



FULL COUNCIL REPORT

Date Written	22 nd December 2015
Report Author	Elizabeth French
Service Area	Corporate Services - Benefits Section
Exempt/Non Exempt	Non Exempt
Committee Date	27th January 2016

To: Mayor, Ladies and Gentlemen

ADOPTION OF COUNCIL TAX REDUCTION SCHEME FOR THE FINANCIAL YEAR 2016/17

1.0 SUMMARY OF THE REPORT

- 1.1 The Council adopted a Council Tax Reduction Scheme (CTRS) as per the requirements laid down by Welsh Government in respect of the financial year 2015/16.
- 1.2 The Council is required to adopt a scheme on an annual basis. The Council is obliged to approve a scheme by 31st January under the requirements of the Prescribed Requirements Regulations notwithstanding the fact that a default scheme would come into effect even if the Council failed to approve a scheme.

2.0 RECOMMENDATION(S) that

- 2.1 The Council Tax Reduction Scheme to commence in April 2016 for the 2016/17 financial year be re-adopted.

3.0 INTRODUCTION AND BACKGROUND

- 3.1 The Council Tax Reduction Scheme in Wales is set by Regulations made under Schedule 1B of the Local Government Finance Act 1992 (as inserted by the Local Government Finance Act 2012). On 27 November 2013, the Welsh Assembly approved two sets of regulations:

- the Council Tax Reduction Schemes (Default Schemes) (Wales) Regulations 2013 (“the Default Scheme Regulations”) and;
- the Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013 (“the Prescribed Requirements Regulations”).

These Regulations prescribe the main features of the Scheme to be adopted by all Councils in Wales.

3.2 Within the Prescribed Requirements Regulations, there is limited discretion given to the Council to apply additional discretionary elements that are more generous than the national scheme and which provide for additional administrative flexibility.

These are:

- The ability to increase the standard extended reduction period of 4 weeks given to persons after they return to work where they have previously been receiving a Council Tax reduction that is to end as a result of their return to work;
- Discretion to increase the amount of War Disablement Pensions and War Widows Pensions which is to be disregarded when calculating income of the claimant;
- The ability to backdate the application of Council Tax reduction with regard to late claims prior to the new standard period of three months before the claim.

3.3 If the Council decided to offer more generous local discretions this would further increase the cost of the scheme. It is proposed to leave the discretions adopted in previous years unchanged i.e. disregard of War Disablement Pension and War Widows Pension.

4.0 FINANCIAL IMPLICATION(S)

4.1 The CTRS funding is included in the Revenue Settlement on the basis of 2014/15 actual spend. This does not cover the full costs of the scheme and it is possible that any future changes to regulations could further increase the costs of the scheme.

Financial Year	Welsh Government Grant	CTRS expenditure	Cost to Authority
2014/15	£5,789,000	£5,984,204.28	£195,204.28
2015/16 to 8 th January 2016	£5,872,000	£5,942,510.65	£70,510.65

5.0 SINGLE INTEGRATED PLAN AND SUSTAINABILITY IMPACT SUMMARY

5.1 The Single Integrated Plan and Sustainability Impact Assessment has been completed and the proposals positively impact on a strong and sustainable economy along with a fair and inclusive Merthyr Tydfil.

6.0 EQUALITY IMPACT ASSESSMENT

7.1 An Equality Impact Assessment (EqIA) form has been prepared for the purpose of this report. It has been found that a full assessment is not required at this time. The form can be accessed on the Council's website/intranet via the 'Equality Impact Assessment' link.

ELLIS COOPER
CORPORATE DIRECTOR OF PLACE AND
TRANSFORMATION

COUNCILLOR PHIL WILLIAMS
CABINET MEMBER FOR
GOVERNANCE AND CORPORATE
SERVICES

BACKGROUND PAPERS		
Title of Document(s)	Document(s) Date	Document Location
Does the report contain any issue that may impact the Council's Constitution?		No

Consultation has been undertaken with the Corporate Management Team in respect of each proposal(s) and recommendation(s) set out in this report.