

# FAREHAM

## BOROUGH COUNCIL

### Report to Council

**Date**                    **12 December 2013**

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

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

#### **SUMMARY**

This report sets out a recommended local Council Tax Support scheme for adoption by the Council. The scheme will operate from 1 April 2014.

#### **RECOMMENDATION**

That the Council approve:

- The Council Tax Support scheme, as recommended by the Executive at their meeting of 2 December 2013.
- That delegated authority is given to the Director of Finance and Resources to make any necessary minor amendments and to publish the final scheme prior to 1 April 2014.

## **PROPOSED COUNCIL TAX SUPPORT SCHEME 2014-15**

1. At its meeting of 2 December 2013, the Executive considered a report setting out a draft local Council Tax Support scheme for the forthcoming financial year. The report can be seen at [Appendix A](#) and Full Council are asked to consider and adopt the scheme which will be implemented from 1 April 2014.
2. The Executive supported a scheme that would see the most vulnerable customers continue to be protected from any changes in support. These customers are those who are in receipt of the Enhanced Disability Premium and Severe Disability Premium.
3. The Executive also supported protection for customers in receipt of War Pensions and War Widows Pensions from reductions in support by continuing with the existing scheme of disregarding the income from these pensions when calculating entitlement.
4. A key principle of the scheme of support was to introduce a measure whereby all adults in the household contribute towards the Council services they receive. Therefore the Executive agreed that all working age non-dependants will be expected to contribute a minimum of £3.30 per week.
5. The remaining working age customers will receive support based on 80% of their Council Tax liability (as opposed to current 91.5% of liability), also capped at a Band C liability for those living in properties in Bands D and above.
6. As the proposed scheme will result in lower levels of support from April 2014, the local Hardship Fund arrangements as approved by the Executive at their meeting of 15 April 2013 will remain in place.
7. To support the Government's desire to incentivise work, the Executive agreed to retain the extended payments provisions, treatment of child care costs and earned-income disregards that currently exist.
8. The proposed scheme is set out in detail at [Appendix B](#).

## **RISK ASSESSMENT**

9. The risk considerations are as set out in the Executive report at Appendix A

## **CONCLUSION**

10. The decision requested in this report should enable the Council to contain the cost of the proposed scheme within the available resources and takes into account the feedback from the consultation exercise carried out. Additionally it will ensure that the Council fulfils its responsibility under the Local Government Finance Act 2012 in relation to local Council Tax Reduction Schemes.

## **Enquiries:**

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