

FULL COUNCIL REPORT

Date Written	04 th February 2019*
Report Author	Mike Parry
Service Area	Revenues
Exempt/Non Exempt	Non - Exempt
Committee Date	20 th February 2019

To: Mayor, Ladies and Gentlemen

HELP FOR PENSIONERS SCHEME 2018

1.0 SUMMARY OF THE REPORT

- 1.1 Welsh Government made funding available to Councils for each of the four years from 2009/10 to 2012/13 for the purposes of determining their own local scheme to provide assistance to pensioners with the payment of their Council tax.
- 1.2 In 2013/14, Welsh Government decided to introduce a single pan Wales scheme to provide this support. The rationale being to avoid any inconsistencies arising from locally determined schemes.
- 1.3 In 2014/15, Welsh Government changed its approach once again and although Councils have been provided with a similar level of funding as in 2013/14, this was included in the Revenue Support Grant, leaving it up to individual Councils to determine their own scheme [or indeed to use the funding for any other purpose].
- 1.4 In December 2016, Council decided to continue with the scheme for financial year 2017/18. A further decision now has to be made as to whether an award under the scheme will be made in respect of 2018/19.
- 1.5 A survey of all Welsh Councils has identified that no other Councils have operated a scheme for 2018/19.
- 1.6 The Council is provided with two options in para 4.1 and for the reasons set out in this report, the professional officer preferred option is Option 4.1 (a).

2.0 RECOMMENDATIONS that

2.1 Councils instructions are requested.

3.0 INTRODUCTION AND BACKGROUND

3.1 Welsh Government has in previous years provided a specific grant for a national scheme to assist pensioners with payment of the Council Tax. These resources have, since 2014/15, been subsumed into the Council's Revenue Support Grant allowing Councils to choose whether or not to provide such support in future.

3.2 For 2013/14, pensioners who were in receipt of partial Council Tax Reduction (CTR) received up to a maximum of £100. The total spend in Merthyr Tydfil was £88,414. The grant was means tested and during 2013/14, 986 pensioners received support to reduce their Council Tax under this scheme.

3.3 The support was reduced to a maximum of £50.00 per claim in financial year 2014/15 and has remained at that level for each of the subsequent financial years. As a result of this reduction, the total spend in Merthyr Tydfil in 2017/18 was £40,311. The grant was means tested and 818 pensioners received support to reduce their Council Tax under the scheme.

4.0 RELEVANT ISSUES AND OPTIONS

4.1 Two options are proposed for consideration:

(a) Discontinue the scheme from 2018/19 in order to maintain a consistent approach with all other Councils.

(b) To continue the scheme as operated in 2017/18 by providing financial support up to a maximum of £50 per qualifying claim (0.96p per week).

4.2 If the scheme were to continue, the qualifying criteria are set out in Appendix 1.

4.3 Continuing the scheme as operated in 2017/18 would result in expenditure of approximately £41,000. Although the overall spend is significant, the financial detriment to each pensioner if the scheme were discontinued is low as the maximum allowance is only £50.00 per claimant.

4.4 Claimants will continue to receive support through the Council Tax Reduction Scheme.

4.5 A survey of all Welsh Councils has identified that no other Councils will be operating a scheme for 2018/19.

4.6 Given the above and the current financial budget deficit the Council has to address the officers preferred option is Option 4.1 (a)

5.0 FINANCIAL IMPLICATION(S)

5.1 Based on 2017/18 figures the total cost to the Council for 2018/19 is estimated at £41,000 if payment continued up to a maximum of £50.

6.0 INTEGRATED IMPACT ASSESSMENT

	Positive Impacts	Negative Impacts	Not Applicable
1. Merthyr Tydfil Well-being Objectives	0 of 4	0 of 4	4 of 4
2. Sustainable Development Principles - How have you considered the five ways of working: <ul style="list-style-type: none"> • Long term • Prevention • Integration • Collaboration • Involvement 	2 of 5	0 of 5	3 of 5
3. Protected Characteristics <i>(including Welsh Language)</i>	0 of 10	0 of 10	10 of 10
4. Biodiversity	0 of 1	0 of 1	1 of 1
<p>Summary:</p> <p>The main positive impacts are:</p> <p>The positive impact is low and purely of a financial nature. It does not impact all pensioners, only those who met the criteria set by the Council. As the maximum allowance is only up to £50 and only a small proportion of pensioners would qualify, the overall positive and negative impacts are low.</p> <p>No negative impacts have been identified against the Well-being Objectives, the Sustainable Development Principles and Biodiversity.</p>			

ELLIS COOPER
DEPUTY CHIEF EXECUTIVE

COUNCILLOR ANDREW BARRY
CABINET MEMBER FOR GOVERNANCE
& CORPORATE SERVICES

BACKGROUND PAPERS		
Title of Document(s)	Document(s) Date	Document Location
Integrated Impact Assessment	24 th October 2018	Electronic Library
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.

APPENDIX 1

Eligible candidates must:

- Be liable to pay Council Tax in respect of a chargeable dwelling, which was their sole or main residence on January 31st 2019.
- Be 60 years or older on January 31st 2019.
- Be in receipt of CTR on January 31st 2019.
- Not be in receipt of maximum CTR on January 31st 2019
- Be liable to pay Council Tax for that chargeable dwelling on January 31st 2019.

NB - The maximum remittal will be restricted to the total net Council Tax liability for the 2018/19 financial year.