



PART B:	RECOMMENDATIONS TO COUNCIL
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	23 NOVEMBER 2017
REPORT OF THE:	RESOURCES & ENABLING LEAD (s151) PETER JOHNSON
TITLE OF REPORT:	LOCALISATION OF COUNCIL TAX SUPPORT 2018/2019 SCHEME
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 This report seeks approval of the scheme for 2018/19. There are no changes proposed to the scheme which has operated in 2017/18.

2.0 RECOMMENDATIONS

- 2.1 That members recommend to Council
- (i) a Local Council Tax Support Scheme for 2018/19 which is unchanged from 2017/18; and
 - (ii) to authorise the Finance Manager in consultation with the Chairman of Policy and Resources Committee to undertake the necessary consultation work to design a scheme for 2019/20, in light of the experience in previous years, to be presented to Policy and Resources Committee in December 2018.

3.0 REASON FOR RECOMMENDATIONS

- 3.1 The Council must approve a scheme of its choice for 2018/19.

4.0 SIGNIFICANT RISKS

- 4.1 There are no significant risks in approving the scheme as recommended.

5.0 POLICY CONTEXT AND CONSULTATION

- 5.1 The Council will need to approve a Local Scheme for Council Tax Support (CTS).

6.0 REPORT DETAILS

- 6.1 Council Tax Support (CTS) is a discretionary means-tested reduction to help residents on low incomes to pay their Council Tax bill.
- 6.2 The current scheme provides that all working age customers have a maximum award of 91.5% of their Council Tax liability, which means that every working age household is required to pay at least 8.5% of their Council Tax bill.
- 6.3 The scheme affects all precepting authorities (District Councils, County Councils, Fire Authorities, Police Authorities and Parish Councils) through the Council Tax Base (CTB) which is reduced by the cost of the scheme.
- 6.4 The following table sets out the estimated claimant breakdown for 2017/18:

Claimant Type	Number	Annual Cost	% total spend
1. Over Pension Age	1709	£1741k	60%
2. Working Age – Household Vulnerable	231	£185k	7%
3. Working Age: Vulnerable	589	£618k	21%
4. Working Age: Employed	191	£95k	3%
5. Working Age: - Other	327	£244k	9%
	3047	£2883k	

1. *Pensionable age – where claimant or partner meet the criteria.*
2. *Working Age Household Vulnerable – there is a child under 5 in the household.*
3. *Working age Vulnerable – where disability premiums are included in the assessments.*
4. *Working age Employed – Working 16 hours or over.*
5. *Working Age Other – All other working age claimants.*

- 6.5 The Council must now consider a scheme for 2018/19.
- 6.6 For 2018/19, year 6, there is again a mixed picture of approaches from Local Authorities. Other than Harrogate, and based on the 2017/18 position, Ryedale has the most favourable scheme in North Yorkshire. Historically, those with the less favourable schemes have generally seen the greatest impact on collection rates and increased administrative costs, as well as the impact on claimants. The billing authority (RDC) alone bears these increased administrative costs.
- 6.7 Districts across the county are currently discussing the potential for changes to their schemes for 2019/20 onwards to ensure the scheme is simpler to administer and simpler for the customer to understand.

7.0 IMPLICATIONS

- 7.1 The following implications have been identified:
- a) Financial
There are no significant new financial implications of the recommendation. There may however be an impact on staff resources and the time taken to process applications. The Council is currently operating two schemes, one for Housing Benefit and one for Local Council Tax Support, but with the same principles.

There would be a significant impact on the time taken to process applications if required to operate two schemes with significant differences. The recommended approach would maintain the alignment of operating principles.

b) Legal

The scheme is a detailed legal document of the Council which will only require minor amendment as a result of changes to legislation. The amendments over which the Council has discretion are included in the report.

c) Other

All other impact is covered in the report

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Background Papers:

[Ryedale District Council Council Tax Reduction Scheme - S13A and Schedule 1a of the Local Government Finance Act 1992](#)