

CABINET

15fed IONAWR 2024

CYNLLUN GOSTYNGIADAU'R DRETH GYNGOR, 2024/25

Y Pwrpas:

Diben yr adroddiad hwn yw gofyn am fabwysiadu'n ffurfiol Gynllun Gostyngiadau'r Dreth Gyngor (a gyflwynwyd yn lle Budd-dal y Dreth Gyngor ym mis Ebrill 2013) am 2024/25

Gall y cynllun gael ei gymeradwyo yn amodol ar y rheoliadau ym gael eu cymeradwyo gan y Senedd a'u bod yn dod i rym.

Does dim disgwyl i'r rheoliadau drafft newid a nhw fydd y fersiwn a ddarperir ar gyfer dadl y Senedd ar 16eg Ionawr 2024. Os ydynt yn cael eu cymeradwyo, bydd y rhain yn dod i rym ar 19eg Ionawr 2024.

YR ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU HANGEN:

Argymhellir bod y Cyngor yn gwneud fel a ganlyn ar gyfer 2024/25:

- 1. Mabwysiadu'n ffurfiol Gynllun safonol Cymru Gyfan ar gyfer Gostyngiadau'r Dreth Gyngor a ddarperir yn**
 - a. Rheoliadau Cynlluniau Gostyngiadau'r Dreth Gyngor a Gofynion Rhagnodedig (Cymru) 2013.**
- 2. Gweithredu'r ffigurau uwchraddio blynyddol (a ddefnyddir wrth gyfrifo hawl) a'r mân ddiwygiadau technegol eraill sydd wedi'u cynnwys yn Rheoliadau Cynlluniau Gostyngiadau'r Dreth Gyngor (Gofynion Rhagnodedig a'r Cynllun Diofyn) (Diwygio) (Cymru) 2024 a fydd yn dod i rym 19eg Ionawr 2024.**
a hefyd,
- 3. Parhau i arfer ei ddisgresiwn o ran elfennau disgresiynol cyfyngedig y cynllun rhagnodedig, fel y'u hamlinellir yn y Crynodeb Gweithredol.**

Y Rhesymau:

- a) Mae Llywodraeth Cymru wedi llunio rheoliadau sy'n cadw Cynllun Gostyngiadau'r Dreth Gyngor, 2013/14 (gyda diwygiadau cyfyngedig) am 2014/15 a'r blynyddoedd dilynol.
- b) Mae rhwymedigaeth ar awdurdodau i (ail)fabwysiadu cynllun Gostyngiadau'r Dreth Gyngor yn ffurfiol erbyn 31^{ain} Ionawr bob blwyddyn neu bydd y "Cynllun Diofyn" yn weithredol sy'n golygu na fydd y Cyngor yn gallu arfer ei ddisgresiwn o ran yr elfennau disgresiynol cyfyngedig yn y cynllun rhagnodedig.
- c) Os yw'r Cyngor yn dymuno arfer ei bwerau o ran y meysydd disgresiwn cyfyngedig sydd ar gael iddo, mae'n ofynnol iddo wneud hynny fel rhan o'r broses mabwysiadu cynllun ffurfiol.

Angen i'r Bwrdd Gweithredol wneud penderfyniad: Oes
Angen i'r Cyngor wneud penderfyniad: Oes 24ain Ionawr 2024

YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO:-
Cyng Alun Lenny (Adnoddau)

Y Gyfarwyddiaeth:

Enw Pennaeth y Gwasanaeth:
Helen Pugh

Awdur yr Adroddiad:
Ann Thomas

Swyddi: Pennaeth Refeniw a
Chydymffurfio Ariannol

Rhifau ffôn:
Cyfeiriadau E-bost:

HLPugh@sirgar.gov.uk
01267 246223

AnThomas@sirgar.gov.uk
01267 228740

**EXECUTIVE SUMMARY
CABINET
15TH JANUARY 2024**

COUNCIL TAX REDUCTION SCHEME 2024/25

- As part of the Welfare Reforms introduced in recent years the former Council Tax Benefit scheme (CTB) was abolished with effect from April 2013. In its place is a localised Council Tax Reduction (CTR) scheme which in Wales has been devolved to Welsh Government, although with significantly less funding than the cost of the former CTB scheme.
- The standard scheme introduced by Welsh Government for 2013/14 and (with minor amendments) subsequent years, is a uniform all-Wales scheme, albeit with limited areas of local discretion available to authorities.
- Despite being an all-Wales scheme, individual Councils are required by the Prescribed Requirements Regulations to formally adopt a Council Tax Reduction Scheme by 31st January each year.
- The limited areas of local discretion, and the policy adopted by Council in respect of those discretions, are shown below for information. There is no recommendation for change:

Discretion: to disregard part or the whole amount of War Disablement pensions and War Widows Pensions when calculating income.

Policy: The Council exercises its discretion and fully disregards War Disablement pensions, War Widows Pensions and analogous payments, when calculating income for the purposes of assessing entitlement to Council Tax Reduction.

Discretion: The ability to increase the standard extended payment period of 4 weeks given to people after they return to work, when they have been in receipt of a relevant qualifying benefit.

Policy: The Council does not exercise its discretion in relation to extended payments and therefore continues to adopt the 4 week period within the standard scheme.

Discretion: The ability to backdate the application of Council Tax Support awards for working age and/or pension age, customers beyond a standard period of 3 months prior to the claim.

Policy: The Council does not exercise its discretion in relation to backdating applications and therefore continues to adopt the 3 month maximum period within the standard scheme.

Discretion: The ability to provide more than the minimum information prescribed as part of the notifications of decisions procedures.

Policy: The Council does not exercise its discretion in relation to the provision of additional information and continues to provide the information prescribed as part of the notifications decisions procedures.

- The scheme will be materially unchanged for 2024/25 however, in addition to the normal annual up-rating of certain financial figures used for assessing individual entitlement and some technical adjustments (as is being provided for in ***The Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Amendment) (Wales) Regulations 2024***), the statutory instrument makes a number of other amendments as follows;

- Widowed Parents Allowance and Bereavement Support back payments
 - The proposed amendment to the 2013 CTRS Regulations will ensure no applicant living in Wales is negatively impacted because they have received a Widowed Parents Allowance (WPA) back payment or a retrospective Bereavement Support Payment (BSP).
 - The amendment makes provision to disregard certain payments received from the calculation of an applicant's capital under the scheme.
 - The amendment proposes that any backdated BSP award would be aligned with the existing provision for BSP awards and disregarded for a period of 12 months. Any WPA back payments will continue to be disregarded from a person's capital.

- Post Office Compensation payments
 - The UK Government has announced funding to enable the Post Office to deliver compensation schemes and arrangements for various cohorts of postmasters. These include the Horizon Shortfall Scheme, compensation arrangements for postmasters whose convictions were overturned and a compensation scheme for postmasters who did not receive remuneration during a suspension period.
 - An amendment will ensure no applicant living in Wales is negatively impacted because they receive any compensation or support payment made in connection with the failings of the Post Office Horizon system.
 - The amendment makes provision to disregard any compensation or support payment received from the calculation of an applicant's capital. The amendment also applies to a non dependant's deduction under the scheme.

- The Vaccine Damage Payment scheme
 - The Vaccine Damage Payment Scheme (VDPS) incorporated COVID-19 from December 2020, and the scheme is now processing these claims. The majority of VDPS awards are already disregarded relating to compensation for personal injury. However, this does not currently apply to the partners of vaccinated individuals who receive a payment derived from a VDPS award.
 - The proposed amendment to the 2013 CTRS Regulations will ensure that no applicant living in Wales is negatively impacted because they receive a payment under the Vaccine Damage Payments Act 1979 in respect of a partner.
 - The amendment makes provision to disregard a payment received from the calculation of an applicant's capital under the scheme.

- The Infected Blood Inquiry

- The Infected Blood Inquiry published its first interim report in July 2022: this made a number of recommendations for a framework for compensation and redress for the victims of infected blood. The report recommended that interim compensation payments of £100,000 be made to infected persons and bereaved partners who registered with a UK infected blood support scheme.
- Where an infected person or their bereaved partner died before the interim payment could be made, the Government agreed that the interim payment of £100,000 would be made to that person's estate.
- An amendment to the 2013 CTRS Regulations will ensure that no applicant living in Wales is negatively impacted because they receive an interim infected blood compensation payment from their deceased parent's estate.
- The amendment makes provision to disregard a payment received from the calculation of an applicant's capital under the scheme.

- Minor technical and consequential amendments

- Some further minor technical amendments are proposed to the 2013 CTRS Regulations to align provisions in Wales with England and housing benefit provisions. These ensure an applicant who is a pensioner and responsible for a young person who is in receipt of an Armed Forces Independence Payment is taken into account when calculating eligibility.
- The amendment also ensures that the list of matters which must be disregarded in relation to non-dependant deductions in relation to working-age people also applies to pensioners.
- A consequential amendment will also reflect changes to the legislative landscape as a result of The Tertiary Education and Research (Wales) Act 2022 which becomes operational from April 2024.
- The amendment ensures that where access funds are paid to students on a discretionary basis by the Commission for Tertiary Education and Research, such funds are taken into account when determining eligibility for Council Tax Reduction.

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: **Chris Moore**

Director of Corporate Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	NONE	NONE	NONE	NONE

1. Policy, Crime & Disorder and Equalities

The Council Tax Reduction scheme retained for 2014/15 and subsequent years will continue to assess claimants’ entitlement on their full Council Tax liability, as happened under the 2013/14 scheme and the former UK-wide Council Tax Benefit scheme.

A local equalities impact assessment was undertaken by the Council in anticipation of the original draft 2013/14 scheme which if implemented, would have reduced all claimants’ entitlement. In the event the final 2013/14 scheme was more generous with claimants’ entitlement being based on the full charge as will be the case for subsequent years, unless changed. It has not therefore been considered necessary to undertake a further EIA.

The only changes to the scheme other than the normal annual up-rating of the financial figures used to assess applicant’s entitlement, and some technical adjustments are the following:

- Certain backdated Bereavement Support Payment award would be aligned with the existing provision for Bereavement Support Payment awards and disregarded for a period of 12 months. Any Widowed Parents Allowance back payments will continue to be disregarded from a person’s capital.
- Any Post Office compensation or support payment received will be disregarded from the calculation of an applicant’s capital and a non dependant deduction.
- Payments under the Vaccine Damage Payments Scheme will be disregarded from the calculation of an applicant’s capital.
- The amendment makes provision to disregard a payment received from the Infected Blood Inquiry from the calculation of an applicant’s capital.
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- Some further minor technical amendments are proposed to the 2013 CTRS Regulations to align provisions in Wales with England and housing benefit provisions. These ensure an applicant who is a pensioner and responsible for a young person who is in receipt of an Armed Forces Independence Payment is taken into account when calculating eligibility. The amendment also ensures that the list of matters which must be disregarded in relation to non-dependant deductions in relation to working-age people also applies to pensioners.
- A consequential amendment will also reflect changes to the legislative landscape as a result of The Tertiary Education and Research (Wales) Act 2022 which becomes operational from April 2024
- The amendment ensures that where access funds are paid to students on a discretionary basis by the Commission for Tertiary Education and Research, such funds are taken into account when determining eligibility for Council Tax Reduction.

Council has no power to vary these amendments.

2. Legal

Under the Prescribed Requirements Regulations the Council is obliged to make a Council Tax Reduction Scheme each year.

The legislation provides for a default scheme to apply in the absence of the Council making a scheme; the Council is nevertheless under a statutory duty to adopt its own scheme, even if it chooses not to apply any of the discretionary elements.

The National Assembly for Wales on the 26th November 2013 approved the Regulations governing the operation of Council Tax Reduction Schemes in Wales for 2014/15 and subsequent years.

The Council Tax Reduction Schemes amending Regulations for 2024/25 have been laid on 5th December 2023 and are scheduled for debate on 16th January 2024 and if approved by Welsh Government will come into force on 19th January 2024. They will up-rate figures contained in the main regulations that are used to calculate a claimant's entitlement to a reduction under a council tax reduction scheme and introduce further technical / procedural amendments. Council has no power to vary these.

3. Finance

The scheme for 2024/25 continues to have financial implications for authorities.

The former Council Tax Benefit system was fully funded by the Westminster Government however less funding was given to Welsh Government with regard to the replacement scheme.

The initial funding distributed to Councils by Welsh Government has not increased since the new scheme was introduced in 2013/14. Accordingly individual authorities must make up on-going shortfalls due to higher expenditure as a result of any additional caseload and/or higher Council Tax levels.

The Council's proposed provisional budget provision for 2024/25 is £18 936 050

The additional cost to the Council to continue exercising its discretionary powers and disregarding War Widow and War Disablement Pensions (and other analogous payments) is estimated as £14k.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: **Chris Moore** Director of Corporate Services

1. Scrutiny Committee N/A

2. Local Member(s) N/A

3. Community / Town Council N/A

4. Relevant Partners N/A

5. Staff Side Representatives and other Organisations

As there are no proposed changes to the scheme other than those over which Council has no jurisdiction, no public consultation exercise has been undertaken.

There is no requirement to consult and no formal consultation has been undertaken in respect of statutory instrument **in *The Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Amendment) (Wales) Regulations 2024***.

**CABINET MEMBER PORTFOLIO
HOLDER AWARE/CONSULTED**

Yes

Section 100D Local Government Act, 1972 – Access to Information

Title of Document	Locations that the papers are available for public inspection
The Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013	One Drive - Council Tax Reduction folder https://carmarthenshire.sharepoint.com/sites/SP_CFPO_RB/Benefits/Forms/AllItems.aspx?id=%2Fsites%2FSP%5FCFPO%5FRB%2FBenefits%2FCouncil%20Tax%20Reduction%20Scheme%202024%2D25&viewid=0bd8faa6%2D931d%2D4a3b%2Db433%2D3f77bbf1e75e

<p>Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2014</p>	<p>CFP - Council Tax Reduction folder http://www.legislation.gov.uk/wsi/2014/66/contents/made</p>
<p>Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2023</p>	<p><u>SL(6)425 - Rheoliadau Cynlluniau Gostyngiadau'r Dreth Gyngor (Gofynion Rhagnodedig a'r Cynllun Diofyn) (Diwygio) (Cymru) 2024</u></p> <p>SL(6)425 - The Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Amendment) (Wales) Regulations 2024 (senedd.wales)</p> <p>[laid before the National Assembly for Wales on 5th December 2023:]</p>