

**CHILTERN DISTRICT COUNCIL
CABINET – 16 December 2014**

Background Papers, if any, are specified at the end of the Report

REVIEW OF COUNCIL TAX SUPPORT SCHEME

Contact Officer: Nicola Ellis 01494 732231

RECOMMENDATIONS

- 1. Cabinet is asked to recommend no fundamental changes to the scheme and for a report setting out the full scheme be submitted to Council in February as required by legislation.**

Relationship to Council Objectives

The form of the local Council Tax Support Scheme is important in supporting the council's aims of supporting safe healthy and cohesive communities

Implications

- (i) This is a key decision within the Forward Plan*

Financial Implications

The Council Tax Reduction Scheme for 2013/14 is estimated to cost £3,725,857.

Risk Implications

The risks to the Council arise if the proposed scheme is not properly consulted on or is defective in respect of the criteria and guidance set by Government for local schemes. In these circumstances the Council could be open to legal challenge and review.

Equalities Implications

An equalities impact assessment on the scheme has been completed and potential impacts considered. .

Sustainability Implications

None

Background

1. As part of the Welfare Reform Act 2012 the Government introduced legislation to abolish the national council tax benefit from 2013/14 and replace it with locally determined schemes. At the same time financial support from Government was reduced from 100% to 90%.
2. In 2012 the Council considered the implication of this change and decided that in view of the short timescales needed to approve and implement a local scheme, that it would for one year adopt the "default" scheme, which essentially continued the council tax benefit scheme
3. The Council agreed for officers and members to carry out a detailed consideration of how a local scheme should be constructed and a Council tax Support Scheme was approved which was implemented in April 2014.

Council Tax Support Working Group

4. The Council Tax Support Working group met on 10 September 2014 and considered a report highlighting the main changes to the scheme and considering the impact of the scheme in terms of:
 - **Impact on residents** - numbers of claims; numbers of resident paying on time or facing recovery action; actions taken to support those having difficulty paying and feedback from residents;
 - **Discretionary Council Tax Support** - numbers and amounts of awards;
 - **Financial impact** - reviewing potential negative impacts and seeing if there is any evidence that particular groups have been affected. projected cost of the scheme and impact on collection rates;
 - **Equalities impact** - whether there was any evidence that particular groups were being impacted negatively by the scheme.
5. This report to the working group is included as Appendix One to this report.
6. Members of the working group were asked to consider the report and the evaluation of the scheme to date and conclude if there was sufficient evidence to justify proposing changes to the scheme for 2014/15 which would need a further consultation exercise.
7. The working group concluded that there was not sufficient evidence to justify any changes to the scheme at this time. It was agreed that the scheme would be reviewed again once it had been in operation for a full year and more data was available.
8. A concern was raised that the impact on residents may increase over time as residents in financial difficulty are encouraged to prioritise

Council Tax debts and so the impact may not be evident at first. Reviewing the scheme once more data is available will allow the group the opportunity to fully consider any evidence of this.

Summary

9. Cabinet are asked to accept the views of the Council Tax Support Working Group and recommend no fundamental changes to the scheme and for a report setting out the full scheme be submitted to Council in February as required by legislation.

10. Changes to the scheme will be made to update changes to the legislation in respect of the prescribed regulations and to update amounts in line with Department of Work and Pensions uprating for the year 2015/16. The revised scheme will be submitted to Cabinet for final approval in February 2015.

Background Papers: None
