

29 November 2017

Policy, Finance and Resources Committee

Council Tax Support scheme – 2018/19

Report of: *Rob Manser - Shared Services Revenues & Benefits Manager*

Wards Affected: *All*

This report is: *Public*

1. Executive Summary

- 1.1 This year the Council would like to consider only minor changes to ensure that Brentwood's Local Council Tax Support scheme remains in line with the changes made by Central Government for Housing Benefit and Universal Credit.
- 1.2 People of pension age continue to be protected from any changes in Local Council Tax Support; therefore any scheme has to be devised for people of working age only.
- 1.3 The Brentwood Borough Council scheme continues to be prepared within the framework of an Essex-wide scheme with local variations. For the last three years Brentwood's scheme has remained virtually unchanged.

2. Recommendation(s)

- 2.1 To approve Brentwood's Council Tax Support Scheme with minor changes to reflect changes in legislation made by Central Government in both Housing Benefit and Universal Credit**

3. Introduction and Background

- 3.1 Council Tax Support (CTS) replaced Council Tax Benefit in April 2013. Each authority must adopt a Council Tax Scheme each year by the 31 January, or the previous year's scheme will continue.
- 3.2 Brentwood's Ordinary Council has approved and adopted a Council Tax Support scheme for each subsequent year.

4. Issue, Options and Analysis of Options

- 4.1 The Local Council Tax Support scheme is designed to ensure, as far as possible, stability and sustainability in the Council's finances.
- 4.2 The cost of the scheme is met by the Council. When the scheme was introduced the Revenue Support Grant (RSG) was increased to reflect the estimated cost

of the scheme. Subsequent changes to RSG mean that it is no longer possible to identify a distinct element of the grant that relates to this scheme. The cost of the scheme is therefore managed in the context of the Council's overall budget and expenditure priorities.

- 4.3 The elements of Brentwood's local scheme have been substantially unchanged since 2014/15. The reducing cost of the scheme is due to changes in the number of claimants and in the mix between pensioner and working age claimants. Such changes reflect local demographics, rates of unemployment and other factors. This is a demand-led service and demand – and costs – can go up as well as down. The above costs do not reflect the costs of non-collection (write-offs of uncollected council tax).

Recommended changes to the 2018/19 LCTS scheme to reflect changes in legislation made by Central Government in both Housing Benefit and Universal Credit

- 4.4 The Department for Work and Pensions has introduced a new benefit called Bereavement Support payment, which replaces Bereavement Payments, Bereavement Allowance and Widowed Parents Allowance. It is proposed that amounts paid in respect of this are disregarded (as are the payments it is replacing) in the calculation of Local Council Tax Support for customers who have recently lost a partner.
- 4.5 It is proposed that payments from the 'We Love Manchester Emergency Fund' and 'The London Emergencies Trust' be disregarded as income or capital. Since the tragedies in Manchester and London, emergency funds have been created to assist the victims. Housing Benefit has been amended to disregard any such payments. It is proposed that any payments received by customers from these emergency funds are disregarded from our Local Council Tax Support scheme – by adopting this change customers receiving these payments will not experience any reduction in their Local Council Tax Support award.
- 4.6 With the introduction of Universal Credit the proposal is to allow for Local Council Tax Support to be awarded for a fixed period of six months before a review is undertaken; and as with all other benefits, the onus remains with the customer to notify the Council of any relevant changes in their circumstances.

Default Scheme

- 4.7 If the Council decides not to adopt the proposed 2018/19 scheme then the scheme that is currently in place for 2017/18, our current scheme, becomes our default scheme.

5 Reasons for Recommendation

- 5.1 To agree and adopt the proposed Council Tax Support scheme for 2018/19 prior to the 31 January 2018.

6 Consultation

6.1 The recommended changes are not financial changes to the customer or the scheme, but proposed to reflect changes in legislation, technical changes, therefore no consultation with the public has taken place.

6.2 As required to we have consulted with our precepting authorities.

7 Legislation/Policy

7.1 Schedule 1A of the Local Government Finance Act (LGFA) 1992 (as amended) states;

7.2 “For each financial year, each billing authority must consider whether to revise its scheme or to replace it with another scheme.”

7.3 Schedule 13A of the same Act gives billing authorities power to reduce the amount of Council Tax payable:

1) Where a person is liable to pay council tax in respect of any chargeable dwelling and any day, the billing authority for the area in which the dwelling is situated may reduce the amount which he is liable to pay as respects the dwelling and the day to such extent as it thinks fit.

2) The power under subsection (1) above includes power to reduce an amount to nil.

3) The power under subsection (1) may be exercised in relation to particular cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination.

7.4 The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 determine the principles on which local schemes are to operate.

8 Implications

Financial Implications

Name & Title: Jacqueline Van Mellearts

Tel & Email: 01277 3122829 Jacqueline.vanmellearts@brentwood.gov.uk

8.1 None

Legal Implications

Name & Title: Daniel Toohey, Head of Legal Services

Tel & Email: 01277 312860 / Daniel.toohey@brentwood.gov.uk

8.2 The CTS Scheme is subject to the Council’s duties for local welfare support under primary and secondary legislation including The Welfare Reform Act 2012, the Council Tax Reduction Schemes(Prescribed Requirements)

(England) Regulations 2012 (as amended) and the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012. In addition the Council takes account of guidance published by the Department of Communities and Local Government.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

8.3 Equality Impact response attached.

9. Background Papers (include their location and identify whether any are exempt or protected by copyright)

9.1 Background papers are held by the Revenues & Benefits service

10. Appendices to this report

Appendix A - Equality Impact

Report Author Contact Details:

Name: Rob Manser – Shared Services Revenues & Benefits Manager

Telephone: 01268 208039

E-mail: robert.manser@basildon.gov.uk