

	Council 24 February 2022
	Report from the Strategic Director of Customer and Digital Services
Council Tax Reduction Scheme Amendment for 2022/23 – Energy Rebate Grant	

Wards Affected:	All
Key or Non-Key Decision:	Council
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	One Appendix A: Amended Council Tax Reduction Scheme for the 2022/23 financial year
Background Papers:	Council tax Information Letter: 4/2022: Council Tax information letter - 15 February 2022 (publishing.service.gov.uk) Regulation: The Council Tax (Demand Notices and Reduction Schemes) (England) (Amendment) Regulations 2022 (legislation.gov.uk)
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1.0 Purpose of the Report

- 1.1 The government announcement of 3 February 2022 regarding Energy Bills Rebate included provision for most properties in council tax bands A to D to receive a £150 rebate payment. The announcement also made provision for local authorities to create a discretionary scheme to support some properties in bands E to H.
- 1.2 In accordance with Standing Order 30(s) approval has been obtained to this being accepted as an urgent item for consideration at Full Council. The reasons for urgency are as follows:

As of 12 February 2022, the government requires councils to amend their council tax reduction schemes to disregard the Energy Rebate payment as income from these schemes as they apply to both residents of working and pension age. The government has given local authorities very short notice to implement this change and this is why this report is being submitted on an urgent basis. Therefore, the purpose of this report is to seek Council's approval to make the required changes to the Council's Council Tax Reduction Scheme for 2022/23 as prescribed by central government. Only Full Council has the power to make or amend the Council's Council Tax Reduction Scheme.

2.0 Recommendation(s)

- 2.1 Having been accepted as an urgent item, Council approves the amended Council Tax Reduction Scheme for the 2022/23 financial year as set out in Appendix A to this report to take effect from 1 April 2022;
- 2.2 That Council notes that the change to the Council Tax Reduction Scheme for the 2022/23 as prescribed by central government is as follows:
 - (i) any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining:
 - (a) an applicant's entitlement to a reduction under the scheme; or
 - (b) the amount of any reduction under the scheme and.
- 2.3 That Council also notes that the Energy Rebate of £150 is paid whether or not a resident is in receipt of Council Tax Support

3.0 Detail

- 3.1 The Council's Council Tax Reduction Scheme ("CTRS") was agreed by Council on 25 November 2019 and came into effect on 1 April 2020. That CTRS scheme was also effective for the financial year 2021/22. The Council's original intention was for the CTRS scheme to continue unamended for the 2022/23 without any changes and this is why no consultation was carried out. However, on 12 February 2022, The Council Tax (Demand Notices and Reduction Schemes)(England)(Amendment) Regulations 2022 (hereafter referred to as the 2022 Regulations") came into force and the 2022 Regulations state that for local council tax support schemes, the 2022 Regulations amend the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 to require that from 1 April 2022, all local council tax reduction schemes (including those for persons of working age as well as those of pension age) must disregard the 2022 Energy Bills Rebate payments in determining a person's eligibility for a council tax reduction and the amount of any such reduction. In a letter dated 14 February 2022 from the Department for Levelling Up, Housing and Communities to the Council Tax departments of local authorities, it implies that Council Tax Reduction Schemes should be revised

before the statutory deadline of 11 March 2022 to include this new prescribed requirement set out above.

- 3.2 The Council has allowed the previous Council Tax Reduction Scheme to roll over to the following year since it was introduced in April 2020. The scheme was established so that the changes to allowances made by legislation would be applied automatically. However, the Council Tax Reduction Scheme for 2022/23 will need to be amended and approved to include the prescribed requirement as set out in paragraphs 2.2 and 3.1 above. Such approval to amend the Council Tax Reduction Scheme requires a decision to be made by Full Council pursuant to section 67(2)(aa) of the Local Government Finance Act 1992 as amended.
- 3.3 The Appendix to this report sets out the amended Council Tax Reduction Scheme for 2022/23 and the key changes that have been made are set out in paragraphs 1.2 and 4.2 of the said amended scheme. The amended changes to the scheme are set out in red font in the Appendix to this report.
- 3.4 The government announcement of 3 February 2022 regarding Energy Bills Rebate included provision for most properties in council tax bands A to D to receive a £150 rebate payment. The announcement also made provision for local authorities to create a discretionary scheme to support some properties in bands E to H and this will be carried out in due course.

4.0 Financial Implications

- 4.1 The government statement was that local authorities would be reimbursed for the costs related to the Energy Rebate. In addition each local authority would receive a share of £145m to fund its discretionary element of the scheme. In addition government state that new burdens funding will also apply to this.

5.0 Legal Implications

- 5.1 The Local Government Finance Act 2012 requires that for each financial year, the Council must consider whether to revise its Council Tax Reduction Scheme (CTRS) or replace it with another scheme. Only Full Council has the power to make or amend a CTRS. If the scheme is not revised or changed by Full Council by the statutory deadline (which is 11 March before the following financial year), the current scheme will remain subject to any amendments to prescribed rates that are made by central Government. This report seeks Full Council's approval regarding the Council Tax Reduction Scheme for 2022/23 to include the changes set out in paragraphs 2.2 and 3.1 above as prescribed by central government.
- 5.2 A Council Tax Reduction Scheme must comply with the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (as amended and hereafter referred to as "the 2012 Regulations") to ensure that certain prescribed regulations are complied with and included in a council tax reduction scheme. Those prescribed regulations include setting out the requirements for a council tax reduction scheme and the requirements regarding

the eligibility and entitlements of persons of state pension credit eligible age in a council tax reduction scheme. The 2012 Regulations have been amended by The Council Tax (Demand Notices and Reduction Schemes) (England) (Amendment) Regulations 2022 and the changes and amendments which have been made are set out and described in paragraph 3.1 of this report.

5.3 The Government will notify the Greater London Authority (GLA) of the changes to the Council's CTRS for 2022/23 that are prescribed by central government. The Council has not had time to consult with the GLA or anyone else regarding the changes to the Council's CTRS for 2022/23 because the prescribed changes only came into force on 12 February 2022 and the changes need to be approved by Full Council, the meeting of which has been listed to take place on 24 February 2022, by no later than 11 March 2022. The only changes that are being made to the Council's CTRS are the changes prescribed by central government as set out in paragraphs 2.2 and 3.1 above.

5.4 The remaining legal implications are set out in the body of this report.

6.0 Equality Implications

6.1 The public sector equality duty requires public bodies to pay due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
- advance equality of opportunity between people who share a protected characteristic and those who do not;
- foster good relations between people who share a protected characteristic and those who do not

6.2 The Equality Act 2010 and the Public Sector Equality Duty (outlined above) cover the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.

6.3 There are not thought to be any direct equality implications arising from this report as the changes that are being made to the Council Tax Reduction Scheme for the 2022/23 financial year are prescribed by central government.

7.0 Consultation with Ward Members and Stakeholders

7.1 The changes required by this report have not been subject to consultation due to the short timescale, the short notice given by central government and the statutory nature of the requirements and changes made by central government.

8.0 Human Resources/Property Implications (if appropriate)

8.1 8.1 None

Report sign off:

Peter Gadsdon

Strategic Director of Customer and
Digital Services.