

The Vale of Glamorgan Council

Cabinet Meeting: 9th May 2016

Report of the Leader

Council Tax Help for the Over 60s and 70s

Purpose of the Report

1. To agree a 2016/17 scheme for the Vale of Glamorgan to provide support to Council Tax payers aged over 60 who are in receipt of an award under the Council Tax Reduction Scheme and those who are over the age of 70 who are not in receipt of an award under the Council Tax Reduction Scheme.

Recommendations

1. That Cabinet approves continuation of the scheme in 2016/17 to remit Council Tax in the sum of £40 per household due to eligible Council Tax payers aged over 70 who are not in receipt of an award under the Council Tax Reduction Scheme.
2. That Cabinet approves continuation of the scheme in 2016/17 to remit Council Tax in the sum of £40 per household due to eligible Council Tax payers aged over 60 who are in receipt of an award under the Council Tax Reduction Scheme.
3. That Cabinet approves the qualifying criteria set out in paragraphs 8, 9 and 10 of this report for entitlement to Council Tax remittal in 2016/17.

Reasons for the Recommendations

- 1-2. To assist those aged over 60 and 70 with payment of their Council Tax.
3. To set eligibility criteria.

Background

2. Since 2013/14 the Council has operated a Council Tax Reduction Scheme that has provided support for those over 70 who do not already receive Council Tax Benefit or support and those aged over 60 who are in receipt of partial Council Tax reduction.
3. As part of the 2016/17 Final Revenue budget proposals, the Council approved on 2nd March 2016 the sum of £385,000 to cover the costs of the Council Tax Discount Scheme.

Relevant Issues and Options

4. To keep administration costs to a reasonable level, the scheme is based on the information held within the Council's Electoral Registration and Benefits systems. A fixed monetary amount will be applied to the bill of each account eligible for the scheme, i.e. to households where a person liable to pay the council tax meets the qualifying age. The scheme will exclude households where a person meets the qualifying age, but is not liable for the bill.

5. An exercise has been carried out to extract data from the Council's Electoral Registration and Benefits systems. It is estimated that 10,000 households may be eligible to benefit from the scheme. However, the final number of eligible households will be dependant on the number of applications received and their net liability which may be less than £40. On the basis of this data it has been established that a fixed monetary amount of £40 is affordable within the budget available. This will also allow an amount for administration costs, including printing, postage, staffing and processing costs.
6. In order to keep administration costs to a minimum then the fixed monetary amount of £40 will automatically be applied to those accounts who received the award in 2016/17 providing they continue to meet the qualifying criteria. The remaining potential beneficiaries of the scheme identified from the Council's Electoral Registration system will be sent an application form for the scheme, requiring them to confirm their liability for Council Tax and confirm their date of birth / age. This will be undertaken using a turnaround document. Once the application is received an assessment will be made to ensure that the qualifying criteria are met.
7. Once the fixed monetary amount of £40 is applied to the account of eligible households the Council Tax payer will receive an amended account showing the amount credited to their Council Tax account under the scheme. The amended account will set out revised instalments payable for the rest of the year. Where the account has been paid in full, a refund will be made.

Eligibility Criteria

8. It is proposed that the eligibility criteria for the scheme are as follows: -
 - Eligible persons must be liable to pay Council Tax in respect of a chargeable dwelling which is their sole or main residence on 1st April 2016;
 - Eligible persons must be aged 70 years or over on the 1st April 2016; and
 - Eligible persons must not be in receipt of Council Tax Reduction on the 1st April 2016; **OR**
 - Eligible persons must be liable to pay Council Tax in respect of a chargeable dwelling which is their sole or main residence on 1st April 2016;
 - Eligible persons must be aged 60 years or over on the 1st April 2016; and
 - Eligible persons must be in receipt of Council Tax Reduction on the 1st April 2016.
9. In any event the maximum remittal will be restricted to the lesser of £40 or the total net Council Tax liability for the financial year 2016/17 (i.e. after any other reduction or discount).
10. Where it is estimated that the entitlement would be below £5 then the award will not apply.

Resource Implications (Financial and Employment)

11. An amount of £385,000 has been made available to assist with the cost of the scheme.

Legal Implications (to Include Human Rights Implications)

12. None

Crime and Disorder Implications

13. None

Equal Opportunities Implications (to include Welsh Language issues)

14. The scheme takes account of equalities issues

15. An Equality Impact assessment was carried out prior to the scheme being first introduced in 2014/15

Corporate/Service Objectives

16. The policy assists the Council in achieving the key corporate aim of promoting social well-being and tackling disadvantage.

Policy Framework and Budget

17. The matter is for Executive Decision by Cabinet.

Consultation (including Ward Member Consultation)

18. Not applicable.

Relevant Scrutiny Committee

19. Corporate Resources

Background Papers

None

Contact Officer:

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Officers Consulted:

Exchequer Manager

Responsible Officer:

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