



North Devon Council

Report Date: 7 FEBRUARY 2022

Topic: COUNCIL TAX REDUCTIONS SCHEME

Report by: HEAD OF CUSTOMER FOCUS

1. INTRODUCTION

- 1.1. In 2013 Council Tax Benefit was replaced with a localised Council Tax Reduction Scheme. The scheme for pensioners was unaffected by this change and is still prescribed by Central Government.
- 1.2. Each year we have to review our working age scheme. The Devon Benefits Officers Group work together to review schemes generally across the county.
- 1.3. Changes were made last year to bring working aged schemes into line with the changes being made by Central Government in Housing Benefit and Universal Credit due to the Covid-19 pandemic.
- 1.4. The proposal for 2022-23 is that no changes are to be made to our scheme other than an adjustment to the income bands to allow for the uprating of applicable amounts and premiums to means tested state benefits.

2. RECOMMENDATIONS

That Strategy and Resources:

- 2.1. Recommends to Council that it adopts the scheme, as attached in **Appendix A**, for the 2022-23 financial year. The only change that has been made this year is the amendment of the income bands to allow for the uprating of applicable amounts and premiums.
- 2.2. Approves and recommends to Council the Exceptional Hardship Policy in relation to the CTR Scheme, as set out in **Appendix B**. No changes have been made to this policy this year.

3. REASONS FOR RECOMMENDATIONS

- 3.1. To ensure that the Council adheres to the legislative requirements to provide a Council Tax Reduction Scheme for 2022-23.

4. REPORT

- 4.1. The Council Tax Reduction Scheme for pensioners is prescribed by Central Government and protects pension age customers with up to 100% support.
- 4.2. Our local Council Tax Reduction Scheme for working age customers is an income banded scheme for which entitlement is based on the net income of the applicant and any partner. This scheme requires that everyone pays at least 20% towards their Council Tax liability and has a capital limit of £6,000.
- 4.3. There are no proposed changes to the working age income banded scheme this year other than an adjustment to the income bands. This is necessary to



insure that the customers who are in receipt of means tested state benefits are not adversely affected by the yearly increases to those benefits.

5. RESOURCE IMPLICATIONS

5.1. Prior to 2013/14 the Council Tax Benefit Scheme cost the public purse in the region of **£7.50m**.

5.2. The first year of the CTR Scheme was originally forecast to cost **£6.57m**.
The schemes have so far cost -:

Year 1 (2013/14) the scheme cost **£6.26m**

Year 2 (2014/15) the scheme cost **£5.95m**

Year 3 (2015/16) the scheme cost **£5.69m**

Year 4 (2016/17) the scheme cost **£5.59m**

Year 5 (2017/18) the scheme cost **£5.45m**

Year 6 (2018/19) the scheme cost **£5.50m**

Year 7 (2019/20) the scheme cost **£5.60m**

Year 8 (2020/21) the scheme cost **£7.2m (of which £0.66m is the Covid-19 CTR Hardship Fund)**

Year 9 (2021/22) has a current forecasted cost to the Council of **£6.7m (of which £0.046m is Covid-19 CTR Hardship Fund)**

6. EQUALITIES ASSESSMENT

6.1. An assessment has been carried out. There are no equality implications anticipated as a result of this report.

7. ENVIRONMENTAL ASSESSMENT

7.1. There are no environmental implications arising from these proposals

8. CORPORATE PRIORITIES

8.1. What impact, positive or negative, does the subject of this report have on:

8.1.1. The commercialisation agenda: none

8.1.2. Improving customer focus; CTR recipients who receive means tested state benefits will not receive less support with their Council Tax because of the increases in their state benefits.

8.1.3. Regeneration or economic development none

9. CONSTITUTIONAL CONTEXT



Article or Appendix and paragraph	Referred or delegated power?
Article 4.4	Referred

10. STATEMENT OF CONFIDENTIALITY

This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

11. BACKGROUND PAPERS

No background papers have been used in preparation of this report other than legislation and government guidelines already in the public domain.

12. STATEMENT OF INTERNAL ADVICE

The author (below) confirms that advice has been taken from all appropriate Councillors and Officers:

Julie Dark, Revenues and Benefits Manager