

**MAIDSTONE BOROUGH COUNCIL**

**COUNCIL**

**7 DECEMBER 2016**

**REPORT OF THE POLICY AND RESOURCES COMMITTEE HELD ON  
23 NOVEMBER 2016**

**COUNCIL TAX REDUCTION SCHEME 2017/2018**

**Issue for Decision**

To approve the Council Tax Reduction Scheme as amended by the Policy and Resources Committee at its meeting on 23 November 2016.

**Recommendation Made**

That having noted the outcome of the public consultation and considered the potential impact of the proposed changes on working age claimants with the protected characteristics of disability, age and sex, under the Equalities Act (2010), the Council be recommended to approve the Council Tax reduction Scheme attached as Appendix B, as amended by the Policy and Resources Committee at its meeting on 23 November 2016 as detailed below:-

**Option 1** – Reducing the maximum level of support for working age applicants from 87% to 80% - Recommendation to Implement

**Option 2** – Removing the Family Premium for all new working age applicants – Recommendation to Implement

**Option 5** – Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to four weeks – Recommendation to Implement

**Option 11** – Removing the work related activity component in the calculation of Council Tax Reduction – Recommendation to Implement

**Option 12** – Limiting the number of dependent children within the calculation for Council Tax Reduction to a maximum of two – Recommendation to Implement

**Option 13** – Introducing a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship – Recommendation to Implement

## **Reasons for Recommendations**

At its meeting on 23 November 2016 the Policy and Resources Committee considered a further report of the Director of Mid Kent Services relating to the Council Tax Reduction Scheme. A copy of the report is attached as Appendix A to this report.

Members had previously considered a report of the Director of Mid Kent Services at its meeting on 26 October 2016. However, they sought further clarification on a number of points to assist them in their decision making, these were as follows:-

- The financial impact of the different options
- The cumulative impact of changes
- Possible changes to the recommendation following further analysis of the impact
- Any unintended impact in relation to homelessness
- Comparison with other boroughs within Kent

In response to that request the impact of the proposed changes was reviewed and the recommendations amended to reflect the concerns of the Committee.

In considering any change to the scheme it was agreed that it was necessary to balance the cost of the scheme with the impact and cumulative impact, the details of which are set out in Appendix B to the original report.

A copy of the Council Tax Scheme is attached at Appendix B to this report.

## **Alternatives Considered**

The Committee were not minded to recommend the following options:-

**Option 3** – Reducing backdating to one month – Recommendation to Reject

**Option 4** – Using a minimum income (notional income) for self-employed earners after one year's self-employment – Recommendation to Reject

**Option 6** – Reducing the capital limit from the existing £16,000 to £6,000 – Recommendation to Reject

**Option 7** – Introducing a standard level of non-dependant deduction of £10 for all claimants who have non-dependants resident with them – Recommendation to Reject

**Option 8** – Taking any Child Maintenance paid to a claimant or partner into account in full in the calculation of Council Tax Reduction – Recommendation to Reject

**Option 9** – Restricting the maximum level of Council Tax Reduction payable to the equivalent of a Band D charge – Recommendation to Reject

**Option 10** – Removing Second Adult Reduction from the Scheme –  
Recommendation to Reject

**Background Documents**

None