

## **MAIDSTONE BOROUGH COUNCIL**

### **DIRECTOR OF ENVIRONMENT AND SHARED SERVICES**

#### **REPORT OF HEAD OF REVENUES AND BENEFITS**

**Report prepared by Stephen McGinnes**

**Date Issued: 13 FEBRUARY 2014**

#### **1. Local Council Tax Support Scheme (Amendment)**

##### **1.1 Key Issue for Decision**

1.1.1 To consider changes required to the Local Council Tax Support Scheme to be introduced from 1<sup>st</sup> April 2014.

##### **1.2 Recommendation of Head of Revenues and Benefits**

1.2.1 That the changes to the Local Council Tax Support Scheme, as outlined in Appendix A are introduced from the 1<sup>st</sup> April 2014.

##### **1.3 Reasons for Recommendation**

1.3.1 The Local Council Tax Support Scheme to be introduced from April 2014 was considered and approved at a meeting of Full Council on the 11<sup>th</sup> December 2013.

1.3.2 In making that decision it was accepted that further changes may be required with delegated authority to make such changes given to the Director of Environment and Shared Services, in consultation with the Cabinet Member for Corporate Services, with the proviso that any changes that would lead to a change in the level of discount given to eligible residents should come to the Strategic Leadership and Corporate Services Overview and Scrutiny Committee for consideration prior to implementation.

1.3.3 The nature of the changes are typical of that made each year and allow for such things as the inflationary increase in other benefits. They do not principally change the approach which the council has set out with regards to the administration of the Local Council Tax Support Scheme.

1.3.4 The changes provided within Appendix A are necessary for the future operation of the scheme and can be summarised as follows.

- Minor amendments to reflect corrections in the drafting of the Council Tax Reduction Scheme (Prescribed Requirements) 2012.
  - Increase personal allowances and premiums used within the calculation of Council Tax Support to mirror increases to be implemented by the Department for Work and Pensions with regard to housing benefit and wider welfare system.
  - An increase in the level of the deduction made for non-dependent adults applied across working age and pensioner claims, to reflect the increase announced within the Department for Communities and local Government (DCLG) arrangements.
  - An increase in the income bands used within the calculation of alternative council tax reduction (second adult rebate) across working age and pensioner claims, to reflect the increase announced within the DCLG default arrangements.
  - Technical change to the treatment of persons from abroad.
- 1.3.5 The Cabinet Member for Corporate Services has been consulted regarding the proposed changes, along with the Strategic Leadership and Corporate Services Overview and Scrutiny Committee.

The committee resolved at their meeting on the 4<sup>th</sup> February that the changes to the Local Council Tax Support Scheme, as outlined at Appendix A to the report of the Director of Environment and Shared Services, be agreed and introduced from 1 April 2014.

#### 1.4 Alternative Action and why not Recommended

- 1.4.1 The scheme could be implemented without the proposed changes to working age households, however, the changes are in the main intended to allow for wider inflationary increases within the benefit system. Without this changes the scheme would therefore unfairly reduce awards.
- 1.4.2 The council are required to protect awards for pensioner households and if the inflationary increases were not made, the council would have to make wider changes to compensate and achieve a similar outcome. Such an approach would be administratively complex and provide no identified benefit.

#### 1.5 Impact on Corporate Objectives

- 1.5.1 The change supports the council's commitment to assist vulnerable households and reduce deprivation.

1.6 Risk Management

1.6.1 If the council failed to make the proposed changes there would be an increased risk of complaint and legal challenge.

1.7 Other Implications

1.7.1

1. Financial	X
2. Staffing	
3. Legal	
4. Equality Impact Needs Assessment	X
5. Environmental/Sustainable Development	
6. Community Safety	
7. Human Rights Act	
8. Procurement	
9. Asset Management	

1.7.2 Financial – the proposed changes are in line with the financial projections put forward for the 2014 scheme.

1.7.3 Equality Impact Assessment – the proposed changes are in line with the equality impact assessment that was undertaken for the 2014 scheme.

1.8 Relevant Documents

1.8.1 Appendices

Appendix A – Table of Changes

1.8.2 Background Documents

Local Council Tax Discount Scheme 2014