

Committee: Scrutiny Committee

Agenda Item

Date: 17 November 2015

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Title: Local Council Tax Support (LCTS)
Consultation

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Item for decision

Summary

1. At its meeting on 18 June 2015, the Cabinet set out its draft LCTS scheme for 2016/17. The Cabinet also reviewed a number of Council Tax discounts which are also included in the scheme.
2. Following the Cabinet decision the proposals were subject to consultation and this report enables Scrutiny Committee to review the outcome of the consultation and comment on detailed proposals for consideration by the Cabinet on 10 December and Full Council on 17 December.

Recommendations

3. It is recommended that
 - a) Members provide feedback on the outcome of the consultation for inclusion in the final 2016/17 LCTS Scheme proposal to go to Cabinet.

Financial Implications

4. None.

Background Papers

5. None.

Impact

Communication/Consultation	Public consultation is carried out as part of the LCTS process.
Community Safety	None
Equalities	An Equalities Impact Assessment will be completed as part of the process.
Health and Safety	None
Human Rights/Legal Implications	The council is required to have the 2016/17 agreed prior to 31 January 2016

Sustainability	The objective is to achieve a financially sustainable set of arrangements.
Ward-specific impacts	None.
Workforce/Workplace	Ongoing demands on the Revenues & Benefits, Housing and Customer Service teams

6. The 2016/17 LCTS scheme runs from 1 April 2016 to 31 March 2017. Taking into account the consultation results along with any comments from this committee, the Cabinet meeting on 10 December will recommend to Full Council on 17 December that the scheme is approved.
7. At its meeting on 18 June 2015 the Cabinet set out the draft proposals for the 2016/17 LCTS scheme. The proposal was for no change from the 15/16 scheme. The key criteria are
- a) The 2016/17 LCTS scheme is set on the same basis as the 2015/16 scheme and therefore the contribution rate is frozen at 12½% for the second consecutive year.
 - b) Provide discretionary subsidy for town & parish councils for 2016/17 in accordance with the principles set out below
 - 1.1. UDC should continue to provide discretionary funding to town and parish councils to mitigate the effect of LCTS discount taxbase reductions on the Band D Council Tax calculation.
 - 1.2. The total UDC parish subsidy pot to be distributed using the formula of [2012/13 Parish Band D x 2016/17 Parish LCTS taxbase reduction] – thus avoiding UDC subsidising any precept increases made in 2013/14, 2014/15 or 2015/16. The payment then to be adjusted pro rata to ensure that the total funding pot is not exceeded.
 - 1.3. That the Council intends to continue town/parish council subsidy beyond 2016/17, subject to affordability issues that may arise from changes in local government finance.
 - 1.4. In the event of parish referendum limits being imposed by DCLG the entire scheme to be reviewed and consideration given to putting in place arrangements that minimise risks to town/parish councils.

- c) The 2016/17 Council Tax discounts are set at the same rate as the 2015/16 discounts as set out below:

	Discounts given 2013/14	Changes introduced as from 1 April 2014
Second homes	10%	Remove discount
Empty Homes Class A (major repairs)	100% for up to 12 months	Reduce discount to 50% for up to 12 months
Empty Homes Class C (vacant)	100% for up to 6 months	Reduce discount to 50% for up to 6 months
Empty Homes Premium (empty & unfurnished for more than 2 years)	None	Add premium of 50%

LCTS consultation outcomes

8. The consultation period ran from 27 July to 30 September and 1,089 responses were received. This is one of the largest responses for any non-planning consultation that the council has undertaken in recent years.
9. The following consultative methods were used, in all cases the same questions were asked:
 - Dedicated pull-out four page survey distributed with *Uttlesford Life*. A reply paid envelope was also included so as to make it as easy as possible for residents to respond. Additional paper copies were also distributed to the Council's main contact points at the Great Dunmow Library, Thaxted CIC and the CSC in Saffron Walden.
 - Open public consultation. The survey was promoted on the Council's website from 27 July to 30 September via an interactive form using the Snap 11 consultation platform.
 - General promotion was carried out with a press release and exposure via the Council's social media channels and prominent placement on the homepage of the Council's website.

By the close of the consultation period, 1042 paper responses had been received and a further 47 online submission were registered. This represents a significant increase in overall submissions on each of the previous years when the

consultation was not so widely distributed. It should be remembered that not all respondents chose to answer all of the questions and that in a number of cases residents opted to submit statements and comments in support of the 'No' option even though they had answered 'Yes' to a particular section of the consultation.

10. The consultation full report is attached as Appendix One. In summary the respondents supported the 2016/17 proposed LCTS scheme.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
A detailed risk assessment shall accompany the budget proposals. There are no specific risks at this stage.			

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.