

**LOCAL COUNCIL TAX REDUCTION SCHEME 2018-19 REVIEW**

Committee: Resources and Finance Committee

Date: 30<sup>th</sup> November 2017

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[S178]

1. **ISSUE**

1.1 Each year the Council is required to review its Local Council Tax Reduction Support Scheme (LCTRS). This report advises Committee about the findings of the 2017 annual review, the consultation on these findings and the resultant proposals for the LCTRS scheme to take effect from 1 April 2018.

2. **RECOMMENDATION**

2.1 Committee is asked to recommend to Full Council that:

2.2 The Council retain the 8.5% benefit scheme, i.e. the maximum benefit to working age claimants is 91.5%.

2.3 To harmonise the scheme with DWP Welfare Reforms and make entitlement to LCTRS, to the most part, conditional upon Universal Credit entitlement.

3. **BACKGROUND**

3.1 Full details to the background of this scheme and the Council's current scheme were detailed in the original paper on this matter, presented to Committee on the 21<sup>st</sup> September 2017 and attached to this report as appendix A.

3.2 This paper gained approval from Committee to undertake a statutory consultation on the changes being proposed and stated that the results of the consultation would be reported back to Committee once complete.

3.3 The matters consulted on were:

The Benefit rates used in the Scheme are up-rated in line with the Prescribed Scheme for Pensioners or Housing Benefit since 2013.

Harmonise the Scheme to the DWP Welfare Reforms introduced in the Prescribed Scheme for Pensioners and Housing Benefit. These measures include restricting new claims to two children, removing the family premium and changes to the entitlement rules for persons from abroad.

Make Council Tax Discount dependent on the award of Universal Credit (UC).

3.4 The consultation paper is included as appendix B.

#### 4. ARGUMENTS / CONCLUSIONS

##### **Consultation exercise**

4.1 The consultation commenced Monday 30<sup>th</sup> October 2017 and concluded on Sunday 19<sup>th</sup> November. As the changes proposed were relatively small, a three week consultation was considered appropriate.

4.2 The Consultation was available on the Council's website with, in addition, in an attempt to get as much interest as possible, everyone on the Council's Register of Consultees that had expressed an interest in 'corporate issues' and the consultees on a list provided by ARP being notified direct where to find the consultation document. The consultation was further discussed at a Benefits Stakeholder liaison meeting held by the Anglia Revenues Partnership at Thetford on the 27<sup>th</sup> October and a separate letter sent to major Preceptors.

##### **Consultation Results**

4.3 Stakeholders at the liaison meeting stated that they were familiar with the Government's welfare reforms, as they are used to the concepts in Housing Benefit. There were no questions raised and they welcomed linking the award of Council Tax Support to Universal Credit, along with the removal of the requirement to make a separate claim.

4.4 Cambridgeshire County Council and Cambridgeshire Fire and Rescue both responded stating that proposed changes looked sensible.

4.5 Six responses were received to the wider consultation, four from individuals, one from a voluntary organisation and one from a registered provider. Five of the six responses supported all of the changes being proposed.

##### **Conclusion**

4.6 The consultation exercise resulted in a positive response to the changes proposed and on this basis; Members are asked to recommend to Full Council at its meeting planned for the 4<sup>th</sup> January 2018, to adopt the changes detailed in the paragraph 3.3.

#### 5 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

##### **Financial**

5.1 The recommendations in this paper will have a marginal impact on the Council Tax collected by the Council, but as the recommendation is to leave the non-relief discount at 8.5% this is not considered significant.

## Equality

- 5.2 The existing LCTRS scheme continues the DWP's previous Council Tax Benefit scheme conventions established over many years, regarding protections for vulnerable groups, including children, the disabled and the Armed Forces.
- 5.3 Equality Impact Assessment (INRA) not required.

## 6 APPENDICES

Appendix A – Report to Resources and Finance Committee on the 21<sup>st</sup> September 2017

Appendix B – Consultation paper published on the Council's website.

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<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
Report to Resources and Finance Committee 21 <sup>st</sup> September 2017	Room 206 The Grange Ely	Ian Smith Finance Manager Tel: (01353) 616470 E-mail: <a href="mailto:ian.smith@eastcambs.gov.uk">ian.smith@eastcambs.gov.uk</a>