

POLICY AND RESURCE COMMITTEE**Wednesday 15 January 2025**

REPORT TITLE:	COUNCIL TAX 2025/26 (TAX BASE, DISCOUNTS AND EXEMPTIONS AND LOCAL COUNCIL TAX REDUCTION SCHEME)
REPORT OF:	DIRECTOR OF FINANCE

REPORT SUMMARY

This report brings together related issues regarding the proposed Council Tax Base for 2025/26 upon which the annual Council Tax levels will be set. This needs to be approved by the 31 January.

The proposed Council Tax Discounts including Local Discounts, Exemptions, and the Local Council Tax Reduction Scheme to be used during 2025/26. These need to be approved by Council by 11 March 2025.

The Wirral Plan 2023 - 2027 sets out the Council's vision to secure the best possible future for the Council's residents and covers the following five delivery themes:

- Early help for children and families.
- Promoting independence and healthier lives.
- People focused regeneration.
- Protect our environment; and
- Safe, resilient and engaged communities

The proposals within this report align with the above themes by supporting some of the most vulnerable members of the community.

The matter affects all Wards within the Borough.

This is a key decision.

RECOMMENDATIONS

Policy and Resources Committee is recommended to:

- 1. approve the figure of 97,908.96 as the Council Tax Base for 2025/26. This is an increase of 1,915.03 (1.99%) on last year's Council Tax Base.**
- 2. recommend to Council that**

(1) The level and award of each local discount for 2025/26 be as follows: -

1. Wirral Women's & Children's Aid

To continue to award Wirral Women & Children's Aid 100% discount. This remains unchanged from 2024/25.

2. Care Leaver's Discount

To award Care Leavers the requisite discount to reduce their Council Tax liability to zero until they are 25. This remains unchanged from 2024/25.

3. Empty Property Discounts 2025/26

Discount category D = 0% Full charge on properties undergoing renovations.

Discount category C = 0% Full charge on empty properties from date they become unoccupied.

Both to remain unchanged from 2024/25, and to include an exception for properties requiring adaptations to meet the need of a disabled person who will be occupying the property as soon as the adaptations are complete. This also applies to properties awaiting renovations prior to being occupied by someone under Ukraine resettlement scheme.

Empty Property Premiums for 2025/26 to remain unchanged from 2024/25, except for where statutory exceptions have been introduced in "The Council Tax (Prescribed Classes of Dwellings and Consequential Amendments) (England) Regulations 2024".

So that the following apply: -

100% (200% Council Tax) for unfurnished properties empty for more than one year.
200% (300% Council Tax) for unfurnished properties empty more than five years.
300% (400% Council Tax) for unfurnished properties empty more than ten years.

Exceptions detailed in 3.24.

4. Council Tax Discretionary Hardship Relief Scheme

The Council Tax Discretionary Hardship Relief Scheme, approved by Cabinet in October 2013, to continue in its current format for 2025/26. The Scheme offers help and assistance in exceptional cases of hardship. Residents experiencing hardship as a result of changes to the Council Tax Reduction Scheme will be directed to this scheme. **Appendix 1**

5. Local Council Tax Reduction Scheme (LCTRS)

The current Local Council Tax Reduction Scheme for Working Age Residents to be replaced from the 1st April 2025 with a banded scheme requiring a minimum payment of 17.5% from all Working Age Claimants. **Appendix 2**

The scheme for pensioners as required by legislation remains unchanged from 2024/25 apart from the following:

:

- a. The scheme to be aligned to all the Department of Work and Pensions uprating's and changes for Housing Benefit and Universal Credit.
- b. There to be no loss of entitlement due to payments made under government defined compensation schemes.

6. Changes to the treatment of second homes (dwellings that are furnished but are not someone's sole or main residence)

From 1st April 2025 the council to charge an additional 100% council tax (200% Council Tax) for any person with a second home within Wirral.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Council must agree its Council Tax Base for 2025/26 between the 1 December 2024 and 31 January 2025.
- 1.2. The Council must determine annually it's Local Council Tax Reduction Scheme by the 11 March 2025.
- 1.3 The Council must decide on the level of Local Discounts and Exemptions by 31 March 2025.
- 1.4 The Council is subject to significant Financial Pressures, introducing a Banded Scheme for Working Age Claimants and aligning the Councils Council Tax Reduction Scheme with those across the City Region will assist alleviating these pressures. Implementing the decision of the Council Meeting of the 26 February 2024 to introduce 2nd Home Premiums will also provide additional income.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 In respect of the Council Tax Base there a legal requirement that this must be set by 31 January each year, therefore no other option has been considered.
- 2.2. The Local Discounts, Exemptions and the Local Council Tax Reduction Scheme are reviewed annually and can be amended which would have a financial impact for the authority. Details are as set out in this report.
- 2.3. Maintaining the existing Council Tax Support scheme which was considered as being inappropriate give the complexities and difficulties experienced in administering the scheme as many our resident migrate to Universal Credit.

Wirral Council is not able to continue to afford a scheme that is much more generous than other Metropolitan Authorities given the councils current financial position. The Councils existing scheme is also out of step with other Local Authorities in the City Region.

3.0 BACKGROUND INFORMATION

- 3.1 The Council has a statutory duty to take decisions each year regarding the administration of Council Tax which must be set by the 11 March each year.
- 3.2 In Accordance with The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 the Council is required to set its Council Tax Base annually in order to determine the appropriate number of properties to be considered for Wirral, the Preceptor Authorities (Police & Crime Commissioner and Fire & Rescue Services) and the Environment Agency (Flood Defence). The Council Tax Base has a direct impact on the Council Tax that will be levied for Wirral for 2025/26.
- 3.3 The Council Tax Base must be determined between the 1 December 2024 & 31 January 2025 and will be used to calculate the Council Tax charges for 2025/26.

3.4 The Tax Base calculation process is as follows; -

- Calculate the number of properties on 30 November 2024 and adjust for changes due to demolitions and new builds up to 31 March 2026 which are then converted to a full year Band D equivalent. The council also adjust for discounts, exemptions and disabled relief and add any changes expected over the year reflecting the Local Council Tax Reduction Scheme and changes to empty property discounts and premiums.
- Convert the number of “discounted” dwellings in each Council Tax Band to Band D equivalent.
- Adjust the total number of Band D equivalents by the estimated Council Tax collection rate for the year. The amended calculation is as below and will be utilised in calculating the Council Tax charge for 2025/26.

3.5 Forecast properties per Council Tax band within Wirral based on information as at 30 November 2024: -

Table 1: Wirral Council Tax Bandings Forecast

Band	Value (£)	Properties 2024	Change	Properties 2025	Band %	Ratio
A	<40,000	61,285	116	61,401	40.21	6/9
B	40,001-52,000	33,492	(215)	33,277	21.79	7/9
C	52,001-68,000	27,792	(26)	27,766	18.18	8/9
D	68,001-88,000	13,706	83	13,789	9.03	9/9
E	88,001-120,000	8,563	12	8,575	5.62	11/9
F	120,001-160,000	4,382	8	4,390	2.87	13/9
G	160,001-320,000	3,216	1	3,217	2.11	15/9
H	>320,000	281	4	285	0.19	18/9
Total		152,716	(16)	152,701	100%	

* The figure for Band B properties has reduced, It had been anticipated that developments would have been completed during the current year and were therefore included within last years estimated taxbase calculations. Where these properties have been completed, they have been at a lower band than estimated.

3.6 The properties are converted to the Band D equivalent and adjusted for the Local Council Tax Reduction Scheme and other Council Tax Discounts, Exemptions and Disabled Relief and adjusted by the Collection Rate to give the Council Tax Base.

Table 2: Wirral Council Tax Band D calculation 2025/26

Band	Properties 2025	Changes due to LCTRS discounts, exemptions	Revised property equivalent	Ratio to Band D	Net Band D equivalent
A	61,401	(23,003.01)	38,398.39	6/9	25,598.93
B	33,277	(6,931.12)	26,346.08	7/9	20,491.39

C	27,766	(3,685.42)	24,080.98	8/9	21,405.31
D	13,789	(1,428.32)	12,360.68	9/9	12,360.68
E	8,575	(727.83)	7,847.17	11/9	9,590.98
F	4,390	(279.77)	4,110.03	13/9	5,936.71
G	3,217	(219.95)	2,997.05	15/9	4,995.08
H	285	(30.09)	254.91	18/9	509.82
Band A Disabled		(5.9)	86.70	5/9	48.17
Total	152,701	(36,311.42)	116,389.38		100,937.07
Assumed Collection Rate					x 97.0%
Adjusted Council Tax Base					97,908.96

- 3.7 The figures used to calculate the Changes due to LCTRS, discounts, exemptions have been reduced downwards to reflect the changes proposed for LCTRS and charges for 2nd homes.
- 3.8 The Collection Rate is calculated by adding the current expected in-year collection together with the amounts of arrears collected expressed as a percentage of the current net collectable debit.
- 3.9 Based on previous years' experience it is prudent to apply a collection rate of 97.0% for the forthcoming financial year. This is a slight downward adjustment of 0.2% to reflect the changes to the Council Tax Reduction Scheme. This will assist assuring that any collection fund surplus/deficit is minimised. This has been reflected in the setting of the Council Tax Base.
- 3.10 The recommended figure for 2025/26 is 97,908.96. Compared to the 2024/25 figure of 95,993.93. This is an increase of 1,915.03. The Council Tax Base has increased due to a reduction in the number of residents claiming a Council Tax Reduction, Changes to the treatment of second homes and proposed changes to the Council Tax Reduction Scheme. The numbers claiming support have continued to reduce over the past year.
- 3.11 The level of Council Tax is confirmed at Budget Council which for 2025/26 is scheduled for 24 February 2025.

COUNCIL TAX LOCAL DISCOUNTS & EXEMPTIONS 2025/26

- 3.12 Local Discounts and Exemptions are subject to an annual review and impact directly upon the Council Tax income as the cost is fully met by the Council. From 1 April 2013 the Council adopted 0% discount levels for empty properties and properties undergoing construction, where previously they had been exempt for 6 and 12 months respectively thus receiving a 100% discount. This report reviews the levels of specific local discounts. Any amendment or granting of discount agreed as part of this report will come into force from 1 April 2025 unless stated otherwise.
- 3.13 Local Discounts can be granted under Section 13a of the Local Government Act 1992. The Local Government Finance Act 2012 introduced changes in national Council Tax discounts and exemptions. These were considered and adopted for

2013/14 by Cabinet on 24 January 2013 and cover the level of discount awarded on empty properties and the premium charged on long term empties. Wirral chose to maximise the amount payable in each category and must review its charges each year.

A LOCAL DISCOUNTS - LOCAL GOVERNMENT ACT 1992

- 3.14 Local Discounts, as used by Wirral, are granted under Section 13a of the Local Government Act 1992 and reviewed annually. Amounts detailed below.

Table 3: Local Government Act 1992 Local Discounts in Wirral

	£
Wirral Women & Children's Aid	7,700
Council Tax Discretionary Relief (Hardship)	100,000
Care Leaver's Discount	240,000
Total	347,700

Wirral Women & Children's Aid

- 3.15 Cabinet on 22 July 2004 awarded a local discount to Wirral Women's and Children's Aid, the discount leaving no Council Tax to pay, based on the valuable work undertaken at the premises. The cost of the award has increased in line with Council Tax and is estimated to increase to £7,700. It is recommended that this discount continues for 2025-26

Council Tax Discretionary Hardship Relief

- 3.16 Regulations allow that a discount can be granted to an individual in a case of extreme hardship, covered by the Council's Council Tax Discretionary Relief policy (minute 71, 10 October 2013) or alternatively a discount can be granted to all empty properties within a specific area, such as a clearance area. This can give more flexibility to the Council which has to fund any locally defined discounts. It is recommended that this discount continues for 2025-26 with an increased budget of £100,000 to reflect the changes in the Local Council Tax Reduction Scheme.

Care Leaver's Discount

- 3.17 A local discount is currently awarded to Care Leavers removing the requirement to pay Council Tax from Care Leavers until they become 25. The discount is awarded after all other reliefs and discounts have been granted and recognises the financial burden that leaving care can cause. This remains unaltered from last year and the cost of the award is estimated to be £240,000 an increase of £51,000 on last year. It is recommended that this discount continues for 2025/26.

B DISCOUNTS & EXEMPTIONS - LOCAL GOVERNMENT ACT 2012

- 3.18 The Local Government Finance Act 2012 introduced changes in national Council Tax discounts and exemptions which gave the option to Local Authorities to exercise discretion in setting the level of discount on certain types of property. These were

considered and adopted by Cabinet on 24 January 2013 (minute 166) for the 2013/14 financial year and have continued in subsequent years. Wirral chose to maximise the charges it raises by minimising the discount awarded, i.e., 0%.

Table 4: Local Government Act 2012 Empty Property Discounts

Income from minimising discounts	£
Empty properties –unoccupied/renovation (Discount C+D) = 0%	2,829,600
Empty property – premium of 100% (Council Tax charge 200%)	435,300
Empty property – premium of 200% (Council Tax charge 300%)	780,000
Empty property – premium of 300% (Council Tax charge 400%)	168,500
2nd Home Premium	1,369,900
Total	5,583,300

Empty Properties Discount

- 3.19 The changes allowed by the 2012 Act covered charges made against empty property and second homes. In broad terms this removed the exempt classifications A and C and allowed Councils to define their own level of discounts re-categorising them as discounts C and D. The Regulations also allowed Councils to apply a premium on properties that had been empty for more than two years and from 2020 those empty for over 5 years and from 2021 those empty over 10 years.
- 3.20 The Council chose to award 0% discount (Discount D) – full charge - on properties undergoing renovations which were previously entitled to a 12-month exemption, or 100% discount.
- 3.21 The Council chose to similarly award a 0% discount (Discount C) – full charge - on empty properties that had previously been exempt for the first six months that they were empty, or 100% discount.
- 3.22 The Council has previously chosen to use its powers to date to charge the maximum amount of Premium on properties that have been -
- empty for more than one year which is 100% (200% of the Council Tax payable)
 - empty for more than 5 years a 200% premium (300% of the Council Tax).
 - empty for over 10 year a 300% (400% of the Council Tax).
- The aim is to encourage prompt property re-occupation and discourage properties being held empty by speculators waiting for an increase in values.
- 3.23 From April 2025 several additional exceptions to the premiums have been introduced by The Council Tax (Prescribed Classes of Dwellings and Consequential Amendments) (England) Regulations 2024. These changes detailed in 3.24 will impact on the amount of addition income generated from long term empty properties.
- 3.24 The following classed of property will be excepted from the council tax premium charges
- Properties being actively marketed for sale (12 months maximum)
 - Properties be actively marketed for rent (12 months maximum)

- Former Class F properties (12 month from grant of probate)
- Properties requiring or undergoing major repairs or structural alterations (12 Months Maximum)

3.25 The council currently charges the maximum allowed for properties that are furnished and not occupied as someone's sole or main residence. This is the equivalent of the full council tax (100%). From 2025/26 the council can increase this charge by 100% so that these properties will be liable to a council tax of 200% of the normal charge.

This change will potentially raise an additional £ 1.369M based on current numbers.

3.26 The change detailed in 3.25 required a period of 12 months' notice before it could be implemented. This condition was satisfied by the decision taken at Council in February 2024.

3.27 An exception to the premium is allowed in circumstances prescribed within the regulations. Wirral also has the power to establish locally determined exceptions to the premium.

3.28 The council has such a discretionary exception under Section 11A Local Government Finance Act 1992 in specific circumstances. These exceptions arise from unforeseen consequences of the council's policy of the implementation of Council Tax Empty property charges under this Section.

3.29 The circumstance is where a property is empty only because the property requires adaptations to meet the needs of a disabled person who will be occupying the property as soon as the adaptations are completed. The person must have liability for an existing dwelling and therefore this measure will alleviate the need for a chargepayer to pay council tax on two properties whilst awaiting adaptations to be made to a dwelling to meet their specific needs.

In this strictly defined circumstance, no charge will be made. The adapted property must be eligible for a Band Reduction due to the Disabled adaptations once the property is occupied.

3.30 The circumstance is where a property is empty only because the property requires work to render the property ready for occupation where the people who will be occupying the property and liable to council tax are from the Ukraine and here under the Ukrainian Settlement Scheme. These properties have a zero charge when occupied.

3.31 An exception to the premium is proposed for properties that have restrictions placed upon them that limit who a property can be sold to. This is aimed at properties that are solely for elderly residents and generally attract high service charges. These properties can be difficult to sell, and the levy of a premium can cause significant hardship to owners with limited means.

3.32 The cost of this measures will be monitored and reported annually as part of the Tax Base Setting process

3.33 The cost of the exemption implemented in 2025/26 for properties await adaptations is £2,000

C LOCAL COUNCIL TAX REDUCTION SCHEME

3.34 Central Government abolished Council Tax Benefit (CTB) on 31 March 2013 and tasked each administering Council to formulate an individual Local Scheme to replace it. At the same time Central Government reduced the grant they awarded to Councils for CTB by 10%. The Government also stated that any Local Council Tax Reduction Scheme devised should leave pensioners no worse off than they were under the 2012/13 CTB scheme. The option was also given to define vulnerable groups and offer the groups the same level of protection as pensioners. Wirral designated persons classed as disabled or with disabled children as vulnerable in 2013/14. The Scheme must be approved each year prior to the year it will be applied.

3.35 Having regard to the financial pressures the Council resolved, on 28 January 2013, that it could not find funding from its existing budgets to make up the shortfall caused by the governments changes and decided to pass on the reduction to Local Council Tax Reduction Scheme recipients. This resulted in non-vulnerable working age claimants paying a minimum of 22% of the Council Tax charge.

3.36 Cabinet agreed on the 4 November 2019 that this minimum amount be reduced from 22% to 12%. This has helped some of the poorest households in the borough.

3.37 From the 1st April 2025 it is recommended that the council adopts a new Council Tax Reduction Scheme for Working Age Claimants, whilst in accordance with legislation maintains its scheme for Pension Aged Claimants.

3.38 The proposed changes align Wirral Councils Council Tax Reduction Scheme with those in place across the Liverpool City Region and make the scheme more affordable for the Council Tax Payers of the Wirral..

3.39 The main principals of the new scheme for working age claimants are as detailed below.

- A banded income scheme which determines the maximum level of support based on the table below.

Table 5: Proposed Council Reduction Scheme Bands

Discount	Weekly Net Income					
	Single	Single with 1 dependant	Single with 2 dependants	Couple	Couple with 1 dependant	Couple with 2 dependants
Band 1* 82.5%	£0.00 to £125.00	£0.00 to £175.00	£0.00 to £225.00	£0.00 to £175.00	£0.00 to £225.00	£0.00 to £275.00
Band 2 75%	£125.01 to £175.00	£175.01 to £225.00	£225.01 to £275.00	£175.01 to £225.00	£225.01 to £275.00	£275.01 to £325.00
Band 3 50%	£175.01 to £225.00	£225.01 to £275.00	£275.01 to £325.00	£225.01 to £275.00	£275.01 to £325.00	£325.01 to £375.00
Band 4 25%	£225.01 to £275.00	£275.01 to £325.00	£325.01 to £375.00	£275.01 to £325.00	£325.01 to £375.00	£375.01 to £425.00
Band 5 0%	£275.01 or more	£325.01 or more	£375.01 or more	£325.01 or more	£375.01 or more	£425.01 or more

- A maximum award of 82.5% for all Working Age Claimants of Council Tax Reduction.
- Introducing wider income thresholds bands before a change of entitlement is triggered.
- Removal of protection for vulnerable households
- £ 6,000 capital limit for all Working Age Claimants
- Changes to reduce administration costs (align with Automation capability of the council's software)
- Changes to work alongside Universal Credit
- Disregarding information provided by the DWP.
- Non-dependant deduction changes (eg flat-rate deductions)

3.40 Reasons for the change: -

- New scheme will maximise system automation to reduce the amount of manual intervention and reduce the risk of errors.
- More accessible and easier to understand for residents.
- Reduce the amount of changes to liability during the year.
- Cost less than the existing Scheme
- Reduce Administrative Burden to reduce the costs and time taken for processing applications.
- Speed up processing for residents

3.41 Consultation on the proposals detailed in points 3.38 to 3.40 has been undertaken and where a preference was stated a majority of respondents were in favour

3.42 The Scheme, its impacts and costs are continually monitored and need to be annually reviewed and approved prior to the year it will be applied.

4.0 FINANCIAL IMPLICATIONS

4.1 The Council Tax Base is used to calculate Council Tax levels for 2025/26. Failure to comply with timescales could delay Council Tax bills with the potential to affect

collection and cash-flow. On the assumption that the levels of support under the Local Council Tax Reduction Scheme and the Discounts and Exemptions are adopted the Council Tax Base will be increased by 1.99% from 2025/26.

- 4.2. For Local Discounts variations to the discount levels will either generate additional or less income. The cost of local discounts is met in full by the Council and do not impact upon the Council Tax Base. Any saving to the Council will result in an increase in the amount payable by the charge payer.

Table 6: Local Government Act 1992 Local Discounts

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Total	347,700

Table 7: Local Government Act 2012 Empty Property Discounts/ Charges

Income from minimising discounts	£
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Empty property – premium of 100% (Council Tax charge 200%)	435,300
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2nd Home Premium	1,369,900
Total	5,583,300

- 4.3 The changes to how Empty Furnished Properties are charged will have a significant impact raising potentially an additional £1.369M, some of this benefit will be offset by statutory changes to how we charge the empty property premium on long term empty and unfurnished properties.
- 4.4 Proposed changes to the Council Tax Reduction Scheme will raise could potentially raise more than £2M, this figure recognises the potential difficulties in collecting the revised charges.

5.0 LEGAL IMPLICATIONS

- 5.1 The legislation requiring this calculation is the Local Authorities (Calculation of Council Tax Base) Regulations 1992. This requires the Authority to set and declare the Tax Base it will use to calculate the Council Tax level between the 1 December and 31 January in the financial year preceding the tax.
- 5.2 The Local Government Finance Act 1992 as amended makes provision for the determination by Council of Local Discounts and the Local Council Tax Reduction Scheme in respect of Council Tax by 11 March.
- 5.3 Wirral Council is required to undertake Consultation with regard it Council Tax Reduction Scheme on an annual basis with major preceptors and more widely if

changes are proposed to the scheme. Consultation has been undertaken as a proposed changes to the Council Tax Reduction Scheme.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are significant resource implications and both the Revenues and Benefits teams and the IT Operational Support Team implementing a replacement Council Tax Support Scheme . IT Support have been engaged throughout the process assisting with modelling proposed council tax reduction schemes.

7.0 RELEVANT RISKS

7.1 If the Council Tax Base figure is not declared by 31 January 2023 the Council and Preceptor Authorities will be unable to make considered budgetary decisions that could delay the Council Tax bills and income streams for 2025/26.

7.2. In respect of Local Discounts and Exemptions the changes made to domestic empty property charges are expected to generate nearly £5.6M of additional Council Tax charges. Any changes to the current level of discounts or reduction to the Empty Premium would see a reduction in Council Tax raised and the income lost would have to be replaced by an alternative income stream or a reduction in spending.

7.3 The Local Council Tax Reduction Scheme provides vital support to low-income families across the Borough. A scheme needs to be approved annually as part of the budget setting process.

7.4 Changes to the Local Council Tax Reduction Scheme could impact collection rates and consideration of this has been taken when calculating the Tax Base for 2025/26.

7.5 The effect the current macro-economic situation adds uncertainty in terms of the number of people who will continue to be eligible for Council Tax Support in both the current and the future financial year, however it is not expected to have a detrimental impact on the Council Tax Base going forward.

8.0 ENGAGEMENT/CONSULTATION

8.1 No consultation is required in the calculation of the Tax Base.

8.2 Consultation has been undertaken with regard the changes to the Council Tax Reduction Scheme for working age residents. Nearly 400 responses were received and where residents expressed a preference the majority where in favour of the proposed changes.

8.3 Consultation responses

Table 8: Consultation Questions and Responses

		Yes	No	Don't Know	% of total in Favour
1	I have read the background information about the Council Tax Reduction Scheme: This question must be answered before you can continue.	382	10	n/a	

2	Do you agree with introducing an income-based banded discount scheme as detailed?	112	95	51	43.41%
3	Introduce a standard Non-Dependant Deductions of £5 per week.	123	61	51	52.34%
4	Disregarding certain elements of Universal Credit	133	49	43	59.11%
5	Replacing the current earnings disregards with a standard £50 per week disregard (irrespective of the number of hours worked)	119	45	48	56.13%
6	Continuing to protect families by disregarding Child Benefit and Child Maintenance	131	44	33	62.98%
7	Continuing to disregard disability benefits (Personal Independence Payments, Armed Forces Independence Payments, Disability Living Allowance) and providing additional disregards of £50 where the applicant, partner or dependant is disabled	139	35	31	67.80%
8	Introducing a new disregard for the support component of Employment and Support Allowance and Carer's Allowance	137	28	34	68.84%
9	Protecting War Pensioners by continuing to disregard War Pensions or War Disablement pensions in full	144	23	29	73.47%
10	Maintaining the capital limit at £6,000	113	50	32	57.95%
11	Removing the Extended Payment provision.	117	42	34	60.62%

9.0 EQUALITY IMPLICATIONS

- 9.1 There is no requirement for an Equality Impact Assessment in relation to the calculation of the council tax base.
- 9.2 The Equality Impact assessment for the Local Council Tax Reduction Scheme has been updated to reflect the proposed changes. The link to the Equality Impact Assessment for the Local Council Tax Reduction Scheme is below.
<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2017/delivery>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 There will be no measurable environmental impact.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 The proposed Council Tax Discounts including Local Discounts, Exemptions, and the Local Council Tax Reduction Scheme to be used during 2025/26 will contribute significantly to developing a prosperous, inclusive economy where local people can get good jobs and achieve their aspirations.
- 11.2 Wirral MBC will encourage our contractors to deliver more benefits for the local area, such as good jobs, apprenticeship, training & skills opportunities, real living wage,

minimising their environmental impact, and greater wellbeing. We will also help develop the local economy by supporting and encouraging more community businesses and enable greater opportunities for local business to prosper and provide decent and fair employment.'

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APPENDICES

- 1 Council Tax, Section 13A, Discretionary Discount Policy & Guidance
- 2 2025/26 Draft Council Tax Reduction Scheme

BACKGROUND PAPERS

Local Government Finance Act 1992, 2003 and 2012.
Local Authorities (Calculation of Council Tax Base) Regulations 1992
Valuation Office Agency - Valuation List.
Welfare Reform Act 2012.
Council Tax Reduction Scheme (Default Scheme) (England) Regulations 2012 as updated.
Rating (Property in Common Occupation) & Council Tax (Empty Dwellings) Act 2018
Levelling-up and Regeneration Act 2023
The Council Tax (Prescribed Classes of Dwellings and Consequential Amendments) (England) Regulations 2024
Council Tax Reduction Scheme Consultation Documents

TERMS OF REFERENCE

This report is being considered by the Policy and Resources Committee in accordance with Section 1.2(a) of its Terms of Reference, to formulate, co-ordinate and implement corporate policies and strategies and the medium-term financial plan (budget). The report seeks a recommendation to Council in accordance with Part 3(A) of the Constitution as the setting of the Council's Council Tax requirement is a function reserved to Council.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Policy & Resources Committee	17 January 2022
Policy & Resources Committee	18 January 2023
Policy & Resources Committee	17 January 2024