

LOCAL COUNCIL TAX SUPPORT SCHEME 2016/17

Relevant Portfolio Holder	Cllr John Fisher
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 must be reviewed annually.
- 1.2 The report proposes no changes, with the exception of applying the uprating figures determined by the Government.

2. RECOMMENDATIONS

The Executive Committee is asked to RECOMMEND that

- 2.1 No changes are made to the Council Tax Support Scheme for 2018/19.**

3. KEY ISSUES

Financial Implications

- 3.1 As Members are aware, changes were made to the Council's Local Council Tax Support Scheme with effect from April 2014, which resulted in support being capped at 80% of Council Tax liability so that all working age claimants would pay a minimum of 20% towards their Council Tax Liability.
- 3.2 It is proposed that there are no changes to the level of support provided by the Council, and as previously agreed the various allowances be uprated in line with the Secretary of State's annual announcement. This will ensure that the scheme is affordable given the year on year reduction of funding for local support schemes.

Legal Implications

- 3.3 On 1 April 2013 Council Tax Benefit was abolished and replaced by a new scheme of Council Tax support called "Council Tax Support Schemes". 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

- 3.4 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)
- 3.5 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.
- 3.6 The Authority must adopt its scheme, and make any revisions, no later than 31 January in the financial year preceding the one when it will take effect, so that it will be necessary for the Council’s 2018/19 scheme to be in place by 31st January 2018.
- 3.7 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. As the recommendation is that no revisions to the current scheme should be made for the financial year 2018/2019 (to which this report applies), the requirement to consult does not have to be met. However, officers will publicise the fact that the current scheme is to continue, subject to up-lift in rates as set by the Department of Work and Pensions, as referred to at 3.8 below.
- 3.8 Instruction is received from the Department of Work and Pensions on an annual basis, of changes to benefits rates and personal allowances. These must be taken into account for housing benefit calculations and it streamlines the claims process if they are also applied to the Local Council Tax Support Scheme

Service / Operational Implications

- 3.9 Officers continue to provide support to any person liable for council tax who is experiencing severe hardship. This may be in the form of personal budgeting advice, short term financial support, debt management advice, or support to maximise income.
- 3.10 Officers work with the local DWP, Locality Teams, Connecting Families and local job coaches to provide a holistic approach to financial support needs.

Customer / Equalities and Diversity Implications

- 3.11 The ‘uprating’ of the benefits rates and personal allowances to be taken into account, in line with the Secretary of States announcement on those that must be taken into account for other benefits, will potentially result in small changes to the amounts of support provided. These will vary according to circumstances and will be minimal

- 3.12 The benefit cap is not applied in respect of council tax support as it outside of the national benefits scheme.
- 3.13 A 'hardship' scheme, with a budget of £25k per annum, remains in place to support any liable person who has been caused financial hardship by changes to Council Tax Support.
- 3.14 The hardship scheme is administered through the Financial Independence Officers, which ensures that a full financial assessment takes place and all avenues of support can be explored.
- 3.15 Through this scheme 188 awards were made totalling £25,138 in 2016/17. In the current financial year we have made 106 awards to the value of £15,725.
- 3.16 Not changes to the current hardship scheme are proposed.

4. RISK MANAGEMENT

- 4.1 Any changes to council tax support whilst increasing council tax income to the Council and our major preceptors has financial implications for our residents and therefore officers ensure that support on managing finances and advice on other potential benefits is made available.

5. APPENDICES

6. BACKGROUND PAPERS

Held in Revenues Service

AUTHOR OF REPORT

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