

## REPORT TO CABINET

<b>Open</b>		Would any decisions proposed :		
<b>Any especially affected Wards</b> NONE	Mandatory	Be entirely within Cabinet's powers to decide		NO
		Need to be recommendations to Council		YES
		Is it a Key Decision		YES
Lead Member: Cllr Adrian Lawrence E-mail: cllr.adrian.lawrence@west-norfolk.gov.uk		Other Cabinet Members consulted:		
		Other Members consulted:		
Lead Officer: Joanne Stanton, Revenues and Benefits Manager E-mail: joanne.stanton@west-norfolk.gov.uk Direct Dial:01553 616349		Other Officers consulted: Lorraine Gore Management Team		
Financial Implications YES	Policy/Personnel Implications NO	Statutory Implications YES	Equal Impact Assessment YES If YES: Pre-screening/ Full Assessment YES	Risk Management Implications YES

Date of meeting: 28 November 2017

### **COUNCIL TAX SUPPORT SCHEME 2018/2019: FINAL SCHEME**

#### **Summary**

The Council must review and agree its 2018/2019 Council Tax Support (CTS) scheme for working age people by 31 January 2018. Options for the draft CTS scheme for 2018/2019 were presented to the Corporate Performance Panel on 17 July 2017 and the preferred draft CTS scheme was chosen. This was agreed by Cabinet on 6 September 2017. The draft CTS scheme was then opened to public consultation from 7 September 2017 to 18 October 2017.

This report details the results of the consultation and the recommended final CTS scheme for 2018/2019.

#### **It is recommended that Members:**

- 1. Note the responses from the Council Tax Support consultation at Section 3 and Appendix B,**
- 2. Agree that the draft Council Tax support scheme detailed in the Cabinet report of 6 September 2017 be recommended to Council as the final Council Tax Support scheme for 2018/2019, and**
- 3. Agree to recommend to Council that in future years delegated authority is given to the Leader, in consultation with the relevant Portfolio Holder and s151 Officer, to agree the draft Council Tax Support scheme to go out to public consultation.**

#### **Reason for Decision**

To ensure a Council Tax Support scheme for 2018/2019 is agreed by full Council by 31 January 2018

## **1. Introduction**

- 1.1. The Council must review and agree its Council Tax Support (CTS) scheme each year. The CTS Scheme for 2018/2019 must be agreed by full Council by 31 January 2018.
- 1.2. The draft CTS scheme was agreed earlier in the year and has been open to public consultation. This report details the results of the consultation and the comments made, and the recommended final CTS Scheme for 2018/2019.

## **2. Proposal**

- 2.1. Two options for the 2018/2019 CTS scheme were presented to the Corporate Performance Panel on 17 July 2017 along with a number of questions and issues for the panel to consider. The majority of the panel supported the preferred option (option 2). This went forward to the Cabinet meeting of 6 September 2017 where it was agreed the CTS scheme detailed at option 2 would form the draft CTS scheme to go to public consultation.
- 2.2. The six week consultation period has now closed and 15 responses were received, the results of which are shown at Appendix B. No amendments are proposed to the draft CTS scheme for 2018/2019 as a result of the consultation, and the draft scheme is now recommended as the final CTS Scheme for 2018/2019.

## **3. Consultation**

- 3.1. The CTS Consultation was primarily available via the Council's website and as a paper form if requested. Online responses were encouraged as data can be electronically logged and collated. A CTS entitlement calculator was included so people could calculate the impact of the proposals on their own CTS award if appropriate.
- 3.2. The consultation opened on 7 September 2017 and the link to the CTS Consultation webpage was sent to all of the Borough's Councillors and Parish Clerks so they could encourage their residents to respond. It went to 51 third party organisations including Shelter, CAN and the CAB, as well as 34 Housing Benefit landlords. The link was tweeted and included in the Council's Stayconnected email. A press release was issued and an article appeared in the Lynn News on 12 September 2017. Internally all the Revenues and Benefits staff received the link and a piece was included in Internal Affairs. The consultation closed on 18 October 2017. 15 responses were received, down from 31 responses last year.

3.3. Just over half of the respondents disagreed with keeping the current CTS scheme, supporting the proposed changes. 87% agreed that we should disregard the new Bereavement Support Payments from the DWP. 73% agreed we should disregard payments made by the We Love Manchester Emergency Fund<sup>1</sup> and the London Emergencies Trust<sup>2</sup>. The comments in Appendix B should also be noted.

#### **4. Changes to be incorporated in the 2018/2019 Council Tax Support Scheme**

4.1. The 2018/2019 Council Tax Support scheme will be amended so the following payments are fully disregarded:

- 1.1.1. The new Bereavement Support Payment from the DWP,
- 1.1.2. Payments made by the We Love Manchester Emergency Fund<sup>1</sup>, and
- 1.1.3. Payments made by the London Emergencies Trust<sup>2</sup>

4.2 Members are asked to agree to recommend to Council that, in future years, delegated authority is given to the Leader, in consultation with the relevant Portfolio Holder and s151 Officer, to agree the draft Council Tax Support scheme to go out to public consultation.

4.3 Giving delegated authority will speed up the time it takes to agree the draft scheme before it goes to public consultation.

4.4 Arrangements for the agreement of the final CTS Scheme remain unchanged. The proposals will still be presented to the Corporate Performance Panel and Cabinet for recommendation to full Council.

#### **5. Other Options Considered**

5.1. The Council is able to adopt any scheme of CTS for its working age claimants. As CTS is now a discount rather than a benefit it reduces the Council Taxbase which impacts on the Council's income. The Council receives a CTS grant as part of its Formula Funding, although the actual amount for CTS is no longer identified separately by Central Government.

5.2. The Council could decide to adopt a CTS Scheme that is based on the national, more generous, scheme of CTS for pension age customers. The national scheme is based on the old scheme of Council Tax Benefit with no cuts to support for any group. However this scheme would not fit within the projections in the Financial Plan and alternative resources would need to be identified to fund the additional cost.

#### **6. Policy Implications**

6.1. The CTS Scheme for 2018/2019 is a continuation of an existing policy, updated to include wider welfare reform changes.

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<sup>1</sup> Following the Manchester Arena bombing in May 2017

<sup>2</sup> Helping those affected by terror attacks at Westminster, London Bridge, Finsbury Park and Parsons Green, and the Grenfell Tower fire

## **7. Financial Implications**

- 7.1. The funding for the CTS scheme is now rolled into the Council's RSG funding and is no longer identified separately by Central Government. There have been significant reductions in RSG since CTS was originally implemented in April 2013.
- 7.2. The taxbase figures in the Financial Plan 2016/2021 assume the CTS scheme, and the corresponding reduction in the taxbase, remain at the same level as 2017/2018 and that the taxbase will grow by 350 band D properties each year. The 2018/2019 proposed CTS scheme is in line with the assumptions included in the Financial Plan.
- 7.3. Any changes in the CTS scheme which increase costs will require funding or savings to be identified from other service areas.
- 7.4. The financial implications remain in line with the figures in the CPP report of 17 July 2017 and the Cabinet report of 6 September 2017. The proposed changes to disregard payments could see a slight increase in the cost of the CTS scheme, as these payments are no longer counted when working out a person's weekly income. However these cases are likely to be minimal and the CTS caseload continues to fall, reducing the overall cost of the scheme and absorbing any increases.
- 7.5. The Council could choose a CTS scheme that matches the national, more generous CTS scheme used for pension age people. However this would reduce the taxbase further and create a shortfall of around £100,000 a year for the Borough and Parish Councils. The shortfall for Norfolk County Council would be around £765,000 and £141,000 for the Norfolk Police and Crime Commissioner.
- 7.6. The Council will continue to pay a CTS grant to the affected parishes as detailed in the Financial Plan. The grant is paid in proportion to the cost of the CTS scheme for each Parish. The grant is reduced annually in line with the reduction in RSG.

## **8. Personnel Implications**

- 8.1. None

## **9. Statutory Considerations**

- 9.1. The Council is required to agree a CTS Scheme for the 2018/2019 financial year by 31 January 2018.

## **10. Equality Impact Assessment (EIA)**

- 10.1. A full Equality Impact Assessment was completed as part of the Cabinet Report for the 2017/2018 CTS Scheme and remains relevant for the 2018/2019 CTS scheme. As the changes for 2018/2019 are only minor a Pre Screening EIA has been completed and is attached at Appendix A.

## **11. Risk Management Implications**

- 11.1. The CTS scheme for 2018/2019 is designed to meet the taxbase projections as detailed in the Financial Plan 2016/2021 and to include the Government's wider programme of welfare reform. However any increases in demand, changes in the composition of the caseload, for example an increase in the number of pension age claimants, or unforeseen changes to other welfare benefits during the year could represent a financial risk by increasing the cost of the CTS scheme and reducing the taxbase further.
- 11.2. The impact of the CTS scheme is, and will continue to be, reviewed monthly and a half year update will be provided in the Members Bulletin.

## **12. Declarations of Interest / Dispensations Granted**

- 12.1. None

## **13. Background Papers**

- 13.1. None

**Appendix A: Pre-Screening Equality Impact Assessment**



Name of policy/service/function		<b>Local Council Tax Support Scheme 2018/2019</b>				
Is this a new or existing policy/service/function?		Continuation of, and updates to, an existing Policy				
Brief summary/description of the main aims of Policy being screened.  Please state if this policy/service is rigidly constrained by statutory obligations		Council Tax Support is a discount given to residents on a low income to help with the cost of their council tax bill. The council is free to agree its own local scheme for the discount for working age people.				
<b>Question</b>		<b>Answer</b>				
<p><b>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</b></p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>			Positive	Negative	Neutral	Unsure
		Age		√		
		Disability	√			
		Gender			√	
		Gender Re-assignment			√	
		Marriage/civil partnership			√	
		Pregnancy & maternity			√	
		Race			√	
		Religion or belief			√	
		Sexual orientation			√	
Other (eg low income)		√				
<b>Question</b>	<b>Answer</b>	<b>Comments</b>				
<b>2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?</b>	No					
<b>3. Could this policy/service be perceived as impacting on communities differently?</b>	No					
<b>4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?</b>	No	There are protections for those who have a disability, caring responsibilities, children under 5 or are pension age.				
<p><b>5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions?</b> If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section</p>	No	<b>Actions:</b>				
		<b>Actions agreed by EWG member:</b> .....				
<b>Assessment completed by: Name</b>		Joanne Stanton				
<b>Job title</b>		Revenues and Benefits Manager				
<b>Date</b>		26 October 2017				



## Appendix B – Council Tax Support 2018/2019 Consultation Responses

Question	Responses				Comments/Alternatives												
Should we keep the current Council Tax Support scheme?	<table border="1"> <thead> <tr> <th>Yes</th> <th>No</th> <th>Don't Know / Blank</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>4</td> <td>8</td> <td>3</td> <td>15</td> </tr> <tr> <td>27%</td> <td>53%</td> <td>20%</td> <td></td> </tr> </tbody> </table>	Yes	No	Don't Know / Blank	Total	4	8	3	15	27%	53%	20%					<p>'Should be in line with HB claims'</p> <p>'All the changes to Benefits need to be brought into "line ".'</p> <p>'There isn't enough help with this current scheme with low income families as it is anyway. Changes need to be made to help people who are struggling and are working as much as possible - the help shouldn't always go to people who are lazy and have no desire to work. Some priority should also go to British citizens, not just foreigners'.</p> <p>'Recent benefit changes have caused some undue financial hardship. What steps if any are the Council taking to minimise and/or avoid causing any further hardship by implementing new rules?'</p>
Yes	No	Don't Know / Blank	Total														
4	8	3	15														
27%	53%	20%															
Do you agree with disregarding the new Bereavement Support Payments?	<table border="1"> <thead> <tr> <th>Yes</th> <th>No</th> <th>Don't Know / Blank</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>13</td> <td>2</td> <td>0</td> <td>15</td> </tr> <tr> <td>87%</td> <td>13%</td> <td></td> <td></td> </tr> </tbody> </table>	Yes	No	Don't Know / Blank	Total	13	2	0	15	87%	13%						<p>'All income should be taken into account when assessing any and all benefits. It is incorrect to say there are no drawbacks - it could increase the overall cost of benefits paid'.</p>
Yes	No	Don't Know / Blank	Total														
13	2	0	15														
87%	13%																



<p>Do you agree with disregarding any payments made by the We Love Manchester Emergency Fund and the London Emergencies Trust?</p>	<table border="1"> <thead> <tr> <th>Yes</th> <th>No</th> <th>Don't Know / Blank</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>11</td> <td>2</td> <td>2</td> <td>15</td> </tr> <tr> <td>74%</td> <td>13%</td> <td>13%</td> <td></td> </tr> </tbody> </table>	Yes	No	Don't Know / Blank	Total	11	2	2	15	74%	13%	13%		<p>'All income should be taken into account when assessing any and all benefits. It is incorrect to say there are no drawbacks - it could increase the overall cost of benefits paid'.</p>															
Yes	No	Don't Know / Blank	Total																										
11	2	2	15																										
74%	13%	13%																											
<p>Do you think we should choose any of the following options rather than the proposed changes to the Council Tax Support scheme?</p>	<table border="1"> <thead> <tr> <th></th> <th>Yes</th> <th>No</th> <th>Don't Know/ Blank</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Not make the changes and use any savings for other Council services?</td> <td>6</td> <td>8</td> <td>1</td> <td>15</td> </tr> <tr> <td></td> <td>40%</td> <td>53%</td> <td>7%</td> <td></td> </tr> <tr> <td>Not make the changes and retain any savings for future use?</td> <td>3</td> <td>9</td> <td>3</td> <td>15</td> </tr> <tr> <td></td> <td>20%</td> <td>60%</td> <td>20%</td> <td></td> </tr> </tbody> </table>					Yes	No	Don't Know/ Blank	Total	Not make the changes and use any savings for other Council services?	6	8	1	15		40%	53%	7%		Not make the changes and retain any savings for future use?	3	9	3	15		20%	60%	20%	
	Yes	No	Don't Know/ Blank	Total																									
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	40%	53%	7%																										
Not make the changes and retain any savings for future use?	3	9	3	15																									
	20%	60%	20%																										
<p>If we were to choose these other options, what would be your order of preference?</p>	<table border="1"> <thead> <tr> <th></th> <th>1<sup>st</sup></th> <th>2<sup>nd</sup></th> <th>Don't Know/ Blank</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Not make the changes and use any savings for other Council services?</td> <td>10</td> <td>2</td> <td>3</td> <td>15</td> </tr> <tr> <td></td> <td>67%</td> <td>13%</td> <td>20%</td> <td></td> </tr> <tr> <td>Not make the changes and retain any savings for future use?</td> <td>2</td> <td>10</td> <td>3</td> <td></td> </tr> <tr> <td></td> <td>13%</td> <td>67%</td> <td>20%</td> <td></td> </tr> </tbody> </table>					1 <sup>st</sup>	2 <sup>nd</sup>	Don't Know/ Blank	Total	Not make the changes and use any savings for other Council services?	10	2	3	15		67%	13%	20%		Not make the changes and retain any savings for future use?	2	10	3			13%	67%	20%	
	1 <sup>st</sup>	2 <sup>nd</sup>	Don't Know/ Blank	Total																									
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<p>Any other comments on the scheme</p>	<p>‘Those who do not have savings/capital of £6,000 or more should be supported. If the systems changes to Housing Benefit means that these people will be worse off then the system needs to change to look after people more helpfully. All Benefits should be "lined up". This questionnaire does not have clear questions so some people will not follow the language or the meaning’.</p> <p>‘All benefits should be means tested, and all income taken into account. There should be no protected groups, i.e., the payment of a disability premium or child disability premium should not automatically disregard other income’.</p> <p>‘I think the proposed changes are fair and support them’.</p> <p>‘On the previous page there is a statement: ... "In the main, the changes will be cost neutral due to the continued reduction in scheme costs...". What is not clear from the information provided is why there is a continued reduction in scheme costs. Is it as simple as less people claiming under the scheme or are scheme costs reducing for some other unexplained reason?’</p>
<p>Other Options for the Council to consider</p>	<p>‘Any ideas of how to manage these changes that do not limit our communities from flourishing should be considered. Efficiencies should be implemented but not at the cost of withholding help for those who are living on lower incomes’.</p> <p>‘Help more low income families. If a household is on the wrong tax band - do not take the owed money by yourselves off the current bill, give the household the option to have a reduction in the bill or give them the cash back’.</p> <p>‘All recipients of Housing or Council Tax benefits should be financially reviewed every 12 months’.</p>

**Respondents**

	<b>Yes</b>	<b>No</b>	<b>Prefer Not To Say</b>	<b>Total</b>
In receipt of Council Tax Support	2	12	1	15

	<b>Male</b>	<b>Female</b>	<b>Prefer Not To Say</b>	<b>Total</b>
Gender	5	9	1	15

	<b>25-34</b>	<b>35-44</b>	<b>45-54</b>	<b>55-64</b>	<b>65-74</b>	<b>75-84</b>	<b>Prefer Not To Say</b>	<b>Total</b>
Age	1	3	3	5	2	0	1	15

	<b>Yes</b>	<b>No</b>	<b>Not Sure</b>	<b>Prefer Not To Say</b>	<b>Total</b>
Disability Limiting Day to Day Activities	3	11	0	1	15