



COUNCIL TAX SUPPORT SCHEME CONSULTATION

TOWN COUNCIL MEETING

REPORT 71/17

11 SEPTEMBER 2017

The purpose of this paper is to ask Members to determine the Town Council's response to the current consultation on proposals for further changes to the Council Tax Support Scheme.

No. DETAIL

1) BACKGROUND

- a) As part of the Isle of Wight Council's attempt to balance its 2018/19 Budget it is consulting on five options for reducing the cost of the discounts currently available to Council Tax payers on low income: it opened on 9 August and closes on 3 October.
- b) The consultation document states that it has a budget gap of £7.5M for the next financial year and the yearly savings from implementing the five options range from £1,340 (Option 3a) to £513,725 (Option 1b).
- c) Any or all of the options could be adopted when the Isle of Wight Council makes its decision at the full Council Meeting of 17 January 2018.
- d) The consultation is open to all residents and organisations including Town & Parish Councils.

2) OPTIONS

- a) At this time last year the Isle of Wight Council presented seven options for consultation and adopted four of them: reducing the allowed absence from the country from 13 weeks to 4 weeks, removing the work related component in calculations for Employment Support Allowance, limiting the number of children included to two and removing the entitlement to the Severe Disability premium where a Carer gets the upper rate.
- b) The three that were not taken up at the 18 January 2017 Full Council meeting (marked with an asterisk in the table below) are included, along with two others in the list of five for this year.
- c) The Options and their impact are summarised in the table below; the full consultation document, with case studies, is available [here](#).

Option	Description	No. affected	Saving
1a	Reducing maximum support level from 80% to 75%*	5,548	£254,553
1b	Reducing maximum support level from 80% to 70%*	5,323	£513,275
2	Limit relief to a maximum Council Tax Band C*	57	£9,445
3a	Set a minimum level of CTR support at £2 per week*	33	£1,340
3b	Set a minimum level of CTR support at £4 per week*	66	£6,057
4a	Round up non dependant deductions to nearest £1/week	92	£1,382
4b	Round up non dependant deductions to nearest £2/week	114	£6,512
5	Bereavement benefit changes to Housing Benefit included here	Unknown	Unknown

- d) These options can only be applied to residents on low incomes of working age: the government has excluded pensioners from any reductions in their entitlement to Local Council Tax Refund.
- e) Last year the Town Council set up a Working Group to examine the options in detail and its recommendation to the meeting of 12 October 2015 was that none of the options be supported.
- f) That was adopted by the Town Council and a copy of its formal response to the consultation is attached to this Report.

3) RECOMMENDATION

The Town Council is recommend to resolve that:

- i) none of the options set out in the consultation be supported; and
 - ii) the Isle of Wight Council be informed that, notwithstanding its predicted Budget deficit for 2018/19, savings that affect only residents on low incomes are unacceptable.
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VENTNOR TOWN COUNCIL

CONSULTATION RESPONSE *COUNCIL TAX REDUCTION SCHEME*

12/10/2016

This is Ventnor Town Council's response to the current consultation on the Council Tax Reduction Scheme.

1) PREAMBLE

- a) The authority for this response is Minute 143/16 of the Town Council Meeting of 10 October 2016.
- b) The decision was informed by Report 71/16 for that meeting previously circulated to Members and containing a link to the Isle of Wight Council's web site coverage of the consultation.

2) RESPONSE

The Town Council's resolution in Minute 143/16 states:

- i) none of the options set out in the current consultation on changes to the Council Tax Reduction Scheme are supported;
 - ii) the Isle of Wight Council be informed that, notwithstanding the seriousness of its predicted Budget deficit for 2017/18, savings that affect only residents on low incomes are unacceptable; and
 - iii) asks its Clerk to submit a response to the consultation accordingly.
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