

Council Tax Reduction Scheme 2020-2021

Final Decision-Maker	Full Council
Lead Head of Service/Lead Director	Stephen McGinnes Mid Kent Services Director
Lead Officer and Report Author	Sheila Coburn Head of Mid Kent Revenues and Benefits Partnership
Classification	Public
Wards affected	All

Executive Summary

Each year Full Council has to approve the Council Tax Reduction Scheme for the following year.

Where there are changes proposed, it is necessary for a public consultation to take place, requiring an early decision on any proposed changes.

This report recommends there are no changes to the current scheme for 2020-2021 for the reasons set out in paragraph 2.8.

This report makes the following recommendations to this Committee:

1. That this committee recommends to Council to carry forward the 2019-2020 Council Tax Reduction scheme to 2020-2021 with no changes to the scheme.
2. That this committee notes that in the absence of any proposed change, no public consultation will be undertaken.

Timetable

Meeting	Date
Corporate Leadership Team	20 August 2019
Policy & Resources Committee	18 September 2019
Council	11 December 2019

Council Tax Reduction Scheme 2020-2021

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	Homes and Communities. The council needs to balance the needs of low income households with the wider interest of local taxpayers to ensure that vulnerable residents are protected whilst providing a scheme that is affordable.	Sheila Coburn, Head of Mid Kent Revenues and Benefits Partnership
Risk Management	The risks associated with implementing and operating the scheme are low. Endorsement of a scheme helps reduce the risk.	Sheila Coburn, Head of Mid Kent Revenues and Benefits Partnership
Financial	CTR reduces the amount of Council Tax that can be collected. The cost of the scheme is met in full by the council and preceptors. The total cost of the scheme is £9.7 million	Finance Team
Staffing	No impact	Sheila Coburn, Head of Mid Kent Revenues and Benefits Partnership

<p>Legal</p>	<p>Section 13A of the Local Government Finance Act 1992 requires the Council to adopt a Council Tax Reduction Scheme. Schedule 1A of the Act requires the Council to consider whether to revise or replace its scheme for each year.</p> <p>The Act contains a statutory duty to consult on a proposed scheme, with guiding principles for fair consultation set out in case law. As the proposed 2020-2021 scheme is unchanged from the current year 2019-2020, and consultation took place in 2017, no further consultation is necessary</p>	<p>Keith Trowell, Team Leader (Corporate Governance), MKLS</p>
<p>Privacy and Data Protection</p>	<p>The Council already holds information on its residents and it is anticipated the same information will be held under any new scheme.</p> <p>The data will be held and processed in accordance with the data protection principles contained in Schedule 1 to the</p>	<p>Keith Trowell, Team Leader (Corporate Governance), MKLS</p>

	Data Protection Act 1998.	
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Equalities and Corporate Policy Officer
Public Health	We recognise that the recommendations will not negatively impact on population health or that of individuals.	
Crime and Disorder	No impact	Sheila Coburn, Head of Mid Kent Revenues and Benefits Partnership
Procurement	No impact	Sheila Coburn, Head of Mid Kent Revenues and Benefits Partnership

2 INTRODUCTION AND BACKGROUND

- 2.1 The Council Tax Reduction Scheme (CTRS) was introduced in April 2013 as a replacement for Council Tax Benefit (CTB), a national scheme administered on behalf of the Department for Works and Pensions (DWP).
- 2.2 When the government gave responsibility to local government to introduce a local scheme, funding in the form of a Grant was cut by 10%. Government also protected the entitlement of elderly claimants meaning the reduction for working age population was in the region of 20%.
- 2.3 Councils introduced a local scheme which each year must be approved by

Full Council.

- 2.4 The scheme is 'underpinned' by the Kent-wide agreement, which recognises that all Kent districts (as the billing authorities) will seek to have a common 'platform'.
 - 2.5 Councils in Kent have, or are in the planning stages of implementing a banded scheme
 - 2.6 Any changes to the scheme for any year have to go for public consultation before being approved.
 - 2.7 The current scheme for 2019-20 was approved by Full Council in December 2018 with no changes being made.
 - 2.8 With changes within the welfare system, the current scheme is becoming outdated, promoting consideration across Kent of a simpler banded scheme.
 - 2.9 Whilst further analysis is being undertaken to model the impact of moving to a banded scheme, it is proposed that no changes are made for 2020-21 for the following reasons:
 - Universal Credit went live in November 2018 and the current financial year 2019-2020 is the first full financial year to assess the impact of the changes for households in receipt of welfare benefits
 - Simplified schemes are being introduced across the country and the impact for claimants and costs associated can be better measured using the knowledge gained from other authorities
 - Time needs to be spent modelling any changes to the current scheme. We will be able to use detailed and accurate data from software that has become available, but this could not be completed in time for implementation in 2020-2021
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3 AVAILABLE OPTIONS

- 3.1 Option 1 – Move to a new scheme. The problems with implementing a new scheme for 2020-21 are detailed in 2.8.
- 3.2 Option 2 – Revise the current scheme. Whilst work is being undertaken to model the impact of moving to a simpler banded scheme, the current scheme is held to be effective. Should Committee seek to make any changes to the current scheme those changes would need to be modelled and a public consultation completed before making recommendation to Full Council in December 2019.
- 3.3 Option 3 – Maintain the current scheme. In agreeing to the recommendation not to make any changes to the 2020-2021 scheme, recommendation would be made to Full Council to re confirm the scheme,

with no public consultation required.

4 PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

4.1 Option 3 is the preferred option for the reasons set out above.

5 RISK

5.1 The risks associated with this proposal, including the risks if the council does not act as recommended, have been considered in line with the Council's Risk Management Framework. The risks associated with implementing and operating the scheme are reduced through effective modelling and consultation to ensure that the impact of any change is understood.

6 CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

6.1 Depending on the recommendation agreed by this Committee, a public consultation may need to take place.

7 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

7.1 The final decision at Full Council will be notified to those households' affected and key stakeholders.

8 REPORT APPENDICES

None

9 BACKGROUND PAPERS

None