

STROUD DISTRICT COUNCIL

COUNCIL

16 FEBRUARY 2023

Report Title	COUNCIL TAX SUPPORT SCHEME			
Purpose of Report	To set a Council Tax Support Scheme for the period 01 April 2023 to 31 March 2024.			
Decision(s)	Council RESOLVES to adopt the scheme for 2023/24.			
Consultation and Feedback	Consultation took place between Monday 28 November 2022 and Friday 13 January 2023.			
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Options	Council could choose to adopt a local scheme that reduces the Council Tax support that working age claimants receive			
Background Papers	None			
Appendices	Appendix A – Summary of Scheme 2023/24			
Implications (Further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	Yes	No

1. INTRODUCTION / BACKGROUND

- 1.1 The Welfare Reform Act 2012 abolished Council Tax benefit. Section 10 of the 2012 Act added a new section 13A to the Local Government and Finance Act 1992 so that, in respect of dwellings in England, a person's liability to pay Council Tax is reduced in accordance with the billing authority's Council Tax Reduction Scheme. Liability may be reduced "to such an extent as the billing authority thinks fit." Billing authorities can apply a reduction in particular cases or by determining a class of case. Liability for Council Tax can be reduced to nil.
- 1.2 Each billing authority is required to develop a local Council Tax Support scheme each year for working age people.
- 1.3 Since 2013/14 the Council has adopted the Governments default scheme which has meant no changes or reduction in the support we provide.
- 1.4 Council Tax Support is provided to around 5,500 households at an annual cost of £6.1m which includes both working age and pension age claimants. Working age caseload is around 2,900 households, a small % reduction since the end of the pandemic.
- 1.5 Within Gloucestershire some of our neighbouring authorities have reshaped their schemes to an income-based scheme and more recently income tolerance levels have been adopted to simplify the administration process alongside Universal Credit.
- 1.6 Between 28 November 2022 and 13 January 2023, a consultation was carried out on the Councils website. This was seeking views from residents, as well as interested parties such as Citizens Advice, on the Council Tax support scheme. The consultation provided very little feedback.
- 1.7 Residents over state pension age are protected from any changes.

2. MAIN POINTS

- 2.1 Since 2013/14 the funding from central government to support the local working age scheme has continued to reduce in line with other central funding cuts. The council has so far absorbed any shortfall in funding assisted by utilising our local powers to reduce council tax discounts on empty properties, along with premium charges
- 2.2 If we were to look to reduce costs to the council, changes would have to be made to the level of support provided to working age claimants. Several authorities nationally have incorporated a reduced level of support onto their scheme; however it is not considered appropriate to do so at the present time having consideration to the recovery from the COVID-19 pandemic and financial impact of rising energy costs.
- 2.3 Last year we made some changes to reduce the administrative complexity of the scheme. This meant income changes of £10 or less per week do not require the reassessment of a claim. This has proved very successful in managing the workload of the Benefits Team and in giving claimants more certainty in managing their finances.

3. CONCLUSION

- 3.1 To give support to households through the cost-of-living crisis the report recommends we continue to provide up to a maximum of 100% support with no changes to the scheme for 2023/24.

4. IMPLICATIONS

4.1 Financial Implications

Council Tax income estimates within the Medium-Term Financial Plan assume the continuation of Council Tax support up to the level of 100%.

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4.2 Legal Implications

The Local Council Tax Support Scheme “LCTS” is required under section 13A of the Local Government Finance Act 1992 (“the Act”). The Act states that for each financial year, billing authorities must consider whether to revise their LCTS scheme or replace it with another scheme.

If the authority decide to revise or replace their scheme, there is a statutory obligation to publish a draft scheme and to consult. Although no changes are proposed to the current scheme, members must have regard to the results of the consultation exercise. Members also have to consider the impact of the scheme on individuals with protected characteristics in line with the public sector duty and any Equality Impact Assessment.

The scheme must be adopted no later than 11 March in the financial year preceding that for which the revision or replacement scheme is to have effect.

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4.3 Equality Implications

The council is committed to equality and the fair application of the policy, ensuring that people receive fair outcomes in the standard of service they receive from the Council, regardless of their race, gender, age, religion or belief, sexual orientation, marital or civil partnership status and/or disability in line with the principles set out in the Equality Act 2010.

4.4 Environmental Implications

There are no significant implications within this category.