

SHEFFIELD CITY COUNCIL

INDIVIDUAL CABINET MEMBER DECISION RECORD

The following decision was taken on 04 March 2020 by the Cabinet Member for Finance, Resources and Governance.

Date notified to all Members: Friday 6 March 2020

The end of the call-in period is 4:00 pm on Thursday 12 March 2020

Unless called-in, the decision can be implemented from Friday 13 March 2020

1. **TITLE**

Review of Sheffield's Council Tax Support Scheme

2. **DECISION TAKEN**

That:-

(a) the review of the Council's Council Tax Support Scheme, as detailed in the report, be noted;

(b) in line with the review, the Council's Council Tax Support (CTS) Scheme be not revised, apart from the changes the Council is required to make by statute, or replaced with another scheme;

(c) approval be given to the amendments to the Council's CTS Scheme to accommodate the changes the Council is required to make by statute; and

(d) the Council's Council Tax Hardship Scheme continues to operate as detailed in the report.

3. **Reasons For Decision**

Legislation requires each Billing Authority to annually consider whether to revise or replace its Council Tax Reduction Scheme. For that purpose we have carried out a review of the Council's scheme.

Following from this review, it is recommended that the CTS scheme for 2020/21 should remain unchanged.

In reaching this decision, consideration has been given to both increasing and decreasing the level of support provided under the CTS scheme, and to moving away from a scheme based on the previous CTB scheme. Further detail on these considerations is provided in the main body of the report.

Given the current financial position of the Council, which, although funding is expected to increase slightly for 2020/21, has seen funding from central government reduced year on year since 2010/11, the Council is not in a position to introduce a more generous scheme in 2020/21.

However, given the ongoing cumulative impacts of the benefit changes and additional welfare reforms introduced since 2011, the Council is acutely aware that any move to make the scheme less generous could have a significant impact on those households eligible for assistance under its CTS scheme.

Furthermore, although the Council continues to strengthen its understanding of Council Tax collection trends and payment behaviour in light of previous welfare reforms, the so far limited introduction of Universal Credit in the City, means that it is considered too early to fundamentally change the structure of the current CTS scheme.

By maintaining the Council Tax Hardship Scheme, the Council will be able to continue to offer targeted support to those in the most severe financial need, including those who are least able to change their financial situation, in order to mitigate the ongoing impact of the change from a fully funded national benefit scheme to the CTS scheme.

4. Alternatives Considered And Rejected

There are a number of other options available to the Council including:-

- i. Maintaining the current scheme that is based on the previous Council Tax Benefit (CTB) scheme, but which increases or decreases the level of support available under the CTS scheme, or
- ii. Moving away from a scheme that is based on the previous CTB scheme, including the options outlined in the report.

An analysis of each of the options is set out in the report.

5. Any Interest Declared or Dispensation Granted

None

6. Respective Director Responsible for Implementation

Executive Director, Resources

7. Relevant Scrutiny Committee If Decision Called In

Overview and Scrutiny Management Committee