
**Meeting of the Resources and Transformation Scrutiny Committee –
14th September 2015**

Report of the Strategic Director (Resources and Transformation)

Localised Council Tax Reduction Scheme 2016/17

Purpose of Report

1. To seek the views of the committee regarding the proposed changes to Dudley's 2016/17 Council Tax Reduction (CTR) scheme.
2. To provide an update on the consultation process for the proposed scheme changes.

Background

3. The annual programme for this Scrutiny Committee has identified *the latest Welfare Reforms and their impact on Dudley* as an area for detailed consideration during 2015/16.
4. At their meeting on the 25th June 2015, Cabinet members approved the timetable and basis of a consultation for changes to the CTR scheme from April 2016. A summary of the key issues contained in the cabinet report will be given as a presentation at this meeting.
5. At the June meeting of this committee, members requested that further information on the consultation process for amending the CTR scheme be provided at their September meeting.
6. A consultation exercise commenced on 20th July 2015 and will run for 12 weeks up to 9th Oct 2015. This will target the following groups:
 - Elected members
 - Precepting authorities (Police and Fire)
 - CTR recipients
 - Council Tax payers
 - General Public
 - External stakeholders – Tenants and Resident Associations, Social landlords, 3rd sector organisations eg. CAB
 - Internal stakeholders - Adult & Children Social Care, Housing
7. The consultation process has included the following activities:

Activity	Target Group
Scrutiny Committee	Members
Targeted Emails	Internal & external stakeholders, preceptors (Police & Fire)
Electronic Message Boards	Internal stakeholders
e-bulletin	E bulletin recipients (75,000 email addresses)
Mailshots (randomly selected)	2500 Council tax payers (incl. unaffected CTR pensioners) 2500 Working Age CTR recipients
Consultation leaflet	General public (available at Dudley Council Plus, libraries, Job centres, CABs)
Website	General public
Press release / coverage / advertisement	General public
Twitter	General public
Facebook	General public
Community Forums	General public

8. A copy of the consultation leaflet is included in Appendix 1. Printed copies will be distributed at the meeting.
9. Although the consultation will continue until October, interim results will be presented at the meeting.

Finance

10. In 2015/16 it is estimated that £20.4m in council tax reductions will be granted under our current scheme for low-income families. The Council meets 87.5% of the cost of the scheme (£17.85m) and the remainder is met by the precepting authorities (i.e. Police and Fire).
11. Although provision for funding the Dudley contribution to the scheme was made in the budget for 2015/16, any savings made in the costs of the 2016/17 scheme will contribute to meeting other budget pressures.
12. If a new scheme is introduced that requires collection of small amounts of council tax from a larger number of low-income tax payers, the additional cost of collection and lower collection rates will also need to be factored in to the budget setting process for 2016/17.

Law

13. The Local Government Finance Act 2012 introduced local council tax reduction schemes to replace council tax benefit from April 2013.
14. The Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012 (Statutory Instrument 2012 / 2885) contains the mandatory elements for any local scheme and details the scheme that must be adopted for pensioners.

Equality Impact

15. The Government has stated that local schemes should provide support for the most vulnerable. The Government has not prescribed the protection that local authorities should provide for vulnerable groups other than pensioners. However guidance was issued in May 2012 regarding the existing duties local authorities must take into account in relation to vulnerable groups in designing their schemes. These cover the following:

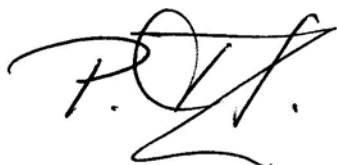
- the public sector equality duty set out in section 149 of the Equality Act 2010
- the duty to mitigate child poverty under the Child Poverty Act 2010, and
- the duty to prevent homelessness under the Housing Act 1996.

The guidance does not tell local authorities what they must do in their schemes to be compliant with these duties, but states that this needs to be tailored to their own specific circumstances.

16. There are equality implications that will need to be considered and integrated into the consultation and decision making process for a revised local scheme. An equality impact assessment will accompany the recommendation to Cabinet in October and available for the Full Council meeting when it makes the final decision on 30th November
17. There has been no specific involvement of children and young people in developing the proposals in this report.

Recommendation

18. Following a presentation of the key points included in the June cabinet report, the views of the committee are sought, to be included as part of the overall consultation process for changes to the Council Tax Reduction Scheme for 2016/17.
19. That the committee note the consultation activities that are taking place to gain views on the proposed changes to the scheme.



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Links to Background Information

[Cabinet Report \(June 2015\)](#)