

CABINET MINUTE 91 OF 14 JANUARY 2014

REVISED COUNCIL TAX SUPPORT SCHEME

Cabinet received the scrutiny report on the Council Tax (attachment of earnings) and Malcolm Coe (Assistant Director for Finance) submitted a report reviewing the impact of the localised Council Tax Support Scheme for Plymouth and making recommendations for changes in 2014/15 following consideration of the scrutiny report.

Councillor Lowry (Cabinet Member for Finance) introduced the proposals and advised that a number of measures had been taken to assist those in financial difficulty including personal payment plans.

The Chair advised Cabinet Members that Councillor James (Chair of the Cooperative Scrutiny Board), had been invited to attend the meeting today to present the recommendations in the scrutiny report but was unable to attend today.

Councillor Penberthy (Cabinet Member for Co-operatives and Communities) advised that the Council was unable to take payments direct from earnings without a Court order and indicated that the government should review this. He also reported that two schemes had already been introduced for saving with Credit Unions.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed that -

- (1) the recommendations from the Co-operative Scrutiny Board are noted and adopted as follows –
 - the Board supported the proposals that Plymouth City Council should reduce the minimum contribution that working age people should pay towards their Council Tax bill from the current 25 per cent to 20 per cent; and
 - the Board supported the proposals that Plymouth City Council should reduce the fee charged when the Council makes an application for a Council Tax Attachment of Earnings Order from £83 to £60;
 - the Assistant Director for Finance to consider the benefits of introducing a 'tapered' repayment schedule for those in Council Tax arrears, where initial repayments are lower and gradually increase, and report back to the Board with his findings and recommendations within three months;

- the Assistant Director for Finance to take steps to ensure that the largest possible number of employers in the city provide the facility for the deduction and payment at source of Council Tax from employees' remuneration;
 - the Assistant Director for Homes and Communities to engage with the city's landlords to ensure that prospective tenants are aware of Council Tax liabilities as part of the lettings process;
 - the Assistant Director for Homes and Communities to engage with the Assistant Director for Finance to identify what financial incentives could be offered from the Council Tax exceptional hardship fund to those at risk from Council Tax arrears to begin saving with a Credit Union;
 - the Assistant Director for Finance to review the language used in correspondence with those in Council Tax arrears and gain an independent verification of its accessibility;
 - the Assistant Director for Finance to engage with the Head of Communications to ensure access to advice and support for those struggling to pay Council Tax through the Council's digital channels;
 - the Assistant Director for Finance to consider the introduction of a free phone number for those needing advice about Council Tax arrears;
- (2) the cost levied by the Council for Liability Orders is reduced from £83 to £60 with effect from 1 April 2014.

91a Recommendation to the City Council

The City Council is Recommended to approve that the 2013/14 Council Tax Support Scheme continues for the 2014/15 financial year and that all elements of the scheme remain the same except the requirement for minimum contribution for all working age residents reducing from 20 per cent to 25 per cent.

(Please note that the scrutiny report on the Council Tax (attachment of earnings) is available to view at <http://aq.be/63254c>).

Note:

The full report in connection with this minute is available on the website

www.plymouth.gov.uk/democracy

or by contacting Democratic Support on 01752 304867