

NOTICE OF MEETING

Meeting:	CORPORATE OVERVIEW AND SCRUTINY PANEL
Date and Time:	THURSDAY, 21 NOVEMBER 2019, AT 9.30 AM*
Place:	COUNCIL CHAMBER - APPLETREE COURT, BEAULIEU ROAD, LYNDHURST, SO43 7PA
Telephone enquiries to:	Lyndhurst (023) 8028 5000 023 8028 5588 - ask for Andy Rogers Email: andy.rogers@nfdc.gov.uk

*PLEASE
NOTE
VENUE

PUBLIC PARTICIPATION:

***Members of the public may speak in accordance with the Council's public participation scheme:**

- (a) immediately before the meeting starts, on items within the Panel's terms of reference which are not on the public agenda; and/or**
 - (b) on individual items on the public agenda, when the Chairman calls that item.**
- Speeches may not exceed three minutes. Anyone wishing to speak should contact the name and number shown above.**

Bob Jackson
Chief Executive

Appletree Court, Lyndhurst, Hampshire. SO43 7PA
www.newforest.gov.uk

This Agenda is also available on audio tape, in Braille, large print and digital format

AGENDA

Apologies

1. MINUTES

To confirm the minutes of the meeting held on 26 September 2019 as a correct record.

2. DECLARATIONS OF INTEREST

To note any declarations of interest made by members in connection with an agenda item. The nature of the interest must also be specified.

Members are asked to discuss any possible interests with Democratic Services prior to the meeting.

3. PUBLIC PARTICIPATION

To note any issues raised during the public participation period.

4. ICT STRATEGY AND BUDGET UPDATE (Pages 1 - 6)

To note progress against the ICT Strategy 2018-2022 during the last two years together with an update on the budget.

5. PORTFOLIO HOLDERS' UPDATES

To receive an oral update from the Portfolio Holders for Corporate Affairs, Finance, Corporate Services & Improvement and Local Economic Development, Property & Innovation on developments within their Portfolio areas.

6. COUNCIL TAX REDUCTION SCHEME (Pages 7 - 14)

To receive the recommendations of the Council Tax Reduction Scheme Task and Finish Group.

7. COUNCIL TAX DISCOUNTS, EXEMPTIONS AND PREMIUMS (Pages 15 - 18)

To consider proposed Council Tax discounts, exemptions and premiums, as recommended by the Task and Finish Group.

8. BUDGET TASK AND FINISH GROUP REPORT (TO FOLLOW)

To receive the report of the Budget Task and Finish Group.

9. ECONOMIC DEVELOPMENT/HIGH STREETS (TO FOLLOW)

To receive an update on Economic Development in town centres, and related issues.

10. PENSIONS UPDATE (PRESENTATION)

An update on the provisional results of the 2019 triennial Pension Revaluation.

11. WORK PROGRAMME (Pages 19 - 20)

(a) To consider the Panel's future Work Programme, including any reviews of previous work undertaken; and

(b) To receive any updates on Task and Finish Group work.

12. DATES OF FUTURE MEETINGS

RECOMMENDED:

That the following dates be agreed for future Panel meetings:

(All Thursdays at 9.30 a.m.)

18 June 2020
24 September 2020
19 November 2020
21 January 2021
25 March 2021

13. ANY OTHER ITEMS WHICH THE CHAIRMAN DECIDES ARE URGENT

To: **Councillors:**

Alexis McEvoy (Chairman)
Alan Alvey (Vice-Chairman)
Fran Carpenter
Keith Craze
Sandra Delemare

Councillors:

Mahmoud Kangarani
Martyn Levitt
Alan O'Sullivan
Beverley Thorne
Derek Tipp

This page is intentionally left blank

CORPORATE OVERVIEW AND SCRUTINY PANEL – 21 NOVEMBER 2019

ICT STRATEGY & BUDGET UPDATE

1. PURPOSE

- 1.1. The purpose of this report is to detail progress against the ICT Strategy 2018-2022 during the last two years and to provide an update on the budget.

2. BACKGROUND

- 2.1 In 2017, Council agreed a £1.5 million ICT Protect and Maintain budget over the following 3 years. This fund was to supplement our ongoing replacement of frontline and desktop equipment, which equated to £715k over 4 years. Cabinet agreed an additional £100k towards the Protect and Maintain budget in December 2018 to fund extra work to address additional areas of scope.

- 2.2 Cabinet agreed an investment of £750k as part of the Smarter Working programme. This was to cover the replacement of Exchange 2010 with Office 365, the replacement of the Avaya telephone system, and the replacement of the Meridio document management system.

- 2.3 The ICT Strategy 2018-2022 was structured into four distinct themes and this report will discuss investments in each of these themes in turn. It will look at what has been delivered so far and what will be delivered in the future. The four themes are:

- Resilient and secure information
- Smarter working
- Simple and standard applications
- Better digital services for residents and businesses

- 2.4 The original budget estimates to deliver the ICT strategy 2018-22 are shown in the table below. Note that Smarter Working numbers were not included in this table originally but have been added to the updated numbers in section 8 of this report for completeness.

Description	2018/19	2019/20	2020/21	2021/22	TOTAL
	£'000	£'000	£'000	£'000	£'000
Resilience & Security		100	100	100	300
Members ICT Support		40	40	40	120
Digital residents and Customer engagement *	50	250	100		400
Other Applications *		250	250	250	750
	50	640	490	390	1,570

3. RESILIENT AND SECURE INFORMATION

3.1 Background

This theme is concerned with the replacement of our aged and 'out of support' ICT infrastructure and ensuring NFDC is secure against cyber-attacks and other failures. This covered circa 650 individual items including servers, storage, networks, remote working software, security management software, virtualisation software, and all necessary licensing. Critically it also covered the set-up of a new data centre for NFDC in a 'private cloud' and preparations for the use of 'public cloud' solutions. This theme has been funded from the Protect and Maintain budget to the value of £1,070k.

3.2 Delivered by end of 2019/20

All major elements required and summarised above will have been successfully delivered by end of 2019/20. This has made NFDC's ICT Infrastructure significantly more stable and secure from failure and has reduced the risk of a major systems outage and the consequent disruption and reputational damage this could have caused.

3.2 To be delivered in 2020/21

The only remaining items to be delivered in 2020/21 will be handled as 'Business as Usual' from the annual Resilience and Security budget of £100k to ensure that NFDC systems remain stable, up to date, and secure from cyber-attacks.

4. SMARTER WORKING

4.1 Background

In 2017, it was agreed that moving all staff to mobile devices would offer the council the most flexibility for the future. This approach was supported by the decision of EMT and Cabinet to implement Smarter Working at NFDC. As a result, the migration of all staff from desktop equipment to hybrids (light-weight laptops with touch screens) was accelerated and aligned with the rollout of Smarter Working. This was then combined with the replacement of Exchange 2010 with Office 365, the replacement of the Avaya telephone system with Skype, and the replacement of Meridio document management system with SharePoint into an overall Smarter Working programme. This theme has been funded both from the budgets for ongoing device replacement (£715k) and Smarter Working (£750k).

4.2 Delivered by end of 2019/20

Hybrid devices and smart phones have been issued to all appropriate NFDC staff and they have been trained and migrated to Office 365 and Skype for internal conferencing. Moving from the old Exchange 2010 email system has significantly reduced the risks of a major outage affecting email and the consequent impact this would have had on much of the council's day to day business. By the end of the financial year the

remaining 'fixed' users and devices (in H&L centres and Information Office) will also have been migrated.

4.3 To be delivered in 2020/21

The key project for 2020/21 is the replacement of the Avaya telephone system with Skype because HCC are decommissioning this system in September 2020, meaning we must be on an alternative telephone system. In addition, the replacement of the Meridio document management system with SharePoint is a critical but very complex activity with much data to migrate. This will be commenced and piloted for some services in 2020/21. Costs will be re-estimated once requirements are documented.

4.4 To be delivered in 2021/22

The migration from Meridio to SharePoint will be completed during 2021/22. Costs will be estimated once requirements are documented.

5. SIMPLE AND STANDARD APPLICATIONS

5.1 Background

'Application' is the term for software that performs a specific function or set of functions. Applications are accessed via a device (e.g. laptop or smartphone) and are the means by which council staff can store data and perform their business processes. Simplifying and standardising applications is an industry best practice aimed at ensuring the council has the most straightforward, best of breed applications for each of our business processes. We will aim to buy 'off the shelf' or 'vanilla' versions of software that have been proven in other local authorities. We have a range of old and complex applications at present and the aim of the ICT Strategy is, over time, to replace these with simpler, standardised solutions.

This theme has been funded to date from the Protect and Maintain budget (£530k) and in future will be funded from budgets (and supporting business cases) for Other Application replacements (£250k per annum). In addition, the HRA Fund can be used for Housing application replacements/improvements (up to £366k).

5.2 Delivered by end of 2019/20

The replacement of the 'out of support' Agresso HR/Payroll Application with an up to date and industry standard MidlandHR Application will be completed.

The replacement of the 'out of support' Agresso Finance Application with an up to date and industry standard Business World Application will be completed. This will require additional funding based on the new go live date of April 2020 (estimation in progress by project team).

5.3 To be delivered in 2020/21

Replacement of the Acolaid Application for Planning and Environmental Health will be started and progressed as far as possible during this year and will be completed in 2021/22. This application is at 'end of life' and will need to be replaced. Costs will be estimated once requirements are documented.

Review and possible replacement of the Orchard Application for Housing will be started and progressed as far as possible during this year and will be completed in 2021/22. This application is not 'end of life' and it may be appropriate to retain it with added features. Costs will be estimated once requirements are documented.

5.4 To be delivered in 2021/22

The Acolaid and Orchard projects discussed in 5.3 above will be completed.

We will review the possible replacement of the Northgate Application for Revenue and Benefits during this year and this project will be completed in 2022/23. This application is not 'end of life' and it may be appropriate to retain it with added features. Costs will be estimated once requirements are documented.

6. BETTER DIGITAL SERVICES FOR RESIDENTS AND BUSINESSES

6.1 Background

We have seen many changes in how customers want to interact with the Council, and the increased use of online tools, whether that is using a website, app or webchat. There will also be opportunities for internal efficiency gains, cost savings, and income generation opportunities if we create the right digital platform. We need to update our website (Content Management System) and then create the right customer management solution (Customer Relationship Management system) to be able to offer as many of our services as possible via online channels. We will continue to offer a face to face service to those residents unable to access digital services and the most vulnerable. This theme is funded by the approved budget of £400k for Digital Customers and Customer Engagement.

6.2 Delivered by end of 2019/20

A vendor for a new Content Management System will be selected and the project to migrate and improve the existing NFDC website will begin.

6.3 To be delivered in 2020/21

The completion of migration and subsequent improvements using the new Content Management System will be actioned.

The selection of a vendor and creation of a new Customer Relationship Management system to create a better end to end experience for residents and businesses who use NFDC online services will be actioned. Costs will be estimated once requirements are documented.

6.4 To be delivered in 2021/22

We will improve upon and integrate the new Customer Relationship Management system with additional systems and portals within the council to expand its effectiveness. Costs will be estimated once requirements are documented.

7. CRIME AND DISORDER, EQUALITY & DIVERSITY AND ENVIRONMENTAL IMPLICATIONS

- 7.1 Smarter Working and Digital Services for Residents has the potential to reduce the carbon footprint for staff and residents travelling less miles by car.

8. FINANCIAL IMPLICATIONS

- 8.1 This report is seeking approval for the future requirements described in this report, noting that these future requirements will then form part of the updated Medium-Term Financial Plan and Budget 2020/21, when reported to Cabinet and Council during February 2020. Future spending can be summarised as follows. Smarter Working has now been included with these numbers for completeness.

Description	Note	2020/21	2021/22	2022/23	TOTAL
		£'000	£'000	£'000	£'000
Resilience & Security	1	100	100	100	300
Members ICT		40	40	40	120
Digital residents and Customer engagement	2	275	75		350
Other Applications	3	250	250	250	750
<i>Smarter Working (£750k less spend to date)</i>	4	450	75	0	525
		1115	540	390	2,045

Notes

1. Additional funding to complete Finance in 2019/20 will be flagged once estimated
2. We expect to spend circa £50k this year on website redevelopment, so the balance of the £400k is in the next two years.
3. Business cases for these projects will be agreed by EMT, along with any other business case driven ICT initiatives that may emerge. Each project will need careful estimation.
4. Added for completeness. £225k spent to date of £750k. Costs for replacement of Telephony and Meridio will be confirmed once estimated in detail as the initial estimates were only ballpark but both projects are essential.

9. CONCLUSION

- 9.1 The Council has taken some very big strides to transform its ICT since 2017, moving from an ICT environment more reminiscent of the late 1990s to an up to date one that is delivering improvements today. In doing so, the Council has also positioned itself for tomorrow and beyond.

- 9.2 The investments made in Protect and Maintain, Smarter Working and replacement devices are yielding real benefits across the council. For example, hybrid devices and Wifi have transformed mobility around ATC and the new screens, installed in all meeting rooms, are making presentations much easier and meetings more efficient and effective. The new cloud-based infrastructure and remote access software is enabling NFDC staff to work from anywhere at any time on any of our applications. The new HR Payroll system is enabling staff and management to view and control payroll information from anywhere. The implementation of Office 365 and Skype has enabled video conferencing and document sharing and editing in real time, increasing flexibility around office usage and reducing the council's overall impact on the environment and our carbon footprint.
- 9.3 Perhaps most importantly, the long overdue migration from old ICT infrastructure and email services has significantly reduced the risk of a major ICT outage that would have affected the council's ability to transact day to day business and could have had a major impact on the council's reputation within the district.
- 9.4 The Council has grown its technical and project management capabilities in order to deliver this complex programme of projects. High quality partnerships have been forged with new ICT suppliers to make sure projects deliver what they promise.
- 9.5 Investment in ICT continues to be essential for the Council. NFDC cannot afford to stand still when the projects described in this report are complete. If it does so it will once again fall behind. Continual improvement and renewal are the watchwords for the effective use of information technology. To put it another way, if you are not moving forward you are going backwards.

10. RECOMMENDATION

- 10.1 That the ICT Strategy and Budget Update detailed in this report be approved for inclusion in the Medium-Term Financial Plan, subject to the approval of individual Business cases.

For further information contact:

Rob Beere

Service Manager – ICT

Email: Rob.beere@nfdc.gov.uk

Manjit Sandhu

Executive Head of Resources

Email: Manjit.sandhu@nfdc.gov.uk

CORPORATE OVERVIEW AND SCRUTINY PANEL – 21 NOVEMBER 2019

COUNCIL TAX REDUCTION SCHEME 2020/21

1. INTRODUCTION

- 1.1 Members will recall that local authorities are responsible for setting up their own local Council Tax Reduction Scheme for those of working age on low income. The Government stipulated that there must be no change to the level of support that pensioners receive and there are no plans to localise the scheme for this group. Currently, there are also no plans to include Council Tax Reduction within Universal Credit.
- 1.2 The Council Tax Reduction Scheme must be formally made by the Council no later than 11 March in any year, to take effect from 1 April. The Government has constructed rules for a 'default scheme' which will have to be operated by any council that does not make a local scheme. This replicates the former rules for council tax benefits. It is contained in schedule 1 of The Council Tax (Default Schemes) (England) Regulations 2012.
- 1.3 The Council Tax Reduction Scheme fulfils the prescribed requirements for localised schemes.
- 1.4 There are 8,315 claimants receiving Council Tax Reduction. Of these 4,093 are working age and 4,222 are of pensionable age.
- 1.5 The current Council Tax Reduction Scheme costs approximately £8.5 million. This is split between:

Working Age	£3,922,590
Pensioner	£4,586,159

The cost is shared between all precepting authorities.

- 1.6 The amount of Council Tax Reduction awarded affects the tax base of each organisation and is not identified within the overall formula grant allocation.

2. REVIEW PROCESS

- 2.1 The Task & Finish Group met to review the current scheme and proposed changes effective from 1 April 2020.
- 2.2 The recommendations of the Task & Finish Group are to be considered by the Corporate Overview Scrutiny Panel, the Cabinet and full Council in December 2019.

3. THE CURRENT LOCAL COUNCIL TAX REDUCTION SCHEME

- 3.1 The council's Council Tax Reduction Scheme protects the vulnerable. A person is vulnerable if they (or a partner) are in receipt of Disability Living Allowance, Personal Independence Payments or Severe Disablement Allowance.

- 3.2 The council's Council Tax Reduction Scheme for 2019/20 requires all working age claimants (except the vulnerable) to pay a minimum of 10% council tax.
- 3.3 The council's Council Tax Reduction Scheme also includes:
- A. Council Tax Reductions are capped at band D (so that claimants living in higher banded properties receive any reduction based on band D).
 - B. A savings limit of £6,000 (previously £16,000), so that claimants with a low income but with more than £6,000 in savings are not entitled to any reduction.
 - C. The council's Council Tax Reduction Scheme incentivises work by disregarding £25.00 a week of earnings. The government disregards in Housing Benefit are £25.00 for a lone parent, £20.00 for a disabled claimant, £10.00 for a couple and £5.00 for a single claimant.
 - D. The maximum period for backdating a claim is 4 weeks.
 - E. To limit the number of dependent children within the calculation for Council Tax Reduction to a maximum of 2 for new claims and entitlements (some exemptions apply).
 - F. To use the gross Universal Credit payment as income in the calculation of Council Tax Reduction

4. MATTERS TO BE CONSIDERED BY TASK & FINISH GROUP

- 4.1 Collecting council tax from those on low income is difficult, with significantly more work for officers. Administration has also increased, notably in working with those affected. In 2019/20 council tax bills increased by an average of 5%, meaning council tax payers having to pay more. This is likely to continue in the forthcoming years.

The collection rate for those in receipt of Council Tax Reduction, who are not a pensioner or vulnerable, has reduced from 83.27% to 79.54% and overall collection rate decreased from 91.12% to 89.46%. See Appendix 2 for collection figures.

- 4.2 Many of the claimants have also been affected by other welfare reform changes, including Universal Credit, as well as an increase in the cost of living. Many working age state benefits have been frozen, including the Local Housing Allowance, despite rents increasing.

5. DISCUSSION ON COUNCIL TAX REDUCTION SCHEME FOR 2020/21

- 5.1 The group considered options to various aspects of the current scheme. This included:

- A. To maintain the current scheme with no changes. This would not affect claimants as their level of support would not reduce. A declining caseload may result in reduced costs (see Appendix 1)
 - B. The minimum contribution – This is currently 10% (except the vulnerable). Officers advised that collection rate is 79.54% and that those paying the 10% have become accustomed to this level of payment. Any increase could cause financial hardship and Officers consider that there is a “tipping point” where any increase to the minimum contribution paid by working age claimants would result in less council tax being paid, as no instalment will be paid, and increased administration. Officers do not know where this tipping point is. In considering these factors and 4.1 and 4.2 the Group considered that the minimum contribution should remain at 10%.
 - C. To review the backdating period of 4 weeks. Currently, there are some delays in claiming Council Tax Reduction due to claims for Universal Credit. Previously claims for Housing Benefit and Council Tax Reduction were made together using the same form, whereas now Council Tax Reduction has to be claimed separately from Universal Credit. Some claimants are not aware of this. Increasing the period of backdating to 3 months would support those claiming Universal Credit and also support other vulnerable claimants who have delayed making their application.
- 5.2 After considering these options the Group decided to consult on options B and C.
- 5.3 The Group also discussed having a fundamental review of the scheme during 2020 and to consider a banding scheme for April 2021.

6. CONSULTATION

- 6.1 The council has a duty to consult on any changes to the scheme. The Council undertook a consultation exercise over a 6 week period, from 3 September 2019 to 15 October 2019, advertising on the council’s website and Facebook page.
- 6.2 The Council only received 1 response, agreeing with both options. However, due to the minimal response it is not possible to determine any conclusions.

7. FINANCIAL IMPLICATIONS

- 7.1 The financial implications of each of the options were discussed.

Option B savings or cost will depend on the decision

Option C may incur additional cost, albeit minimal.

Therefore, the overall impact of these changes will be minimal. Savings to New Forest District Council will be even smaller as the council retains approximately 10% of the total council tax collected.

8. PORTFOLIO HOLDER COMMENTS

8.1 TBC

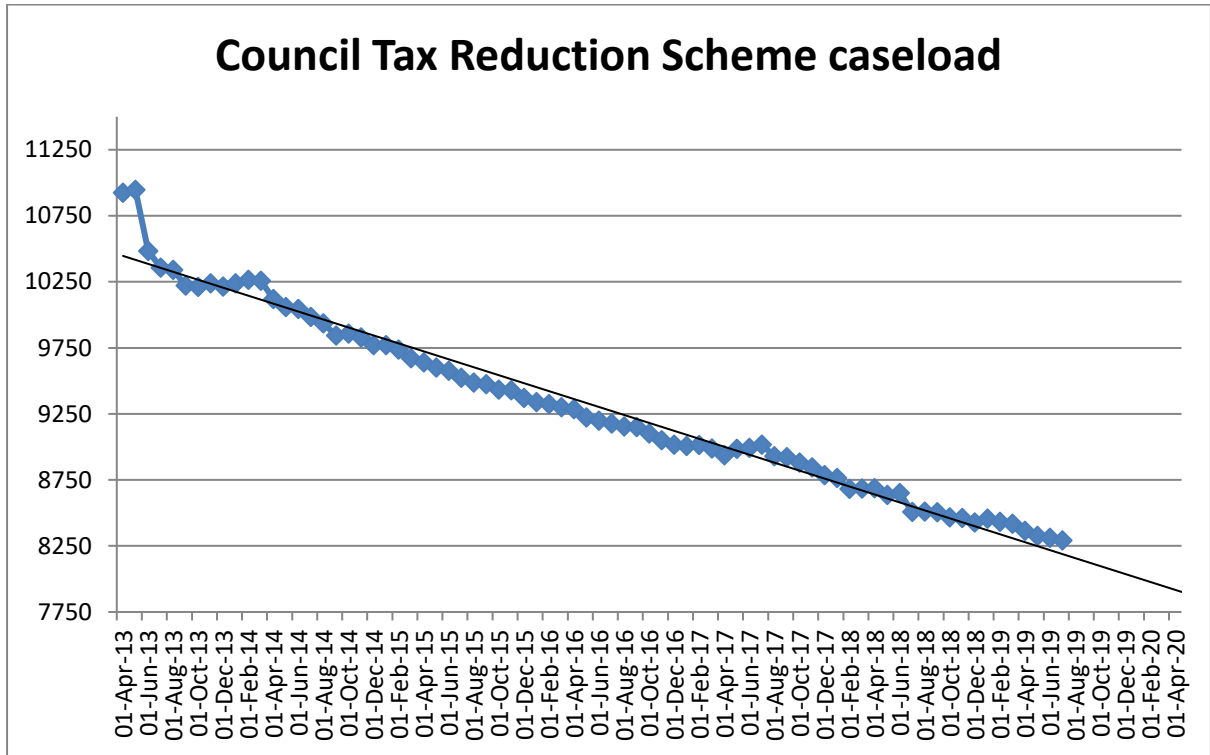
9. CORPORATE OVERVIEW AND SCRUTINY PANELS COMMENTS

9.1 TBC

10. RECOMMENDATIONS

10.1 The Task and Finish Group recommend to the Corporate Overview and Scrutiny Panel that option B and C is adopted.

CTR Caseload



Collection stats

POSITION STATEMENT AS AT 31.3.19

	Nett Amount Due	Total Amount Paid	Outstanding Balance	Collection %
ALL DEBT	£121,379,354.35	£120,128.314	£1,251,040.05	98.97%
REDUCTION SCHEMES				
WORKING AGE EMPLOYED	£589,089.22	£484,698.71	£104,390.51	82.28%
WORKING AGE OTHER	£468,547.96	£356,574.94	£ 111,973.02	76.10%
WORKING AGE CLAIMANT - MAXIMUM REDUCTION CAPPED AT 90%	£1,057,637.18	£841,273.65	£216,363.53	79.54%
PENSION AGE	£842,256.90	£848,200.26	£-5,943.36	100.71%
VULNERABLE	£125,028.21	£121,990.95	£3,037.26	97.57%
PROTECTED ENTITLEMENT (PENSION AGE AND VULNERABLE) - NO MAXIMUM CAP	£967,285.11	£970,191.21	£-2,906.10	100.30%
SUMMARY				
ALL REDUCTION SCHEME CASES	£2,024,922.29	£1,811,464.86	£213,457.43	89.46%
ALL NON-REDUCTION SCHEME CASES	£119,354,432.06	£118,316,849.44	£1,037,582.62	99.13%

POSITION STATEMENT AS AT 31.3.18

	Nett Amount Due	Total Amount Paid	Outstanding Balance	Collection %
ALL DEBT	£114,222,565.18	£112,841,976	£1,380,589.58	98.79%
REDUCTION SCHEMES				
WORKING AGE EMPLOYED	£655,399.00	£556,583.01	£98,815.99	84.92%
WORKING AGE OTHER	£441,574.45	£356,823.97	£84,750.48	80.81%
WORKING AGE CLAIMANT - MAXIMUM REDUCTION CAPPED AT 90%	£1,096,973.45	£913,406.98	£183,566.47	83.27%
PENSION AGE	£830,229.43	£840,574.95	£10,345.52	101.25%
VULNERABLE	£125,674.80	£116,576.09	£9,098.71	92.76%
PROTECTED ENTITLEMENT (PENSION AGE AND VULNERABLE) - NO MAXIMUM CAP	£955,904.23	£957,151.04	£1,246.81	100.13%
SUMMARY				
ALL REDUCTION SCHEME CASES	£2,052,877.68	£1,870,558.02	£182,319.66	91.12%
ALL NON-REDUCTION SCHEME CASES	£112,169,687.50	£110,971,417.58	£1,198,269.92	98.93%

Recovery notices issued

2013/14	CTR	Non-CTR
Reminder	6,805	12,729
Summons	1,289	3,572

2014/15	CTR	Non-CTR
Reminder	6,871	12,727
Summons	1,344	3,828

2015/16	CTR	Non-CTR
Reminder	5,607	13,117
Summons	1,103	3,477

2016/17	CTR	Non-CTR
Reminder	5,485	13,250
Summons	1,082	3,321

2017/18	CTR	Non-CTR
Reminder	5,175	13,141
Summons	888	3,360

2018/19	CTR	Non-CTR
Reminder	4,622	11,339
Summons	909	3,368

COUNCIL TAX DISCOUNTS, EXEMPTIONS AND PREMIUMS

1. INTRODUCTION

- 1.1 The purpose of this report is to consider the recommendations of the Council Tax Reduction Task and Finish Group on Council Tax discounts and empty homes premium. The Group also reviewed an exemption from council tax for care leavers.
- 1.2 The effective date of any change would be 1 April 2020.

2. THE CURRENT COUNCIL TAX DISCOUNT AND PREMIUM

- 2.1 The Task and Finish Group met to review the current discretionary council tax policy regarding the discount for properties where there is a restriction preventing year-round occupation and the premium charged for properties which have been vacant (unoccupied and substantially unfurnished) for two years or more. These are summarised as follows:

Discount/ Premium	Conditions	Discretion available	Current discount or premium applied by NFDC	Quantity
Restricted occupation	Where there is a restriction preventing year-round occupation	Up to 100% discount	30%	76
Empty Homes Premium	Vacant for 2 years or more	Up to 100%	50%	129

3. DISCUSSION ON DISCOUNTS AND EXEMPTIONS BY TASK & FINISH GROUP

- 3.1 The Group discussed the above discounts.

A **Restricted occupation.** Since 2005 this policy has only been applied to privately owned holiday chalets at Naish Estate where occupation of the property was restricted between 1 November and 1 March, except for weekends and public holidays, and the chalets are not to be used as someone's main residence.

The leases on all 76 chalets at Naish is due to end on 28 September 2020. All of the chalets will be removed from the site as the area is being redeveloped, with building work starting in the winter of 2020.

The Task and Finish Group discussed various options, including whether to end the 30% discount from April 2020 or until the leases expire in September 2020.

The Group recommend that as there will be no restriction to occupation between 1 April 2020 and the date their lease expires, to end the discount from 1 April 2020. If the recommendation is approved the Revenues Team will write to all the owners, at the earliest opportunity to give advance notice of the removal of the discount.

- B. Empty Homes Premium.** Since April 2013 local authorities had the discretion to charge a premium of 50% on top of the relevant council tax charge where a property has been unoccupied and substantially unfurnished for two years or more.

The government have stated that they “want to address the issue of empty properties. It can’t be right to leave a property empty when so many are desperate for a place to live”. Two years is considered sufficient time for home owners to sell, rent or complete any major renovations that might be required, and the premium seeks to incentivise owners to bring their properties back into use.

Under the Council Tax (Empty Dwellings) Bill 2018, from April 2019 local authorities have the discretion to charge up to 100% council tax premium on properties which have been empty for more than two years, thereby doubling the council tax on a property. All councils in Hampshire, either already charge a 100% premium or will be from April 2020.

The government has introduced additional changes so that:

- From April 2020, local authorities can charge up to 200% council tax premium on properties which have been empty for more than 5 years.
- From April 2021 local authorities can charge a premium of up to 300% on properties which have been empty for more than 10 years

There are certain exemptions in place for homes that are empty due to the occupant living in armed forces accommodation for job-related purposes, or to annexes being used as part of the main property. While not an exemption, guidance states that consideration should be given for properties which are genuinely for sale or available to rent, and that owners should not be penalised in cases of hardship. These decisions are to be made on a case by case basis.

The council approved a premium of 50% from April 2019 for properties that have been vacant and unfurnished for more than two years, with a view to increasing the premium to 100% from April 2020, to minimise the number of properties left empty for long periods.

Since April 2019 180 properties have had the premium applied. Of these, some have since become occupied, furnished, are undergoing major repairs or have changed ownership.

The Task and Finish Group discussed increasing the premium to 100% and introducing a further premium where a property has been vacant and unfurnished for more than five years. Currently, there are 39 properties which have been empty for more than 5 years.

The potential additional total income could be circa £110,000 of which £11,000 would come to NFDC. However, taxpayers affected could avoid the premium by furnishing the property so that the premium did not apply.

The Task and Finish Group recommend increasing the premium from 50% to 100% from 1 April 2020 where a property has been vacant and unfurnished for more than two years. The group also recommend introducing a premium of 150% from 1 April 2020 where a property has been vacant and unfurnished for more than five years. The Task

and Finish Group considered an incremental approach to the premium and if accepted, this will be reviewed in 2020 with a view to increasing the premium to 200% from 1 April 2021. The Group also recommend to review the Empty Homes Premium in 2020 for properties that have been vacant and unfurnished for more than 10 years (we currently have 14 of these).

If the recommendations are approved, all taxpayers who will be liable to the premiums from 1 April 2020 will be notified in writing as soon as practically possible. Information promoting our Private Sector Leasing scheme will again be included in the letter.

- C. Care Leavers.** In 2018 a Task and Finish Group discussed exempting Care Leavers from council tax and recommended not to introduce an exemption for care lavers. This was agreed by the Council. A Hampshire County Council Ofsted report in June 2019 highlighted an inconsistent approach to the exemption. The Task and Finish Group discussed this again so that the Council can demonstrate it has given the subject sufficient consideration.

Care Leavers are adults who have spent time in foster or residential care, or in other arrangements outside their immediate or extended family before the age of 18. From a report from The Children's Society, care leavers, when moving into independent accommodation, begin to manage their finances for the first time. Local Authorities have been encouraged to exempt care leavers from paying council tax up to the age of 21. This includes the Government's "Keep on caring" strategy.

The Council has no accurate information on how many council tax payers this would affect as there is no requirement to disclose this information. Hampshire County Council suggest that there are 23 young people within the district who are a care leaver, although there are no details about whether they are liable for council tax. We are aware of only four care leavers under the age of 21 receiving Housing Benefit, all of whom are renting a room in a property so are not liable for council tax.

Exemptions are permitted under S13A Local Government Finance Act 1992.

Some councils, mainly unitary, have introduced the exemption, but with variances, for example up to the age of 21, up to the age of 25 or up to 21 with discretion up to the age of 25 depending on their circumstances. However, this may lead to appeals and disputes as judgments would have to be made.

The Group was of the view that this exemption would have little or no impact and had the potential to open up further discussions on what other classes of cohorts deserved their own class of exemption from council tax.

The Group noted that if a care leaver's circumstances are such that paying council tax is difficult there is the Council Tax Reduction Scheme to support all vulnerable residents on a low income. The Exceptional Hardship Scheme is also available to provide further additional support if appropriate. These schemes are reviewed to ensure we continue to provide support to those who pay Council Tax and who are most in need.

The Group recommend that a local exemption class for care leavers is not introduced.

4. FINANCIAL IMPLICATIONS

4.1 The financial implications of each of the above are:

Restricted Occupation – The current discount is £354.85 for the year for each of the 76 chalets. If the discount ends from 1 April 2020, and would only be awarded until 30 September 2020, the additional income would be approximately £13,000, of which the council's share is 10%.

Empty Homes Premium – Increasing the premium to 100% and introducing a 150% premium for properties which have been vacant and unfurnished for more than 5 years could increase income by £110,000, of which the council's share is 10%.

5. PORTFOLIO HOLDER'S COMMENTS

5.1 TBC

6. CORPORATE OVERVIEW AND SCRUTINY PANEL'S COMMENT'S

6.1 TBC

7. RECOMMENDATIONS

7.1 That, insofar as it is entitled to do so by law, the discretionary discounts to and premiums on Council Tax as set out in options A to C as set out in paragraph 3 be approved.

7.2 To review, by Task and Finish Group, the Empty Homes Premium in 2020.

Background Information:

Minutes of Task & Finish Group

Further Information:

Members of Task & Finish Group:

Lead Officer: Ryan Stevens, Service Manager – Revenues and Benefits
ryan.stevens@nfdc.gov.uk

WORK PROGRAMME 2019/20

ITEM	TIMING	LEAD OFFICER
The Corporate Plan 2020/2024	23 January 2020	Rebecca Drummond
Capital Strategy Annual Report	23 January 2020	Alan Bethune
Investment Strategy Update	June 2020	Andrew Smith

LIVE TASK AND FINISH GROUPS

ITEM	TIMING	LEAD OFFICER

NOT YET TIMETABLED

ITEM	OBJECTIVE	METHOD	TIMING	LEAD OFFICER
Universal Credit update	To be aware of issues arising	Regular update from Finance, Investment & Corporate Services Portfolio Holder/Service Manager – Revenues & Benefits	At appropriate times	TBC
Portfolio Holders' Updates (Standing Item) Updates from Task and Finish Groups				

This page is intentionally left blank