

Agenda Item No: 9
Report To: Cabinet
Date of Meeting: 8 December 2016



Report Title: Local Council Tax Reduction Scheme – Recommended scheme, post public consultation
Report Author & Job Title: Ben Lockwood, Head of Finance
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– On behalf of the Council Tax & Welfare Reform Task Group
Portfolio Holder: Cllr Shorter
Portfolio Holder for: Portfolio Holder for Finance & Budget, Resource Management and Procurement

Summary: Following Cabinet's agreement in May to a draft council tax support scheme and a 12 week period of public consultation, this report brings forward final recommendations for the scheme that will operate from 1st April.

Once agreed the scheme will then be subject to extensive communication with current council tax benefit claimants to inform them about the implications from next year. The consultation period generated a disappointing response rate however the findings are reported within the various appendices to this report. The task Group has considered the consultation and as a result of the feedback has influenced the proposals for a revised scheme that are detailed in this report.

Key Decision: YES

Significantly Affected Wards: All – None specifically

Recommendations: **The Cabinet is recommended to:-**

I. Note the outcome of the public consultation process

The Cabinet is recommended to Council:-

II. to amend the Local Council Tax Reduction Scheme as outlined in the report.

III. that delegated authority be issued to the Head of Finance, in consultation with the Portfolio Holder and the Leader, to make any adjustments to the final scheme by 31st January 2017

Policy Overview: The Government requires all billing councils to Implement a localised council tax support scheme.

Cabinet in May received recommendations from a member task group for a draft scheme which has been subject to extensive public consultation on which this report is developed.

Financial Implications:

The cost of awards made under CTRS impact on the declared tax base and thereby the council tax yield. If the cost of awards were to be reduced, this would mean that the Council's tax base could increase and overall council tax income could increase. Any increase to council tax income is shared through the Collection Fund with major preceptors.

Legal Implications

The legislative framework for council tax reduction schemes is contained within the Local Government Finance Act 2012.

The Council has a statutory duty to consult on a proposed scheme. Case-law has determined the guiding principles for fair consultation, which we have followed.

Regard was made to the rules around consultation laid out through the Supreme Court Ruling in the case of R (on the application of Moseley) v London Borough of Haringey (2014) and in particular, the need to set out alternative choices within the consultation.

Equalities Impact Assessment

See Attached - 29. Could members please note that the scheme, together with all supporting papers, Equality Impact Assessments etc. must be considered before making any decision on the scheme.

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Report Title: Local Council Tax Reduction Scheme – Recommended scheme, post public consultation

Introduction and Background

1. Local Council Tax reduction Schemes (LCTRS) were introduced in April 2013 when government abolished the old system of Council Tax Benefit and replaced this with a locally agreed discount scheme.
2. Government transferred 90% of the cost of Council Tax Benefit to Local Government and required billing authorities like Ashford Borough Council to establish their own schemes that maintained protection to the elderly and most vulnerable whilst providing an incentive to work.
3. After an extensive consultation process the Council adopted a variation of the Kent scheme. This scheme was a ‘benefits’ based means tested scheme and has been in operation of the last 3 years.
4. As reported to Cabinet in June the major precepting authorities have requested that the scheme be reviewed to ensure that it is still appropriate and seek to reduce the cost of the scheme due to the reductions in government funding. This report launched a 12 week consultation process and this report contains the results of the consultation process and makes recommendations for the final scheme design.

Scheme approved for consultation

5. The underlying principles of the review of the scheme are that in order to meet the challenges of funding pressures the overall cost of the scheme should be reduced. However it is important that work incentives are preserved, the scheme is fair and transparent and avoids disproportionate administration.
6. In May it was considered appropriate for a menu of options for amending the existing scheme to be consulted upon. It was decided that the Council **should not** seek to make any changes to the level of protection offered to the disabled (and their carers) or changes to income disregarded.
7. However the group felt that it would be appropriate to seek views on the following options:

<p>1. Increase the minimum % payable</p>	<p>The current scheme requires a minimum payment of 5% deduction for disabled claimants & claimants caring for the disabled with all non-pensioner claimants making a minimum payment of 10% towards their council tax bill.</p> <p>Level of contribution varies significantly over the country. 76 councils having a nil contribution rate with 52 schemes having rates over 20%.</p> <p>Medway Council will be highest in Kent at 35% for 2016/17.</p> <p>Evidence there is a “tipping point” somewhere between 20% and 25% after which collection rates are affected</p>
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		<p>significantly. 'Tipping point' severely affects applicants on low or fixed incomes particularly single persons and couples with no dependants. Increasing the minimum % that a working age claimant needs to pay beyond a "tipping point" could be counter-productive and unrealistic.</p> <p><i>Consider option of increasing minimum % to between 10-20%</i></p>
2.	Introduce maximum Council Tax band level within scheme	<p>Any claimant living in a property with a higher Band that is set within the scheme would be limited to that band as far as any CTR support is concerned. For example, if maximum level is set at Band D, a claimant from house banded E,F,G or H would be limited in support they receive to equivalent of Band D.</p> <p>A number of authorities have adopted this option with the banding that is used ranging from a band D to as low as a band A. Within Kent, Band D would seem more appropriate as making this too low could disadvantage larger families.</p> <p><i>Consider option of introducing a maximum band cap at Band D</i></p>
3.	Remove Second Adult Rebate	<p>A taxpayer can presently apply for up to 25% reduction on their liability when an adult moves into their home who is on a low income. The applicant would lose their single person discount but could apply for this reduction instead. The reduction is assessed on the income of the second adult and not that of the taxpayer who could have any level of income or capital.</p> <p>This has been removed in a number of authorities across the country and in East Kent. There is a limited number of cases in ABC so impact would be small.</p> <p><i>Consider option of removing Second Adult Rebate</i></p>
4.	Reduce Capital limit	<p>Currently claimants are allowed to have capital (excluding property) of up to £16,000 and still be eligible to claim. This limit could be reduced and it is suggested that this should be reduced to £6,000 or roughly 4 years' worth of council tax. Used in a number of schemes around the country and is relatively simple to administer and is compliant with the system. This will have the effect of removing the entitlement of some claimants.</p> <p><i>Consider option of reducing capital limit to £6,000</i></p>
5.	Introduce changes to non-dependant charges	<p>Introduce a standard charge for non-dependants who live in a property. Currently, non-dependant deductions can vary from £0.00 to £11.45 depending on level of income. A standard charge would be easier to administer and could contribute to savings within the scheme. Suggestion from group is £10 per week.</p> <p><i>Consider option of introducing a standard of £10 per week</i></p>

		<i>for non-dependant deduction</i>
6.	Introduce Minimum income floor for self - employed claimants	<p>Currently self-employed claimants are asked to declare their own level of income, and it is not unheard of for it to be declared as nil (or close to nil) after taking into account expenses. Claims are difficult to administer and challenging self-declared income levels can be protracted and time consuming.</p> <p>The Universal Credit (UC) assessment criteria includes a clause whereby a self-employed claimant is allowed to declare nil income in their first year of operation and then after that initial period to establish the business they are then assessed at either their declared income or at a minimum income floor calculated at 35 hours per week times the Statutory National Living Wage. It may be necessary to consider an alternative for people who are unable to work full time (primarily single parents with young children).</p> <p><i>Consider introducing a minimum income floor for self-employed claimants (after a start-up period of one year) based upon the Statutory National Living Wage at 35 hours per week for full time or 16 hours a week for part-time workers</i></p> <p><i>[Note – The System will need some modification to achieve this. If this is not possible an amendment to the scheme will need to be made before 31 January 2017]</i></p>
7.	Align Scheme with HB and Pension Age CTR changes	<p>Central Government has announced significant changes to HB including the removal of certain premiums, a limitation on the number of dependants that can be included in the calculation, and the limiting of backdating.</p> <p>If we are to retain a scheme similar to the current one, it will be important to ensure it is aligned with HB as far as possible to aid understanding as well as efficiency of processing. These changes will form part of the prescribed requirements for the Pension Age CTR scheme.</p> <p><i>Consider option of aligning regulations of ‘base’ CTR scheme with HB and (prescribed) Pension Age CTR scheme</i></p>

8. Conscious of the potential that these changes would have to impact upon the most vulnerable residents, it was recommended that the Council consult on the introduction of an exceptional hardship scheme to provide a ‘safety net’ within the scheme.
9. A combination of some, or all, of these possible options may be required in order to achieve the objective of reducing overall costs.

The Consultation Process

10. Between 6th June and 29th August 2016 the council consulted extensively. A summary version of the council's approach for 2017-18, as well as a more detailed version, was produced offering people an at-a-glance guide to the proposals. Hard copies were available on request. However, each directly affected claimant received a hard copy of the summary version and a covering letter through the post, along with contact details for the finance team and links to the more detailed document and frequently asked questions.
11. As part of the Process the Council wrote directly to:
 - i. 3,000 council tax support claimants who would be directly affected by the proposals
 - ii. 1,500 households, selected at random, who are not in receipt of council tax support, to obtain an objective view, potentially from both sides of the debate
 - iii. The other organisations to which residents pay council tax (known as preceptors – Kent County Council, Kent Police and Crime Commissioner, Kent Fire and Rescue Service and parish councils, for those residents living in a parished area)
 - iv. Relevant charitable organisations
 - v. Local housing associations
12. The consultation was also publicised through the local media, the council's own publications such as Ashford Voice, and the council's website (www.ashford.gov.uk) and social media sites. Media releases were issued when Cabinet members agreed to consult on a revised scheme, at the beginning of the consultation period and during the consultation itself, highlighting the most keenly debated topics raised. Consistent with when welfare reform was implemented, local papers did cover the releases but in a low-key way. They had previously indicated that they did not feel that welfare reform was a major concern of their readership.
13. The council did not write to pensioners who currently receive council tax benefit as the government had stated that they had to be fully protected.

Consultation Results

14. A total of 173 responses (a mix of online submissions and hard copies that were then carefully entered into the system by finance officers) were received. This means that of all the people who were contacted directly about the consultation, through a direct email or letter (4,500), 3.84% responded. The number of responses fell short of what the council had hoped to achieve – with a minimum of 300 being the goal. It is felt that a combination of factors are attributable to this lower response rate – from welfare reform per se having a much lower profile in the national media, to the existing scheme working so well and not having the profile of more contentious issues at the moment.
15. The responses that were made during the consultation period are attached to this report in an Output Report at **Appendix A**. In summary the results support the proposed changes.

Responding to the Consultation - Task Group Recommendation

16. The Council Tax and Welfare Reform Task Group met to review the detailed response to the consultation and consider any amendments to the proposed scheme.
17. There are 3 changes proposed to the scheme that was consulted upon.
 - i. The contribution rate is proposed to be 17.5%, The consultation proposed a maximum of 20% and the Task Group wanted to manage concerns over the affordability of the changes.
 - ii. The consultation proposed that claimants would be allowed savings of £6,000 before this removed entitlement to this discount. In response to the consultation the task group felt that the reduction from the current level of £16,000 was too great and recommended a revision to £10,000.
 - iii. The task group wanted to bring the banding cap into alignment with Housing Benefit giving a 13 week grace period to claimants, limited to:

those that have become unemployed (subject to having been in employment for at least 52 weeks previously and not claimed CTR in this period) (the being employed for the last 52 weeks isn't a condition under the HB Regs – they just need to have not claimed HB in the past 12 months & could have afforded the tenancy prior to their circs changing)

or

Bereavement of a member of the household within 12 months (the protection in the case of bereavement lasts for 12 months under HB Regs, not 13 weeks as we are proposing for LCTRS)

before the band cap is triggered.
18. **Therefore it is proposed to maintain the existing scheme with the following amendments:**
 - a. **Increase the contribution rate for working age claimants to 17.5%**
 - b. **Introduce a maximum band cap at Band D amended for iii above.**
 - c. **Removal of the Second Adult Rebate**
 - d. **reducing capital limit to £10,000**
 - e. **introduce a standard of £10 per week for non-dependant deduction**
 - f. **introduce a minimum income floor for self-employed claimants (after a start-up period of one year) based upon the Statutory National Living Wage at 35 hours per week for full time or 16 hours a week for part-time workers**
 - g. **maintain the alignment of the of 'base' CTR scheme with the with Housing Benefit and (prescribed) Pension Age CTR scheme**
 - h. **introduce an exceptional hardship scheme As detailed in Appendix B**

Financial Implications

19. The changes proposed will have the effect of reducing the overall cost of the scheme which will benefit all precepting authorities. Ashford's share of the total Council Tax bill is circa 10%.
20. Given the inter-relationship between the changes it is difficult to quantify the exact impact they will have on the overall cost of the scheme. However in headline figures it is forecast that the cost of the scheme will reduce from £7.1m to £6.6m.

Position of the Major Preceptors

21. The major preceptors have agreed to continue the provision of funding for the administration of the scheme. Under the previous arrangement each Kent District Council received £125,000 from the preceptors at a total cost of £1.5m. KCC have been keen to drive savings in this grant however it has been argued that the changes proposed will increase the workload in billing authorities and as the principle beneficiary of any reduction in the cost of the scheme they have agreed to keep the funding at the current levels providing that districts agree schemes that meet the following criteria.
 - Removing the work related activity within ESA for new applicants
 - Reduce backdating from 6 months to 1 month
 - Limit council tax discounts to 4 weeks for eligible applicants absent from UK
 - Remove the family premium
 - Limit dependent children additions to the first 2 children only
22. The proposed scheme complies with this.
23. There has been some discussion over the distribution of the funding with some districts arguing that the funding should be allocated on a 'per claimant' basis as workloads are vastly different over the county. As a compromise it has been agreed that each district receives a fixed element of funding (£70,000) with the balance distributed on a 'per-claimant' basis. Under this basis the Council would receive a grant of £118,300 a small reduction over the current scheme.
24. KCC have also agreed to allocate £0.5m of funding to districts that introduce schemes that go beyond the level expected, which the proposed scheme does so the Council can stand to benefit from this arrangement but the allocation methodology is still being developed.

Implications and Risk Assessment

25. The reduction scheme could be open to challenge if it were considered that we had not consulted properly those who have an interest in the operation of the scheme. However, I believe that our 12 week consultation process has been robust.
26. As Members are aware, some of the options consulted upon were intended to align Council Tax Reduction with the administration of Housing Benefit. During the meeting, taking into account the consultation responses and the Equality Impact Assessment, Cabinet will determine whether to recommend that these 'alignments' are made.
27. Within this context, it is worth noting that, at the present time, the following changes have yet to be made within the Housing Benefit scheme but regulations are expected before the 1st April 2017:

- a. The limitation of dependents additions to two dependants where a third or subsequent child is born on or after 1st April 2017 (HB and Tax Credits are due to be changed from April 2017); and
 - b. The removal of the Work Related Activity Component for all new Employment and Support Allowance applicants on or after 1st April 2017
28. In the unlikely event that these changes are not effected by Central Government by 1st April 2017, Members could resolve to amend the Council Tax Reduction Scheme from April 2018 (should this be an option Members wish to pursue).

Equalities Impact Assessment

29. ***Could members please note that the scheme, together with all supporting papers, Equality Impact Assessments etc. must be considered before making any decision on the scheme.***
30. Decision-makers are reminded of the requirement under the Public Sector Equality Duty (s149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups.
31. The decisions recommended through this paper directly impact on end users. The impact has been analysed and varies between groups of people. Claimant data is based on the lead applicant so the actual impacts will also depend on household composition. Households may consist of single claimants or those with partners. Where there is a partner present, any protected characteristic of the partner has not been included in the impact assessment.
32. The potential impacts need to be considered against the potential savings to the Council and the criteria for the exceptional hardship scheme will need to be considered in order to alleviate any disproportionate impacts of any options. This is discussed in more detail in the attached Assessment at **Appendix C**

Next Steps in Process

33. Once the scheme is agreed this will need to be communicated to claimants and a Communications plan has been drafted and is attached at **Appendix D**.
34. The proposal is for two income floors (one full-time, one part-time) but we are currently awaiting confirmation from the software supplier this can be done. In the event that this is not possible it is recommended that the scheme be implemented with a single floor at the part time level, while work is continued to develop a solution within the software. To allow this to happen authority will be delegated to the Head of Finance in consultation with the portfolio holder and leader to make amendments to the scheme before 31 January 2017.
35. The tax base that is elsewhere on the agenda has been prepared using assumptions that this scheme is approved. This will then feed into the draft budget.

Conclusion

36. The outcome of the public consultation broadly supports the proposed scheme however the Task Group have proposed some modifications to the scheme which cabinet are asked to support.

Portfolio Holder's Views

- 37.
- 38.

Contact and Email

- 39.
- 40.

Council tax support consultation 2017-18 – output report for our residents**Introduction**

In June 2016, we told you that we were conducting a wide-ranging review of our localised council tax support scheme.

The existing scheme has been in place, with some minor changes, since council tax support was introduced in 2013. Now, all other local authorities in Kent have been asked to undertake a comprehensive review of their scheme so that the money available to fund the services that are provided to you by all public serving organisations stretches further.

The revised council tax support scheme must be in place and ready to begin on 1st April 2017 and, having discussed many potential options open to the council, we put forward a proposal for a revised version of the local council tax support system.

Between 6th June and 29th August 2016 the council sought the views of residents and groups and advised you what we had already determined and where we were open to change – ie where you could influence the final version of the scheme for the 2017-18 financial year.

The literature that was produced as part of the consultation is still available to view on www.ashford.gov.uk/counciltaxsupport.

The results and comments that were made during the consultation period are being analysed and a report will be presented to the council's Cabinet members (senior councillors) on 8th December, when they will consider the outcomes of the consultation and will make recommendations that will need to be determined by all council members on 15th December, ahead of the revised system being implemented on 1st April 2017.

Who we contacted

We wrote directly to:

- 3,000 council tax support claimants who would be directly affected by the proposals
- 1,500 households, selected at random, who are not in receipt of council tax support
- We contacted the other organisations to which you pay your council tax (known as preceptors – Kent County Council, Kent Police and Crime Commissioner, Kent Fire and Rescue Service and parish councils, should you live in a parished area)
- Relevant charitable organisations

We also publicised the consultation through the local media, the council's own publications such as Ashford Voice, and the council's website (www.ashford.gov.uk) and social media sites.

All borough councillors and all council staff, many of whom are residents, were also made aware of the consultation and were asked to talk to friends and relatives who may be affected by, or indeed have a view on, the proposed changes.

Consultation results

The results of the consultation are detailed below, so that you can also see the raw data that our councillors will be presented with as they look at the outcomes and assess the way forward.

A total of 173 responses were received. This means that of all the people who were contacted directly about the consultation, through a direct email or letter (4,500), 3.84% responded.

The results to the consultation are detailed below in the following order:

- The responses to the eight questions set are listed in order, with a breakdown of how certain individuals and groups responded

- The answers given to the final free-text response question have all been read and appear here grouped into some themes that emerged during the consultation process. The main themes are:
 - Discussion about the self-employed question and the fairness of presuming the hours worked and revenue earned by self-employed claimants
 - The drop in savings proposed from £16,000 to £6,000 being too severe – certainly in one go – a smaller reduction or a phased reduction were discussed by some of the consultation respondents
 - The fairness of the system in general
 - The difficulty that some people will have in paying any additional amount towards their council tax bills
- The responses of groups and stakeholders are included as an appendix

Question 1

Have you read and understood the information presented to you about the revisions that need to be considered for Ashford Borough Council's council tax support scheme for the financial year 2017-18?

- **Yes** **99% (171)**
- **No** **1% (2)**

Q1 – Have you read consultation literature?	Yes	%	No	%	Total
I am a council tax support claimant	55	100%	0	0%	55
I am a landlord	1	100%	0	0%	1
I am responding on behalf of a parish council	1	100%	0	0%	1
I am not a council tax support claimant	89	98.8%	1	1.2%	90
Did not specify their personal circumstances	25	96.1%	1	3.9%	26
Total	171	99%	2	1%	173

How to read the table:

- 98.8% of respondents who pay council tax but do not receive council tax support confirmed they had read the consultation literature
- 100% of respondents who receive council tax support confirmed they had read the consultation literature

Question 2

Currently, working age claimants in receipt of council tax support are asked to pay a minimum of 10% towards their council tax. Under the proposed revised scheme working-age claimants (not receiving a disability benefit premium) would be asked to contribute a minimum of between 10% and 20%. Do you agree that it is reasonable to ask these working-age claimants not living with a disability to pay up to 20% towards their council tax from the financial year 2017-18?

- **Agree** **59% (102)**
- **No View** **10% (18)**
- **Disagree** **31% (53)**

Q2 – Percentage contribution?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	17	30.9%	7	12.7%	31	56.3%	55

I am a landlord	1	100%	0	0%	0	0%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	70	77.8%	6	6.67%	14	15.5%	90
Did not specify their personal circumstances	13	50%	5	19.2%	8	30.8%	26
Total	102	59%	18	10%	53	31%	173

How to read the table:

- 77.8% of respondents who pay council tax but do not receive council tax support agree that working-age claimants not living with a disability should pay up to 20% towards their council tax
- 30.8% of respondents who did not specify their personal circumstances disagree that working-age claimants not living with a disability should pay up to 20% towards their council tax.

Question 3

It is proposed that those claimants who live in a property that is classified for council tax as being in Band E, F, G or H (mostly the larger properties of higher value in the borough) will be treated as if they are living in (and will receive the level of support that they would be entitled to) a Band D property. Do you agree that it is fair to cap the level of support at Band D?

- **Agree 56.6% (98)**
- **No View 11% (19)**
- **Disagree 32.4% (56)**

Q3 – Capping support at Band D?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	25	45.4%	6	10.9%	24	43.6%	55
I am a landlord	1	100%	0	0%	0	0%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	56	62.2%	9	10%	25	27.8%	90
Did not specify their personal circumstances	15	57.7%	4	15.4%	7	26.9%	26
Total	98	56.6%	19	11%	56	32.4%	173

How to read the table:

- 45.4% of respondents who claim council tax support agree that the level of support a claimant should receive should be capped at Band D, even if a claimant lives in a property in Band E or above.
- 27.8% of respondents who do not claim council tax support disagree that the level of support a claimant should receive should be capped at Band D, even if a claimant lives in a property in Band E or above.

Question 4

It is proposed that those claimants who state they are self-employed will be presumed to be earning the national living wage (NLW). Their minimum income, therefore, will be deemed to be

the NLW x 35 hours (for full-time self-employed claimants) and the NLW x16 hours (for part-time self-employed claimants). Do you agree that this is a fair presumption for the council to make when calculating entitlement to council tax support? (New self-employed businesses, set-up from 1st April 2017, will be exempt from this condition for their first year of trading)?

- **Agree** **61% (105)**
- **No View** **19% (33)**
- **Disagree** **20% (35)**

Q4 – Self-employed claimants?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	29	52.7%	12	21.8%	14	25.4%	55
I am a landlord	0	0%	0	0%	1	100%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	64	71.1%	13	14.4%	13	14.4%	90
Did not specify their personal circumstances	11	42.3%	8	30.7%	7	26.9%	26
Total	105	61%	33	1%	35	20%	173

How to read the table:

- 52.7% of respondents who receive council tax support agreed that the presumption regarding self-employed claimants earning the national living wage is fair.
- 14.4% of respondents who do not receive council tax support disagreed that the presumption regarding self-employed claimants earning the national living wage is fair.

Question 5

Previously, claimants with savings up to £16,000 were eligible for council tax support. The revised scheme proposes that the maximum amount of savings claimants can have to be considered for council tax support is amended to £6,000 (which is roughly calculated as being four years' worth of council tax). Do you agree that it is fair that only claimants with savings of under £6,000 will be eligible to receive council tax support?

- **Agree** **53% (92)**
- **No View** **14% (24)**
- **Disagree** **33% (57)**

Q5 – Maximum savings?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	26	47.2%	8	14.5%	21	38.2%	55
I am a landlord	0	0%	0	0%	1	100%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	51	56.7%	9	10%	30	33.3%	90
Did not specify their personal circumstances	14	53.8%	7	26.9%	5	19.2%	26
Total	92	53%	24	14%	57	33%	173

How to read the table:

- 38.2% of respondents in receipt of council tax support disagree that only those claimants with savings of under £6,000 should be eligible to receive council tax support
- 56.7% of respondents who do not receive council tax support agree claimants who have more than £6,000 of savings should not receive council tax support.

Question 6

Some claimants will have adults (for example, sons or daughters, known as non-dependants) living at home with them. The proposed revision to the scheme would see those claimants with non-dependants living at home receiving a deduction of £10 per week per non-dependant to ensure those non-dependants contribute towards paying the council tax due. Do you agree it is reasonable for the council to deduct £10 per week per non-dependant from a claimant's council tax support entitlement?

- **Agree** **70% (121)**
- **No View** **12% (21)**
- **Disagree** **18% (31)**

Q6 – Non-dependents?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	34	61.8%	6	10.9%	15	27.3%	55
I am a landlord	1	100%	0	0%	0	0%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	72	80%	7	7.8%	11	12.2%	90
Did not specify their personal circumstances	13	50%	8	30.8%	5	19.2%	26
Total	121	70%	21	12%	31	18%	173

How to read the table:

- 61.8% of respondents who claim council tax support believe that the proposal regarding deductions for non-dependents is reasonable.
- 80% of respondents who do not claim council tax support also believe that the proposal regarding deductions for non-dependents is reasonable.

Question 7

The revised scheme intends to remove eligibility to what is known as the second adult rebate (where a taxpayer can presently apply for a reduction of up to 25% on their liability when an adult on a low income moves into their home). Do you agree that this is fair?

- **Agree** **65% (112)**
- **No View** **17% (29)**
- **Disagree** **18% (32)**

Q7 – Second adult rebate?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	34	61.8	7	12.7	14	25.5	55

		%		%		%	
I am a landlord	1	100%	0	0%	0	0%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	64	71.1%	14	15.6%	12	13.3%	90
Did not specify their personal circumstances	12	46.1%	8	30.8%	6	23.1%	26
Total	112	65%	29	17%	32	18%	173

How to read the table:

- 46.1% of respondents who did not specify their personal circumstances agree that removing eligibility for the second adult rebate is fair.
- 61.8% of respondents who receive council tax support also agree that removing eligibility for the second adult rebate is fair.

Question 8

It is proposed that a hardship fund could form part of the revised scheme in order to provide additional support to those who are facing severe financial hardship. Each case would be considered on its own specific circumstances. Do you agree with this proposal?

- **Agree** 86% (149)
- **No View** 9% (16)
- **Disagree** 5% (8)

Q2 – Hardship fund?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	49	89.1%	2	3.6%	4	7.3%	55
I am a landlord	1	100%	0	0%	0	0%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	76	84.4%	11	12.3%	3	3.3%	90
Did not specify their personal circumstances	22	84.6%	3	11.6%	1	3.8%	26
Total	149	86%	16	9%	8	5%	173

How to read the table:

- 89.1% of respondents who claim council tax support agreed that a hardship fund should be established.
- 84.4% of respondents who do not claim council tax support also agreed to such a fund being set up.

Important note

The council did not write to pensioners who currently receive council tax benefit as the government had stated that they had to be fully protected under each local authority's new system.

The council did not, therefore, ask on its questionnaire for the age of respondents or the gender of respondents, just what their personal circumstances were.

A report containing information that shows the free text responses received during the consultation period is available on the Council's website. There were 76 in total. Note that a generic response was received from Kent County Council and a response was also received from Kent Police.

Of the 76 responses, only three responses related to the consultation process itself: one person thanked us for holding it, one said that question seven was not clear to them, and one person said that the approach was unfair to consult with council tax payers having already taken a view on the overall structure of the consultation.

The results are presented as they have been completed.

Ashford Borough Council Council Tax Reduction

Exceptional Hardship Policy 2017/18

1 Background

1.1 An Exceptional Hardship Policy has been created by Ashford Borough Council to assist persons who have applied for Council Tax Reduction and who are facing 'exceptional hardship'. This is to provide further assistance where an applicant has made a claim for Council Tax Reduction but the level of support being paid by the Council does not meet their full Council Tax liability.

1.2 The main features of the policy are as follows:

- * The operation of the policy will be at the total discretion of the Council;
- * The policy will be applied by the Revenues and Benefits section on behalf of the Council;
- * Exceptional Hardship falls within s13(A)(1a) of the Local Government Finance Act 1992 and forms part of the Council Tax Reduction scheme;
- * Exceptional Hardship awards will only be available for a Council Tax liability from 1 April 2017 onwards and will not be available for any other debt other than outstanding Council Tax;
- * A pre-requisite to receive an award is that an application for Council Tax Reduction has been made;
- * Where an Exceptional Hardship award is requested for a previous period, Exceptional Hardship must have been proven to have existed throughout the whole of the period requested and will only be backdated to the start of the financial year in which the claim is made;
- * Exceptional Hardship awards are designed as short-term help to the applicant only; and
- * All applicants will be expected to engage with the Council and undertake the full application process. Failure to do so may mean that no payment will be made.

2 Exceptional Hardship and Equalities

2.1 The creation of an Exceptional Hardship Policy facility meets the Council's obligations under the Equality Act 2010.

2.2 The Council recognises the impact the changes to our Council Tax Reduction Scheme will have on our most vulnerable residents and therefore the importance this policy has in protecting those applicants most in need from exceptional hardship. It should be noted that an Exceptional Hardship Policy is intended to help in cases of extreme financial hardship and not support a lifestyle or lifestyle choice.

3 Purpose of this policy

3.1 The purpose of this policy document is to specify how Ashford Borough Council will operate the scheme, to detail the application process and indicate a number of factors, which will be considered when deciding if an Exceptional Hardship payment can be made.

3.2 Each case will be treated on its own merits and all applicants will be treated fairly and equally in both accessibility and also decisions made.

4 The Exceptional Hardship Process

4.1 As part of the process of applying for additional support, all applicants must be willing to undertake all of the following:

- * Make a separate application in writing for assistance;
- * Provide full details of their income and expenditure;
- * Where a person is self-employed or a director of a private limited company, provide details of their business including supplying business accounts;
- * Accept assistance from either the Council or third parties where applicable (such as Citizens Advice Bureau and Money Advice Service) to enable them to manage their finances more effectively - including the termination of non-essential expenditure and assessment of the potential for additional paid employment where applicable;
- * Identify potential changes in payment methods and arrangements to assist them;
- * Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted; and
- * Maximise their income through the application for other welfare benefits, cancellation of non-essential contracts and outgoings and by identifying the most economical tariffs for the supply of utilities and services generally.

4.2 Through the operation of this policy the Council will look to:

- * Allow a short period of time for someone to adjust to unforeseen short-term circumstances and to enable them to “bridge the gap” during this time, whilst the applicant seeks alternative solutions;
- * Help applicants through personal crises and difficult events that affect their finances;
- * Help those applicants who are trying to help themselves financially; and
- * Encourage applicants to contact the Job Centre Plus or the Job Club to obtain and sustain employment, where applicable.

4.3 An Exceptional Hardship award will not be considered in the following circumstances:

- * Where the full Council Tax liability is being met by Council Tax Reduction;
- * For any other reason, other than to reduce Council Tax liability;
- * Where the Council considers that there are unnecessary expenses/debts etc and that the applicant has not taken reasonable steps to reduce them; or
- * To cover previous years Council Tax arrears.

5 Exceptional Hardship award

5.1 The Council will decide whether or not to make an Exceptional Hardship award, and how much any award might be.

5.2 When making this decision the Council will consider:

- * The shortfall between Council Tax Reduction and Council Tax liability;
- * Whether the applicant has engaged with the Exceptional Hardship process;
- * The personal circumstances, age and medical circumstances (including ill health and disabilities) of the applicant, their partner any dependants and any other occupants of the applicant’s home;

- * The difficulty experienced by the applicant, which prohibits them from being able to meet their Council Tax liability, and the length of time this difficulty will exist;
- * The income and expenditure of the applicant, their partner and any dependants or other occupants of the applicant's home;
- * All income received by the applicant, their partner and any member of their household irrespective of whether the income may fall to be disregarded under the Council Tax Reduction scheme;
- * Any savings or capital that might be held by the applicant, their partner and any member of their household irrespective of whether the capital may fall to be disregarded under the Council Tax Reduction scheme;
- * Other debts outstanding for the applicant and their partner;
- * The exceptional nature of the applicant and/or their family's circumstances that impact on finances, and
- * The length of time they have lived in the property;

5.3 The above list is not exhaustive and other relevant factors and special circumstances will be considered.

5.4 An award of Exceptional Hardship does not guarantee that a further award will be made at a later date, even if the applicant's circumstances have not changed.

5.5 An Exceptional Hardship award may be less than the difference between the Council Tax liability and the amount of Council Tax Reduction paid. The application may be refused if the authority feels that, in its opinion, the applicant is not suffering 'exceptional hardship' or where the applicant has failed to comply with the Exceptional Hardship process.

6 Publicity

6.1 The Council will make a copy of this policy available for inspection and will be published on the Council's website.

7 Claiming an Exceptional Hardship award

7.1 An applicant must make a claim for an Exceptional Hardship award by submitting an online application to the Council via the Council's website.

7.2 Applicants can get assistance with the completion of the form from the Revenues and Benefits Service or Customer Services at the Council.

7.3 The application form must be fully completed and supporting information or evidence provided, as reasonably requested by the Council.

7.4 In most cases the person who claims the Exceptional Hardship award will be the person entitled to Council Tax Reduction. However, a claim can be accepted from someone acting on another's behalf, such as an appointee, if it is considered reasonable.

8 Changes in circumstances

8.1 The Council may revise an award of Exceptional Hardship where the applicant's circumstances have changed which either increases or reduces their Council Tax Reduction entitlement.

9 Duties of the applicant and the applicant's household

9.1 A person claiming an Exceptional Hardship payment is required to:

- * Provide the Council with such information as it may require to make a decision; and
- * Tell the Council of any changes in circumstances that may be relevant to their ongoing claim within 21 days of the change

10 The award and duration of an Exceptional Hardship award

10.1 Both the amount and the duration of the award are determined at the discretion of the Council, and will be done so on the basis of the evidence supplied and the circumstances of the claim.

10.2 The start date and duration of any award will be determined by the Council. The maximum length of the award will be limited to the financial year in which the claim is received.

11 Payment

11.1 Any Exceptional Hardship award will be made direct onto the taxpayer's Council Tax account, thereby reducing the amount of Council Tax payable.

12 Overpaid Exceptional Hardship Payments

12.1 Overpaid Exceptional Hardship payments will generally be recovered directly from the applicant's council tax account, thus increasing the amount of council tax due and payable.

13 Notification of an award

13.1 The Council will notify the resident of the outcome of their application for an Exceptional Hardship award.

14 Appeals

14.1 Exceptional Hardship awards are granted under S13A(1a) of the Local Government Finance Act 1992 as part of the Council Tax Reduction scheme, as such the normal Council Tax appeal process applies and an appeal can be made at any time. The initial appeal should be made to the Council who will review any decision. Ultimately any decision can be considered by an independent Valuation Tribunal.

15 Fraud

15.1 The Council is committed to protect public funds and ensure funds are awarded to the people who are rightfully eligible to them.

15.2 An applicant who tries to fraudulently claim an Exceptional Hardship payment by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

15.3 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

16 Complaints

16.1 The Council's 'Complaints Procedure' (available on the Councils website) will be applied in the event of any complaint received about the application of this policy.

17 Policy Review

17.1 This policy will be reviewed on an annual basis and updated as appropriate to ensure it remains fit for purpose. However, a review may take place sooner should there be any significant changes in legislation.

Appendix C

Equality Impact Assessment - Council Tax Reduction Scheme 2017/18

Options to change to the scheme from 1st April 2017

There are 8 potential options to adjust the scheme.

1. Increase the minimum % payable
2. Introduce maximum Council Tax band level within scheme
3. Remove Second Adult Rebate
4. Reduce Capital limit
5. Introduce changes to non-dependant charges
6. Introduce Minimum income floor for self-employed claimants
7. Align Scheme with HB and Pension Age CTR changes
8. The introduction of an exceptional hardship scheme

Where an option applies to new claimants, we have provided data for current claimants as an indication of the possible impacts as it is not possible to predict who may apply after 1st April 2017. A summary of the consultation findings from people with protected characteristics is provided in **Appendix A**. Findings from the data and consultation are summarised below.

Disability

There is a potential adverse impact on people of working age with a disability of the following options:

Option 1 - Reducing the maximum level of support to 82.5%.

- – Claimants with disabilities (1,868 people) would be unaffected by the change as there is a protection for the disabled built into the scheme limiting their contribution to 5%, on average, compared to claimants without disabilities, who would lose an average of £1.19 per week. Claimants with disabilities would continue to receive more per week than claimants without disabilities (on average £3.64 per week increasing to £4.83 per week).

Mitigation: As mentioned above the scheme currently has a protection for people with disabilities however we would continue to treat people with disabilities more favourably by disregarding income received from certain disability benefits.

Option 5 - Introduce changes to non-dependant deductions

- – 9.62% of claimants in this category have a disability where the claimant is not protected by a 'disregard' of the non-dependant due to a qualifying benefit (40 people). These claimants would lose £4.61 per week, on average. This is less than claimants without a disability, who are subject to non-dependant deductions, who would lose £5.21 per week, on average.

Mitigation: the scheme has a protection for people with disabilities in receipt of a qualifying benefit where there is no non-dependant deduction as the non-dependant is disregarded.

Impact of other options

- Smaller proportions of people with disabilities will be affected by options 2, 3, 4 and 6.
- We do not have data to illustrate the impact of option 7.

Mitigation: the scheme has protection for people with disabilities as various incomes for disabilities are disregarded in the assessment calculation.

Carers

The scheme will continue the protection extended to carers and the disabled limiting these claimants contribution to 5%.

However there is a potential adverse impact on people of working age who are carers of the following options:

Option 5: Introduce changes to non-dependant deductions

- 7.93% of claimants in this category are carers (33 people). These claimants would lose £4.73 per week, on average. This is less than claimants who are not carers, who are subject to non-dependant deductions, who would lose £5.19 per week, on average.

Mitigation: if this option was introduced it would be necessary to consider exemptions for non-dependants who are carers.

- Impact of other options
 - Although option 2 (Band Cap) would affect 17.32% who are carers, these claimants would lose less than claimants who are not carers.
 - Smaller proportions of carers may be affected by option 6.

Age

As claimants of pension age are protected, there is a potential impact on other age groups, of the following options:

Option 6: introduce minimum income floor for self-employed claimants

- Affects a higher proportion of those aged 25-54.
- The data shows how much claimants would lose if the part-time income floor was used, or if the full-time income floor was used. We do not have data to illustrate how many claimants would fall under each category

Option 4: reduce the capital limit to £10,000

- Of the 28 claimants under this criteria, this option would affect a higher proportion of those aged 35-44.
- We have not identified any issues relating to age from the consultation, in relation to this option.

Option 5: introduce changes to non-dependant deductions

- Affects a higher proportion of those aged 45-54.
- We have not identified any issues relating to age from the consultation, in relation to this option.

Option 2: restrict the maximum level to the equivalent of a Band D charge

- Affects a higher proportion of those aged 45-54. But those aged 55-64 would lose more (£4.90 per week, on average) than other age groups under this criteria.

Option 3: remove second adult rebate

- Affects a higher proportion of those aged 45-54. But those aged 55-64 would lose more (£5.26 per week, on average) than other age groups under this criteria.

Impact of other options

- The proportions of those affected by option 3 are roughly in line with the caseload overall..

Mitigation (all options affecting age groups).

As the government has protected pensioners, the impact will fall on working age groups. This impact is as a result of national legislation, and is not within our discretion to mitigate. Within working age groups, although the impact on individual age groups may differ for each option, calculation of council tax reduction is not related to a person's age so it is difficult to mitigate any potential adverse impacts on the basis of age alone. Any differences in entitlement are likely to be as a result of other factors e.g. whether the claimant has a disability, is a carer or has children in the household. Options for reducing the impacts based on these factors have been suggested.

However, we can continue to monitor the impact of any changes on age groups to identify whether there are any particular needs relating to age groups that we may need to meet.

Sex

There is a potential adverse impact on working age males and females of the following options:

Option 4: reduce capital limit

- Males (35.71 of claimants, 10 people, in this category) would lose £11.75 per week on average, compared to females who would lose £11.88 per week, on average.

Impact of other options

- The proportion of males and females affected by option 1 is broadly in line with the caseload overall.
- The proportion of males and females who may be affected by options 2 and 6 is roughly equivalent to the proportion of males and females in the overall caseload.
- We do not have data to illustrate the impact of option 7.

Mitigation It may be necessary to consider the criteria of the exceptional hardship scheme to take into account the needs of female claimants with children.

Race

This information is not collected from claimants as it is not relevant to the calculation of council tax reduction. The Census (2011) shows that people from Minority Ethnic backgrounds are more likely to be economically active and less likely to be self-employed, than people from a White background. We have no evidence to indicate that working age people with different ethnic backgrounds would be affected differently.

Armed Forces Community

This is considered in this equality impact assessment as part of the commitments within the Community Covenant. Armed forces personnel deployed on operations overseas, who normally pay council tax, benefit from a tax-free payment on the cost of council tax paid directly by the Ministry of Defence. Following the announcement by the Chancellor in his 2012 Budget statement, Council Tax Relief will be worth just under £600 (based upon 2012/13 council tax) for an average six-month deployment based on the average Council Tax per dwelling in England. This will continue to be paid at a flat rate to all eligible personnel. More information is available at www.mod.uk. We also disregard income from war disablement pensions, providing eligible claimants with a higher council tax reduction

Other protected characteristics

We do not collect information about the following characteristics from claimants as it is not relevant to the calculation of council tax reductions:

- Religion or belief
- Sexual orientation
- Gender reassignment
- Marital or civil partnership status
- Pregnancy or maternity

The option to align the regulations of the current council tax reduction scheme with housing benefit and (prescribed) pension age council tax reduction scheme (which includes limiting the number of dependents to two) would affect any female claimants who are pregnant before 1st April 2017. Otherwise, there is no evidence to indicate that working age people with these protected characteristics would be affected differently to claimants overall.

Conclusions

All options will result in working age claimants, including those with protected characteristics, paying more towards their Council Tax bill from 2017-18. Pension age claimants, who also have protected characteristics, will not be affected as they are protected from any changes by Central Government.

Some working age claimants will be affected by more than one of the options. It is not possible to model any cumulative impacts but the possibility that some claimants may be adversely affected by more than one option should be taken into account when deciding which options will be taken forward. Some options will affect existing claimants and some will affect new claimants from 2017.

When deciding which options to take forward, the potential severity of impacts on claimants with protected characteristics needs to be weighed up against any potential financial savings to the Council. Options resulting in higher savings to the Council are likely to impact on more claimants or result in some claimants paying higher amount towards their Council Tax bill.

In complying with our obligations under the Public Sector Equality Duty, we must have 'due regard' to the following:

- Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act.
 - In deciding which options to take forward, we must ensure that the Council Tax Reduction Scheme does not unlawfully discriminate against any protected characteristics. This can be achieved by using the findings of this equality impact assessment to inform the decision about which options are taken forward.
- Advance equality of opportunity between people from different groups.
 - In deciding which options to take forward, we must consider how we can minimise disadvantage experienced by people with protected characteristics, take steps to meet the needs of people with protected characteristics and encourage people who share a relevant protected characteristic to participate in public life. The public sector equality duty does not prevent us from taking a decision about our Council Tax Reduction Scheme. Should we decide to take forward any options that may put people with protected characteristics at a disadvantage, we should consider taking action to mitigate those impacts. The Equality Act allows us to treat some people more favourably than others in meeting their needs. This would allow us to protect some income received by people with disabilities and carers, provide exemptions for some claimants with protected characteristics or take the needs of people with protected characteristics into account within an exceptional hardship scheme.
- Foster good relations between people from different groups.
 - In deciding which options to take forward, we may wish to consider whether our decision could impact on wider community relations between people with protected characteristics.

Finally, we will monitor the impact of the Council Tax Reduction Scheme on claimants with protected characteristics from 2017. We will provide reports to indicate whether the impacts are in line with our predictions or whether any further action may need to be taken to mitigate any impacts.

Full analysis of the effects

	Current claimants (working age only)		No		Non							
	All	Disability	Disability	Carer	Carer	Female	Male	18-24	25-34	35-44	45-54	55-64
Number - all claimants	4494	1868	2626	485	4009	3202	1292	373	1111	1097	1169	744
Percentage	N/A	41.57%	58.43%	10.79%	89.21%	71.25%	28.75%	8.30%	24.72%	24.41%	26.01%	16.56%
Average weekly CTAX reduction	£15.92	£18.04	£14.40	£20.61	£15.35	£15.51	£16.94	£14.45	£15.01	£15.80	£16.76	£16.87

Option 1 - CTR maximum award 82.5%

Claimants under this criteria (No.)	2626	N/A	2626	N/A	2626	2028	598	306	828	647	566	279
Claimants under this criteria (%)	58.43%	N/A	100.00%	N/A	100.00%	77.23%	22.77%	11.65%	31.53%	24.64%	21.55%	10.62%
Average weekly CTAX reduction under this criteria (current)	£14.40	N/A	£14.40	N/A	£14.40	£14.10	£15.40	£14.01	£14.24	£14.40	£14.85	£14.40
Estimated average weekly loss	£1.19	N/A	£1.19	N/A	£1.19	£1.16	£1.27	£1.17	£1.19	£1.19	£1.21	£1.19

Option 2 - CTR band restriction (D)

Claimants under this criteria (No.)	179	61	118	31	148	113	66	3	17	40	84	35
Claimants under this criteria (%)	3.98%	34.08%	65.92%	17.32%	82.68%	63.13%	36.87%	1.68%	9.50%	22.35%	46.93%	19.55%
Average weekly CTAX reduction under this criteria (current)	£24.22	£29.01	£21.75	£29.78	£23.06	£21.91	£28.18	£21.68	£20.92	£23.67	£24.74	£25.44
Estimated average weekly loss	£3.97	£5.26	£3.31	£5.00	£19.30	£3.07	£5.51	£3.42	£2.89	£3.82	£3.90	£4.90

Option 3 - Removal of 2nd adult rebate

Claimants under this criteria (No.)	63	3	60	1	62	55	8	0	2	17	35	9
Claimants under this criteria (%)	1.40%	4.76%	95.24%	1.59%	98.41%	87.30%	12.70%	0.00%	3.17%	26.98%	55.56%	14.29%
Average weekly CTAX reduction under this criteria (current)	£4.63	£3.86	£4.66	£3.37	£4.65	£4.34	£6.58		£4.10	£4.26	£4.67	£5.26
Estimated average weekly loss	£4.63	£3.86	£4.66	£3.37	£4.65	£4.34	£6.58	£0.00	£4.10	£4.26	£4.67	£5.26

Option 5 - ND standard deduction £10

Claimants under this criteria (No.)	416	40	376	33	383	337	79	1	15	151	189	60
Claimants under this criteria (%)	9.26%	9.62%	90.38%	7.93%	92.07%	81.01%	18.99%	0.24%	3.61%	36.30%	45.43%	14.42%
Average weekly CTAX reduction under this criteria (current)	£14.58	£16.94	£14.33	£17.35	£14.34	£14.28	£15.86	£32.56	£15.55	£14.37	£14.77	£13.97
Estimated average weekly loss	£5.15	£4.61	£5.21	£4.73	£5.19	£4.91	£6.19	£9.00	£4.89	£5.08	£5.09	£5.51

Option 4 - Reducing Capital limit from £16,000 to £10,000

Claimants under this criteria (No.)	28	9	19	0	28	18	10	0	3	10	6	9
Claimants under this criteria (%)	0.62%	32.14%	67.86%	N/A	100.00%	64.29%	35.71%	0.00%	10.71%	35.71%	21.43%	32.14%
Average weekly CTAX reduction under this criteria (current)	£11.83	£13.57	£11.01	N/A	£11.83	£11.88	£11.75	N/A	£8.30	£13.15	£7.11	£14.69
Estimated average weekly loss	£11.83	£13.57	£11.01	£0.00	£11.83	£11.88	£11.75	£0.00	£8.30	£13.15	£7.11	£14.69

Option 6 – Self-employed minimum earnings (* using part-time income floor)

Claimants under this criteria (No.)	292	47	245	20	272	187	105	5	83	85	100	19
Claimants under this criteria (%)	6.50%	16.10%	83.90%	6.85%	93.15%	64.04%	35.96%	1.71%	28.42%	29.11%	34.25%	6.51%
Average weekly CTAX reduction under this criteria (current)	£15.67	£17.12	£15.39	£17.84	£15.51	£14.88	£17.07	£11.61	£14.69	£16.09	£16.33	£15.62
Estimated average weekly loss	£3.44	£5.22	£3.09	£7.65	£3.13	£3.85	£2.69	£2.64	£2.90	£2.89	£4.36	£3.55

Option 6 – Self-employed minimum earning (* using full-time income floor)

Claimants under this criteria (No.)	292	47	245	20	272	187	105	5	83	85	100	19
Claimants under this criteria (%)	6.50%	16.10%	83.90%	6.85%	93.15%	64.04%	35.96%	1.71%	28.42%	29.11%	34.25%	6.51%
Average weekly CTAX reduction under this criteria (current)	£15.67	£17.12	£15.39	£17.84	£15.51	£14.88	£17.07	£11.61	£14.69	£16.09	£16.33	£15.62
Estimated average weekly loss	£13.16	£14.62	£12.87	£16.54	£12.91	£12.84	£13.72	£9.78	£12.69	£12.99	£13.80	£13.39

Option 7 – Align HB changes

No data available

Option 8 – Exceptional Hardship scheme

No data available

Appendix D

Council tax support 2017-18 – communications plan

Draft plan owned by communications

To be considered by cabinet members in December 2016

Description

Council tax support was set up when council tax benefit was abolished in 2013. It supports individuals and families who need financial help most and encourages people to get back into work and is a localised system that reduces the amount of council tax charged for those whose combined income, savings and investments fall below a certain level.

Our existing scheme is as fair as possible, upholding the principles of the government's welfare reforms while offering greater support to those who will find that returning to work is more challenging (such as disabled claimants).

The existing scheme has been in place, with some minor changes, for four years. We are required to review it each year, to make sure that it is retaining the elements required of us by central government – i.e. to encourage people of working age to return to work – and to ensure that we are offering the maximum amount of support that we can afford.

An extensive review of council tax support has now taken place, ahead of a revised scheme being implemented in the 2017-18 financial year. The results of a consultation are being fed back to cabinet members and subject to their decision, this communications plan sets out the details of the communications element of this important strand of work.

Objectives of the communications plan

- Raise awareness of the changes that will be taking place with all stakeholders, specifically those who are directly affected
- Keep target audiences updated on the latest developments and provide the right information to them
- Provide clear, concise communications that are easy to understand and explain what the changes will mean
- Work with the local and regional media to ensure this important information is highlighted to all stakeholders

Stakeholders

Council tax benefit claimants (working age)
Council tax benefit claimants (pension age)
Council tax payers/residents
Major preceptors (KCC, Fire, Police)
Other local authorities in Kent
Parish Councils
DWP, HMRC, central government
Local media
Members/Cabinet

Management Team
Staff (front line services)
Staff (all)
Porchlight, Shelter, CAB, Welfare Advice Service and other support/advice groups
Housing associations and private landlords
Vulnerable/disabled groups

Key messages

The consultation:

- We are required to review our localised system each year
- We must make sure it retains the elements required of us by central government – i.e. to encourage people of working age to return to work
- We consulted between 6th June and 29th August 2016, using all of our free channels of communication to promote the consultation widely and wrote directly to:
 - 3,000 council tax support claimants who would be directly affected by the proposals
 - 1,500 households, selected at random, who are not in receipt of council tax support, to obtain an objective view, potentially from both sides of the debate
 - The other organisations to which residents pay council tax (known as preceptors – Kent County Council, Kent Police and Crime Commissioner, Kent Fire and Rescue Service and parish councils, for those residents living in a parished area)
 - Relevant charitable organisations
 - Local housing associations

Overview of the new Ashford local scheme

- Pensioners are not affected by the change and will continue to receive similar support
- Disabled claimants receive partial protection – we remain the only authority
- *(This section is to be completed once the proposals have been considered by Cabinet members and agreed by full council)*
- *(We must be clear about where we have amended our proposed scheme as a direct result of the suggestions/comments made by respondents to the consultation)*
- *(We must be clear about why we have not been able to amend our proposed scheme – for financial reasons, for example – if we have not been able to include suggestions)*

Proposed proactive activity (with timings in brackets)

Media release (when council tax has been agreed)
Media release (in the run up to bills being issued)
Media release (when implemented)
Note in council tax bill (ahead of bills being issued in the spring of 2017)
Article in Ashford Voice (early 2017)
Article in Housing News (spring)
Promotion via council tax support web page
Promotion via social media channels
Leaflets and flyers available in reception
Information sheet for Citizen Advice Bureau/Gateway etc

Email to private sector landlords

Presentation at landlords' forum on welfare reform-related matters

Audio interview with portfolio holder/welfare reform intervention officer on our social media

Mention in weekly members' update/leaders' briefing notes/staff communication

Measures of success

Tone of voice and number of positive/negative/balanced articles

Inclusion of our key messages in the media coverage

Level of engagement on social media channels (interaction/shares etc)

Low level of contact on council tax support from those customers who are directly contacted