



Classification	Item No.
Open	

Meeting:	Council
Meeting date:	18 th January 2022
Title of report:	Local Council Tax Support Scheme 2022/23
Report by:	Leader of the Council and Cabinet Member for Finance and Growth
Decision Type:	Key Decision
Ward(s) to which report relates	All

Executive Summary:

- 1.1 Each year local authorities are required to formally approve their Council Tax Support Scheme. The scheme must be approved by Full Council and must be considered as part of the budget setting process. As part of the process, local authorities are required to consider whether to revise their existing scheme or replace it with a new one.
- 1.2 The report outlines the background, current scheme, context of overall Welfare Reform and recommendations for delivering a local scheme of Council Tax Support with effect from April 2022

Recommendation(s)

That:

- the scheme continues in its current form for the year 2022/23
- the current disregard of all War Widow's/Widower's Pension or War Disablement Pension is continued

- the performance of the scheme continues to be closely monitored and will be reviewed and amended as appropriate on an annual basis.

Key considerations

2 BACKGROUND

- 2.1 The original local scheme was introduced in Bury from April 2013. This was amended in 2017 so that the maximum amount that any working age claimant could receive is 80% of the liable Council Tax charge

3 COUNCIL TAX SUPPORT SCHEME 2022/2023

- 3.1 The Council is required to review and amend its scheme annually.
- 3.2 In doing this it is necessary to consider a variety of factors:
- Performance of the scheme
 - The level, and adequacy, of Government funding for 2022/23
 - The Council's overall financial position
 - Options for changing the scheme if required
 - The outcome of the previous consultation

Performance of the Scheme

- 3.3 The operation of the scheme is meeting its objectives during the financial year 2021/22.
- 3.4 The Council is seeing an increase in the number of claimants who are in arrears on the amounts of council tax that they owe. Working practices have been amended to try and minimize the number of these accounts that proceed to recovery through the courts and beyond. The council is working hard to support it's residents who may be experiencing financial hardship via signposting to various agencies for further benefits and support.

The Council's Overall Financial Position

- 3.5 The Council, like most Authorities, is experiencing significant financial pressures due to funding reductions in previous years further impacted by the Covid pandemic. Therefore the opportunity to provide additional funding over and above what is already provided is limited and would create a cost pressure that would need to be managed elsewhere within the Council's budget.

The Outcome of Previous Consultation

- 3.6 Any change in the Council Tax Support Scheme requires consultation with the major preceptor, the GMCA with regard to the Mayoral Police and Crime Commissioner precept and the Mayoral General Precept including Fire Services. There is also a requirement to carry out public consultation.

3.7 As no change to the scheme is being proposed, there is no requirement for formal consultation.

4 EXISTING ARRANGEMENTS WITHIN THE SCHEME

4.1 For audit purposes the external auditors have asked that consideration is given to the disregard for War Widow's/Widower's Pension or War Disablement Pension

4.2 When deciding claims for Housing Benefit/Council Tax Support The Social Security Administration Act 1992 section 134(8)(b) and 139(6)(b) provides Local Authorities with the discretion to increase the amount of war pension it disregards. Local Authorities can introduce a local scheme to disregard some or all of any War Widow's/Widower's Pension or War Disablement Pension remaining after the mandatory disregards have been applied. Bury currently applies a full disregard and have been doing so for a number of years. The auditors have asked that a reminder of this arrangement is set out in the report to members when considering the 2022/23 scheme as this is now a requirement of the annual audit certification process.

5 Discretionary Council Tax fund

5.1 A Discretionary Council Tax fund has been available for customers who may be experiencing significant hardship often as a result of multiple changes to the welfare system or complex circumstances, Members are requested to agree a continuation of the existing budget of £200k for the year 2022/23.

6 CONCLUSIONS AND RECOMMENDATIONS

6.1 It is recommended that:

- the scheme continues in its current form for the year 2022/23;
- the current disregard of all War Widow's/Widower's Pension or War Disablement Pension is continued;
- the performance of the scheme continues to be closely monitored and will be reviewed and amended as appropriate on an annual basis.

Community impact / Contribution to the Bury 2030 Strategy

This policy supports our local community particularly those who are experiencing hardship. This relates to both the local and strengths based elements of the Bury 2030 strategy in order to support our residents from getting into debt

Equality Impact and considerations:

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.

Equality Analysis	<i>Please provide a written explanation of the outcome(s) of either conducting an initial or full EA.</i>

**Please note: Approval of a cabinet report is paused when the 'Equality/Diversity implications' section is left blank and approval will only be considered when this section is completed.*

Assessment of Risk:

The following risks apply to the decision:

Risk / opportunity	Mitigation
<p>The Covid pandemic increased the number of eligible claimants for the scheme during 20/21. This number has gradually fallen during 21/22 and whilst it remains higher than pre-Covid levels there is a risk that funding may not be sufficient to cover all of the increased costs.</p> <p>The number of claimants requiring welfare support or who are unable to pay the remainder of the council tax bill remains higher as a result of Covid and this will increase pressure on the council in terms of costs and also other types of support and resources.</p>	<p>No changes to the scheme are proposed and the utilisation of the fund to support increased demand enables the council to maintain support at current levels.</p> <p>Regular monitoring is in place to review increase in demand and to consider further options for providing welfare and hardship support.</p>

Consultation:

There is no requirement for public consultation as no changes to the existing scheme are being proposed

Legal Implications:

Section 13A of the Local Government Finance Act 1992 ("the 1992 Act") requires each billing authority in England to make a scheme specifying the reductions which are to apply to amounts of council tax payable by persons, or classes of person, whom the billing authority considers are in financial need. This must be decided by 11th March the preceding financial year.

Financial Implications:

Councils have a responsibility to support our most venerable residents within the working age range, via the council Tax Support Scheme, for those who don't meet the criteria for national benefit schemes. As we emerge from the pandemic the council wishes to support our residents, who, with rising utility bills, are most at risk of household poverty.

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Appendix 1 –**Council Tax Support explained**