

SCHEDULE OF ITEMS RECOMMENDED FROM COMMITTEES AND OTHER MEMBER BODIES

Committee: Council

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1.0 FINANCE & ASSETS COMMITTEE – 28 SEPTEMBER 2023

a) Local Council Tax Reduction Scheme (LCTRS) Review

The Committee received a report (**Y54, attached at Appendix A**) detailing the annual review of the LCTRS scheme for 2024/25 and options for scheme amendments. The report was proposing no changes to the current scheme of an 8.5% minimum contribution and asked the Committee to recommend this to Full Council.

The recommendation was proposed by Cllr Sharp and seconded by Cllr Hunt.

A number of questions relating to this item had been provided prior to the meeting from Members and these, along with answers provided by officers, were set out in Appendix 1 to these minutes.

The Chairman invited questions to be asked to the Director Finance. A Member had queried whether the Director Finance knew how many households received Council Tax Benefit (CTB) in East Cambridgeshire. The Director Finance advised that 31,964 households equivalent to Band D properties but had requested more detailed information from Anglia Revenues Partnership (ARP) and would circulate the information to Committee Members once received.

The Chairman then opened the debate. A Member stated that the current discount was substantial and it was important to encourage people back into work, wherever possible. Another Member asked the Director Finance to also find out the number of households that were in Bands A, B, C and D in East Cambridgeshire.

Another Member emphasised that the £24,345.76 cost to the Council, if the minimum contribution was decreased to 0%, could be less than the cost of those households building up arrears on their Council Tax. They also highlighted the increasing problems of residents affording to pay their Council Tax due to the current cost of living crisis.

Councillor Trapp proposed and Councillor Inskip seconded the following amendment:

To adopt option 2 in the report to decrease the minimum contribution to 0%.

As the proposer of the amendment, Councillor Trapp emphasised that without the detail on Council Tax bands, LCTRS breakdown and levels of arrears, they could not make an informed decision to keep the current scheme at 8.5% minimum contribution.

A Member acknowledged the amendment, however, believed in the principle that people should contribute something towards their Council Tax and thought the 8.5% contribution was reasonable, bearing in mind the other support options available for those on low incomes impacted by the cost of living crisis. Other Members concurred with this view.

17:29 Cllr Whelan joined the meeting.

In response to a Member question, the Director Finance explained that the 8.5% contribution stemmed from it previously being a national government scheme, whereby the maximum LCTRS awarded was 91.5%, and this was now the same at local level.

A Member stated that the cost to the Council of £24,345.76 to adopt a minimum contribution of 0% could be less than the cost of irrecoverable debts for Council Tax.

As the seconder of the amendment, Councillor Inskip highlighted the cost-of-living crisis impacting on our lowest earning residents. By lowering the minimum contribution to 0%, this would help the lowest income families.

The Director Commercial advised Members that the information requested from Anglia Revenues Partnership (ARP) would be supplied before the next Full Council meeting.

In response to a Member question, the Director Finance explained that if Members did propose a change to the current scheme, it would have to go out to consultation.

At the request of Cllr Inskip, a recorded vote was taken on the amendment, which was lost with Members voting as follows:

FOR: (4) – Cllrs Colbert, Inskip, Trapp, Whelan.

AGAINST: (6) – Cllrs Bovingdon, Goldsack, Hunt, Lay, Miller, Sharp.

ABSTENTIONS: (0)

A member raised a point of order, to ask whether Cllr Whelan should have taken part in the recorded vote as they turned up part way through the debate on the amendment. The Monitoring Officer confirmed with Cllr Whelan that they had heard enough debate and views from Committee Members to make an informed decision and was allowed to participate in the vote, agreed also by the Chairman.

Upon being put to the vote the motion was carried by 6 votes in favour to 3 against and 1 abstention.

It was resolved to RECOMMEND TO FULL COUNCIL:

That the LCTRS scheme for 2024/25 remain unchanged.