

**CYNGOR SIR
29 IONAWR 2025**

CYNLLUN GOSTYNGIADAU'R DRETH GYNGOR 2025/26

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 2025/26

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 21ain Ionawr 2025. Os ydynt yn cael eu cymeradwyo, bydd y rhain yn dod i rym ar 24ain Ionawr 2024.

Argymhellion y Cabinet:

“Yn amodol ar gymeradwyo'r rheoliadau gan ddod i rym ar 24 Ionawr, 2025, PENDERFYNWYD YN UNFRYDOL ARGYMELL Y CANLYNOL I'R CYNGOR:

- 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) (Diwygiadau Amrywiol) (Cymru) 2025 a fydd yn dod i rym 24ain Ionawr 2025. 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 Cabinet wneud penderfyniad: Oes 13^{eg} o Ionawr

Angen i'r Cyngor wneud penderfyniad: Oes 29^{ain} o Ionawr

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

Rheolwr Refeniw

Rhifau ffôn:
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EXECUTIVE SUMMARY

COUNCIL TAX REDUCTION SCHEME 2025/26

SUMMARY OF PURPOSE OF REPORT.

- 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 2025/26 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) (Miscellaneous Amendment) (Wales) Regulations 2025***), the statutory instrument makes a number of other amendments as follows;

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

ALL IMPLICATIONS REQUIRE SIGN OFF BY THE DIRECTOR OR HEAD OF SERVICE

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	Bio-diversity & Climate Change
YES /	YES	YES	NONE	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:

- Use of Universal Credit data as an intention to claim which will ensure that where a person is in receipt of Universal Credit, and where relevant information in relation to that entitlement has been shared with a local authority, then that authority may treat that as an intention to apply for CTRS and to process that application in accordance with the 2013 CTRS Regulations.
- Exemptions from the Habitual Residence Test which will allow displaced persons from Sudan access to the CTRS in Wales.
- The proposed amendments will allow displaced persons from Israel, Palestine and Lebanon access to the CTRS in Wales.
- The proposed amendments will ensure that no CTRS applicant living in Wales is negatively impacted because they have received a payment made under the Victims of Overseas Terrorism Compensation Scheme.
- The Department for Work and Pensions has laid regulations to make various changes to legislation to remove references to Class 2 NIC contributions, including to the CTRS in England, to remove references to the lower profits threshold. The suggested changes will bring Wales in line with the adjustments made and implemented in England.
- The proposed amendments will ensure the regulations reflect the updated title of the Migrant Victims of Domestic Abuse Concession.
- A further minor technical amendment has been made to update a previous reference in relation to statutory parental bereavement pay.

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 2025/26 have been laid on 10th December 2024 and are scheduled for debate on 21st January 2025 and if approved by Welsh Government will come into force on 24th January 2025. 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 2025/26 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 2025/26 is £20,553,888.

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

Scrutiny Committee request for pre-determination	NA
Scrutiny Committee	N/A
Date the report was considered:-	N/A
Scrutiny Committee Outcome/Recommendations:- 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) (Miscellaneous Amendment) (Wales) Regulations 2025***.

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

YES

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

Title of Document	File Ref No.	Locations that the papers are available for public inspection
The Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013		The Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2013
Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2014		The Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2014
Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Miscellaneous Amendment) Regulations 2025		SL(6)561 - Rheoliadau Cynlluniau Gostyngiadau'r Dreth Gyngor (Gofynion Rhagnodedig a'r Cynllun Diofyn) (Diwygiadau Amrywiol) (Cymru) 2025 SL(6)561 - The Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Miscellaneous Amendments) (Wales) Regulations 2025