

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Interim S151 Chief Finance Officer – Suzanne Jones
To: Governance and Audit Committee – 15 September 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 Cabinet for the 2017/18 Local Council Tax Support Scheme.
- 2) Committee to note that future work will 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.
- 1.4 Options for adjustments to local discretionary discounts were presented to the Committee on 28 July 2016 and provisional results of that discussion are included in this report.

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 after a period of public consultation and approval by Council.

3.0 REASONS FOR RECOMMENDATION

- 3.1 The local scheme is now embedded and in its third 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 expected by 2019/20.

4.0 EXPECTED BENEFITS

- 4.1 The Governance and 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 has commenced and any savings targets agreed by the Committee will be included as they become available for consideration.
- 5.1.5 Appendix A highlights the main discretionary discounts and provisional recommendations determined by the Committee at the 28 July 2016 meeting. 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 Modelling data from the benefits system is in progress and will be presented to the meeting.

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 Working Claimant Discounts