

## **REPORT OF THE CABINET**

### **LOCALISATION OF COUNCIL TAX**

The Cabinet was advised that Local Authorities had been challenged to devise and implement a local council tax support scheme within a limited period that would also meet a 10% reduction in Government expenditure. For Havering, this was a financial pressure of £1.9 million which had been found primarily from the proposed council tax reforms and the new parameters for the local council tax support scheme.

The report and appendices summarised the proposed changes to discounts and exemptions arising from the council tax reforms and Havering's draft local council tax support scheme. Details of the formal consultation with residents, persons affected and the Greater London Authority (GLA) were contained within the report. The Cabinet Member expressed his thanks to those members of the public who had submitted responses to the consultation.

It was noted that the Government had offered local authorities a share of £100 million to assist the transition from council tax benefit to local council tax support, the details of which were also set out in the report.

In addition, the position with regard to funding the implementation and administration of the draft local scheme and the implications for council tax collection were noted.

### **The Cabinet RECOMMENDS to Council that**

1. The proposed local council tax support scheme as set out in Appendices A & E of the report be adopted.
2. The proposals to vary the discounts in respect of certain classes of empty dwellings as summarised in Appendix A of the report be adopted.
3. The responses to consultation on council tax support and the council tax technical reforms be noted.
4. The financial pressure of a £1.9 million reduction in government grant for council tax support in 2013/14 be noted.
5. The content of the transitional grant scheme be noted and the band D restriction to local council tax support be deferred to April 2014.
6. The delegation of responsibility to make any minor and consequential changes necessary to the detailed provision as a result of any changes to the draft regulations upon which the scheme is based to the Director

of Finance & Commerce and the Portfolio Lead Member, be approved so far as the Council is concerned.

Note: Relevant appendices from the report to Cabinet, updated with additional information that became available subsequent to the Cabinet meeting, are attached to this report.