

TELFORD & WREKIN COUNCIL

FULL COUNCIL 22nd November 2012

TITLE **Council Tax Support Scheme 2013/14**

REPORT OF **Angie Astley, Assistant Director: Customers & People**

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

- 1.1 The Government announced as part of the Spending Review in 2010, that it would localise support for Council Tax from 2013/14, with an expectation expenditure would be reduced by 10%.
- 1.2 This report outlines the background, options and recommendations, following robust consultation and engagement with key stakeholders for delivering a local Council Tax Support scheme for the Council from April 2013.

2. RECOMMENDATIONS

- 2.1 That Council approves the Council Tax Support scheme policy for 2013/14.
- 2.2 That Council approve the decision not to apply for the additional transitional funding for 2013/14.
- 2.3 That Council approves the principles of the Council Tax Support Exceptional Hardship Policy.
- 2.4 That Council consider and note the reports from the joint Co-Operative and Communities and Budget & Finance Scrutiny Committees (see Appendix A and B) recommending approval of the proposed Council Tax Support Scheme and recommendation 2.2. above not to apply for the additional transitional funding.
- 2.5 That Council note that the approval of this policy is dependent upon the approval of the recommendations regarding the empty property exemptions and charges that will be contained in the Setting of the Council Tax Base report presented to Cabinet January 2013
- 2.6 That Council delegate authority to the Benefit Service Delivery Manager to undertake all functions, except approval of policy, relating to Council Tax Support under the Local Government Finance Acts 1992 and 2012 and Regulations made there under and as amended.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	No	
	Will the proposals impact on specific groups of people?	
	Yes	<p>These proposals will impact on all current and future working age recipients of Council Tax Benefit/Council Tax Support and Council Tax payers who would receive an empty property discount.</p> <p>More information about how we are meeting the General equality Duty is available in the attached Community Impact Assessment provided at Appendix G.</p>
TARGET COMPLETION/DELIVERY DATE	<p>The Council Support Tax scheme has to be approved by full Council no later than 31st January 2013.</p> <p>The existing Council Tax Benefit scheme will cease on the 31st March 2013 and The Council Tax Support scheme will commence on the 1st April 2013.</p>	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	
<p>The Council currently administers the nationally prescribed council tax benefit scheme and receives a subsidy grant from the Department of Works and Pensions (DWP) in relation to benefits paid out, together with a grant towards the administrative costs of the scheme. The system is demand led i.e. an increase in eligible claimant's leads to increased council tax benefit being paid and increased subsidy grant received by local authorities. Spend on Council Tax Benefits in this area was £14.7m in 2011/12.</p> <p>As part of the 2010 Spending Review the Government announced that the current national Council Tax Benefit Scheme would be abolished and local authorities would be required to establish their own local Council Tax Support scheme by 31st January 2013, for implementation in April 2013. It was also announced that in making this change, the Government would cut the amount of grant paid to councils by 10%. Pension age claimants will be protected i.e. they will not experience a reduction in support as a result of these changes. Local Authorities have the freedom to design a scheme for working age claimants and to decide how to manage the impact of the reduction in funding.</p> <p>Council Tax Support is to be given as a council tax discount with funding being provided via Government Grant. However, the grant is to be distributed through the new business rates retention scheme (the Government's mechanism for providing revenue funding to Local Authorities), rather than being given as a separate identifiable grant so after the first year of the scheme we will not be able to identify how much grant we are receiving specifically for the new local support for council tax scheme. However, the amount of grant transferred into the business rates retention mechanism will only be 90% of the Government's forecast of the 2013/14 subsidy.</p>		

The Government's forecast has no allowance for inflation (i.e. assumes that no council will increase council tax) and is based on an assumption of reduced caseload volumes (2.3% reduction presumably due to an assumption that the economy is starting to grow). Our budget strategy includes assumptions for a 2.5% council tax increase over the medium term and local caseloads indicate a trend of around 2% pa increases. This, together with the likely impact on collection levels gives an estimated funding shortfall of £3.1m in 2013/14 (note final grant allocations will be updated by Government and therefore current estimates are only indicative).

Telford & Wrekin's proposed scheme proposes that the funding gap will be met through a combination of changes to council tax exemptions and discounts, which are detailed in the report, and by applying a percentage global reduction in support given to less-vulnerable claimants. Current estimates indicate that overall this will mean a reduction in council tax support of around 21% for working age, non-vulnerable claimants – this percentage will be confirmed when the local council tax support grant is confirmed by Government, which is not expected until the Local Government Finance Settlement is announced in December and council tax is set. It is also proposed that a one-off £0.065m is earmarked to award discretionary discounts in cases of extreme financial hardship and this has been included in the draft 13/14 budget strategy.

In October 2012 The Department for Communities and Local Government (DCLG) announced an additional £100m funding available for one year to support local authorities in developing their local council tax support schemes. Telford & Wrekin could apply for £336k of this transitional grant. Although this would reduce the initial funding gap to around £2.8m the limitations and criteria imposed to the design of the scheme would result in a funding shortfall in 2012/13 of around £0.680m which would have to be met from savings elsewhere across the Council. Further, as the funding is only one off the shortfall would increase to just over £1m in future years. Changing the proposed scheme at this late stage would also require further consultation which would also incur additional costs. The recommendation is therefore not to apply for the transitional grant funding.

The proposed scheme is likely to have an impact on council tax collection levels as some claimants who previously received 100% council tax benefit will in future receive council tax support of around 79% and they will have council tax to pay. Council tax is accounted for in the Collection Fund and any surpluses/deficits are shared between the billing authority and major precepting authorities. Collection levels will therefore need to be monitored closely in 13/14 as the financial risk is higher than previously.

The administration grant covers both council tax and housing benefits administration and we have received notification that this will be reduced by £0.110m to £1.4m in 13/14 which has been included in the draft 2013/14 budget strategy. The grant is likely to further reduce in future years as housing benefits transfer to Universal Credit which is to be administered by DWP.

DCLG have stated that funding will be made available to local authorities, under the principle of new burdens, for the administration costs of moving to local council tax support schemes and initial funding of £30m was made available nationally to assist local authorities with the change (circa. £0.080m for Billing Authorities).

LEGAL ISSUES	Yes	The legal implications are set out in the body of the report which details the risks if a Council Tax Support Scheme is not made in accordance with the Acts and Regulations made there under.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	
IMPACT ON SPECIFIC WARDS	No	Borough wide impact

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

4.1 Introduction and Background

- 4.1.1 The Government announced as part of the Spending Review in 2010, that it would localise support for Council Tax from 2013/14, with an expectation that expenditure would be reduced by 10%. The proposals will take place within the wider programme of welfare reform. The framework is established in the Local Government Finance Bill and will become law in November 2013.
- 4.1.2 In May 2012 the Government issued a consultation document on the funding arrangements for Localising Support for Council Tax and a “Statement of Intent”. This provided local authorities with the certainty over the Government’s proposals that were needed in order to construct a scheme and begin detailed and conversations with interested parties in their area and to undertake a formal consultation and engagement exercises prior to the publication of detailed regulations.
- 4.1.3 Councils will be required to establish local Council Tax Support (CTS) schemes to be implemented in April 2013. The Welfare Reform Act 2012 contains provisions for Council Tax Benefit in its current form to be abolished across the whole of Great Britain. The Welfare Reform Act also contains provisions regarding the introduction of Universal Credit which will impact on the future administration of Housing Benefit. Proposals are for a phased approach to the introduction of a new single welfare credit which includes a housing element from Autumn 2013 for working age claimants.
- 4.1.4 The reform of council tax support will be accompanied by a new cash-limited government grant to councils which will be taken into account in setting the Council Tax Base and when forming the CTS local schemes. The support will be in the form of discount shown on the Council Tax demand notice. Whilst the new regulations provide councils with flexibility to set up their own local arrangements, the Government has expressed a clear intention in relation to certain aspects of a local scheme. These include:
- For pensioners there should be no change in the current level of awards as a result of this reform. This includes both existing and new benefit claimants.
 - Councils should also consider ensuring support for other vulnerable groups
 - Local schemes should support work incentives and in particular avoid disincentives to move into work.

4.2 Establishing a Local Scheme

4.2.1 Every Billing Authority must introduce a local Council Tax Support scheme by 31 January 2013 otherwise a default scheme similar to the current Council Tax Benefit scheme will apply. A Council Tax Support scheme cannot be changed mid-financial year.

4.2.2 The CTS scheme must go through certain steps to comply with provisions in the Local Government Finance Act before it can be adopted by the Council, these are;

- Consultation with major precepting authorities (Police, Fire Service)
- Public Consultation

Consultation with the major precepting authorities (West Mercia Police and Shropshire Fire and Rescue Service) has been ongoing throughout the beginning of this process with various joint meetings with Section 151 Finance Officers, and the Assistant Director: Customer and People.

4.2.3 The Department for Communities and Local Government has issued a set of CTS scheme regulations that will apply to pension-age claimants. This is similar to the scheme for the current Council Tax Benefit so they will not be affected by the changes. Under the new scheme council tax support for pensioners will remain broadly as it is currently.

4.2.4 However, working age claimants will be affected by the localised Council Tax Support schemes and particularly the 10% reduction in the scheme funding. The 10% overall cut in funding actually equates to the equivalent of between a 20% and 30% cut in real terms for the working age group as we cannot reduce pensioners' current entitlement.

4.2.5 Failure to introduce a local scheme will result in the default scheme being imposed on the local authority. This would remove the ability to manage expenditure and design a scheme that meets local needs. The funding gap however would still be required to be found.

4.2.6 A requirement is placed on local authorities through statute to consider the needs of vulnerable groups when designing a local scheme. There are a number of key duties that councils should consider when looking at vulnerable groups. These include:

- i. Public Sector Equality Duty (Equality Act 2010)
- ii. Duty to mitigate the effects of child poverty (Child Poverty Act 2010)
- iii. The armed forces covenant
- iv. Duty to prevent homelessness (Housing Act 1996)

4.2.7 In addition to this, councils were asked by Government to consider how a local scheme can incentivise employment and make work pay.

4.2.8 Although the majority of the scheme for pension age customers will be specified by DCLG, there is one small area for local discretion. Within the current Council Tax Benefit scheme, local authorities can use their discretion to disregard the income derived from pensions and benefits paid in relation to employment in the armed services, however the Department for Work and Pensions do not subsidise any additional benefit paid out as a result.

Currently, all local authorities in the UK apply this discretion. The local policy for working age customers continues to apply this disregard in full, and it is also recommended that Council apply this discretion to the pension age customers.

4.3 Funding

4.3.1 As part of the localisation of support for council tax, the Government will no longer provide 100% funding of council tax benefits to local authorities under the current funding regime, but will instead provide a grant to billing and major precepting authorities. The consultation on funding, published on 17 May 2012, proposes that the level of funding will be based on past proportions of council tax benefit expenditure (i.e. per local authority billing area) and that these will be applied to a future projection for total national subsidised council tax benefit expenditure, made by the Office for Budget Responsibility (OBR). The consultation document provided exemplification of the funding distribution using the latest information available from 2010/11 data. This will be updated for final allocations using 2011/12 data.

4.3.2 In addition to the 10% reduction in funding nationally, the grant also contains a further reduction based on the forecast that claimant numbers will fall in future years as the economy and unemployment levels improve. In reality the number of customers claiming Council Tax Benefit in the Borough has been dramatically increasing year on year since 2008 and continues to rise sharply each month.

4.3.3 There are currently 18,465 households in the Borough receiving CTB, which represents 26% of all households. The total value of Council Tax Benefit paid out last year was £14,707,676, of which:

	Number	Percentage	CTB expenditure
Pensioners	7753	42%	£6.2 m
Working age	10712	58%	£8.5 m

Of the 10,712 working age claimants, approximately 8,100 receive full Council Tax Benefit and therefore pay no Council Tax at all.

4.3.4 The funding also makes no provision for future increases in Council Tax, including the 2.5% increase in Council Tax that was approved for 2012/13.

4.3.5 In calculating the potential funding gap that we may face in 2013/14, we have estimated an increase in claimant numbers of 2% per annum, and assumed a further 2.5% increase in Council Tax. Although Council Tax collection levels for

2011/12 were strong at 97.8% considering the economic climate we have also built in an contingency to manage the risk for 2013/14 that the funding reduction is likely to lead to higher level of payment defaults.

Potential Funding Shortfall	T&W	Police /Fire
	£m	£m
"10%" Government Funding Reduction - announced; (T&W includes Parishes impact)	1.5	0.3
Impact of inflation i.e. Council tax increases - 2.5% in 2012/13 and 2013/14	0.5	0.1
Impact of increased caseload - estimated at 2% p.a.	0.5	0.1
Impact of reduced collection	0.6	0.2
Total Estimated Shortfall	3.1	0.7
Note: grant based on 10/11 figures which will be updated in the Autumn; assumes no loss of admin grant; assumes Police & Fire deal with impact on them (via. Collection fund).		

- 4.3.6 Authorities will be paid a fixed grant to enable them to provide council tax support. The grant will be paid to billing and major precepting authorities in proportion to their share of the council tax. The grant will be used to reduce their council tax requirement and help offset the reduction in the council tax base (as the new scheme is a discount it will reduce the Council's council tax base).
- 4.3.7 The funding is currently paid by way of a subsidy from the Department for Work and Pensions for the amount of Council Tax Benefit awarded and is demand-led. Future grant is not demand-led but cash-limited. This introduces new risks because future demand for Council Tax Support will now have to be funded by councils as demand rises and falls within the financial year. The DCLG grant will become part of the Local Government Financial Settlement announced each Autumn. Risk-sharing needs to be considered with our major preceptors and other billing authorities to ensure the funding gap can be covered.
- 4.3.8 Financial modelling has identified that the estimated total funding gap for Telford & Wrekin in 2013/14 is approximately £3.1 million; however there are many variables that will affect the actual deficit.
- 4.3.9 The options to fund this gap include;
- Reduce the level of Council Tax Support to working age claimants
 - Increase income through the new discretions for Council Tax exemptions
 - Increase Council Tax
 - Fund the deficit from elsewhere within Council budgets
 - A combination of the above

4.4 Changes to Council Tax Discounts and Exemptions

4.4.1 The Government proposes to allow billing authorities' greater discretion over applying discounts and exemptions for certain categories of property from April 2013. These changes to discounts and exemptions also support our wish to see vacant homes within the Borough reduced

4.4.2 In keeping with the Council's desire to encourage vacant properties back into use, the proposal is to maximise additional revenue using these technical reforms to Council Tax with the following changes:

- Reduce the Class A exemption to a 0% discount for the whole period
- Reduce the Class C exemption to a 0% discount for the whole period
- Introduce a 'premium' to charge 150% on dwellings left empty and unoccupied for more than 2 years
- Reduce the second homes discount from 10% to 0%

A Class A exemption is awarded where a property is unfurnished and needs major repairs or is undergoing structural alterations to make it habitable (for up to 12 months only)

A Class C exemption is awarded where a property is unoccupied and unfurnished

4.4.3 There are a number of further empty property related exemptions which we do not have the discretion to alter, a summary of these is provided at Appendix C.

4.4.4 The estimated revenue that could be generated from these changes in 2013/14 amounts to £1.2 million which we recommend should be used to reduce the funding deficit within the Council Tax Support grant.

4.4.5 Formal approval for the changes to these discounts and exemptions will be sought from full Council in January 2013 when it is presented with Setting of the Council Tax Base report in January 2013.

4.5 Proposals for a local Council Tax Support Scheme

4.5.1 The funding shortfall for this Council after deducting the expected revenue from implementing the technical changes to Council Tax is approximately £1.9m.

4.5.2 For all working age claimants, Telford & Wrekin Council has considered the option of continuing the existing national Council Tax Benefit scheme rules and the impact of funding this by finding savings elsewhere within its budget, principally by making cuts to other services. However, with the budget pressures that we are already anticipating for next year, we are proposing to meet the deficit in government funding through reductions within the Council Tax Support scheme.

4.5.3 The Council has been guided by a number of key principles outlined from 4.5.5 onwards. Our proposed scheme is broadly based on the current Council Tax

Benefit scheme for working age claimants with a number of variations to meet the reduction in funding.

4.5.4 It is important to note that the scheme can be reviewed and amended on an annual basis as required. Any review of the scheme for year two and later years will need to take into account under or over achievement of the associated financial impact, changes to the claimant caseload, the management and numbers of Council Tax accounts.

4.5.5 **Principal 1 - The cut in funding should not mean cuts to other Council services**

If the Council kept the current Council Tax Benefit scheme it would need to fund the extra cost itself by cutting other Council services, however the new working age local Council Tax Support scheme for Telford & Wrekin should address the full funding cut.

4.5.6 **Principle 2 - The impact of the cut should be shared equally across all working age claimants**

The Council will seek to spread the impact of this Government cut as fairly as possible.

Current Council Tax Benefit rules mean that working age claimants who are in receipt of Income Support, Jobseekers Allowance (income based), Employment Support Allowance (income related) and other claimants with an income below the required level for their basic living needs generally receive 100% Council Tax Benefit and therefore do not pay any Council Tax.

Under the proposed T&W scheme, all working age claimants including those in receipt of the benefits listed above (unless they are defined as vulnerable) will be required to pay a contribution towards their Council Tax.

4.5.7 **Principal 3 - Vulnerable claimants should be protected from changes**

We intend to define severely disabled claimants as vulnerable and protect their payments. The Council recognises that severely disabled claimants often face additional challenges that affect their income and capacity to pay Council Tax through higher disability related living costs and in some cases, a limited ability to work

4.5.8 **Principal 4 - The needs of those with children or caring responsibilities should be recognised**

The Council has recognised the needs of claimants with children and caring responsibilities and will continue to include all of the specific features of the Council Tax Benefit scheme that are aimed at benefiting families or claimants with childcare and caring responsibilities. However the overall reduction in funding will still apply to those claimants not classified as vulnerable.

4.5.8 **Principle 5 - The new scheme should not discourage claimants from retaining or starting low paid employment**

All of the current features of the scheme that are intended to give specific incentives to those Council Tax Benefit claimants that are in employment, or are considering taking on employment, will be retained. This is to ensure that our scheme supports the concept that 'work pays'.

4.5.9 The full Council Tax Support policy for Telford & Wrekin Council, known as the "Council Tax Reduction Scheme Policy under S13a (s) and Schedule 1a of the Local Government Finance Act 1992" is provided at Appendix D. This policy sets out the detail of the scheme that will be operated by the Council in 2013/14.

4.5.10 For the most part, our local scheme follows the same basic rules of the default national scheme, with a number of key differences which follow the 5 main principals. These are:

- Customers who meet the specific definition of severe disability contained within the policy will be protected from any reduction in benefit. This will also apply to customers who meet the criteria for receiving a war compensation related benefit or pension.
- Customers who have in excess of £6000 in capital will not be entitled to Council tax Support. The current Council Tax Benefit scheme has an absolute cap of £16,000, but any capital between £6000 and £16,000 reduce the amount of benefit paid to the customer. The first £6000 will however continue to be disregarded in full.
- The maximum period that an award of Council Tax Support can be backdated will be reduced from the current 6 months, to 1 calendar month from the date of the application.
- At present, if you are the only person in your household liable to pay Council Tax, but another adult in your household has a low income, you may be able to receive Council Tax Benefit of up to 25%. This can be paid regardless of the relative prosperity of the Tax Payer. This benefit, known as Second Adult Rebate will be removed in our local scheme.
- Some customers already receive relatively low levels of Council Tax Benefit as the means test calculation assesses them as being able to pay a proportion of their Council Tax. We intend to introduce a minimum award of £2.50 a week, removing payment to those claimants that only qualify for relatively small amounts of rebate.

4.5.11 The overall effect of removing the empty property discounts, introducing a lower capital level, restricting backdating, removing second adult rebate and introducing a minimum weekly award is to enable us to keep the reduction in benefit for most working age customers to around 21 – 25%, as opposed to up to 30% if we were not to introduce these changes.

4.5.12 The final calculation of the percentage reduction in Council Tax Support for non-vulnerable working age customers will not be able to be undertaken until the Council Tax is set for 2013/14. Therefore the Council Tax Setting report that will be presented to full Council in March will contain the final percentage reduction figure for approval.

4.5.13 To mitigate some of the impact of this scheme, the Council will develop a Council Tax Support Exceptional Hardship Fund to support vulnerable residents with extreme hardship arising as a result of the reduction in Council Tax Support.

4.5.14 We intend to set aside a sum of £65,000 for 2013/14 from which to award these discretionary payments. The general principals of the scheme are provided at Appendix E, however a more detailed report outlining specific entitlement criteria for the fund will be presented to a future Cabinet meeting before the scheme commences.

4.6 Transitional Funding

4.6.1 On the 19th October the Department for Communities and Local Government released details of a further £100m of transitional funding available to Local Authorities for the funding of their Council Tax Support schemes in 2013/14.

4.6.2 Authorities can make an application for additional funding after 31st January 2013. However, if the additional funding is granted, DCLG will place a number of further limitations on the design of the local scheme.

4.6.3 The additional funding we could apply for would total £336k. This would reduce our funding gap to around £2.8 million. However, in designing our scheme for working age customers, the following limitations would have to be applied.

- We would be unable to reduce the benefit entitlement of customers who currently pay no Council Tax at all by more than 8.5%. Therefore from those 8,753 customers we would only be able to collect an additional £542k (8.5% reduction in CTB).
- For working age customers who are not receiving full benefit, we cannot increase the earnings taper by more than 25%. The taper is the amount of additional Council Tax Benefit they receive as a percentage of the income that they receive above their basic means tested level. Within our local scheme we are intending to retain the existing taper level of 20% to ensure that we did not create a work disincentive. If we were to increase the taper to the maximum this transitional funding allows, we could collect an additional £189k in Council Tax from these customers to help offset the deficit, however this is not included in our proposed new scheme.

- We would have to ensure that our calculation of Council Tax Support was based on 100% of Council Tax liability.
- We could not dramatically increase non-dependant deductions (our scheme proposes no change to non-dependant deductions)
- If we decide to apply for this additional funding and modify our scheme, the government has advised that we would have to re-consult on our revised scheme. As this additional offer was only received during the final week of our consultation exercise, accepting it would add a further delay and impact on our implementation deadline of 1st April 2013.

4.6.4 If we leave the other elements of our proposal unchanged, i.e. protection of severely disabled customers, removal of empty property discounts, limiting capital and backdating, then the overall effect of this is that the funding gap in our Council Tax Support scheme for 2013/14 would be £679k which we would **not** be able to pass on to Council Tax Benefit claimants by further reductions to their benefit.

4.6.5 This would effectively leave the Council with an increase of an estimated £679k in its overall budget deficit for the first year, however it is clear that this additional grant is only for the first year and we would have to revisit the issue of the larger funding gap of over £1m for 2014/15.

4.7 Consultation

4.7.1 A formal consultation on the proposals with residents and stakeholders took place between the 28th August 2012 and the 26th October 2012. They were asked to comment on the proposals through a number of channels.

- A special edition of Your Voice was sent to every home in the Borough
- All key stakeholders and a significant number of landlords were written to directly
- A survey was available both online and paper copies, to which 308 responses were received
- A public engagement event was held at civic offices
- Conversation and feedback was encouraged on Twitter
- People were invited to send additional comments via post or email to the Council
- A stakeholder consultation event was held to encourage stakeholders to complete the questionnaire or respond formally to the consultation

- 4.7.2 An executive summary of the result of the consultation are provided at Appendix F.
- 4.7.3 All of the five principals of the scheme were supported by the majority of respondents.
- 4.7.4 All of the nine detailed features of the scheme were supported by the majority of respondents, with the proposals regarding the empty property discounts and charges gaining the most support.
- 4.7.5 The proposal was also reviewed by the joint Co-Operative and Communities and Budget & Finance Scrutiny Committees. Their response to the consultation is provided at Appendix A, but in essence, having considered the proposal and a range of alternative options they have recommended the proposal as fairest and best possible under the circumstances.
- 4.7.6 The scrutiny committees also considered the offer of the transitional funding from the Department for Community and Local Government. Their response is provided at Appendix B and in summary is that the transitional funding should not be applied for.

4.9 Review of the scheme

- 4.9.1 The Council expects to review the scheme for 2014 following on from the first year of implementation. The Council will be learning from its operation of the new scheme and from wider welfare reform changes. with the objective of being able to improve and tailor the level of support to reflect the level of funding provided by the government through minor changes to the rules of entitlement and assessment. New software is also likely to cater for additional options that cannot be delivered in the first year of the scheme and this may facilitate changes to the scheme that have been identified as desirable but at this stage are not able to be implemented due to constraints both in time and technology

5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

- 5.1 These proposals will impact on all current and future working age recipients of Council Tax Benefit/Council Tax Support and Council Tax payers who would receive an empty property discount.
- 5.2 The engagement activities have also identified that additional consideration should be given to those with limited financial management skills, mental health problems and anxiety in completing forms.
- 5.3 Mitigating actions include:-
- Provision of an Exceptional Hardship Fund
 - Protection for those customers deemed as “vulnerable” which will include severely disabled people

- Maintenance of core aspects of the current means tested scheme that provides additional assistance where there are dependants, disability and caring responsibilities.
- Close monitoring of the scheme throughout the first year to ensure unanticipated implications and effects are reviewed and addressed.

A full Community Impact Assessment is included at Appendix G

6. PREVIOUS MINUTES

None

7. BACKGROUND PAPERS

Appendix A – Response from Scrutiny to the consultation

Appendix B – Response from Scrutiny to the transitional grant

Appendix C – Summary of empty property related Council Tax exemptions and discounts

Appendix D - Council Tax Reduction Scheme Policy under S13a (s) and Schedule 1a of the Local Government Finance Act 1992

Appendix E – Council Tax Support Exceptional Hardship Fund Principals

Appendix F – Executive Summary of Council Tax Support consultation analysis

Appendix G – Community Impact Assessment

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