

Finance Sub Committee

Monday, 2 December 2019

Present: Councillor A McMullen (Chair)
Councillors D Cox, N Craven and P Richardson

In attendance:
Councillors

Apologies: Councillors J O'Shea and J Wallace

F15/19 Appointment of Substitute Members

There were no substitute members appointed.

F16/19 Declarations of Interest and Notification of any Dispensations Granted

There were no declarations of interest reported.

F17/19 Minutes

Resolved that the minutes of the meeting held on 17 September 2019 be confirmed and signed by the Chair.

F18/19 Welfare Reform - Financial update

The Sub-committee considered the quarterly report that provided an update on the three schemes that were implemented or revised as a consequence of on-gong welfare reform.

It also provided an update on the Full Services Universal Credit.

Discretionary Housing Payment Fund – (DHP)

The Discretionary Housing Payment Fund provided by the Department of Work and Pensions supported people in financial need who have a shortfall in their rent and housing benefit (or Universal Credit including the housing element).

There was continued work with the Citizens Advice and refer claimants who may benefit from budgeting and debt advice.

The Sub-committee was reminded that the DHP policy was reviewed on an annual basis that ensure s payments were directed to those in most need.

The report provided the current financial position and a breakdown of the fund, which detailed an unallocated funding at an amount £41,171 at the time of publishing the report.

Of the all the assessed claims 597 (80%) were successful and of those paid a Discretionary

Housing Payment 61% were council tenants and 39% were privately rented tenants

Local Council Tax Support Scheme

The number of claimants to the scheme had continued to reduce and at the end of September 2019 the number of claimants were 17,372, which were split between 9,400 working age and 7,972 pensionable age claimants.

As at the end of September 2019 the amount of Council Tax Support awarded since 1 April 2019 is £14,498,125.

Due to some changes to support such as the removal of empty property discounts had made collection more difficult, however it was still expected that the long term collection rate would be 98.5%.

Local Welfare Provision

For the period 1 April 2018 – 30 September 2019 there had been 863 applications for Local Welfare Support.

There had been 408 crisis applications eligible for further practical support (47%) and included applicant receiving food, utility support, baby items/food, household items or clothing.

The spend for the period in respect to immediate practical support amounted to £4,133, this was in addition to the annual grant to the Food Bank £26,500 grant.

Universal Credit

Universal Credit (UC) replaced 5 state benefits.

There were 9,548 claimants on UC and of these 3,890 were required to look for work.

The UC working group continued to meet on a monthly basis and has a wider representation of organisations attend including De Paul Charity, to develop solution to local problems and sharing of skills and knowledge.

The Bay Food Bank had seen rising demand for food parcels and the working group was reviewing the process for referrals to the food bank and how to provide the best support.

Since the Full Service UC roll out in North Tyneside in May 2018 there had been a reduction of 4,134 in the number of working age residents claiming Housing Benefit, which represented 37% in working case load.

The Housing Department had 2,864 tenants on UC with 2,177 (76.01%) in arrears. The average arrears stood at £752.96 for those on UC, compared with £433.40 for all tenants and £268.70 for those not on UC.

AGREED that (1) the Welfare Reform – Financial update be noted;

F19/19 2018/19 Financial Management Report to 30 September 2019

The Sub-committee received the 2019/20 Provisional Financial Management Report to 30 September 2019 that had considered by Cabinet on 25 November 2019.

The third monitoring report indicated that the forecast for the year was a projection of a residual gap of £4.809m, which was an improvement of £0.434m from the July 2019 position.

There were still aspects of the £10.533m savings programme to be met to deliver the General Fund budget approved by Council on the 21 February 2019. Meetings had taken place to consider what actions were required to manage the financial risks identified for 2019/20 and included the Authority's Efficiency Statement and as a result £2.582m was include in the overall £4,809m pressure.

The report covered also included details of additional grants received by the authority since the budget was set. It also provided the position of the 2019/20 school budgets, planning for 2020/21, schools funding and the forecast outturn for the Housing Revenue Account as at 30 September 2019.

AGREED that 2019/20 Financial Management Report to 30 September 2019 be noted.

F20/19 Exclusion Resolution

Resolved that under Section 100A (4) of the Local Government Act 1972 (as amended) and having applied a public interest test as defined in Part 3 of Schedule 12A of the Act, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

F21/19 Business and Technical Partnerships Risks

The Sub-committee considered the report that set out the latest monitoring update on risks which were rated high within the Strategic and Operational Risk Registers of the Business and Technical Partnerships with Engie and Capita.

It was informed that the Business Partnership had two new risks and one that had been escalated and were in relation to ICT matters and would be monitored.

AGREED that Business and Technical Partnership Risks report noted