



AGENDA

For a meeting of the

RESOURCES DEVELOPMENT AND SCRUTINY PANEL

to be held on

THURSDAY, 18 JANUARY 2007

at

9.30 AM

in

**COMMITTEE ROOM 1, COUNCIL OFFICES, ST. PETER'S HILL,
GRANTHAM**

Duncan Kerr, Chief Executive

Panel Members:	Councillor David Brailsford, Councillor Robert Conboy, Councillor Dorrien Dexter, Councillor Ken Joynson, Councillor Vic Kerr, Councillor John Kirkman (Chairman), Councillor Reg Lovelock M.B.E. (Vice-Chairman), Councillor Andrew Moore and Councillor Gerald Taylor
Scrutiny Officer: Scrutiny Support Officer:	Paul Morrison 01476 406512 p.Morrison@southkesteven.gov.uk

Members of the Panel are invited to attend the above meeting to consider the items of business listed below.

1. REVENUES AND BENEFITS - PENDING LEGISLATION

To be updated on progress and potential implications of awaited legislation.

WORKING STYLE OF SCRUTINY

The Role Of Scrutiny

- To provide a “critical friend” challenge to the Executive as well as external authorities and agencies
- To reflect the voice and concerns of the public and its communities
- Scrutiny Members should take the lead and own the Scrutiny Process on behalf of the public
- Scrutiny should make an impact on the delivery of public services

Remember...

- Scrutiny should be member led
- Any conclusions must be backed up by evidence
- Meetings should adopt an inquisitorial rather than adversarial style of traditional local government committees

Agenda Item 16

REPORT TO Resources DSP

REPORT OF: Benefits and Revenues Manager

REPORT NO.: CHFR28

DATE: 18 January 2007

TITLE:	Legislative changes to affecting Housing Benefit, Council Tax Benefit, Council Tax and Non Domestic Rates
FORWARD PLAN ITEM:	Not applicable
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	Not applicable
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Neither

COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	Councillor Teri Bryant	
CORPORATE PRIORITY:	None	
CRIME AND DISORDER IMPLICATIONS:	Not applicable	
FREEDOM OF INFORMATION ACT IMPLICATIONS:		
INITIAL EQUALITY IMPACT ASSESSMENT	Carried out and appended to report? Not Applicable	Full impact assessment required? No
BACKGROUND PAPERS:	<p>Housing Benefit and Council Tax Benefit Circulars: HB/CTB A18/2006 HB/CTB A19/2006 HB/CTB A20/2006</p> <p>The Council Tax and Non-Domestic Rating (Amendment) (England) Regulations 2006 (SI 3395) The Council Tax (Discount Disregards) (Amendment) (England) Order 2006 (SI 3396)</p>	

1. INTRODUCTION

This report provides further information on forthcoming legislative changes to affecting the Service.

2. RECOMMENDATIONS

That a further report be tabled once the impact of both the Welfare Reform Bill and Lyons Review are known.

3. DETAILS OF REPORT

Housing Benefit and Council Tax Benefit

A number of changes to Housing Benefit and Council Tax Benefit are anticipated as consequence of the Welfare Reform Bill. The Bill continues through the Parliamentary process and there has been no formal notification of legislative changes arising from this Bill.

However the Department for Work and Pensions (DWP) have issued detailed guidance on matters relating to:

- Options for Electronic Claims Process
- Changes to Security Performance Measures
- Uprating for 2007

Options for Electronic Claims Process (A18/2006)

The DWP has advised that, with effect 20 December 2006, Local Authorities can opt to “e-enable” both its claims and reporting of changes in circumstance processes.

The adoption of the provisions is purely voluntary, they are not funded by central government and they can be implemented by individual local authorities at a pace that suits them. However, the Chief Executive must make a written Direction as to the adoption of these new measures.

The DWP is still seeking advice on the issue of signatures and in the meantime it is for individual authorities to decide whether it requires these on claims or changes to claims. Furthermore Local Authorities must each decide their procedures including the requirement or otherwise for the claimant to sign a statement confirming the e-claim details.

There may be some clear advantages to e-enabling business processes however these need to be fully appraised in light of the stringent verification requirements placed on local authorities in benefits administration.

A Business Process Re-engineering project will take place next financial year, the option to e-enable processes should be fully assessed as part of this project.

Changes to Security Performance Measures (A20/2006)

The DWP has advised of wholesale changes to the Security Performance Measures with effect from April 2007. This will move the emphasis from activity to results, and targets have been set for each authority on the number of benefit reductions realised each period/over the year. These targets are progressive and reflect an expected increase in performance levels. Consequently our target is set at 5,200 for 2007/08 approx 10.5% higher than the current years performance estimate of 4,650.

In general terms this shift in emphasis seeks to reward those Local Authorities who are successful in encouraging claimants and landlords to report changes in circumstances punctually.

To allow for implementation from April 2007 the DWP have reduced targets for 2006/7. Current performance exceeds the revised target. We can therefore afford to assign resources to the implementation of the new scheme, without impact on the performance scores for the security theme for 2006/07, which feeds in the Council's CPA Score.

Uprating for 2007 (A19/2006)

The DWP have notified local authorities of the annual increases to benefit rates. For Housing Benefit and Council Tax Benefit this includes matters such as non-dependant deductions, overpayment recovery rates and the increases in the applicable amounts used to calculate entitlements.

Beyond this annual uprating, there are no further amendments to the Housing Benefit and Council Tax Benefit Schemes and it should be noted that the order bringing the changes into effect is still subject to appropriate Parliamentary procedures.

Council Tax and Non Domestic Rates

There has been no formal notification of the outcome of the Lyons Review and impact on Revenues at the time of drafting the report. However, the Department for Communities and Local Government were proposing a number of minor amendments to Council Tax and Non Domestic Rates legislation. These broadly fell into three categories:

- uprating financial limits and updating definitions;
- changing the effective date of the increased Council Tax liability where the valuation list has been amended; and
- minor changes to the information that must be provided by local authorities with council tax and non-domestic rates demand notices.

They have now confirmed these changes will take effect from 1 April 2007 with one exception, i.e. penalties for failure to provide information, due to the need to amend primary legislation.

4. OTHER OPTIONS CONSIDERED AND ASSESSED

Not applicable given context and content of the report.

5. COMMENTS OF SECTION 151 OFFICER

The outcome of the Lyons Review and the Welfare Reform Bill are much awaited. A further report should follow once these are known, as it is anticipated that these two may have a significant impact.

6. COMMENTS OF MONITORING OFFICER

The Council is legally obliged to consider and adopt the regulations as appropriate.

7. COMMENTS OF OTHER RELEVANT SERVICE MANAGER

Not applicable

8. CONCLUSION/SUMMARY

9. CONTACT OFFICER

Gaynor Valente, Benefits and Revenue Services

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