

Finance Sub-Committee

12 March 2019

Present: Councillor A McMullen (Chair)
Councillors D Cox, N Craven, P Mason,
J Stirling and M Thirlaway.

F29/03/19 Apologies

Apologies for absence were received from Councillor J Wallace.

F30/03/19 Substitute Members

Pursuant to the Council's constitution the appointment of the following substitute Member was reported: - Councillor P Mason for Councillor J Wallace.

F31/03/19 Declarations of Interest and Dispensations

There were no declarations of interest or dispensations reported.

F32/03/19 Minutes

Resolved that the minutes of the meeting held on 22 January 2019 be confirmed and signed by the Chair.

F33/03/19 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-going welfare reform. It also provided was an update on the Full Services Universal Credit that was implemented in North Tyneside on 2 May 2018.

Discretionary Housing Payment Fund – (DHP)

The Discretionary Housing Payment Fund provided by the Department of Work and Pensions supports 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 who have created a specific team that supports clients who have debt and/or arrears. This has enabled the streamlining of the work needed so applications are dealt with quicker.

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 £21,627 at the time of publishing the report. The Sub-committee was updated £2,000 was unallocated at the date of the meeting. The Sub-committee was reminded that any unallocated funds were returned to the Department of Work and Pensions (DWP).

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The Sub-committee was informed and reassured that analysis of the DHP paid had showed that the tenure type for 97 claimants could not be identified and work was on-going with the Benefits Services to ensure tenure status was recorded.

The Sub-committee was informed that notification that £449,390 grant would be provided for 2019/20, this was a reduction of approximately £80,000.

Local Council Tax Support Scheme

The number of claimants to the scheme had continued to reduce and at the end of January 2019 the number of claimants were 17,816, which were split between 9,785 working age and 8,031 pensionable age claimants.

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 – 28 February 2019 there had been 1,436 applications for Local Welfare Support. There had been 756 crisis applications eligible for further practical support (53%) and included applicant receiving food, utility support, baby items/food, household items or clothing.

The spend for the period 1 April 2019 to 28 February 2019 in respect to immediate practical support amounted to £9,293.86, this was in addition to the annual grant to the Food Bank £26,500 grant.

It was questioned the level of grant to the Food Bank for 2019/20 and requested that Members be informed of the new level once known.

A Member questioned the remaining amount of Local Welfare Provision funding available. Officers stated that this information would be circulated to the Members.

Universal Credit

Universal Credit (UC) replaced 5 state benefits and the rollout of the Full Service UC in North Tyneside took place on 2 May 2018.

There were 6,432 claimants on UC and of these 2,994 were required to look for work.

DWP funding was available to support claimants and supported in two ways through Assisted Digital Support (ADS) and Personal Budgeting Support (PBS). The report detailed that the actual number of claimants requiring support exceeded the DWP estimate and it was stated that North Tyneside was the second highest in the country having to provide support.

It was stated that ADS funding would be paid directly to the Citizens Advise Bureau from 2019/20 and it was questioned if the funding of £28,270 for ADS was fixed. It was stated that it was the expectation that number of claimants would reduce and that the ADS funding would therefore reduce.

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The impact of the Full Service UC had seen 1,906 housing tenants on UC with 80.1% in arrears. It was also stated that the average arrears for those on UC was £751.39 compared to £317.98 not in receipt of UC.

AGREED that (1) the Welfare Reform – Financial update be noted; (2) information be circulated to Members to the level of grant to the Food Bank for 2019/20.

F34/03/19 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.

F35/03/19 Business and Technical Partnership 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 detailed that were in relation to possible impact if the Brexit and would be monitored.

A Member raised concerns with Risk 026 ICT Non Changes to Applications and asked to the nature of incidents that had occurred since the last review.

AGREED that Business and Technical Partnership Risks report noted