

# FAREHAM

## BOROUGH COUNCIL

### Report to Scrutiny Board

**Date**                    **21 November 2013**

**Report of:**            **Director of Finance and Resources**

**Subject:**              **COUNCIL TAX SUPPORT - YEAR 2**

#### **SUMMARY**

Following the abolition of the national Council Tax Benefit arrangements from 31 March 2013 and successful introduction of Fareham's local Council Tax Support scheme from 1 April 2013, the Council is now preparing to agree the scheme which will take effect from 1 April 2014. A period of public consultation has now been undertaken and the Board is asked to consider the proposals for the new local support scheme, and to refer any comments to the Executive, when the report is submitted for approval at its meeting on 2 December 2013.

#### **RECOMMENDATION**

The Board is asked to review the Local Council Tax Support report and consider whether it wishes to submit comments for consideration by the Executive.

## **INTRODUCTION**

1. Council Tax Support helps those people who are on low or no income to pay their council tax. If the claimant meets certain criteria, they will receive a contribution towards their council tax which is paid directly into their council tax account reducing the amount they have to pay.
2. Under the now abolished national scheme, central government fully reimbursed local councils for all correctly paid Council Tax Benefit. However, as announced in the 2010 Spending Review, from April 2013 support schemes would be localised and funding would be reduced by 10%.
3. Localised support schemes are only applicable to working age claimants. The Government introduced a 'prescribed' scheme for those of pensionable age that billing authorities are required to administer to ensure that the current levels of financial assistance to pensioners is preserved.
4. Approximately 55% of the people in Fareham who receive Council Tax Support are of pension age therefore to contain the costs within the government funding, people of working age on low incomes will see a reduction of around 20% in the help they receive with council tax so that the current level of assistance for people of pension age can be maintained.
5. Fareham Borough Council successfully implemented a local scheme of support for the financial year 2013/14 and in order to comply with the Local Government Finance Act 2012 we must now design and approve a scheme for the forthcoming financial year before 31 January 2014.

## **PROPOSALS**

6. The Council's Executive has previously agreed the options for the 2014/15 scheme at its meeting on 2 September 2013 which enabled a period of public consultation to commence.
7. This consultation has now ended and 162 responses were received which have now been analysed. A detailed Equalities Impact Assessment has been concluded and a draft scheme has now been prepared for the Executive to consider at its meeting on 2 December 2013.
8. The purpose of this report is to seek the views of the Scrutiny Board on the draft Local Council Tax Support scheme. Those views will be submitted to the Executive to inform its consideration of the draft scheme in December.

## **RISK ASSESSMENT**

9. The risks and implications are included in the body of the attached report.

## **CONCLUSION**

10. The Board is asked to review the Local Council Tax Support report and consider whether it wishes to submit comments for consideration by the Executive.

**Attachment A** [Copy of report to the Executive on 2 December 2013](#)

**Background Papers:**

None.

**Reference Papers:** [Report to Executive 2 September 2013](#)

**Enquiries:**

For further information on this report please contact Caroline Holmes (Ext 4645).