

**CYNGOR SIR
25 IONAWR 2023**

CYNLLUN GOSTYNGIADAU'R DRETH GYNGOR, 2023/24

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 2023/24.

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 17fed Ionawr 2023. Os ydynt yn cael eu cymeradwyo, bydd y rhain yn dod i rym ar 20fed Ionawr 2023.

Argymhellion y Cabinet:

'PENDERFYNWYD YN UNFRYDOL ARGYMELL I'R CYNGOR yn amodol ar y rheoliadau'n cael eu cymeradwyo ac yn dod i rym ar 20 Ionawr 2023 ei fod yn:-

- 9.1. 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, a****
- 9.2. Gweithredu'r ffigurau uwchraddio blynyddol (a ddefnyddir wrth gyfrifo hawl) a'r diwygiadau technegol eraill sydd wedi'u cynnwys yn Rheoliadau Cynlluniau Gostyngiadau'r Dreth Gyngor (Gofynion Rhagnodedig a'r Cynllun Diofyn) (Cymru) (Diwygio) 2023, a fydd yn dod i rym ym mis Ionawr 20 ac mae'r rheoliadau hyn yn berthnasol mewn perthynas â chynllun gostyngiadau'r dreth gyngor a wnaed ar gyfer y flwyddyn ariannol sy'n dechrau ar 1 Ebrill 2023;**
- 9.3. 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.

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 25fed Ionawr 2023

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:

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EXECUTIVE SUMMARY

COUNCIL

25TH JANUARY 2023

COUNCIL TAX REDUCTION SCHEME 2023/24

1. 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.
2. 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.
3. 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.
4. 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.

5. The scheme will be materially unchanged for 2023/24 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) (Wales) (Amendment) Regulations 2023***), the statutory instrument makes a number of other amendments as follows;

- People from Ukraine

This amendment is designed to support Ukraine nationals and as a consequence of the refugee crisis caused by the Russo-Ukrainian War. Similar changes will be made by the Department for Levelling Up, Housing and Communities (DLUHC) for required components of local council tax support schemes in England.

The proposed amendments to the 2013 CTRS Regulations make provision to ensure that any Ukrainian national who has been granted leave to enter or remain in the United Kingdom under or outside the immigration rules or who has a right of abode is not treated as not being habitually resident in Great Britain for the purpose of determining their eligibility for a council tax reduction. The effect of these amendments is that people in this group will be eligible to be included in a local authority's CTRS and will be eligible for a discount if they meet the other requirements of the CTRS

- People from Ukraine: Protection for hosts for the Homes for Ukraine scheme

This amendment is designed to ensure that no applicant living in Wales hosting a person from Ukraine under the Homes for Ukraine scheme is negatively impacted.

The proposed amendments to the 2013 CTRS Regulations make provision that any Ukrainian national who has been granted leave to enter or remain in the United Kingdom or who has a right of abode is to be treated as dependent on the applicant host for the purpose of calculating entitlement to a council tax discount. This has the effect of preserving the level of entitlement of the host applicant.

- European Economic Area citizens

The 2013 CTRS Regulations currently provide an exception for European Economic Area (EEA) citizens. EEA citizens are now subject to immigration control (and therefore a class of persons who must not be included in an authority's scheme). This amendment will mirror the English regulations

The proposed amendments to the 2013 CTRS Regulations to remove the exception for EEA citizens who are now subject to immigration control

DETAILED REPORT ATTACHED?	YES
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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:

- **People from Ukraine will be treated as being habitually resident in Great Britain for the purpose of determining their eligibility for a council tax reduction and will be eligible to be included in the local authority's Council Tax Reduction scheme and will be eligible for discount if they meet the other requirements of the scheme.**
- **There is protection for hosts for the Homes for Ukraine Scheme to ensure that no applicant living in Wales hosting a person from Ukraine under the Homes for Ukraine Scheme is negatively impacted.**
- **EEA citizens who are now subject to immigration control will no longer be eligible to be included in the Council Tax Reduction Scheme.**

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 2023/24 have been laid on 6th December 2022 and are scheduled for debate on 17th January 2023 and if approved by Welsh Government will come into force on 20th January 2023. 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 2023/24 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 2023/24 is £17,780,387

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 £8k.

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) (Wales) (Amendment) Regulations 2023***.

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	CFP - Council Tax Reduction folder http://www.legislation.gov.uk/all?title=The%20Council%20Tax%20Reduction%20Schemes%20and%20Prescribed%20Requirements%20%28Wales%29%20Regulations%202013
Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2014	CFP - Council Tax Reduction folder http://www.legislation.gov.uk/wsi/2014/66/contents/made
Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2023	SL(6)297 - Rheoliadau Cynlluniau Gostyngiadau'r Dreth Gyngor (Gofynion Rhagnodedig a'r Cynllun Ddiwyg) (Cymru) (Diwygio) 2023 (senedd.cymru) SL(6)297 - The Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2023 (senedd.wales) [laid before the National Assembly for Wales on 6 th December 2022:]