

## **ITEM 11 Council Tax Support Scheme for 2016/17**

Report of the Economic Portfolio Holder

### **Recommended:**

**That the local Council Tax Support Scheme (also known as the Council Tax Reduction Scheme), detailed at Annex A to the report, be adopted - the main principles of which are as follows:**

- a) base the local Council Tax Support Scheme for 2016/17 on the existing scheme for 2015/16;**
- b) continue to disregard 100% of certain payments (for working age and pensioner age customers) made under the War Pension and Armed Forces Compensation Scheme;**
- c) the annual uplift of the components of the Council Tax Support Scheme is in line with the uplift for the national Council Tax Support Scheme for Pensioners and the Housing Benefit Scheme.**

### **SUMMARY:**

The purpose of this report is to allow the Council to formally adopt the local Council Tax Support Scheme for 2016/17.

### **1. Background**

- 1.1. At its meeting held on 16 December 2015 Cabinet considered a report (attached at Annex B) concerning the design of the local Council Tax Support (CTS) Scheme for 2016/17. CTS replaced Council Tax Benefit with effect from 1 April 2013.
- 1.2. The Cabinet report contained an appraisal of the current position and a reference to a report made to the Overview and Scrutiny Committee on 14 April 2015. At that meeting it was decided not to review the scheme for 2016/17 and to set up a Task and Finish Panel to review the scheme from 2017/18 onwards, linking to the timetable for the introduction of Universal Credit.
- 1.3. Cabinet resolved -
  - 1.3.1. That the Acting Head of Revenues (Benefits & Customer Services) bring forward the local Council Tax Support Scheme (also known as the Council Tax Reduction Scheme) for 2016/17, based on the principles of the 2015/16 Scheme, for approval by Council in January 2016 and that the scheme continues to disregard 100% of certain payments (for working age and pensioner age customers) made under the War Pension and Armed Forces Compensation Schemes.

- 1.3.2. That the Acting Head of Revenues (Benefits & Customer Services), in preparing the 2016/17 scheme for approval, include provision for the components of the Council Tax Support Scheme to be uplifted in line with the national Council Tax Support Pensioner Scheme and national Housing Benefit Scheme.
- 1.4. The detailed CTS Scheme is attached at Annex A. It is a legal requirement that the whole scheme is included in this report for approval by Members and for this reason the annex is very large. A 'short guide' giving a summary of the scheme is available on the Council's website. There remains the possibility of legislative changes to CTS, welfare benefits and other related legislation. In order that the Council might respond to such changes it was previously agreed to delegate authority to the Acting Head of Revenues (Benefits & Customer Services) in consultation with the Head of Finance and Economic Portfolio Holder to make amendments to the Scheme to the extent that any such changes are purely procedural or administrative in nature, for example a change in other welfare benefits. Any further changes to the principle of the scheme will require explicit Member approval. For the avoidance of doubt it is intended that such authority shall not extend to anything which would alter the effect of the recommendations at paragraph 1 (a)-(c).

## **2. Reasons for recommendation**

- 2.1. Benefits customers continue to experience significant change. Many are, or will be, undergoing assessment to identify entitlement to new types of national benefit which will change the benefit that they receive and the way in which financial support is paid.
- 2.2. The new CTS Scheme works well and provides support for those on the lowest incomes and in greatest financial need. The CTS Scheme will need to be amended when Universal Credit (UC) is fully implemented for Test Valley residents however, national rollout will take several years and the detailed timescale for the bulk transfer of Housing Benefit claims to UC is still not known.
- 2.3. The estimated cost of the 2016/17 recommended Scheme can be met within current budget estimates and therefore does not create an additional budget pressure. Given the current and future scale of welfare reform it is recommended that the current CTS Scheme continues to be adopted for 2016/17.

Background Papers (Local Government Act 1972 Section 100D)

Confidentiality

It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.

No of Annexes:	2	File Ref:	
(Portfolio: Economic) Councillor Giddings			
Officer:	Janice Broomfield	Ext:	8563
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