



North Devon Council

Report Date: Monday 8 January 2024

Topic: COUNCIL TAX REDUCTION SCHEME

Report by: REVENUES AND BENEFITS MANAGER

1. INTRODUCTION

- 1.1. In April 2013, as part of the national welfare reform, the government changed the way financial support for Council Tax was managed. This meant that the national Council Tax Benefit system, which helped people with low incomes meet their Council Tax obligations, was replaced by new Council Tax Reduction schemes designed, administered and managed by Local Authorities.
- 1.2. This change did not affect pension age claimants whose scheme is prescribed by central government.
- 1.3. Each year we have to review our scheme. The Devon Revenues and Benefits Officers Group work together in reviewing schemes across the county.
- 1.4. This year we are proposing to make no changes to our current scheme. Our current scheme is attached as Appendix A.
- 1.5. Both Pensioner and, since April 2023 Working Age customers, subject to their income and capital, can receive up to 100 per cent support towards their Council Tax.
- 1.6. Members agreed in October to implement a Council Tax Discount of up to 100% from 1 October 2023 for care leavers. This discount was to be administered via the CTR Exceptional Hardship Policy. This policy has now been updated to reflect this and is attached and Appendix B.

2. RECOMMENDATIONS

That Strategy and Resources;

- 2.1.** Recommends to Council that it adopts and continues with the current Council Tax Reduction scheme for 2024/25 to include the uprating of applicable amounts, premiums and non-dependant deductions, as shown in the scheme.

3. REASONS FOR RECOMMENDATIONS

- 3.1. To ensure that the Council adheres to the legislative requirement to provide a Council Tax Reduction Scheme for 2024-25.

4. REPORT

4.1. The current prescribed scheme protects pension age customers with up to 100 percent support.

4.2. Since 1 April 2023, our banded scheme for working age can also receive up to 100% support as shown in the table below.

	Discount	Single person	Couple	Single with child/children	Couple with child/children
Band 1	100 percent	£0 to £86.00	£0 to £134.00	£0 to £ 163.00	£0 to £212.00
Band 2	80 percent	£86.01 to £119.00	£134.01 to £167.00	£163.01 to £196.00	£212.01 to £245.00
Band 3	60 percent	£119.01 to £152.00	£167.01 to £200.00	£196.01 to £229.00	£245.01 to £278.00
Band 4	40 percent	£152.01 to £185.00	£200.01 to £233.00	£229.01 to £262.00	£278.01 to £311.00
Band 5	20 percent	£185.01 to £218.00	£233.01 to £266.00	£262.01 to £295.00	£311.01 to £344.00
No discount	0 percent	£218.01 and above	£266.01 and above	£295.01 and above	£344.01 and above



4.3 These income amounts will be updated in line with Government benefit increases once announced.

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 was the Covid 19 CTR Hardship Fund

Year 9 (2021/22) the scheme cost £6.8 (of which £0.054m was the Covid 19 CTR Hardship Fund

Year 10 (2022/23) the scheme cost £6.7m of which £0.013m was the cost of living CTR Hardship Fund)

Year 11 (2023/24) has a current forecasted cost of £8.09m of which £0.18m is the cost of living CTR Hardship Fund.

5.3 As there are no proposed changes for the 2024/25 scheme the increase in the cost of the scheme will be in line with any increases to Council Tax (yet to be set).

6. EQUALITIES ASSESSMENT

6.1. Please detail if there are/are not any equalities implications anticipated as a result of this report. If so, please complete the Equality Impact Assessment (EIA) Summary form available on Insite and email to the Corporate and Community Services Team at equality@northdevon.gov.uk.

6.2. No equality implications have been identified.



7. ENVIRONMENTAL ASSESSMENT

7.1. Please undertake an Environmental Assessment and complete the checklist (EAC) form available on Insite. If there are no environmental implications arising from your proposals please state that there are none. If after completion of the assessment there are environmental implications please provide a brief summary. If you require any further information please contact the Sustainability and Climate Change Officer. Email completed EACs to donna.sibley@torridge.gov.uk

7.2. There are no environmental implications arising from the proposals in this report.

8. CORPORATE PRIORITIES

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

8.1.1. The commercialisation agenda:

8.1.2. Improving customer focus – Our CTR scheme will continue to help the most financially disadvantaged households in the North Devon Council area.

8.1.3. Regeneration or economic development

9. CONSTITUTIONAL CONTEXT

9.1. Article of Part 3 Annexe 1 paragraph: Article 4.4

9.2. Referred or delegated power? 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

The following background papers were used in the preparation of this report: (The background papers are available for inspection and kept by the author of the report).

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