

Report to Cabinet

27 January 2022

By the Cabinet Member for Finance and Assets

DECISION REQUIRED REPORT



Not Exempt

2022-23 Council Tax Reduction Scheme

Executive Summary

The Council Tax Reduction Scheme decides which working age residents the Council will help with paying their Council Tax. The policy also decided how much each group of residents should be helped. Each year the Council reviews the policy and sets a new policy for the following financial year. This report provides Cabinet with an overview of Horsham's current Council Tax Reduction scheme, along with a recommendation that no changes are made to the scheme for 2022/23.

Cabinet is asked to refer this proposal for approval at full Council.

Recommendations

That the Cabinet is recommended:

- i) To recommend to full Council no changes in the Council Tax Reduction scheme for 2022/23.

Reasons for Recommendations

- i) Council Tax Reduction schemes are annual schemes and therefore require an annual review and approval, even when no changes to the scheme are being proposed. Review work on the scheme showed the scheme remains affordable for Horsham District Council and provides a good level of support to our less well-off residents.

Background Papers: There are no accompanying background papers

Wards affected: All wards

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Background Information

1 Introduction and Background

- 1.1 Horsham District Council has a Council Tax Reduction (Council Tax Reduction) Scheme, which provides financial support for people on low incomes to help them afford their Council Tax payments. This scheme is reviewed and authorised annually by both Cabinet and Council, even when no changes are proposed to the scheme.

2 Relevant Council policy

- 2.1 The design and funding of the Council Tax Reduction scheme forms part of delivering a balanced budget in the medium term, as detailed in the Corporate Plan.

3 Details

- 3.1 Horsham's Council Tax Reduction scheme currently provides financial support for residents on low incomes and provides a means-tested discount to reduce their Council Tax payments.

- 3.2 The scheme ensures that the following protected groups are subject only to the means-test calculation when their Council Tax Reduction discount is awarded:

- Pensioner household
- Lone parents with a child under 5
- Households where the means-test attracts an additional premium in their applicable amount due to disability or caring responsibilities
- Households where the customer is in receipt of War Widows Pension

- 3.3 Any customer who does not fall into one of the protected groups will not be entitled to a discount if their capital exceeds £10,000 and will also have their discount:

- reduced by 10%
- restricted to a Band D equivalent liability amount

- 3.4 The recommendation of this report is that the above scheme remains unchanged.

4 Next Steps

- 4.1 This proposal report is submitted to Council for approval.

5 Views of the Policy Development Advisory Group and Outcome of Consultations

- 5.1 This proposal was presented to the Finance & Assets PDAG on 19th May 2021. The Councillors agreed that, despite the increase in the number of complaints since the start of the COVID-19 pandemic, the scheme remained affordable for the Council and was necessary to help the Council's less well-off residents. No public consultation, therefore, took place.

6 Other Courses of Action Considered but Rejected

- 6.1 Horsham District Council has the authority to reduce the amount of financial support awarded through this scheme. However, this course of action was rejected because of the need to continue to support the financially vulnerable.

7 Resource Consequences

- 7.1 There will be no additional resource consequences for Horsham District Council if it decides to continue to adopt its current levels of support through the Council Tax Reduction Scheme. The cost of the scheme varies with the number of applicants and is directly related to rises and falls in the local economy, including those created by the COVID-19 lockdowns.

8 Legal Considerations and Implications

- 8.1 The legal authority for Council Tax Reduction schemes comes from:
- Local Government Finance Act 2012
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

9 Risk Assessment

- 9.1 There are no changes to the Council's risk profile in choosing to leave the scheme unaltered. However, the Council continues to carry a risk of the cost of the scheme increasing if the economic situation in Horsham District gets worse.

10 Procurement implications

- 10.1 There are no procurement implications stemming from this report.

11. Equalities and Human Rights implications / Public Sector Equality Duty

- 11.1 With no changes proposed to the current Council Tax Reduction scheme there is no change to the

12 Environmental Implications

12.1 There are no environmental implications arising from this report.

13 Other Considerations

13.1 The application of the Council Tax Reduction Scheme includes sensitive personal data, however this decision has no implications on the application of the scheme.