

Record of Decisions

Review of Council Tax Support Scheme 2025/26

Decision Taker

Cabinet on 26 November 2024.

Decision

That the Council be recommended to amend the Council Tax Support Scheme for 2025/26 as follows:

1. the self-employed minimum income floor calculation for households that are not receiving Universal Credit and have a disability, or caring responsibility is removed and is based on the actual income received;
2. discounting any compensation payments made by the Post Office in connection with the failings of the Horizon system;
3. discounting any additional settlement payments resulting from the ongoing Grenfell Tower related civil litigation;
4. discounting any payments for the Vaccine Damage Payment Scheme;
5. discounting payments for Victims of Terrorist Attacks Abroad; and
6. the income band with the highest level of discount is increased by the September 2024 Consumer Price Index rate, at 1.7%.

That subject to 1. to 6. above the Cabinet:

7. notes that the amendments in 1 to 6 above will affect all working age households in Torbay that will receive a Council Tax Reduction from 1 April 2025;

(Pension Age households will not be affected as they are part of the national scheme, set by the Government.)
8. notes that the Exceptional Hardship Fund will continue at £100,000;
9. that delegated authority be given to the Director of Finance, in consultation with the Cabinet Member for Housing and Finance, to make any further adjustments required to the Exceptional Hardship Policy and Fund and the Vulnerable policy; and
10. notes that when deciding claims for Council Tax Support and Housing Benefit, the Social Security Administration Act 1992 section 134(8)(b) and 139(6)(b) provides Local Authorities with the discretion to increase the amount of war pension it disregards. Local Authorities can introduce a local scheme to fully disregard War Widow's/Widower's Pension or War Disablement Pension remaining after the mandatory disregards have been applied.

Torbay has fully disregarded this type of income and military compensation payments for

many years and for that reason would like to remind Members of this arrangement when considering the renewal of the 2025/26 Council Tax Support scheme.

It also provides clarity that Members will continue to support this arrangement, should it be required for the annual Housing Benefit audit certification process.

Reason for the Decision

The Local Government Finance Act 2012 requires that the Council Tax Support scheme is reviewed annually and where a Council proposes changes to its scheme it must consult on the changes. The Council must approve the scheme for the financial year 2025/26, before 11 March 2025.

Implementation

The decisions in respect of 1 to 6 above will be considered at the Council meeting on 5 December 2024. The decision in respect of 9 above will come into force and may be implemented on 9 December 2024 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny).

Information

Council Tax Support is a discount that reduces the amount of Council Tax to pay for households that have a low income. The Local Government Finance Act 2012 requires that the Council Tax Support scheme is reviewed annually and where a Council proposes changes to its scheme it must consult on the changes.

The Council must approve the scheme for the financial year 2025/26, before 11 March 2025.

At the meeting Councillor Tyerman proposed and Councillor David Thomas seconded a motion that agreed unanimously by the Cabinet, as set out above.

Alternative Options considered and rejected at the time of the decision

An alternative option would have been to leave the current scheme unchanged which would have resulted in a lower level of discount.

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

Declarations of interest (including details of any relevant dispensations issued by the Standards Committee)

None

Published

29 November 2024

Signed: _____ Date: _____
Leader of Torbay Council on behalf of the Cabinet