

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Executive Director Commercialisation (s151 Officer)
To: Governance and Audit Committee – 26 May 2016
Author: Ken Trotter – Interim Chief Accountant
Subject: Local Council Tax Support Scheme
Purpose: To review the existing Council Tax support scheme and develop a work plan for examination of existing and potentially new discounts.

Recommendation:

- 1) That Members note the briefing note at Appendix A.
- 2) That a revised work plan is completed for the next meeting including specific discounts to be examined at each meeting.

1.0 BACKGROUND

- 1.1 The Local Council Tax Support scheme replaced the former national Council Tax Benefit (CTB) scheme from April 2013.
- 1.2 The scheme for pensioners continues to be prescribed by government, and allows up to 100% support against Council Tax liability.
- 1.3 In 2014/15 South Holland Council Tax Support Scheme required all working age households to pay at least 75% of their Council Tax liability. This scheme has been reviewed annually and retained through 2015/16 and for 2016/17.

2.0 OPTIONS

- 2.1 Retain the existing Council Tax Support scheme for 2017/18
- 2.2 Examine all discounts in the Council Tax support scheme and revise the local policy for introduction in 2017/18

3.0 REASONS FOR RECOMMENDATION

- 3.1 The local scheme is now embedded and in its 3rd year of operation. A review of discount levels is good practice and national funding for the scheme is diminishing with zero contribution from central government by 2019/20.

4.0 EXPECTED BENEFITS

- 4.1 The Audit Committee are able to demonstrate that best practice is followed and that they are proactive in examining policies within the financial framework of the Council.

5.0 IMPLICATIONS

5.1 Financial

- 5.1.1 Council Tax support scheme costs in 2015/16 were approximately £4.400,000.
- 5.1.2 Working Age claimants elements cost approximately £1,655,000.

- 5.1.3 The current Medium Term Financial Forecast approved in February 2016 did not include any changes to the levels of discounts for working age claimants.
- 5.1.4 Work on the 2017/18 Medium Term Financial Forecast is due to commence in July 2016 and any savings targets agreed by committee will be included as they become available for consideration.
- 5.1.5 Appendix A highlights the main discretionary discounts currently awarded by the council.

6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 All.

7.0 **ACRONYMS**

7.1 CTS – Council Tax Support

7.2 CTB – Council Tax Benefit

Background papers:- None

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Director / Officer who will be attending the Meeting

Name and Post: Ken Trotter – Interim Chief Accountant

Key Decision: No

Exempt Decision: No

Appendices attached to this report:

Appendix A Council Tax Discounts