

SCRUTINY CO-ORDINATION COMMITTEE

19th December, 2007

Scrutiny Co-ordination
Committee Members

Present:-

Councillor Arrowsmith (Chair)
Councillor Mrs. Dixon (Substitute for Councillor Ms. Hunter)
Councillor Duggins
Councillor Lee
Councillor Maton
Councillor Mutton
Councillor Ridge
Councillor Williams (Deputy Chair)

Co-opted

Member Present:-

Councillor Clifford

Cabinet Members

Present:-

Councillor Mrs Johnson (Cabinet Member (Customer, Workforce and Legal Services)
Councillor Matchet (Cabinet Member (Neighbourhoods and Community Safety))
Councillor O'Neill (Cabinet Member (Finance, Procurement and Value for Money))

Employees Present:-

L. Dunn (Finance and Legal Services Directorate)
S. Manzie (Chief Executive)
J. Nichols (Head of Neighbourhood Management)
C. Steele (Chief Executive's Directorate)
A. Townsend (Customer and Workforce Services Directorate)
C. West (Director of Finance and Legal Services)

Apologies:-

Councillor Ms. Hunter

90. **Declarations of Interest**

Councillor Maton declared a personal interest in the matter the subject of Minute 94 below headed "Review of Council Support to Community Associations and Community Centres" as he has been involved in earlier study work supporting the review. The interest was not regarded as prejudicial and he remained in the meeting during consideration of the matter.

91. **Minutes**

The minutes of the meeting held on 14th November, 2007, were signed as a true record.

92. **Housing Benefits – Overpayment Recovery**

The Committee considered a report of the Director of Finance and Legal Services that had previously been considered by the Cabinet Member (Finance, Procurement and Value for Money) (his Minute 24/07 refers) and had been called in by Councillors Nellist, Benefield and Windsor. The report recommended that the City Council raised its recovery rates for Housing Benefit overpayments in line with those rates specified by the Department of Work and Pensions.

Housing Benefit overpayments were created when an award of benefit was subsequently superseded by a decision that reduced entitlement to benefit for a period for which payment had already been made. This was most commonly the case following a change in customer's circumstances and in the majority of cases overpayment amounts were recoverable from the customer. Current recovery practice from an ongoing benefit entitlement was to recover at a maximum rate of £4.00 per week; if the customer had disposable income then consideration was given to an increase. If a customer stated that an increased deduction would place them in undue financial hardship or jeopardise their tenancy, then the City Council would assess their ability to pay on a case-by-case basis, using Officer discretion to set a lower rate where appropriate.

In 2006 the Authority had been criticised by the Benefit Fraud Inspectorate as part of its CPA inspection for not adhering to the maximum Department of Work and Pensions guidelines regarding overpayment recovery. The report proposed that the maximum weekly deduction from Housing Benefit be increased to £12.00 per week if the claimant had been found guilty of fraud plus 50% of any disposable income or £9.00 per week in any other case plus 50% of any disposable income. These revised rates were proposed to be effective from 1st February, 2008.

Councillor Nellist briefly explained the background to the call-in and indicated that he did not disagree with the increase in maximum deduction to £9.00 per week but he was concerned that without any flexibility to reduce this figure where appropriate, people in vulnerable positions or in a recognised hardship category could be further disadvantaged. He was concerned for the potential impact repossessions if tenants were unable to pay their rent.

Councillor O'Neill briefly explained that at his Cabinet Member meeting he had given careful consideration to the issues and much discussion had ensued. Since the meeting he had reflected on the decisions made and indicated that he was minded to amend the maximum weekly deduction from housing benefit to:-

- " - £12 per week if the claimant has been found guilty of fraud plus 50% of any disposable income.
- Up to £9.00 per week in any other case."

This removed the reference to disposable income for those claimants that had not been found guilty of fraud, the Cabinet Member emphasised he did not wish to adversely affect vulnerable people in the collection of overpayments. The Cabinet Member made reference to a previous call-in relating to the Midlands Bailiff Partnership (minute 67/07 refers) as a result of which it had been agreed to develop a mechanism to assist officers in identifying potentially vulnerable people at the earliest opportunity, he gave his assurance that the process developed would also apply to Housing Benefits.

As background, the officers briefly explained that the overpayment rate was increasing, much of this could be attributed to people moving in and out of low paid, short term, agency based work. The Officer indicated that the Council should be able to apply the maximum permitted level of recovery where appropriate but that discretion should be used to protect the most vulnerable. The officer explained that there was a need for the City Council to work in a proactive manner in order to ensure that the customer was aware what action they could take if recovery was set at £9.00 per week and they could not afford this; the Money Advice Line and Money Manager Services had been set up to support this. In addition, Housing Benefit Officers were working closely with Whitefriars and were now located in Whitefriars' offices. Officers emphasised that whilst it was proposed to set the maximum rate of recovery at £9.00 there was no minimum; Officers would look at the rate that each Customer could afford to pay.

Councillor Nellist indicated that he had found Housing Benefit to be very sympathetic in cases of overpayment but felt that this was often not the case with Council Tax, he emphasised that customers who had been in receipt of Housing Benefit overpayments were often also in receipt of Council Tax benefit overpayment. The Cabinet Member undertook to look at the standardisation in approach in both areas. It was suggested that the reasonableness test did not cover all the appropriate eventualities; the Cabinet Member agreed to look at this issue.

RESOLVED:-

- (1) That the Cabinet Member be requested to formally reconsider revised repayment levels as set out above.**
- (2) That officers be requested to give consideration to consistency of approach with Housing Benefit and Council Tax Benefit overpayment recovery and also to the categories of claimant included in the reasonableness test.**

93. Call-Ins Stage 1

The Committee noted that no call-ins had been received yet that week. The deadline for call-ins for Cabinet and Cabinet Member decisions made during the week commencing 10th December, 2007, was 9.00 a.m. on Friday 21st December, 2007. Any call-ins received after this meeting and before that deadline would be considered for validity by the Chair of the Scrutiny Co-ordination Committee in consultation with the Director of Customer and Workforce Services (Paragraph 5.4.5.25.4 of the City Council's Constitution refers).

94. Review of Council Support to Community Associations and Community Centres

The Committee considered a report of the Chief Executive that made recommendations relating to support to and the future strategy for community associations and community centres. The report was scheduled to be considered by the Cabinet at their meeting on 29th January, 2008, and had been submitted to this Committee for comment prior to that meeting.

The Cabinet Member briefly introduced the report and highlighted that the proposals had budgetary implications in the order of £400,000 over the next two years; the budgetary implications after that period were currently unclear although it was hoped that they would reduce given the support and work that was proposed to be carried out with the associations and centres over the next two years. The Committee considered the report in detail and made the following comments:-

- The Committee commented on the disparity in levels of funding between centres. The officers indicated that whilst Paragraph 5.1.6 gave details of a "gap subsidy" for a range of centres there were many other centres that did not receive any grant funding at all. Often centres received rental income for use of space by the City Council or income from services provided by themselves. The report proposed a £10,000 grant to key community organisations providing that they met certain criteria for example compliance with the City Council's Equal Opportunities Policy and presence of a constitution. Dedicated support officers would work with centres and associations to encourage them to assist them in drawing up business plans and strategies.
- The Committee commented that centres and associations were often run by enthusiastic but unskilled volunteers and many could not afford to employ full time managers to deal with complex financial and managerial matters so would need support for this. Whilst it was suggested that it would be beneficial for some of the volunteers to attend training sessions for example in negotiation skills it was also acknowledged that many volunteers may be unwilling to attend college.
- There were concerns that often the City Council paid a fixed rate to all centres to rent space rather than the price that it actually cost centres to provide that space; no account was taken of heating costs nor for example for the use of telephones. The officers explained that they hoped that the introduction of dedicated support to centres would open up issues such as this and that the officers would work with both community centres and those sections of the City Council that used space in community centres such as Adult Education.
- The "Coventry Key Community Organisations Network" should be independent of the Council.
- Buildings needed to be appropriate for use by a range of organisations in order to maximise their use.
- When deciding on funding for organisations/associations, historical information should not be the sole determinant; the future needs/aspirations of an organisation/should be taken into account.

The Cabinet Member highlighted that this report was not the definitive answer to improving of the position with community centres and associations but that it was a starting point and that it was hoped that all organisations could be encouraged to engage with a minimum offer of support.

RESOLVED that the issues raised by this Committee be forwarded to the Cabinet when they consider this matter.

95. Report Back on the Work of Outside Bodies – West Midlands Local Government Association Provincial Council

The Committee considered a report of the Cabinet Member (Customer, Workforce and Legal Services) that detailed the work of the West Midlands Local Government Association Provincial Council over the previous 12 months and included attendance records for the City Council's representatives at meetings of the Council. The Cabinet Member briefly explained that recently routine meetings of the Provincial Council had been cancelled and the recent A.G.M. had been rearranged at short notice which had prevented the Cabinet Member attending. The report recommended that the City Council cease to nominate to this organisation.

The Committee considered the proposal to cease nominations but were concerned that if the organisation was able to take decisions that were binding on authorities the City Council should be represented. The Cabinet Member indicated that this had not been the case in her experience but agreed to obtain information on the terms of reference for the organisation in order that an informed decision could be made.

RESOLVED that the Cabinet Member be requested to submit further details on the Terms of Reference for the West Midlands Local Government Association Provincial Council to a future meeting.

96. Report Back on the Work of Outside Bodies – West Midlands Superannuation Committee

The Committee considered a report of the Cabinet Member (Customer, Workforce and Legal Services) that detailed the work of the West Midlands Superannuation Committee over the previous 12 months and included attendance records for the City Council's nominee at meetings of the Committee. The Cabinet Member briefly explained that the role of Board members on the Superannuation Committee was to safeguard the interests of their respective authorities. In order to gain sufficient knowledge to contribute to the decision-making process the Committee constantly provided training to all its members to assist in their understanding of the complexities of different types of investment. The Cabinet Member highlighted that the remit of the Committee was not political and those members who contributed most to the work had been members for a long time. The report proposed that, in order to ensure their maximum contribution to the work of the committee, the appointed member, irrespective of any political change in the Council during his or her term of office, should ideally serve for a minimum of three years on the West Midlands Superannuation Committee. It was noted that the Government would be bringing in a requirement for Superannuation Committees to produce an annual statement which contained details of the members of that Committee including training received by them. The Committee went on to debate the proposals.

RESOLVED:-

- (1) That the Scrutiny Co-ordination Committee recommend that the City Council continue to nominate to the West Midlands Superannuation Committee.**

- (2) **That the appointed member, irrespective of any political change in the Council during his or her term of office, should ideally serve for a minimum of three years to acquire the necessary expertise.**

97. **Report Back on the Work of Outside Bodies – West Midlands Fire and Rescue Authority**

The Committee considered a report of the Cabinet Member (City Development) that detailed the work of the West Midlands Fire and Rescue Authority over the previous 12 months and included attendance records for the City Council's nominees at meetings of the Authority.

RESOLVED that the Scrutiny Co-ordination Committee recommend that the City Council continue to nominate to the West Midlands Fire and Rescue Authority.

98. **Outstanding Issues**

The Committee considered and noted a report of the Director of Customer and Workforce Services that identified those issues on which further reports had been requested in order that Members could monitor progress.

99. **Work Programme 2007/2008**

The Committee considered and noted the Work Programme for the Scrutiny Co-ordination Committee for the 2007/08 Municipal Year. It was noted that at their last meeting Scrutiny Board (4) had indicated that their workload was such that they be unable to undertake the holistic review of WATCH and similar voluntary sector organisations within the city to ensure long term sustainability instigated by this Committee (their minute 67/07 refers).

RESOLVED that the Scrutiny Co-ordination Committee agree to carry out the review.

100. **Other Business**

There were no other items of public or private business.