

MEETING OF THE FULL COUNCIL – TUESDAY 24 NOVEMBER 2020

AGENDA ITEM 13 - RECOMMENDATIONS FROM THE CABINET – THE LOCAL COUNCIL TAX SUPPORT SCHEME 2021/2022 – COUNCIL TAX EXEMPTIONS/DISCOUNTS FOR 2021/2022 AND THE ANNUAL MINIMUM REVENUE PROVISION POLICY STATEMENT 2021/2022

Extract from the Minutes of the formal Meeting of the Cabinet held on Friday 13 November 2020

88. Cabinet Members' Items - Joint Report of the Housing Portfolio Holder and the Corporate Finance and Governance Portfolio Holder - A.6 - The Local Council Tax Support Scheme, Discretionary Council Tax Exemptions / Discounts for 2021/22 and Annual Minimum Revenue Provision Policy Statement 2021/22

The Cabinet gave consideration to a joint report of the Housing Portfolio Holder and Corporate Finance & Governance Portfolio Holder (A.6) which sought its agreement for recommending to Full Council the following:

- Local Council Tax Support Scheme 2021/22 (LCTS) (including associated exceptional hardship policy);
- Discretionary Council Tax Exemptions and Discounts 2021/22; and
- Annual MRP Policy Statement for 2021/22.

It was reported that given the on-going impact on residents from welfare reforms, including universal credit, it was proposed to continue with the principle of providing some financial stability to Tendring claimants, which was even more important this year given the impact of COVID-19. Therefore it was proposed to keep the 2021/22 LCTS scheme the same as this year. The current scheme provided for a maximum discount of 80% for working age claimants.

Cabinet was informed that the associated exceptional hardship policy had also been subject to annual review and it was not proposed to make any changes from the scheme operating this year and so it would remain available to support eligible claimants.

In respect of discretionary council tax discounts and exemptions, it was also proposed to continue with the same level of discounts this year with no changes therefore proposed for 2021/22.

Members were made aware that the impact of COVID-19 had also delayed the implementation of levying the maximum council tax 'premium' on long term empty properties (originally planned from 1 April 2021) and the consideration of a council tax discount for young people leaving care. However, it was still proposed to implement the maximum council tax 'premium' on long term empty properties but from a revised date of April 2022, and Officers would be asked to write to all those property owners likely to be affected as early as possible in 2021/22 in order to provide them with adequate time to respond to this potential change.

In respect of implementing a council tax discount for young people leaving care, it was proposed to develop a policy alongside the budget for 2021/22 rather than wait until the general review of discounts was undertaken again in November next year. It was also proposed to back date the policy to April 2020 so no one would lose out due to the delay caused by COVID-19.

The Annual Minimum Revenue Provision Policy Statement had also been reviewed for 2021/22 with no changes proposed.

Cabinet was advised that if it was agreed that no changes were necessary to the proposed LCTS scheme, there would be no need for public consultation. However, if any amendments were proposed and approved at Full Council on 24 November 2020, then public consultation would be required before the final scheme could be agreed and adopted. Consequently, if consultation was required, this Council would have to notify the precepting authorities that the final council tax base would be delayed and not available until late in the budget cycle.

Having considered the proposals submitted by the Cabinet and in order to enable these matters to be forwarded onto Full Council for final adoption:-

It was moved by Councillor P B Honeywood, seconded by Councillor Stock OBE and:-

RESOLVED that Cabinet –

- (a) agrees that the LCTS scheme for 2021/22 remains the same as the current year,
- (b) agrees the Council Tax Exceptional Hardship Policy, as set out in Appendix B to the Joint Report;
- (c) requests Officers to undertake the necessary work to develop a council tax discount policy for young people leaving care, for consideration alongside the budget for 2021/22;
- (d) agrees that the discretionary Council Tax exemptions and discounts remain unchanged in 2021/22; and
- (e) agrees the Annual Minimum Revenue Provision (MRP) Policy Statement for 2021/22.

RECOMMENDED TO COUNCIL that -

- (i) the Local Council Tax Support Scheme 2021/22 (LCTS), as set out as Appendix A to the Joint Report, be approved with the maximum LCTS award being 80% for working age claimants;
- (ii) the Assistant Director (Finance and IT), in consultation with the Housing Portfolio Holder, be authorised to undertake the necessary steps to implement the LCTS scheme from 1 April 2021;
- (iii) the locally determined council tax discounts, as set out in Appendix C to the Joint Report, be approved;
- (iv) the Assistant Director (Finance and IT), in consultation with the Housing Portfolio Holder, be authorised to undertake the necessary steps to implement the council tax exemptions and discounts from 1 April 2021;
- (v) it is agreed, in principle, to levy the maximum allowable council tax premiums from 1 April 2022 and that Officers be requested to write to the relevant property owners advising them of the Council's intentions; and
- (vi) the Annual Minimum Revenue Provision (MRP) Policy Statement for 2021/22, as set out in Appendix D to the Joint Report, be approved.