

Meeting: Council

Date: Wednesday 16 November 2016

Subject: Local council tax reduction scheme 2017/18

Report of: Councillor Alan Shuttleworth on behalf of the Cabinet

The Council is asked to consider the minute and resolution of the Cabinet meeting held on 19 October 2016 as set out below.

Further copies of the report to Cabinet are available on request – please see end of this report. A copy may be seen on the Council’s website by following the link below:

<http://democracy.eastbourne.gov.uk/ieDocHome.aspx?bcr=1>

The Council is asked to adopt the 2016/17 scheme as the local scheme for 2017/18 and that the exceptional hardship fund continues for 2017/18 subject to continued support by the major preceptors.

**Minute extract
Cabinet 19 October 2016**

***35. Local council tax reduction scheme 2017/18**

35.1 Cabinet considered the report of the director of service delivery. The council was under a duty to review its local scheme each year and any changes to the scheme must be adopted by 31 January preceding the start of the new financial year.

35.2 On 20 November 2015 the council had adopted a revised scheme for 2016/17 (following recommendations of the cabinet on 21 October 2016) that:

- Limited a council tax reduction to 80% of the council tax liability.
- Assumed a minimum income for claimants who have been self-employed for more than 12 months

The current scheme, which was similar to the schemes adopted by Lewes, Rother and Wealden councils, followed the principles of protecting the most vulnerable, incentivising individuals into work and took into account and meeting the financial pressures on the council and the major preceptors. The changes made to the 2016/17 scheme had reduced the cost of the scheme by c£1.2m to c£8.0m against the cost of the scheme in 2015/16. No changes to the current scheme were proposed.

35.3 An exceptional hardship fund of £47,499 had been established for 2016/17 to provide additional support to those most affected by the 20% reduction in liability and the change to the way self-employed claims were

assessed. The council contributed £6,426 to the fund with the remainder coming from the major preceptors in proportion to their share of the council tax. The scheme was intended to mitigate the impact of the changes that severely affected someone's ability to pay the tax due. As at the 31 August 2016 17 awards totalling £2,876.84 had been made. It was hoped that the major preceptors would agree to continued support for the fund in 2017/18.

***35.4 Resolved (budget and policy framework):** (1) That full council be recommended to adopt the 2016/17 scheme as the local scheme for 2017/18.

(2) That the exceptional hardship fund continues for 2017/18 subject to continued support by the major preceptors.

For a copy of the report please contact Local Democracy at 1 Grove Road, Eastbourne, BN21 4TW. Tel. (01323) 415022 or 415021.
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