

**LOCAL COUNCIL TAX SUPPORT SCHEME 2019/20**

Relevant Portfolio Holder	Cllr Brian Cooper
Portfolio Holder Consulted	Yes
Relevant Head of Service	Amanda Singleton
Ward(s) Affected	All
Ward Councillor(s) Consulted	None Specific
Key Decision / Non-Key Decision	Key Decision

**1. SUMMARY OF PROPOSALS**

- 1.1 The Council Tax Support Scheme (CTSS) for working age applicants must be reviewed annually.
- 1.2 This report provides information on the work undertaken by the Customer Access and Financial Support Service to date amendments to the CTSS for implementation by 1<sup>st</sup> April 2019 and sets out proposals for public consultation.

**2. RECOMMENDATIONS**

**The Cabinet is asked to RESOLVE:**

**to undertake a formal consultation with the major preceptors and the public on the proposed design of a revised scheme to take place for 8 weeks from 1<sup>st</sup> October. The results of the consultation will be presented to Overview and Scrutiny and Cabinet in January when it will consider any recommendations that will go to full Council in February.**

**3. KEY ISSUES**

- 3.1 The CTSS replaced Council Tax Benefit with effect from 1 April 2013.
- 3.2 Under the Government's Council Tax Reduction provisions, the scheme for Pensioners is determined by Central Government and the scheme for working age applicants is determined by the Council. Pensioners broadly receive the same level of support that was previously available under the Council Tax Benefit scheme.
- 3.3 The scheme has also been amended each year for general changes in applicable amounts and for non-dependant deductions.
- 3.4 Council has previously agreed a minimum council tax contribution from working age claimants as 20%. Further to this members agreed to consider reducing the minimum contribution to 15% with effect from 2019. This change will require formal consultation as it is an amendment to the existing scheme.

- 3.6 Consultation is also required to implement 100% discount for care leavers, which the authority has previously committed to considering, subject to consultation, from 1<sup>st</sup> April 2019.

**Financial Implications**

- 3.7 The financial impacts for existing claimants will continue to be profiled and the final scheme presented following the consultation period.
- 3.8 Based on the initial financial modelling that has been undertaken, a revised scheme to increase support to 85%, would result in an estimated cost of £100k. Initial information provided by County Council and cross referenced to Council Tax information indicates that the cost of 100% for care leavers will be approximately £11k.  
A share of the cost would be attributable to the precepting bodies and discussions would have to be held to address any concerns they had in meeting additional costs.
- 3.9 The estimated current level of expenditure for the support provided to working age claimants only is approximately £1.7m

**Legal Implications**

- 3.10 On 1 April 2013 Council Tax Benefit was abolished and replaced by a new scheme discount scheme. Under s13A and Schedule 1A of the Local Government Finance Act 1992 (inserted by s10 Local Government Act 2012), each local authority was required to make and adopt a Council Tax Support Scheme specifying the reductions which are to apply to the amounts of council tax payable within their districts
- 3.11 Statutory Instrument 2012/2885, "The Council Tax Reduction Schemes (Prescribed Requirements)(England) Regulations 2012" ensured that certain requirements prescribed by the Government were included in each Scheme (subsequently amended by S.I. 2012/3085)
- 3.12 As the billing authority the Council is required by the Local Government Finance Act 2012 to consider whether to revise its scheme or to replace it with another scheme, for each financial year.
- 3.13 The Authority must adopt its scheme, and make any revisions, no later than 11<sup>th</sup> March in the financial year preceding the one when it will take effect.
- 3.14 Paragraph 3 to Schedule 1A into The Local Government Finance Act 1992 set out the preparation that must be undertaken prior to the adoption or revision of a scheme, including prescribed consultation requirements.
- 3.15 In addition, where there are changes to the scheme which has the effect of reducing or removing a reduction to which any class of persons is entitled then the authority is

obliged, under paragraph 5(4) of Schedule 1A, to include such transitional provision relating to that reduction or removal as the authority thinks fit.

**Service / Operational Implications**

- 3.16 The changes will present minor procedural amendments to the operation of the Council Tax Reduction scheme. The maximum level of support will be increased to 85% and a separate class of persons to include care leavers will be inserted into the scheme, this will allow a different level of support to be provided to care leavers, as opposed to ordinary working age claimants.

**Customer / Equalities and Diversity Implications**

**Hardship Policy**

- 3.17 The current CTSS scheme contains provision for taxpayers to make an application for additional discount where they experience exceptional hardship. It is proposed that the scheme continues to include the same provisions to protect individuals who experience exceptional hardship. Where any group of person is likely to experience hardship, this will be addressed as part of the overall scheme design. The Hardship Policy will continue to be an integral part of the scheme for the foreseeable future.

In 2017/18 79 CTSS claimants were provided with support through the CTSS Hardship Fund.

**Consultation**

The result of the consultation will be included in the report to Overview and Scrutiny and Cabinet, setting out the final recommendation

- 3.19 Under the Public Sector Equality Duty (section 149 of the Equality Act 2010) the Council must have due regard to (i) eliminating unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advancing equality of opportunity between people from different groups, and (iii) fostering good relations between people from different groups. To this end an equality impact assessment (Appendix 1) has been carried out to inform the final recommendations.
- 3.20 The consultation will be sent to all working age Council Tax Support claimants and a sample of council tax payers. In addition it will be our precepting bodies, stakeholders, landlord forum and voluntary sector agencies. It will be available on line and hard copies in the customer service centre.

**4. RISK MANAGEMENT**

- 4.1 Any changes to council tax support can have financial implications for the Council and the major preceptors as well as for our residents and therefore extensive

financial modelling has been carried out to understand the implications of the proposals.

- 4.2 Officers ensure that support on managing finances and advice on other potential benefits is made available to anyone experiencing financial hardship.
- 4.3 Any changes to the CTSS must be consulted on. The consultation must be meaningful and allow an appropriate period of time as failure to do so could result in a challenge.

**5. APPENDICES**

Appendix 1 – Equality Impact Assessment  
Appendix 2 – Current discounts and disregards.

**6. BACKGROUND PAPERS**

Held in Revenues Service

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