



Wednesday, 31 July 2019

## **CABINET REVISED AGENDA**

A meeting of **Cabinet** will be held on

**Tuesday, 6 August 2019**

commencing at **5.30 pm**

The meeting will be held in the Meadfoot Room, Town Hall, Castle Circus,  
Torquay, TQ1 3DR

### **Members of the Committee**

Councillor Steve Darling (Chairman)

Councillor Long

Councillor Stockman

Councillor Morey

Councillor Law

Councillor Carter

Councillor Cowell

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**A prosperous and healthy Torbay**

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# **CABINET REVISED AGENDA**

1. **Apologies**  
To receive apologies for absence.
  
2. **Minutes** (Pages 4 - 24)  
To confirm as a correct record the Minutes of the meeting of the Cabinet held on 23 July 2019.
  
3. **Disclosure of Interests**
  - (a) To receive declarations of non pecuniary interests in respect of items on this agenda.  
  

**For reference:** Having declared their non pecuniary interest members may remain in the meeting and speak and, vote on the matter in question. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.
  
  - (b) To receive declarations of disclosable pecuniary interests in respect of items on this agenda.  
  

**For reference:** Where a Member has a disclosable pecuniary interest he/she must leave the meeting during consideration of the item. However, the Member may remain in the meeting to make representations, answer questions or give evidence if the public have a right to do so, but having done so the Member must then immediately leave the meeting, may not vote and must not improperly seek to influence the outcome of the matter. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

**(Please Note:** If Members and Officers wish to seek advice on any potential interests they may have, they should contact Governance Support or Legal Services prior to the meeting.)
  
4. **Communications**  
To receive any communications or announcements from the Leader of the Council.
  
5. **Urgent Items**  
To consider any other items the Chairman decides are urgent.
  
6. **Matters for Consideration**  
To consider the following matters:
  
7. **Notice of Motion - Local Radio Cuts** (Page 25)  
To consider the attached motion, notice of which has been given in accordance with Standing Order A14 by the members indicated.

8. **Proposed Council Tax Support Scheme 2020/2021** (Pages 26 - 84)  
To consider the submitted report on a proposal to commence six week public consultation on revisions to the Council Tax Support Scheme.
9. **Freehold Disposal of The Monastery, Berry Drive, Paignton, TQ3 3RD** (Pages 85 - 91)  
To consider the submitted report on the above.
10. **Freehold Disposal of Land adjacent to Zion Road, Torre, Torquay** (Pages 92 - 98)  
To consider the submitted report on the proposed freehold disposal of land adjacent to Zion Road Chapel.
11. **Lease Renewal of Hollacombe Community Resource Centre, Paignton** (Pages 99 - 105)  
To consider the submitted on a proposed lease extension for Hollacombe Community Resource Centre the Torbay and South Devon NHS Foundation Trust.



## Minutes of the Cabinet

23 July 2019

-: Present :-

Councillor Cowell (Chairman)

Councillors Long, Morey, Carter, Stockman, Law and Cowell

(Also in attendance: Councillors Brooks, Bye, Douglas-Dunbar, Ellery, Foster, Loxton, Mills and David Thomas)

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### 6. Apologies

An apology for absence was received from the Leader of the Council (Councillor Steve Darling), whereupon the Deputy Leader of the Council (Councillor Cowell) took the Chair for this meeting.

### 7. Minutes

The Minutes of the meeting of the Cabinet held on 9 July 2019 were confirmed as a correct record and signed by the Chairman.

### 8. Urgent Items

The Cabinet considered the item in Minute 9.1, and not included on the agenda, the Chairman being of the opinion that it was urgent by reason of special circumstances i.e. the matter having arising since the agenda was prepared and it was unreasonable to delay a decision until the next meeting.

### 9. Matters for Consideration

The Cabinet considered the following matters, full details of which (including the Cabinet's decisions) are set out in the Record of Decisions appended to these Minutes.

#### 9.1 Echo Building, St James Road, Torquay, TQ1 4AZ

#### 9.2 Notice of Motion - Oldway Mansion - Charity Trust

Members received the following motion, notice of which was given in accordance with Standing Order A14:

The saga of Oldway Mansion is still ongoing and although a potential solution exists with the creation of a community Charity Trust, this has not been allowed to be created because the potential Trust still await the letter

of authorisation from the landowner, i.e. Torbay Council. Once setup the Trust would be able to bid into funding opportunities, in particular the Heritage Lottery Fund to which the Council currently can't bid into.

This Council has a legal duty to look after its listed heritage buildings and the time has come for us to step up to the mark and deal with some of our responsibility. We can no longer ignore the mansion as if it simply did not exist.

Therefore, this Council commits to continue to work with the local community and to help them set up the Charity trust to help move the Oldway project forward. Furthermore the Council will release the letter within the next 7 working days required by the Charity Commission to enable the Trust to be setup.

In accordance with Standing Order A15.9 Councillor Chris Lewis requested that his motion be withdrawn, Councillor Sykes as seconder had also provided her agreement for the motion to be withdrawn. The motion was therefore withdrawn.

- 9.3 Notice of Motion - Campaign to restrict no-fault evictions**
- 9.4 Notice of Motion - School Funding**
- 9.5 Notice of Motion - Free TV Licence Scheme**
- 9.6 Looked After Children and Corporate Parenting Strategy 2018/2020**
- 9.7 Adult Social Care Local Account 2018-2019**
- 9.8 Lease of Land and Buildings at Youngs Park, Goodrington, Paignton**
- 9.9 Community Conference Launch**

The Cabinet Member for Corporate and Community Services, Councillor Carter, provided a verbal update in respect of a Community Conference which would be held on Wednesday, 11 September 2019 from 4pm to 7 pm at Parkfield, Paignton. The conference was part of the Council's changing approach to community engagement and empowerment and would mark the start of a new relationship the Council wants to build with our communities. The Council was looking for ideas on how individuals, organisations and communities can work together, with the Council, to help make Torbay thrive. It was noted that full details would be available in the next few weeks.

- 9.10 South Hams Special Area of Conservation (SAC) Greater Horseshoe Bats: Habitats Regulations Assessment Guidance**

**9.11 Budget 2018/2019 - Quarter 4 (Outturn) Monitoring Report**

The Cabinet noted the contents of the submitted report which provided a high level budget summary of the Council's revenue and capital income and expenditure for 2018/2019. Full discussion on the report had taken place at the Overview and Scrutiny Board on 10 July 2019.

**10. Exclusion of Press and Public**

Councillor Cowell proposed and Councillor Stockman seconded the motion, which was agreed by the Cabinet unanimously, as set out below:

that the press and public be excluded from the meeting prior to consideration of the item 13 on the agenda on the grounds that exempt information (as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended)) is likely to be disclosed.

Prior to consideration of the item in Minute 11, the press and public were formally excluded from the meeting.

**11. New Investment Opportunities****11.1 Record of Decision - New Investment Opportunities 1/7/19 and 2/7/19****12. New Regeneration Opportunities**

There were no new regeneration opportunities.

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Chairman

## Record of Decision

**Echo Building, St James Road, Torquay, TQ1 4AZ**

### Decision Taker

Cabinet on 23 July 2019

### Decision

That the period for the community to come up with a suitable proposal and bid for the Echo Building to ensure continued community use, under the Council's Asset of Community Value Policy, be extended by three months.

### Reason for the Decision

To enable the Council to continue negotiations with the community with a view to bringing back detailed proposals to the Cabinet and Council within three months of this decision. This proposal is intended to ensure that all possible effort is made to work with the community to ensure that the building is retained for community use before any decision to dispose of the asset on the open market is implemented.

### Implementation

This decision will come into force and may be implemented on Monday, 5 August 2019 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

### Information

On 19 December 2018, the Elected Mayor agreed to register the Echo Building as an 'Asset of Community Value'. He subsequently took a decision on 2 January 2019, to dispose of the freehold interest in the Echo Building, St James Road, Torquay, TQ1 4AZ, subject to the application of the Asset of Community Value Policy. This second decision was called in and the Overview and Scrutiny Board resolved:

“that the decision be referred back to the Elected Mayor with a recommendation that a 12 month period be allowed for the community to develop a proposal for the future use of the Echo Building, with a draft business plan to be presented to the Council within six months.”

The Elected Mayor reconfirmed his original decision for the following reasons:

“The Council's Asset of Community Value Policy gives the community six months to come up with a suitable proposal and bid for the Echo Building and should this not occur it will be a matter for the Administration to consider following the local government elections in May 2019 and to determine what action they wish to take.”

The period for the community to come up with a suitable proposal and bid is nearly up. The Council has received a bid from the community for the Echo Building but further negotiations and due diligence is required before officers are in a position to be able to recommend acceptance or rejection of the bid. It is therefore proposed to extend the period for the community to bid for the building by three months in order for further negotiations and due diligence to take place. The outcome of this work will be submitted to the Cabinet within three

months of this Cabinet meeting.

Councillor Long proposed and Councillor Stockman seconded a motion which was agreed unanimously by the Cabinet as set out above.

**Alternative Options considered and rejected at the time of the decision**

None

**Is this a Key Decision?**

No

**Does the call-in procedure apply?**

Yes

**Declarations of interest** (including details of any relevant dispensations issued by the Standards Committee)

None

**Published**

26 July 2019

Signed: \_\_\_\_\_  
Deputy Leader of Torbay Council on behalf of the Cabinet

Date: 25 July 2019



## Record of Decision

### Notice of Motion - Campaign to restrict no-fault evictions

#### Decision Taker

Cabinet on 23 July 2019

#### Decision

That the Cabinet resolves:

- (i) to support Generation Rent's campaign to abolish section 21 of the Housing Act 1988; and
- (ii) that the Leader of the Council writes to the Secretary of State for Housing, Communities and Local Government requesting this change in the law.

#### Reason for the Decision

To support the Motion to help protect tenants from being evicted by private landlords without reason.

#### Implementation

This decision will come into force and may be implemented on Monday, 5 August 2019 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

#### Information

Members considered a motion in relation to a campaign to restrict no-fault evictions, notice of which was given in accordance with Standing Order A14.

Councillor Long proposed and Councillor Law seconded a motion, as set out below which was agreed unanimously by the Cabinet:

This Council notes that there are a significant number of households renting from private landlords in Torbay, including families with children.

This Council welcomes the campaign to end section 21 – the clause of the Housing Act 1988 that allows private landlords to evict tenants without reason.

The Council recognises that the threat of a no-fault eviction causes insecurity and stress for Torbay residents who rent privately and can discourage tenants from complaining about substandard housing.

The Council acknowledges the action taken by the Scottish government to restrict no-fault evictions.

The Cabinet resolves:

- i) to support Generation Rent's campaign to abolish section 21 of the Housing Act 1988;
- ii) that the Leader writes to the Secretary of State for Housing, Communities and Local Government requesting this change in the law.

**Alternative Options considered and rejected at the time of the decision**

None

**Is this a Key Decision?**

No

**Does the call-in procedure apply?**

Yes

**Declarations of interest** (including details of any relevant dispensations issued by the Standards Committee)

None

**Published**

26 July 2019

Signed: \_\_\_\_\_  
Deputy Leader of Torbay Council on behalf of the Cabinet

Date: 25 July 2019

## Record of Decision

### Notice of Motion - School Funding

#### Decision Taker

Cabinet on 23 July 2019

#### Decision

That the Director of Children and Cabinet Member for Children's Services make representations to the Secretary of State for Education and the Chancellor of the Exchequer, calling for them to:

- Reverse, in full, the real-terms cuts to per-pupil school budgets since 2015 – meaning schools in Torbay would receive much needed additional funding in 2020.
- Provide additional funding to Torbay and others across the country to give urgently needed and adequate funding support to children with special educational needs and disabilities.
- Guarantee all teachers a pay rise which is at least in line with inflation next year, in order to reduce the number of talented teachers leaving the profession.

#### Reason for the Decision

To respond to the motion on fair funding for schools in order to secure better education for Children in Torbay.

#### Implementation

This decision will come into force and may be implemented on Monday, 5 August 2019 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

#### Information

Members considered a motion in relation to fair funding for schools, notice of which was given in accordance with Standing Order A14.

Councillor Law proposed and Councillor Long seconded a motion, as set out below which was agreed unanimously by the Cabinet:

This Council:

Is deeply concerned by the financial outlook for schools in Torbay due to a combination of inadequate government funding and increasing cost pressures.

Believes that the Conservative Government's failure to properly fund schools is jeopardising the education and future opportunities of young people in Torbay and is particularly letting down more vulnerable children, such as those with special educational needs and disabilities and those who need mental health support.

Notes with concern reports that many schools across the country are having to ask for donations from parents, cutting back teaching hours, reducing staff numbers, reducing mental health support and reducing mentoring for vulnerable pupils.

Further notes that years of real-terms pay cuts for teachers, coupled with the pressure caused by funding cuts in schools and excessive workload, have led to a crisis in retention and recruitment in the teaching profession. This is driving thousands of dedicated professionals out of the jobs they love, and further undermining the quality of education in our schools.

Will make representations to the Secretary of State for Education and the Chancellor of the Exchequer, calling for them to:

Reverse, in full, the real-terms cuts to per-pupil school budgets since 2015 – meaning schools in Torbay would receive much needed additional funding in 2020.

Provide additional funding to Torbay and others across the country to give urgently needed and adequate funding support to children with special educational needs and disabilities.

Guarantee all teachers a pay rise which is at least in line with inflation next year, in order to reduce the number of talented teachers leaving the profession.

The Cabinet also supported the need to include in the letter specific reference to the schools' formula for coastal communities being different to rural issues.

#### **Alternative Options considered and rejected at the time of the decision**

None

#### **Is this a Key Decision?**

No

#### **Does the call-in procedure apply?**

Yes

**Declarations of interest** (including details of any relevant dispensations issued by the Standards Committee)

None

#### **Published**

26 July 2019

Signed: \_\_\_\_\_  
Deputy Leader of Torbay Council on behalf of the Cabinet

Date: 25 July 2019

## Record of Decision

### Notice of Motion - Free TV Licence Scheme

#### Decision Taker

Cabinet on 23 July 2019

#### Decision

That the Leader of the Council writes to Torbay's Members of Parliament urging them to lobby the Government to honour their manifesto commitment to maintain the Free TV Licence for those aged over 75.

#### Reason for the Decision

To respond to the motion and lobby the Government to maintain the Free TV Licence for those aged over 75 years of age.

#### Implementation

This decision will come into force and may be implemented on Monday, 5 August 2019 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

#### Information

Members considered a motion in relation to a campaign to restrict no-fault evictions, notice of which was given in accordance with Standing Order A14.

Councillor Long proposed and Councillor Morey seconded a motion, as set out below which was agreed unanimously by the Cabinet:

According to the charity Age UK, for over a million older people in the UK, the Television is their most constant companion.

Torbay Council notes that the BBC have announced that they will be means testing the free TV licence for those aged over 75 to those on the benefit Pension Credit.

The Council further notes that the free TV Licence scheme was originally funded by the Government but the responsibility for this concession has since been passed to the BBC.

This Council feels that the proposed change to the TV Licence scheme for over 75's will be a cruel body blow, particularly as Age UK estimate that two out of five people entitled to claim Pension Credit do not actually do so. Given the age demographic in Torbay, many local residents will be affected.

Torbay Council resolves:

That the Leader of the Council writes to Torbay's Members of Parliament urging them to lobby the Government to honour their manifesto commitment to maintain the Free TV Licence for those aged over 75.

**Alternative Options considered and rejected at the time of the decision**

None

**Is this a Key Decision?**

No

**Does the call-in procedure apply?**

Yes

**Declarations of interest** (including details of any relevant dispensations issued by the Standards Committee)

None

**Published**

26 July 2019

Signed:

\_\_\_\_\_  
Deputy Leader of Torbay Council on behalf of the Cabinet

Date: 25 July 2019

## Record of Decision

### Looked After Children and Corporate Parenting Strategy 2018/2020

#### Decision Taker

Cabinet on 23 July 2019

#### Decision

- (i) that the Children Looked After and Corporate Parenting Strategy 2018-2020 set out at Appendix 1 to the submitted report be approved; and
- (ii) that the Corporate Parenting Board ensure that the Strategy is implemented and seek assurance that outcomes for our Children Looked After are improved.

#### Reason for the Decision

Agreement of the Strategy will mean that the Council has clarity around the work that it commits to do to ensure good outcomes for the children that the Council looks after.

#### Implementation

This decision will come into force and may be implemented on Monday, 5 August 2019 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

#### Information

The Children Looked After and Corporate Parenting Strategy for 2018-2020 was approved by the Elected Mayor in October 2018 with the Director of Children's Services authorised to make any final changes. One of the final changes which was needed was the completion of the Action Plan attached to the Strategy.

Following the change in governance arrangements since May 2019, it is appropriate that the new Cabinet confirm the Strategy and the Action Plan which has now been completed, full details of which were set out in the submitted report and appendix.

Councillor Law proposed and Councillor Stockman seconded a motion which was agreed unanimously by the Cabinet as set out above.

#### Alternative Options considered and rejected at the time of the decision

Alternative options were set out in the submitted report but not discussed at the meeting.

#### Is this a Key Decision?

No

#### Does the call-in procedure apply?

Yes

**Declarations of interest** (including details of any relevant dispensations issued by the

Standards Committee)

None

**Published**

26 July 2019

Signed:

\_\_\_\_\_  
Deputy Leader of Torbay Council on behalf of the Cabinet

Date: 25 July 2019



## Record of Decision

### Adult Social Care Local Account 2018-2019

#### Decision Taker

Cabinet on 23 July 2019

#### Decision

That the Local Account set out in Appendix 1 to the submitted report be approved.

#### Reason for the Decision

To enable the Local Account to be published in accordance with Government requirements and for council to consider the adult safeguarding outcomes for the Bay.

#### Implementation

This decision will come into force and may be implemented on Monday, 5 August 2019 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

#### Information

The Local Account for Adult Social Care sets out what we have achieved for local people in relation to adult social care and outlines our level of performance for last financial year and our commitment to future service delivery. The Government has asked that Local Accounts are put in place to offer councils the opportunity to share a common approach to the performance of adult social care.

Members noted that, whilst the Local Account looks back at performance over the past year, the Council has since updated its website to provide more information on health and wellbeing, there is also a large focus on working with information in the communities and working with the community and voluntary sector to enable them to provide advice and information.

The Cabinet raised concern in respect of the levels of young men committing suicide in Torbay and South Devon being a lot higher than elsewhere. There are issues with identifying people at risk and support is needed for the young people they leave behind. The Cabinet Member for Adults and Public Health, Councillor Stockman, advised that a meeting was being arranged for early September with the Devon Partnership Trust to see what can be done to support young people's mental health and she welcomed the involvement of all members in this meeting.

Councillor Stockman proposed and Councillor Long seconded a motion which was agreed unanimously by the Cabinet as set out above.

#### Alternative Options considered and rejected at the time of the decision

None

#### Is this a Key Decision?

No

**Does the call-in procedure apply?**

Yes

**Declarations of interest** (including details of any relevant dispensations issued by the Standards Committee)

None

**Published**

26 July 2019

Signed: \_\_\_\_\_ Date: 25 July 2019  
Deputy Leader of Torbay Council on behalf of the Cabinet

## Record of Decision

### Lease of Land and Buildings at Youngs Park Goodrington Paignton

#### Decision Taker

Cabinet on 23 July 2019

#### Decision

That the Interim Director of Place, in consultation with the Chief Executive, be authorised to:

- a) surrender and re-grant a lease for a term of 21 years of the land and building known as Cantina, Goodrington, Paignton to Kantina Limited as shown in plan EM3249 set out at Appendix 1 to the submitted report; and
- b) grant a lease for a term of 15 years of the land and building known as the Spanish Shelter, Youngs Park, Goodrington, Paignton to Kantina Limited as shown in plan EM3343 set out at Appendix 2 to the submitted report.

#### Reason for the Decision

It is considered a surrender and re-grant of the lease coupled with the granting of a new lease for the shelter adjacent to Kantina Limited to be in the best interests of the Council and will secure the long term future of the facilities at this location.

The proposal will generate additional revenue income through an increase of rent under the proposed surrender and re-grant of the lease for the Cantina premises.

The proposal affecting the shelter will extinguish a maintenance liability for the Council, whilst generating additional revenue through the granting of the lease.

#### Implementation

This decision will come into force and may be implemented on Monday, 5 August 2019 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

#### Information

The current leaseholder of the building known as Cantina, Youngs Park, Goodrington, Paignton proposes to redevelop the premises to create additional indoor seating facilities for customers, to enable the business to continue growing. The proposal will see previously unused land adjoining Cantina being built upon to provide the additional indoor seating, subject to obtaining the necessary statutory approvals.

The leaseholder of Cantina also proposes to (separately) lease the adjoining shelter for development into a functions facility, and has been granted planning consent for this use. The proposal will see investment into a shelter which is considered a maintenance liability for the Council, and which attracts anti-social behaviour. The granting of a lease will also provide a new revenue stream from the asset.

The submitted report provided details of the proposed lease transactions.

Councillor Long proposed and Councillor Morey seconded a motion which was agreed unanimously by the Cabinet as set out above.

**Alternative Options considered and rejected at the time of the decision**

Alternative options were set out in the submitted report but not discussed at the meeting.

**Is this a Key Decision?**

No

**Does the call-in procedure apply?**

Yes

**Declarations of interest** (including details of any relevant dispensations issued by the Standards Committee)

None

**Published**

26 July 2019

Signed: \_\_\_\_\_  
Deputy Leader of Torbay Council on behalf of the Cabinet

Date: 25 July 2019

## Record of Decision

### South Hams Special Area of Conservation (SAC) Greater Horseshoe Bats: Habitats Regulations Assessment Guidance

#### Decision Taker

Cabinet on 23 July 2019

#### Decision

- (i) that the South Hams Special Area of Conservation Habitats Regulations Assessment Guidance, set out at Appendix 1 to the submitted report be approved subject to the following modifications and the Assistant Director Planning and Transport, in consultation with the Cabinet Member for Infrastructure, Environment and Culture, be given delegated authority to approve any necessary minor amendments to the document:
  - (a) add the following text at the end of first sentence in paragraph (5.1) on page 17: (by the Steering Group); and
  - (b) add the following note to Existing Features as foot note on page 11 and update the text in paragraph 5.2 on page 17: (The DCC Environment Viewer will be updated at regular intervals to show new Pinch Points or Mitigation Features but is not exhaustive. Only strategic features are likely to be shown. Therefore, applicants and LPAs will have to have due regard to any likely conditions or s106 obligations that require the retention or provision of existing mitigation features on or near, which may affect their individual sites); and
- (ii) that once approved by Torbay Council, the Guidance will hold interim guidance status until agreed by all partner authorities in the South Hams SAC consultation area. It is hoped this will be completed by September 2019.

#### Reason for the Decision

To enable the South Hams Special Area of Conservation (SAC) Greater Horseshoe Bats: Habitats Regulations Assessment Guidance be implemented.

#### Implementation

This decision will come into force and may be implemented on Monday, 5 August 2019 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

#### Information

The South Hams Special Area of Conservation (SAC), and associated Consultation Zone, cover an area which lies within five local planning authority areas: Dartmoor National Park Authority, Devon County Council, South Hams District Council, Teignbridge District Council and Torbay Council. Greater horseshoe bats are one of the 'features of interest' associated with the South Hams SAC. Management of the SAC Guidance is co-ordinated by an officer group of representatives from each of the above authorities and Natural England, forming the South Hams SAC Greater Horseshoe Bats Steering Group.

Local Planning Authorities (LPAs) have a legal duty (under the Habitats Directive and Habitats Regulations) to ensure that there will be no adverse effect on the integrity of the South Hams SAC population of greater horseshoe bats as a result of any plan or project. Any which will lead to an adverse effect on the integrity of the South Hams SAC will be refused, other than in exceptional circumstances.

This Guidance will update and replace the 'South Hams SAC Greater Horseshoe Bat Consultation Zone Planning Guidance' published by Natural England in 2010. It provides advice on which applications may have a likely significant effect on the SAC greater horseshoe bat population and which may therefore require the relevant LPA to carry out a Habitats Regulations Assessment (HRA). It also provides advice on the information that applicants may need to submit with a planning application in order for the LPA to undertake the HRA.

Councillor Morey proposed and Councillor Law seconded a motion which was agreed unanimously by the Cabinet as set out above.

### **Alternative Options considered and rejected at the time of the decision**

Alternative options were set out in the submitted report but not discussed at the meeting.

### **Is this a Key Decision?**

No

### **Does the call-in procedure apply?**

Yes

**Declarations of interest** (including details of any relevant dispensations issued by the Standards Committee)

None

### **Published**

26 July 2019

Signed: \_\_\_\_\_ Date: 25 July 2019  
Deputy Leader of Torbay Council on behalf of the Cabinet

## Record of Decision

### Investment Opportunities 1/7/19 and 2/7/19

#### Decision Taker

Cabinet on 23 July 2019

#### Decision

That Investment Opportunities 1/7/19 and 2/7/19, as set out in the Exempt Cabinet Minute 11/7/19, be approved.

(Note: the decision in respect of Investment Opportunities 1/7/19 and 2/7/19 is restricted due to exempt information contained within the decision.)

#### Reason for the Decision

To purchase two new investments from the Council's Investment and Regeneration Fund in order to generate additional revenue for the Council.

#### Implementation

This decision may come into force immediately. Any delay likely to be caused by the call-in process would prejudice the Council's interest. The Overview and Scrutiny Co-ordinator was consulted on 24 July 2019 and agreed that the decision was urgent.

#### Information

The Cabinet considered the submitted Exempt Report on the proposed purchase of two investments on behalf of the Council in line with the Investment and Regeneration Strategy. The decision has been made, taking account of the current investment criteria and Minister of Housing Communities and Local Government Statutory guidance on Local Government Investments, and in recognition that the investments sit within Torbay's Functional Economic Market Area (FEMA). It was noted that the Council had agreed on 18 July 2019 to revise the current Investment and Regeneration Strategy to include the FEMA area.

#### Alternative Options considered and rejected at the time of the decision

None

#### Is this a Key Decision?

No

#### Does the call-in procedure apply?

No

**Declarations of interest** (including details of any relevant dispensations issued by the Standards Committee)

None

**Published**

26 July 2019

Signed: \_\_\_\_\_ Date: 25 July 2019  
Deputy Leader of Torbay Council on behalf of the Cabinet



## **Cabinet 6 August 2019**

### **Notice of Motion - Local Radio Cuts**

“Torbay Council expresses its concern at the changes being made in the local commercial radio industry.

This Council believes that the changes in format being allowed by OFCOM will put pressure on local radio content and news which affect the local community.

Torbay Council notes that these changes have been questioned on both social media and in Parliament.

That the Cabinet resolves to ask the Leader of the Council to write to Torbay’s Members of Parliament and ask them to back calls for OFCOM to review their decision.”

Proposer Councillor Long  
Seconded Councillor Steve Darling



**Meeting:** Cabinet

**Date:** 6 August 2019

**Wards Affected:** All

**Report Title:** Proposed Council Tax Support Scheme 2020/2021

**Is the decision a key decision?** Yes

**When does the decision need to be implemented?** Approval for finalised new scheme to be proposed at Full Council meeting in December 2019

**Cabinet Member Contact Details:** Councillor Christine Carter – Cabinet Member for Corporate and Community Services, Telephone: 07848 829159  
email: christine.carter@torbay.gov.uk

**Supporting Officer Contact Details:** Jon Bell, Operations Manager Customer Services, Revenue & Benefits, Telephone 01803 207572, email: Jon.bell@torbay.gov.uk

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## 1. Proposal and Introduction

1.1 Schedule 1A of the Local Government Finance Act 2012 requires local authorities to annually review their local scheme for Council Tax Support (for working age customers).

*NB: Pension Age households are not affected. The DWP retain control of the regulations applied for local authorities to pay Council Tax Support to pension age customers. As pension age claims are protected by legislation, these proposed changes will only affect claims from those of working age:*

1.2 Proposal to approve a formal public consultation for the introduction of a revised Council Tax Support scheme for working age residents to commence from April 2020.

1.3 The consultation will be held over 6 weeks involving residents, representative groups and other stakeholders. This must commence by mid-August at the latest in order to meet the timeline for review of consultation feedback and scheme approval to be signed off by elected members at full council in December 2019 to be implemented from 1 April 2020.

1.4 A revised scheme would align Torbay with the approach being taken by all other local authorities throughout Devon from 1 April 2020.

1.5 Council Tax Support is a means tested discount administered by local authorities. It provides a discount to assist people who are unemployed, on a low income or unable to work, to help them to pay their Council Tax charge.

1.6 The current Council Tax Support scheme is based on an outdated benefit approach which alters entitlement on a weekly basis. A new scheme framework will be designed to reflect a more modern approach that supports current changing trends and the needs of our customers.

1.7 The introduction of Universal Credit by the Department for Work & Pensions from 5th September 2018 in Torbay has had a significant impact on the current Council Tax Support scheme for working age households. A revision to the scheme will greatly assist to absorb the current and progressive impact of Universal Credit.

*NB: Pension Age households are not affected by Universal Credit.*

1.8 Universal Credit is highly reactive and the amount received each month by residents can continually fluctuate. Under the current working age Council Tax Support scheme, each financial change in a household income will affect the amount of Council Tax Support they are entitled to.

1.9 Each recalculation of Council Tax Support awarded adjusts the amount of Council Tax due for payment by the customer. Each change necessitates a revised Council Tax bill to be issued, revising the amounts and dates for forthcoming payment instalments due.

1.10 Through the above scenario, working age households are now receiving multiple, recalculated Council Tax bills throughout the year, detailing continually revised instalment plans. This can make it very difficult for low income households to budget or understand what how much is due for payment. This increases the risk of them falling into arrears and increasing levels of household debt.

1.11 Local authorities are dependent on receiving payment of Council Tax to finance the provision of local services. Nationally, rates of Council Tax collections have suffered in areas where Universal Credit full service has been introduced.

1.12 Multiple changes also have a significant negative impact on the administration of Council Tax Support and Council Tax billing, as each change needs to be administered by Council officers for a new bill to be produced.

1.13 There are additional costs of printing and postage for the revised Council Tax bills to be sent to households. This is approximately £1 per bill issued.

## **2. Reason for Proposal and associated financial commitments**

2.1 The Council has a statutory duty to provide a local Council Tax Support Scheme for working-age households within its area.

2.2 The Council must approve the final scheme by December 2019 for implementation from 1st April 2020. The scheme cannot be changed mid-financial year.

2.3 A 6 week consultation with residents, representative groups and other stakeholders must take place prior to any revisions to the scheme being approved by full council.

- 2.4 Throughout the United Kingdom, local authorities are recognising the need to adapt their localised Council Tax Support scheme to meet the changing needs of their working age residents to help them pay their Council Tax charge.
- 2.5 South Hams and West Devon Council have already revised their scheme from 1 April 2019, with all other district and Unitary Authorities in Devon also scheduled to change from 1 April 2020.
- 2.6 What should a revised Council Tax support scheme achieve?
- A system is required that makes it easier for low income households to be able to successfully budget for instalment payments of Council Tax.
  - A Council Tax Support scheme which is better catered to absorb the ongoing fluctuations in monthly income received from Universal Credit.
  - A new format providing greater stability in the amount of Council Tax Support awarded. This will reduce the need to produce revised multiple Council Tax bills, as the award of Council Tax Support will not need to be recalculated to reflect income fluctuations.
  - A new scheme which will provide a consistent amount that the household is expected to pay for Council Tax, which is not subject to constant change. This will allow lower income households to budget with greater confidence, and avoid falling behind with payments due, which can result in recovery action for nonpayment and costs being added to the charge.
  - A scheme which aligns Torbay with all other Devon local authorities and the direction of many Councils throughout the United Kingdom.
- 2.7 Revising the format of the current Council Tax Support scheme to include a **household income banded system** from April 2020 will achieve all of the above solutions.
- 2.8 Please refer to appendix 4 for an explanation of how a household income banded system works.
- 2.9 Nationwide, the banding schemes have become more common as impacts of Universal Credit continue, with nearly 100 Councils adopting this approach from April 2019, and more to follow from April 2020.
- 2.10 2020 will see the biggest change, when a 'managed migration' programme will be implemented by the DWP, to convert all working age customers onto Universal Credit.
- 2.11 This programme will have a major impact on the working age residents of Torbay. It is essential that as a Council we have a new Council Tax Support scheme that fully supports these households as they adapt to the changes of receiving Universal Credit and enable them to successfully financially budget to remain up to date with payments due for their Council Tax.
- 2.12 The proposals contained in this report will commit the Council financially in respect of:

Funding for Council Tax Support is financed by local authorities. Expenditure to support this for the financial year 2018/2019 was £11,286,657.37. The implementation of a revised Council Tax Support scheme would be cost neutral, not requiring any additional financial commitment from the Council to support this change.

The precepting authorities (Fire and Police) are to be made aware that they will share the financial pressures and risk of any scheme changes.

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### **3. Recommendation(s) / Proposed Decision**

- 3.1 That a formal 6 week public consultation involving residents, representative groups and other stakeholders be commenced from mid-August, for the proposed introduction of a revised Council Tax Support scheme for working age residents which incorporates a household income banded system to commence from April 2020.

#### **Appendices**

Appendix 1: A brief explanation of Council Tax Support with case breakdown and of Torbay population and expenditure.

Appendix 2 Council Tax Support –Torbay working age household analysis for 2018/2019

Appendix 3: The impact of Universal Credit on households in Torbay

Appendix 4: Explanation of a household income banded scheme for Council Tax Support

Appendix 5: A selection of case study examples to show impacts of applying a household income banded scheme to households currently receiving Council Tax Support. *These are for initial illustrative purposes. Finalised income bands will be calculated within the forthcoming modelling process.*

Appendix 6: Draft timescales and deliverables

Appendix 7: Options analysis for Council Tax Reduction

#### **Background Documents**

Torbay Council – Council Tax Reduction Scheme 2019/2020

<https://www.torbay.gov.uk/media/12396/council-tax-reduction-scheme-2019-20.pdf>

## Section 1: Background Information

1.

### What is the proposal / issue?

1.1 Proposal to approve a 6 week formal public consultation for the proposed introduction of a revised Council Tax Support scheme for working age residents to commence from April 2020.

1.2 The current Council Tax Support scheme is based on an outdated benefit approach which alters entitlement on a weekly basis.

1.3 The new proposed scheme is more robust to absorb smaller fluctuations in income received by the household and reduce the need to recalculate Council Tax Support and issue revised Council Tax bills.

1.4 A new scheme which will provide a more consistent amount that the household is expected to pay for Council Tax, which is not subject to constant change. This will allow lower income households to financially budget with greater confidence, and avoid falling behind with Council Tax payments due, which can result in recovery action and potential costs being added to the charge

1.5 Improved ability for customers to pay their Council Tax bill will assist collection rates of Council Tax to raise finance to pay for local services.

1.6 Saving in print and postage costs will also be achieved as the new scheme will reduce the number of multiple revised bills issued throughout the year.

2.

### What is the current situation?

2.1 The current Council Tax Support scheme for working age households does not support the parameters to absorb ongoing fluctuations in monthly income received. This is particularly relevant to Universal Credit where award payments can vary each month. As a consequence, on average, 6 revised Council Tax bills are being issued per year to Universal Credit households.

2.2 Each recalculation of Council Tax Support awarded adjusts the amount of Council Tax due for payment by the customer. Each change necessitates a revised Council Tax bill to be issued, revising the amounts and dates for forthcoming payment instalments due. This scenario is making it very difficult for low income households to budget and remain up to date with Council Tax payments due.

2.3 Throughout the United Kingdom, this trend is being recognised nationally, as more localised Council Tax Support schemes for working age households are being adapted to meet the changing needs of residents, and support them to be able to pay their Council Tax charge.

	<p>2.4 Nationally, rates of Council Tax collections have suffered in areas where Universal Credit full service has been introduced and Council Tax Support schemes have not been revised to support the impacts of Universal Credit.</p>
3.	<p><b>What options have been considered?</b></p> <p>3.1 Please review Appendix 7 – Options for Council Tax Reduction</p> <p>3.2 Over the past 3 years, it has been nationally accepted that a household income banding system is the correct option for Council Tax Support schemes to incorporate in order to absorb the impacts of Universal Credit.</p> <p>3.3 Local authorities who have already implemented this change have reported that it is successful in achieving the outcomes anticipated. The change has also been accepted by residents as it can present them with a greater flexibility in increasing their household income without the consequence of reducing their award entitlement to Council Tax Support and triggering a revised bill to be issued.</p>
4.	<p><b>What is the relationship with the priorities within the Partnership Memorandum and the Council’s Principles?</b></p> <p>Priorities:</p> <ul style="list-style-type: none"> <li>• Thriving People and Communities</li> <li>• A Thriving Economy</li> <li>• A Council Fit for the Future</li> </ul> <p>Principles:</p> <ul style="list-style-type: none"> <li>• Use reducing resources to best effect</li> <li>• Reduce demand through prevention and innovation</li> <li>• Integrated and joined up approach</li> </ul> <p>4.1 The proposed scheme will continue to support work incentives and avoids disincentives for those moving into work.</p> <p>4.2 The continuation of the hardship scheme will be proactively applied to identify any households who experience adverse impacts of the changes.</p>
5.	<p><b>How does this proposal/issue contribute towards the Council’s responsibilities as corporate parents?</b></p> <p>5.1 The scheme issues financial support for low income households to provide a reduction in their Council tax charge based on the level of household income and occupancy composition.</p>

	<p>5.2 It will assist those who only had the support of the council in reducing barriers of living in the community, where there is a risk of falling into debt, particularly with their Council Tax.</p>
6.	<p><b>How does this proposal/issue tackle poverty, deprivation and vulnerability?</b></p> <p>6.1 Council Tax Support provides proportioned financial assistance to low income households.</p> <p>6.2 The exceptional hardship fund also provides additional financial assistance for households that are most in need.</p>
7.	<p><b>How does the proposal/issue impact on people with learning disabilities?</b></p> <p>7.1 The scheme is being amended in line with statutory requirements and will be modelled on the household incomes of the current caseload of customers in receipt of Council Tax Support.</p> <p>7.2 Within this process, full equality assessments will be undertaken to ensure that vulnerable households are protected.</p> <p>7.3 The new scheme proposes to disregard incomes received for disabilities so that these customers are not disadvantaged through the changes. The exceptional hardship fund also provides additional financial assistance for households that are most in need.</p>
8.	<p><b>Who will be affected by this proposal and who do you need to consult with? How will the Council engage with the community? How can the Council empower the community?</b></p> <p>8.1 Before implementing any changes to the current scheme we must consult with the public and stakeholders. The accepted consultation period is 6 weeks. This timescale will enable responses to be collated and analysed in detail with a view to formalising a final scheme for recommendation.</p> <p>This will include an online survey for residents to complete as well as a postal survey and mailshot to All Working Age Council Tax Support claimants who are not receiving 70% maximum award, (1,267) and an equal number (random selection) of Council Tax payers not receiving Council Tax Support</p> <p>8.2 We must publish our draft scheme when we start consultation with interested parties, which we will do through the Council's website. We will need to promote consultation through the press, social media as well as face to face workshops and events for the public, various welfare support agencies and advisory groups.</p>



<p>8.3 We will also require feedback from the major preceptors (Fire and Police), Brixham parish council, various welfare support agencies and advisory groups.</p>
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<p>8.4 The results of the consultation and evaluation will be reported to the Scrutiny Committee in November 2019. Approval will then be sought from Full Council in December 2019, for preparation for the Council Tax annual billing process in early March 2020 for the financial year commencing 1 April 2020.</p>
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## Section 2: Implications and Impact Assessment

9.

### What are the financial and legal implications?

#### 9.1 Financial Implications

Funding for Council Tax Support is financed by local authorities. Expenditure to support this for the financial year 2018/2019 was £11,286,657.37. The implementation of a revised Council Tax Support scheme would be a cost neutral, not requiring any additional financial commitment from the Council to support the cost of a revised scheme format.

#### 9.2 Legal Implications

Section 33 of the Welfare Reform Act 2012 abolished Council Tax Benefit and any replacement scheme is excluded from the scope of the Universal Credit system set up by Section 1 of that Act. The Local Government Finance Act 2012 ("the 2012 Act") amends the Local Government Finance Act 1992 ("the 1992 Act") to make provision for the localisation of Council Tax Support.

The 2012 Act amends the 1992 Act by adding a new section 13A to state that Council Tax will be reduced to the extent set out in an authority's Council Tax Support scheme and to such further extent as the authority sees fit (new s13A(1)(c) replicating the existing provision for authorities to adopt specified additional classes).

Local authorities must make a Council Tax Support scheme setting out the reductions which are to apply in its area by persons or persons in classes consisting of persons whom the authority considers to be in financial need.

Paragraph 5 of Schedule 1A to the Local Government Finance Act 1992, as inserted by Schedule 4 to the Local Government Finance Act 2012, requires the authority to consider whether, for each financial year, the Council Tax Support scheme is to be revised or replaced. Where the scheme is to be revised or replaced the procedural requirements in paragraph 3 of that schedule apply. Any revision/replacement must be determined by early March in the preceding year to the year which the changes are to apply.

The council must therefore consider whether the scheme requires revision or replacement and if so, consult with precepting authorities (Devon and Cornwall Police and Devon and Somerset Fire and Rescue Authority), publish a draft scheme and then consult with such persons as are likely to have an interest in the operation of that scheme prior to determining the scheme before March. If any proposed revision is to reduce or remove a reduction to which a class of person is entitled, the revision must include such transitional provision as the Council sees fit.

Case law has confirmed that consultation must

- be undertaken when proposals are at a formative stage;

	<ul style="list-style-type: none"> <li>• include sufficient reasons for particular proposals to allow those consulted to give intelligent consideration and an intelligent response;</li> <li>• give consultees sufficient time to make a response; and</li> <li>• be conscientiously taken into account when the ultimate decision is taken.</li> </ul>
<p><b>10.</b></p>	<p><b>What are the risks?</b></p> <p>10.1 If a revised scheme is not introduced, working age households will continue to receive multiple, revised Council Tax bills throughout the year, making it very difficult for customers to be able to budget ahead with confidence and ensure they can remain up to date with payments due. If they fall behind with payments, additional costs will be added to these vulnerable households increasing levels of debt</p> <p>10.2 Non-payment of Council Tax will reduce Council collection rates to finance the provision of local services, adding financial pressure to make service cuts as a consequence.</p> <p>10.3 2020 will see the biggest change, when a ‘managed migration’ programme will be implemented by the DWP, to convert all working age customers onto Universal Credit. This programme will have a major impact on the working age residents of Torbay. It is essential that as a Council we have a new Council Tax Support scheme that fully supports these households to be able to budget and remain up to date with payments of their Council Tax.</p>
<p><b>11.</b></p>	<p><b>Public Services Value (Social Value) Act 2012</b></p> <p>11.1 The procurement of services or provision of services is not relevant for this report.</p>
<p><b>12.</b></p>	<p><b>What evidence / data / research have you gathered in relation to this proposal?</b></p> <p>12.1 A thorough financial modelling exercise will be undertaken to review the income and household compositions of working age households currently in receipt of Council Tax Support to determine the appropriate income bands and percentages of discount to be applied is representative of levels received under the current system.</p> <p>12.2 Modelling as detailed above will ensure that a new scheme support will support the population profile. Initial modelling has already taken place as detailed within appendix 5.</p>

	<p>12.3 As part of the Devon group who meet each month, each Devon local authority will set different levels of income and discount within their respective schemes dependant on their own demographic profile.</p> <p>12.4 The consultancy received within the monthly meetings of the Devon group has given important insight to inform of other local authorities throughout the country that have already revised their Council Tax Support schemes to incorporate a household income banded system.</p>
<b>13.</b>	<p><b>What are key findings from the consultation you have carried out?</b></p> <p>13.1 Not applicable at this stage. 6 week public consultation to commence from August 2019</p>
<b>14.</b>	<p><b>Amendments to Proposal / Mitigating Actions</b></p> <p>14.1 Not applicable until the end of the 6 week consultation period and feedback received has been collated and analysed.</p>

## Equality Impacts

15.	<b>Identify the potential positive and negative impacts on specific groups</b>			
		<p style="text-align: center;"><b>Positive Impact</b></p>	<p style="text-align: center;"><b>Negative Impact &amp; Mitigating Actions</b></p>	<p style="text-align: center;"><b>Neutral Impact</b></p>
	<p>Older or younger people</p>	<p>Pension Credit Age claimants will continue to be protected from any change under a nationally prescribed scheme.</p> <p>A revised scheme will be more robust to absorb fluctuations in household income. This is essential as more working age households in Torbay migrate to receiving Universal Credit.</p> <p>This format simplifies the current technical and complex assessment process for Council Tax Support and is much easier for households to understand.</p> <p>Details of the income banded grid and a list of disregarded incomes would be openly publicised, providing a transparent formula where residents can easily calculate for themselves how much</p>	<p>As the current 83.25% of working age households will continue to receive the maximum award of 70% discount from their claim for Council Tax Support, the number of working age households in receipt of Council Tax Support potentially affected by changing to a banded scheme is 1,267 or 16.75%</p> <p>To mitigate any potential impact experienced by the 16.75% households adversely affected by the proposed changes, we will seek to identify these household and continue to operate the Hardship Scheme which has an annual budget of £80k to support residents showing a need for additional support in their payments.</p>	<p>In Torbay there are currently 7,566 working age households receiving Council Tax Support.</p> <p>83.25% of these households receive the maximum award of 70% discount from their Council Tax bill.</p> <p>All 83.25% of working age households currently receiving the maximum Council Tax award of 70% would continue to receive this maximum award of 70% within the new banded scheme.</p>

	<p>Council Tax Support they will be entitled be based on their household income.</p> <p>The new scheme will reduce the number of changes to the award of Council Tax Support. If the level of household income received remains within the same income band, the award of Council Tax Support remains unchanged and a new Council Tax bill does not have to be issued</p> <p>Fewer Council Tax bills will be less confusing for customers.</p> <p>Households will receive one Council Tax bill, providing them with a consistent instalment payment plan for the year ahead. This allows customers to budget accordingly without fear of their bill being amended with a new recalculated instalment schedule. This stability presents them with an improved opportunity to remain up to date with payment due.</p> <p>Households will have an advance awareness of how</p>		
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	<p>much their award of Council Tax Support would change if their level of income was to change and place them into a new income band. This incentivizes households to undertake additional work to increase their levels of income, with the awareness that they will remain in the same income band which will not affect the amount of Council Tax Support received</p>		
<p>People with caring Responsibilities</p>			<p>There is no differential impact.</p> <p>Protection for those receiving a carers allowance is in line with the old Council Tax Benefit scheme.</p>
<p>People with a disability</p>			<p>There is no differential impact.</p> <p>Protection for disabled people is in line with the old Council Tax Benefit scheme. Disability benefits, such as Disability Living Allowance, will continue to be fully disregarded as well as the associated personal allowances and premiums that</p>

			are currently awarded to people with disabilities.
Women or men			<p>There is no differential impact.</p> <p>Although this information is recorded, there is no adverse impact on the grounds of gender. Torbay's scheme is open to applications from persons of any gender and there are no aspects of the scheme which impact in any way on the availability of support to claimants based solely on gender.</p>
People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			<p>There is no differential impact</p> <p>There is no data to suggest that this group is affected, as we do not ask people's ethnicity as part of the application process.</p>
Religion or belief (including lack of belief)			<p>There is no differential impact.</p> <p>This information is not collected as part of the administration of the Council Tax Support Scheme however there is no record of having received any comments or complaints or challenges regarding this</p>



			<p>particular group in respect of the design and operation and administration of the Torbay Council Tax Support Scheme.</p> <p>There is no data to suggest that this group is affected, as we do not ask people's religion as part of the application process.</p>
<p>People who are lesbian, gay or bisexual</p>			<p>There is no differential impact.</p> <p>This information is not collected as part of the administration of the Council Tax Support Scheme however there is no record of having received any comments or complaints or challenges regarding this particular group in respect of the design and operation and administration of the Torbay Council Tax Support Scheme</p> <p>There is no data to suggest that this group is affected.</p>
<p>People who are transgendered</p>			<p>There is no differential impact.</p> <p>This information is not collected as part of the administration of the Council Tax Support Scheme however there is no</p>

			<p>record of having received any comments or complaints or challenges regarding this particular group in respect of the design and operation and administration of the Torbay Council Tax Support Scheme.</p> <p>There is no data to suggest that this group is affected.</p>
<p>People who are in a marriage or civil partnership</p>			<p>There is no differential impact.</p> <p>This information is not collected as part of the administration of the Council Tax Support Scheme however there is no record of having received any comments or complaints or challenges regarding this particular group in respect of the design and operation and administration of the Torbay Council Tax Support Scheme.</p> <p>There is no data to suggest that this group is affected.</p>
<p>Women who are pregnant / on maternity leave</p>			<p>There is no differential impact</p> <p>There is no data to inform an equality analysis by this protected group.</p>

			People who are in advanced stages of pregnancy or receiving maternity allowance are affected for a temporary period because they will have a finite income and will be unable to increase this by working.
	Socio-economic impacts (Including impact on child poverty issues and deprivation)		There is no differential impact
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)		There is no differential impact
16.	<b>Cumulative Impacts – Council wide</b> (proposed changes elsewhere which might worsen the impacts identified above)	Not applicable for this proposal.	
17.	<b>Cumulative Impacts – Other public services</b> (proposed changes elsewhere which might worsen the impacts identified above)	Not applicable for this proposal.	

### **Appendix 1 - A brief explanation of Council Tax Support with case breakdown of Torbay population and expenditure.**

#### **What is Council Tax Support?**

Council Tax Support is a mean tested discount administered by local authorities. It provides help to people who are unemployed, on a low income, unable to work or retired, to help them pay their council tax.

The amount received is dependent on the household income and circumstances.

#### **What is the financial cost of providing Council Tax Support?**

Funding for Council Tax Support is financed by local authorities. Expenditure to support providing this for the financial year 2018/2019 was **£11,286,657.37**

Council Tax Support is a discount, affecting the Council Tax base in the same way as any other Council Tax discount. The Council Tax base forms part of the Financial Plan, so Council Tax Support must meet the required budgetary constraints.

#### **Working Age and Pension Age schemes**

There are two separate schemes for Council Tax Support.

In 2012, the Welfare Reform Act 2012 abolished the national Council Tax Benefit scheme which until then covered all ages of customers with regulations set by the Department for Work and Pensions (DWP). A division was made between working age and pension age customers.

Until this point, both working age and pension age customers could claim up to a maximum of **100%** rebate of their Council Tax charge in Council Tax Support, leaving no balance to pay.

The DWP retained control of the regulations applied for local authorities to pay pension age customers, providing a prescribed framework that protects these customers from any reduction. **The 100% maximum rebate still applies for pension age customers.**

#### **The creation of Torbay's Working Age scheme for Council Tax Support**

The Welfare Reform Act 2012 presented Council's with the opportunity to create a new localised Council Tax Support scheme for working age customers that met the needs of their local area. This was initially implemented from April 2013.

Torbay's scheme was prepared as part of a Devon wide approach, working in conjunction with other Councils in Devon where the overarching principle was to develop a cost neutral scheme with a common core framework. However, due to the different local demographics, scheme designs differ with a number of local variations.

Following a public consultation the initial scheme was approved by members at full Council on 6th December 2012 and introduced from 1 April 2013.

For working age households the initial scheme retained the characteristics of the old Council Tax Benefit scheme.

The main change introduced from 1 April 2013 was;

- Maximum awards of Council Tax Support available were reduced to **75%**, meaning that all working age households would have to pay a minimum of 25% of their Council Tax bill, regardless of their circumstances.

### **Hardship fund support for Working Age customers**

To mitigate for the working age scheme changes, extra financial support was made available through a hardship fund to provide additional levels of rebate to the most vulnerable customers.

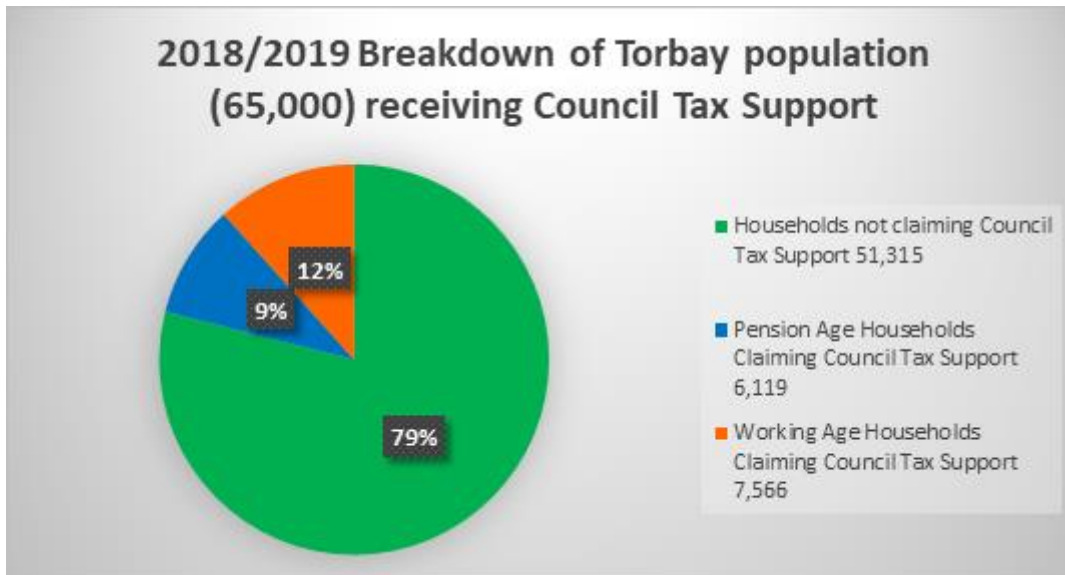
### **The current Working Age scheme for Council Tax Support**

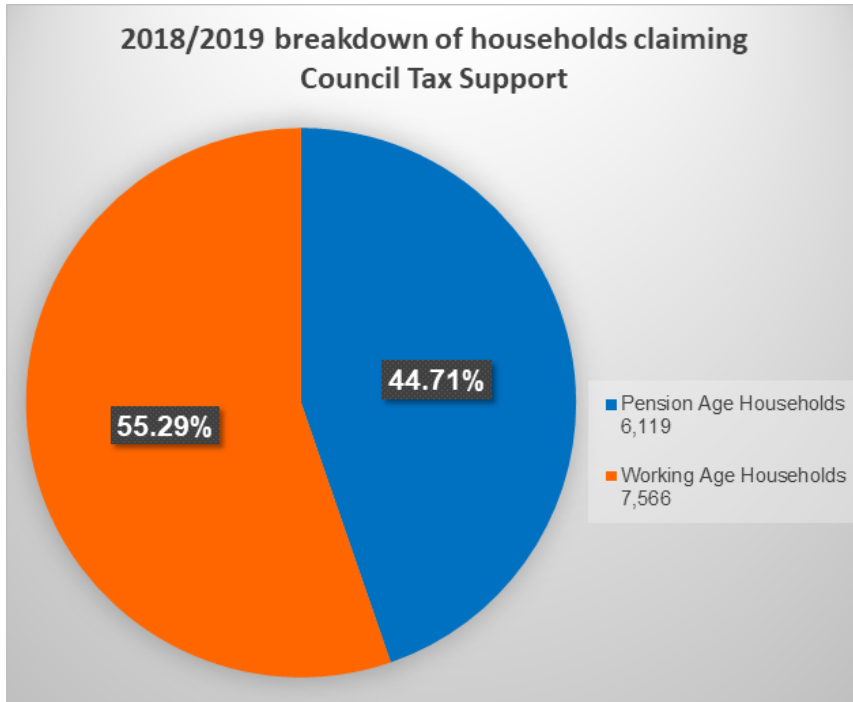
The scheme remained largely unchanged until April 2017 when the maximum award of Council Tax Support available was reduced to **72.5%**. This was stage one of a phased two year reduction process to implement a maximum award of **70%**.

The drivers for change were; to make the level of expenditure required to support payment of Council Tax Support to households more affordable for the Council, and also to align aspects of our scheme with Housing Benefit and Universal Credit legislation changes occurring.

The main changes approved to be applied from 1 April 2018 were:

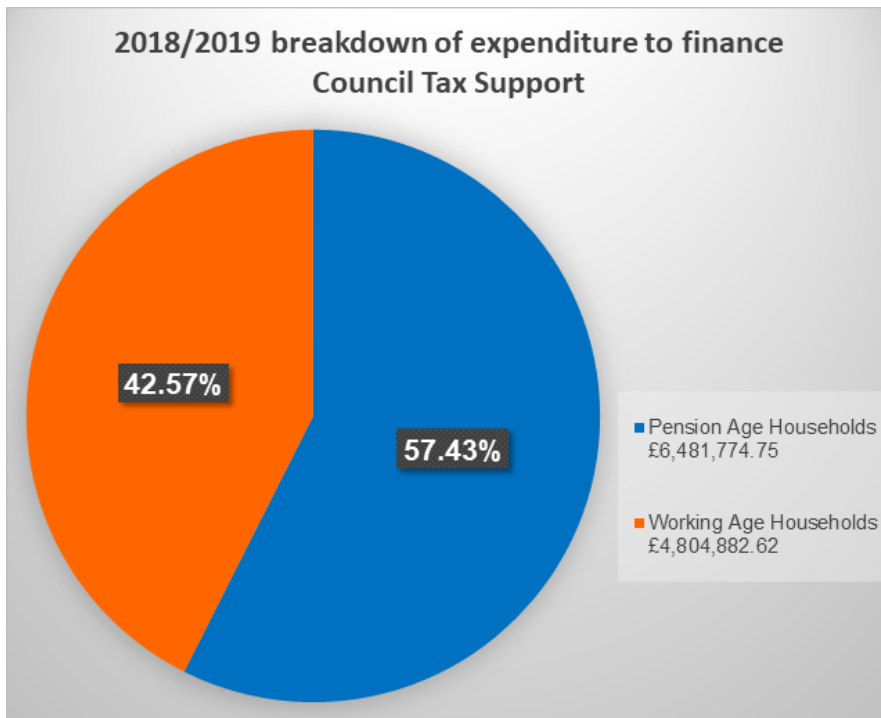
- Maximum awards of Council Tax Support available were further reduced to 70%, meaning that all working age households would have to pay a minimum of 30% of their Council Tax bill, regardless of their circumstances.
- Maximum awards of Council Tax Support were also restricted to 70% of a full property charge within Council Tax band D. This restricted the maximum level of support available for households living in larger properties where the Council Tax band were E,F,G & H.





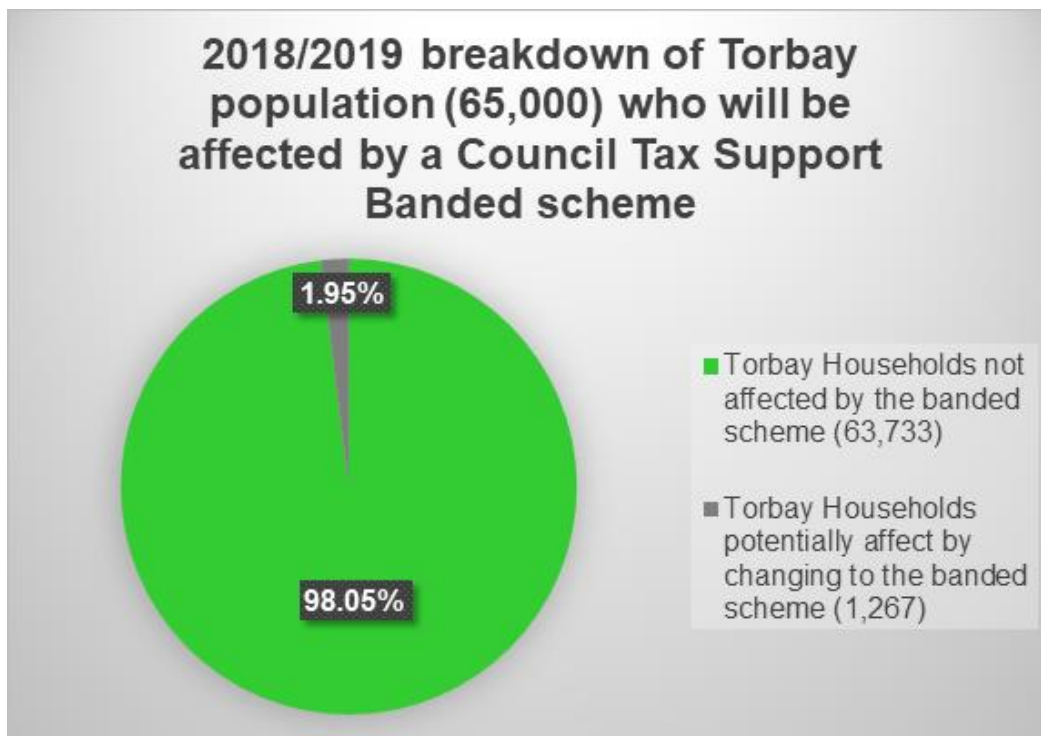
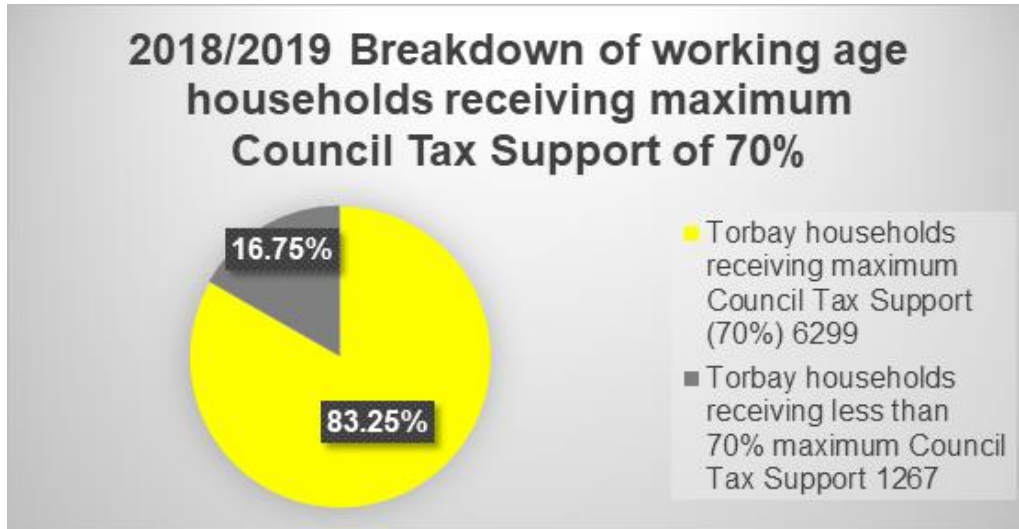
**Breakdown of £11,286,657.37 expenditure cost to pay Council Tax Support**

<b>Pension Age Households</b>	<b>£6,481,774.75</b>	<b>57.43%</b>
<b>Working Age Households</b>	<b>£4,804,882.62</b>	<b>42.57%</b>
<b>Total</b>	<b>£11,286,657.37</b>	



## Appendix 2 - Council Tax Support – Torbay working age households analysis for 2018/19

Torbay households receiving maximum Council Tax Support (70%)	6,299	83.25%
Torbay households receiving <i>less than</i> 70% maximum Council Tax Support	1,267	16.75%
Total Torbay working Age households receiving Council Tax Support	7,566	100%



### How a household income banded scheme would be applied to working age households claiming Council Tax Support

- Within the new banded scheme, the current maximum Council Tax Support award of 70% would be retained.
- **Important** - All **83.25%** of working age households currently receiving the maximum Council Tax award of 70% **would continue to receive this award of 70% within the new banded scheme.**
- Therefore, the number of working age households in receipt of Council Tax Support *potentially* affected by changing to a banded scheme is **1,267 or 16.75%** - see graph below

- The income bands that would be applied within the new banded scheme are calculated by analysing the current working age household incomes within their present Council Tax Support claim.
- Precise system review/modelling of the current household incomes are used to calculate the different income bands set per size of household composition. These values are aligned with income applicable amounts currently used for the assessment of Council Tax Support to maintain a consistency.
- The three other percentage awards of Council Tax Support that are below the maximum 70% award are then calculated by using the above income data of the households.
- Once the above has been completed, the system modelling process will match the 16.75% of working age households not receiving the maximum award of 70%, to calculate their new award. This new award will be as close as possible to the level of Council Tax Support they are currently receiving.
- To mitigate any potential impact experienced by the 16.75% households adversely affected by the proposed changes, we will seek to identify these household and continue to operate the Hardship Scheme which has an annual budget of £80k to support residents showing a need for additional support in their payments.



### **Appendix 3 - The impact of Universal Credit on households in Torbay**

The introduction of Universal Credit by the DWP from 5th September 2018 in Torbay has had a significant impact on the Council Tax Support scheme for **working age households**.

*NB: Pension Age households are not affected by Universal Credit. The DWP retain control of the regulations applied for local authorities to pay Council Tax Support to pension age customers.*

#### **Quick overview of the principles of Universal Credit**

Universal Credit is a means tested benefit that is paid calendar monthly in arrears to working age customers by the DWP. It is for people who are working and not working. It consists of a basic living allowance and additional elements for any other qualifying benefits.

**However, Universal Credit does not include Council Tax Support, which remains the responsibility of the Local Authority to administer and finance.**

As of the beginning of June 2019, there were 3000 people in receipt of Universal Credit in Torbay. This figure is increasing each month as customers experience changes in their circumstance that convert them from their current income to Universal Credit.

Nationwide research has identified the following impacts of Universal Credit on how customers are expected to pay their Council Tax bill.

- Around **40%** of Universal Credit households have an adjustment to their calendar monthly Universal Credit award payment.
- Universal Credit households will have on average at least **eight changes** to their calendar monthly Universal Credit award payment in a calendar year.

#### **How do changes in Universal Credit payments impact on Council Tax Support and Council Tax bills?**

- Under the current working age Council Tax Support scheme, each financial change in income received by a household will affect the amount of Council Tax Support they are entitled to. This problem is magnified for an increasing proportion of Torbay's population, with the ongoing recalculation of customers' monthly Universal Credit award payments.
- The recalculation of Council Tax Support changes the amount of Council Tax due for payment. This change forces the creation of new Council Tax bills, and alters the amounts and dates that the payment instalments are due.
- **Important: Households are receiving multiple, recalculated Council Tax bills throughout the year. New bills detailing the revised instalment plans make financial budgeting for payment of Council Tax by low income households very stressful. It can then be a very difficult task to avoid falling into arrears they cannot afford and increasing debt.**
- Local authorities are dependent on receiving payment of Council Tax to support the provision of local services.

- From the Council's perspective, multiple changes have a significant negative impact on administration and billing. Each change will need to be administered by Council officers for a new bill to be produced.
- There are additional costs of printing and postage for the revised Council Tax bills to be sent to households. This is approximately £1 per bill issued.
- Nationally, rates of Council Tax collections have suffered in areas where Universal Credit full service has been introduced.

### **The need for change in Torbay**

From 2020, we will see the biggest change, when a 'managed migration' programme will be implemented by the DWP, which will convert the remaining client base of all remaining working age customers onto Universal Credit. This will be regardless of whether of they have experienced a change in their circumstances.

This programme will have a major impact on the working age residents of Torbay. It is essential that as a Council we have a new system, that fully supports these households as they become subject to these ongoing changes that will affect them.

### **The way forward**

Throughout the United Kingdom, this trend is being recognised nationally, as more localised Council Tax Support schemes for working age households are being adapted to meet the changing needs of residents, and support them to be able to pay their Council Tax charge.

- A system is required that makes it easier for low income households to be able to budget for payment of Council Tax.
- A Council Tax Support scheme for working age households which is better catered to absorb the ongoing fluctuations in monthly income received from Universal Credit.
- A new format providing greater stability (as detailed above) will reduce the need to produce revised Council Tax bills, as the award of Council Tax Support will not need to be recalculated to reflect each income change.
- A new scheme which will provide a regular amount that the household is expected to pay for Council Tax, which is not subject to constant change. This will allow lower income households to budget with greater confidence, and avoid falling behind with payments due, which can result in recovery action and potential costs being added to the charge.
- A scheme that keeps us consistently in line with all other Devon local authorities and Councils throughout the United Kingdom.

**An income / household banding scheme for Council Tax Support achieves all of the above solutions.**

## **Change supported by other Devon Councils**

As was the approach in 2013, Torbay are aligning with the all other Councils throughout Devon by introducing a revised Council Tax Support scheme in the format of an income / household banding scheme from April 2020.

Nationwide, the banding schemes have become more common as impacts of Universal Credit continue, with nearly 100 Councils adopting this approach from April 2019, and more to follow from April 2020.

South Hams & West Devon have led the way by launching their Council Tax Support banded scheme from April 2019. This met with approval by their residents within the mandatory customer consultation process, as well as after implementation. This reaction mirrors customer feedback experienced nationwide. The same level of acceptance would be expected within Torbay.

### **Appendix 4: Explanation of an income household banded scheme for Council Tax Support**

- A household income banded scheme (or grid system as it is also known) for Council Tax Support is based on the number of people in a household and the level of income received into the household.
- By cross referencing these two aspects on the grid, it concludes how much Council Tax Support that the household is entitled to be awarded, as a percentage of their Council Tax charge.
- Supporting safeguards are built into the Council Tax Support scheme to protect the most vulnerable customers. A number of incomes received such as disability and carers income would be disregarded within the income calculation. This would ensure that the most vulnerable households continue to receive the maximum level of assistance available.

Please see the **generic example** shown below to demonstrate how this would work:

	Single Person Weekly Income £	Couple Weekly Income £	Single parent – Weekly Income £	Single parent - Weekly Income £	Couple – Weekly Income £	Couple – two children or more Weekly Income £
70% discount awarded	0 – 100	0 - 125	0 - 210	0 – 340	0 - 210	0 – 340
60% discount awarded	100.01 to 130	125.01 to 155	210.01 to 245	340.01 to 380	210.01 to 245	340.01 to 380
40% discount awarded	130.01 to 160	155.01 to 195	245.01 to 290	380.01 to 410	245.01 to 290	380.01 to 410
20% discount awarded	160.01 to 200	195.01 to 225	290.01 to 330	410.01 to 450	290.01 to 330	410.01 to 450

### **Advantages of an income / household banded scheme**

#### **Advantages for the customer:**

1. The system is more robust to absorb fluctuations in household income. This is essential as more working age households migrate onto receiving Universal Credit.
2. It reduces the number of changes that need to be made to an award of Council Tax Support. If the level of household income received remains within the same income band, the award of Council Tax Support remains unchanged.
3. When a Council Tax Support award is unchanged, it is not necessary for the Council to continually issue revised award letters for Council Tax Support, which many customers find confusing.
4. Most importantly, when an award of Council Tax Support is unchanged, it is not necessary to issue multiple revised Council Tax bills throughout the year.

5. The household receive their Council Tax bill, providing them with a consistent instalment payment plan for the year ahead. This allows customers to budget accordingly without fear of their bill being amended and a new recalculated instalment schedule. A revised Council Tax bill will only be issued if the household has a substantial changes in income received that moves them into a new income band and a different percentage discount award.
6. This format simplifies the current technical and complex assessment process for Council Tax Support and is much easier for households to understand. Details of the income banded grid and a list of disregarded incomes would be openly publicised, providing a transparent formula where residents can easily calculate for themselves how much Council Tax Support they will be entitled be.
7. Through this improved transparency, households will have an advance awareness of how much their revised award of Council Tax Support would be if their level of income substantially changed and moved them into a new income band.

#### **Disadvantages for the customer:**

1. It is appreciated that a banded system will introduce 'cliff edges' as income levels change to an extent where it places the household into a different band. Within the modelling we will try to minimise the potential for this as much as possible within the setting of the income bands. However, this disadvantage is counter balanced by the increased flexibility that a banded system offers by allowing and incentivizing households to increase their income within their current band without reducing their percentage award.
2. For households that are negatively impacted by the banded scheme, we will identify and approach households who have been affected and mitigate these changes through the Hardship Scheme which has an annual budget of £80k

#### **Advantages for the Council**

1. Reduced financial costs for printing and postage, eliminating the need to issue frequently revised Council Tax Support award notification letters and multiple revised Council Tax bills throughout the year. Each letter costs approx. £1 to issue.
2. Consistent Council Tax instalment payment schedules for customers which they can financially budget for, will importantly, help to protect the collection rates of Council Tax payments, which is essential income needed to support the financing of key services.
3. It will maintain consistency with all other Devon local authorities also scheduled to introduce Council Tax Support banded schemes from April 2020
4. It is a cost neutral scheme, not requiring any further financial commitment from the Council to support changing to a banded system.
5. Reduced level of customer contact from customers seeking explanations of why they have received further revised Council Tax Support award notifications and recalculated Council Tax bills.

6. By making this change, an income / household banded scheme would be more cost effective and sustainable to administer, in order to absorb the increasing number of monthly changes in Universal Credit awards.

### **Disadvantages for the Council**

1. Potential administration increase in processing Hardship Scheme applications for households negatively impacted by the change.

### **The importance of precise modelling of income bands to protect households**

- The income bands that are applied within the grid system are devised by reviewing the incomes of the working age households currently in receipt of Council Tax Support within Torbay.
- Precise modelling is then applied to apply the results of the above to devise the new income bands. This will match households so that they receive an award within the new banded scheme that is as close as possible to the award they are currently receiving.
- Within the new banded scheme, the current maximum Council Tax Support award of 70% would be retained. Households currently receiving the maximum Council Tax award of 70% would continue to receive this award of 70% within the new banded scheme. This equates to 83.25% of the 7,566 working age households currently receiving Council Tax Support.
- The three other percentage awards of Council Tax Support below the maximum 70% award would be calculated by using precise system modelling by analysing the household incomes of the remaining 16.75% where they are not currently entitled to the maximum award of 70%.

### **Conclusion**

The current Council Tax Support scheme is based on an outdated benefit approach which alters entitlement on a weekly basis and is subject to any change in income.

A new scheme framework will be designed to reflect a more modern approach that reflects changing trends and the needs of customers.

The continued migration of working age customers onto Universal Credit will mean that more and more residents of Torbay will be impacted by this change. As well as absorbing all the challenges that Universal Credit itself presents, we have a duty to support them by simplifying the assessment of their Council Tax Support, enabling them to consistently pay without fear of falling into arrears and debt.

It is important that we remain consistent with the advancements being made by all other Devon Councils who are committed to a banded scheme from April 2020 and not be left behind.

**Appendix 5 – A selection of case study examples - For illustrative purposes only. Final, exact income bands will be calculated within the forthcoming modelling process.**

## Employed Single Person

Working age, over 25 and lives alone  
Earns £86.40 net per week and has no savings.

### Property Band A (inc 25% discount) £900.92

<b>Weekly Charge</b>	<b>£17.23</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£10.40	£12.06
Amount to Pay	£6.83	£5.17

### Property Band B (inc 25% discount) £1,051.07

<b>Weekly Charge</b>	<b>£20.10</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£12.41	£14.07
Amount to Pay	£7.69	£6.03

### Property Band C (inc 25% discount) £1,201.23

<b>Weekly Charge</b>	<b>£22.97</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£14.42	£16.08
Amount to Pay	£8.55	£6.89

Working age, under 25 and lives alone  
Earns £86.40 net per week and has no savings.

### Property Band A (inc 25% discount) £900.92

<b>Weekly Charge</b>	<b>£17.23</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£7.36	£12.06
Amount to Pay	£9.87	£5.17

### Property Band B (inc 25% discount) £1,051.07

<b>Weekly Charge</b>	<b>£20.10</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£9.37	14.07
Amount to Pay	£10.73	6.03

### Property Band C (inc 25% discount) £1,201.23

<b>Weekly Charge</b>	<b>£22.97</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£11.38	16.08
Amount to Pay	£11.59	6.89

## Employed Single Person

Working age, over 25 and lives alone  
Earns £140.00 net per week and has no savings.

### Property Band A (inc 25% discount) £900.92

Weekly Charge	£17.23	
	Current Scheme	Banded Scheme
Entitlement	£0.00	£6.89
Amount to Pay	£17.23	£10.34

### Property Band B (inc 25% discount) £1,051.07

Weekly Charge	£20.10	
	Current Scheme	Banded Scheme
Entitlement	£1.69	£8.04
Amount to Pay	£18.41	£12.06

### Property Band C (inc 25% discount) £1,201.23

Weekly Charge	£22.97	
	Current Scheme	Banded Scheme
Entitlement	£3.70	£9.19
Amount to Pay	£19.27	£13.78

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Working age, under 25 and lives alone  
Earns £140.00 net per week and has no savings.

### Property Band A (inc 25% discount) £900.92

Weekly Charge	£17.23	
	Current Scheme	Banded Scheme
Entitlement	£0.00	£6.89
Amount to Pay	£17.23	£10.34

### Property Band B (inc 25% discount) £1,051.07

Weekly Charge	£20.10	
	Current Scheme	Banded Scheme
Entitlement	£0.00	£8.04
Amount to Pay	£20.10	£12.06

### Property Band C (inc 25% discount) £1,201.23

Weekly Charge	£22.97	
	Current Scheme	Banded Scheme
Entitlement	£0.66	£9.19
Amount to Pay	£22.31	£13.78



## Employed Single Person

Working age, over 25 and lives alone  
Earns £170.00 net per week and has no savings.

### Property Band A (inc 25% discount) £900.92

Weekly Charge	£17.23	
	Current Scheme	Banded Scheme
Entitlement	£0.00	£4.31
Amount to Pay	£17.23	£12.92

### Property Band B (inc 25% discount) £1,051.07

Weekly Charge	£20.10	
	Current Scheme	Banded Scheme
Entitlement	£0.00	£5.03
Amount to Pay	£20.10	£15.07

### Property Band C (inc 25% discount) £1,201.23

Weekly Charge	£22.97	
	Current Scheme	Banded Scheme
Entitlement	£0.00	£5.74
Amount to Pay	£22.97	£17.23

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Working age, under 25 and lives alone  
Earns £170.00 net per week and has no savings.

### Property Band A (inc 25% discount) £900.92

Weekly Charge	£17.23	
	Current Scheme	Banded Scheme
Entitlement	£0.00	£4.31
Amount to Pay	£17.23	£12.92

### Property Band B (inc 25% discount) £1,051.07

Weekly Charge	£20.10	
	Current Scheme	Banded Scheme
Entitlement	£0.00	£5.03
Amount to Pay	£20.10	£15.07

### Property Band C (inc 25% discount) £1,201.23

Weekly Charge	£22.97	
	Current Scheme	Banded Scheme
Entitlement	£0.66	£5.74
Amount to Pay	£22.97	£17.23

## Employed Single Person

Working age, over 25 and lives alone  
Earns £210.00 net per week and has no savings.

### Property Band A (inc 25% discount) £900.92

<b>Weekly Charge</b>	<b>£17.23</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£0.00	£0.00
Amount to Pay	£17.23	£17.23

### Property Band B (inc 25% discount) £1,051.07

<b>Weekly Charge</b>	<b>£20.10</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£0.00	£0.00
Amount to Pay	£20.10	£20.10

### Property Band C (inc 25% discount) £1,201.23

<b>Weekly Charge</b>	<b>£22.97</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£0.00	£0.00
Amount to Pay	£22.97	£22.97

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Working age, under 25 and lives alone  
Earns £210.00 net per week and has no savings.

### Property Band A (inc 25% discount) £900.92

<b>Weekly Charge</b>	<b>£17.23</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£0.00	£0.00
Amount to Pay	£17.23	£17.23

### Property Band B (inc 25% discount) £1,051.07

<b>Weekly Charge</b>	<b>£20.10</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£0.00	£0.00
Amount to Pay	£20.10	£20.10

### Property Band C (inc 25% discount) £1,201.23

<b>Weekly Charge</b>	<b>£22.97</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£0.00	£0.00
Amount to Pay	£22.97	£22.97

## Unemployed Single Person

Working age, over 25 and lives alone  
Receives a passported benefit (£73.10)

### Property Band A (inc 25% discount) £900.92

<b>Weekly Charge</b>	<b>£17.23</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£12.06	£12.06
Amount to Pay	£5.17	£5.17

### Property Band B (inc 25% discount) £1,051.07

<b>Weekly Charge</b>	<b>£20.10</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£14.07	£14.07
Amount to Pay	£6.03	£6.03

### Property Band C (inc 25% discount) £1,201.23

<b>Weekly Charge</b>	<b>£22.97</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£16.08	£16.08
Amount to Pay	£6.89	£6.89

Working age, under 25 and lives alone  
Receives a passported benefit (£57.90)

### Property Band A (inc 25% discount) £900.92

<b>Weekly Charge</b>	<b>£17.23</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£12.06	£12.06
Amount to Pay	£5.17	£5.17

### Property Band B (inc 25% discount) £1,051.07

<b>Weekly Charge</b>	<b>£20.10</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£14.07	£14.07
Amount to Pay	£6.03	£6.03

### Property Band C (inc 25% discount) £1,201.23

<b>Weekly Charge</b>	<b>£22.97</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£16.08	£16.08
Amount to Pay	£6.89	£6.89

## Employed Lone Parent

Working age, over 18 with one child

Earns £185.00 net per week, Child Benefit £20.70 and no savings.

### Property Band A (inc 25% discount) £900.92

<b>Weekly Charge</b>	<b>£17.23</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	3.92	£12.06
Amount to Pay	13.31	£5.17

### Property Band B (inc 25% discount) £1,051.07

<b>Weekly Charge</b>	<b>£20.10</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	5.93	£14.07
Amount to Pay	14.17	£6.03

### Property Band C (inc 25% discount) £1,201.23

<b>Weekly Charge</b>	<b>£22.97</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	7.94	£16.08
Amount to Pay	15.03	£6.89

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Working age, under 18 with one child

Earns £185 net per week, Child Benefit £20.70 and no savings.

### Property Band A (inc 25% discount) £900.92

<b>Weekly Charge</b>	<b>£17.23</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£0.48	£12.06
Amount to Pay	£16.75	£5.17

### Property Band B (inc 25% discount) £1,051.07

<b>Weekly Charge</b>	<b>£20.10</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£2.49	£14.07
Amount to Pay	£17.61	£6.03

### Property Band C (inc 25% discount) £1,201.23

<b>Weekly Charge</b>	<b>£22.97</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£4.50	£16.08
Amount to Pay	£18.47	£6.89

## Employed Lone Parent

Working age, over 18 with one child

Earns £200.00 net per week, Child Benefit £20.70 and no savings.

### Property Band A (inc 25% discount) £900.92

<b>Weekly Charge</b>	<b>£17.23</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£0.92	£10.34
Amount to Pay	£16.31	£6.89

### Property Band B (inc 25% discount) £1,051.07

<b>Weekly Charge</b>	<b>£20.10</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£2.93	£12.06
Amount to Pay	£17.17	£8.04

### Property Band C (inc 25% discount) £1,201.23

<b>Weekly Charge</b>	<b>£22.97</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£4.94	£13.78
Amount to Pay	£18.03	£9.19

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Working age, over 18 with one child

Earns £250.00 net per week, Child Benefit £20.70 and no savings.

### Property Band A (inc 25% discount) £900.92

<b>Weekly Charge</b>	<b>£17.23</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£0.0	£6.89
Amount to Pay	£17.23	£10.34

### Property Band B (inc 25% discount) £1,051.07

<b>Weekly Charge</b>	<b>£20.10</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£0.0	£8.04
Amount to Pay	£20.10	£12.06

### Property Band C (inc 25% discount) £1,201.23

<b>Weekly Charge</b>	<b>£22.97</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£0.0	£9.19
Amount to Pay	£22.97	£13.78

## Employed Lone Parent

Working age, over 18 with one child

Earns £300.00 net per week, Child Benefit £20.70 and no savings.

### Property Band A (inc 25% discount) £900.92

Weekly Charge	£17.23	
	Current Scheme	Banded Scheme
Entitlement	£3.92	£4.31
Amount to Pay	£13.31	£12.92

### Property Band B (inc 25% discount) £1,051.07

Weekly Charge	£20.10	
	Current Scheme	Banded Scheme
Entitlement	£5.93	£5.03
Amount to Pay	£14.17	£15.07

### Property Band C (inc 25% discount) £1,201.23

Weekly Charge	£22.97	
	Current Scheme	Banded Scheme
Entitlement	£7.94	£5.74
Amount to Pay	£15.03	£17.23

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Working age, over 18 with one child

Earns £325.00 net per week, Child Benefit £20.70 and no savings.

### Property Band A (inc 25% discount) £900.92

Weekly Charge	£17.23	
	Current Scheme	Banded Scheme
Entitlement	£0.48	£0.00
Amount to Pay	£17.23	£17.23

### Property Band B (inc 25% discount) £1,051.07

Weekly Charge	£20.10	
	Current Scheme	Banded Scheme
Entitlement	£0.00	£0.00
Amount to Pay	£20.10	£20.10

### Property Band C (inc 25% discount) £1,201.23

Weekly Charge	£22.97	
	Current Scheme	Banded Scheme
Entitlement	£0.00	£0.00
Amount to Pay	£22.97	£22.97

## Unemployed Lone Parent

Working age, over 18 with one child  
Receives a passported benefit

### Property Band A (inc 25% discount) £900.92

<b>Weekly Charge</b>	<b>£17.23</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£12.06	£12.06
Amount to Pay	£5.17	£5.17

### Property Band B (inc 25% discount) £1,051.07

<b>Weekly Charge</b>	<b>£20.10</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£14.07	£14.07
Amount to Pay	£6.03	£6.03

### Property Band C (inc 25% discount) £1,201.23

<b>Weekly Charge</b>	<b>£22.97</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£16.08	£16.08
Amount to Pay	£6.89	£6.89

Working age, under 18 with one child  
Receives a passported benefit

### Property Band A (inc 25% discount) £900.92

<b>Weekly Charge</b>	<b>£17.23</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£12.06	£12.06
Amount to Pay	£5.17	£5.17

### Property Band B (inc 25% discount) £1,051.07

<b>Weekly Charge</b>	<b>£20.10</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£14.07	£14.07
Amount to Pay	£6.03	£6.03

### Property Band C (inc 25% discount) £1,201.23

<b>Weekly Charge</b>	<b>£22.97</b>	
	<b>Current Scheme</b>	<b>Banded Scheme</b>
Entitlement	£16.08	£16.08
Amount to Pay	£6.89	£6.89

## Employed Lone Parent

Working age, over 18 with two children

Earns £185.00 net per week, Child Benefit £20.70 and £13.70 with no savings.

### Property Band A (inc 25% discount) £900.92

Weekly Charge	£17.23	
	Current Scheme	Banded Scheme
Entitlement	3.92	£10.31
Amount to Pay	13.31	£

### Property Band B (inc 25% discount) £1,051.07

Weekly Charge	£20.10	
	Current Scheme	Banded Scheme
Entitlement	5.93	£12.06
Amount to Pay	14.17	£6.03

### Property Band C (inc 25% discount) £1,201.23

Weekly Charge	£22.97	
	Current Scheme	Banded Scheme
Entitlement	7.94	£
Amount to Pay	15.03	£6.89

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Working age, under 18 with two children

Earns £185 net per week, Child Benefit £20.70 and £13.70 with no savings.

### Property Band A (inc 25% discount) £900.92

Weekly Charge	£17.23	
	Current Scheme	Banded Scheme
Entitlement	£0.48	£12.06
Amount to Pay	£16.75	£5.17

### Property Band B (inc 25% discount) £1,051.07

Weekly Charge	£20.10	
	Current Scheme	Banded Scheme
Entitlement	£2.49	£14.07
Amount to Pay	£17.61	£6.03

### Property Band C (inc 25% discount) £1,201.23

Weekly Charge	£22.97	
	Current Scheme	Banded Scheme
Entitlement	£4.50	£16.08
Amount to Pay	£18.47	£6.89





### **Appendix 6 - Draft Timescales & Deliverables:**

To introduce the proposed scheme, we would need to follow the following timeline before full council meeting in December 2019.

Ref.	Task	Owner	Completion Date
1	Presentation of initial business plan to members in advance of presentation of proposed draft scheme at the equivalent of MEG		19 July
2	Senior Officer and Member approval to develop a draft Council Tax Support scheme		TBC
3	<b>Consultation Period commences</b> - Identify households for postal mailshot All Working Age Council Tax Support claimants who are not receiving 70% maximum award Equal number (random selection) of Council Tax payers not receiving Council Tax Support		August
4	Arrange events and workshops with primary stakeholders In all three towns		August
5	Review of results from public consultation		October
6	Final scheme proposals Based on Equality Impact Assessment and Consultation Report		November
7	Overview and Scrutiny		November
8	Full Council meeting		December
<b>New financial year</b>			<b>1 April 2020</b>

**DRAFT**

**Council Tax Reduction Group**

**Options for Council Tax Reduction - Implications due to the introduction of Full-Service Universal Credit**

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## 1.0 Introduction and background

- 1.1 Following discussions with the Council Tax Reduction Group, the following paper has been designed to examine the issues which are occurring within Council Tax Reduction (CTR) with the implementation of Full-Service Universal Credit (UC).
- 1.2 This briefing paper provides the following information as agreed:
- Commentary on each of the issues experienced by authorities within Full-Service areas including potential options to change to the CTR schemes adopted by all of the CTR Group;
  - Description of each issue / option including any advantages and disadvantages;
  - Whether the option chosen would require consultation; and
  - Indications of the changes needed to the current Council Tax Reduction scheme documentation (if any) that would be required.
- 1.3 For clarity, the main issues fall in the following areas:
- The reluctance of Universal Credit applicants to make a prompt claim for Council Tax Reduction;
  - The number of changes to Universal Credit cases received through the data hub requiring a change to Council Tax Reduction entitlement;
  - The changes in Council Tax Reduction resulting in changes to Council Tax liability, the re-calculation of instalments, delays and the demonstrable loss in collection; and
  - The increased costs of administration through multiple changes such as staff time, increase in documentation and postage etc.
- 1.4 The options shown address one or more of the issues identified in paragraph 1.3. and are broadly divided into three groups namely:
- Changes that are required to schemes both in the short or long term;
  - ‘Short term changes’ which would potentially assist the authorities within the group as an ‘interim fix’; and
  - ‘Long term changes’ which provide authorities within the group with long term solutions to the problems.
- 1.5 It is acknowledged that the long-term proposals are more radical in nature. The advantages, however are significant and would provide both a long-term solution and potentially prevent significant increases in administration costs which will be inevitable if the current means-tested schemes remain in place.

## 2.0 Council Tax Reduction in context with current welfare reforms and the roll out of Universal Credit

- 2.1 The concept of Council Tax Reduction was introduced by Central Government as part of a package of welfare reforms, which included major changes to existing means tested benefits such as Council Tax Benefit (CTB), Housing Benefit (HB), Income Support (IS), Employment and Support Allowance Income Related (ESAIR), Job Seekers Allowance Income Based (JSAIB) and Tax Credits. Significant changes have also been made to other, non-mean tested benefits including Disability Living Allowance (DLA) and the introduction of Personal Independence Payments (PIP) and Armed Forces Independence Payments (AFIP).
- 2.2 The major flagship change was the introduction of Universal Credit (UC) and the original proposal was that HB, IS, ESAIR, JSAIB, Tax Credits and CTB would be absorbed within the single benefit all administered by the Department for Work and Pensions (DWP). The introduction of Universal Credit was initially meant to have been completed over a three-year period with the main means tested benefits being phased out from 1st October 2013 and with full transition to Universal Credit by the beginning of 2017.
- 2.3 It should be noted that Universal Credit **only** relates to Working Age applicants. The intention with regards to Pension Age applicants was that means tested Housing Benefit should be administered by the DWP Pension Service alongside Pension Credits. This 'Pension Credit Plus' Project was due to launch in 2013, it has now virtually been abandoned and the latest information received from Central Government (October Budget 2018) states that it is the Government's intention is to start this in 2027!
- Since the original concept was launched, a number of significant changes have occurred which have fundamentally changed the likely outcomes of the reforms namely:
- Council Tax Benefit was withdrawn from Universal Credit and Council Tax Reduction (CTR) was created. CTR is in effect, not a benefit but a Council Tax discount administered solely by Billing Authorities. For accounting purposes, it is treated as a reduction in the tax base in the same way as other Council Tax discounts and exemptions. Any amounts paid are borne by the collection fund;
  - Whilst the responsibility for CTR passed to Billing Authorities to administer, Central Government has decided to retain control over the way that CTR for Pension Age applicants should be calculated. The Pension Age scheme is a statutory scheme, determined under the Council Tax Reduction Scheme Prescribed Requirements (England) Regulations. This is a means tested scheme and almost exactly replicates the previous Council Tax Benefit scheme, notwithstanding the fact that it is now called a reduction rather than a benefit;
  - It has been decided that CTR will remain permanently with local authorities; and
  - The roll out of Universal Credit (UC) has been significantly delayed. The DWP have experienced considerable difficulties in rolling out Universal Credit to replace the main means tested benefits and only recently have authorities gone live with 'Full Service' UC. Where it has been introduced, the work of local authorities has increase primarily due to the significant number of changes received from UC changes which affect the calculation of CTR. All authorities within the UK will be in a Full-Service area by the end of the year.

The increase in work experienced by local authorities who, are in a 'Full-Service' UC area and still maintain a 'traditional' means tested CTR scheme, is significant and it should be borne in mind that the costs of administration are solely borne by Billing authorities.

- 2.5 The CTR scheme operated by the authorities within the group largely replicate the original Council Tax Benefit scheme, with some changes that were implemented throughout the subsequent years. In our opinion, the current schemes will **not operate successfully** with the continued roll out of Universal Credit and, if not changed, will inevitably lead to significant increases in administration costs and reductions in collection.

## 3.0 Analysis of Issues

### Changes required to any scheme (short term and long term) - The reluctance of Universal Credit (UC) applicants to make a prompt claim for Council Tax Reduction (CTR)

- 3.1 Universal Credit applicants are often slow or even reluctant to claim Council Tax Reduction. We have undertaken extensive analysis and there is confusion in that they do not appear to understand, that a separate claim is actually required. Poor information provided by the Department for Work and Pensions (DWP) is also often blamed albeit that when making the initial claim for Universal Credit, the applicant is directed to claim Council Tax Reduction if they are liable to pay Council Tax.
- 3.2 Our analysis reveals that applicants are confused with the need to make ‘another claim’ especially when Universal Credit is promoted as a single ‘all encompassing’ benefit. In addition, due to significant issues with the receipt of any Universal Credit entitlement, the focus of the applicant is to obtain monies generally to pay for rent and general living costs rather than Council Tax. Work with full service sites has clearly demonstrated that, even with recovery action being taken against the applicant for unpaid Council Tax, there is great confusion as to why they have any outstanding Council Tax
- The effect of this is that either, no claim is made (resulting in a higher Council Tax liability or non-payment), or a delay in claiming, again resulting in a higher than necessary Council Tax liability.

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### Universal Credit cases - accepting DWP information (data hub) as an intention to claim for Council Tax Reduction

<b>Commentary</b>	This option would allow any Council to accept any information received from the Secretary of State for DWP as an intention to claim, for Council Tax Reduction. The DWP work coach indicates to the applicant that they should claim Council Tax Reduction (albeit that this will vary on a case by case / area by area basis)
<b>Consultation Required?</b>	No - the current schemes allow for anything to be treated as an intention to claim or to accept information from DWP.
<b>Changes to documentation</b>	None required. We are happy however to provide details as to how this can be justified using the current scheme design.
<b>Advantages - Financial</b>	This approach will reduce the problems on the non-claiming of CTR to some degree, and potentially reduce non-collection issues and write offs.
<b>Advantages - Administration</b>	Protection of vulnerable applicants especially where any delays are experienced in claiming Council Tax Reduction.



	Reduction in unnecessary recovery action where applicants fail to claim on time.
<b>Disadvantages - Financial</b>	There may be a potential increase in scheme costs although from experience this is likely to be small and offset by the ease in administration.
<b>Disadvantages - Administration</b>	The option only provides an 'intention to claim'. There is still a reliance on the applicant providing any additional forms or evidence to the authority.
<b>Effect on applicants / Claim groups</b>	This approach would benefit all applicants on Universal Credit
<b>Future Proofing</b>	This approach can be undertaken immediately and will provide an efficient mechanism for claiming in all future schemes
<b>Software Implications</b>	There are no software implications

## B. Universal Credit cases - accepting DWP information (data hub) as a claim for Council Tax Reduction

Page 73	<b>Commentary</b>	<p>This option would allow any Council to accept any information received from the Secretary of State for DWP as a claim, for Council Tax Reduction.</p> <p>The current schemes allow for claims to be received in writing which includes emails or electronic format and in effect, this particular option could be undertaken immediately without changing the scheme itself.</p> <p>The main advantage is that Council Tax Reduction could be processed automatically once information is received from the data hub and will maximise entitlement. It will also assist in the recovery of Council Tax and reduce administration.</p> <p>It could be argued that there may be an increase in scheme costs where a claim is automatically processed.</p>
	<b>Consultation Required?</b>	No
	<b>Changes to documentation</b>	The current documentation allows for this option. However, we would suggest that further wording is added to ensure clarity.
	<b>Advantages - Financial</b>	<p>Protection of vulnerable applicants especially where any delays are experienced in claiming Council Tax Reduction.</p> <p>Reduction in unnecessary recovery action where applicants fail to claim on time.</p>
	<b>Advantages - Administration</b>	<p>By accepting DWP data hub information as a claim the authority will maximise any potential entitlement to Council Tax Reduction.</p> <p>If, alongside this option, there is a reduction in the requirement to produce evidence, administration will be reduced.</p>
	<b>Disadvantages - Financial</b>	There may be a potential increase in scheme costs although from experience this is likely to be small and offset by the ease in administration.

<b>Disadvantages - Administration</b>	With the 'automatic' granting of entitlement, there is a potential for slightly increases in scheme costs. However, it should be noted that any saving under the current scheme would be down to the failure to claim Council Tax Reduction.
<b>Effect on applicants / Claim groups</b>	This approach would benefit all applicants on Universal Credit
<b>Future Proofing</b>	This approach can be undertaken immediately and will provide an efficient mechanism for claiming in all future schemes
<b>Software Implications</b>	There are no software implications

## Recommendation

- 3.4 Given that it is essential to maximise Council Tax Reduction, especially for the most vulnerable applicants, we would strongly recommend that all authorities with the Group adopt Option B

## 4.0 Potential Short-Term solutions

- 4.1 The following options look at dealing with the problems associated with the introduction of Full-Service Universal Credit using the existing Council Tax Reduction scheme or by making relatively minor changes to the current scheme. **The amendments, if accepted, must be considered as a short-term ‘fix’ only and in no way, replace the need for a longer-term solution.** Their main aim is to reduce administration of Council Tax Reduction claims whilst at the same time assisting the administration of Council Tax generally.

### Dealing with multiple changes to CTR cases through changes in Universal Credit

- 4.2 From information obtained from the Full-Service Universal Credit sites, large volumes of changes in Universal Credit are received on a daily basis via the data hub. The amount of changes vary considerably from authority to authority. From information received as of August 2018, the number of changes received ranges from **12 changes per annum per case to 34 changes per annum per case.** Clearly not all changes are correct or must be actioned although, in all cases, work must be undertaken to establish whether action should be taken to align Council Tax Reduction with the Universal Credit change.

- 4.3 The sheer volume of changes in effect means that approximately 40% of all Universal Credit cases require amendment to the Council Tax Reduction scheme and receive between eight and twelve Council Tax bills per annum. This is leading to confusion, an increase in administration costs and a reduction in collection. In sites where Full-Service Universal Credit has been in place for some time, collection rates are starting to be detrimentally affected, in some cases by as much as 1%.

- 4.4 Plans are in place that will allow for the full automation of data hub information into the Council Tax Reduction software (planned October 2018). Notwithstanding this, the quality of the data from DWP is still not at a high level. The DWP has promised authorities that they will look to improve data quality over the coming months.

- 4.5 As an ‘interim fix’, the following ‘short term’ options have been taken or are being considered by authorities to reduce the impact of these changes.

#### A. Universal Credit cases - applying a fixed income period to avoid multiple changes

<p><b>Commentary</b></p>	<p>This option will allow authorities to set ‘assessment periods’ during which any changes in universal credit entitlement will not be actioned. The authority will need to decide what changes or exceptions (if any) would trigger a change (often called trigger points) and also the period for which this would last.</p> <p>Traditionally ,fixed periods of this sort have been 6 months (previously used within Family Credit). Decisions will also need to be made as to whether this will apply just to Universal Credit cases or to the caseload</p>
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	<p>generally and whether the new period should be based on the actual Universal Credit at the time or the review of an average over the previous months.</p> <p>The main issues to be considered with this approach are:</p> <ol style="list-style-type: none"> <li>the length of any fixed period;</li> <li>whether the fixed period should apply to both Universal Credit only or all case types;</li> <li>The information / incomes to be used at the commencement of the fixed period;</li> <li>Key 'trigger points' i.e. whether any specific changes would 'trigger' a re-assessment. This would normally be where the applicant would experience a significant change in circumstance - normally this would apply where the applicant would be entitled to an increase in Council Tax Reduction;</li> <li>The costs of the scheme - there is potentially a cost to the scheme where applicants' entitlement is 'held' at a higher level that would normally be expected; and</li> <li>The fixed period approach cannot be made to the pension age CTR scheme which is prescribed by Central Government.</li> </ol>
<b>Consultation Required?</b>	Yes - this is outside of the current working age schemes.
<b>Changes to documentation</b>	We would need to agree with each authority the exact wording in the working age scheme to ensure that it achieves the required outcomes. We assume that this would not be a blanket policy and that there would need to be certain 'triggers' that would allow for further assessment prior to the end of the existing assessment period.
<b>Advantages - Financial</b>	If a decision is made not to change CTR entitlements for a fixed period even when they increase, then additional savings may be made.
<b>Advantages - Administration</b>	The scheme will avoid multiple changes in CTR and reduce the number of changes per case.
<b>Disadvantages - Financial</b>	<p>If a decision is made not to change CTR entitlements for a fixed period, even when they reduce, then additional costs may be incurred.</p> <p>Some applicants may take advantage of the scheme by anticipating when their case is to be reviewed and reduce overtime / income for that period (this was experienced when Family Credit introduced a fixed period assessment).</p>
<b>Disadvantages - Administration</b>	The administration of fixed periods can be complex in some cases depending on the actual approach adopted.

<b>Effects on applicants / Claim groups</b>	There will potentially be an effect on applicants where a fixed period is introduced which does not change CTR entitlement where the applicant has a reduced income.
<b>Future Proofing</b>	The scheme would allow for reductions in administration costs especially in the areas of Council Tax billing and collection.
<b>Software Implications</b>	This would be a manual process of reviews and could be undertaken within the current software provision.

## B. Universal Credit cases - applying a tolerance to avoid multiple changes

<b>Commentary</b>	<p>The option would continue with the existing scheme operated by the authorities but changes which would increase or decrease entitlement below an agreed level (the ‘tolerance’) would not be effected. In order to bring this change into the scheme, authorities would need to decide the following:</p> <ol style="list-style-type: none"> <li>What level of change (£) would not be actioned;</li> <li>Whether the tolerance would apply to both increases in entitlement and decreases in entitlement equally;</li> <li>Whether changes should be ‘accumulated’ and then actioned when all changes ‘add up’ to more than the tolerance level;</li> <li>The overall scheme costs. As with all cases where changes in circumstances are not undertaken (whether positive or negative) could affect scheme costs;</li> <li>Whether the tolerance should apply to all applicants irrespective of the income / benefits they receive (e.g. ‘passport benefit’);</li> <li>Whether the changes would affect changes to non-dependants etc.; and</li> <li>The tolerance approach <b>cannot</b> be made to the pension age CTR scheme which is prescribed by Central Government.</li> </ol>
<b>Consultation Required?</b>	Yes - the current schemes do not take account of any tolerances.
<b>Changes to documentation</b>	We would need to agree with each authority the exact wording in the working age scheme to ensure that it achieves the required outcomes. We assume that this would not be a blanket policy and that there would need to be certain ‘triggers’ that would allow for further assessment despite the tolerance level being set.
<b>Advantages - Financial</b>	It will be difficult to anticipate the financial effect until decisions are made as listed above however if a decision is made not to change CTR entitlements even when they increase, then additional savings may be made.
<b>Advantages - Administration</b>	The scheme will avoid multiple changes in CTR

<b>Disadvantages - Financial</b>	It will be difficult to anticipate the financial effect until decisions are made as listed above however, if a decision is made not to change CTR entitlements even when they reduce, then additional costs may be incurred.
<b>Disadvantages - Administration</b>	It should be noted that changes will still need to be actioned (to determine the level of the change) notwithstanding the fact that the number of actual changes to CTR will be reduced.
<b>Effects on applicants / Claim groups</b>	There will potentially be an effect on applicants where a tolerance is introduced which does not change CTR entitlement where the applicant has a reduced income.
<b>Future Proofing</b>	The scheme would allow for reductions in administration especially in the areas of Council Tax billing and collection.
<b>Software Implications</b>	Current software providers are looking to provide this facility.

### C. Universal Credit cases - not applying any changes received from the DWP

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<b>Commentary</b>	<p>The option would continue with the existing scheme operated by the authorities but changes in Universal Credit notified by the DWP would not be actioned automatically. Changes would <b>only</b> be actioned if reported by the applicant.</p> <p>The result of this approach would be to significantly reduce the number of changes undertaken <b>but</b> it would place the onus on the applicant to notify the authority of changes (this is already a duty imposed under the existing schemes). This is a 'different' approach than that taken in the current scheme and each authority would need to decide the following:</p> <ol style="list-style-type: none"> <li>a. How it would deal with changes notified by the applicant that are beneficial in nature (this is particularly relevant with effective dates);</li> <li>b. How it would deal with changes notified by the applicant that are non- beneficial in nature (this is particularly relevant with effective dates);and</li> <li>c. Whether non-reported changes should be subject to a penalty or any fraud action, which may be difficult given that the authority <i>may</i> have information previously supplied to them by the DWP.</li> </ol>
<b>Consultation Required?</b>	Yes - the current scheme states that the authority <i>shall</i> action all information received from the DWP.
<b>Changes to documentation</b>	This is a simple change in the document. Replacing the word 'shall' with 'may'.

<b>Advantages - Administration</b>	The scheme will avoid multiple changes in CTR
<b>Disadvantages - Financial</b>	It will be difficult to anticipate the financial effect until decisions are made as listed above however, if a decision is made not to change CTR entitlements even when they reduce, then additional costs may be incurred.
<b>Disadvantages - Administration</b>	This may result in an increase in applicant contact with the authority and potential difficulty in recovering council tax where the authority was aware of a change but did not action it.
<b>Effects on applicants / Claim groups</b>	Applicants failing to report changes could face penalties and /or recovery action for incorrect CTR
<b>Future Proofing</b>	The scheme would allow for reductions in administration especially in the areas of Council Tax billing and collection.
<b>Software Implications</b>	None

**Page 9** **Maintaining the current scheme and changes required to bring the current scheme into line with both Housing Benefit and / or Universal Credit**

<b>Commentary</b>	<p>This option suggests that the approach would be to maintain and align the current schemes for working age with changes that have occurred within Housing Benefit and Universal Credit since the implementation of Council Tax Reduction.</p> <p>All authorities within the group have done this to a greater or lesser degree but the approach is onerous and often requires small but very complex areas of benefit change to be consulted upon.</p> <p>No current scheme is fully aligned with all HB / UC changes</p>
<b>Consultation Required?</b>	Yes - full consultation on each change would be required.
<b>Changes to documentation</b>	The current schemes would need to be changed to deal with the changes listed.
<b>Financial Advantages</b>	The schemes continue to deliver costs savings and a number of the changes reduce the overall costs of the schemes
<b>Administration Advantages</b>	Staff are used to administering the scheme and it is well tried and tested.

	The schemes are almost identical to that for Pension Age and Housing Benefit (notwithstanding the fact that the scheme is slightly less generous than the original CTB).
<b>Financial Disadvantages</b>	Administration costs are high due to the fact that the schemes are administered in line with Housing Benefit (albeit that part of the administration costs are offset in the cases of applicants making joint claims for Housing Benefit and Council Tax Reduction).
<b>Administration Disadvantages</b>	The schemes are complex in nature
<b>Effects on applicants / Claim groups</b>	The schemes have a proven track record in being designed to cater for applicant's individual needs and circumstances. Being originally designed by DWP, the scheme design has been tested through the Courts
<b>Future Proofing</b>	The schemes need constant amendment to keep in line with changes to Housing Benefit. The current schemes are currently 'out of line' with Housing Benefit. <b>The schemes are too reactive and will not be viable in the longer term</b>
<b>Software Implications</b>	None. The current software can process all claims etc.

## Recommendation

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Whilst the 'short term fixes' do allow for some administration savings and would also negate, to some degree, the effects of the roll out of Full-Service Universal Credit, they must be considered as short term only. We would strongly recommend that authorities consider a long-term solution to address all of the key issues and to prevent having to revisit schemes in the future.



## 5.0 Long Term Solutions

5.1 The following options would provide the authorities within the Group with a long-term solution to the issues identified earlier in this report. Many authorities are choosing to adopt schemes which will be simple to administer; avoid multiple changes to Council Tax liability through the year; and be future proofed to enable minimal future changes. In addition, any new option should allow certainty in cost expenditure.

### A. Introducing an income based discount (banded) scheme - simple income band or income 'grid'.

<p><b>Commentary</b></p>	<p>The basis of this scheme is, for Working Age cases, to calculate the total income of the applicant and partner and to apply their income against a banded discount scheme. A small number of authorities have currently introduced this although the number will grow significantly from 2019 and 2020. The approach is straightforward as far as calculation is concerned, however decisions must be made as follows:</p> <ol style="list-style-type: none"> <li><b>a. Whether all (any) working age cases should pay a minimum amount</b> <ul style="list-style-type: none"> <li>• A decision will need to be made as to the level of funding available and whether any or all working age cases should pay a minimum amount. The most common approach is that all applicants are required to make a minimum payment although we would strongly encourage authorities to consider allowing the 'poorest' applicants 100% support, notwithstanding that this may be at the detriment of applicants who have a higher level of income. It is recognised that this is more of a 'political decision' although it would allow for administrative savings in collection and recovery.</li> </ul> </li> <li><b>b. How many bands of discount should be included and what level of discount should be paid</b> <ul style="list-style-type: none"> <li>• The number of bands will be important as this will not only affect the administration but also the way that incomes are treated;</li> <li>• As this is a banded scheme, there are potentials for differences between the bands where a small increase in income can affect the awarding of the support. Over the last few years we have seen the number of bands reduce to aid simplification. We would strongly recommend that a small number of bands are used, wide enough to 'absorb' changes in income without the need to issue multiple Council Tax demands.</li> </ul> </li> <li><b>c. Whether bands (income levels) should be different depending on the size of the household</b> <ul style="list-style-type: none"> <li>• If a simple banding system is used with discounts just being based on income received, then no account will be made of the size of the family. The alternative is to consider the use of banded 'grid' system whereby discounts are decided not only on income but also by size of family (up to 'say one partner and a maximum of two dependants'). (A common approach is to have four levels: Single, Couples Single / Couple &amp; 1 Dependant and Single / Couple &amp; 2 dependants)</li> </ul> </li> </ol>
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**d. Whether any income should be disregarded**

- Consideration will need to be given as to whether any incomes received should be disregarded (such as Child Benefit, Child Maintenance, DLA, PIP, Carers Allowance, Support Component of ESA etc.) Also, decisions have to be made as to whether part of earned income should be disregarded to incentivise work or to allow for child care. Care will need to be taken in this area to ensure that there is not a significant loss for the most vulnerable cases. Should the group approve this approach, we will go through all relevant issues and provide options for each applicant group.

**e. Whether income should be calculated Gross or Net**

- Decisions would need to be made as to whether any income received should be treated gross or net. Logically the use of net income, which has traditionally been used in calculating benefits, would be retained;

**f. How applicants in receipt of DWP benefits such as Universal Credit, Income Support, Jobseekers allowance (Income Based) and Employment and Support Allowance (Income Related) should be treated in the scheme**

- Traditionally applicants in receipt of Income Support, Jobseekers allowance (Income Based) and Employment and Support Allowance (Income Related) 'passport benefits' receive maximum benefit / reduction. The Council will need to consider whether this should continue. It should be noted that these are to be replaced by Universal Credit in the medium term;
- Applicants currently in receipt of Universal Credit have their income calculated by means of the approach developed by Central Government, a decision will need to be made how this will be undertaken in any new scheme.

**g. Whether there should be a capital cut off limit**

- Consideration will need to be made to determine whether there should be a capital cut off and what level that should be. Commonly a £6,000 capital cut off limit is used which significantly reduces administration. If the applicant has over £6,000, then no reduction will be granted and if they have less than £6,000, then any amounts held will be disregarded.

**h. Whether deductions should be made for non-dependants**

- Consideration will need to be made as to whether non-dependant deductions should be made. Ideally not having to consider non-dependants will simplify administration, reduce changes but may have an adverse effect on the overall scheme costs.

**i. Whether certain cases (vulnerable) should fall into different bands**

- Authorities will need to consider how they will deal with cases that are considered vulnerable and whether they should be treated differently than other applicants. Our preferred option is for any person considered to be vulnerable may apply for an 'Exceptional Hardship Payment' from an Exceptional

	Hardship Scheme which is 'embedded' in the CTR scheme and paid under S13A 1 A of the Local Government Finance Act 1992 rather than S13A 1 C.	
<b>Advantages</b>	<b>Financial</b>	Initial indications are that the schemes are fair in that they look at the total income of all applicants and treat applicants the same whether they are on state benefits or not. The schemes can generate savings subject to the variables listed above.
	<b>Administration</b>	Simple to understand and depending on the level of bands, the schemes will negate a large number of the multiple changes that occur in Universal Credit.
<b>Disadvantages</b>	<b>Financial</b>	There may be some additional software costs. All suppliers are now able to provide a scheme of this nature.
	<b>Administration</b>	There would need to be careful consideration as to how the administration of this scheme will work together with the administration of Housing Benefit. It will be essential to minimise the effect of administering two distinctly different schemes. We would strongly recommend that the approach to administration is simplified and brought into line with other Council Tax discounts rather than operate the schemes as a 'benefit'. Options to change the administration approach will be subject to a separate report.
<b>Effects on applicants / Claim groups</b>	There will undoubtedly be an effect on all applicant groups. Depending on the decisions made as listed above, applicants in certain groups such as families, disabled etc. may find they receive a different level of support. This would need to be mitigated through its design.	
<b>Future Proofing</b>	The approach takes into account the move to Universal Credit and can be varied year on year depending on the level of support determines by the Council.	
<b>Software Implications</b>	All software providers have been mindful of changes in approach and have made moves to offer systems that will allow for a simple discounted or grid scheme.	

## B. Introducing a discounted scheme specifically for Universal Credit cases (leaving other applicants to be dealt with under the existing schemes)

<b>Commentary</b>	This approach is a hybrid of the existing means tested scheme operated by each Council and an income based banded scheme for all applicants that receive Universal Credit. A small number of authorities have adopted this approach.	
<b>Advantages</b>	<b>Financial</b>	None
	<b>Administration</b>	Simplicity for some applicants.

		The approach minimises the effect of Universal Credit multiple changes on administration. The basic assessment of income and needs remains as at present for other applicants
<b>Disadvantages</b>	<b>Financial</b>	There would potentially be additional software costs.
	<b>Administration</b>	A more complex approach to the problem of Universal Credit cases. Software limitations often require a manual workaround.
<b>Effects on applicants / Claim groups</b>	Generally, the scheme protects particular claim groups only.	
<b>Future Proofing</b>	As more working age cases move towards Universal Credit, more cases will fall under the banded scheme. There will however always be a requirement to maintain two working age schemes as not all applicants will move to Universal Credit.	
<b>Software Implications</b>	The current software systems can be amended to reflect the new approach although it is largely a manual workaround and that it requires in effect two schemes.	

## Recommendation

Page 84

- 5.2 From our experience, Option A of the long-term fixes is strongly recommended for the following reasons:
- a. The change would prevent significant increases in administration costs due to multiple changes in Universal Credit;
  - b. Schemes of this nature can assist in maintaining collection levels by maximising entitlement for applicants and reducing changes in liability;
  - c. Schemes are simple, ‘customer friendly’ and easy to understand; and
  - d. Schemes of this type can provide authorities with certainty of expenditure in both the medium and long term
- 5.3 It should be noted that whilst a common scheme framework could be adopted across authorities within the group, band / grid levels may vary due to demographics.



**Meeting: Cabinet**

**Date: 6<sup>th</sup> August 2019**

**Wards Affected:** Clifton-with-Maidenway Ward

**Report Title: Freehold Disposal of The Monastery, Berry Drive, Paignton, TQ3 3RD**

**Is the decision a key decision?** No

**When does the decision need to be implemented?** As soon as possible.

**Cabinet Member Contact Details:** Councillor Swithin Long, Cabinet Member for Economic Regeneration, Tourism & Housing, 07419 111618, [Swithin.Long@torbay.gov.uk](mailto:Swithin.Long@torbay.gov.uk)

**Supporting Officer Contact Details:** Kevin Mowat, Interim Director of Place, 01803 208433, [Kevin.Mowat@torbay.gov.uk](mailto:Kevin.Mowat@torbay.gov.uk)

### **1. Proposal and Introduction**

The aforementioned building has been declared surplus to Torbay Council's requirements and has been vacant since November 2017. The Interim Director of Place seeks authority to dispose of the freehold of the land and building, 367.4 sq. m (14,718.7 sq. ft.), gross internal area 245 sq. m (2,637 sq. ft.).

### **2. Reason for Proposal and associated financial commitments**

The condition of the building is reasonable given the previous use. However the building is now noticeably deteriorating since being left vacant and not in use. Whilst the building is in the ownership of Torbay Council the ongoing maintenance and repair liability remains with the Council as well. To maximise the capital receipt it is preferable for the property to be sold as soon as possible.

### **3. Recommendation(s) / Proposed Decision**

That the Interim Director of Place, in consultation with the Chief Executive, be authorised to dispose of the freehold interest of The Monastery, Berry Drive, Paignton, TQ3 3RD by way of auction, on a date to be agreed, to the highest bidder.

### **Appendices**

Appendix 1: Site Plan – EM3134

### **Background Documents**

None

## Section 1: Background Information

<b>1.</b>	<b>What is the proposal / issue?</b>  It is proposed the Council dispose of the freehold interest of The Monastery, Berry Drive, Paignton, TQ3 3RD land with an area measuring 1,367.4 sq. m (14,718.7 sq. ft.), gross internal area 245 sq. m (2,637 sq. ft.).  This property on disposal will provide a capital receipt to help supplement the Council's capital programme. It will also reduce the Council's liability of further maintenance spending.
<b>2.</b>	<b>What is the current situation?</b>  The former Monastery until November 2017 was let to the charity Anode Connect as a place of support for families in need, as well as being used as a food bank for a period of time. Anode were in occupation on a long lease, with peppercorn rent. The building has been vacant since that time. The condition of the building is reasonable given the previous use. However the building is now notably deteriorating since being left vacant and not in use. The ongoing maintenance and repair liability remains with the Council and this is likely to increase as time passes.  The grounds of the site are now being frequented by youths on a regular basis who are using the site for unsociable activities.
<b>3.</b>	<b>What options have been considered?</b>  The Council's Corporate Asset Management Plan 2015 to 2019 (2018/19 Revision) makes it specific that the Council will 'always seek to maximise the full market receipt for their assets whether by way of freehold disposal or leasehold interest'. The disposal of this asset will meet that requirement.  The vacant building has been openly marketed for lease, since becoming vacant which raised only very limited interest. Offers were received following a reasonable marketing period last year. However these were discussed and rejected by the Interim Director of Place as they were considered too low with a strong likelihood of the property coming back to the Council at a future date.
<b>4.</b>	<b>How does this proposal support the ambitions, principles and delivery of the Corporate Plan?</b>  Disposing of the land will help to support the ambitions and principles of the Corporate Plan by bringing back into beneficial use an unused building helping to create a more prosperous Torbay. The redevelopment of the building, most probably for residential use will improve the locality, ensuring this area of Paignton is an attractive and safe place to live.

5.	<b>How does this proposal contribute towards the Council's responsibilities as corporate parents?</b>  n/a
6.	<b>How does this proposal tackle deprivation?</b>  n/a
7.	<b>How does this proposal tackle inequalities?</b>  n/a
8.	<b>How does the proposal impact on people with learning disabilities?</b>  n/a
9.	<b>Who will be affected by this proposal and who do you need to consult with?</b>  n/a
10.	<b>How will you propose to consult?</b>  No consultation is planned.

## Section 2: Implications and Impact Assessment

11.	<b>What are the financial and legal implications?</b>  Financial Impact – It is proposed the building and land is sold at auction to the highest bidder. The disposal will provide a capital receipt to help supplement the capital programme. It will reduce the Council's liability of further maintenance spending and so relieve pressure on revenue budget savings.  Legal Impact – There are no legal implications anticipated with this disposal.
12.	<b>What are the risks?</b>  If the disposal of this asset is not authorised then the repair and maintenance of the building will remain with the Council resulting in an ongoing financial pressure.  The Council would also lose the capital receipt.

13.	<p><b>Public Services Value (Social Value) Act 2012</b></p> <p>There are no procurement issues as a disposal at auction will result in the highest bidder coming forward.</p>
14.	<p><b>What evidence / data / research have you gathered in relation to this proposal?</b></p> <p>No research undertaken.</p>
15.	<p><b>What are key findings from the consultation you have carried out?</b></p> <p>No consultation undertaken.</p>
16.	<p><b>Amendments to Proposal / Mitigating Actions</b></p> <p>No amendments proposed pursuant to consultation with Torbay Council Legal Services team.</p>



## Equality Impacts

17.	Identify the potential positive and negative impacts on specific groups		
	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people			there is no differential impact'
People with caring Responsibilities			there is no differential impact'
People with a disability			there is no differential impact'
Women or men			there is no differential impact'
People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			there is no differential impact'
Religion or belief (including lack of belief)			there is no differential impact'
People who are lesbian, gay or bisexual			there is no differential impact'
People who are transgendered			there is no differential impact'
People who are in a marriage or civil partnership			there is no differential impact'
Women who are pregnant / on maternity leave			there is no differential impact'
Socio-economic impacts (Including impact on child	The disposal of the land and subsequent redevelopment of		

	poverty issues and deprivation)	wider area is likely to have a positive impact on deprivation.		
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)			there is no differential impact'
16	<b>Cumulative Impacts – Council wide</b> (proposed changes elsewhere which might worsen the impacts identified above)	No		
17	<b>Cumulative Impacts – Other public services</b> (proposed changes elsewhere which might worsen the impacts identified above)	No		

# Agenda Item 9 Appendix 1



EM Plan No: EM3134  
Date: 3 August 2018  
Title: The Monastery, Paignton

Asset No: P0503AA  
LR Title No: DN433785  
Scale: 1:1250  
Area: 1367.4 m<sup>2</sup>





**Meeting: Cabinet**

**Date: 6<sup>th</sup> August 2019**

**Wards Affected: Tormohun Ward**

**Report Title: Freehold Disposal of Land adjacent to Zion Road, Torre, Torquay**

**Is the decision a key decision? Yes**

**When does the decision need to be implemented? As soon as possible.**

**Cabinet Member Contact Details:** Councillor Swithin Long, Cabinet Member for Economic Regeneration, Tourism & Housing, 07419 111618, [Swithin.Long@torbay.gov.uk](mailto:Swithin.Long@torbay.gov.uk)

**Supporting Officer Contact Details:** Kevin Mowat, Director of Place, 01803 208433, [Kevin.Mowat@torbay.gov.uk](mailto:Kevin.Mowat@torbay.gov.uk)

## **1. Proposal and Introduction**

- 1.1 The land is adjacent to the adopted public highway and has been used in recent years by Parking Services for off-street parking bays.
- 1.2 The landowner of the adjoining former Zion Road Chapel has obtained planning consent to redevelop the site to form 6 new apartments and now wishes to acquire the identified land for parking and garden/ amenity land in support of the proposed development.

## **2. Reason for Proposal and associated financial commitments**

The proposed purchaser is considered a special purchaser due to his freehold ownership of the land adjacent. The agreed purchase price reflects this, coupled with the anticipated redevelopment of the site, and consequently terms of disposal for this land in isolation are unlikely to be bettered by an advertising campaign on the open market.

## **3. Recommendation(s) / Proposed Decision**

That the Director of Place, in consultation with the Chief Executive, be authorised to grant be authorised to dispose of the freehold interest of land area 175 sq. m (1884 sq. ft.) adjacent to Zion Road, Torre, Torquay, as shown in Plan EM2901 attached at Appendix 1 to the submitted report.

### **Appendices**

Appendix 1: Site Plan – EM2901

## Section 1: Background Information

<b>1.</b>	<b>What is the proposal / issue?</b>  It is proposed the Council dispose of the freehold interest of land area 175 sq. m (1884 sq. ft.) adjacent to Zion Road, Torre, Torquay.  This property on disposal will provide a capital receipt to help supplement the Council's capital programme. It will also reduce the Council's liability of further maintenance spending.
<b>2.</b>	<b>What is the current situation?</b>  The land is adjacent to the adopted public highway and has been used in recent years by Parking Services for off-street parking bays let on individual arrangements to local residents and businesses. Currently only a small number are used.  The landowner of the adjoining former Zion Road Chapel has obtained planning consent to redevelop the former Zion Road Chapel. The redevelopment will form 6 new apartments. As part of the redevelopment the owner wishes to acquire the identified land for parking and garden/ amenity land in support of the proposed development.
<b>3.</b>	<b>What options have been considered?</b>  The Council's Corporate Asset Management Plan 2015 to 2019 (2018/19 Revision) makes specific that the Council will 'always seek to maximise the full market receipt for their assets whether by way of freehold disposal or leasehold interest'. The disposal of this asset will meet that requirement.  The Council is under no obligation to dispose of the asset and could continue with the current arrangement of leasing individual parking bays. This would continue to produce an annual rent. Although this is not secure as parking requirements at this location change regularly particularly with Brunswick Road Car Park situated just around the corner.  Alternatively the Council could look to dispose of individual parking bays. This would provide small capital receipts. There is a strong likelihood not all bays would be sold resulting in a mix of tenures. This would be difficult to manage and would prevent a future disposal of the whole of the site.
<b>4.</b>	<b>How does this proposal support the ambitions, principles and delivery of the Corporate Plan?</b>  Disposing of the land will help to support the ambitions and principles of the Corporate Plan by bringing back into beneficial use an unused building

	helping to create a more prosperous Torbay. The redevelopment of the wider site will improve the locality, ensuring this area of Torre is an attractive and safe place to live.
5.	<b>How does this proposal contribute towards the Council's responsibilities as corporate parents?</b>  n/a
6.	<b>How does this proposal tackle deprivation?</b>  n/a
7.	<b>How does this proposal tackle inequalities?</b>  n/a
8.	<b>How does the proposal impact on people with learning disabilities?</b>  n/a
9.	<b>Who will be affected by this proposal and who do you need to consult with?</b>  n/a
10.	<b>How will you propose to consult?</b>  No consultation is planned.

## Section 2: Implications and Impact Assessment

11.	<b>What are the financial and legal implications?</b>  Financial Impact – It is proposed the land is sold for £32,000 with further provisions in place to cover any future intensification of use and increase in value of the land.  Legal Impact – There are no legal implications anticipated with this disposal.
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<p><b>12.</b></p>	<p><b>What are the risks?</b></p> <p>If the proposal within this report is not implemented then it is likely the redevelopment of the adjoining former Zion Chapel would need to be scaled back, reducing the anticipated improvement to the place.</p> <p>The Council would also lose the capital receipt.</p>
<p><b>13.</b></p>	<p><b>Public Services Value (Social Value) Act 2012</b></p> <p>There are no procurement issues as the proposed purchaser is considered a special purchaser due to the freehold ownership of the land adjacent. The agreed purchase price of £32,000 (subject to contract) reflects this, coupled with the anticipated redevelopment of the site, and consequently terms of disposal are unlikely to be bettered by an advertising campaign on the open market.</p>
<p><b>14.</b></p>	<p><b>What evidence / data / research have you gathered in relation to this proposal?</b></p> <p>No research undertaken.</p>
<p><b>15.</b></p>	<p><b>What are key findings from the consultation you have carried out?</b></p> <p>No consultation undertaken.</p>
<p><b>16.</b></p>	<p><b>Amendments to Proposal / Mitigating Actions</b></p> <p>No amendments proposed pursuant to consultation with Torbay Council Legal Services team.</p>

## Equality Impacts

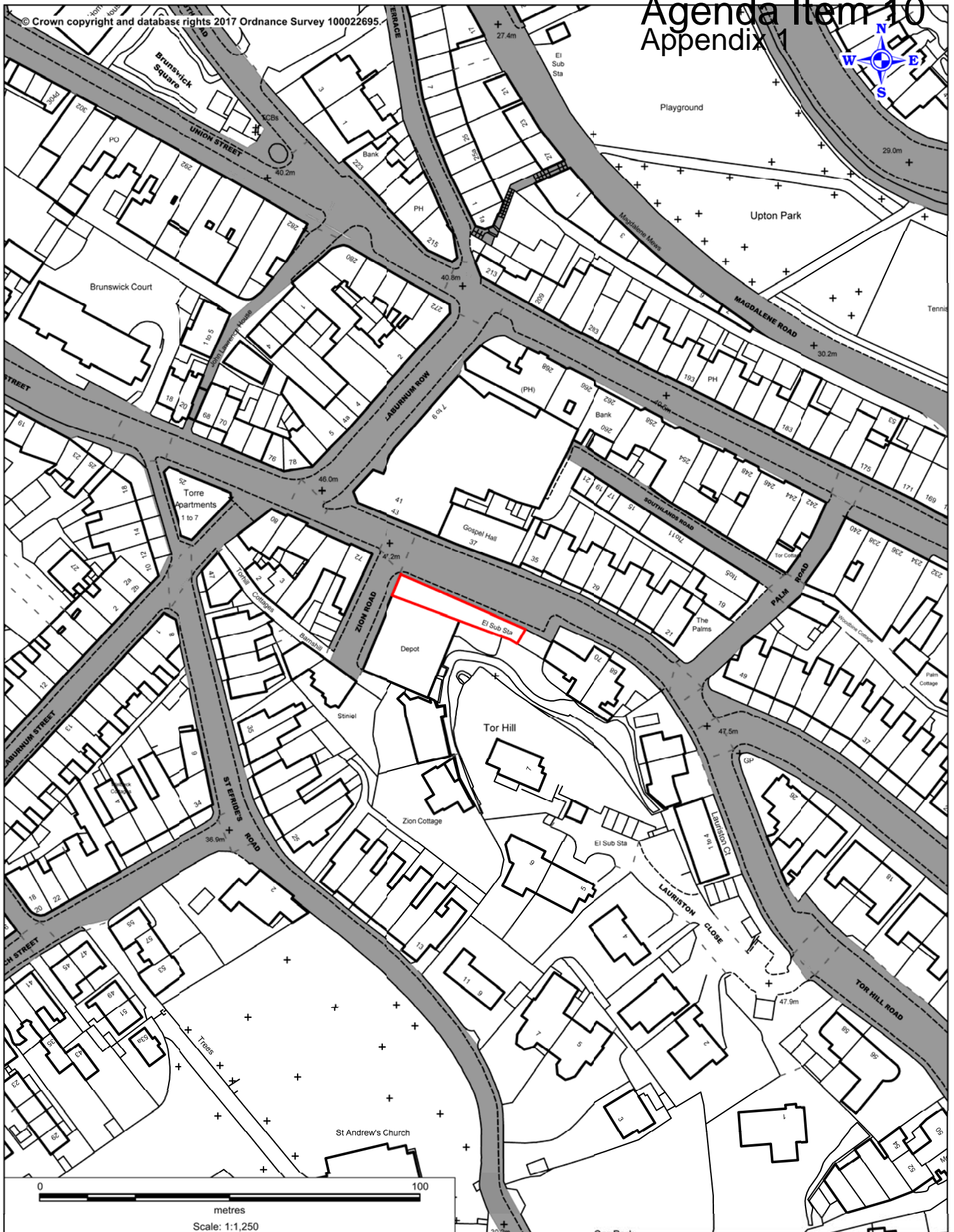
17.	Identify the potential positive and negative impacts on specific groups			
		Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
	Older or younger people			there is no differential impact
	People with caring Responsibilities			there is no differential impact
	People with a disability			there is no differential impact
	Women or men			there is no differential impact
	People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			there is no differential impact
	Religion or belief (including lack of belief)			there is no differential impact
	People who are lesbian, gay or bisexual			there is no differential impact
	People who are transgendered			there is no differential impact
	People who are in a marriage or civil partnership			there is no differential impact
	Women who are pregnant / on maternity leave			there is no differential impact



	Socio-economic impacts (Including impact on child poverty issues and deprivation)	The disposal of the land and subsequent redevelopment of wider area is likely to have a positive impact on deprivation.		
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)			there is no differential impact
<b>16</b>	<b>Cumulative Impacts – Council wide</b> (proposed changes elsewhere which might worsen the impacts identified above)	No		
<b>17</b>	<b>Cumulative Impacts – Other public services</b> (proposed changes elsewhere which might worsen the impacts identified above)	No		



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EM Plan No: EM2901  
Date: 23rd March 2017  
Title: Parking land adj Zion Road, Torquay.

Asset: HIGHWAYS  
Scale: 1:1250  
Area: 175.84m<sup>2</sup>





**Meeting: Cabinet**

**Date: 6<sup>th</sup> August 2019**

**Wards Affected: Preston**

**Report Title: Lease Renewal of Hollacombe Community Resource Centre, Paignton**

**Is the decision a key decision? No**

**When does the decision need to be implemented? As soon as possible.**

**Cabinet Member Contact Details:** Councillor Swithin Long, Cabinet Member for Economic Regeneration, Tourism & Housing, 07419 111618, [Swithin.Long@torbay.gov.uk](mailto:Swithin.Long@torbay.gov.uk)

**Supporting Officer Contact Details:** Kevin Mowat, Interim Director of Place, 01803 208433, [Kevin.Mowat@torbay.gov.uk](mailto:Kevin.Mowat@torbay.gov.uk)

## **1. Proposal and Introduction**

- 1.1 Torbay and South Devon NHS Foundation Trust (hereafter referred to as the Trust) was granted a two year lease of Hollacombe Community Resource Centre (CRC) commencing 1 December 2017. The lease will expire on 30 November 2019.
- 1.2 The lease was granted excluded from the security of tenure provisions of the Landlord and Tenant Act 1954 and therefore the Trust have no statutory rights to renew the lease. A new lease needs to be agreed prior to the expiry of the current arrangement or the Trust will need to vacate at the end of the contractual term.

## **2. Reason for Proposal and associated financial commitments**

- 2.2 The Trust wish to renew their lease of Hollacombe CRC, Paignton, enabling the continuation of service delivery. A new lease of Hollacombe CRC granted to the Trust will need to be assignable to a Community Interest or an external provider and to accommodate this, the lease should also contain the provision to sub-lease to an external provider.

## **3. Recommendation(s) / Proposed Decision**

- 3.3 That the Interim Director of Place, in consultation with the Chief Executive, be authorised to grant an excluded lease for a term of 2 years for Hollacombe Community Resource Centre (CRC), as shown on Plan EM2639 set out at Appendix 1 to the submitted report, from 1 December 2019 to Torbay and South Devon NHS Foundation Trust.

## Appendices

### Appendix 1: Plan EM2639

<b>Section 1: Background Information</b>	
<b>1.</b>	<p><b>What is the proposal / issue?</b></p> <p>It is proposed the Council grant Torbay &amp; South Devon NHS Foundation Trust (hereafter referred to as the Trust) a new lease for Hollacombe CRC, Paignton.</p> <p>The new lease will enable the Trust to continue service delivery from that current location. The lease needs to be in place by 1<sup>st</sup> December 2019 as the existing lease will expire on 30<sup>th</sup> November 2019.</p> <p>It is acknowledged by both parties (the Council and the Trust) Hollacombe CRC is no longer fit for purpose. If a new site is identified and the service relocated during the proposed lease term then the lease will be terminated at the appropriate time by mutual consent.</p>
<b>2.</b>	<p><b>What is the current situation?</b></p> <p>Hollacombe CRC, Paignton is utilised by the Trust as a day service for adults who have learning disabilities with high support need. The provision is a statutory service to be provided by Torbay Council.</p> <p>At present, the buildings is leased to the Trust at a rent of £59,500 per annum subject to a grant from Adult Services to cover the rental charge. It is proposed that a new 2-year lease be granted on similar acceptable terms with the inclusion of a landlord rolling 6-month break clause. The Property is to be leased for a further 2 years at market rent of £59,500 per annum.</p> <p>The Council has the option of providing an ongoing grant to cover all or part of the market rent for Hollacombe Community Resource Centre (CRC), dealt with as per the Councils constitution and reviewed annually.</p> <p>It is proposed the Trust are charged the full market rent and upon receipt of funds (whether monthly or quarterly) Adult Services will grant fund the money back to the Trust.</p>
<b>3.</b>	<p><b>What options have been considered?</b></p> <p>The Council's Corporate Asset Management Plan 2015 to 2019 (2018/19 Revision) makes specific that the Council will 'always seek to maximise the full market receipt for their assets whether by way of freehold disposal or leasehold interest'. The plan goes on to state the Council shall not 'restrict or reduce the current or future value of its assets through the use of contractual restrictions, covenants, peppercorn rents' and 'ensure any grant from the Council to assist with a tenant's rent will be reviewed annually'.</p>

	<p>On this basis, the Council must charge a full market rent in line with the Asset Management Plan. It will then be for the Council's Adult Social Care team to make the required grant from within their service budget.</p> <p>There is an alternative option to renew the lease for a further 2 year term on the same terms but remove the grant provided by Adult Services. This will have an impact on the ability of the Trust to provide the service.</p>
4.	<p><b>How does this proposal support the ambitions, principles and delivery of the Corporate Plan?</b></p> <p>Renewing the lease enables the Trust to continue service delivery by supporting vulnerable adults.</p>
5.	<p><b>How does this proposal contribute towards the Council's responsibilities as corporate parents?</b></p> <p>This proposal does not directly relate to the Council's role as corporate parents.</p>
6.	<p><b>How does this proposal tackle deprivation?</b></p> <p>This proposal does not directly relate to deprivation.</p>
7.	<p><b>How does this proposal tackle inequalities?</b></p> <p>This proposal does not directly relate to inequalities.</p>
8.	<p><b>How does the proposal impact on people with learning disabilities?</b></p> <p>The facility provided by the Trust at this location forms part of a range supporting services for vulnerable adults in the community. If the service is lost or diluted it is likely this will result in an addition burden on the authority which in turn will have a detrimental impact on people with learning disabilities.</p>
9.	<p><b>Who will be affected by this proposal and who do you need to consult with?</b></p> <p>Not applicable.</p>
10.	<p><b>How will you propose to consult?</b></p> <p>No consultation is planned.</p>

## Section 2: Implications and Impact Assessment

<b>11.</b>	<b>What are the financial and legal implications?</b>  Financial Impact – It is proposed the market rent attributable to the occupation of Hollacombe CRC will be charged to the Trust. Upon receipt of monies due the Council (Adult Services) will grant fund the monies back to the Trust.  Legal Impact – There are no legal implications other than the points noted at paragraph 1.2 above.
<b>12.</b>	<b>What are the risks?</b>  If the proposals within this report are not implemented the Trust will be forced to vacate the property on 30 November 2019. The Council has a statutory duty to provide adult social care in Torbay and in the absence of any other suitable alternative accommodation at present the Trust must be allowed to continue occupation of Hollacombe CRC Paignton for the delivery of this provision for a further two years.
<b>13.</b>	<b>Public Services Value (Social Value) Act 2012</b>  There are no procurement issues where lease renewals are undertaken.
<b>14.</b>	<b>What evidence / data / research have you gathered in relation to this proposal?</b>  No research has been undertaken.
<b>15.</b>	<b>What are key findings from the consultation you have carried out?</b>  No consultation has been undertaken.
<b>16.</b>	<b>Amendments to Proposal / Mitigating Actions</b>  No amendments are proposed following consultation with Torbay Council's Legal Services team.

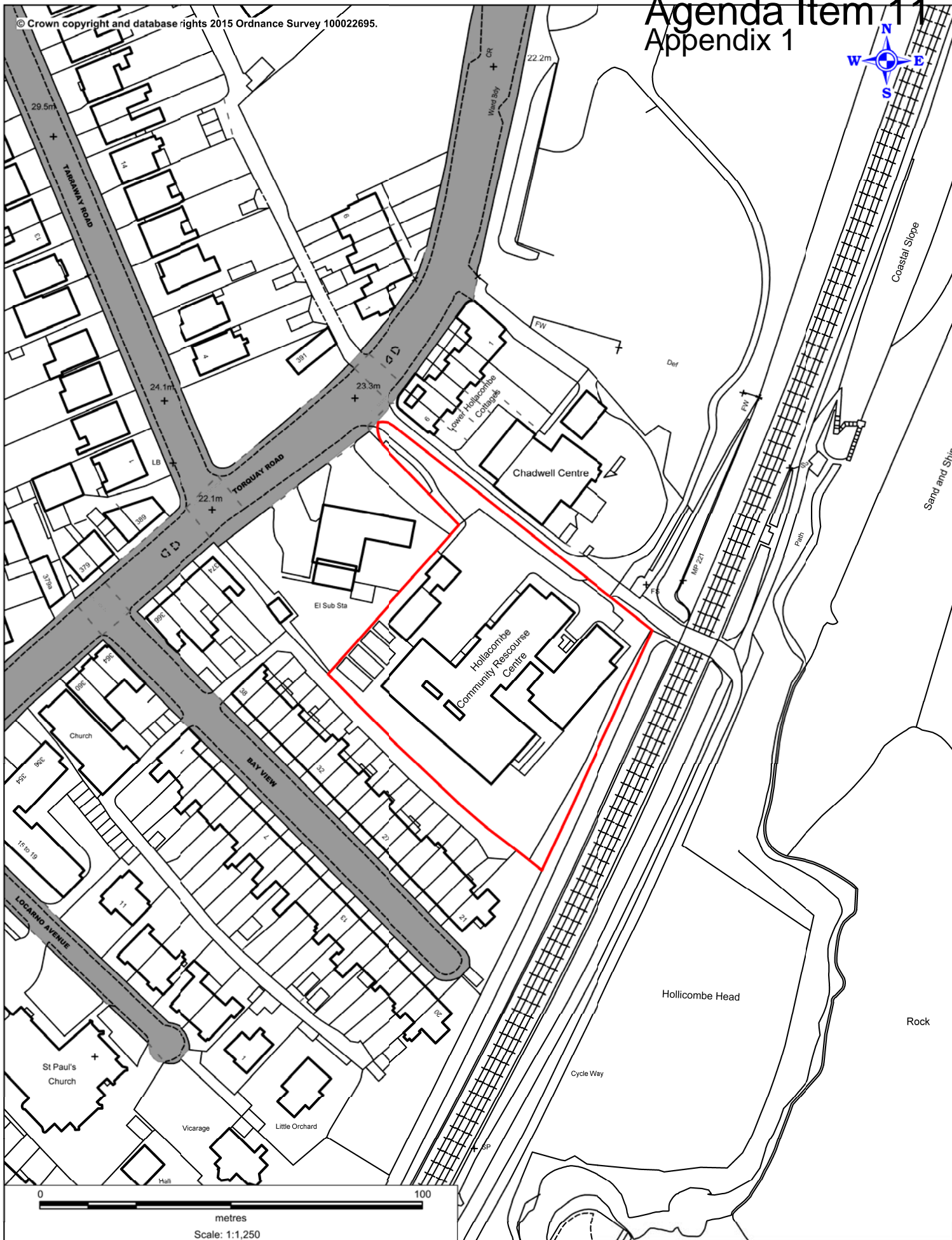
## Equality Impacts

17.	Identify the potential positive and negative impacts on specific groups			
		Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
	Older or younger people			There is no differential impact.
	People with caring Responsibilities	The lease renewal of Hollacombe CRC will enable the continued service delivery of care for vulnerable adults with learning difficulties.		
	People with a disability	The lease renewal of Hollacombe CRC will enable the continued service delivery of care for vulnerable adults with learning difficulties.		
	Women or men			There is no differential impact.
	People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			There is no differential impact.
	Religion or belief (including lack of belief)			There is no differential impact.
	People who are lesbian, gay or bisexual			There is no differential impact.
	People who are transgendered			There is no differential impact.

	People who are in a marriage or civil partnership			There is no differential impact.
	Women who are pregnant / on maternity leave			There is no differential impact.
	Socio-economic impacts (Including impact on child poverty issues and deprivation)			There is no differential impact.
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	The renewal of leases will enable the continued service delivery of adult social care and emergency alarm care for those assessed as being in need.		
16	<b>Cumulative Impacts – Council wide</b> (proposed changes elsewhere which might worsen the impacts identified above)	No		
17	<b>Cumulative Impacts – Other public services</b> (proposed changes elsewhere which might worsen the impacts identified above)	No		



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EM Plan No: EM2639  
Date: 16th September 2015  
Title: Hollacombe CRC, Torquay Road, Paignton..

Asset No: P3027  
LR Title No: DN551322  
Scale: 1:1250  
Area: 4,518.95m<sup>2</sup>

