



PART B: RECOMMENDATIONS TO COUNCIL

REPORT TO: POLICY AND RESOURCES COMMITTEE

DATE: 15 NOVEMBER 2018

**REPORT OF THE: SECTION 151 OFFICER
ANTON HODGE**

**TITLE OF REPORT: LOCALISATION OF COUNCIL TAX SUPPORT
2019/2020 SCHEME**

WARDS AFFECTED: ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 This report seeks approval of the scheme for 2019/20. There are a number of proposed changes to the scheme which has operated in 2018/19.

2.0 RECOMMENDATIONS

2.1 That members recommend to Council

- (i) a Local Council Tax Support Scheme for 2019/20 to include a minimum payment of 8.5%, and with the changes proposed:- disregard payments paid by the Thalidomide Trust, disregard payments paid by the Infected Blood Schemes, disregard payments paid by either WLMEF & LET and disregard the new Bereavement Support payments.
- (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 2020/21, in light of the experience in previous years, to be presented to Policy and Resources Committee in December 2019.

3.0 REASON FOR RECOMMENDATIONS

3.1 The Council must approve a scheme of its choice for 2019/20.

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 2018/19:

Claimant Type	Number	Annual Cost	% total spend
1. Over Pension Age	1654	£1720k	60%
2. Working Age – Household Vulnerable	226	£179k	6%
3. Working Age: Vulnerable	593	£628k	23%
4. Working Age: Employed	209	£91k	3%
5. Working Age: - Other	334	£228k	8%
	3016	£2846k	

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 2019/20. In order to inform this process consultation has again taken place on the preferred maximum liability for Council Tax and options for aligning the scheme with four changes to Housing Benefit. Public Consultation took place between 23 July 2018 and 2 September 2018 via the Council's website. Sixteen responses were received to the questionnaire.

The scheme for Pension Age Applicants is set by Government.

- 6.6 For 2019/20, year 7, there is again a mixed picture of approaches from Local Authorities. Proposed 2019-20 schemes within the North Yorkshire Districts are as follows:

	2019/20	2018/19
Craven	10%	10%
Hambleton	20%	20%
Harrogate	0%	0%
Richmondshire	15%	15%
Ryedale	8.5%	8.5%

Scarborough	12.5%	12.5%
Selby	10%	10%
York	12.5%	12.5%

6.7 Those with the greater cuts 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.

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](#)

http://www.ryedale.gov.uk/attachments/article/795/Ryedale_S13a_Scheme_Complete_v1.93.pdf