

Report to	-	Cabinet
Date	-	4 December 2017
Report of the	-	Executive Director of Resources
Subject	-	Local Council Tax Reduction Scheme 2018/19

Recommendation to COUNCIL: That the:

- 1) Council Tax Reduction Scheme currently in place for 2017/18 be continued for 2018/19; and
 - 2) Executive Director of Resources be authorised to make minor textual amendments and uprate premiums and living allowances when they are amended by the Government.
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Service Manager: Robin Vennard**Lead Cabinet Member: Councillor Lord Ampthill****Introduction**

1. On 12 December 2016, full Council approved a Council Tax Reduction Scheme (CTRS) for Rother to be introduced from 1 April 2017. This scheme was the same as the one introduced the previous year and save for the Hastings area, was the broadly the same across the County.
2. Each year the Council is required to formally adopt a scheme by the 31 January to commence on the 1 April of that year. It is recommended to Council that the 2018/19 scheme remains the same as the 2017/18 scheme. It is necessary to amend certain rates contained in the scheme in line with Government increases. Whilst this is not considered a scheme change, in order for the Council to resist any potential challenge to the 2018/19, scheme it is considered necessary to report these changes to Members and to make available the full scheme for Members' consideration. A copy of the full scheme has been placed in the Members' Room and is available on the following link: <http://www.rother.gov.uk/CHttpHandler.ashx?id=19232&p=0> .

Proposed Scheme 2018/19

3. The Council is required to review the local CTRS each year and either continue with the existing scheme or devise a new scheme. The current scheme has delivered additional income for the Council and the precepting bodies. In its 18 months of operation there has not been a significant impact on the overall council tax collection rates. However this has been facilitated by the additional resources part funded by preceptors to bolster collection activities.
4. It is proposed therefore to continue with the current scheme into 2018/19 with some minor amendments to take account of legislative changes and the

annual uprating of amounts and premiums used in the calculation of entitlement to help. It is recommended the rates used in the CTRS are uprated in line with the rates used in Housing Benefit administration. These are usually published in late December by the Department of Work and Pensions (DWP).

5. Due to the continued decline in general funding from central government, work is due to commence on developing a new scheme for 2019/20 with an emphasis on identifying proposals that reduce the administration and complexity of the system. As proposals are formulated they will be presented to Members for their review.

Consultation

6. The Local Government Finance Act requires that if the scheme is to be changed the Council must undertake a full consultation exercise with the exception of an uprating of amounts and premiums used in the calculation of entitlement. As this in itself does not constitute a change to the scheme, merely the rates applicable, the Council is not required to undertake a full consultation exercise. However, the major preceptors have been consulted on the proposal to retain the 2017/18 scheme and no objections have been received.

Equity Impact Assessment

7. As the proposed scheme for 2018/19 is the same as the 2017/18 scheme there is no requirement to undertake a full Equality Impact Assessment (EIA). However, for completeness there is an updated version of the EIA that was carried out for the current scheme attached at Appendix 1.

Conclusion

8. The proposed scheme for 2018/19 is the same as the 2017/18 scheme. Officers continue to closely monitor the scheme spend and have reflected the forecast in the calculation of the 2018/19 taxbase.

Malcolm Johnston
Executive Director of Resources

Risk Assessment Statement

By not following the relevant legislative provisions for CTRS, the Council runs the risk of legal challenge to its scheme. This report and other information provided to Members minimises the risk of challenge.