

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 – 2017/18
Purpose: To review specific discounts within the local Council Tax support scheme.

Recommendation:

- 1) That the committee examine current working claimant discounts and recommend changes and or amendments to Council for the 2017/18 local council tax support scheme.
- 2) That officers will prepare a savings schedule based on the recommendations and provide this information to the committee at the September 2016 meeting
- 3) Future work to include a fundamental review of the local council tax support scheme for potential changes in 2018/19.

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 2016/17 are forecast to be approximately £4.400,000
- 5.1.2 Working Age claimants elements cost approximately £1,718,000
- 5.1.3 The current Medium Term Financial Forecast approved in February 2016 does 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 that could be changed within the confines of the current system. Software upgrades are required for further changes of a fundamental nature which are in progress with our system provider with a target date for testing with users of September 2017.
- 5.1.6 Target savings for consideration are approximately £87,000 (5%).

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:- [See The Committee Report Guide](#)

Lead Contact Officer

Name and Post: Julie Kennealy Executive Director Commercialisation Section151
Telephone Number: Telephone Number: 01775 761161
Email: Julie.Kennealy@breckland-sholland.gov.uk or
alternatively ktrotter@sholland.gov.uk (Interim Chief Accountant)

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 **Working Claimant Discounts**