

COUNCIL TAX SUPPORT – SCHEME APPROVAL 2019/20

**Responsible Cabinet Member - Councillor Stephen Harker,
Efficiency and Resources Portfolio**

Responsible Director – Paul Wildsmith, Managing Director

SUMMARY REPORT

Purpose of the Report

1. To seek approval for the draft Council Tax Support (CTS) scheme for 2019/20.

Summary

2. On 23 November 2017, Council approved the local CTS scheme for 2018/19 and the scheme became operational on 1 April 2018.
3. Councils are required to set a CTS scheme each year and as part of that exercise:
 - (a) Consider whether any changes should be made to the existing scheme, and
 - (b) Where changes are made, consider what transitional protection, if any, should apply to anyone affected by those changes.
4. This report sets out the details of the CTS scheme for 2019/20. No major changes are proposed to the existing scheme.

Recommendation

5. It is recommended that Cabinet approve the draft CTS scheme for 2019/20 at **Appendix 1** for submission to Council for consideration and adoption, including:-
 - (a) Continuing to provide up to 100% CTS for care leavers under the age of 25, and
 - (b) Continuing to provide up to 80% CTS for all other working aged people

Reasons

6. The recommendation is supported by the following reasons :-
 - (a) The Council is required to publish a local CTS scheme for 2019/20 by 11 March 2019.
 - (b) The CTS schemes since 2013/14 have all been implemented successfully without any major challenges.
 - (c) The continued application of a reduced entitlement for working aged people is still appropriate, given the current financial position of the Council.

**Paul Wildsmith
Managing Director**

Background Papers

- (i) Local Government Finance Bill 2012
- (ii) Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012
- (iii) Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012
- (iv) Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013
- (v) Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2014
- (vi) Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015
- (vii) Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016
- (viii) Council Tax Reduction Schemes (Amendment) (England) Regulations 2017

Anthony Sandys: Extension 6926

S17 Crime and Disorder	There are no issues
Health and Well Being	The CTS scheme may have an adverse impact on the health and well-being of low income groups
Carbon Impact	There is no carbon impact in this report
Diversity	Working aged recipients of CTS are treated differently to pensioners. An equality impact assessment was undertaken before the existing scheme was approved
Wards Affected	All wards are affected, but in particular those with higher numbers of people claiming CTS
Groups Affected	Working age recipients of CTS are affected by the local scheme. Pensioners are protected from any cuts under a national set of regulations
Budget and Policy Framework	The issues contained within this report do not represent a change to Council budget or the Council's policy framework
Key Decision	This is not an Executive decision
Urgent Decision	This is not an Executive decision
One Darlington: Perfectly Placed	This report has implications for the 'Healthy Darlington' and 'Prosperous Darlington' themes of the Sustainable Community Strategy.
Efficiency	The operation of the local CTS scheme continues to represent a significant financial challenge to the Council and other precepting authorities
Impact on Looked After Children and Care Leavers	Young care leavers, who do not have the family support most young people have to establish themselves in the community, can receive up to 100% CTS

MAIN REPORT

Information and Analysis

7. Since 2013, the previous national Council Tax Benefit (CTB) scheme has been replaced with local CTS schemes, designed and administered by local authorities. Grants are paid to local authorities to fund CTS, but the overall amount does not fully meet actual expenditure levels.
8. The Council is required to design and publish a new CTS scheme each year, in time to implement for annual Council Tax billing. A full public consultation exercise and an equality impact assessment were undertaken on the initial scheme in 2013.
9. Each year, the Council has to consider whether any changes should be made to the existing scheme and, where changes are made, consider what transitional protection, if any, should apply to anyone affected by those changes.
10. Each year's scheme then has to be approved by full Council.
11. The key feature of Darlington's CTS scheme is that most working aged people can only receive a maximum of 80% support towards their Council Tax. Young carers can receive up to 100% support (introduced in April 2018) and pensioners are also protected under a national set of regulations.
12. No other significant changes are recommended for the 2019/20 CTS scheme.

Financial Implications

13. The recommendations in paragraphs 12 and 13 will not have any significant financial implications and therefore it is not intended to amend the budget in the MTFP.