

# **Cherwell District Council**

## **Council**

**15 December 2014**

### **Council Tax Reduction Scheme 2015-16**

## **Report of the Head of Finance and Procurement**

This report is public

### **Purpose of report**

To enable Council to approve the Council Tax Reduction Scheme for 2015-16.

### **1.0 Recommendations**

The meeting is recommended:

- 1.1 To approve the current Council Tax Reduction Scheme (CTRS) for the year 1 April 2015 to 31 March 2016 as indicated in the report.
- 1.2 To delegate authority to the Council's section 151 officer in consultation with the Lead Member for Financial Management to determine if any further amendments to the CTRS are required by 31 January 2015.

### **2.0 Introduction**

- 2.1 The Executive, at its meeting on 6 October 2014, fully considered the Council Tax Reduction Scheme 2015-16 as part of the report on the Budget Strategy. The Executive agreed that the current scheme for 2014-15 should remain for 2015-16 as the impact was broadly cost neutral for Cherwell. This current scheme has previously been approved by Council at its meeting of 16 December 2013.
- 2.2 The full scheme can be accessed through the Council's website:  
<http://www.cherwell.gov.uk/index.cfm?articleid=1185>
- 2.3 The scheme is being brought to Council for approval as this is a requirement of the legislation and needs to be fulfilled before 31 January 2015.

### **3.0 Report Details**

#### **Council Tax Reduction Scheme**

- 3.1 The cost of CTRS is largely met through a fixed grant from the Department for Communities and Local Government (DCLG) based on approximately 90% of the Council Tax Benefit subsidy previously paid.
- 3.2 For 2014-15 the shortfall between the reductions awarded and the grant is approximately £54,000. This is offset by the changes to Council Tax discounts and exemptions.
- 3.3 As the funding for CTRS is a fixed cash grant the cost of any increase in the level of demand would be borne by the Council. The CTRS caseload has been monitored and, between 1 April 2014 and 1 September 2014, there has been a decrease in the number of claims from 7,754 to 7,647 and a consequent reduction in expenditure.
- 3.4 Consultation was undertaken during July 2014 with two focus groups in Banbury and Bicester. Two key findings from the groups were that there was a preference for leaving the existing scheme unchanged and seeking any necessary savings elsewhere. However, if the scheme were to be changed then there was a preference for a scheme which spread the cost across all claimants rather than targeting particular groups of claimants.
- 3.5 The only changes made from the CTRS scheme for 2013-14 to that for 2014-15 were made to reflect amending regulations issued by DCLG and to mirror changes in benefit rates made by the Department for Work and Pensions. Neither department has yet announced changes that they intend to make for 2015-16. Thus there is a need for delegated authority so that the Council's scheme can be updated to reflect any changes when they are announced.

### **4.0 Conclusion and Reasons for Recommendations**

- 4.1 It is recommended that:
  - the Council Tax Reduction scheme remains the same as the current scheme
  - authority is delegated to the Council's section 151 officer in consultation with the Lead Member for Financial Management to determine if any further amendments are required by 31 January 2015.

### **5.0 Consultation**

Cllr Ken Atack – Lead member  
for Financial Management

Cllr Atack is content with the report and  
supportive of the recommendations contained  
within it.

## **6.0 Alternative Options and Reasons for Rejection**

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: To disagree with the recommendations set out above. This is rejected as it will delay the formulation of the detailed budget for 2015-16.

## **7.0 Implications**

### **Financial and Resource Implications**

- 7.1 These are contained in the body of the report. There are no direct costs or other direct financial implications arising from this report.

Comments checked by: Nicola Jackson, Corporate Finance Manager  
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### **Legal Implications**

- 7.2 The Council Tax Reduction Scheme was the subject of legal advice before it was introduced for 2013-14.

Comments checked by: Kevin Lane, Head of Law and Governance  
0300 0030107 [kevin.lane@cherwellsouthnorthants.gov.uk](mailto:kevin.lane@cherwellsouthnorthants.gov.uk)

### **Risk management**

- 7.3 No risk management implications

Comments checked by: Louise Tustian, Acting Corporate Performance Manager  
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### **Equality and Diversity**

- 7.4 An equality impact assessment was carried out in 2013-14 and, as the scheme has remained the same, there are no implications for consideration.

Comments checked by: Louise Tustian, Acting Corporate Performance Manager  
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## **8.0 Decision Information**

### **Wards Affected**

All

### **Links to Corporate Plan and Policy Framework**

All

## Lead Councillor

Councillor Ken Atack – Lead Member for Financial Management

## Document Information

<b>Appendix No</b>	<b>Title</b>
None	
<b>Background Papers</b>	
None	
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