

Item 16b – Correspondence - Council Tax Reduction And Parish Grant Removal from 2023/24

- [Cabinet's Consultation Budget 2022/23 to 2024/25 | Calderdale Council](#)

Extract from CMBC Budget Consultation Document pages 30 and 65-66

TTC Council Tax Reduction Grant	£32,460
Parish Grant	£11,191
Proposed reduction in income for 2022/23 onwards	£43,651

Title of option	Pass Council Tax Reduction Effect to Parish Councils and remove grant funding						
Aims/outcomes of Service/Function	The Council receives funding from central government which can be passed down to town and parish councils to mitigate the impact of the council tax reduction scheme on their tax bases. The funding received by local authorities has reduced over recent years.						
Option being proposed	<p>When the Council Tax Reduction (CTR) scheme was introduced, Government funding for the scheme was immediately cut by 10% and rolled into the formula grant calculation with the expectation that Councils would manage costs through a locally defined scheme. Since 2013/14 Formula grant has continued to reduce. Whilst Formula grant has been cut, the Council has continued to compensate Parishes for 100% of their loss with adjustments to grant only reflecting changes to the number of claimants. As well as this the Council has continued to give the Parish Councils a discretionary grant.</p> <p>Passing down the grant can help keep down the town and parish element of Council Tax bills.</p> <p>Savings</p> <table> <tr> <td>2022/23</td> <td>£0</td> </tr> <tr> <td>2023/24</td> <td>£80,000</td> </tr> <tr> <td>2024/25</td> <td>£80,000</td> </tr> </table>	2022/23	£0	2023/24	£80,000	2024/25	£80,000
2022/23	£0						
2023/24	£80,000						
2024/25	£80,000						
EIA findings	<p>Service delivery impact</p> <p>Parish councils have a variety of powers and duties, all of which impact directly on the community hence not passing down the grant may result in a potential service impact with the level of service decreasing or an increase in the parish precept. There are eight parishes in Calderdale, with seven receiving the grant. The grant relates to the cost of CTR in their areas and so it is relative. The nature and extent of the</p>						

Saving Proposals

BRIEF DESCRIPTION	2022/23 £'000	2023/24 £'000	2024/25 £'000
Cross Council			
Pass Council tax Reduction Effect to Parish Councils and remove grant funding	0	-80	-80
Review of Pension Contributions	-900	-900	-900
	-900	-980	-980