

REPORT TO:		Cabinet	
DATE:		20 July 2016	
PORTFOLIO:		Cllr Miles Parkinson, Leader	
REPORT AUTHOR:		Joe McIntyre, Deputy Chief Executive	
TITLE OF REPORT:		Council Tax Support Consultation	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. **Purpose of Report**

1.1 This purpose of this report is to seek approval to commence a public consultation on plans to revise Hyndburn Council's Council Tax Support Scheme for 2017/18.

2. **Recommendations**

2.1 This report requests that Cabinet:

2.2 Authorises the Deputy Chief Executive to commence a public consultation on plans to revise the current Council Tax Support Scheme from April 2017.

2.3 Notes that the consultation will run for 12 weeks the 25th July to 14th October 2016 and will guide the final recommendations to be placed before Full Council for approval of the Council Tax Support Scheme by 31st January 2017.

3. **Reasons for Recommendations and Background**

3.1 Council Tax Benefit was abolished nationally on 31st March 2013 and replaced with Local Council Tax Support Schemes (LCTS) which were designed and implemented by billing authorities.

3.2 After extensive consultation with the public and interested parties on the options open to the Council for 2013/14, it was decided to implement a scheme that required all working age claimants of Council Tax Support to contribute at least 20% towards their annual Council Tax bill and for the Council to provide the remaining 80% via Council Tax Support.

- 3.3 LCTS was initially funded by a cash limited grant from Central Government at 90% of the previous year's expenditure. The Government maintained funding levels for the first two years of operation and this allowed the Council to keep the maximum support awarded to working age claimants at 80% during 2013/14 and 2014/15. The Council was also able to maintain the same support rate through the third year of operation in 2015/16 despite a reduction in Revenue Support Grant in 2015/16 of 33% from £3,453,750 to £2,312,430, a fall of £1,141,320.
- 3.4 In 2015, in preparation for the 2016/17 LCTS scheme, the Council consulted for a second time on options to alter Hyndburn's scheme, as maintaining maximum support levels at 80% was no longer sustainable without impacting on the provision of other services or increasing Council Tax for all taxpayers.
- 3.5 The consultation for the 2016/17 scheme presented three main options to residents:
1. Reduce maximum support levels for working age CTS claimants from 80% to 73%
 2. Raise Council Tax for all households by 1%
 3. Make savings by cutting or reducing other services
- 3.6 Following this consultation, which ran from 7 September to 29 November 2015, the 2016/17 Council Tax Support scheme for Hyndburn was introduced on 1 April 2016 with a new maximum support level for working age claimants of 73%.
- 3.7 As the Government is committed to substantially reducing public expenditure over the next four years, it is anticipated that the Council will be faced with further Revenue Support Grant reductions of up to a third or more. Maintaining support at 73% to those claiming Council Tax Support is again no longer sustainable without impacting on the provision of other services or increasing the Council Tax for all taxpayers.
- 3.8 The Council therefore intends to consult on whether the maximum support level should now be reduced or should the same budgetary impact be achieved via additional savings across the Council or additional revenues raised by increasing Council Tax.
- 3.9 It is proposed that the consultation offers three main funding options to residents with the added facility to suggest any alternatives that they would like to have considered.
1. **Reducing maximum support levels for CTS claimants.**
This option proposes to reduce the maximum subsidy level that can be awarded to a working age claimant or household from 73% to 70% making the minimum contribution towards a Council Tax bill 30%. This change would impact all working age claimants of Council Tax Support (currently 4,869 households) and would add between £24 and £33 to an annual Band A Council Tax Bill for claimants of Council Tax Support.
 2. **Raising Council Tax levels for all liable taxpayers.**
Hyndburn Council can raise its proportion of Council Tax by up to 2% without holding a public referendum. To continue to provide Council Tax Support at 73%, £89,022 would need to be raised overall, £13,353 of which is Hyndburn's proportion. Levying an additional £13,353 (which would be under the 2%

referendum limit) would add £1.22 - £1.63 to an annual bill for Taxpayers in Hyndburn. If this option is chosen, other major preceptors would have the option to raise their own levels of Council Tax levied.

3. Making savings by cutting or reducing other services

Savings made would have to be equivalent to the reduction in Council Tax Support grants in other Council services. As above, the funding reduction is expected to be £89,022; Hyndburn's proportion of this is approximately £13,353. Other major preceptors would also face cuts to their services in line with their proportions of Council Tax levied.

- 3.10 In addition to these options being made available to the public, a number of assessment criteria for Council Tax Support claims will be changed to bring the scheme in line with changes being made on a national level to Housing Benefit Regulations. Further details are included in the Proposed Council Tax Support Scheme at appendix 2. These changes will also form part of the proposed consultation.
- 3.11 When preparing these funding proposals, we have accessed research done on a national level on Council Tax Support, in particular the schemes in place and the impact studies that have been produced since 2013. Since 2013, the number of councils with smaller minimum payment levels of 8.5% or less has dropped steadily from 122 in 2013 to 50 in 2016 and the most common minimum payment level is currently 20% (77 councils in April 2016). There are currently 67 CTS schemes with a minimum contribution level over the average of 20%, 52 of which are over 25%. The highest minimum payment level in place in 2016/17 is 45%¹.
- 3.12 More locally, the most common minimum payment level in Lancashire is 20% and schemes range from 0% (Lancaster) to 27.1% (Blackpool).
- 3.13 To date, a handful of other Councils have begun a consultation on funding options for 2017/18 but too few to determine whether or not our funding options are broadly similar. Based on the trend towards higher minimum payment levels in the last two years however, we anticipate that more authorities will look to increase minimum payment levels as alternative funding options become harder to find.
- 3.14 There are currently 8,212 households claiming Council Tax Support in Hyndburn; 3,343 (41%) are pensioners and 4,869 (59%) are working age. Pensioners are protected under Government legislation and continue to receive Council Tax Support to the same level as they did under the Council Tax Benefit rules, up to a maximum of 100%.
- 3.15 Working age claimants can currently claim a maximum of 73% subsidy on their Council Tax bill. Those who qualify for this maximum level of support are asked to pay between £221² and £294 per year (27%) towards a Band A property. Information held confirms that 75% of taxpayers in this category are paying their Council Tax on time with the remainder collected through our normal recovery processes over a slightly longer period.

¹ New Policy Institute, 2016 <http://counciltaxsupport.org/schemes/>

² £221 is a band A property with a 25% Single Occupancy Discount applied.

3.16 It is estimated that the amount of public subsidy in relation to Council Tax Support for Hyndburn Borough taxpayers will reduce in 2017/18 by £89,022. The detail is shown in the table below.

Financial year	Pensioners	Working Age standard claims	Working Age Income Support claims	Total
2016/17 CTS expenditure	£2,783,441	£797,883	£2,169,544	£5,750,868
Proposed Savings from 3% reduction	N/A ³	£23,936	£65,086	£89,022
Projected 2017/18 CTS expenditure based on 3% reduction	£2,783,441	£773,947	£2,104,458	£5,661,846

3.17 The minimum amount payable by each household and the proposed new amount, if adopted, are shown in the table below. Increasing a Band A minimum contribution from 27% to 30% would increase an annual bill by £24 - £33 for households claiming maximum Council Tax Support. This increase does not account for any other potential increases such as percentage rises applied by preceptors.

Financial Year	Band A Minimum Contribution	Band A Council Tax payable annually	Band A Council Tax payable monthly ⁴	Monthly Difference
2016/17	27%	£221 - £294	£18.42 - £24.50	n/a
2017/18	30%	£245 - £327	£20.42 - £27.25	+ £2.00 - +£2.75

3.18 As the amount of Council Tax billed is shared between each of the precepting authorities, the £89,022 estimated funding shortfall from the reduction in subsidy from 73% to 70% would be divided between each major preceptor as shown below.

Proposed Subsidy Reduction	Hyndburn BC	Lancashire County Council	Lancashire Police and Crime Commissioner	Lancashire Fire and Rescue
£89,022	£13,353 (15%)	£64,096 (72%)	£8,012 (9%)	£3,561 (4%)

³ There are no savings from these changes from Pensioners as their benefit payments are protected and cannot be reduced.

⁴ Monthly figures presented are based on a bill being spread over 12 monthly instalments.

4. Alternative Options considered and Reasons for Rejection

4.1 The Council could choose not to consult on its options and the current scheme with a 73% subsidy would continue. This would not allow us to consider the views of the local population or interested parties and this would limit our options to fund the Council Tax Support scheme for 2017/18 to either cutting services or raising Council Tax levels.

5. Consultations

5.1 The Local Government Finance Act 2012 provides that the Council, as the billing authority, must consider whether to revise its Council Tax Support Scheme or replace it with another scheme by the 31st January every year.

5.2 Prior to revising or replacing their scheme the billing authority must, in accordance with Government legislation:

- consult with any major preceptors;
- publish a draft scheme in such a manner it thinks fit;
- consult with such other persons it considers may have an interest in the scheme.

5.3 Plans to revise the Council Tax Support scheme will affect all current working age claimants of which there are currently 4,869. Pensioners will not be affected by changes made to Hyndburn's Council Tax Support Scheme.

5.4 Our duty to consult extends to affected households and major preceptors as well as interested parties. This means our consultation will cover several areas, the main focus being:

- consultations by post,
- online consultation,
- email consultation,
- public information points.

5.5 The Council Tax Support Consultation Strategy is attached to this report at Appendix 1.

6. Implications

Financial implications (including any future financial commitments for the Council)	As detailed in the report, grant income from central government continues to reduce for awards of CTS and action is required to reduce overall expenditure to maintain a balanced budget. The consultation costs will be contained within existing budgets.
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<p>Legal and human rights implications</p>	<p>The legislative and consultation requirements are set out in section 5 of this report.</p> <p>A comprehensive legal review of the revised scheme and all associated policies will be conducted prior to final publication if the scheme is altered.</p> <p>The Council aims to operate a LCTS scheme that is fair, legal and resilient to challenge.</p>
<p>Assessment of risk</p>	<p>A risk assessment has been carried out and identified the following:</p> <p>Timescales: the consultation has a limited period in which it must be conducted in order that any recommendations and decisions can be made by the 31 January 2017.</p> <p>Insufficient Responses received, the Council has previous experience of consulting on this issue and will use a variety of means to gauge public opinion however there is always the possibility that the issue does not engage with the public and we receive very few responses.</p>
<p>Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i></p>	<p>The Council is subject to the public sector equality duty introduced by the Equality Act 2010. When making a decision in respect of the recommendations in this report, and in respect of any changes to the LCTS, Cabinet must have regard to the need to:</p> <ul style="list-style-type: none"> • eliminate unlawful discrimination, harassment and victimisation; and • advance equality of opportunity between those who share a relevant protected characteristic and those who don't; and • foster good relations between those who share a relevant protected characteristic and those who don't. <p>For these purposes the relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. To assist the Cabinet in this regard a Customer First Analysis has been carried out as part of the review process and</p>

	is attached to this report. Cabinet is advised to consider the Customer First Analysis and its obligations in respect of the public sector equality duty when making a decision in respect of the recommendations contained in this report.
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**7. Local Government (Access to Information) Act 1985:
List of Background Papers**

7.1 *Copies of documents included in this list must be open to inspection and, in the case of reports to Cabinet, must be published on the website.*

1. [Council Tax Support Scheme 2013-2015](#)
2. [Council Tax Support Scheme 2016](#)
3. [Report to Council, Council Tax Support Scheme 2016/17, 21 January 2016](#)

8. Freedom of Information

8.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.



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CONSULTATION STRATEGY 2017/18

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Introduction

Council Tax Support replaced Council Tax Benefit on 1 April 2013 and forms part of the Government's continuing wider reforms of the welfare system.

The Local Government Finance Act 2012 and the Welfare Reform Act 2012 gave Local Authorities in England until the 31 January 2013 to introduce a Local Council Tax Support (LCTS) scheme to be implemented on 1 April 2013. Local Authorities were compelled before this deadline to conduct a public consultation exercise on their proposed schemes.

The Local Government Finance Act 2012 and the Welfare Reform Act 2012 also included provision for Local Authorities to make changes to their LCTS schemes annually providing that they conduct a public consultation exercise on any proposals and publish a final scheme by 31 January in any given year.

This document sets out Hyndburn Borough Council's Council Tax Support Consultation Strategy for 2017/18.

Consultation 2017/18

The Local Government Finance Act 2012 sets out that billing authorities must:

- consult any major precepting authority, and then;
- publish a draft scheme, and then;
- consult those people who have an interest in how the new scheme will operate.

Consulting with interested parties will ensure that Hyndburn Borough Council better understands the impact of any proposals on individuals and certain groups. We will consider the feedback we receive together with all suggestions for improving the draft scheme before we decide upon our final scheme for 2017/18.

This strategy forms part of the Council Tax Support library of documents, all of which are available online at www.hyndburnbc.gov.uk/counciltaxsupport

Our consultation promise

We will conduct a fair, balanced and open consultation which will provide as many people as possible with the opportunity to respond to proposals for Hyndburn's Council Tax Support Scheme.

This consultation will meet our statutory obligations under the Equality Act 2010 and we will take steps to meet the differing needs of people with protected characteristics. Details on how we will take protected characteristics into account during this consultation are outlined on page 5.

We will take all feedback into consideration when we finalise our Council Tax Support Scheme for 2017/18.

Method

We recognise that the rate of subsidy in Council Tax Support is not just an issue for those in receipt of these subsidies, but impacts on all local residents as they are contributing to the subsidiary via the taxes they pay. Our consultation will therefore include tax payers as well as those in receipt of the benefit and other interested parties including the main preceptors.

Consultation will be multi-faceted and will vary in its methods so that we provide a range of opportunities to allow as many people as possible to have their say.

Our methods for consultation will include:

- Online consultation
- Postal surveys to current Council Tax Support claimants
- Postal surveys to a selection of Council Tax taxpayers not in receipt of CTS
- Postal adverts for our consultation to recipients of post relating to Council Tax and Housing Benefit/ Council Tax Support during the consultation period
- A web link on all emails sent to customers during the consultation period
- Email surveys to recipients of Council Tax Support and taxpayers not in receipt of CTS
- Telephone surveys for those unable to access the web or portal form
- Survey response boxes in our main offices a survey to all customers who visit us for an appointment

Advertising

We want as many responses to our consultation as possible:

We will advertise our consultation using:

- press releases to local newspapers,
- our website,
- leaflets sent out with other Council correspondence,
- our telephone queue messages,
- social media,
- email,
- our television screen in our Customer Contact Centre.

Equality Target Groups

The consultation and advertising methods in this strategy are wide ranging and we aim to consult with as many people as possible while giving different groups the opportunity to respond.

We do however recognise this consultation will not be fully effective unless it takes into account the different marketing tools and consultation methods which have the most impact on people in certain groups – failure to do so can contribute to greater inequality and a poorer

outcome. Some groups can be harder to reach than others and the table below illustrates some of the methods we will use with the aim of reaching a specific group.

Target Group	Consultation Methods to suit group	Advertising Methods to suit group
Age – working age from 18-64	<ul style="list-style-type: none"> • Postal • Online • Email • Telephone • Face to face 	<ul style="list-style-type: none"> • Online • Social Networking sites • Telephone messages • Post • Job Centre Plus (posters)
Age – older people 64+	<ul style="list-style-type: none"> • Post • Online • Telephone • Face to face • Large print available 	<ul style="list-style-type: none"> • Telephone messages • Post
People with a disability	<ul style="list-style-type: none"> • Online • Telephone • Face to Face • Large Print Available on request • Braille available on request • Web-reader available • Appointments available for help with forms 	<ul style="list-style-type: none"> • Online • Social Networking sites • Telephone messages • Post
Black and Minority Ethnic groups	<ul style="list-style-type: none"> • Online • Telephone (including some other languages) • Face to face 	<ul style="list-style-type: none"> • Mosques • Community Centres • Online • Social Networking sites • Telephone messages • Post
Homeless people or those under threat of homelessness	<ul style="list-style-type: none"> • Face to Face • Housing advice appointments 	<ul style="list-style-type: none"> • Housing Advice team to promote the consultation • Community Groups and local charities

Length of Consultation

This consultation will run for 12 weeks from 25th July 2016 to 14th October 2016.

Who will we consult?

We will consult with as many people as possible, which include:

- Current Council Tax Support claimants

- Current Council Tax payers
- Working age people
- Pension age people
- Groups who support people with financial advice
- Local Charities, Women's Groups, local Churches and Mosques

This list is not exhaustive.

Responses

We will publish our responses on our website and in documentation produced when our scheme is finalised and published.

Responses received will be considered when finalising a new scheme, if one is to be implemented.

Public Sector Equality Duty

The survey will include an optional section to gather equalities monitoring data. This data will be used to ensure that our consultation has reached as many different people as possible as well as to analyse results.

Hyndburn Borough Council is committed to providing services which are fair and accessible for all. This consultation has considered the public sector equality duty throughout the project and a comprehensive Customer First Analysis has been completed and is available at www.hyndburnbc.gov.uk/counciltaxsupport or by request.

Appendix 2



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**PROPOSED COUNCIL TAX SUPPORT
SCHEME APRIL 2017**

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Introduction

Council Tax Support replaced Council Tax Benefit on 1 April 2013 and forms part of the Government's continuing wider reforms of the welfare system, which they believe should:

- improve incentives to make work pay;
- reduce worklessness; and
- end a culture of benefit dependency.

This document sets out Hyndburn Borough Council's proposed changes to the current [Council Tax Reduction Scheme](#) which may be introduced from April 2017.

Background

At the spending review in 2010, the Government announced that it would localise support for Council Tax from 2013 and reduce benefit expenditure by 10%. For Hyndburn Council this meant a reduction in funding of £812,088 in 2013/14.

Local Authorities in England were given a 31 January 2013 deadline to introduce a Local Council Tax Support (LCTS) scheme to be implemented on 1 April 2013. Local Authorities were compelled before this deadline to conduct a public consultation exercise on their proposed schemes. Hyndburn Borough Council's consultation took place over 12 weeks from 13 August 2012 – 4 November 2012 and the 2013 scheme was implemented by the deadlines given and was operational until 31st March 2016.

The Local Government Finance Act 2012 and the Welfare Reform Act 2012 included provision for Local Authorities to make changes to their LCTS schemes providing that they conduct a public consultation exercise on funding options and publish a final scheme by 31 January in any given year.

The Government agreed to fund 90% of LCTS schemes for 2 years only. From 2015/16, the funded element of LCTS was incorporated into the Revenues Support Grant and paid as one grant. The continuing reduction to the Revenues Support Grant is a key factor in the annual consideration of the Council's CTS Scheme. Continued funding reductions force the consideration of a scheme which provides lower levels of subsidy to working age claimants of CTS or which draws on funding from other areas of the Council's finances which could either increase Council Tax or reduce spending in other areas.

In 2015, the Council considered proposals to alter its CTS scheme for 2016/17 and presented funding options to the public as part of a consultation which ran from 7th September to 29th November 2015. Following this consultation, a new CTS Scheme was implemented from 1st April 2016 which was broadly the same as the previous scheme but with a lower level of maximum subsidy available to working age claimants of CTS. From April 2016, working age claimants of CTS can claim up to 73% of their Council Tax bill in Council Tax Support. In

addition, a number of assessment criteria were changed to bring the scheme in line with changes made to Housing Benefit regulations from April 2016.

There are currently (2016/17) 8,212 residents claiming Council Tax Support in Hyndburn; 3,343 (41%) are pensioners and 4,869 (59%) are working age. Pensioners are protected under Government legislation and continue to receive Council Tax Support to the same level as they did under the Council Tax Benefit rules.

Working age claimants are being asked to pay a maximum of between £221 - £294 per year (27%) towards a Band A property. Information held confirms that 75% of Taxpayers in this category are paying their Council Tax on time.

Continued funding reductions and the medium term prospect of local authorities having to become financially self-sustaining in the next five years means that the Council is again considering changes to its CTS scheme.

This document sets out the Council's proposal to revise its Council Tax Support Scheme by reducing the maximum subsidy level for all working age recipients by 3%. The maximum Council Tax Support that can be awarded to working age claimants currently is 73%. This draft scheme proposes that this is reduced to 70%.

This document has been produced prior to a public consultation exercise which will guide the Council's decisions on a final scheme for implementation in April 2017.

Alternative options for funding the Council Tax Support scheme will be proposed as part of our consultation and will be considered again before any final scheme is published.

Proposed Scheme – April 2017

The current scheme sets out the rules for working age claimants.

Eligibility for Council Tax Support will be calculated on a "means tested" basis and we will take account of the income and capital of the claimant and their partner (if applicable).

This proposed scheme is based on the current Council Tax Support scheme as defined by the terms of the existing regulations with the exception of the following:-

Reduction in Council Tax Support

Council Tax Support currently allows for up to 73% of a working age claimant's Council Tax to be paid as support. It is proposed that entitlement to Council Tax Support be reduced by a further 3% for all working age claimants, which means that all claimants, whether in work or in receipt of a passported benefit (as defined overleaf) would have to make an increased contribution towards their Council Tax.

Passported benefits are Income Support, Job Seekers Allowance (Income Based), Employment and Support Allowance (Income Related).

By ensuring that all benefit recipients have to pay a contribution towards their Council Tax, the scheme is fair and does not disadvantage people who are already in work, which would undermine the principles of Universal Credit and welfare reform.

A person in a Band A property entitled to a Single Persons Discount would have to pay an extra £24 a year towards their Council Tax. Households in the same Band A property without a Single Persons Discount would have to contribute a further £33 per year.⁵

Example:

Financial Year	CTS maximum award for band A	Band A Council Tax payable annually	Band A Council Tax Payable over 12 months	Monthly Difference
2016/17	73%	£221 - £294	£18.42 - £24.50	n/a
2017/18	70%	£245 - £327	£20.42 - £27.25	+ £2.00 - +£2.75

Changes to Housing Benefit regulations from April 2017

The current scheme includes a provision to keep the scheme in line with changes being made nationally to Housing Benefit and Universal Credit regulations. From 2017 there will be a number of changes being introduced by the Government on a national level which will alter Hyndburn’s local scheme.

1. Removal of the Severe Disability Premium for Housing Benefit and Universal Credit (Carer’s Element) cases.
2. Limiting dependants’ additions to two for all dependants born after April 2017 – certain exemptions will apply.
3. Removal of the Employment and Support Allowance Work Related Activity Group component for all new claims from April 2017.
4. Removal of the automatic entitlement to Housing Benefit or the housing element of Universal Credit for new claims from 18-21 year olds who are out of work from April 2017 – certain exemptions will apply.

These changes will affect new claims only and will not be applied to existing claims with the exception of limiting dependants’ additions for New Births for existing CTS claims from April 2017.

⁵ All examples are based on amounts for a Band A property in Hyndburn and use 2016/17 Council Tax rates. A higher amount will be payable if the claimant lives in a Band B property or above.

Consultation

The Local Government Finance Act 2012 sets out that billing authorities must:

- consult any major precepting authority, and then;
- publish a draft scheme, and then;
- consult those people who have an interest in how the new scheme will operate.

Consulting with all interested parties will ensure that we better understand the impact of these proposals on individuals and certain groups. We will consider the feedback we receive together with all suggestions before we decide upon a final scheme.

The Council does not intend to consult on all changes proposed for April 2017. The consultation will focus on the options to fund the £89,022 required to continue to make the Council Tax Support scheme financially viable. Other changes being proposed are included in the current scheme's provision to keep it in line with changes being made nationally to Housing Benefit regulations. The changes are introduced in this document on page 5 in order to highlight that 2017 will see a number of changes being introduced by the Government on a national level which will alter Hyndburn's local scheme.

A consultation strategy has been produced and is available on request or to download at www.hyndburnbc.gov.uk/counciltaxsupport

Legislation

The Local Government Finance Act 2012 and the Welfare Reform Act 2012 included provision for Local Authorities to make changes to their LCTS schemes providing that they conduct a public consultation exercise on the changes and publish a final scheme by 31 January in any given year.

Pensioners

The Government is committed to protecting pensioners on low incomes and as such pensioners are not affected by these proposed changes.

In accordance with current legislation, a pensioner becomes eligible for pensioner-related Council Tax Support at the age at which they can qualify for State Pension Credit. From April 2017, the qualifying age will be 64.

Vulnerable People

The Government issued guidance to protect pensioners from increased Council Tax costs but did not prescribe any further action in relation to vulnerable groups. Decisions on how to

support these groups were left to local discretion. Hyndburn Council has regard to the following legislation in designing and updating its scheme.

- The Equality Act 2010 – the public sector Equality Duty in respect of protected characteristics.
- The Child Poverty Act 2010 – duty to reduce and mitigate the effect of child poverty in local areas.
- The Housing Act 1996 – duty to prevent homelessness

Fair and Equitable Council Tax Support Scheme

Hyndburn Council's Council Tax Support Scheme is fair and equitable for all claimants.

The personal allowances and applicable amounts currently used to calculate Council Tax Support are the amounts deemed necessary to provide for basic needs based on household composition and disability. These allowances and applicable amounts already take the claimant's circumstances into account and mean that they are awarded more benefit if their circumstances require it.

The figures used to calculate Council Tax Support are adjusted annually so that applicable amounts and personal allowances are the same as those used to assess Housing Benefit or Universal Credit.

Hyndburn's Council Tax Support Scheme reflects the Government's intention to bring all benefits in-line with the Consumer Price Index and any annual uprating will be in line with Consumer Price Index or any other pricing structure used to uprate Housing Benefit or Universal Credit.

Any annual changes to figures used will take effect from 1 April each year.

Class of Persons

The Government through regulations prescribes certain classes of persons who are not eligible to claim Council Tax Support.

Working Age

Working age claimants are defined as a class of person who has not reached the qualifying age for State Pension Credit, which from April 2017 will be 64.

Applications for Council Tax Support

Our standard application form will have to be completed in respect of all new claims for Council Tax Support. If this proposed scheme is adopted, CTS claims in payment on 31 March 2017 will be automatically adjusted on 1 April 2017; claimants will not have to reapply.

Notifications of Awards

Upon receipt of all relevant information, Hyndburn Council will make a decision on a claim within a reasonable timescale.

Notification of awards will be issued to customers with a detailed breakdown of the calculation used when assessing their Council Tax Support. The decision letter will include information relating to the review and appeals process.

Changes to Entitlement

In addition to the review process, all claimants will have a duty to notify Hyndburn Council of changes in their personal or household circumstances. This must be done in writing and within one calendar month of the change occurring.

Overpaid Council Tax Support

All overpayments of Council Tax Support will be recoverable with the exception of circumstances where the Council believes it would be unreasonable to expect the customer to know they had been overpaid.

A revised Council Tax demand will be issued and any amount of overpaid Council Tax Support which is to be recovered will be included in an adjusted Council Tax bill.

Appeals Process

A formal appeals process has been adopted by Hyndburn Council. Claimants are notified as part of the notification processes how they may appeal a decision and what decisions are appealable.

Hardship Scheme

As prescribed within the Local Government Finance Act 2012, the Council has an established Council Tax Support Hardship Scheme to which claimants can apply in circumstances of exceptional hardship.

Fraud

The Council will investigate cases where it has reason to believe that an amount of Council Tax Support has been awarded as a result of a fraudulent act by the customer or a person acting on their behalf. This will include situations where the customer fails to notify Hyndburn Council of any changes in household composition, income or capital that results in an overpayment of Council Tax Support.

Annual Council Tax Support Scheme Review

The Council Tax Support Scheme is reviewed annually and may be subject to change. The Council will undertake a review of the scheme each year to ensure that the scheme remains fair and equitable as well as affordable.



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COUNCIL TAX SUPPORT CONSULTATION 2017/18

CUSTOMER FIRST ANALYSIS

June 2016

Customer First Analysis

The Council's response to the public sector equality duty is a comprehensive Customer First Analysis.

Purpose

- **What are you trying to achieve with the policy / service / function?**

The Council wishes to consult on options for changes to its Council Tax Support Scheme for 2017/18.

- **Who defines and manages it?**

The Welfare Reform Act 2012 and Local Government Finance Act 2012 provide the scope for Local Council Tax Support Schemes.

The project and any eventual scheme will be designed and implemented by Benefits, Revenues and Customer Contact management team.

- **Who do you intend to benefit from it and how?**

This is a consultation only at this stage. Decision makers will benefit by being informed on public opinion and residents will benefit from having the opportunity to provide their views on options.

- **What could prevent people from getting the most out of the scheme?**

Accessibility could be a barrier to being able to participate in the consultation; however the consultation strategy has considered accessibility and all information provided will be available in several formats.

- **How will you get your customers involved in the analysis and how will you tell people about it?**

Consultation on options for a revised Council Tax Support Scheme will take place between 25th July 2016 and 14th October 2016. The consultation will be made available to as many people as possible using a variety of methods such as web forms, postal surveys and telephone surveys. A consultation strategy has been written which covers this in more detail.

The Council Tax Support project has dedicated web pages on the Council's website: www.hyndburnbc.gov.uk/counciltaxsupport

Evidence

- **How will you know if the policy delivers its intended outcome / benefits?**

The consultation will gather enough responses to enable a meaningful consideration of public opinion to be taken into account if changes are to be made to the 2017/18 Council Tax Support Scheme.

- **How satisfied are your customers and how do you know?**

The proposed consultation will address this.

- **What existing data do you have on the people that use the service and the wider population?**

Data we will use for this consultation includes names and addresses of liable Council Tax payers and current recipients of Council Tax Support.

We hold household and income details of current Council Tax Support recipients but this will not be used as part of the consultation. We have access to wider population statistics which will enable us to assess the range of responses we have received as equality monitoring data will be available (albeit optional) as part of the survey.

- **What other information would it be useful to have? How could you get this?**

It is not possible to future proof a Council Tax Support scheme, our claimant base changes on a daily basis and we cannot always foresee or predict major changes locally or nationally. This is why the scheme is subject to potential change on an annual basis. We will be monitoring the consultations and schemes proposed by other local authorities in order to ensure that our scheme options are broadly consistent with national and local changes.

- **Are you breaking down data by equality groups where relevant (such as by gender, age, disability, ethnicity, sexual orientation, marital status, religion and belief, pregnancy and maternity)?**

Yes – equality data will be collected throughout the consultation and will be used when analysing data.

- **Are you using partners, stakeholders, and councillors to get information and feedback?**

Yes – the consultation will be as inclusive as we can manage within our resources and we will consult with partners, groups and councillors.

Impact

- **Are some people benefiting more – or less - than others? If so, why might this be?**

No.

Actions

- **If the evidence suggests that the policy / service / function benefits a particular group – or disadvantages another - is there a justifiable reason for this and if so, what is it?**

This consultation is open to everyone.

- **Is it discriminatory in any way?**

No.

- **Is there a possible impact in relationships or perceptions between different parts of the community?**

No, the consultation is open to everyone in our community.

- **What measures can you put in place to reduce disadvantages?**

The consultation will be as accessible as we can make it in order to allow people to have their say.

- **Do you need to consult further?**

Not at this stage.

- **Have you identified any potential improvements to customer service?**

This will be the third Council Tax Support consultation since 2012 and we have learned from both previous consultations how we can communicate with our residents with clarity and how we can gather enough responses to make the consultation meaningful.

We intend to build on our previous consultation successes to gather a wide range of public opinion.

- **Who should you tell about the outcomes of this analysis?**

This analysis will form part of the wider Council Tax Support project and will be included with all documents available to the public as part of our commitment to transparency.

- **Have you built the actions into your Business Plan with a clear timescale?**

Yes.

- **When will this assessment need to be repeated?**

If this project progresses to changes to the Council Tax Support scheme for 2017/18, this assessment will be repeated with any changes to the scheme taken into consideration.