



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET – 4 th April 2022
Report Number	AGENDA ITEM 11
Subject	£150 Council Tax Rebate and Refugee Hosting Allowance
Wards affected	All
Accountable member	Cllr Mike Evey – Deputy Leader and Cabinet Member with responsibility for Finance Email: mike.evey@cotswold.gov.uk
Accountable officer	Mandy Fathers – Business Manager for Operations and Enabling Email: mandy.fathers@publicagroup.uk
Summary/Purpose	To consider the disregard of the Government's £150 Council Tax Rebate and the monthly allowance for hosting a Ukrainian Refugee within the assessment of the Local Council Tax Support Scheme
Annexes	None
Recommendation(s)	That Cabinet asks the Chief Executive to take an decision using Urgency Powers to approve: : <i>a) £150 Council Tax Rebate be fully disregarded from the assessment of Council Tax Support;</i> <i>b) That the monthly allowance for Hosting Ukrainian Refugees be fully disregarded'</i> <i>c) Any further incentive payments that support the Ukrainian refugee crisis is also fully disregarded; and</i> <i>d) The 2022/2023 Council Tax Support scheme be amended to reflect these additional disregards</i>
Corporate priorities	<ul style="list-style-type: none">• Delivering our services to the highest standards• Helping residents and communities access the support they need for good health and wellbeing
Key Decision	NO
Exempt	NO
Consultees/ Consultation	Leader of the Council, Portfolio Holder, Chief Executive and Deputy Chief Executive, Monitoring Officer, Interim Head of Legal Services,



COTSWOLD
DISTRICT COUNCIL

	Finance Business Partner, Group Manager, Director of Finance (Publica)
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BACKGROUND

- 1.1 The Council implemented a local Council Tax Support Scheme on 1 April 2013.
- 1.2 Each year the Council has to decide whether to make changes to its Council Tax Support scheme (CTS) for working age customers. The current scheme was adopted in 2020/2021, with assistance of Stroud and Cotswold District Citizens Advice Bureau and delivered an increase in support to the most vulnerable residents within the District.
- 1.3 On 16 February 2022, the Council approved that the CTS scheme would remain unchanged for 2022/2023 in order for it to continue to support the Council's key priority to help residents and communities access the support they need for good health and wellbeing. The only changes required to the scheme were the annual uplift of allowances (which provides an increase in financial support) and non-dependent deductions.
- 1.4 Since then the Government has published its guidance to Local Authorities on the delivery of the Council Tax Rebate scheme, which would see those households in Council Tax bands A to D and those more vulnerable residents in Council Tax bands E to H receive a payment of up to £150.00 per household.
- 1.5 In its response to the refugee crisis caused by the Russian war on Ukraine, the Government is also considering giving a monthly allowance of £350.00 to households who come forward and host a Ukrainian refugee for a maximum of 6 months.
- 1.6 The Council has responsibility for approving changes to the CTS scheme. As the next meeting of Council is not until 25 May 2022 and the changes proposed in this report need to come in to effect for the whole of the 2022/23 financial year, it is proposed that the Chief Executive takes a decision using the Council's Urgency Powers. This will enable CTS applications to be processed under the revised CTS scheme from mid-April.

2. MAIN POINTS

- 2.1 The Council's CTS scheme is based on income bands with certain disregards on some income, such as child maintenance payments and disability payments. This means that these payments are totally disregarded when assessing a household's income.
- 2.2 Other income not already allocated within the 'disregarded group' in the CTS scheme would qualify as 'income' and be considered when calculating a person's income assessment.
- 2.3 The £150 Council Tax Rebate is currently not disregarded. However, for other statutory benefit schemes; such as Housing Benefit, it will be treated as a local welfare provision and disregarded in full within any calculation. The Department for Work and Pensions will enact legislation to ensure payments are also fully disregarded within the calculation of Universal Credit.

- 2.4 A one off payment of £150.00 could result in households moving into a higher income band and therefore being charged a higher level of Council Tax for a one-month period.
- 2.5 The intention of this additional financial support is to assist households with their energy bills and not penalise them through a reduction of benefits and/or support, such as CTS.
- 2.6 Should the Government implement a scheme to award a monthly payment to households who host a Ukrainian refugee; and that household is in receipt of CTS, the current CTS scheme would not allow this award to be disregarded.
- 2.7 The additional payment would significantly increase a household's income, which would result in a higher income band for the assessment of CTS; and in some cases move the household off CTS altogether.
- 2.8 The intention of this additional financial support will be to host Ukrainians, to support the refugee crisis and be by way of a 'thank-you' for doing so from Government.
- 2.9 Therefore, a slight amendment is required to the Council's 2022/2023 CTS scheme to ensure that both payments are fully disregarded in the assessment of CTS claims and that any further incentive payments that support the Ukrainian refugee crisis is also fully disregarded from the assessment of CTS.

3. FINANCIAL IMPLICATIONS

- 3.1 There will be no financial impact on the Collection Fund or the Council's General Fund as the cost of the 2022/23 CTS scheme was estimated excluding additional applicant income from the Council Tax Rebate or financial support for Ukrainian host households.

4. LEGAL IMPLICATIONS

- 4.1 The Welfare Reform Act 2012 abolished Council Tax Benefit and instead required each authority to design a scheme specifying the reductions, which are to apply to amounts of Council Tax.
- 4.2 The Local Council Tax Support Scheme is required under Section 13A of the Local Government Finance Act 1992 ("the Act"), as amended. The Act states that, for each financial year, Billing Authorities must consider whether to revise their CTS scheme or replace it with another scheme. The prescribed Regulations set out the matters that must be included in such a scheme. Before making any changes, under Section 40 of the Act, the Council must:
 - Consult with any major precepting authorities
 - Publish the draft scheme



- Consult other parties likely to have an interest in the scheme.

- 4.3** The deadline for making decisions is 11 March in the financial year preceding that for which the revision or replacement scheme is to take effect (under paragraph 5, schedule 1A of the Act).
- 4.4** This is a small change to the Council's CTS scheme that will not negatively affect its collection fund or its residents. As such, a full consultation would therefore not be a legal requirement.

5. RISK ASSESSMENT

- 5.1** Failure to disregard the £150 Council Tax Rebate or the hosting allowance within the Council's CTS scheme will impact negatively on the residents of Cotswold District and not support the Government's incentive of helping households with rising energy bills or with the refugee crisis.

6. EQUALITIES IMPACT

- 6.1** There are no unacceptable adverse effects on the protected characteristics covered by the Equalities Act 2010 that have been identified.

7. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

- 7.1** None

8. ALTERNATIVE OPTIONS

- 8.1** The Cabinet could decide not to proposed any changes to the CTS scheme.