

**Extract from the draft minutes of the Cabinet meeting of 17 November 2021**

**608. Local Council Tax Support Scheme 2022-23**

The Assistant Director, Customer submitted a report a copy of which had been circulated to each Member.

Councillor Warnes attended and with the consent of the Chair, addressed the Cabinet to highlight the pressures building up in the economy on costs of living, such as inflation and rising energy bills and food costs. Given these pressures and the flexibility each Council had in setting its Council Tax Support Scheme and noting that no change was proposed to Colchester's scheme, had the Portfolio Holder considered helping hard pressed families by matching the Chancellor's 5 pence in the pound reduction in the Universal Credit taper by reducing the current Council Tax taper from 20 pence in the pound to fifteen pence for those earning above a set level before the taper takes effect. This would ensure it supported hard pressed families who were facing the brunt of the cost of living crisis.

A statement from Councillor Cory was read to Cabinet welcoming that no cuts had been made to the Local Council Tax Support Scheme for this year, and praising the hard work carried out by Jason Granger and the Welfare and Benefits Team to support this scheme and many others which help the most vulnerable residents. He had raised at the Scrutiny Panel, and reiterated again, the rising cost of living for many on lower incomes, compounded by Universal Credit cuts and future National Insurance increases, and sought clarification on what analysis the Council was continuing to do of the cohort using the scheme and whether the portfolio holder or officers believed that the Council would need to make the scheme more generous in the future?

Councillor Lissimore, Portfolio Holder for Resources, introduced the report and explained that the scheme helped 9500 residents with a reduction in their Council Tax bill. It was one of the most generous schemes in the region and she was pleased to recommend that it continue. If a more generous scheme was to be brought forward, this would need to be funded via cuts elsewhere. She paid tribute to the work of officers in the Welfare and Benefits teams for the support they provided to residents.

Councillor Dundas, Leader of the Council and Portfolio Holder for Strategy, also stressed the generous nature of the scheme and highlighted the impact inflation was having on the provision of Council services.

*RESOLVED* that:-

(a) The current working age entitlement be maintained for the fiscal year effective from 1 April 2022.

(b) It be noted that the only amendments from the current scheme are the prescribed regulations and mandated national legislative amendments.

*RECOMMENDED TO COUNCIL* that the Local Council Tax Support Scheme 2022-23 be approved and adopted

#### *REASONS*

Legislation requires that the scheme, effective from 1 April 2022, be agreed by March 2022.

#### *ALTERNATIVE OPTIONS*

Changes could be made to the scheme. However, stability to the scheme is being recommended as this will provide residents with support and consistency within the context of the Covid-19 pandemic and the resultant financial instability.