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**LOCAL COUNCIL TAX REDUCTION SCHEME 2019-20 REVIEW**

Committee: Finance and Assets Committee

Date: 28<sup>th</sup> November 2019

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1. ISSUE

1.1 Each year the Council is required to review its Local Council Tax Reduction Support Scheme (LCTRS). This report advises Committee about the findings of the 2019 annual review, the consultation on these findings and the resultant proposals for the LCTRS scheme to take effect from 1 April 2020.

2. RECOMMENDATION

2.1 Committee is asked to recommend to full Council that:

2.2 The Council retain the 8.5% benefit scheme, i.e. the maximum benefit to working age claimants is 91.5% and

2.3 Introduce enhancements to the treatment of Universal Credit income as detailed in this report.

3. MATTERS TO CONSIDER

3.1 Councils are required to consider whether to review their LCTRS schemes annually. Where it is determined to retain the existing scheme for the forthcoming year this must be decided by 11 March.

3.2 Where Councils seek to amend their scheme it is necessary to consult preceptors and stakeholders along with a consultation to inform a final scheme design by 28 February.

4. BACKGROUND

4.1 Full details to the background of this scheme and the Council's current scheme were detailed in the original paper on this matter, presented to Committee on the 20<sup>th</sup> June 2019 and attached to this report as Appendix 1.

4.2 This paper gained approval from Committee to undertake a statutory consultation on the changes being proposed and stated that the results of the consultation would be reported back to Committee once complete.

4.3 The matters consulted on were:

4.4 To introduce a tolerance rule to the treatment of some Universal Credit (UC) monthly awards, to provide stability to customers who are having to alter their Council Tax repayments.

4.5 The consultation paper is included as Appendix 2.

## 5. ARGUMENTS / CONCLUSIONS

### **Consultation exercise**

5.1 The consultation commenced on Monday 23<sup>rd</sup> September 2019 and concluded on Sunday 3<sup>rd</sup> November 2019. As the changes proposed were relatively small, a six week consultation was considered appropriate.

5.2 The Consultation was available on the Council's and Anglia Revenues Partnership websites with, in addition, in an attempt to get as much interest as possible, everyone on the Council's Register of Consultees that had expressed an interest in 'corporate issues' and 'housing and homelessness', the consultees on a list provided by ARP and the Council's major preceptors all being notified direct where to find the consultation document. The consultation was further discussed at a Benefits Stakeholder liaison meeting held by the Anglia Revenues Partnership at Thetford on the 7<sup>th</sup> October 2019.

### **Consultation Results**

5.3 Stakeholders at the liaison meeting did not express any concerns with the proposed change; we have not received any direct responses.

5.4 Eight responses were received to the wider consultation. All responses were anonymous, so it is unknown who completed them.

5.5 Of these, six (75%) of the eight responses supported the proposed change, one disagreeing and one was not sure. Six respondents agreed that a £15 weekly tolerance level would be right, one suggested £5, the one nothing. Seven respondents agreed East Cambridgeshire should have discretion to review cases where a single change during the year disadvantages the customer; one felt there should not be such provision. Seven of the respondents live in the East Cambridgeshire area.

### **Conclusion**

5.6 The consultation exercise resulted in a positive response to the changes proposed and on this basis Members are asked to recommend to Full Council at its meeting planned for the 16<sup>th</sup> January 2020, to adopt the changes detailed in the paragraph 4.4.

## 6 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

### **Financial**

- 6.1 The recommendations in this paper will not have a material impact on the Council Tax collected by the Council, this as the recommendation is to leave the non-relief discount at 8.5%.

### **Equality**

- 6.2 The existing LCTRS scheme continues the DWP's previous Council Tax Benefit scheme conventions established over many years, regarding protections for vulnerable groups, including children, the disabled and the Armed Forces.
- 6.3 Equality Impact Assessment (INRA) not required.

## 7 APPENDICES

Appendix 1 – Report to Resources and Finance Committee on the 20<sup>th</sup> June 2019.

Appendix 2 – Consultation Paper

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<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
Appendix 2 – Consultation paper published on the Council's website. Background Documents Report to Resources and Finance Committee 20 <sup>th</sup> June 2019	Room 104 The Grange Ely	Ian Smith Finance Manager Tel: (01353) 616470 E-mail: <a href="mailto:ian.smith@eastcambs.gov.uk">ian.smith@eastcambs.gov.uk</a>