

Item 173  
Precept and Council Tax

### **Background**

The office has been made aware of a consultation document from CCDC to the town and parish councils concerning the precept for 2023/2024. The below was due to have been sent out earlier this year but in fact was not sent out:

*Dear Parish Clerk*

### ***Cost of living and Local Council Tax Reduction***

*As you may know, the Council is currently consulting on a proposal to make changes to its Local Council Tax Reduction (LCTR) scheme next year in order to provide additional help to some of the poorest residents in the area. I would be grateful if you would bring the information below to the attention of your members and other contacts who represent residents and in particular vulnerable residents.*

*No formal action is necessary from the Parish Council, but I wish to ring the proposed change to the attention of people who have an interest in council tax and support to residents, and offer the opportunity for them to contribute to the consultation, if they wish to.*

*As you may know, each billing authority must maintain an LCTR scheme to provide means tested support, to reduce the council tax bills of those residents in the lower income groups. In common with most councils, in order to deliver the financial savings required to meet the reduced government funding, this Council imposes a limit of 80% reduction to most working aged claimants.*

*Pensioners, disabled people and parents of children under 5 can already claim up to 100% relief but other working aged households currently have at least 20% of their bill to pay. It is recognised that paying this council tax bill has been difficult for some and the current issues around cost of living and energy bill increases will make it even more difficult in the coming year.*

*For that reason, it is proposed that for the 2023-24 financial year, the 80% cap is removed and all working aged claimants, in the lowest income band, will be able to claim up to 100% reduction in their bill. This will mean that households receiving income at the standard Universal Credit level will have no council tax to pay next year.*

*Discounts of 20,40 and 60% will remain available to those whose income is higher than this but within the thresholds of our scheme.*

*Nobody will be worse off as a result of this proposal and around 1,900 more households in the Cannock Chase District area will have no council tax to pay. Provision for the cost of this one year change has been made for 2023-24 and your council taxbase figures reflect this. A fuller review of the scheme and any further changes needed will be conducted in 2023. In the absence of a further report and consultation the cap will be re-introduced from 1 April 2024.*

### **Local Council Tax Base Figures**

CCDC have confirmed that the taxbase figure that we received was the correct one having regard for all changes to it including the changes to Local Council Tax Reduction. Below are the taxbase figures without the changes to LCTR.

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- Taxbase 22-23 (previous year) 5,284.97
- Taxbase 23-24 (without LCTR adjustment) 5,346.37
- Taxbase 23-24 (with LCTR adjustment) **5,316.64**

**Conclusion**

Cllrs to be advised that the LCT figure against which Rugeley Town Council made a Precept request to the district council based on the Taxbase figure of 5,316.64 so our Precept request was £317,393 which meant a 0% increase overall. If we had received the full tax base of 5,346.37 we could have requested a Precept of around £320,000 with a 0% increase overall.