

REPORT TO:	COUNCIL	AGENDA ITEM: 11
DATE OF MEETING:	21st JANUARY 2016	CATEGORY: RECOMMENDED
REPORT FROM:	DIRECTOR OF FINANCE & CORPORATE SERVICES	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) Kevin.stackhouse@south-derbys.gov.uk	DOC: u/ks/revenues and benefits/council tax support scheme/scheme1617/local scheme regulations 2016
SUBJECT:	COUNCIL TAX REDUCTION SCHEME REGULATIONS 2016	REF
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE:

1.0 Recommendations

- 1.1 Under Section 10 of the Local Government Finance Act 2012, a Local Council Tax Support Scheme for South Derbyshire is adopted for the financial year commencing 1st April 2016.
- 1.2 Regulations are approved and cited as the Council Tax Reduction Scheme Regulations (South Derbyshire District Council Local Scheme 2016) and come into force on 21st January 2016.
- 1.3 These regulations amend the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013, as amended, set out in the Schedule to those Regulations for the purposes of paragraph 4 of Schedule 1A to the Local Government Finance Act 1992, by:
- Continuing the insertion of Section 18a Class G: exempt persons who are not pensioners.
 - Continuing the insertion of Section 18b Class H: persons who are not pensioners.
 - Continuing the amendment to Regulation 32 to vary the maximum entitlement in prescribed cases, i.e. to give effect to the designation of war pensioners and the disabled as protected groups (in addition to pensioners under the Prescribed Requirements) and to reduce benefit entitlement in non-protected groups by 8.5% for persons on passported benefit and by 10% in all other cases.
 - Continuing the amendment to Schedule 8 (20) to ensure the disregard of war pensions, to include other payments made under the Armed Forces Compensation Scheme.

- Continuing the insertion at Part 12 Chapter 6 the provision to increase the period of extended payments (as defined in the Regulations) from 4 to 8 weeks.

1.4 That the amounts of pensions, tax credits, income related and non-income related social security benefits and allowances, component parts, applicable amounts, premiums and deductions are updated in accordance with the 2013 Regulations in 1.3 above as set out in Circular A13/2015

2.0 Purpose of Report

2.1 To adopt the detailed regulations for the proposed Local Council Tax Reduction Scheme for South Derbyshire for 2016/17.

2.2 This is based on the recommendation of the Finance and Management Committee of 15th October 2015. After considering options available, the Committee recommended that the scheme in place for 2015/16 should be continued into 2016/17, with no changes.

2.3 As a billing authority, the Council is statutorily required to adopt a local scheme before 31st January 2016. The Regulations will come into force immediately and will be effective from 1st April 2016.

3.0 Detail

Council Tax Reduction Scheme

3.1 The South Derbyshire regulations are based on the previous national scheme that applied to Council Tax Benefit prior to 2013/14.

3.2 In summary, the Local Scheme incorporates the previous parameters and thresholds for calculating Council Tax Reduction for claimants, adjusted to reflect new parameters, as follows:

- That working age claimants currently receiving 100% benefit are deducted 8.5% from their entitlement calculated under the Local Scheme.
- That all other working age claimants are deducted 10% from their entitlement calculated under the Local Scheme.
- That full Council Tax Reduction for claimants entering work is extended from 4 weeks to 8 weeks in the Local Scheme.

3.3 Within the Local Scheme, certain claimants are protected and continue to receive the same level of support as existed under the previous national scheme. Protection is afforded to the following groups:

- All claimants of pensionable age (this is a statutory requirement).
- All households who qualify for benefit through disability premiums.
- All war widow and war disabled claimants.
- All military compensation payments are fully disregarded in calculating Council Tax Reduction.

3.4 The Local Scheme will also apply to all new claimants after 1st April 2016.

3.5 The regulations are extremely detailed and are covered in over 200 pages. They can be accessed, together with supporting information and guidance, on the Council's web site in the Benefits Section at:

http://www.south-derbys.gov.uk/council_and_democracy/benefits/default.asp

4.0 Financial and Corporate Implications

4.1 These implications were considered in detail by the Finance and Management Committee in October 2015. The cost of the Local Scheme is currently being contained within the Council's Budget and it is anticipated that this will continue for 2016/17.

4.2 The Finance and Management Committee receive regular monitoring reports which keep under review actual claimants and costs. This will continue in 2016/17 with any changes being considered ahead of the budget round for 2017/18.

5.0 Community Implications

5.1 The proposals will have an impact upon residents of the District who currently claim support or in the future may become eligible under the Local Scheme.

5.2 Due to no changes being proposed, no formal consultation has been undertaken for the 2016 Local Scheme.

5.3 It is noted that a full consultation exercise was undertaken over a 12 week period from August to November 2012 which informed the basis of the original 2013 Local Scheme.

5.4 Following the adoption of the 2016 Local Scheme, this will be communicated to all stakeholders.

5.5 The other precepting bodies in South Derbyshire have been notified of the Council's proposals have raised no issues with this approach.

6.0 Background Papers

6.1 Report to Finance and Management Committee on 15th October 2015:

<http://south-derbys.cmis.uk.com/south-derbys/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1857/Committee/391/Default.aspx>

6.2 The Prescribed Requirements (2013):

<http://www.legislation.gov.uk/uksi/2013/3181/contents/made>