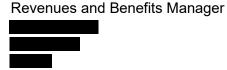
Devon County Council

**Devon Finance Services** 

Trance Services

Tel:

Date: 30th October 2020



Dear Julie

Julie Dark

## North Devon Council Working Age Council Tax Reduction Scheme 2021/22

Thank you for your e-mail dated 28<sup>th</sup> October in which you notified the County Council of proposed changes to your Working Age Council Tax Reduction Scheme for the year 2021/22.

You have explained that the reason for the changes are to protect claimants from any adverse impact to their current Council Tax Reduction entitlement arising from measures introduced by the Government to support claimants through the Covid-19 crisis.

You have set out that "these changes will have a minimal impact upon the cost the scheme as well as the tax base."

Would you please clarify what you mean by "minimal impact" – do you mean that there won't be any additional cost? If there is an additional cost are you able to outline what you expect this to be, please?

Unfortunately, without knowing the impact on the council tax base, the County Council can only comment that council tax is its largest source of income and is essential to help finance the provision of services to vulnerable people in Devon. Consequently, it is important that the council tax base is protected, and additional costs are kept to a minimum.

Yours sincerely

Peter Lappin Head Accountant

(Strategy and Compliance)

From: Peter Lappin

Subject: RE: North Devon Council CTR Scheme 2021/22

**Date:** 25 November 2020 12:11:41

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## Hi David

Thanks for your e-mail clarifying the situation and level of uncertainty regarding future decisions by Govt including levels of disregards.

The county council has received one other notification of a proposal to amend the CTR scheme for 21/22 and no detailed costings were provided.

Best wishes

Peter



**Peter Lappin** 

Head Accountant, Finance Strategy Group

Devon Finance Services – strength in numbers

T:

Room 180, County Hall, Topsham Road

Exeter EX2 4QD

Disclaimer: www.devon.gov.uk/email

From: David Good

**Sent:** 21 November 2020 12:45

**To:** Peter Lappin

Subject: North Devon Council CTR Scheme 2021/22

Hi Peter

Julie has asked me to reply to your email.

Proposals 1 and 2 are more precautionary measures to allow us to amend our scheme in response to situations such as the Covid-19 pandemic. We are doing this as are most of the other Devon authorities as discussed in our DBOG meetings. Please see explanations below.

Although we do predict a minimal cost increase (due to the proposals) to this year, we cannot possibly know what changes Central Government will make to DWP benefits next year or what their other responses to the Covid-19 situation will be and so cost implications seem almost unpredictable.

**Proposal 1-** We're already disregarding an extra £20.00 for customers on UC or Working Tax Credit in line with HB due to the Governments COVID-19 response. This proposal will allow us to increase the income levels within each band to counter any increase in welfare benefits. Such increases are unknown at this time.

**Proposal 2-** We've already removed the MIF and started a new assessment period for our self employed customers who's income has been severely affected by COVID-19. The MIF will be reapplied after 12 months of when the new assessment period started.

**Proposal 3-** We already don't restrict to two children where there is a disabled person in the household however we did not get the wording quite right in our last consultation and so David Airey has said just to be 100% we need to do it again. No additional cost, although future claims from customers in this situation is unknown.

**Proposal 4-** This is to align our scheme as per the other Devon authorities and in line with HB. We have not yet had a customer with a Grenfell Tower Residents' Discretionary Fund payment nor a customer with the new Shared Parental Leave and Parental Bereavement Leave payments and it would be impossible to put a cost estimate to this too.

If other authorities did provide you with cost implications for similar proposals, please let us know so that we can take advice on how they calculated them. In such an unprecedented time and with Government changes unknown, we would be interested to find out as to how they calculated/estimated the costs for their schemes.

Kind regards

David

Mr D Good Assistant Benefits Manager North Devon Council Brynsworthy Environment Centre



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 From:
 Amy Webb

 To:
 Image: North Devon Council

 Subject:
 RE: North Devon Council

 Date:
 29 October 2020 16:50:31

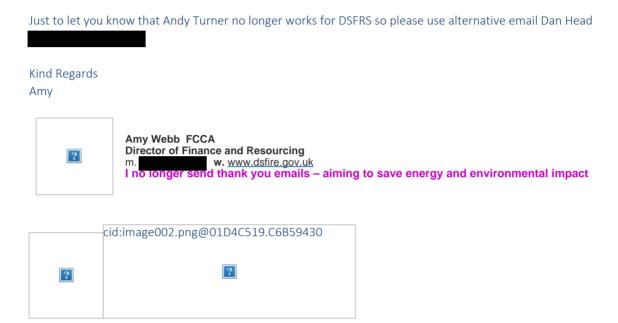
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Hello David,

Thank you for the opportunity to feed back ahead of the public consultation. Just to let you know that I am supportive of the proposed changes to CTR scheme as you have outlined below. Please let me know whether you would prefer an online consultation response?





Dear Mr Turner

## North Devon Council, Working Age Council Tax Reduction Scheme 2021-22

The purpose of this letter/email is to formally notify you of proposed changes to our Working Age Council Tax Reduction Scheme for the year 2021-22.

The reason for the changes are to protect claimants from any adverse impact to their current Council Tax Reduction entitlement arising from measures introduced by the Government to

support claimants through the Covid-19 crisis.

This is particularly relevant to recipients of Working Tax Credit and Universal Credit who have seen a modest increase in their entitlements to those benefits but who, without revising our scheme to disregard this increase, will potentially experience a reduction in their Council Tax Reduction award as their income has increased. The increase could result in a claimant moving into a lower support band and having to pay an additional amount of their Council Tax liability. This would largely erode the Covid-19 related benefit increase awarded by the Department for Work and Pensions.

It was never the intention of the Council's 2020-21 Council Tax Reduction Scheme to cause a reduction in the award due to a rise in benefit levels, and we believe that changes need to be made to allow the Council more flexibility within the scheme to disregard such payments, should similar circumstances happen in the future.

The proposed changes are:

- 1 To allow the Council to increase the levels of incomes within each Band to allow for any changes made by Government to other benefits
- 2 To allow the Council to suspend the use of the Minimum Income Floor for the Self-Employed in exceptional circumstances
- 3 To remove the two child restriction where the claimant or partner or any dependent child in the household receives a disability benefit
- 4 To amend the scheme to allow for Shared Parental Leave, Parental Bereavement Leave and the Grenfell Tower Residents' Discretionary Fund

Please note that the main aims of the changes are:

- to assist in the overall administration of claims;
- to provide support to those that need it most;
- · to assist in the collection of Council Tax; and
- wherever possible to maintain the same level of support to most applicants.

Details of these proposed changes and a link to the consultation survey can be found on the North Devon Council website. The consultation starts on the 2 November 2020 and closes on 13 December 2020 and we would welcome your comments as soon as possible.

It is anticipated that these changes will have a minimal impact upon the cost the scheme as well as the tax base.

Yours sincerely

Mrs Julie Dark

Revenues and Benefits Manager North Devon Council





## For more information go to www.northdevon.gov.uk/live-love-local

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