairs contract pension costs.

2010/11 £m	2011/12 £m
(16.6)	(17.5)
Income from Rents & Charges	
50.9	62.0
Expenditure	
1.1	1.1
Net interest paid	
(35.8)	(45.0)
Adjustments & internal accounting	
(0.4)	0.6
Net (Surplus) / Deficit	
4.7	5.1
Balance on 1 April	
5.1	4.5
Balance on 31 March	

Capital Expenditure

During 2011/12 the Council spent £5.2 on capital works. The majority of expenditure related to improvement, enhancement or ongoing construction works. A payment of £44.67m was also made relating to the Self Financing Reform of Housing.

Fixed asset acquisitions in the year include the purchase of IT Equipment (software & hardware); purchase of community safety equipment and enhancements to the CCTV System.

2010/11 £m	2011/12 £m
4.4	4.5
Council Dwellings	
0.1	-
Other Land & Buildings	
0.5	0.1
Vehicles, Plant & Equipment	
0.1	-
Community Assets	
-	0.1
Heritage Assets	
0.4	0.4
Housing & Other Grants	
-	-
Investment Properties	
-	-
Assets under Construction	
0.1	-
Software	
-	44.7
HRA Self Financing Settlement	
5.6	49.8
Financed by:	
0.9	0.2
Capital Receipts	
0.5	0.4
Government Grants & Other Contributions	
3.7	4.5
Revenue/ Reserves	
0.5	-
Supported Borrowing	
-	44.7
Supported Borrowing HRA Self Financing	
-	0.0
Unsupported Borrowing	
5.6	49.8

Balance Sheet - what the Council owns, owes or is owed

31 March 2011 £m	31 March 2012 £m
170	166
Buildings, Land & Assets Owned by the Council	
16	16
Money Owed to the Council	
(6)	(6)
Money Owed by the Council	
15	17
Investments	
(23)	(28)
Pension Liability	
(20)	(65)
Long Term Debt	
152	100
Total	
7	7
Financed by:	
Reserves	
10	9
Revenue Balances	
2	2
Capital Income not yet used	
156	110
Capital Finance & Revaluation of Assets	
(23)	(28)
Pension Reserve	
152	100
Total	

The Council's Statement of Accounts has been prepared in accordance with the Accounting Code of Practice under International Financial Reporting Standards. For the purposes of this summary some simplifications have been made to provide more meaningful information.

Following conclusion of the audit by the Audit Commission, a full copy of the Council's 2011/12 audited accounts will be available on the Council's website.

A copy of the Council's 2011/12 unaudited accounts is available on the Council's website www.tamworth.gov.uk and available for inspection at Marmion House. Please contact the Executive Director Corporate Services on 01827 709252 for further details.



Contact Us

To provide feedback specifically on the form and content of this Annual Review, please email john-day@tamworth.gov.uk
Telephone – 01827 709 588

For more information about Tamworth Borough Council visit our website at www.tamworth.gov.uk or pick up a copy of our residents' magazine, Talkback.

Tamworth Borough Council

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For more details, contact Performance & Corporate Relations on 01827 709572
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REPORT OF THE PORTFOLIO HOLDER FOR CORE SERVICES AND ASSETS

LOCALISING SUPPORT FOR COUNCIL TAX

EXEMPT INFORMATION

This proposal is not exempt information for the purposes of Part 1 of Schedule 12 (A) to the Local Government Act 1972.

PURPOSE

To seek a decision from Cabinet, further to the presentation given on 25th July, of the preferred consultation option for a Local Council Tax Support scheme. The scheme will replace Council Tax Benefit, to help to those of working age on a low income pay their Council Tax from 1 April 2013.

RECOMMENDATIONS

That Cabinet decide on one of the three options and associated desired subset identified in the main report (attached Appendix / Slide extract) for which they want to form the base of Tamworth's Local Council Tax Support scheme. The approved option and subset will form the basis of public consultation on the proposed scheme which will commence following the decision.

EXECUTIVE SUMMARY

The Welfare Reform Act 2012 confirmed that Council Tax Benefit will be abolished from 1 April 2013, to be replaced by a new Localised Council Tax Support scheme. Grant funding will be reduced by 10% and distributed via the Department for Communities and Local Government rather than by the Department for Work and Pensions.

The Government have specified that Pensioners must be protected from any grant cuts. Accordingly, regulations that mirror the current Council Tax Benefit (Persons who have attained the qualifying age for state pension credit) 2006 will be devised for Pensioners, which must be adhered to. For Working Age customers, Councils are free to decide their schemes, which will be subject to an overall 10% reduction in grant funding currently received.

Tamworth Borough Council is working closely with all other Staffordshire Local Authorities, Staffordshire County Council and the major preceptors, to devise an overarching County-wide scheme.

The 3 options presented to Cabinet on 25th July for consideration were;

- (1) Protect pensioners (this is a statutory requirement) only
- (2) Protect pensioners and all claimants who are disabled or who have a disabled child
- (3) Protect pensioners and only claimants who are severely disabled.

The attached slides give a reminder of the indicative financial savings for each option.

RESOURCE IMPLICATIONS

None identified as a direct result of this report. However, there are financial implications associated with each scheme option for consultation, as set out in the presentation to Cabinet on 25th July. The costs of the consultation exercise itself will be managed within existing resources and met by a DCLG grant.

LEGAL/RISK IMPLICATIONS BACKGROUND

Full Equality Impact Assessments must be considered for all possible scheme options, in order to avoid legal challenge.

An Equality Impact Assessment for each option is attached. Cabinet should note that Options 1 and 3 are concluded as being equitable, whilst Option 2 has been assessed as inequitable because of the overall effects on the remaining working age claim base.

SUSTAINABILITY IMPLICATIONS

Funding for the replacement of the current Council Tax Benefit scheme will be changed from Annual Managed Expenditure (unrestricted reimbursement of Council Tax Benefit subsidy) to Departmental Expenditure Limit (restricted, pre allocated grant figure). The Council must be aware that there will be little room for contingency if, for instance, a major local employer goes into administration.

BACKGROUND INFORMATION

The Government is committed to retaining Council Tax Support for the most vulnerable in society and taking forward plans for Councils to develop local Council Tax reduction schemes. The Welfare Reform Act 2012 contains provisions for the abolition of Council Tax Benefit, paving the way for new localised schemes. On 17th May 2012, *Localising Support for Council Tax – A Statement of Intent* was published.

The Statement of Intent set out policy statements of intent for the regulations to be provided under the Local Government Finance Bill for England and explains the policy intent of the regulations and how they will enable the delivery of local Council Tax support. The document is specific in the rules for pensioners but has given Local Authorities little direction regarding policy for Working Age customers.

On 16th July 2012, the *Localising support for council tax: Draft Council Tax Reduction Schemes (Prescribed Requirements) Regulations* were then released (**Appendix 1 hyperlink**).

Consideration of the Department for Communities and Local Government policy intention document - *Localising Support for Council Tax Vulnerable people – key Local Authority Duties* (**Appendix 2 hyperlink**) must also be made when introducing the new Localised Council Tax Support scheme.

The document – *Localising Support for Council Tax – Funding Arrangements Consultation* (**Appendix 3 hyperlink**) gives details of how funding for a Council Tax reduction scheme will be reduced from 2013 onwards. Accordingly, regard for these budgetary cuts must also influence the design of a Localised Council Tax Support scheme.

A further document - *Localising Support for Council Tax - Taking Work Incentives into Account* (**Appendix 4 hyperlink**) should also be considered when drafting the policy.

If Councils do not have a local scheme in place by 31st January 2013, the Government will impose a 'default scheme' which is the current Council Tax Benefit scheme. This option is not sustainable as the current scheme is fully subsidised by the Department for Work and Pensions, regardless of caseload and any new scheme will have a fixed annual grant *only* which will be at least 10% less than it is now.

Please refer to the slides presented on 25th July for details on the possible options for a working age Localised Council Tax Support Scheme. Once an option is chosen, a consultation period must then commence with all stakeholders. It is recommended that 8 weeks is allowed for consultation. Post consultation, the scheme must be approved by full Council before 31st January 2013.

REPORT AUTHOR

Karen Taylor, Head of Benefits ext 529.

LIST OF BACKGROUND PAPERS

Presentation slides from Cabinet meeting of 25th July 2012.
Equality Impact Assessment for each of the 3 options

APPENDICES

Document Name	Description	Location
(1) Localising Support for Council Tax; Draft Council Tax Reduction Schemes (Prescribed Requirements) Regulations	sets out the draft key regulations under the Local Government Finance Bill	http://www.communities.gov.uk/publications/localgovernment/draftprescribedreqsregs
(2) Localising Support for Council Tax Vulnerable people – key local authority duties	Sets out consideration to be made of the requirements of the Equality Act 2010	http://www.communities.gov.uk/documents/localgovernment/pdf/2148567.pdf
(3) Localising Support for Council Tax Funding arrangements - consultation	Outlines how the Government intends to distribute funding to support local schemes	http://www.communities.gov.uk/documents/localgovernment/pdf/2146648.pdf
(4) Localising Support for Council Tax – Taking Work Incentives into account	Guidance on how to design local Council Tax reduction schemes for working-age applicants that will also support the wider objectives of welfare reform	http://www.communities.gov.uk/publications/localgovernment/lscworkincentives

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Localising Support for Council Tax Consultation Options

Karen Taylor, Head of Benefits

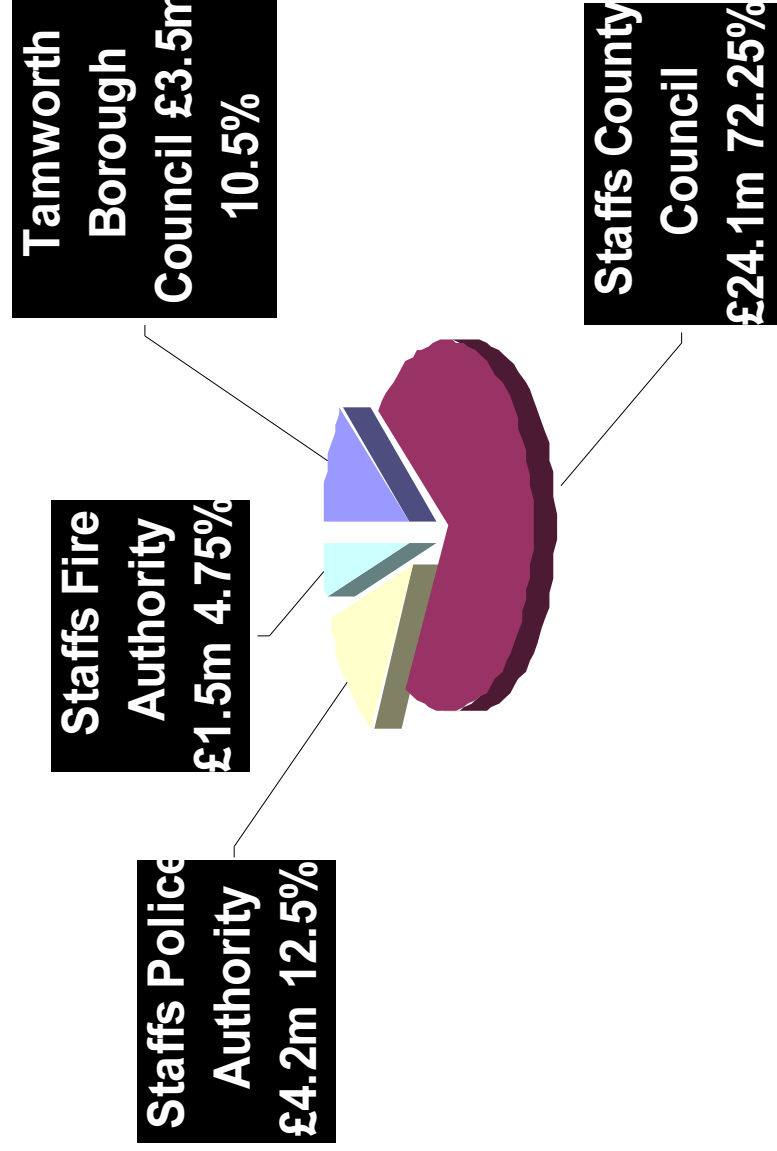


Welfare Reform Act 2012 and Local Govt Finance Bill

- [The Spending Review 2010](#) confirmed that support for Council Tax would be localised from 1 April 2013
- [Welfare Reform Act 2012](#) abolishes Council Tax Benefit wef 1 April 2013
- Grant funding for Local Council Tax Support (LCTS) will be reduced by 10% and distributed by DCLG rather than DWP
- Purpose of today is to advise Cabinet of what the grant reduction means, to inform on options available to bridge the gap in funding and request consideration of Local Council Tax Support scheme options – with a decision sought at Cabinet on 15th August on the chosen option, which will then be subject to public consultation

£33.3m Council Tax collected by Tamworth – preceptor split

Precepting Composition 2012/2013

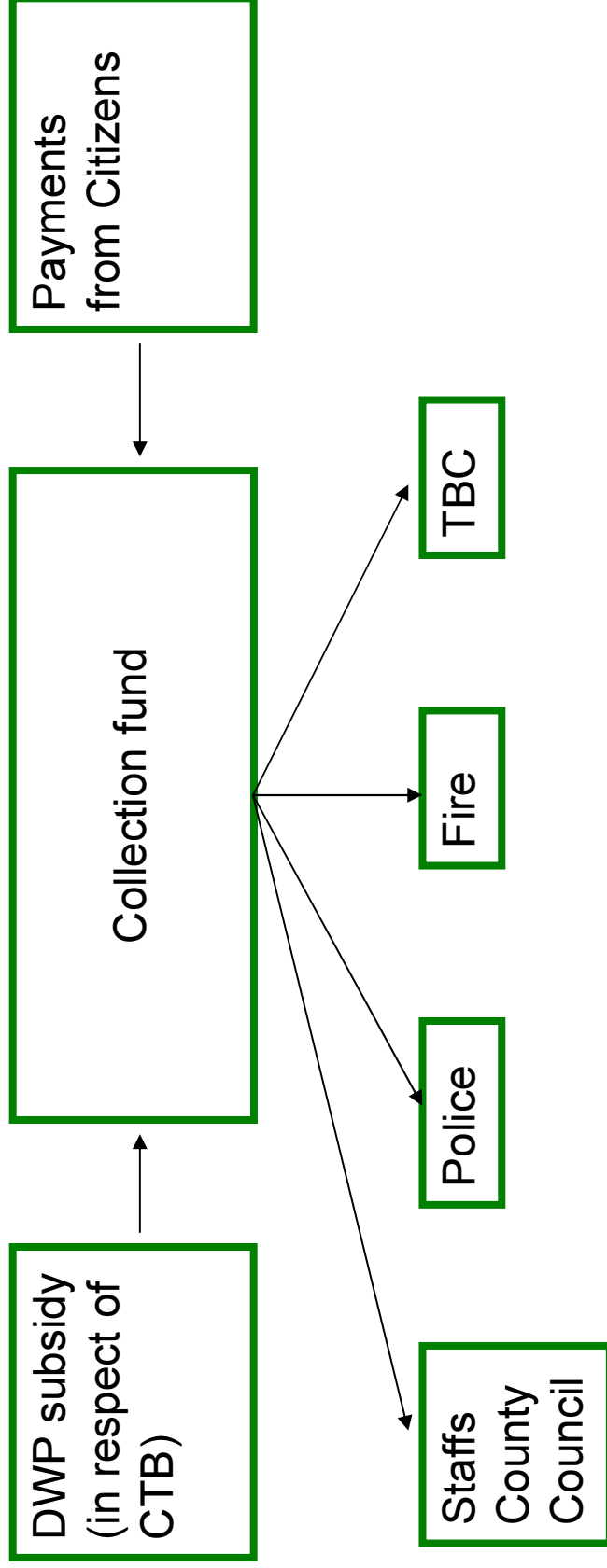


Council Tax base – current arrangements

Measures number of dwellings that we can raise Council tax from

Number of chargeable dwellings

- addition for growth
- adjusted to reflect discounts and exemptions
- converted to band D equivalent
- reduction for projected rate of collection and successful appeals

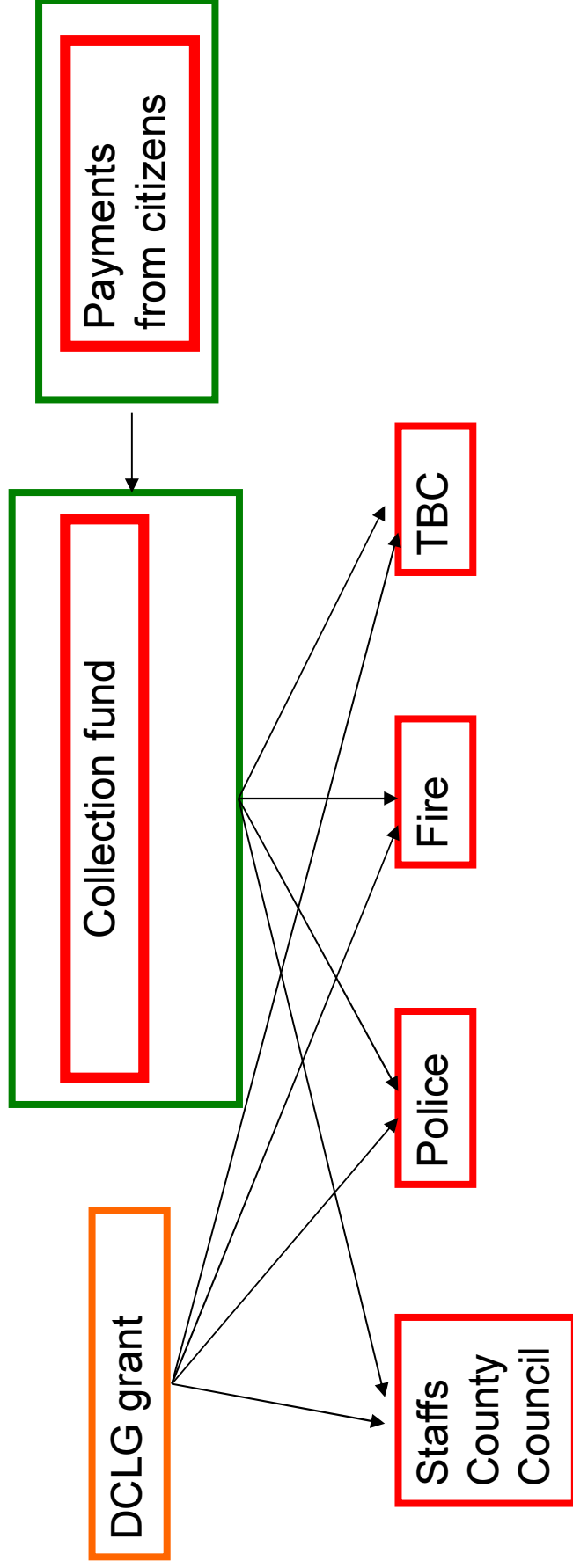


Council Tax base –1st April 2013

Measures number of dwellings that we can raise Council tax from

Number of chargeable dwellings

- addition for growth
- adjusted to reflect discounts and exemptions
- further adjusted to reflect local support for Council Tax
- converted to band D equivalent
- reduction for projected rate of collection and successful appeals



What is Localised Council Tax Support?

- Council Tax Benefit will be abolished and replaced with a Local Support scheme. Our replacement scheme has to be approved by full Council before 31/01/13 - Cabinet are today asked to consider the consultation options for our Local Scheme for Working Age claimants – options decision to be made at Cabinet on 15th August
- Support will be treated as discount for Council Tax base calculation purposes
- But – will still be a means-tested benefit for Pensioners under the new regulations – and will remain a means-tested scheme for those of Working Age under the local policy

Designing a Local Scheme

DCLG advice –

- local schemes should encourage work incentives
- consider the most vulnerable, to mitigate the effects of child poverty and homelessness
- consider welfare needs of disabled people – but there is no official definition of ‘vulnerable’
- Pensioners will be protected via a new national scheme that mirrors the current Council Tax Benefit calculation

Council Tax Benefit vs Council Tax Support

Council Tax Benefit	Council Tax Support	Impact
<p>Demand led – funding claimed back from DWP at end of year under AME rules</p>	<p>Funding limited – fixed value grant under DEL rules Funding is £10% less than current subsidy claimed as Council Tax Benefit</p>	<p>£600k-£700k reduction in funding for Tamworth, Staffs County Council and the Fire Authority</p>
<p>Counts as a payment towards Council Tax liability</p>	<p>Counts as a discount to Council Tax – reduces the tax base</p>	<p>Council Tax base reduces from 23,378 to approx 19,930 Equates to reduction in income to TBC of approx £586k, offset by grant of £521k = £65k net loss to TBC from April 2013</p>

Council Tax Benefit vs Council Tax Support

Council Tax Benefit	Council Tax Support
<p>National rules that run from year to year for pensioners and Working Age</p>	<p>National rules for pensioners For Working Age, Councils will have their own scheme which will need to be reviewed as part of budget setting each year</p>
<p>Any growth in caseload is covered by government subsidy</p>	<p>The Council and its preceptors must fund additional (unpredicted) caseload from its own budgets, in year, whilst maintaining protection to pensioners</p>

Localising Council Tax Support

- We must take into account changing demographics and funding reductions
- Options for any draft Local Scheme must have Cabinet approval, public consultation and then full Council approval for the final scheme
- If a scheme is not in place by 31/01/13, a default scheme will be imposed (existing CTB scheme) which we cannot afford as is currently based on AME – Annual Managed Expenditure (open pot) – and new scheme will be based on DEL – Departmental Expenditure Limit (closed, fixed pot)

The Staffordshire Framework – agreed

considerations

Claims based on maximum of Council Tax Band D liability

Claims based on xx% less liability – option to consider protection for those not expected to work through disability

Claims based on xx% of current CTB award – option to consider protection for those not expected to work through disability

Second Adult Rebate not retained for Working Age

**** £25 earnings disregard (future option, subject to software capabilities)**

3 rates of non dependent deductions - £0, £5 and £10

capital cut off at £6k for non passported cases

****Count Child Benefit and maintenance as income**

Provision for a Hardship Fund – from Contingency budgets and subject to BRG consideration

Each authority is considering how best to achieve savings from its Working Age claim base, using some or all of the above criteria

Current Council Tax Benefit caseload

7150 total caseload @ 02/07/12

<i>Pensioner</i>	3532	49.4%
on full benefit	2243	
on partial benefit	1289	
<i>Working age</i>	3618	50.6%
on full benefit	2478	
on partial benefit	1140	

Where can these savings be made?

From working age customers *only*, which is 50.6% of current Council Tax Benefit caseload

Working Age caseload demographics

Passported Claims

	number	total ctb £	average award
Single - Income Support	1,063	£822,828.24	£774.06
Single - JSA (IB)	401	£304,889.00	£760.32
Single - ESA (IR)	439	£340,644.72	£775.96
Couple - Income Support	238	£239,963.88	£1,008.25
Couple - JSA (IB)	182	£184,644.72	£1,014.53
Couple - ESA (IR)	155	£157,971.32	£1,019.17
	2,478	£2,050,941.88	£827.66

Working and non passported claims

Single and Disabled	150	£95,644.12	£637.63
Single (Family or Lone Parent)	439	£215,844.20	£491.67
Single (Other)	227	£122,607.68	£540.12
Couple and Disabled	91	£67,353.00	£740.14
Couple (Family or Lone Parent)	206	£142,262.12	£690.59
Couple (Other)	27	£17,810.52	£659.65
	1,140	£661,521.64	£580.28

Working age caseload breakdown

- 1301 Income Support
- 583 Jobseekers Allowance (IB)
- 594 Employment & Support Allowance (IB)
- 390 non primary benefits
- 750 work 71 < 16hrs pw
679 > 16hrs pw

Current Council Tax Benefit working age net liability profile

Net Liability Profile	Working Age		Council Tax Band	Working Age		
	No	%		No	Total	Ave
£0	2,711	74.9%	A	2,167	£1,535,194.44	£708.44
£0 to £50	49	1.4%	B	1,186	£932,454.12	£786.22
£50 to £100	63	1.7%	C	173	£151,019.96	£872.95
£100 to £150	40	1.1%	D	57	£53,711.84	£942.31
£150 to £200	94	2.6%	E	28	£28,821.52	£1,029.34
£200 to £250	53	1.5%	F	7	£11,261.64	£1,608.81
£250 to £300	62	1.7%	G	0	£0.00	£0.00
£300 to £400	118	3.3%	H	0	£0.00	£0.00
£400 +	428	11.8%	I	0	£0.00	£0.00

Almost 75% of working age CTB recipients currently pay £0 towards their Council Tax liability

Working age caseload breakdown

—who is vulnerable?

168 claimants are severely disabled

443 claimants are disabled

152 claimants have disabled children

845 claimants have children aged < 5

The Staffordshire agreed definition of vulnerable is those who are not expected to work because of disability, which excludes claimants with children aged <5

What are the choices?

1. Adopt the default scheme (potentially doubling financial impact from £65k to £130k)
How can we make the savings? -
 - a) Reduce or remove services to make the required savings from the grant cuts;
(which services are reduced or removed?)
or
 - b) Increase Council Tax by an extra 2-4% which would trigger a referendum.

2. Implement a Local Council Tax Support scheme, absorbing the funding cuts)
(Preferred option – Pan Staffordshire working group).

How can we make the savings?

Savings can be made from a Localised Scheme for working age claimants

DCLG will design statutory regulations for Local Council Tax Support for pensioners

£600k - £700k must be saved from the current Council Tax Benefit subsidy received (£5.5m) – we can also consider technical reforms of Council Tax

Modelling tools have been used to analyse the financial impact of current Council Tax Benefit caseload, to form consultation options

Option 1 - Local Council Tax Support Scheme – Protecting only Pensioners

	£ savings
1 Calculate based on maximum 75% liability	£775,000
2 Reduce current CTB by 20% and include Child Benefit as income*	£752,000
3 Reduce current CTB by 25%	£703,000
4 Calculate based on maximum of 78% of liability	£700,000
5 Calculate based on maximum of 85% of liability and include Child Benefit as income*	£680,000
6 Calculate based on maximum of 80% of liability	£641,000
7 Reduce current CTB by 15% and include Child Benefit as income*	£578,000

*including Child Benefit as income will affect non passported claims only

Some potential adverse impact may occur as supporting vulnerable adults is a very high cost to the Council and more and more people require the Council's support.

For these reasons the Council has to consider doing things differently

**Option 2 – Local Council Tax Support Scheme –
Protecting pensioners and all severely disabled/disabled/claimants
with disabled children – consultation options**

	£savings
1 Calculate based on maximum 70% liability	£735,000
2. Reduce current CTB by 32%	£708,000
3. Reduce current CTB by 30%	£667,000
4. Calculate based on maximum 75% liability	£625,000
5. Reduce current CTB by 25%	£564,000
6. Calculate based on maximum 78% liability	£560,000

Some potential adverse impact may occur as supporting vulnerable adults is a very high cost to the Council and more and more people require the Council's support. For these reasons the Council has to consider doing things differently

**Option 3 – Local Council Tax Support scheme –
Protecting pensioners and only severely disabled working age claimants
– consultation options**

	savings £
1. Calculate based on maximum 75% liability	£774,000
2. Reduce current CTB by 27%	£724,000
3. Reduce current CTB by 26%	£698,000
4. Reduce current CTB by 25%	£673,000
5. Calculate based on maximum 78% liability	£662,000
6. Calculate based on maximum 80% liability	£607,000

Some potential adverse impact may occur as supporting vulnerable adults is a very high cost to the Council and more and more people require the Council's support.
For these reasons the Council has to consider doing things differently

Analysis based on disability

- If all severely disabled working age claimants are protected, this will cost £30,000 - £40,000 p.a (included in consultation options)
- If *all* disabled claimants and claimants who have disabled children are protected, this will cost £110,000 p.a (included in consultation options)
- Total of £140,000 - £150,000 p.a to protect working age claimants currently in receipt of Council Tax Benefit who are disabled or who have a disabled child

Case studies – £ benefit reduction with 75% maximum liability

Protecting Pensioners only

- -£3.42 pw for Lucy, lone parent on Income Support with 3 children in Band A property
 - -£4.56 pw for Gary and Gail, couple on Jobseekers Allowance in Band A property
 - -£5.30 pw for Sarah, lone parent who works and has 3 children
 - -£5.30 for Paul and Caroline – Mr is disabled, Mrs works and they have 2 children
- £775k savings**

Protecting Pensioners and only severely disabled claimants

- -£3.42 for Lucy
 - -£4.56 for Gary and Gail
 - -£5.58 for Sarah
 - -£5.58 for Paul and Caroline
- £735k savings**

Protecting Pensioners and all disabled claimants

- -£3.42 for Lucy
 - -£4.56 for Gary
 - -£5.58 for Sarah
 - -£5.58 for Paul and Caroline
- £625k savings**

Case studies – effect of 25% overall reduction in benefit

Protecting Pensioners only

- -£3.42 pw for Lucy, lone parent on Income Support with 3 children in Band A property
 - -£4.56 pw for Gary and Gail, couple on Jobseekers Allowance in Band A property
 - -£3.87 pw for Sarah, lone parent who works and has 3 children
 - -£2.11 pw for Paul and Caroline– Mr is disabled, Mrs works and they have 2 children
- £703k savings**

Protecting Pensioners and only severely disabled claimants

- -£3.42 pw for Lucy
 - -£4.56 pw for Gary and Gail
 - -£3.87 pw for Sarah
 - -£2.11 pw for Paul and Caroline
- £673k savings**

Protecting Pensioners and all disabled claimants

- -£3.42 pw for Lucy
 - -£4.56 pw for Gary and Gail
 - -£3.87 pw for Sarah
 - -£2.11 pw for Paul and Caroline
- £565k savings**

75% max liability v overall 25% net reduction

% liability	100%	75%	25% (reduction to net award)
Max Council Tax to be used in calculation	£21.23	£15.93	£21.23
-20% of excess income	<u>£ 5.76</u>	<u>£ 5.76</u>	<u>(£ 5.76)</u>
Weekly award	£15.47	£10.17	£15.47 – 25% = £11.60 *

* This shows earners and others not on passported benefit will lose less benefit if scheme is based on overall % net reduction

Case Studies – Working Age

Average £ Council Tax Support payable

Description	Current Average CTB award	75% max liability for all Working Age (1) £775k savings	75% max liability Severe Disability only protected (2) £744k savings	Average weekly CTB loss as per (1)	75% max liability all Disabled protected (3) £625k savings	Average weekly CTB loss as per (3)
Passported/severe disability (145)	£14.21	£10.65	£14.21	-£3.56	£14.21	£0.00
Passported/disability (264)	£17.92	£13.44	£13.38	-£4.48	£17.92	£0.00
Passported/disabled child (102)	£17.02	£12.77	£12.74	-£4.25	£17.02	£0.00
passported – other (1949)	£15.70	£11.78	£11.61	-£3.92	£10.96	-£4.74
non passported War Pension/War Disability (2)	£9.90	£7.42	£9.90	-£2.48	£9.90	£0.00
non passported/severe disability (23)	£13.88	£8.93	£13.88	-£4.95	£13.88	£0.00
non passported/disability (179)	£12.96	£9.44	£8.66	-£3.52	£12.96	£0.00
non passported/disabled child (50)	£12.41	£9.10	£7.75	-£3.31	£12.41	£0.00
non passported/working (691)	£9.98	£7.23	£5.86	-£2.75	£5.04	-£4.94
non passported – other (188)	£12.71	£8.62	£8.37	-£4.09	£7.80	-£4.91

Additional savings

Possible adjustment	Saving	Impact	Risk
Calculate on max Band D	£10k	35 customers	minimal
End Second Adult Rebate scheme	£6k	22 customers	Minimal
Count Child Benefit as income	£183k	525 customers Affects non passported cases and will remove all benefit for 25% of earners	Reduces or removes support paid to working families and does not support the Make Work Pay agenda
Increasing non-dependent deductions	£16k	276 cases have to pay between £0.10 and £3.45 extra for each non dependent living with them.	Non-dependents do not pay which puts claimant under greater financial pressure
Capital cut off @ £6k for non passport cases	£13k	17 cases	minimal
TOTAL IF ALL INCLUDED	£228k		
TOTAL IF ALL EXCEPT CHILD BENEFIT INCLUDED	£45K		

Preparing for Public Consultation

- **Full, detailed Local Council Tax Support Scheme** has been drafted, subject to the options choice and amendments pre/post consultation
- **Summary Local Scheme policy** has been drafted, subject to the options choice and any amendments pre and post consultation, which will be available as part of the consultation exercise
- **Vulnerability Policy** has been drafted which is subject to alteration dependant on decisions made about the definition of vulnerable, and will be available as part of the consultation exercise
- **Equality Impact Assessments** have been made, subject to the agreed definition of vulnerable and any amendments pre and post consultation

Summary

Cabinet is requested to take time to consider the information given today

On 15th August, Cabinet will be asked to choose Option 1, Option 2 or Option 3 of the proposals listed for a Local Council Tax Support Scheme. Public consultation will then begin on the chosen option, for at least an 8 week period

- Consultation will be made with all stakeholders
- All current benefit recipients will be sent a paper consultation, to encourage maximum feedback
- On-line consultation will be encouraged
- 3 focus groups will be held in September 12

Consultation - timeline

decide a draft scheme for consultation	Options to Cabinet 25/07/12 Decision at Cabinet 15/08/12	Have been consulted via SFOG. Local meeting to be arranged
consult with County and Fire preceptors	Consultations have been ongoing via Staffs group	Joint procurement with Staffs District Councils for organisation to produce this document is complete
publish draft scheme	End Aug 12	To be ran locally in each Authority and facilitated by Staffordshire & SOT Strategic Research Group
Carry out public consultation	Sept – Oct 12	
Analysis of responses	Ongoing – finalised end Oct 12	
Approve final scheme	Cabinet Nov 12 Full Council Nov/Dec 12	

And other major changes.....a reminder.....

- Social Fund will be abolished and replaced with a local support scheme, to be commissioned to district LAs by Staffs CC
- Fairer charging and Welfare Benefits Advice will be delivered locally – also commissioned by Staffs CC. [Our replacement schemes have to be ready to deal with customers on 01/04/13](#)
- Introduction of Universal Credit and preparations for this
 - **Under-occupation (bedroom tax) starts 01/04/13**
 - **Benefit cap starts 01/04/13**
 - **Single Fraud Investigation Service – wef April 13?**
 - **Reform of private sector rent amounts (LHA) already started**
 - **Universal Credit – direct rent payment to customers starts Oct 2013**

Technical Reform of Council Tax

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Michael Buckland, Head of Revenues

Cabinet, 25th July 2012

Technical Reform of Council Tax

- Included within Finance Bill – opportunities for Councils to review level of local discounts / policy
- Not part of the public consultation, however subject to approval this identifies some additional income that can be realised as a contingency against the cost of Council Tax Support
- As there is a risk regarding usage and yield, this is a prudent measure to offset additional potential costs i.e. lower collection rates, higher collection costs, bad debts, increased take up of discounts
- **Indications to Members on the potential options – decisions as part of budget setting process. Report to follow later on in year requesting endorsement**

Technical Reform of Council Tax

Council Tax technical reform (Proposed legislation) –
income opportunities:

- Second Homes
- Empty dwellings undergoing major repair
- Empty dwellings (under 6 months)
- Empty dwellings (6 to 24 months)
- Empty dwellings (over 24 months)

Second Homes

- 21 Properties
- Currently TBC charge 50% (can charge 90% under current legislation)
- In future could charge 100%
- Potentially additional £13.5k charge (at 100%)
- Estimated £10k extra income collectable (other discounts etc.) - £1k for TBC

Empty Dwellings - Major Repairs

- 13 Properties
- Currently 0% charge for up to 1 year
- Exemption to be removed
- Discount to be 0-100% for up to 1 year
- 50% discount could yield £8k charge
- Estimated £5.5k extra income collectable (other discounts etc.)
- £0.5k for TBC

Dwellings Empty Up to 6 Months

- 297 Properties
- Currently exempt for 1st 6 months empty
- Exemption to be removed
- Discount to be 0-100% for up to 6 months
- 0% discount - Potentially £329k extra charge
- Estimated £215k extra income collectable (other discounts etc.)

Dwellings Empty Up to 6 Months

- £21.5k extra CT for TBC
- Cost to Housing Dept £22k based on 20 properties empty at any time
- Also extra resource necessary for dispute resolution
- Therefore unviable?

Dwellings Empty 6-24 Months

- 195 Properties
- Currently 50% charge (can charge 90% under current legislation)
- In future could charge 100%
- Potentially additional £110k due
- Estimated £64k extra charge (other discounts etc.)
- £6k for TBC
- £1k estimated cost to Housing

Dwellings Empty Over 2 Years

- 96 Properties
- Currently 50% charge (£55k) (can charge 100% under current legislation)
- In future could charge 150%
- Potentially additional £111k extra charge
- Estimated £57,300 extra income (other discounts etc.)
- £6k for TBC
- No estimated cost to Housing

Risks

- Additional administration
- Additional training / procedures
- Additional appeals / disputes
- Increase in cost of collection – budget process considerations
- Increase in trace requests
- Reduction in collection rates
- Increase in write offs
- Increased provision for bad debts

Additional Income Summary (Technical Reforms-Preferred Option)

Category	Extra Income	TBC Extra Income
2 nd Homes (0% discount)	£10,349	£1,035
Major Repairs (50% discount)	£5,536	£554
0-6 Months Empty (100% discount)	£0	£0
6-24 Months Empty (0% discount)	£64,219	£6,422
2+ Years empty (50% surcharge)	£57,300	£5,730
Total	£137,404	£13,741

Council Tax Collection

	Charge	Income	%
Collectable Debit (based on 2011/12 QRC4)	£28,107,327	£27,571,103	98.1%
Reduction in Benefits (est.)	£672,810	£504,608	75.0%
Technical Adjustments (est.)	£154,425	£137,404	89.0%
Total (est.)	£28,934,562	£28,213,115	97.5%

Council Tax Base

	Number
2012/13 Band "D" equivalents (from tax base calculation)	23,734
Less local council tax support (= £521,000 grant ÷ £149.55 band D charge)	-3,484
Plus technical adjustments (= £154,425 charge x 10.5% ÷ £149.55 band D charge)	+108
Subtotal	20,358
Estimated overall collection (98.5% less 0.6% to allow for reduced collection)	97.9%
Revised tax base	19,930

Outstanding Issues & Risks

- Could increase Council Tax (subject to potential referendum on excessive rises)
- Technical reforms – extra income offsets lower collection rates (including increased yield)
- Unknowns & uncertainties – future grant funding, in year changes, assumptions re: growth/reduction in future funding, floors & ceiling levels (protection for some Councils)
- Equalities impact for individuals & potential challenges / judicial review
- Report to Members following consultation feedback to endorse scheme & changes to council tax discounts

Questions?

Equality Impact Assessment Template – Protecting Pensioner Cases and ALL Working Age Disabled Claimants

Name of policy/ procedure/ practice to be assessed	Introduction of Localised Council Tax Support (Council Tax Reduction)	Date of Assessment	July 2012
Is this a new or existing policy/ procedure/ practice?	Officer responsible for the Assessment	Department	Benefit Services
<p>1. Briefly describe the aims, objectives and purpose of the policy/ procedure/ practice?</p>	<p>New</p>	<p>Karen Taylor Head of Benefits</p>	<p>The national Council Tax Benefit (CTB) scheme comes to an end on 1st April 2013 and is to be replaced by a locally determined system of Council Tax Support (CTS). The funding available for the new scheme will be cash limited. The aim of the new support scheme is to provide financial assistance to Council taxpayers who have low incomes.</p> <p>Persons who are of state pension age (a minimum 60 years or greater) are protected under the scheme in that the calculation of the support they are to receive has been set by Central Government.</p> <p>For working age applicants however the support they receive is to be determined by the local authority.</p> <p>This equality impact assessment looks at the potential for not only protecting pensioners (as required under the legislation) but also providing full support to all working age claimants who are considered disabled within the current Council Tax Benefit scheme. The definition of disabled used within the scheme is as follows;</p> <ul style="list-style-type: none"> • Where the claimant or partner is in receipt of a disability premium, enhanced disability premium or severe disability premium within either their Council Tax Benefit, Housing Benefit or other means tested benefit; or • Where the claimant or partner is in receipt of a work related activity component within either their Council Tax Benefit or Housing Benefit due to having a similar component awarded in their Employment and Support Allowance; or

	<ul style="list-style-type: none"> Where the claimant or partner is in receipt of a support component within either their Council Tax Benefit or Housing Benefit due to having a similar component awarded in their Employment and Support Allowance; or Where the claimant or partner is responsible for a dependant child or young person who is in receipt of Disability Living Allowance or is registered or certified blind <p>The objective in adopting this policy would be to protect a large section of the existing claimant group deemed to be vulnerable.</p> <p>The main issue for the Council is that the funding for support has been reduced significantly (estimated as a shortfall in funding of £600-£700k). However exempting one group or another from a reduction means that even larger savings have to be found from the remaining claimants. The remaining claimants will, if this policy is adopted, consist solely of non-disabled working age claimants.</p> <p>Central Government has not been prescriptive in how an authority should protect vulnerable groups but points to the Council's existing responsibilities including the Child Poverty Act 2010, the Disabled Person Act 1986 and the Housing Act 1996 as well as the public sector equality duty in section 149 of the Equality Act 2010.</p> <p>The current level of assistance provided to pension age claimants and to working age disabled claimants is given at the end of this assessment.</p>
<p>2. Are there any associated policy/procedure/ practice which should be considered whilst carrying out this equality impact assessment?</p>	<p>The authority is required to continue maintaining a full Housing Benefit scheme and also to continue to process claims for benefit alongside the introduction of the new scheme for Council Tax Support</p>
<p>3. Who is intended to benefit from this policy/ procedure/ practice and in what way?</p>	<p>All persons within the Borough who have a low income may apply for support and assistance with their Council Tax.</p> <p>By making an application, providing evidence of their income and household circumstances, their potential entitlement for support will be calculated in line with Central Government prescribed requirements for the Council Tax Support scheme.</p>

	<p>In the case of pensioners, it will be essential for the authority to correctly process claims for support base on the new regulatory requirements and to ensure that all existing benefit claimants continue to receive support through the transition and onwards</p>
<p>4. What are the desired outcomes from this policy/ procedure/ practice?</p>	<p>The desired outcomes are as follows;</p> <p>Pension Age Claimants</p> <ul style="list-style-type: none"> • That existing pensioner claimants for Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme; • That all pensioners receive the level of support required by regulations set by Central Government (Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012); • That all new pensioner claimants or existing working age claimants who rise to pension age are able to receive Council Tax support in line with the regulations; and • That all pensioner claimants continue to receive the correct level of support at all times. <p>Disabled Working Age Claimants</p> <ul style="list-style-type: none"> • That existing working age disabled claimants (as defined earlier in this assessment) for Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme; • That all working age disabled claimants receive the level of support currently provided under the existing Council Tax Benefit scheme; • That all new working age disabled claimants or existing working age claimants who become disabled are able to receive Council Tax support in line with current Council Tax Benefit scheme; and • That all working age disabled claimants continue to receive the correct level of support at all times.
<p>5. What factors/ forces could contribute/ detract from the outcomes?</p>	<p>There are a number of factors which contribute to the outcomes of the new process namely;</p> <ul style="list-style-type: none"> • That the new Council Tax Support scheme broadly replicates the existing Council Tax Benefit scheme for pension age and working age disabled claimants; • That management and staff are experienced in delivering means tested support / benefit schemes; and

	<ul style="list-style-type: none"> • That there is a comprehensive project plan, which ensures that delivery of the new scheme, will be on time and in line with legislative requirements. <p>The factors / forces that could detract from these outcomes are as follows;</p> <ul style="list-style-type: none"> • The failure of Central Government to approve the necessary legislation on time; • The failure of the Council's software suppliers to deliver the necessary changes to existing software systems to enable the correct processing of the new support; • The failure to deliver these significant changes to the welfare benefit system on time; and • The willingness of the Council to protect all working age disabled claimants would mean that the policy was unaffordable to the Council and / or would lead to other claimants (not pensioners and not working age disabled claimants) having to face an unreasonable or inequitable reduction in their support to finance the protection.
<p>6. Who are the main stakeholders in relation to the policy/ procedure/ practice?</p>	<p>In respect of the pension age and working age disabled claimants for Council Tax Support, the main stakeholders are as follows;</p> <p>External Stakeholders;</p> <ul style="list-style-type: none"> • Major Precepting authorities – County Council, Police Authority and Fire and Rescue Authority; • Parish Councils (local precepting authorities); • Pension Age claimants; • Working age disabled claimants • Potential pension age claimants; • Potential working age disabled claimants • Interested Groups such as Citizens Advice Bureau, Age Concern and Help the Aged, Disabled Persons Groups, RNIB, Action on hearing loss etc. • Council Taxpayers generally <p>Internal Stakeholders;</p> <ul style="list-style-type: none"> • Staff;

7. Which individuals/ groups have been/ will be consulted with on this policy/ procedure/ practice?

All major precepting authorities have been consulted on the implementation of the new Council Tax Support scheme.

A full consultation with the public is shortly to be undertaken as required by the legislation (Local Government Finance Act 2012). Whilst pension age claimants are protected, the authority will still, as part of the consultation process, look to pension age claimants and pensioners generally to respond to the consultation itself.

In respect of working age disabled claimants, it will be essential to consult with the group as, being of working age, they will be directly affected by any changes decided by the Council.

For working age claimants who are not classified as disabled within this policy, it will be essential that extensive consultation is undertaken to obtain their views given that the level of support they receive will be reduced significantly where additional groups are protected.

The consultation process will be comprehensive and encourage a full response to the new support scheme itself (notwithstanding the fact that the authority is obliged to implement the scheme determined by Central Government for pension age claimants).

Groups representing the disabled or chronically sick will be directly consulted as part of the process.

Public consultation is to take place during the period dd/mm/yyyy until dd/mm/yyyy

<p>8. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact on racial groups?</p>	<p>Y</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age disabled claimants and there would be no differential impact due to race</p>
<p>9. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to gender?</p>	<p>Y</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age disabled claimants and there would be no differential impact due to gender</p>
<p>10. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to them being transgender or transsexual?</p>	<p>Y</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age disabled claimants and there would be no differential impact due to a person being transgender or transsexual</p>
<p>11. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to disability?</p>	<p>Y</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants – and where there is a disability, this would maintain the level of support given to working age claimants due to the following;</p> <ul style="list-style-type: none"> • The award of additional premiums for disabled household members; • Disregarding higher levels of income where a claimant is in remunerative work and is disabled; and • There is no requirement to have non dependant deductions in some cases where a claimant is disabled <p>Likewise any working age claimants who are not considered to be disabled would not benefit from the policy and would receive a reduction in support.</p>

<p>12. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to sexual orientation?</p>	<p>Y</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age or working age disabled claimants and there would be no differential impact due to sexual orientation</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age disabled claimants – however there is a differential impact due to age;</p> <p>For working age applicants the support they receive is to be determined by the local authority.</p> <p>To provide financial assistance for the scheme, Central Government is to provide funding to each billing authority in England, however the level of funding provided is to be less than the amount currently provided to support the existing Council Tax Benefit scheme.</p> <p>If working age disabled claimants are to be protected in full, along with pension age claimants (as required by Central Government) the overall effect on other non disabled working age claimants would be significant with that group having to bear the full amount of the reduction in grant.</p> <p>In the case of the Borough Council, the shortfall to be borne by working age claimants not deemed to be disabled would amount to xx% or on average an amount of £xxx.xx per annum</p>
<p>13. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to age?</p>	<p>Y</p> <p>✓</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age disabled claimants – however there is a differential impact due to age;</p> <p>For working age applicants the support they receive is to be determined by the local authority.</p> <p>To provide financial assistance for the scheme, Central Government is to provide funding to each billing authority in England, however the level of funding provided is to be less than the amount currently provided to support the existing Council Tax Benefit scheme.</p> <p>If working age disabled claimants are to be protected in full, along with pension age claimants (as required by Central Government) the overall effect on other non disabled working age claimants would be significant with that group having to bear the full amount of the reduction in grant.</p> <p>In the case of the Borough Council, the shortfall to be borne by working age claimants not deemed to be disabled would amount to xx% or on average an amount of £xxx.xx per annum</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age disabled claimants – however there is a differential impact due to age;</p> <p>For working age applicants the support they receive is to be determined by the local authority.</p> <p>To provide financial assistance for the scheme, Central Government is to provide funding to each billing authority in England, however the level of funding provided is to be less than the amount currently provided to support the existing Council Tax Benefit scheme.</p> <p>If working age disabled claimants are to be protected in full, along with pension age claimants (as required by Central Government) the overall effect on other non disabled working age claimants would be significant with that group having to bear the full amount of the reduction in grant.</p> <p>In the case of the Borough Council, the shortfall to be borne by working age claimants not deemed to be disabled would amount to xx% or on average an amount of £xxx.xx per annum</p>

<p>14. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to religious belief?</p>	<p>Y</p>	<p>N ✓</p> <p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age disabled claimants and there would be no differential impact due to religious belief</p>
<p>15. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact on Gypsies/ Travellers?</p>	<p>Y</p>	<p>N ✓</p> <p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age disabled claimants and there would be no differential impact due to gypsies or travellers</p>
<p>16. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to dependant/caring responsibilities?</p>	<p>Y ✓</p>	<p>N</p> <p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age disabled claimants – however where any claimant has dependants or have caring responsibilities, this could potentially increase the level of support given due to the following;</p> <ul style="list-style-type: none"> • The award of additional allowances for dependants within the household; • Disregarding higher levels of income where a claimant is in remunerative work and also has to pay for child care; and • Where there is a caring responsibility that results in the claimant of partner receiving carers' allowance, additional premiums can be given.
<p>17. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to them having an offending past?</p>	<p>Y</p>	<p>N ✓</p> <p>This change to Council Tax Support should not affect the overall level of support to pension age claimants or working age disabled claimants and there would be no differential impact due having an offending past</p>

<p>18. Are there concerns that the policy/ procedure/ practice could have an impact on children or vulnerable adults?</p>	<p>Y ✓</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age disabled claimants. Where there are children or vulnerable adults within households in these groups, the overall level of support will not change and all protections built into the Council Tax Benefit scheme that has been in place since 1993 remain under the new scheme. However any cases not deemed to be pensioners or working age disabled who have children or vulnerable adults in the household, may see a reduction in their support as they are not part of a protected group.</p>
<p>19. Does any of the differential impact identified cut across the equality strands (e.g. elder BME groups)?</p>	<p>Y N ✓</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age disabled claimants and there would be no differential impact identified that cut across equality strands</p>
<p>20. Could the differential impact identified in 8 – 19 amount to there being the potential for adverse impact in this policy/ procedure/ practice?</p>	<p>Y N ✓</p>	<p>The adoption of this policy would, for pension age groups and working age disabled claimants, have no adverse impacts whatsoever. However the Council will continue to encourage pensioners and working age disabled persons to make claims for assistance.</p>
<p>21. Can this adverse impact be justified:</p> <ul style="list-style-type: none"> • on the grounds of promoting equality of opportunity for one group? • For any other reason? 	<p>Y N ✓</p>	<p>The inclusion of all working age disabled claimants, as a protected group would provide significant additional burden to working age claimants who are not classed as disabled.</p>

<p>22. As a result of carrying out the equality impact assessment is there a requirement for further consultation?</p>	<p>Y</p>	<p>There will be no requirement to undertake further consultation</p>
<p>23. As a result of this EIA should this policy/ procedure/ practice be recommended for implementation in it's current state?</p>	<p>Y ✓</p>	<p>It is the Council's opinion that this policy to protect both pension age and all working age disabled claimants would be inequitable given the overall effects on the remaining working age claimants.</p>

PLEASE COMPLETE THE FOLLOWING ACTION PLAN FOR ALL IMPACT ASSESSMENTS

Equality Impact Assessment Action Plan

Complete the action plan demonstrating the changes required in order to meet TBC's commitment to equality and diversity. The action plan must contain monitoring arrangements, the publishing of results and the review period required for this policy.

ACTION/ ACTIVITY	RESPONSIBILITY	TARGET	PROGRESS
Introduction of the Council Tax Support scheme for pensioners as prescribed by the Local Government Finance Act 2012 and defined within the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012	Karen Taylor	1 st April 2013	Ongoing
Monitoring arrangements:		Data collected quarterly	
Full monitoring of scheme implementation on a monthly basis in line with the accepted project plan	Karen Taylor	Monthly and quarterly collection of data to be undertaken by the Benefits Service	Ongoing
Publication:			
Central Government has published draft regulations relating to the scheme for pension age claimant in July 2012. The Local Government Finance Act is due to receive Royal Assent in the Autumn time The draft Council Tax Support scheme is to be published by the Council during August 2012 with the final scheme being agreed by full Council on dd/mm/yyyy	Karen Taylor		Ongoing

Review Period:		Reviewed 12 monthly unless otherwise stated	
The scheme will be reviewed annually by both Central Government and the Borough Council	Karen Taylor		Ongoing

Expand as appropriate

Signed (Completing Officer) Date

Signed (Head of Department) Date

Signed Corporate Diversity/ Equality Date

Current level of Council Tax Benefit paid to Pension Credit Age claimants

Elderly - Passported Benefit	Single - Income Support	Caseload	Expenditure	Average
Single - JSA (IB)	0	£0.00	£0.00	
Single - ESA (IR)	0	£0.00	£0.00	
Single - Pension Credit (GC)	3	£2,484.56	£828.19	
Couple - Income Support	1,713	£1,337,097.32	£780.56	
Couple - JSA (IB)	0	£0.00	£0.00	
Couple - ESA (IR)	0	£0.00	£0.00	
Couple - Pension Credit (GC)	8	£7,873.84	£984.23	
	535	£565,301.88	£1,056.64	
	2,259	£1,912,757.60	£846.73	

Elderly - Non-Passported Benefit	Single - no Savings Credit	345	£163,694.96	£474.48
Single - with Savings Credit	405	£269,797.84	£666.17	
Couples - no Savings Credit	272	£141,216.40	£519.18	
Couples - with Savings Credit	265	£232,267.88	£876.48	
	1,287	£806,977.08	£627.02	

Elderly Totals	3,546	£2,719,734.68	£766.99
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Current level of Council Tax Benefit paid to Working Age Disabled claimants

Severee Disability Premium	No.	Working Age Total	Avg
Yes	169	£124,519.20	£736.80

Disability Premium	Yes	Working Age
Yes	579	£466,389.56

Disabled Child Premium	Yes	Working Age
Yes	172	£141,301.68

Total **920** **£732,210.44**

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Equality Impact Assessment Template – Protecting Pensioner Cases and Severely Disabled Working Age Claimants

Name of policy/ procedure/ practice to be assessed	Introduction of Localised Council Tax Support (Council Tax Reduction)	Date of Assessment	July 2012
Is this a new or existing policy/ procedure/ practice?	<p>Officer responsible for the Assessment</p> <p>Karen Taylor Head of Benefits</p>	Department	Benefit Services
1. Briefly describe the aims, objectives and purpose of the policy/ procedure/ practice?	<p>The national Council Tax Benefit (CTB) scheme comes to an end on 1st April 2013 and is to be replaced by a locally determined system of Council Tax Support (CTS). The funding available for the new scheme will be cash limited. The aim of the new support scheme is to provide financial assistance to council taxpayers who have low incomes.</p> <p>Persons who are of state pension age (a minimum 60 years or greater) are protected under the scheme in that the calculation of the support they are to receive has been set by Central Government.</p> <p>For working age applicants however the support they receive is to be determined by the local authority.</p> <p>This equality impact assessment looks at the potential for not only protecting pensioners (as required under the legislation) but also providing full support to all working age claimants who are considered severely disabled within the current Council Tax Benefit scheme. The definition of severely disabled is where the claimant or partner is in receipt of a severe disability premium, within either their Council Tax Benefit, Housing Benefit or other means tested benefit;</p> <p>The objective in adopting this policy would be to protect a specific section of the existing claimant group deemed to be highly vulnerable and independently verified as being he most seriously sick and not likely to be able to obtain work.</p>		

	<p>The main issue for the Council is that the funding for support has been reduced significantly (estimated shortfall in funding of £600-£700k). However exempting this one additional group (bearing in mind that pensioners are already protected under the scheme by Central Government) would increase the shortfall in funding to be borne by working age claimants who are not deemed severely disabled.</p> <p>Central Government has not been prescriptive in how an authority should protect vulnerable groups but points to the Council's existing responsibilities including the Child Poverty Act 2010, the Disabled Person Act 1986 and the Housing Act 1996 as well as the public sector equality duty in section 149 of the Equality Act 2010. No definition has been given as to the level of disability which would lead to protection being given, although it is acknowledged that where a person is in the longer term able to undertake work, that they should be incentivised to do so. This would not apply to those who are deemed severely disabled.</p> <p>The current level of assistance provided to pension age claimants and to working age severely disabled claimants is given at the end of this assessment.</p>
<p>2. Are there any associated policy/ procedure/ practice which should be considered whilst carrying out this equality impact assessment?</p>	<p>The authority is required to continue maintaining a full Housing Benefit scheme and also to continue to process claims for benefit alongside the introduction of the new scheme for Council Tax Support.</p>
<p>3. Who is intended to benefit from this policy/ procedure/ practice and in what way?</p>	<p>All persons within the Borough who have a low income may apply for support and assistance with their Council Tax.</p> <p>By making an application, providing evidence of their income and household circumstances, their potential entitlement for support will be calculated in line with Central Government prescribed requirements for the Council Tax Support scheme.</p> <p>In the case of all claimants, it will be essential for the authority to correctly process claims for support base on the new regulatory requirements and to ensure that all existing benefit claimants continue to receive support through the transition and onwards.</p>

4. What are the desired outcomes from this policy/ procedure/ practice?

The desired outcomes are as follows;

Pension Age Claimants

- That existing pensioner claimants for Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme;
- That all pensioners receive the level of support required by regulations set by Central Government (Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012);
- That all new pensioner claimants or existing working age claimants who rise to pension age are able to receive Council Tax support in line with the regulations; and
- That all pensioner claimants continue to receive the correct level of support at all times.

Severely Disabled Working Age Claimants

- That existing severely disabled working age claimants (as defined earlier in this assessment) for Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme;
- That all working age severely disabled claimants receive the level of support currently provided under the existing Council Tax Benefit scheme
- That all new working age severely disabled claimants or existing working age claimants who become severely disabled are able to receive Council Tax support in line with current Council Tax Benefit scheme; and
- That all working age severely disabled claimants continue to receive the correct level of support at all times.

5. What factors/ forces could contribute/ detract from the outcomes?

There are a number of factors which contribute to the outcomes of the new process namely;

- That the new Council Tax Support scheme broadly replicates the existing Council Tax Benefit scheme for pension age and working age disabled claimants;
- That management and staff are experienced in delivering means tested support / benefit schemes; and
- That there is a comprehensive project plan, which ensures that delivery of the new scheme, will be on time and in line with legislative requirements.

	<p>The factors / forces that could detract from these outcomes are as follows;</p> <ul style="list-style-type: none"> • The failure of Central Government to approve the necessary legislation on time; • The failure of the Council's software suppliers to deliver the necessary changes to existing software systems to enable the correct processing of the new support; and • The failure to deliver these significant changes to the welfare benefit system on time.
<p>6. Who are the main stakeholders in relation to the policy/ procedure/ practice?</p>	<p>In respect of the pension age and working age severely disabled claimants for Council Tax Support, the main stakeholders are as follows;</p> <p>External Stakeholders;</p> <ul style="list-style-type: none"> • Major Precepting authorities – County Council, Police Authority and Fire and Rescue Authority; • Parish Councils (local precepting authorities); • Pension Age claimants; • Working age severely disabled claimants • Potential pension age claimants; • Potential working age severely disabled claimants • Interested Groups such as Citizens Advice Bureau, Age Concern and Help the Aged, Disabled Persons Groups, RNIB, Action on hearing loss etc. • Council Taxpayers generally <p>Internal Stakeholders;</p> <ul style="list-style-type: none"> • Staff;
<p>7. Which individuals/ groups have been/ will be consulted with on this policy/ procedure/ practice?</p>	<p>All major precepting authorities have been consulted on the implementation of the new Council Tax Support scheme.</p> <p>A full consultation with the public is shortly to be undertaken as required by the legislation (Local Government Finance Act 2012). Whilst pension age claimants are protected, the authority will still, as part of the consultation process, look to pension age claimants and pensioners generally to respond to the consultation itself.</p>

	<p>In respect of working age severely disabled claimants, it will be essential to consult with the group as, being of working age, they will be directly affected by any changes decided by the Council.</p> <p>For working age claimants who are not classified as severely disabled within this policy, it will be essential that extensive consultation is undertaken to obtain their views given that the level of support they receive will be reduced significantly where additional groups are protected.</p> <p>The consultation process will be comprehensive and encourage a full response to the new support scheme itself (notwithstanding the fact that the authority is obliged to implement the scheme determined by Central Government for pension age claimants).</p> <p>Groups representing the disabled or chronically sick will be directly consulted as part of the process.</p> <p>Public consultation is to take place during the period dd/mm/yyyy until dd/mm/yyyy</p>				
<p>8. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact on racial groups?</p>	<table border="1"> <tr> <td data-bbox="943 1196 975 1256">Y</td> <td data-bbox="943 1144 975 1196">N</td> </tr> <tr> <td data-bbox="975 1196 1187 1256"></td> <td data-bbox="975 1144 1187 1196"> <p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants and there would be no differential impact due to race</p> </td> </tr> </table>	Y	N		<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants and there would be no differential impact due to race</p>
Y	N				
	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants and there would be no differential impact due to race</p>				
<p>9. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to gender?</p>	<table border="1"> <tr> <td data-bbox="1187 1196 1219 1256">Y</td> <td data-bbox="1187 1144 1219 1196">N</td> </tr> <tr> <td data-bbox="1219 1196 1396 1256"></td> <td data-bbox="1219 1144 1396 1196"> <p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants and there would be no differential impact due to gender</p> </td> </tr> </table>	Y	N		<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants and there would be no differential impact due to gender</p>
Y	N				
	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants and there would be no differential impact due to gender</p>				

<p>10. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to them being transgender or transsexual?</p>	<p>Y</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants and there would be no differential impact due to a person being transgender or transsexual</p>
<p>11. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to disability?</p>	<p>Y ✓</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants – and - where there is a severely disability, this would maintain the level of support given to working age claimants due to the following;</p> <ul style="list-style-type: none"> • The award of additional premiums for severe disablement; • Disregarding higher levels of income where a claimant is in remunerative work and is severely disabled; and • There is no requirement to have non dependant deductions where a claimant is severely disabled <p>Likewise any working age claimants who are not considered to be severely disabled would not benefit from the policy and would receive a reduction in support.</p>
<p>12. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to sexual orientation?</p>	<p>Y N ✓</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age or working age severely disabled claimants and there would be no differential impact due to sexual orientation</p>
<p>13. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to age?</p>	<p>Y N ✓</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants – however there is a differential impact due to age;</p> <p>For working age applicants the support they receive is to be determined by the local authority.</p>

		<p>To provide financial assistance for the scheme, Central Government is to provide funding to each billing authority in England, however the level of funding provided is to be less than the amount currently provided to support the existing Council Tax Benefit scheme.</p> <p>If working age severely disabled claimants are to be protected in full, along with pension age claimants (as required by Central Government) there would be an increase in the level of support available to all other working age claimants although this would be a large group over which the reduction could be spread.</p> <p>In the case of the Borough Council, the shortfall to be borne by working age claimants not deemed to be severely disabled would amount to xx% or on average an amount of £xxx.xx per annum</p>
<p>14. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to religious belief?</p>	<p>Y N ✓</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants and there would be no differential impact due to religious belief</p>
<p>15. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact on Gypsies/ Travellers?</p>	<p>Y N ✓</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants and there would be no differential impact to gypsies or travellers</p>
<p>16. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to dependant/caring responsibilities?</p>	<p>Y N ✓</p>	<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants – however where any claimant has dependants or have caring responsibilities, this could potentially increase the level of support given due to the following;</p> <ul style="list-style-type: none"> • The award of additional allowances for dependants within the

<p>household;</p> <ul style="list-style-type: none"> Disregarding higher levels of income where a claimant is in remunerative work and also has to pay for child care; and Where there is a caring responsibility that results in the claimant of partner receiving carers' allowance, additional premiums can be given – it should be noted however that where a carers' allowance is in payment to another person (not the claimant) this might remove the claimants right to receive a severe disability premium. 			
<p>This change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants and there would be no differential impact due having an offending past</p>	<p>N ✓</p>	<p>Y</p>	<p>17. Are there concerns that the policy/ procedure/ practice could have a differential impact due to them having an offending past?</p>
<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants and where there are children or vulnerable adults, the overall level of support will not change and all protections built into the Council Tax Benefit scheme that has been in place since 1993 remain under the new scheme. It is likely that by including the severely disabled, the most vulnerable groups of claimants will be protected</p>	<p>N ✓</p>	<p>Y</p>	<p>18. Are there concerns that the policy/ procedure/ practice could have an impact on children or vulnerable adults?</p>
<p>This proposed change to Council Tax Support should not affect the overall level of support to pension age claimants or working age severely disabled claimants and there would be no differential impact identified that cut across equality strands</p>	<p>N ✓</p>	<p>Y</p>	<p>19. Does any of the differential impact identified cut across the equality strands (e.g. elder BME groups)?</p>

<p>20. Could the differential impact identified in 8 – 19 amount to there being the potential for adverse impact in this policy/ procedure/ practice?</p>	<p>Y</p>	<p>The adoption of this policy would, for pension age groups and working age severely disabled claimants, have no adverse impacts whatsoever. However the Council will continue to encourage pensioners and working age disabled persons to make claims for assistance.</p>
<p>21. Can this adverse impact be justified:</p> <ul style="list-style-type: none"> • on the grounds of promoting equality of opportunity for one group? • For any other reason? 	<p>Y ✓</p>	<p>The inclusion of just working age severely disabled claimants, as a protected group would provide significant additional protection without overburdening the remaining working age claimant base</p>
<p>22. As a result of carrying out the equality impact assessment is there a requirement for further consultation?</p>	<p>Y ✓</p>	<p>There will be no requirement to undertake further consultation</p>
<p>23. As a result of this EIA should this policy/ procedure/ practice be recommended for implementation in it's current state?</p>	<p>Y ✓</p>	<p>It is the Council's opinion that this policy to protect both pension age and all working age severely disabled claimants would be equitable and would ensure protection to the most vulnerable within the Borough</p>

PLEASE COMPLETE THE FOLLOWING ACTION PLAN FOR ALL IMPACT ASSESSMENTS

Equality Impact Assessment Action Plan

Complete the action plan demonstrating the changes required in order to meet TBC's commitment to equality and diversity. The action plan must contain monitoring arrangements, the publishing of results and the review period required for this policy.

ACTION/ ACTIVITY	RESPONSIBILITY	TARGET	PROGRESS
Introduction of the Council Tax Support scheme for pensioners as prescribed by the Local Government Finance Act 2012 and defined within the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012	Karen Taylor	1 st April 2013	Ongoing
Monitoring arrangements:		Data collected quarterly	
Full monitoring of scheme implementation on a monthly basis in line with the accepted project plan	Karen Taylor	Monthly and quarterly collection of data to be undertaken by the Benefits Service	Ongoing
Publication:			
Central Government has published draft regulations relating to the scheme for pension age claimant in July 2012. The Local Government Finance Act is due to receive Royal Assent in the Autumn time The draft Council Tax Support scheme is to be published by the Council during August 2012 with the final scheme being agreed by full Council on dd/mm/yyyy	Karen Taylor		Ongoing

Review Period:		Reviewed 12 monthly unless otherwise stated	
The scheme will be reviewed annually by both Central Government and the Borough Council	Karen Taylor		Ongoing

Expand as appropriate

Signed (Completing Officer) Date

Signed (Head of Department) Date

Signed Corporate Diversity/ Equality Date

Current level of Council Tax Benefit paid to Pension Credit Age claimants

Elderly - Passported Benefit	Single - Income Support	Caseload	Expenditure	Average
Single - JSA (IB)	0	£0.00	£0.00	
Single - ESA (IR)	0	£0.00	£0.00	
Single - Pension Credit (GC)	3	£2,484.56	£828.19	
Couple - Income Support	1,713	£1,337,097.32	£780.56	
Couple - JSA (IB)	0	£0.00	£0.00	
Couple - ESA (IR)	0	£0.00	£0.00	
Couple - Pension Credit (GC)	8	£7,873.84	£984.23	
	535	£565,301.88	£1,056.64	
	2,259	£1,912,757.60	£846.73	

Elderly - Non-Passported Benefit	Single - no Savings Credit	345	£163,694.96	£474.48
	Single - with Savings Credit	405	£269,797.84	£666.17
	Couples - no Savings Credit	272	£141,216.40	£519.18
	Couples - with Savings Credit	265	£232,267.88	£876.48
		1,287	£806,977.08	£627.02

Elderly Totals		3,546	£2,719,734.68	£766.99
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Current level of Council Tax Benefit paid to Working Age Severely Disabled claimants

Severe Disability Premium	No.	Working Age
Yes	169	Total £124,519.20
		Avg £736.80

Equality Impact Assessment Template – Protecting ONLY Pensioner Cases

Name of policy/ procedure/ practice to be assessed	Introduction of Localised Council Tax Support (Council Tax Reduction)	Date of Assessment	July 2012
Is this a new or existing policy/ procedure/ practice?	Officer responsible for the Assessment	Karen Taylor Head of Benefits	Benefit Services
<p>1. Briefly describe the aims, objectives and purpose of the policy/ procedure/ practice?</p>	<p>New</p>	<p>The national Council Tax Benefit (CTB) scheme comes to an end on 1st April 2013 and is to be replaced by a locally determined system of Council Tax Support (CTS). The funding available for the new scheme will be cash limited. The aim of the new support scheme is to provide financial assistance to council taxpayers who have low incomes.</p> <p>Persons who are of state pension age (a minimum 60 years or greater) are protected under the scheme in that the calculation of the support they are to receive has been set by Central Government.</p> <p>For working age applicants however the support they receive is to be determined by the local authority.</p> <p>The objective of the new policy is to successfully implement a scheme of support for low income taxpayers which will successfully replace the existing Council Tax Benefit scheme.</p> <p>The current level of assistance provided to pension age claimants is given at the end of this assessment. It is anticipated that the level of support given to pension age claimants will continue at the same level or more.</p>	

<p>2. Are there any associated policy/ procedure/ practice which should be considered whilst carrying out this equality impact assessment?</p>	<p>The authority is required to continue maintaining a full Housing Benefit scheme and also to continue to process claims for benefit alongside the introduction of the new scheme for Council Tax Support.</p>
<p>3. Who is intended to benefit from this policy/ procedure/ practice and in what way?</p>	<p>All persons within the Borough who have a low income may apply for support and assistance with their Council Tax.</p> <p>By making an application, providing evidence of their income and household circumstances, their potential entitlement for support will be calculated in line with Central Government prescribed requirements for the Council Tax Support (Reduction) scheme.</p> <p>In the case of pensioners, it will be essential for the authority to correctly process claims for support base on the new regulatory requirements and to ensure that all existing benefit claimants continue to receive support through the transition and onwards</p>
<p>4. What are the desired outcomes from this policy/ procedure/ practice?</p>	<p>The desired outcomes are as follows:</p> <ul style="list-style-type: none"> • That existing pensioner claimants for Council Tax Benefit (up until 31st March 2013) are successfully transferred to the new Council Tax Support scheme; • That all pensioners receive the level of support required by regulations set by Central Government (Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012); • That all new pensioner claimants or existing working age claimants who rise to pension age are able to receive Council Tax support in line with the regulations; and • That all pensioner claimants continue to receive the correct level of support at all times.
<p>5. What factors/ forces could contribute/ detract from the outcomes?</p>	<p>There are a number of factors which contribute to the outcomes of the new process namely;</p> <ul style="list-style-type: none"> • That the new Council Tax Support scheme broadly replicates the existing Council Tax Benefit scheme for pension age claimants; • That management and staff are experienced in delivering means tested support /

	<p>benefit schemes; and</p> <ul style="list-style-type: none"> • That there is a comprehensive project plan, which ensures that delivery of the new scheme, will be on time and in line with legislative requirements. <p>The factors / forces that could detract from these outcomes are as follows;</p> <ul style="list-style-type: none"> • The failure of Central Government to approve the necessary legislation on time; • The failure of the Council's software suppliers to deliver the necessary changes to existing software systems to enable the correct processing of the new support; • The failure to provide sufficient resources to the project or to the benefits administration generally; and • The failure to deliver these significant changes to the welfare benefit system on time.
<p>6. Who are the main stakeholders in relation to the policy/ procedure/ practice?</p>	<p>In respect of the Pension Age scheme for Council Tax Support the main stakeholders are as follows;</p> <p>External Stakeholders;</p> <ul style="list-style-type: none"> • Major Precepting authorities – County Council, Police Authority and Fire and Rescue Authority; • Parish Councils (local precepting authorities); • Pension Age claimants; • Potential Pension Age claimants; • Interested Groups such as Citizens Advice Bureau, Age Concern and Help the Aged; • Council Taxpayers generally <p>Internal Stakeholders;</p> <ul style="list-style-type: none"> • Staff;
<p>7. Which individuals/ groups have been/ will be consulted with on this policy/ procedure/ practice?</p>	<p>All major precepting authorities have been consulted on the implementation of the new Council Tax Support scheme.</p> <p>A full consultation with the public is shortly to be undertaken as required by the legislation (Local Government Finance Act 2012). Whilst pension age claimants are protected, the authority will, as part of the consultation process, look to pension age claimants and pensioners generally to respond to the consultation</p>

	<p>itself.</p> <p>The consultation process will be comprehensive and encourage a full response to the new support scheme itself (notwithstanding the fact that the authority is obliged to implement the scheme determined by Central Government for pension age claimants)</p> <p>Public consultation is to take place during the period dd/mm/yyyy until dd/mm/yyyy</p>				
<p>8. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact on racial groups?</p>	<table border="1"> <tr> <td data-bbox="528 1256 772 1308">Y</td> <td data-bbox="528 129 772 1308">N</td> </tr> <tr> <td colspan="2" data-bbox="528 1308 772 1256"> <p>This policy change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact due to race</p> </td> </tr> </table>	Y	N	<p>This policy change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact due to race</p>	
Y	N				
<p>This policy change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact due to race</p>					
<p>9. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to gender?</p>	<table border="1"> <tr> <td data-bbox="772 1256 991 1308">Y</td> <td data-bbox="772 129 991 1308">N</td> </tr> <tr> <td colspan="2" data-bbox="772 1308 991 1256"> <p>This policy change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact due to gender</p> </td> </tr> </table>	Y	N	<p>This policy change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact due to gender</p>	
Y	N				
<p>This policy change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact due to gender</p>					
<p>10. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to them being transgender or transsexual?</p>	<table border="1"> <tr> <td data-bbox="991 1256 1200 1308">Y</td> <td data-bbox="991 129 1200 1308">N</td> </tr> <tr> <td colspan="2" data-bbox="991 1308 1200 1256"> <p>This policy change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact due to a person being transgender or transsexual</p> </td> </tr> </table>	Y	N	<p>This policy change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact due to a person being transgender or transsexual</p>	
Y	N				
<p>This policy change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact due to a person being transgender or transsexual</p>					

<p>11. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to disability?</p>	<p>Y</p>	<ul style="list-style-type: none"> This policy change to Council Tax Support should not affect the overall level of support to pension age claimants <p>However, any working age claimants, whether disabled or not, would not benefit from the policy and would receive a reduction in support.</p>
<p>12. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to sexual orientation?</p>	<p>Y</p>	<p>This policy change to Council Tax Support should not affect the overall level of support to pension age claimants as there is no differential impact due to sexual orientation</p>
<p>13. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to age?</p>	<p>Y</p>	<p>This policy change to Council Tax Support should not affect the overall level of support to pension age claimants – however there is a differential impact due to age; For working age applicants however the support they receive is to be determined by the local authority.</p> <p>To provide financial assistance for the scheme, Central Government is to provide funding to each billing authority in England, however the level of funding provided is to be less than the amount currently provided to support the existing Council Tax Benefit scheme.</p> <p>In the case of the Borough Council, the shortfall will amount to in excess of xx% from the existing grant or £xxxxxxx.</p> <p>In order to maintain a cost neutral scheme, the total loss of grant will need to be reflected in a reduction of council tax support paid to working age claimants.</p> <p>Extensive modelling of the existing caseload has been completed and is on-going to establish options that could achieve the savings required. It</p>

			is apparent that in order to keep reductions to a manageable level, reductions would have to be made from working age claimants.
14. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to religious belief?	Y	N	The change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact due to religious belief
15. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact on Gypsies/ Travellers?	Y	N	The change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact due to gypsies or travellers
16. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to dependant/caring responsibilities?	Y	N	The change to Council Tax Support should not affect the overall level of support to pension age claimants – however where any claimant has dependants or have caring responsibilities, this could potentially increase the level of support given due to the following; <ul style="list-style-type: none"> • The award of additional allowances for dependants within the household; • Disregarding higher levels of income where a claimant is in remunerative work and also has to pay for child care; and • Where there is a caring responsibility that results in the claimant of partner receiving carers' allowance, additional premiums can be given as well as having
17. Are there concerns that the policy/ procedure/ practice <u>could</u> have a differential impact due to them having an offending past?	Y	N	The change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact due to having an offending past

<p>18. Are there concerns that the policy/ procedure/ practice could have an impact on children or vulnerable adults?</p>	<p>Y</p>	<p>The change to Council Tax Support should not affect the overall level of support to pension age claimants and where there are children or vulnerable adults, the overall level of support will not change and all protections built into the Council Tax Benefit scheme that has been in place since 1993 remain under the new scheme</p>
<p>19. Does any of the differential impact identified cut across the equality strands (e.g. elder BME groups)?</p>	<p>Y</p>	<p>The change to Council Tax Support should not affect the overall level of support to pension age claimants and there is no differential impact identified that cut across equality strands</p>
<p>20. Could the differential impact identified in 8 – 19 amount to there being the potential for adverse impact in this policy/ procedure/ practice?</p>	<p>Y</p>	<p>For pension age groups there should be no adverse impacts whatsoever. However the Council will continue to encourage pensioners to make claims for assistance notwithstanding the change in the scheme, the change in name or the change in approach</p>
<p>21. Can this adverse impact be justified:</p> <ul style="list-style-type: none"> • on the grounds of promoting equality of opportunity for one group? • For any other reason? 	<p>Y</p>	<p>There should be no adverse impacts on pension age claimants and therefore no justification is required</p>
<p>22. As a result of carrying out the equality impact assessment is there a requirement for further consultation?</p>	<p>Y</p>	<p>There will be no requirement to undertake further consultation</p>

<p>23. As a result of this EIA should this policy/ procedure/ practice be recommended for implementation in its current state?</p>	<p>Y</p>	<p>It is the Council's opinion that the implementation should go ahead in its current state due to the fact that the change is a regulatory one placing a statutory responsibility on the Council to ensure that the support scheme is fully and successfully implemented by 1st April 2013.</p>
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PLEASE COMPLETE THE FOLLOWING ACTION PLAN FOR ALL IMPACT ASSESSMENTS

Equality Impact Assessment Action Plan

Complete the action plan demonstrating the changes required in order to meet TBC's commitment to equality and diversity. The action plan must contain monitoring arrangements, the publishing of results and the review period required for this policy.

ACTION/ ACTIVITY	RESPONSIBILITY	TARGET	PROGRESS
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Full monitoring of scheme implementation on a monthly basis in line with the accepted project plan	Karen Taylor	Monthly and quarterly collection of data to be undertaken by the Benefits Service	Ongoing
Publication:			
Central Government has published draft regulations relating to the scheme for pension age claimant in July 2012. The Local Government Finance Act is due to receive Royal Assent in the Autumn time The draft Council Tax Support scheme is to be published by the Council during August 2012 with the final scheme being agreed by	Karen Taylor		Ongoing

full Council on dd/mm/yyyy			
Review Period:		Reviewed 12 monthly unless otherwise stated	
The scheme will be reviewed annually by both Central Government and the Borough Council	Karen Taylor		Ongoing

Expand as appropriate

Signed
(Completing Officer) Date

Signed
(Head of Department) Date

Signed
Corporate Diversity/ Equality Date

Current level of Council Tax Benefit paid to Pension Credit Age claimants

	Caseload	Expenditure	Average
Elderly - Passported Benefit			
Single - Income Support	0	£0.00	£0.00
Single - JSA (IB)	0	£0.00	£0.00
Single - ESA (IR)	3	£2,484.56	£828.19
Single - Pension Credit (GC)	1,713	£1,337,097.32	£780.56
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Couple - ESA (IR)	8	£7,873.84	£984.23
Couple - Pension Credit (GC)	535	£565,301.88	£1,056.64
	2,259	£1,912,757.60	£846.73
Elderly - Non-Passported Benefit			
Single - no Savings Credit	345	£163,694.96	£474.48
Single - with Savings Credit	405	£269,797.84	£666.17
Couples - no Savings Credit	272	£141,216.40	£519.18
Couples - with Savings Credit	265	£232,267.88	£876.48
	1,287	£806,977.08	£627.02
Elderly Totals	3,546	£2,719,734.68	£766.99

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15 August 2012

REPORT OF THE PORTFOLIO HOLDER FOR CORE SERVICES & ASSETS**WRITE OFFS 01/4/2012 – 30/6/2012****EXEMPT INFORMATION**

Not exempt.

PURPOSE

To provide members with details of write offs from 01 April 2012 to 30 June 2012.

RECOMMENDATIONS

That members endorse the amount of debt written off.

EXECUTIVE SUMMARY

The Heads of Service are responsible for the regular review of debts and consider the need for write off and authorise where necessary appropriate write offs in line with the Corporate Credit Policy. This report shows the position for the current financial year. Further updates will continue to be produced on a quarterly basis.

Type	01/4/12-30/6/12
Council Tax	(£309.99)
Business Rates	£71,035.11
Sundry Income	£0.00
Housing Benefit Overpayments	£21,644.96

Note () denotes recovery of previous W/off

RESOURCE IMPLICATIONS

There are no new financial implications arising from this report. As the write offs detailed have already been approved in line with the Corporate Credit Policy/Financial Regulations and have been reported to members where appropriate.

Members should note that NNDR write offs are covered by amending the Council's contribution to the Non Domestic Rating Pool.

LEGAL/RISK IMPLICATIONS BACKGROUND

Not applicable.

SUSTAINABILITY IMPLICATIONS

Not applicable.

CONCLUSIONS

That the amounts written off be endorsed.

BACKGROUND INFORMATION

This forms part of the Council's Corporate Credit Policy and effective management of debt.

The Council is committed to ensuring that debt write offs are kept to a minimum by taking all reasonable steps to collect monies due. There will be situations where the debt recovery process fails to recover some or all of the debt and will need to be considered for write off in accordance with the schemes of delegation prescribed in the Corporate Credit Policy.

The Council views such cases very much as exceptions. Before writing off debt, the Council will satisfy itself that all reasonable steps have been taken to collect it and that no further recovery action is possible or practicable. It will take into account the age, size and types of debt together with any factors that it feels are relevant to the individual case.

Debt Write Off

Authorisations are needed to write off debt:

Authority	Account Value
Chief Officer (or authorised delegated officer)	up to £5,000
Executive Director Corporate Services	£5,001 - £10,000
Cabinet	over £10,000

These limits apply to each transaction.

Bad Debt Provision

The level of the provision must be reviewed jointly by the unit and Accountancy on at least a quarterly basis as part of the management performance review, and the table below gives the mandatory calculation

Where the debt is less than 6 months old it will be written back to the service unit.

Debt Outstanding	Provision (net of VAT)
Between 6 and 12 months old	50%
Between 12 and 24 months old	75%
Over 24 months old	100%

The financial effects of providing for Bad Debts will be reflected in the Council's accounts at Service Unit level.

REPORT AUTHOR

Michael Buckland, Head of Revenues, tel. 709523

Email michael-buckland@tamworth.gov.uk

LIST OF BACKGROUND PAPERS

Corporate Credit Policy- effective management of debt.

APPENDICES

Appendices A to D give details of write offs completed for the Revenues and Benefits Service.

Appendix A- Council Tax

Date of Write Off	(£0.00-£75.00)	(£75.01-£500.00)	Director of Finance (£500.01-£1,000.00)	(£1,000.01-£5,000)	Executive Director Corporate Services (£5,000.01-£10,000.00)	Cabinet (£10,000.01 and Over)	Remitted	Credit Write Off (£154.11)	Reversed Write Off (£155.88)	Total (£154.11) (£155.88)	No. of Accounts (Write Off Only)	Reason(s)
02/04/2012												Unallocated from suspense
03/05/2012												Payment transfer
Q1 Totals	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	(£155.88)	(£309.99)	0	

Appendix B- Business Rates

Date of Write Off	£0.00-£75.00	£75.01-£500.00	£500.01-£1,000.00	£1,000.01-£5,000	£5,000.01-£10,000.00	Cabinet (£10,000.01 and Over)	Remitted	Credit Write Off	Reversed Write Off	Total	No. of Accounts (Write Off Only)	Reason(s)
02/04/2012	£66.40									£66.40	1	1 Statute barred
02/04/2012		£1,214.61								£1,214.61	5	5 Statute barred
02/04/2012			£2,936.32							£2,936.32	4	4 Statute barred
02/04/2012				£13,289.90						£13,289.90	4	4 Statute barred/ insolvent
03/04/2012		£1,100.80								£1,100.80	4	4 Statute barred/ insolvent
03/04/2012			£1,947.15							£1,947.15	2	2 Statute barred/ Uneconomic to collect
03/04/2012				£10,623.19						£10,623.19	4	4 Statute barred/ Uneconomic to collect
11/05/2012		£944.22								£944.22	2	2 Insolvent
11/05/2012			£615.43							£615.43	1	1 Insolvent
11/05/2012				£22,916.25						£22,916.25	8	8 Insolvent
22/05/2012	£31.93									£31.93	1	1 Insolvent
22/05/2012			£1,448.29							£1,448.29	2	2 Insolvent
22/05/2012				£13,900.62						£13,900.62	6	6 Insolvent/ unable to trace
Q1 Totals	£98.33	£3,259.63	£6,947.19	£60,729.96	£0.00	£0.00	£0.00	£0.00	£0.00	£71,035.11	44	

Appendix C- Miscellaneous Income

Date of Write Off	Director of Assets & Environment (£0.00-£999.99) (£1,000.00-£5,000.00)	Director of Finance (up to £5,000.00)	Director Communities, Planning & Partnerships (up to £5,000.00)	Director Housing & Health (up to £5,000.00)	Executive Director Corporate Services 5,000.01-£10,000.0	Cabinet (£10,000.01 +)	Total	No. of Accounts	Reason(s)
Q1 Totals	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0	

No write offs have been put forward for Sundry Debts over the last quarter

Appendix D- Housing Benefit Overpayments

Date of Write Off	(£0.00-£75.00)	(£75.01-£500.00)	(£500.01-£1,000.00)	(£1,000.01-£2,000)	(£2,000.01-£10,000.00)	Executive Director Corporate Services	Cabinet (£10,000.01 and Over)	Total	No. of Accounts	Reason(s)
30.04.2012	£35.23							£35.23	19	uneconomical to pursue
"	£65.06	£498.67	£1,981.90					£2,545.63	5	deceased
"	£103.45	£196.16						£299.61	3	not financially viable
"	£16.79							£16.79	1	less than £35 owed
"		£76.08						£76.08	1	less than 2 weeks rent owed due to death
"			£502.39					£502.39	1	absconded debtor
"	£268.57	£280.76	£755.63	£1,082.67				£2,387.63	10	made unrecoverable by Benefits Advisor
31.05.2012	£60.96							£60.96	27	uneconomical to pursue
"	£180.00							£180.00	5	court costs
"	£213.39	£366.05						£579.44	8	less than 2 weeks rent owed due to death
"		£771.75	£1,000.00					£1,771.75	3	bankrupt
"		£1,948.47						£1,948.47	7	absconded debtor
"	£81.05	£1,222.08		£693.30				£1,996.43	11	made unrecoverable by Benefits Advisor
30.06.2012	£138.98	£91.29						£230.27	3	less than 2 weeks rent owed due to death
"	£15.35							£15.35	1	less than £35 owed
"	£67.49							£67.49	31	uneconomical to pursue
"	£115.38	£896.09	£621.43					£1,632.90	14	made unrecoverable by Benefits Advisor
"				£1,173.94				£1,173.94	1	bankrupt
"					£6,124.60			£6,124.60	2	made unrecoverable due to DWP error
Q1 Totals	£1,361.70	£6,347.40	£5,554.65	£2,256.61	£6,124.60	£0.00	£21,644.96	153		

REPORT OF THE PORTFOLIO HOLDER FOR ENVIRONMENT AND WASTE MANAGEMENT

CONSIDERATION OF ISSUES AND OPTIONS ARISING FROM THE CEMETERY GATES PETITION

EXEMPT INFORMATION

No

PURPOSE

To consider various options in response to a petition to reinstate the locking and unlocking of all cemetery gates all year round, before a preferred option is put forward at full Council in September 2012.

RECOMMENDATIONS

Members are asked to consider all options in order that Cabinet may present a preferred option to full Council.

EXECUTIVE SUMMARY

In October 2010 Cabinet resolved to stop locking and unlocking all cemetery gates, initially for a 12 month trial period and then permanently provided there were no serious issues arising from this. In April 2012 a petition requesting the reinstatement of the locking and unlocking of all cemetery gates was received by the Council. The petitioner claims that there has been an increase in the number of acts of vandalism at Wilnecote Cemetery and this is a direct result of the gates not being locked. Details of all recorded vandalism both prior and post cessation of locking the gates are attached as **Appendix 1**. It is viewed that the locking of the gates will not prevent access to the cemeteries as some of the boundary fences/shrubbery are currently low enough for individuals to gain access.

Council asked Cabinet to consider various options in response to the petition and to bring back a referred option to full Council in September 2012. The options to be considered are:-

- Option 1** Do nothing, leave gates open maintain the status quo.
- Option 2** Lock/unlock all cemetery gates 365 days a year using a contractor.
- Option 3** Lock/unlock the three cemeteries with vehicular access 365 days a year using a contractor.
- Option 4** Lock/unlock all cemetery gates 365 days a year using existing labour from within Streetscene.
- Option 5** To provide remote opening and closing of cemetery gates, using CCTV Infrastructure and motorised gates.

RESOURCE IMPLICATIONS

Options	Annual Cost	Impact of 4 year medium term financial forecast
1	Nil	Nil
2	£20,144	£80,576
3	£12,086	£48,344
4*	£29,523	£118,092
	Capital Cost	
5	£166,250	based on budgeted cost

*These figures include the direct cost overtime for evenings and weekends plus the indirect costs for the estimated loss of productivity through diversion to alternative duties, this will mean that current operational services are reduced in order to meet this requirement. There will be a direct overtime cost to cover evenings and weekends which is estimated to be £19,583 which will need to be funded from an increased budget provision; the additional £9,940 could be carried out by reducing the standard of works elsewhere within the grounds cemeteries and cleansing teams. It is difficult to qualify exactly what this would look like however it is the strong view from Officers that there would be a noticeable reduction in overall service standards elsewhere.

Currently there is no budgetary provision for the implementation of any of these options. Any costs associated with above options will need to be met from the general fund contingency budget.

LEGAL/RISK IMPLICATIONS BACKGROUND

There are reputational risks to all presented options and Cabinet is requested to be mindful of these in its consideration of the report.

Under the provisions of The Local Authorities' Cemeteries Order 1977 (SI 1977/204) it is an offence to be in a Cemetery once it is closed, that is once it is past the published access hours whether or not the gates are locked.

SUSTAINABILITY IMPLICATIONS

The petitioner has indicated that they would like to become responsible for the locking/unlocking of the cemetery gates; this would therefore reduce the ongoing year on year cost of the above options. It is preferred that this be developed through a 'Friends of Group for the cemeteries' with a view that after a defined period of perhaps 12 months they would take ownership for locking and unlocking of gates.

REPORT AUTHOR

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LIST OF BACKGROUND PAPERS

Cabinet report October 2010

Cabinet report October 2011

APPENDICES

Appendix 1 – List of all reported complaints since March 2009

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Appendix 1

Cemetery	Date reported	Items stolen/damaged/complaint	Police advised?	Outcome
Amington	16/03/09	says fence panel kicked in again - he blames gates arent locked early enough.		Reported to wardens.
Wilnecote New	01/02/10	rang re vandalism of wifes grave. About 3 to 4 weeks ago someone ripped up the flowers and smashes vases. Advised to contact Police but as there was no evidence it would be difficult to ascertain blame.		Contacted wardens who checked cemetary and found everything to be ok.
Glascote	16/02/10	Urns picture plaque vandalised - we think crumbled due to weather as plaster unofficial		Advised to phone police
Glascote	01/04/10	Wormald memorial tree too close to her grave.		Tree relocated
Amington	22/06/10	pots repeatedly damaged or stolen x 20.		advised to contact police
Glascote	27/09/10	Came into reception - same complaint as before damaged items. No other complaints received from other families so advised could be personal.		Advised we will keep a check but to report it to police.
Wil New	01/05/11	Solar lights		
Wil New	02/06/11	Solar lights	Y	
Wil New	06/06/11	Solar lights	Y	
Wil New	13/06/11	x4 gnomes and plant pot	Y	
Wil New	15/06/11	Vase	said will inform	I checked on site and inscribed vase still on correct grave no number to tell Mrs Harrison
Glas	20/06/11	Small book missing have we removed?	said will inform	Not that I know of - report if thinks stolen
Ami	06/07/11	flower pots pulled out of ground, flower displays slashed	said will inform	
Wig	25/07/11	items moved, some by woodchip pile not stolen or damaged	advised to contact if stolen or damaged	
Wil New	17/10/11	Solar lights and items broken	Y	
Glascote	26/09/11	Man camped in cemetary over the weekend		Told Wardens who had a word moved on by 28/09/11
Wigginton	31/10/11	Book memorial off plinth don't know how on path edge		Letter to family and book inside kerbs

Appendix 1

Cemetery	Date reported	Items stolen/damaged/complaint	Police advised?	Outcome
Wilinecote New	17/02/12	Digger drove over grave disrespectful		Grave being opened next week, apol should have boarded to protect ground but only access they had
Wilinecote New	06/03/12	Damage and crack on back of memorial caused by digger. She did not see damage just saw digger in the area		On site with MC, RS, CS no evidence of damage, kerbs not doweled slightly away, filler in joints cracked and some out. Asked her to meet me and show me her concerns - no call so NFA
Wigginton	22/03/12	Dogs loose and fouling		Wardens
Wigginton	08/05/12	Heard loud music in cemetery. 'other people' seen cars after 12pm on Fri and Sat		Councillor re gates, Police if problem
Glascote as GB	24/05/12	Wants bench in front of sons grave, advised bench policy - Cem Regs		Councillor re rules and regs offered plaque space
Wigginton	29/05/12	Why has tree in section L been removed?		TBC planted it now in grave space
Glascote 164	20/06/12	Lads in cemetery being a bit loud, thought drunk but not drinking		No other reports will mention to Wardens if further complaints