

**CABINET
9 NOVEMBER 2021**

COUNCIL TAX SUPPORT SCHEME 2022-23

**Responsible Cabinet Member - Councillor Scott Durham,
Resources Portfolio**

Responsible Director – Elizabeth Davison, Group Director of Operations

SUMMARY REPORT

Purpose of the Report

1. To consider the draft Council Tax Support (CTS) scheme for 2022-23 before presentation to Council for approval on 25 November 2021.

Summary

2. On 26 November 2020, Council approved the local CTS scheme for 2021-22 and the scheme became operational on 1 April 2021.
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 2022-23. No significant changes are proposed to the existing scheme.
5. This report was considered by the Economy and Resources Scrutiny Committee on 4 November 2021.

Recommendation

6. It is recommended that Cabinet consider the draft CTS scheme for 2022-23 at **Appendix 1** and recommend its onward submission for approval to Council, 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 age people.

Reasons

7. The recommendations are supported by the following reasons:-
- (a) The Council is required to publish a local CTS scheme for 2022-23 by 11 March 2022.
 - (b) The continued application of a reduced entitlement for working aged people is still appropriate, given the current financial position of the Council.

Elizabeth Davison
Group Director of Operations

Background Papers

- (i) Local Government Finance Bill 2012
- (ii) Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012

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 and Climate Change	There is no impact in this report
Diversity	Working aged recipients of CTS are treated differently to pensioners, whose CTS entitlement is decided under a national set of regulations.
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 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
Council Plan	This report contributes to the Council Plan by involving Members in the scrutiny of the Council Tax Support scheme
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

8. Since 2013, the previous national Council Tax Benefit scheme was 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.
9. 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.
10. 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.
11. Each year's scheme then has to be approved by full Council.
12. 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 care leavers can receive up to 100% support (introduced in April 2018) and pensioners are also protected under a national set of regulations.
13. No significant changes are recommended for the 2022-23 CTS scheme however, Members should note the following:
 - (a) The applicable amounts in Table 1 and non-dependant deductions in Table 2 are those amounts currently applied to the 2021-22 CTS scheme and will be updated for 2022-23. The updated amounts will be calculated with reference to the amended Prescribed Requirement regulations and Social Security Benefits Up-rating Order. These regulations will be published in January 2022 and the CTS scheme for 2022-23 will therefore be amended before publication.
 - (b) Any other changes to the Prescribed Requirements regulations 2022 will also be incorporated into the CTS scheme 2022-23 before publication. These changes are for reference only and do not represent a change to the local CTS scheme.
 - (c) A minor amendment to the date on which entitlement to CTS begins is recommended. Paragraph 136 of appendix 1 states that in most cases, entitlement to CTS will begin on the date of claim. Previously, entitlement to CTS began on the Monday following the date of claim, which is similar to the way Housing Benefit has been paid. However, this change aligns CTS entitlement to the way Universal Credit is paid and is slightly advantageous to claimants. The financial implication of this change is negligible.

Financial Implications

14. The recommendations in paragraph 6 will not have any significant financial implications and therefore it is not intended to amend the budget in the MTFP.