

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting17th December 2020

1. Title of Item/Report

Final Report of People Select Committee – Scrutiny Review of Council Tax Support Scheme

2. Record of the Decision

Cabinet noted that the People Select Committee commenced work on a review of the Local Council Tax Support Scheme in 2019 with a view to introducing any changes to the scheme from April 2021. However, the impact of Covid 19 has introduced an extra layer of complexity and the Select Committee therefore considered a report in October 2020 on the risks of forecasting, developing and consulting on changes in the midst of the pandemic.

The Select Committee concluded that more time was needed to understand the financial impact of Coronavirus on customers and their ability to pay a minimum contribution, the rise in caseload and any wider welfare reforms that may come through as part of the Government's response to the pandemic.

Whilst the Committee considered that it would be beneficial to continue to review and modernise the LCTS process, it would not be appropriate to make changes impacting on the financial aspects of the scheme until more is known about the affordability of the current scheme and any alternative proposals.

RESOLVED that:-

1. Given the uncertainty around the numbers of claimants and financial costs caused by the impact of the Coronavirus, no changes are made for the 2021/22 financial year;
- 2). Draft scheme proposals are developed and presented to Cabinet once there is a greater understanding of the impact of Coronavirus on the increasing demand for support and the consequential increase in cost and affordability of scheme changes, anticipated to be introduced for the 2022/23 financial year. This should ensure:-

- consideration is given to the benefits and impacts of alternative approaches to the existing scheme, including, but not limited to the workings of a banded scheme and a change in the minimum contribution rate.
- for consistency, future scheme proposals include appropriate technical changes to reflect the welfare reforms already introduced into the LCTS pensioner scheme and Housing Benefit / Universal Credit schemes.
- the intention to incentivise work, protect the vulnerable and support families with children is retained within a revised scheme
- in line with the Local Government Finance Act, consideration is given to transitional protection should some customers be negatively affected by changes to the scheme.
- funds are set aside from April 2021 to provide targeted support to customers struggling to pay the minimum 20% contribution using section 13A of the Local Government Finance Act and the council's own Discretionary Hardship policy.

3. Reasons for the Decision

This topic was included in the Scrutiny Work Programme in 2019/20. However, due to the impact and uncertainties on the financial aspects of the scheme, the Select Committee consider that it would be prudent to refrain from making any changes to the scheme at the current time.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

N/A

7. Date and Time by which Call In must be executed

Midnight - Tuesday 29th December 2020

Proper Officer
22 December 2020