

BRIGHTON & HOVE CITY COUNCIL
SCRUTINY PANEL ON COUNCIL TAX SUPPORT

11.30am 1 OCTOBER 2012

COMMITTEE ROOM 1, HOVE TOWN HALL

MINUTES

Present: Councillor Phillips (Chair)

Also in attendance: Councillor Cox and Pissaridou

Other Members present: Friggens

PART ONE

6. PROCEDURAL BUSINESS

- 6.1 Rosemary Friggens, Panel Co-optee declared that she was the President of East Sussex Credit Union, Trustee of RISE and Community Base.
- 6.2 There was no party whip.
- 6.3 RESOLVED – the press and public were not excluded from the meeting.

7. DRAFT MINUTES OF THE PREVIOUS MEETING

- 7.1 The minutes of the 17 September 2012 meeting were approved.

8. CHAIRS COMMUNICATIONS

- 8.1 The Chair welcomed everyone and explained that the process of scrutiny panel reviews was to hear evidence from various people, including organisations. The panel would then agree a set of recommendations which was based on the evidence heard. A report of the findings and recommendations would go to the relevant committees for approval.
- 8.2 This was the panel's last public meeting for this scrutiny panel.

9. CALL FOR EVIDENCE- WITNESS- CHAIR OF THE SOUTHERN LANDLORDS ASSOCIATION

- 9.1 Mike Stimpson, Chair of the Southern Landlords Association (SLA) presented the following information to the panel which included:

- (1) Mr. Stimpson had been a landlord for 55 years and held a number of positions which were in the interests of landlords nationally and locally.
- (2) The SLA was the main representative association for private landlords in Brighton and Hove. Members of the SLA house more tenants in the area than all social housing providers (both the local authority and housing associations). Tenants ranged from professionals to students and the homeless.
- (3) Landlords were also finding it difficult to make a reasonable return in their investments (compared with other areas) and accepted that rents were high in this city, but so were property prices.
- (4) The implementation by the Council of additional licensing in 5 wards was going to have significant cost implications to landlords of shared properties; which were properties occupied by students and the unemployed, under 25's as well as single working ; often the most vulnerable in society.
- (5) Young people were struggling to obtain jobs and the local housing allowance for shared accommodation was £77 weekly, which was a significant reduction on the previous years. Rooms let on individual agreements with shared accommodation were unavailable at £77 per week. Tenants on benefits were already struggling and any other additional bills would mean difficult choices for them, which could include not paying their rent.
- (6) A council tax charge of £18.95 with a 25% discount would mean a charge of £1.42 per week, this would be unaffordable and how much would this cost to administer?
- (7) Historically, the council tax was charged on the property and not banded against each individual room, or tenant. The landlord paid the council tax and recharged a proportion to each tenant. This resulted in the council tax being collected from the landlord, not the tenant.
- (8) Over the past number of years the Council have been requesting revaluations of Houses in Multiple Occupation (HMO's), with a result that each individual room was given a Band A banding. This has resulted in tenants on full benefits not paying council tax and those working having to pay £14.21 weekly. It was recommended that the local authority ceases to notifying the valuation office requesting revaluations of HMO's and leave them with the landlords being responsible for council tax payment.
- (9) Concerns were heard about the planning department in building and converting properties and members of the SLA welcomed the national initiatives to make developments more achievable and viable. This would meet housing demand and increase council tax revenue.
- (10) Students should contribute into the scheme, in preference to the unemployed
- (11) Landlords should be required to notify the local authority of the occupants and changes in tenants.

- (12) In many cases it will be impossible to collect council tax from hard to reach groups as tenants move on without giving a forwarding address. The local authority will have to set up procedures for finding the tenant. Landlords will not be able to assist in these circumstances.
- (13) Members of the SLA understood the difficulties faced by the local authority by the 10% reduction in council tax support. However members of the SLA did not believe the way to make up any deficiency was by charging the unemployed.

9.2 Questions and issues raised included:

- (1) Joint several tenancies; when some tenants leave before the end of their tenancy contract and one of the tenants is faced with paying the full bill, this seemed unfair to the tenant left in the property . The panel were informed that in these cases tenants that were left in the property found replacements. This didn't tend to be difficult to find a replacement tenant as the city had a vibrant rental market. When a replacement tenant was found another agreement would be drawn up.
- (2) If council benefit was reduced would landlords change their tenancies to help with this shortfall? The panel heard how landlords would work with the credit union to get support for their tenants to ensure they paid their rent. A recommendation would be for the landlord to be responsible for paying the council tax on the property.
- (3) It was confirmed that there were 400 landlords in Brighton & Hove who were members of the SLA. Of these approximately 10 members owned 30% of the rental properties.

9.3 The Chair thanked the Mike Stimpson for his input into this scrutiny inquiry.

10. CALL FOR EVIDENCE - WITNESSES FROM JOB CENTRE PLUS

10.1 Grahame Widdowson, Customer Service Operations Manager, Brighton & Hove, Mischa Harrison, Employer Engagement Manager and Wayne Edmunds, Partnership Manager presented the following information to the panel:

- (1) That Job Centre Plus (JCP) were working closely with the Council to get claimants back into work.
- (2) Today statistics showed that the numbers of people claiming Job Seekers Allowance (JSA) was reduced to the same figure as last year. There was a peak in February due to seasonal work ending.
- (3) The main focus was the 18-24 age group.
- (4) There were 336 vacancies in Brighton, of which 261 were permanent and 229 were full time. Hove had 125 vacancies. This figure only represents JCP market share and not total vacancies. JCP share around 30%.
- (5) The range of the travel distance covered was up to 90 minutes, with 1682 vacancies (from Worthing to Crawley), of which two thirds were permanent and full time posts. 7.1% were sales representative jobs and 7.6% were labouring jobs.
- (6) The job vacancy database would be widened in November to incorporate other job websites.
- (7) A new glasswork ceramics company was opening up in Hove which created jobs for the area. Brighton's main tranche of vacancies included clerical, retail and contact centre work.

- (8) Out of the 18-24 age groups of claimants a third wanted retail work, and 10% wanted clerical and administration posts.
- (9) The new enterprise allowance meant that job centres could offer options to claimants to build on their skills eg. attending Skills Training, work clubs where mentoring was offered, 2 to 8 week work experience, and employability skills.
- (10) Brighton & Hove City Council looking to commit to 70 work experience placements and the possibility that these could turn into apprenticeships.

10.2 Questions and issues raised included:

- (1) In answer to a question on how people could be helped to get back into work, the panel were informed that there needed to be more job vacancies. Each claimant has an Advisor who at their discretion discusses what support can be offered to that claimant. The Advisor's role was to build their relationship with the claimant, offer realistic vacancies and development their claimant's skills to get into employment.
- (2) Graduates tended to live in the city after qualifying. There was a gap in the employment market for graduate jobs. This has resulted in graduates getting lower paid work that claimants would normally be employed for. The Job Centre was part of the City Skills Employment Group, headed up by Tony Mernagh (Chief Executive of the Business Forum) to work towards finding a solution to this issue. It was important to find sustainable employment. The city had a large hospitality sector and also creative digital media businesses which had the potential to take on graduates.
- (3) What level of service did claimants older than 24 years receive, as the Job Centre focused on 18-24 year olds? The panel were informed that all claimants received the same level of service, which meant offering jobs, work experience and getting the best of the provision for claimants.
- (4) Why was there a peak in unemployment levels in February? The panel heard how the city had not been hit as hard as the rest of the district. This was probably because the city did not have large businesses, but a more diverse small range of businesses.
- (5) The widening of the database would possibly result in a third more claimants being employed as there should be more entry level jobs and other higher level jobs. The contract for the database was with "Monster".
- (6) What was the definition for long term unemployed? The panel heard how this varied from 13 weeks, 26 weeks etc. Six months was the traditional length of time. Advisors would increase provision at these stages as development programmes were offered later and these were generally expensive packages. Further information was available on the NOMIS website.
- (7) There was a wide range of offers for claimants from a range of apprenticeships, strategies, CV searches and national careers service to vocational training.
- (8) The total number of JSA in August 2012 was 6,260 and last year's figure was 6,575. There were 1,429 others that this did not represent eg. pensioners and students but not long term sick, latest NOMIS shows this as 13,040.
- (9) What is offered to unemployed women in their 50's? The panel were told how these women would be offered up to date specific training eg. vocational training, work clubs and mentoring schemes.
- (10) How does a recently qualified teacher find work in that field? JCP would go through that person's career objectives and offer programmes such as apprenticeship schemes and City College events.
- (11) How did the city offer jobs, as there was a limited amount of large employers to offer apprenticeships? JCP targeted the Chamber of Commerce who do a good work in

providing jobs, some of these are voluntary. Apprenticeship work is paid (could be at the minimum wage), and partly paid by government and the employer and will have built in trainers. Work experience would equate to 25-30 hours a week, for 2-8 weeks, would be unpaid. These claimants would receive JSA.

- (12) If Job Seekers finished their work experience early, there was no penalty. If the claimant were to ask for a second placement it would be up to the discretion of the Advisor to offer a second placement. It was rare that a job seeker would recurrently ask for alternative placements.
- (13) How could the Council help further? The panel were told that offering 70 work experience jobs was a positive move which could lead to 50 apprenticeships. However this was half the number of placements offered by other local authorities, of which some were smaller in size. The Council could have the potential to offer more permanent work for those claimants looking for a career path in local government.

10.3 The Chair thanked the Managers for their time and input into this scrutiny inquiry.

11. AOB

11.1 The Chair thanked everyone for attending the meeting.

The meeting concluded at 12.30pm

Signed

Chair

Dated this

day of