

Taunton Deane Borough Council

Full Council 12 December 2017

Review of Council Tax Support scheme for 2018/19

This matter is the responsibility of Councillor Richard Parrish

Report Author: Heather Tiso, Revenues & Benefits Service Manager

1 Executive Summary

- 1.1 This report provides Full Council with information on our existing Council Tax Support scheme and the context for reviewing our scheme for Working Age applicants from 2018/19.
- 1.2 The Council is legally required to give annual consideration on whether to revise its local Council Tax Support (CTS) scheme and to consult with interested parties if it wishes to change the scheme.
- 1.3 Consultation on options for our CTS scheme for 2018/19 has been undertaken. The Corporate Scrutiny Committee support amending the current CTS scheme for 2018/19 to that set out in [Appendix 1](#) (and illustrated in [Forecast C](#)).
- 1.4 This report seeks agreement from Full Council on our CTS scheme for the financial year 2018/19.

2 Recommendations

- 2.1 Full Council, having regard to the consultation response and the Equality Impact Assessment (EIA - see [Appendix 4](#)), agree to the recommendation from the Corporate Scrutiny Committee that the 2018/19 Council Tax Support scheme should be amended to that shown in [Appendix 1](#). This will award entitlement to working age recipients based on bands of income and will:
 - a) increase the maximum support available to working age recipients to 85% of their Council Tax liability;
 - b) apply a flat rate deduction of £5 a week for each non-dependant;
 - c) disregard carers' allowance from the income used to work out CTS
 - d) provide extra assistance for young people who have left local authority care by increasing maximum support to 100% of the Council Tax liability for single applicants up to the age of 25 where their weekly income falls within Band 1
- 2.2 Full Council agrees that working age applicants with protected characteristics who will receive reduced CTS from 1 April 2018, should be invited to submit a claim for a discretionary reduction to mitigate the effects in moving to a Banded Income CTS scheme.

3 Risk Assessment (if appropriate)

Risk Matrix

Description	Likelihood	Impact	Overall
The increased complexity of financial planning that could result from growing pressure from the Council Tax Support scheme if funding reductions are not fully addressed	3	4	12
<i>Cautious assumptions on recovery rate and therefore yield from the scheme.</i>	2	4	8
Council incurs an unacceptably high-level of debt because of people's inability to make the payments particularly if the scheme is less generous. Lower Council Tax collection rate and bad debts. There will be a point if people are asked to pay more Council Tax where the liability is too high for them and they will not pay anything.	4	4	16
<i>Robust arrears management procedures to maximise collection rate and prudent assumptions on collection rates council increases bad debt provision with budget. Maximise take-up of all discounts/exemptions/ hardship relief. Monthly monitoring of performance against targets.</i>	3	4	12
Higher administrative costs	3	3	9
<i>Simplify CTS scheme to reduce administrative costs associated with assessment and debt collection costs while maximising council tax collected</i>	2	3	6
Potential growth in the number of claimants.	4	4	16
<i>Realistic assumption on caseload growth based on trends</i>	3	4	12
If Taunton Deane's population increases, including an increase in the population segment currently receiving CTS, demand for CTS could increase against funding from the Government, thereby increasing the funding gap. Such population migration may occur if the CTS scheme is more generous than those of neighbouring boroughs. Caseload increases (e.g. Major employer loss)	3	4	12
<i>Demand and cost of scheme monitored regularly and material changes reflected in the MTFP</i>	2	4	8
Council fails to meet obligations under relevant equality legislation in adopting a scheme	3	4	12
<i>Carry out consultation on proposed scheme. Consider the results and findings as part of the approval of any scheme. Make reasonable adjustments through application of any agreed scheme.</i>	2	4	8

Risk Scoring Matrix

Likelihood	5	Almost Certain	Low (5)	Medium (10)	High (15)	Very High (20)	Very High (25)
	4	Likely	Low (4)	Medium (8)	Medium (12)	High (16)	Very High (20)
	3	Possible	Low (3)	Low (6)	Medium (9)	Medium (12)	High (15)
	2	Unlikely	Low (2)	Low (4)	Low (6)	Medium (8)	Medium (10)
	1	Rare	Low (1)	Low (2)	Low (3)	Low (4)	Low (5)
			1	2	3	4	5
			Negligible	Minor	Moderate	Major	Catastrophic
Impact							

Likelihood of risk occurring	Indicator	Description (chance of occurrence)
1. Very Unlikely	May occur in exceptional circumstances	< 10%
2. Slight	Is unlikely to, but could occur at some time	10 – 25%
3. Feasible	Fairly likely to occur at same time	25 – 50%
4. Likely	Likely to occur within the next 1-2 years, or occurs occasionally	50 – 75%
5. Very Likely	Regular occurrence (daily / weekly / monthly)	> 75%

3.1 In addition to the principle risks outlined on the previous page, a number of other factors have been considered:

Fairness: There is also a risk that scheme may be perceived as being unfair. This risk will be studied in line with the Government’s commitment to incentivise work, the recommended scheme requires a contribution. To mitigate this, all residents will have access to a discretionary fund.

Culture of non-payment: As we are mainly asking CTS recipients to make only a small contribution to their Council Tax bill, collection and recovery strategies may not be cost-effective, and small debts may be written off. This may over time develop into a culture of non-payment, where it becomes increasingly difficult and costly to recover small amounts of Council Tax from those who can least afford to pay it. We have mitigated this risk by minimising the level of contribution which is supported by robust arrears management procedures.

4 Background

4.1 Responsibility for Council Tax Support (CTS) passed to Local Authorities on 1 April 2013. Government also passed funding for CTS to Local Government, but reduced the amount of funding compared to the costs of the previous Council Tax Benefit scheme where responsibility for CTB had been held by central Government and funded through the Department for Work and Pensions (DWP).

4.2 Local Authorities therefore had to decide whether to absorb the funding reduction across other areas of their budget or pass it on to recipients of CTS by requiring them to make a contribution to their overall Council Tax bill.

- 4.3 Billing Authorities were tasked with designing a CTS scheme for people of working age, while rules for people of pension age are set in regulations prescribed by the Government. This means people of pension age continue to receive assistance at no less amount than had been available under the CTB scheme.
- 4.4 Approaches to the design of local CTS schemes by individual Councils have varied greatly. In designing their local schemes, a few authorities have absorbed the funding reduction passed on by Government, without passing on the cut to residents eligible for CTS by requiring them to contribute to their Council Tax bill. Other Councils have asked households to make a contribution to their annual Council Tax bill for the first time, in some cases as much as 45% of their total bill. In 2017/18, 264 Local Authorities (81%) require everyone to pay at least some Council Tax regardless of income, 35 more than in 2013/14. From April 2017, just 37 Councils (11%) continue to provide support at the level paid under the former CTB scheme.
- 4.5 The Department for Communities and Local Government (DCLG) provides funding through the annual Settlement Funding Assessment (comprising Revenue Support Grant and Business Rates Baseline) to help meet the cost of localised CTS schemes. Each of the major precepting authorities in Somerset received the initial funding based on their share of Council Tax receipts. In Taunton Deane, the initial grant awarded to precepting authorities was £6,110,080, with Taunton Deane Borough Council's share of this grant being £587,775 (based on a 9.62% share). From 1 April 2014, funding for localised CTS was incorporated in the LGFS and is not separately identified.
- 4.6 It is now impossible to ascertain funding provided for CTS in the LGFS. Government grants to councils are being phased out and local government will move to 100% business rates retention by 2020. It has not been confirmed, but this may well be how councils will be expected to fund CTS schemes in future.
- 4.7 The approach taken by many authorities has been to assume the funding for CTS has been reduced at the same rate as the SFA. The SFA has reduced by 45.7% in cash terms since 2013/14. Therefore, in applying this methodology, the funding available for Localised CTS has reduced by £2,792,307 to £3,317,773.
- 4.8 In 2016/17, we paid CTS of £2,932,313 for people of pensionable age. Based on the assumptions stated in paragraph 4.7, this would leave just £385k available to spend on CTS for people of working age. As our expenditure for working age recipients in 2016/17 was £2,445,657, this leaves a funding shortfall of £2,060,197. Based on its precepting share of Council Tax for 2017/18 of 9.61%, the share of this shortfall in funding for Taunton Deane Borough Council equates to £197,985.
- 4.9 The Department of Work and Pensions (DWP) subsidises the cost of administering Housing Benefit, while the Department for Communities and Local Government (DCLG) provides an annual grant towards the cost for CTS administration. However, funding has steadily decreased and is likely to be removed entirely with the move to 100% business rate retention in 2020.

- 4.10 Until recently, the administration of our localised CTS scheme has been both cost effective and efficient as for the majority of claims we have been able to use information supplied by claimants for a Housing Benefit claim or directly from the Department for Work and Pensions. However, CTS administration has become increasingly difficult since the roll out of the “full service for Universal Credit (UC) in October 2016, with the number of working age customers claiming UC significantly increasing.
- 4.11 We receive information from the DWP on any variations to the customer’s income and for many customers, such changes occur every month. As our CTS scheme does not contain any “de-minimus” for income variances, we need to reassess the amount of CTS entitlement. In changing the CTS award, we then need to issue an amended Council Tax bill and adjust any direct debit arrangements to reflect revised instalments. Changing payment arrangements can result in cancellation of the next direct debit, with instalments effectively delayed by one month. Where such changes take place every month, it is possible for Direct Debits to be continually set back so the customer then needs to pay a lump sum at the end of the financial year.
- 4.12 For the reasons outlined above, administration of the CTS scheme could become progressively financially burdensome, as well as being increasingly complex for customers. In addition, as working age customers need to submit claims for UC online we need to be mindful that in simplifying our CTS scheme, we support people in adapting to the digital agenda.
- 4.13 This report presents Full Council with possible options to reduce the projected shortfall as well as simplifying the CTS scheme to not only make it easier for our customers, but also to contain what could be increasing administrative costs.
- 4.14 To comply with the law, any changes that the Council is considering to the operation of the scheme for 2018/19 must be subject to a consultation process and be decided upon by Full Council by 31 January 2018.

5 Taunton Deane Borough Council’s CTS Scheme

- 5.1 On 11 December 2012, the Council adopted a Local Council Tax Support scheme for 2013/14 that was largely based on the former national Council Tax Benefit (CTB) scheme. From 1 April 2013, those of pension age received support of up to 100% of their Council Tax liability, while the maximum support for those of working age was set at 80%. In designing our CTS scheme, we considered customers’ ability to pay and the collectability of the resultant Council Tax liability. For people of working age, our scheme included the following key elements:
- Maximum support is 80% of Council Tax;
 - Increased non-dependant deductions;
 - No Second adult rebate;
 - Earned income disregards are at increased levels than those offered under CTB;

- 5.2 While we have some discretion on designing our CTS scheme for working age people, the Government said we must protect vulnerable groups. There is no definition of which groups are counted as “vulnerable” as each authority has to make its own assessment. However, the Government highlighted Local Authority statutory duties regarding:
- Children and duties under the 2010 Child Poverty Act to reduce and mitigate the effects of child poverty
 - Disabled people and duties under the Equality Act 2010
 - Homelessness Prevention and duties under the 1996 Housing Act to prevent homelessness with special regard to vulnerable groups.
- 5.3 Our scheme considers disabled people’s needs and those responsible for children. It fully ignores income from a War Disablement or War Widows Pension. Also following the Government’s direction, our scheme strengthens work incentives and does not discourage people to move off benefits and into work or to stay in work.
- 5.4 Council Tax Support (CTS) was unchanged until 2015/16 when the Council decided to amend the scheme to disregard maintenance received for children. As a consequence of significant cuts to funding, the Council decided to further amend the CTS scheme for 2016/17 to reduce support offered to working age applicants by:
- Removing entitlement to applicants with capital over £6,000; and
 - Applying a Minimum Income for Self-Employed applicants; and
 - Paying CTS at a level that would be no more than for a Band D property.
- 5.5 In agreeing our scheme for 2017/18, the Council decided to align the CTS scheme with some changes made by the Government to other welfare benefits. As a consequence, CTS for working age applicants from 1 April 2017 was amended as follows:
- Maximum backdating of CTS reduced from 6 months to 1 month;
 - Family premium not included in the applicable amount for new applicants, or existing recipients who would otherwise have a new entitlement to the premium;
 - Work Related Activity component not included in the applicable amount for new claimants of Employment and Support Allowance;
 - Removal of child allowance in applicable amount for third and any subsequent children born after 1 April 2017 but protection for some customers;
 - Reduction in the allowable period of temporary absence outside Great Britain from 13 weeks to 4 weeks.
- 5.6 In annual billing for 2017/18, Taunton Deane Borough Council sent Council Tax bills that after the award of CTS, totalled more than £64.2million. Approximately 13% of residents receive financial support through CTS, with just under 7% of those liable to pay some Council Tax, being CTS recipients of working age.
- 5.7 There were 8,513 people who moved from the Council Tax Benefit scheme to the localised CTS scheme. At 31 March 2017, this had reduced to 7,033. Key information on CTS caseload, spending and budgets is shown on the following page.

Claimant type	% of total claims	Caseload at 31 March 2017	% of total spend	CTS Expenditure
Working Age	52%	3,676	45%	£2,529,811
Pension Age	48%	3,357	55%	£2,968,459
Total	100%	7,033	100%	£5,377,970

Table 5.7.1

Authority	CTS Budget
Taunton Deane Borough Council (9.63%)	£555,391
Parishes and the Unparished Area (1.17%)	£67,206
Somerset County Council (72.01%)	£4,153,876
Avon and Somerset Police (11.87%)	£684,581
Devon and Somerset Fire and Rescue Authority (5.32%)	£307,151
Total Budget	£5,768,206

Table 5.7.2

Comparative data	
Council Tax Benefit awarded 2012/13	£6,896,492
Council Tax Support awarded 2016/17	£5,377,970
Reduction in CTS expenditure in comparison to CTB (22%)	£1,518,522
Council Tax Benefit claims @ 31 March 2013	8,514
Council Tax Support claims @ 31 March 2017	7,033
Reduction in CTS caseload in comparison to CTB (17%)	1,481
Council Tax Support Budget 2016/17	£5,768,206
Council Tax Support awarded 2016/17	£5,377,970
Saving in CTS awarded in 2016/17 in comparison to budget	£390,236

Table 5.7.3

5.8 Members will see from the tables above that the cost of our CTS scheme has reduced considerably, both through the implementation of our local policy and the trend in demand / eligibility for financial assistance. However, there are a number of factors potentially affecting the ongoing reduction in costs and CTS recipients, namely:

- A downturn in the economy generally (as experienced in 2008 until 2013); or
- A downturn in the local economy such as a local business going into liquidation or a reducing labour force; or
- An increase in Council Tax above the increase in allowances under the scheme.

6 Collection Activity and Debt Profile for 2016/17

6.1 The households liable for Council Tax increased from 50,211 in 2012/13 to 53,104 by 31 March 2017. While bringing additional income from Council Tax, this growth has increased the demand for services.

- 6.2 The net collectable amount for Council Tax in 2016/17 increased by over £9.2m in comparison to 2012/13. The collection of Council Tax in year, while at a rate slightly less than achieved in 2012/13, has resulted in additional income for Taunton Deane of £886k based on its preceptor share of 9.63%.

	2012/13	2016/17	Difference since 2012/13	% change since 2012/13
Council Tax due	£52,147,230	£61,348,902	£9,201,672	17.65% ↑
Council Tax Collected (in year)	£51,125,612 (98.04%)	£60,138,805 (98.03%)	£9,013,193	17.63% ↑

Table 6.2.1

- 6.3 Overall, the Council Tax outstanding for 2016/17 was £1,210,097. Council Tax outstanding for working age CTS recipients was £271,132. Therefore, while working age CTS recipients represent just 7% of households, the value of their debt equates to 22% of Council Tax outstanding at 31 March 2017. More information on the breakdown of Council Tax arrears for CTS recipients is shown in [Appendix 5](#). In some instances, significant effort is required to collect relatively small sums of money and that effort may not be economical when balanced against the value of the debt owed. Furthermore, the impact of passing enforcement costs on to residents will only increase the level of the debt further.

7 Council Tax Support Scheme 2018/19

- 7.1 The Local Government Finance Act 2012 states that before making a scheme we must consult with any major precepting authorities, publish a draft scheme and then consult with other such persons who are likely to have an interest in the operation of such a scheme. We must set a realistic timeframe for consultation to ensure we can seek feedback from all appropriate individuals and groups in the community.
- 7.2 Consultation with precepting authorities (Somerset County Council, Avon and Somerset Police, and Devon and Somerset Fire and Rescue Authority took place on 19 June 2017. Public consultation started on 3 July 2017 and ended on 27 August 2017. At the closing date, we had received 372 responses. Full details of the consultation are shown in [Appendix 2](#). Information below shows a summary of the 3 options on which we consulted, as well as the response received.
- 7.3 **Option 1 - Change CTS so entitlement is based on bands of income**

Consultation Response: 59% in favour

- 7.3.1 This option involves setting bands of awards based on an applicant's net income (and that of their partner). Whilst this is the least complex option to administer and potentially provides less sophisticated protection for some groups, it would be simpler to administer. This could be an important factor as the Council anticipates a falling central government administration grant which will mean the Council will potentially bear a greater proportion if not all of the administration costs of any new scheme in the years ahead.

7.3.2 Maximum support available to all working age applicants could be increased from 80% to 85% for those applicants that are on a particularly low income. The bands below are likely to give more help to those in low paid work or with limited income from benefits:

- 85% discount for those whose income falls within Band 1
- 75% discount for those whose income falls within Band 2
- 60% discount for those whose income falls within Band 3
- 45% discount for those whose income falls within Band 4
- 30% discount for those whose income falls within Band 5
- 15% discount for those whose income falls within Band 6

7.3.3 As an alternative to the various deductions we currently apply to CTS based on a non-dependant's income, we could apply a "flat-rate" deduction of £5 for each non-dependant to weekly CTS entitlement for working age recipients.

7.3.4 Income from earnings would be after the deduction of tax, national insurance and 50% of any contribution to a pension scheme. To incentivise employment or self-employment, we could continue to ignore (disregard) some income. For most customers that are working, we would disregard:

- £10 a week for single people
- £20 a week for couples
- £37.50 a week for lone parents
- £30 a week for those with qualifying disabilities

7.3.5 In common with Universal Credit rules, no blanket protection would be provided to households receiving disability benefits, but **income from Disability Living Allowance and Personal Independence Payments would not count as household income**. Similarly, we would continue to ignore (disregard) child benefit and maintenance received for children. If we were to include disregarded income for children or customers with disabilities in any future CTS scheme, it could be seen as having a negative effect on provisions contained within the Child Poverty Act and the Equality Act 2010. In addition, a court case has established that DLA and PIP should be fully disregarded when considering a Discretionary Hardship Payment.

7.3.6 To provide a fair scheme that recognises the additional needs of multi-person households and families the table below shows the income limits for each band:

CTS Band		Single people	Couple no Children	Couple with one child	Lone Parent with one child	Couple with two or more children	Lone Parent with two or more children
85%	1	£75.00	£115.00	£165.00	£125.00	£215.00	£175.00
75%	2	£125.00	£165.00	£215.00	£175.00	£265.00	£225.00
60%	3	£175.00	£215.00	£265.00	£225.00	£315.00	£275.00
45%	4	£225.00	£265.00	£315.00	£275.00	£365.00	£325.00
30%	5	£275.00	£315.00	£365.00	£325.00	£415.00	£375.00
15%	6	£325.00	£365.00	£415.00	£375.00	£465.00	£425.00

Table 7.3.6.1.

- 7.3.7 In applying the limits shown in table on the previous page, customers with a weekly income in excess of the limits shown for Band 6 would not receive any Council Tax Support. In common with our current scheme, customers with capital of over £6,000 would similarly not be entitled to assistance.
- 7.3.8 A banded discount scheme for working age recipients based on limits in the above table, and in applying the assumptions set out in paragraphs 7.3.3 to 7.3.5 would result in an additional cost of the CTS scheme for working age recipients of £11,057 ([Appendix 3, Forecast B](#)). As any cost will be shared between the precepting authorities, Taunton Deane Borough Council's share would be £1,063.
- 7.3.9 The cost in paragraph 7.3.8, does not allow for further mitigation the Council may wish to apply to those with protected characteristics. In mitigating the effects of a banded CTS scheme, the Council could apply extra protection to those households where there are people with disabilities and carer's allowance is in payment. This would result in an additional cost of £22,760, with TDBC's share being £2,187. See [Forecast C](#).
- 7.3.10 The Council could decide some customers need increased support to assist in meeting their Council Tax liability. Council Tax Support of up to 100% could be provided for those leaving care until they are 25 years old, although according to information supplied by Somerset County Council on 18 July 2017, there were no care leavers living within Taunton Deane who would benefit from such a change.
- 7.3.11 If the Council decides to change our CTS scheme in 2018/19 to a banded discount scheme, we will need an additional module for the Civica OpenRevenues system. The indicative purchase price of the necessary software based on Taunton Deane Borough Council's contribution to the shared cost would be £29,374 with additional on-going maintenance costs of £5,875.
- 7.3.12 However, an income banded assessment scheme for working age applicants will reduce the volume of changes in circumstances and thereby reduce the potential for further increased administration costs. The information held on a person's Universal Credit claim will be used to decide the income band they fall into and the amount of CTS they are entitled to. The DWP provides the Council with this information so a Universal Credit recipient will not need to make a separate claim for CTS. In the future, we expect data for Universal Credit recipients to be automatically populated into our CTS processing software, and so reduce the administrative burden.

7.4 **Option 2 - Reduce maximum CTS offered to working age recipients from 80%**

Consultation Response: 21% in favour

- 7.4.1 This means working age CTS recipients would need to pay more and the Council could reduce the funding required to support the scheme in 2018/19 to assist in off-setting cuts in the Local Government Finance Settlement. Under our current CTS scheme the minimum contribution is 20%.
- 7.4.2 Increasing the contribution rate to 30% adds £2.99 a week additional Council Tax burden for a working age couple on CTS living in a band D (or above) property. It is important to consider the impact of increasing the Council Tax burden for those residents who are also likely to be impacted by wider Welfare Reform.

7.4.3 The saving from reducing the maximum CTS offered to working age recipients to 70% is estimated at £351,079. As any savings will be shared between the precepting authorities, Taunton Deane Borough Council's share is estimated at £33,739. See [Appendix 3, Forecast D](#).

7.4.4 Increasing the contribution rate is likely to lead to increased administration costs in recovering the Council Tax owed. It is unknown that if contributions increase, whether residents who have paid and been able to pay, will be forced into greater indebtedness, and non-collection rates increase. However, increasing the burden to taxpayers can mean the debt is never repaid in a timely manner.

7.5 Option 3 - Introduce entitlement limits

Consultation Response: 11% in favour

7.5.1 There are two types of entitlement limits - minimum and maximum.

- A minimum limit is where there is no entitlement below a certain level. An example is shown below:

Mr Jones is entitled to CTS of £4 a week. Under this option a minimum entitlement of £5 a week is set. This would mean Mr Jones would lose his entitlement to CTS.

The advantage in setting a minimum weekly level at which we would award CTS is that this will avoid collecting small balances from customers and will focus limited resources towards the most needy.

- A maximum limit is where entitlement is capped at a certain level. The effect of this is illustrated in the example below.

Miss Smith is entitled to CTS of £25 a week. Under this option a maximum entitlement of £20 a week is set. This would mean Miss Smith's entitlement to CTS would be restricted to £20 a week.

7.5.2 The table below shows the weekly award range under our current CTS scheme based on 1,251 working age recipients.

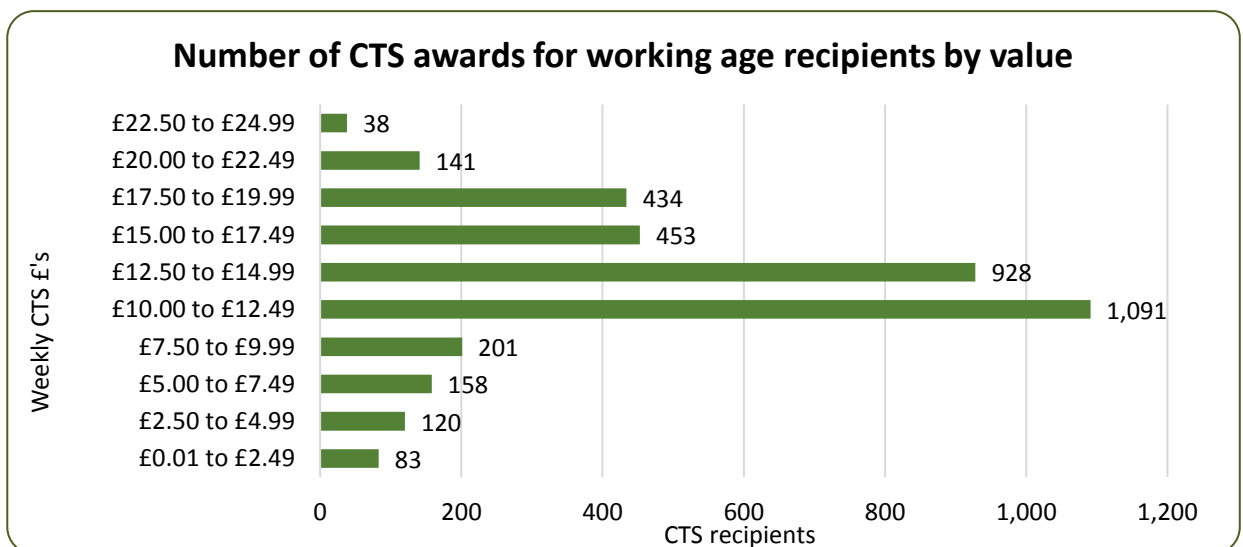


Chart 7.4.2.1.

- 7.5.3 The maximum saving by introducing a minimum entitlement limit of £5 a week combined with a maximum entitlement limit of £15 a week across all CTS recipients is estimated at £189,532, see [Appendix 3, Forecast E](#). This would reduce to £48,517 if protection is applied to all vulnerable groups. It would affect 1,269 working age CTS recipients, including 927 recipients that fall within vulnerable groups. As any savings will be shared between the precepting authorities, Taunton Deane Borough Council's share is estimated at £18,214 (or £4,662 if protection is applied).

8 Key considerations applicable to all options

- 8.1 Any of the options to reduce the level of support we offer through CTS will have an adverse impact on certain applicants or groups of applicants. If we need to cut the support offered through our CTS scheme, we need to consider a careful selection of options for our particular demographic unless additional funding can be raised through other Council initiatives or by cuts in services generally. The reality is that any revised scheme that has less funding, needs to establish which applicants are more able to pay an increased level of Council Tax with the reduction in their CTS.
- 8.2 The estimated financial impact of each of the options and the numbers of customers affected have been considered are set out in detail in [Appendix 3](#).
- 8.3 Although the Council is not legally required to include transitional protection for claimants moving from one CTS scheme to a replacement scheme, the legislation states Members must consider if transitional arrangements may be needed and if protection should apply to all groups or just certain groups. Such protection could limit our ability to realise savings.
- 8.4 Should there be any shift in proportions between working age and pension age or an economic downturn resulting in more people relying on some form of state financial support, there would be greater pressure on remaining Council Taxpayers to meet potentially higher outlay.
- 8.5 A decision to reduce CTS for people of working age will mean that Council Tax Collection will be a much harder task. This will result in more pressure on Revenues staff and may require additional capacity to maintain tax collection rates.

9 Links to Corporate Aims / Priorities

- 9.1 Council Tax Support is most closely linked with Key Theme 1 - People where we will '*Work with others to support the wellbeing of an older population and our most vulnerable residents*'.

10 Finance / Resource Implications

- 10.1 As reported earlier in this report, funding for CTS was reduced by 10% in 2013/14. Subsequently the Settlement Funding Assessment (SFA) has reduced by 45.7% in cash terms in the four years up to 2017/18.
- 10.2 The Medium Term Financial Plan (MTFP) for the Council, as reported to the Executive on 3 August 2017, shows we have a projected budget gap of £388k in 2018/19, rising to over £1,118k by 2022/23 if no action is taken to address the financial position. This takes into account projected cost pressures based on current service provision, and further reductions in funding from Government. It is clear that Members will need to consider a number of potential options to reduce costs / increase income to close this gap.

- 10.3 The Council has been required to make significant financial savings in recent years, and faces further cuts in funding and increasing financial risks over the coming years. It is becoming increasingly difficult to preserve core services to local residents.
- 10.4 Reducing Council Tax income will increase the Council's budget gap (and increase budget pressures for major preceptors) increasing the challenge for Members in identifying savings required to balance the budget overall.
- 10.5 The maximum saving that may be achieved in isolation is through Option 2 ([Appendix 3, Forecast D](#)). The illustrative budgetary savings for each preceptor through reducing maximum CTS for people of working age to 70% is shown below.

Authority	% CTS budget	CTS Budget for 2017/18	Estimated budget saving
TDBC	9.61%	£538,804	£33,756
Parishes / Unparished	1.21%	£67,558	£4,250
Somerset County Council	72.26%	£4,050,538	£253,820
Avon and Somerset Police	11.68%	£654,725	£41,027
Devon & Somerset Fire & Rescue	5.24%	£293,746	£18,406
Total	100%	£5,605,370	£351,260

Table 10.5.1.

- 10.6 By running the scheme as a “discount” we share the risk of financing the costs with the other precepting authorities through the Tax base calculation. The first financial impact is on the Collection Fund that is used to manage all Council Tax income, before that funding is shared between the various local precepting bodies. Given TDBC’s share of the Collection Fund (shown in the chart below) is only 9.61%, the major element of the risk falls on the other precepting local authorities.

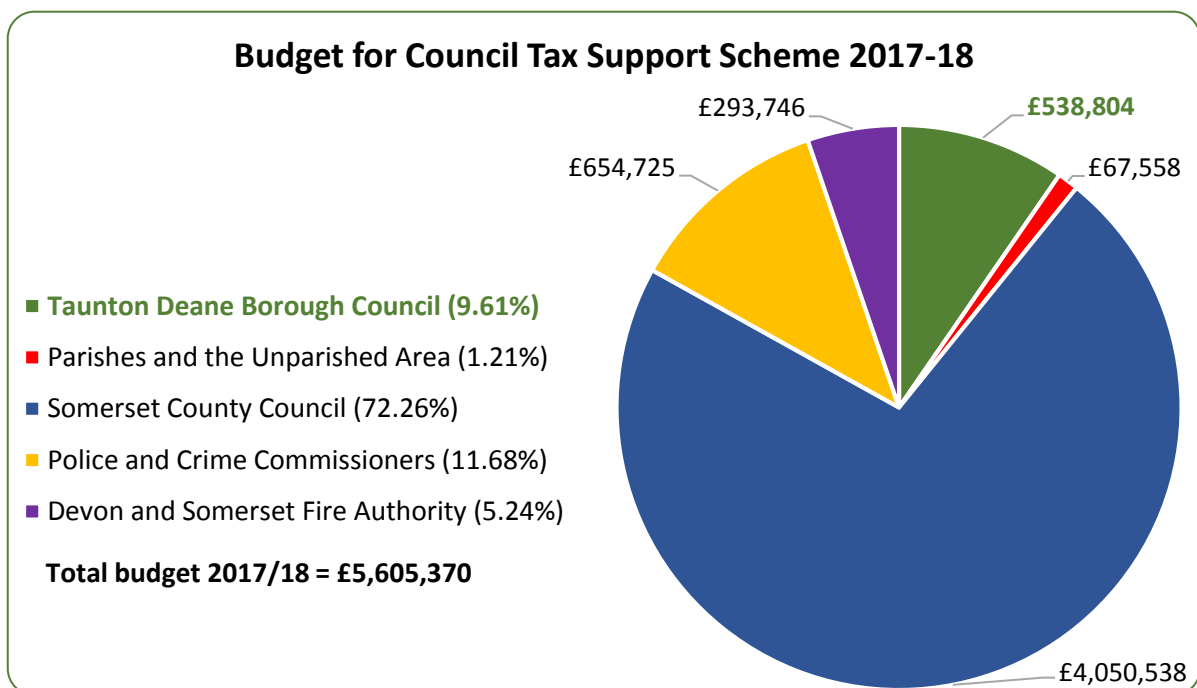


Chart 10.6.1

10.7 If the Council decide to change the CTS scheme for people of working age to a banded discount scheme, we will incur additional one-off costs of £29,374 in purchasing the necessary module to supplement our existing software, with on-going additional maintenance costs estimated at £5,875. This will be financed through existing budgets.

11 Legal Implications

11.1 Section 33 of the Welfare Reform Act 2012 abolished Council Tax Benefit and any replacement scheme is excluded from the scope of the Universal Credit system set up by Section 1 of that Act. The Local Government Finance Act 2012 ("the 2012 Act") amends the Local Government Finance Act 1992 ("the 1992 Act") to make provision for the localisation of Council Tax Support.

11.2 The 2012 Act amends the 1992 Act by adding a new section 13A to state that Council Tax will be reduced to the extent set out in an authority's Council Tax reduction scheme and to such further extent as the authority sees fit (new s13A(1)(c) replicating the existing provision for authorities to adopt specified additional classes).

11.3 Local authorities must make a Council Tax reduction scheme setting out the reductions which are to apply in its area by persons or persons in classes consisting of persons whom the authority considers to be in financial need.

11.4 Paragraph 5 of Schedule 1A to the Local Government Finance Act 1992, as inserted by Schedule 4 to the Local Government Finance Act 2012, requires the authority to consider whether, for each financial year, the CTS scheme is to be revised or replaced. Where the scheme is to be revised or replaced the procedural requirements in paragraph 3 of that schedule apply. Any revision/replacement must be determined by 31st of January in the preceding year to the year which the changes are to apply.

11.5 The Council must therefore consider whether the scheme requires revision or replacement and if so, consult with precepting authorities (Somerset County Council, Avon and Somerset Police, and Devon and Somerset Fire and Rescue Authority), publish a draft scheme and then consult with such persons as are likely to have an interest in the operation of that scheme prior to determining the scheme before 31st January. If any proposed revision is to reduce or remove a reduction to which a class of person is entitled, the revision must include such transitional provision as the Council sees fit.

11.6 Case law has confirmed that consultation must

- be undertaken when proposals are at a formative stage;
- include sufficient reasons for particular proposals to allow those consulted to give intelligent consideration and an intelligent response;
- give consultees sufficient time to make a response; and
- be conscientiously taken into account when the ultimate decision is taken.

12 Environmental Impact Implications

12.1 There are no environmental implications associated with this report.

13 Safeguarding and/or Community Safety Implications

13.1 Safeguarding and community safety implications have been considered, and there are not expected to be any specific implications relating to this report.

14 Equality and Diversity Implications

14.1 Members need to demonstrate they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process. The three aims the authority must have due regard for:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

14.2 The public sector equality duty, as set out in section 149 of the 2010 Equality Act, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic.

14.3 The “protected characteristics” are: age, disability, race (including ethnic or national origins, colour or nationality), religion or belief, sex, sexual orientation, pregnancy and maternity, and gender reassignment. Marriage and civil partnership are also a protected characteristic for the purposes of the duty to eliminate discrimination.

14.4 The Council must pay due regard to any obvious risk of such discrimination arising from the decision before them. There is no prescribed manner in how the equality duty must be exercised, though producing an EIA is the most usual method. For this reason, these matters are examined in the EIA at [Appendix 4](#). In addition, debt levels are broken down by claim profile in [Appendix 5](#).

14.5 Councillors must consider the effect that implementing any changes to the CTS for 2018/19 will have on equality before making a decision. The EIA will assist with this. Where it is apparent the CTS policy would have an adverse effect on equality, then adjustments should be made to seek to reduce that effect and this is known as “mitigation”.

14.6 The Council has a duty to prevent child poverty under provisions within the Child Poverty Act 2010. In moving to a scheme based on bands of income, the scheme makes additional income provision for up to 2 children. Such a limit aligns to other Welfare Benefits administered by the Department for Work and Pensions. The calculation of a customer’s net income would continue to disregard certain income as set out in paragraphs 7.3.4. and 7.3.5. as well as disregarding qualifying childcare costs. However, where households have 3 or more children, the limitations on child numbers could have an adverse effect.

14.7 In mitigating the effects of any reduction to CTS for working age applicants, officers could apply a discretionary reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our policy

14.8 Budgetary pressures and economic and practical factors will also be relevant. The amount of weight to be placed on the same countervailing factors in the decision making process will be for Members to decide.

15 Social Value Implications

15.1 There are no social value implications associated with this report.

16 Partnership Implications

16.1 Further development of the Council Tax Support scheme will need collaborative working between TDBC and the major precepting authorities.

17 Health and Wellbeing Implications

17.1 There are no Health and Wellbeing implications associated with this report.

18 Asset Management Implications

18.1 There are no asset management implications associated with this report.

19 Consultation Implications

19.1 Before implementing any change to the CTS scheme for 2018/19 we must consult with the public. It is important not just to consider the options to reduce funding for CTS, but also to give the public options on how we can keep our CTS scheme at the same level by making funding available from other sources or by reducing other services. The questions asked in public consultation are shown in [Appendix 2](#).

19.2 To obtain a confidence interval (CI) of 95% from public consultation, we need to receive approximately 300 responses. The CI is a way of expressing how certain we are about the findings from our consultation, using statistics. It gives a range of results that is likely to include the “true” value for the population.

19.3 To obtain sufficient responses, officers contacted a proportional, random selection of households in each parish to obtain their views. As well as seeking views on our proposals from those selected for the random interviews, we also promoted responses through issuing a press release and publishing our consultation options on our website.

19.4 Public consultation ran for 8 weeks from 3 July 2017 to 27 August 2017. At the closing date, we had received 372 responses, thereby giving a confidence interval in excess of 95%, with responses from every parish and the unparished areas in Taunton Deane.

19.5 In addition, we also sought views on our proposals from the major preceptors, various welfare support agencies and advisory groups

20 Scrutiny Comments / Recommendation(s)

- 20.1 On 12 October 2017, the Corporate Scrutiny Committee recommended that the Council amends the current CTS scheme for 2018/19 to that illustrated in [Forecast C](#). This will award entitlement to working age recipients based on bands of income and will:
- increase the maximum support available to working age recipients to 85% of their Council Tax liability;
 - apply a flat rate deduction of £5 a week for each non-dependant;
 - disregard carers' allowance from the income used to work out CTS.
- 20.2 The Corporate Scrutiny Committee recommended that the Council provides extra assistance for young people who have left local authority care, by increasing maximum support to 100% of the Council Tax liability for single applicants up to the age of 25 where their weekly income is less than £75.00.
- 20.3 The Corporate Scrutiny Committee recommended the Council mitigates the effects in moving to a Banded Income CTS scheme for working age applicants by inviting applicants with protected characteristics who will receive reduced CTS from 1 April 2018 to submit a claim for a discretionary reduction.

Democratic Path:

- **Corporate Scrutiny Committee - Yes**
- **Executive - No**
- **Full Council - Yes**

Reporting Frequency: **Annually**

List of Appendices (delete if not applicable)

Appendix 1	Taunton Deane Borough Council's Council Tax Support Scheme for 2018/19
Appendix 2	Public Consultation
Appendix 3	Modelling of impact of options for CTS applicants and financial effect
Appendix 4	Equality Impact Assessment
Appendix 5	Council Tax debt profile @ 31 March 2017

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**Taunton Deane Borough Council
Council Tax Reduction Scheme**
S13A and Schedule 1a of the Local Government Finance Act 1992

**See separate Appendix 1 available online for the Full Council Meeting scheduled for
12 December 2017 at**

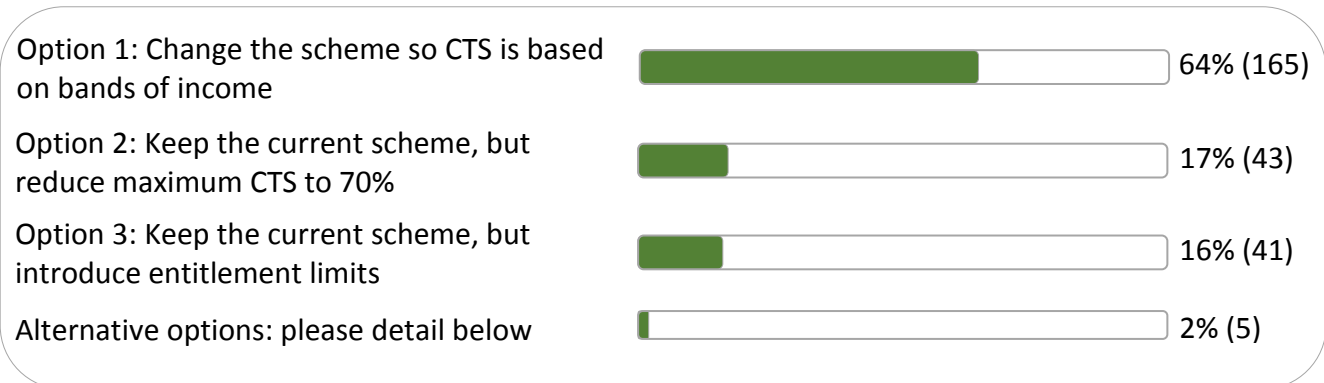
<http://www2.tauntondeane.gov.uk/webpages/tdbcagendas/Meeting.aspx?MID=20172004>

A hard copy of Appendix 1 can also be obtained from Democratic Services.

Council Tax Support - Consultation for Changes in 2018/19

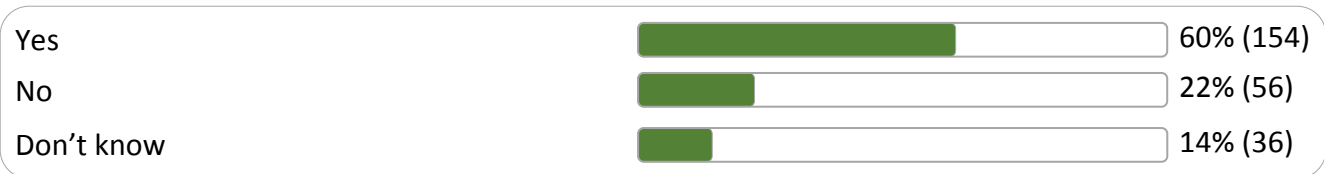
Question 1

How should Council Tax Support change for working age people?



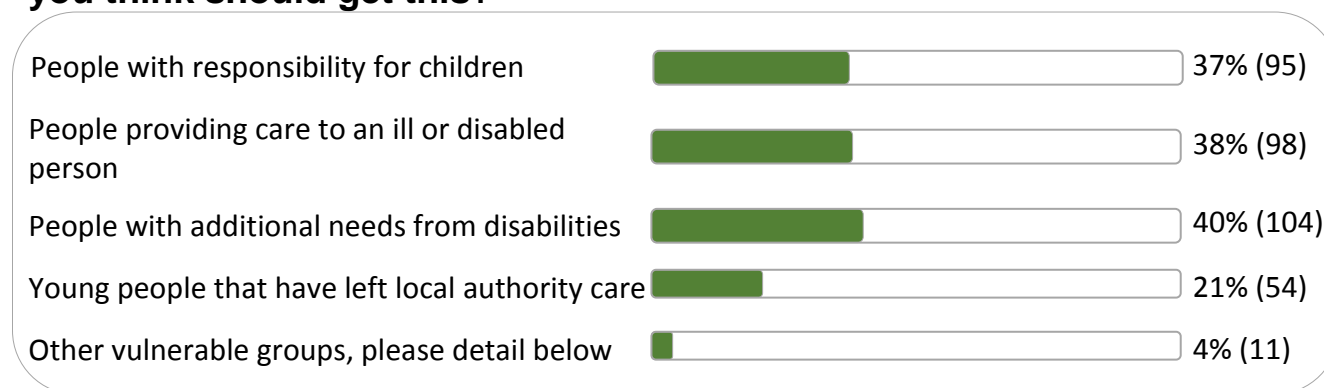
Question 2

Should the Council provide protection for some groups from any change to Council Tax Support from April 2018?



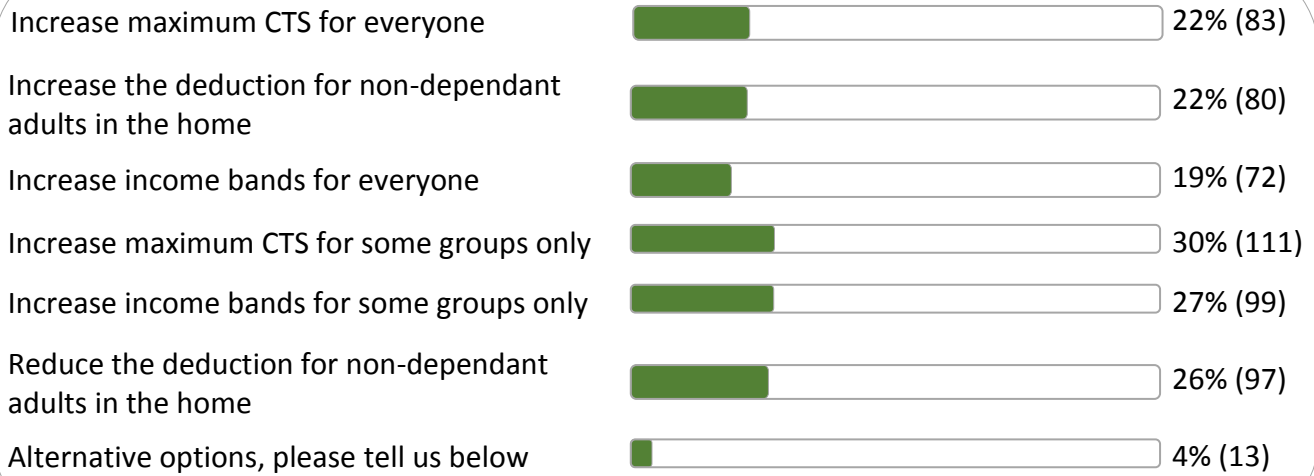
Question 3

If you think the Council should provide protection, which groups do you think should get this?



Question 4

If the Council decides to introduce an 'Income Band' scheme, which of the changes listed below do you think the Council should make?



Question 5

How do you think the Council should find savings to help pay for the Council Tax Support scheme from April 2018?



Are you a resident of Taunton Deane?



Do you pay Council Tax?



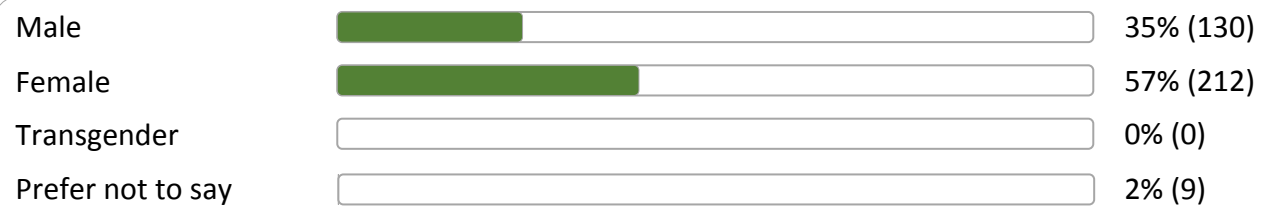
Do you currently receive Council Tax Support?



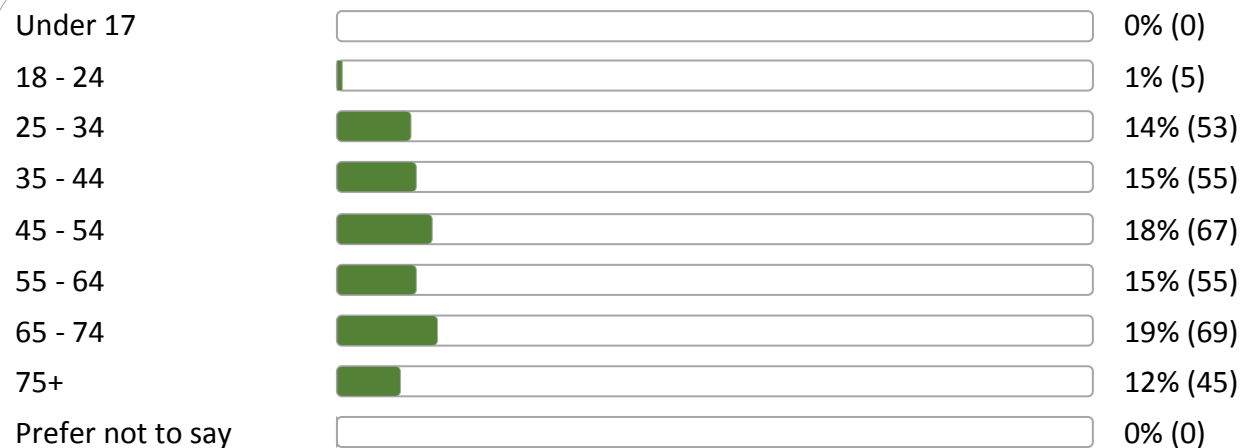
Do you work either full or part time?



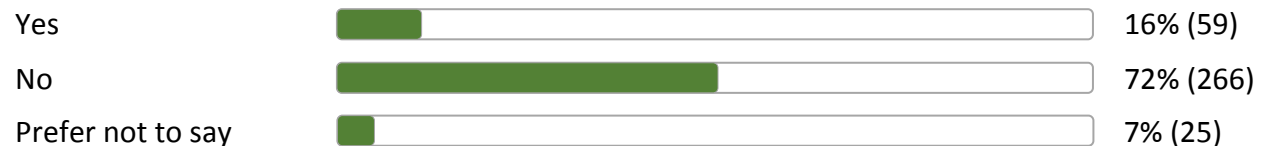
What is your gender?



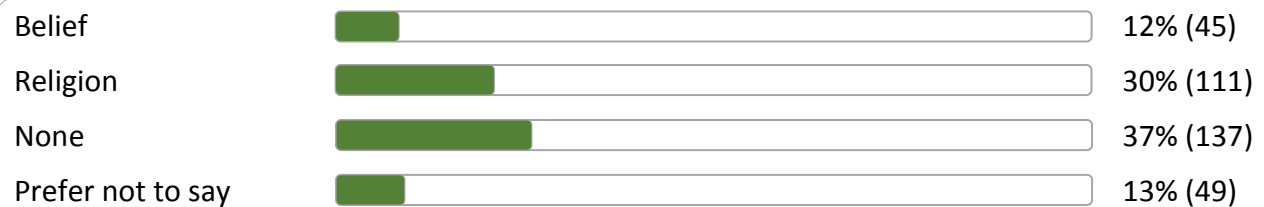
What is your age group?



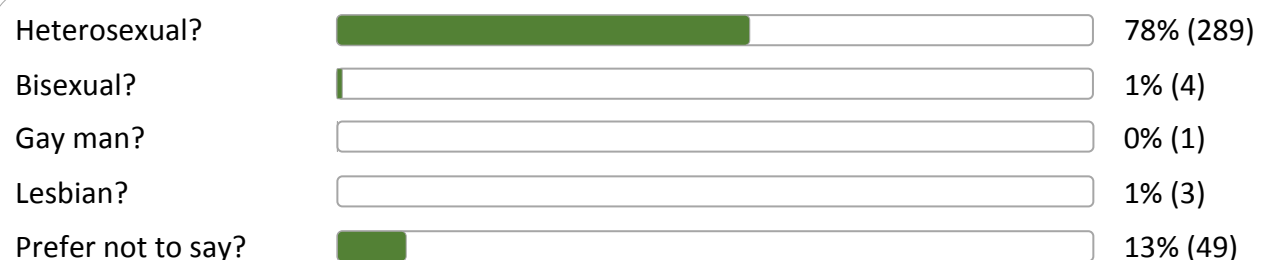
Do you consider yourself as having a disability or long-term physical or mental health condition?



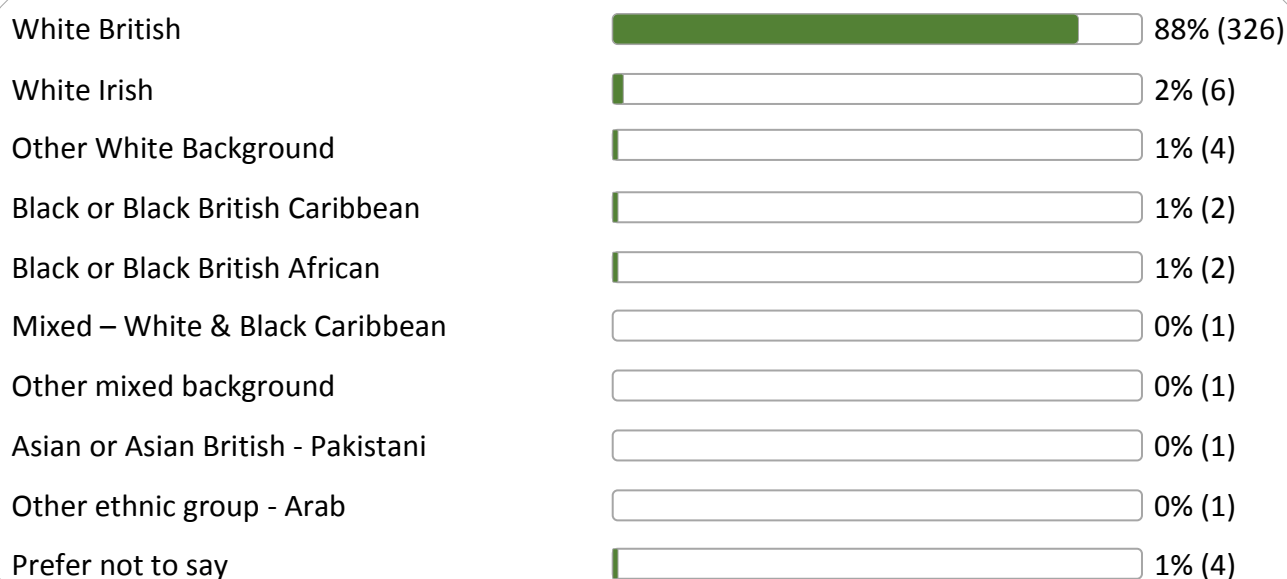
Do you consider yourself to have a religion or belief?



Do you consider your sexual orientation to be?



Which of these ethnic groups do you feel you belong to?



Question 1: Alternative Options

- 3: Keep current scheme, but lobby the local tory MP's to stop voting for local authority budget cuts
- 6: Keep everything as it is
- 7: Just keep it as it is.
- 10: Leave alone.
- 16: Lay out options more clearly in literature.
- 20: Keep the current scheme however protect disabled and the elderly
- 40: Everyone should pay their fair share
- 42: Raise council tax so the community supports those most in need, and who are most vulnerable.
- 131: Combine options 1 +2 so have a band approach but the top band is 70% instead of 85%
- 134: More close examination of need
- 162: Ant scheme which is more efficient and effective in its administration has to be a good thing
- 165: You do not cut anything leave it as it is. Maybe an idea is to not join with West Somerset Council
- 169: Use the band system as your basis, the one described is suitable but allow this to be based on a rolling average over the previous 3 or 6 months income to protect people on varying incomes or 0 hours contract
- 174: Target those who are able to work rather than those who are permanently unable to work.
- 187: Keep current scheme
- 193: Leave the system how it is.
- 197: Unsure
- 201: Keep current scheme should be a cap
- 205: Accessed on occupants needs.
- 210: Keep current system
- 212: Keep current scheme
- 220: No opinion.
- 226: If you lived in a Band E-H property then you shouldn't receive Council Tax support as you are already well off.
- 288: Based on income and dependent children
- 294: See comment on next page
- 307: Keep the scheme as it is now. Too many poor and vulnerable people will lose out if the scheme is changed.
- 311: Lobby Government to restore previous exemptions.

Question 1: Alternative Options (continued)

- 333: Should be a head tax all pay
- 340: Keep it how it currently is.
- 355: Reduce support to 70% and stop helping those tenants that seem to produce children so they can claim maximum benefits. They want large families they support them not the Council.
- 359: Nothing to change
- 363: Ed Milliband £2m "mansion tax". Remove 25% discount for single 40% tax payers.

Question 3: Other vulnerable groups (protection)

- 3: People on low incomes (wages have largely stagnated since 2007)
- 20: Disabled people, pensioners
- 34: People who physically are incapable of any form of work
- 35: Mental health issues
- 37: Special educational needs
- 38: Elderly
- 39: Single parents not on HB
- 42: People who are re-starting their lives after fleeing gender/domestic violence.
- 44: People recently homeless, people fleeing violence or abuse, refugees
- 64: Low income earners
- 65: Those that can prove the high level of care they provide to an ill/disabled person should get help. Those leaving local authority care should not be automatically protected, they should be assessed on a case by case basis like everyone else
- 73: Ex forces
- 92: Elderly people. Savings- why should we spend our money
- 100: Working people on less than £20,000
- 112: All vulnerable groups
- 127: Long term health issues
- 132: People with mental health issues, homeless people
- 150: Over 65
- 157: All groups need some degree of protection
- 160: I think it is important to ensure that people with learning difficulties are protected as they have difficulty understanding financial matters
- 163: People who are self-employed and not able to work full time due to caring for others
- 165: All you fools
- 171: Protections should be integrated as adjustments to the income figure.
- 174: People who are permanently unable to work because of chronic sickness/disabilities should be treated the same as pensioners and exempted.
- 188: People that have come out of prison.
- 190: Elderly
- 196: Elderly
- 197: Elderly
- 200: All vulnerable people on low incomes.
- 201: Elderly
- 202: Elderly - ex servicemen
- 207: Young couples
- 208: Mental Health
- 211: Unemployed
- 223: Elderly
- 237: Elderly
- 255: All groups should be considered.
- 263: Severely mentally impaired - no Council Tax
- 264: People escaping violence/harassment
- 268: Mental Health sufferers/refugees
- 277: Elderly
- 278: The elderly
- 279: Disabled military
- 287: Homeless

- 288: Elderly
- 289: Mental health issues physically or mentally.
- 290: Elderly
- 291: Elderly
- 307: All families on low income.
- 309: Lone parents only
- 311: Protection should be based on income rather than such broad groupings. Some of the issues will have substantial or at least comfortable disposable incomes. It is contributing to a growing debt problem for poorer households, with serious ramifications.
- 312: Pensioners
- 317: Old age pensioners
- 331: Those who have mental health problems
- 336: Elderly
- 337: Elderly
- 348: Elderly
- 349: Mental health
- 350: Those living in mental health supported accommodation.
- 351: People that need support from others.
- 352: Supported groups
- 355: If tenants have children they should only have them if they can afford them. It is not the Council's responsibility to provide these funds, limit max kids to two.
- 363: Anybody claiming means tested benefits
- 371: Young children only.

Question 4: If the Council decides to introduce an 'Income Band' scheme, which of the changes listed below do you think the Council should make - alternative options

- 4: Only for the most vulnerable adults and disabled adults
- 6: Recognise carers receiving carers allowance only. I provide minimum 35 hours a week of care for my wife with multiple disabilities but the reality is more than 60. We would be penalised under all these options
- 10: Leave well alone
- 20: Disabled, elderly
- 27: Don't increase
- 43: Whichever scheme costs the least money.
- 65: None of the above. Anyone with non-dependant adults in the home who are capable of working should not get additional help
- 73: Abolish council tax
- 77: See page 11 comment, the council tax band C to base support upon
- 112: A combination of all of the above
- 113: Council tax for higher earners to increase
- 116: Not sure
- 120: I think each individual group should be assessed by their own income changes affect everyone
- 134: Support should be based on genuine need
- 135: Get rid of Band 6 Reduce % support for all bands Change support to max of band C property. Reduce saving limit to £3k and capital
- 147: On reflection, I think the % bands should be reduced in such a way that the overall cost of the scheme remains as it is with the most vulnerable helped the most and maybe consider dropping the smallest altogether
- 150: Only make council tax support available for people earning under the income tax threshold
- 169: Use a rolling average when banding as individual as this will allow for 0 hour contracts and people going back into work from employment
- 172: Unfortunately, the options are not explained clearly enough in the supporting printed documentation to allow someone without detailed pre-knowledge of the subject to make a reasonable assessment.
- 174: I believe that non-dependant working adults of working age living with their parents should all pay council tax.

- 232: Do not increase any allowance.
- 272: Considering most benefit claimants receive the equivalent of hard earned income, I do not believe any CTS should be provided. For same reason, that is not an opinion being considered.
- 297: A non-dependant adult living in a house should be working and making a contribution to the household bills.
- 306: Increase income bands for single parents with dependent children and no CSA or father contributions. It's impossible to pay council tax if you're a single parent with no money coming from fathers.
- 307: Don't do it.
- 311: This is too complex a calculation for lay individuals to be able to calculate fairly. I do think that income for lone parents in the form of maintenance, should be included in calculations. As a former lone parent, I do not understand the rationale for its exclusion.
- 340: Leave current system how it is.
- 354: Protect disabled people.

Question 5: How do you think the Council should find savings to help pay for the Council Tax Support scheme from April 2018? – Comments

- 2: Review how existing funds are spent
- 3: Lobby local tory MPS to stop voting for cuts.
- 4: But only by the 1%
- 9: reduce councillor's "allowances"
- 21: Reduce money given for social services, as this is one of the largest spend area
- 22: Renew services and reduce or renew ones that are not critical or under used.
- 25: Prioritising money and support to the people most in need
- 27: As below run the council more like a business and stop wasting money
- 29: Stop overpaying for road developments also sell the unused and overpriced fire station HQ. Stop commissioning these surveys on paper, try emailing which I've heard is quite popular
- 32: Reduce civil servants' pensions, not waste paper on questionnaires
- 34: Open more car parks. Turn Castle Green back to a car park. Don't close any roads and accept that cars bring people to Taunton to spend money
- 39: But a small percentage each year i.e. 1%
- 40: If everyone paid their share there would be no need to increase council tax
- 52: By nature, council services are value for money not just cuts need to evaluate worth
- 64: I feel with all the properties that have been developed and plenty more on the way the council should be getting plenty of funding to support these changes
- 65: If the system was based on income bands, over time money would be saved as people would pay a regular amount rather than getting more money than they're entitled to at various points, when they fail to inform of increased working hours etc.
- 69: Reduce funding to police, you never see them
- 73: Increase housing tax for properties worth over 3/4 million
- 77: When previous increase by such small amounts and savings interest is so low, even a 1% increase takes all of any increase away
- 83: Reduce ranks of excessive wage administrators
- 84: I completely disagree with increasing council tax to fund the scheme, anything received should be made up from savings in the scheme
- 92: Look after people who have saved but have no income only cab claim if they have no capital
- 104: Cut salaries of highest earning council workers
- 107: Increase for higher earners
- 108: Maybe the old rates system worked as you pay more rates for the size of your house and its location
- 110: Reduce the wages or hold increase to the wages of those at the top of the council those who are on near hundred thousand pound wages
- 111: Stop wasting money on renovating council offices and paying for consultants
- 113: But if both dependant on earnings
- 114: Combination of both
- 115: From within existing resources
- 117: Administration savings

- 119: Cut middle/higher management tiers from the system. Too many chiefs not enough Indians.
- 120: Reduce the rates given to families refusing to work
- 123: For example, if council tax increased by 1% by £ 15.57 for a band D property an additional £1620 would be provided in council tax income. This could be used to help pay for ctax support schemes
- 127: Generate income from other areas
- 130: Reduce funding only for certain services i.e. highways
- 131: Split it between both options so a small increase to council tax to cover some of the costs. But also meet some of the costs through reduced funding
- 133: Ask the people who actually work for the council where savings can be made?
- 134: Not waste so much
- 135: Reduce single occupancy discount Increase council tax for second homes
- 146: Increase higher banded council tax bills only
- 147: We should plan not to increase council tax support scheme. I would prefer any council tax increases to go towards providing better services
- 150: Reduce council tax support and only help those most in need
- 151: Stop people having support year after year when they are able bodied and could get a job to pay for their own council tax
- 152: Stop paying for people who continue to have children as they get most things paid. Make them pay and be responsible for their children
- 154: Make it less attractive for people to stay on benefits for a long time. They would then need to get a job and pay full council tax
- 155: Reduce top management salaries
- 156: Council tax should not be increased too expensive already when you do not receive council tax support
- 157: Increase on higher bands
- 158: 1% increase
- 164: Reducing max CTS to 70% gives you savings of £351K a year
- 165: As before do not join expensive West Somerset. Move to Somerset Council offices. Be tougher with government (get some balls)
- 169: Council tax increase of 3% on bands H + G 2% on bands F + E 1% on bands D+C. Also a pay cut 3% of all high level council staff earning over 60K, 4% anyone earning over 80K and 5% earning over 100K. Also rather than a reduction in ground level staff hours directly affecting customer services reduce managerial staff hours. It should be possible to do this by setting a target to reduce time spent in meeting by 10%. Also cash could be gained by opening the old market site as a low cost all day car park. Please note outsourcing never makes any saving for public sector do not make the same mistake made by hundreds of people before you
- 170: Increase council tax payments in properties where more than 2 people aged over 18 live
- 172: The second para on page 9 says introducing bands would be "broadly similar" implying that this would be cost neutral; therefore, no additional funding should be required.
- 174: Increase council tax for those who can afford it, rather than targeting the poor and vulnerable of society yet again. Your own Conservative government promise to protect the most vulnerable against the cuts.
- 175: Stop wasting money on election campaigns and invest the money in people not baby glamour shots and cheesy slogans.
- 182: Emptying bins is already going to three weeks what else can they do to me!
- 187: Cut services where required.
- 188: Look to reduce some of the higher paid salaries.
- 189: Increase Council Tax limited to 1% only and all of the savings met.
- 192: Cut some of the higher paid jobs the wages.
- 193: Small increase
- 195: Reduce higher paid job roles wages.
- 196: Cutting certain job roles.
- 199: Reduce some of the money that's being wasted on certain areas.
- 201: Cut back management staff
- 202: Efficient use of funds.
- 204: Not for Council Tax Support
- 205: Become more efficient in the services are run.
- 207: Keep services in house and bring back some of services already farmed out in house.

- 208: Cut Chief Executive pay and other Senior Managers
- 213: Pay higher levels of council employees less.
- 229: I don't believe the saving should be passed onto the tax payer.
- 232: Reduce welfare bill
- 246: Streamline services
- 253: Reduce high paid wages plus paid (bonus).
- 256: Money should come from Central Government at least 70%
- 257: More efficient administration.
- 258: Restrict Council Tax support to Band "C" level. Reduce allowances for Councillors. Don't waste money on TDBC building - move to SCC at County Hall. In other words - move to abolish TDBC and manage all authorities like Cornwall.
- 259: Restrict to Band C. Don't spend money at TDBC.
- 263: More money from Central Government wasting less money on schemes e.g. Castle Green
- 264: Increase Council Tax on D-H bands
- 268: Increase the funding from the Government
- 272: See my preceding comments.
- 278: Raise the Council Tax in urban areas who are getting the range of services as rural areas don't
- 279: Agree with Central Government to retain more of their yearly income.
- 288: Stop paying unnecessary expenses.
- 289: Cut down wages on the higher job roles.
- 291: None of the above
- 296: By reducing admin costs etc.
- 297: If the scheme is supposed to be more efficient, then the Council is saving money therefore no increase in Council Tax would be needed.
- 303: Not sure how the Council should fund but wouldn't want services reduced.
- 307: Make the 10 Assistant Directors of TD redundant and save £700,000 per year. It was a made up role totally unnecessary in the economic climate.
- 310: Increase capital income from Central Government.
- 328: Not more than 1% increase
- 332: There are certain council services which could be reduced to save money - flower baskets, park and ridge, reduce rates on commercial properties, businesses will last longer - more tourism.
- 333: Think that all tax payers should pay the increase.
- 336: Get more money from the Government.
- 340: Reduce money where we can i.e. some car parks i.e. Wiveliscombe you don't pay to park. Also cut back highly paid officials or pay them less.
- 346: Reduce management staff.
- 355: With a 4% increase in council tax in 2017/18 many tenants are struggling. SCC component goes up each year and their services get worse. Many council tax payers would resent another increase - get rid of top management and save their salaries.
- 358: Bands A-D increase by 1% max/year. E-H increase by 1.5% max/year
- 363: New "Band J" AKA mansion tax.
- 366: Reduce business rates for start-ups to encourage growth and improve town centre. Cut payments to Band 6.
- 367: Administration efficiency improvement. Urgently start development of vacant commercial sites to increase income and enhance the town in particular the Old Market site.
- 372: From increased council tax.

Please tell us about any impact that you think these changes could have on you or the services you receive from the Council.

- 4: As a disabled wheelchair user, I would worry about the support I would get. If my out goings increase I would have to cut back on food and heating. Due to my conditions, this would have a big adverse effect on my health.
- 6: My maths suggests we will be penalised under any of the changes proposed. I care for my wife, providing at least 60 hours of care per week. I could withdraw that care, work full time and make local services obligated to provide a large part of that care which would cost hundreds of pounds a week. I would be better of going back to work and we would be better off doing this but I don't because I know I can provide the best quality care for my wife.
- 7: These changes will have a negative effect on me.
- 9: thankfully have no need of either at moment, but elderly social care must not have any further cuts. Working age people deciding to only do min hours work to keep DWP off their backs must not be allowed to benefit
- 10: You are clearly hurting Disabled people with your options
- 12: Minimal impact.
- 14: Currently pay full council tax so only effect on us would be an increase to the bills or reduced services that we use.
- 15: An increase in council tax would take some adjusting to as my wage increase is frozen as an employee of SCC. I would prefer services to remain at a higher standard. In my opinion, a reduction in council services funding would have a detrimental impact on the standard of services
- 17: Any increase in council tax would have an adverse effect on personal finances but this seems to be the fairest way of increasing income maintaining the support scheme and the current level of services
- 21: More support=more money I have to pay for no benefit to myself
- 22: The impact would be minimal overall. Funding has to be focused on critical service delivery - the must have ones not so much as the nice to have.
- 24: None
- 27: Already pay substantial council tax for no benefit this is just more money grabbing
- 32: Council tax will increase
- 33: If council tax is increased we would hope that there would be extra cuts to current services for example refuse collections and highways
- 34: Depends what the changes are
- 35: We would pay more council tax but worth it if vulnerable groups are receiving greater assistance
- 37: It is not ideal to increase council tax in view of people's income however council services are very stretched and reducing funding further will make services even harder to provide the correct level of service
- 42: I am on a low income and currently don't qualify, but would qualify under the proposed banding scheme from what I can tell.
- 44: I would be happy to pay increased Council Tax despite being
- 52: I'm not in receipt of working tax credit but would be affected by any cuts in local spending in the community. I think these should be managed with care and seek unwarranted variations by comparing with like counties
- 54: No impact
- 59: Where and what is the money spent on
- 64: For me personally no impact
- 69: I don't see any parking attendants anymore where I live and the grass verges etc. are not being maintained so what are we paying for, street lighting is about the lot
- 73: Council services have been cut to the bone, this is at the depravation of all levels of society except the richest
- 76: Any increase in total expenditure on council tax support will reduce general service levels provided by the authority, therefore it is essential that the general public not receiving council tax support should not see a reduction in these services
- 85: More services available to those who need it most. At present, I don't but who knows
- 86: I think some of the services in TDBC are already poor e.g. grass cutting. Highways maintenance, funding for schools so to reduce funding would be a disaster
- 88: I pay full council tax. This would have no impact to me apart from increasing the cost

- 89: I pay full council tax
- 90: We would end up paying slightly more council tax
- 91: A council tax support scheme has to be paid for in some way and whilst never going to be a popular choice, an increase of say 1% would not be financially damaging to many households but would make the continuity of the scheme sustainable. Vulnerable groups have to be supported
- 103: I hope it would increase the money for other services
- 105: Don't know not sure
- 106: More money paid by the higher earners will mean more funding for missing services e.g. more hedges cut along canal, building better venues for music, roads better maintained
- 107: Increased c tax means more money in services and areas where we have seen cutbacks
- 108: More funding available
- 109: More investment in civic pride initiatives (litter collection, public flowerbeds, maybe some topiary) and public spaces. Funded through an increase in all levels of council tax
- 110: This leads to reduced services and support which should not happen
- 111: This is taking money away from services that are more of a priority
- 112: Don't know
- 113: More support for vulnerable would take off pressure
- 114: Council needs to stop wasting money. Roadworks- you don't need so many workers and time to do work better contractors council being ripped off
- 116: Not sure what we receive currently
- 119: For me very little. Services however will continue to decline regardless due to central government interference
- 120: I feel the only impact this would have on me is on a financial basis
- 122: Reduction in c tax payment
- 123: No impact, just more for CTS
- 127: I would not want any service compromised for current delivery
- 130: More people would be willing to pay more if they knew that their money was going on highway etc. enough
- 134: Receive very little services not likely to be affected
- 135: Your proposals will likely increase our council tax when the services currently received are already very limited
- 136: Don't know
- 140: Help us manage better
- 141: I don't know
- 142: Not sure
- 144: This would have little impact on me
- 146: If they increased lower band council tax bills I would struggle financially
- 147: An increased council tax bill for everyone living within their means and supporting themselves and family. We must learn to spend what we can afford and not expect someone else to pick up the tab. I feel the scheme on offer is fair in today's financial climate ensuring the most needy are supported
- 149: As me and my partner do not claim benefits this will not have an impact on us
- 150: More people would have to pay full council tax, thus increasing income and reducing outgoings for council tax support
- 151: I feel we already pay enough and I work hard to pay for my family whilst other families around here do not work and get everything paid for them
- 152: I do not think the changes will affect me as I pay full rent and council tax
- 153: Having more bedrooms due to children moving out means I get less benefit. Due to health, I use a wheelchair and claim universal credit as cannot work. I do not want to be even more worse off than I am now
- 154: If you put the council tax up me and my wife would have to pay more for a service we would not benefit from as we pay full council tax
- 155: This will have no impact on me
- 156: I don't feel the changes would impact myself however savings for the support scheme should not be made through increasing council tax for those who do not receive any support
- 157: Council services can't be cut any more than they already have
- 158: I would have to find extra a year but I would get more out of it, i.e. TDBC cut hedges public services etc.

- 159: Will potentially increase my council tax
- 160: While these changes would not affect me in my current circumstances, they could apply to my learning-disabled brother who finds life confusing and who is on a low income. Having income bands would help him, because they would entail less anxiety when his income varied slightly, as he would be less likely to see a change in his council tax support. However, I am disturbed that the example of a disabled couple cited here shows that some disabled people would be paying more in council tax
- 165: Even I can see you are being totally biased against disabled people etc. Whatever scheme you talk about you are penalising them as you are in a roundabout way including say DLA not directly as illegal but still doing it
- 169: This change would not result in me losing any allowances, I feel any further reduction in service to this would warrant the dismissal of the entire council board as you cannot justify your top-heavy structure and cut your ground level services
- 174: As a single severely disabled person, my ability to fund help to keep my garden and house tidy etc. will be reduced. I am cancelling my Deane help alarm because costs are going up, yet my allowances are going down in real terms.
- 175: Doesn't matter I'm sure I'll be worse off regardless.
- 180: Help me support a carer.
- 186: None
- 187: None
- 189: None
- 190: None
- 192: None.
- 193: None
- 196: None
- 198: Don't want Council Tax to increase.
- 201: None
- 202: None
- 204: The more you spend on Council Tax support the less there is for rubbish collection, street lighting etc.
- 205: Dependant on outcome of change.
- 207: If can't afford the rates keep putting them up, then we won't get money in to keep services up.
- 208: None
- 209: None
- 210: None
- 211: If Council Tax goes up then improve services.
- 214: I would rather pay more Council Tax than see the services further reduced.
- 216: None
- 218: No impact
- 226: Me and my husband are NHS employees who haven't had a pay rise in line with inflation in years. We stand to pay more Council Tax as a result of these proposed changes.
- 237: It will have an effect on social services
- 245: N/A
- 252: Only effect would possibly be if Council Tax increased.
- 257: I pay full charge so no real charge unless Council Tax increased for all.
- 263: My clients would not be able to keep up with even small amounts of Council Tax and will end up going to court and still not be able to pay SMID needs to stay.
- 264: None
- 270: We have chosen an increase as we are very fortunate that a 1% increase would not have an impact on our financial situation.
- 272: Impossible to say until you decide on course of action, resulting actual savings (if any) and other budgetary implications.
- 277: Could possibly have to pay more in Council Tax
- 287: None
- 288: If they used income as well as dependants of a household we would get reduction in council tax.
- 289: None
- 295: As usual less disposable income from the less privileged and poorer members of society.

- 296: By looking at different income bands would be much fairer, as a person on a low-income due to a health condition it is hard to contribute towards the costs.
- 299: Hopefully a general improvement of service.
- 301: I am sure I shall have to pay more Council Tax, but think I will also see a reduction in services despite this!
- 304: Family and friends on low income who are struggling but currently do not receive support.
- 305: Not sure but think people who need it should have help.
- 306: Bins need to still be collected at least fortnightly. In summer that's not often enough anyway.
- 307: It won't impact me (although I might be entitled) but it will impact a lot of others who do not deserve to lose out financially in these times of ideologically driven austerity.
- 316: I would be far happier as a resident of Taunton Deane knowing that those most in need of CT Support are receiving it - as a pensioner I disagree with blanket protections for those over pension age, which provide me with a privilege that is unfair on those worse off.
- 331: Hope none accept having to pay more on Council Tax
- 332: If Council Tax is increased this will put more pressure on families who work and get no support at all for doing so.
- 333: This would not make any changes to me.
- 334: As I receive no extra services from Council, I have no comment to make.
- 336: Roads not being kept up. Vegetation overgrown. Pavement bad shape in places. Care system.
- 338: None
- 339: None
- 340: None
- 341: Increase bills
- 343: None
- 344: Less services. More bills.
- 345: I don't envisage any significant change personally. I hope that services in general would improve.
- 346: None
- 348: None
- 349: None
- 350: I do not receive council tax support so changes to this will not affect me. I don't see any changes coming from the "services" I receive as I don't believe we get what we pay for in our Council Tax in this area. Very low if any police presence, poor road repair, lack of street lighting etc.
- 351: We don't receive any benefits as of yet, but having to build a bedroom and wet room downstairs for my husband who has had Parkinsons for 16 years now and on hardly any income.
- 352: Council services are not noticeable in this parish, if in a town services are in the area and we still pay the same.
- 355: As I do not get any help from the present scheme I feel that there are many people who could be working or seem not to want to work. The Government want to get more people back to work and this should be encouraged.
- 357: My impression is that services are cut to the bone already, so do not cut further. Do not subcontract, instead consider expanding DLO. Sub-contractors profits should not come from Council Tax.
- 358: The possibility of less support.
- 361: Keep Council Tax to current level.
- 363: Hopefully more money spent on public services.
- 367: None. Cheddar Fitzpaine resident.
- 368: Very little as make little use of specific personalised council services, and don't have children.

If you have any further comments or suggestions to make on the Council Tax Support Scheme please tell us

- 6: Do you really care about vulnerable people? Or are we just a burden to you?
- 7: Being disabled and my wife being my carer I think we should be protected. It is hard enough paying what we have to, you give support to pensioners so why shouldn't the disabled be helped as well. We have a lot more outgoings due to disability and as I am registered blind and physically disabled I am deeply worried about what the future will bring including this now.

- 9: Feel should be no council tax benefit above band C house. Should downsize not be subsidised by lower band households not on benefits.
- 10: In Taunton Deane you have had massive new builds. At least 33 thousand plus going up. You have thousands of new council tax payers of which the most you will supply is waste disposal and cleaning the streets when it is very rarely done. You only have to look at the disgusting state of Taunton Deane roads and overgrown land. You also have massive kickbacks from builders. So when you say you need to cut and hurt people who cannot defend themselves. I say shut up. You're lying again. As a point maybe we can cut some of top managers down? As if. No, I think you are twisting and blatantly lying. I also think your attempt to join with West Somerset is foolish and will put up council bills in Taunton Deane. While the many wealthy people who live rurally in West Somerset will get better off our backs. Sick and I think someone is getting their own kick back. Corruption as such. Who is the question? Cllrs you can be sure.
- 12: Completely reasonable to increase Council Tax and the right idea to increase support for vulnerable groups.
- 15: Look into ways of providing efficient services
- 16: Changes need to be communicated with clear messages and a transition period
- 17: Is the way the support scheme is administered similar to the housing benefit process? As I understand it people receiving HB will also be receiving council tax support so would expect efficiencies to have been identified in administration
- 27: Stop over paying for road developments. Sell the fire/emergency building at Blackbrook Business Park
- 30: While other options make savings, it is clear the scheme for bad choices is going to be easier to administer and will make it better for the customer
- 32: Bring back the poll tax much fairer for all
- 34: Only give it to the most vulnerable. Make the top band of council tax payers pay 15% more in council tax to fund this
- 35: We suggested a percentage basis rather than bands which cause annoyance if one is just over a band. One needs the wisdom of Solomon with limited resources trying to arrange a scheme that is fair to all is almost impossible to achieve. A scheme that can be implemented without the need to take on more staff would have advantage
- 42: With ever increasing risks of homelessness, vulnerability and child poverty, increasing council tax seems to make sense.
- 43: I do not support an increase in Council Tax or reducing funding for Council Services. We should provide just the minimum and least costly Council Tax Support as required by Government.
- 62: We would like to see the vulnerable and carers have their council tax reduced
- 64: I do think changes are required and support is available to more deserving people who are not receiving help now
- 73: Sack the government
- 76: The scheme may be difficult to carry out but it must be watertight and no abuse tolerated, entitlements given only to the deserving cases
- 77: How about as well as using bands the use of Band C rather than Band D make a great saving. How many people on the support live in a Band D house. If you do have a very reasonable value home and can afford it. To use Band C council tax band would be very sensible
- 82: Can you answer why despite all the building of homes in TDBC rates have increased, do not believe that any large amount of manual labour have been employed. So more homes contributing should bring the rates down
- 86: Simplify the system
- 92: If someone is left in the property on their own there should be more help not just if you have no savings
- 96: Protect people with children
- 102: Increase of 2%-5% on top band properties. Any property valued over £1.5 million to pay 5% increase. Any property valued over £5 million to pay 7% increase
- 104: Based on this leaflet I think the support scheme needs to be simplified, I don't know how anyone could be expected to know how it works
- 116: It should be based by each individual incomes per household
- 132: Lobby government to remove capping on spending

- 133: There should be one unitary authority we have Burrowbridge parish council, Somerset County Council, Taunton Deane Borough Council. This would bring efficiency savings and economies of scale
- 135: This is a complicated process for the average household to understand it could be more simpler
- 136: Don't know
- 140: Never heard of it before
- 144: No further comments
- 147: A very clear and concise report, well done. An eye opener too. I would ask that all recipients are reviewed/interviewed to ensure the money is targeted at the most vulnerable and not open to deception and adequate penalties are in place for anyone who does. It concerns me re number of non-dependant in a household. This should be capped
- 148: Council services are already stretched enough
- 150: Council tax support should only be available to the most vulnerable in our community i.e. pensioners. Having children and living in a council house is not a reason to claim council tax support
- 153: Make it easier to understand
- 156: Entitlement limits make the scheme fair for all
- 159: I haven't ticked extra protection for specific groups in the hope that their wider needs will be taken into account of in credit. I wasn't sure about increasing or decreasing deduction for non-dependants as I wasn't clear how the £5 was arrived at but assumed it was based on historic data about the current level of deductions
- 160: There is little detail on the minimum income for self-employed people. Many self-employed people are on low incomes and are eligible for fewer benefits, yet are no less deserving than other working age people. This seems unfair. Given that the council tax support option preferred by the council will not save much money, I wonder if this is a way of losing staff. I feel that pensioners, there are many in Taunton Deane, should be treated in the same way as working age people. I feel that pensioner protection is more to do with the current government protecting its voter base than protecting pensioners and that an honest conversation needs to be had. Perhaps this could be fed back to the government
- 161: I have paid council tax since I was 18. I have no dependants and work full time. I would not be entitled to any help if needed. Maybe as an idea somebody in my position could maybe be entitled to a one-off deduction or something if I was having a bad month or unexpected financial issue
- 165: Grow some balls and put pressure on government. Amazing how you found money to do up offices and pay consultancies in regard West Somerset Council. Maybe we should riot. Maybe we will
- 166: I like to think of myself as reasonably intelligent and I work for the council. I couldn't understand how you got the figure of £12.87 on p3. £11.0 made sense. Where did the other £1.86 come from?
- 167: Review the £7.5 million spend on the refurbishment of TDBC office. Limit vanity projects e.g. Castle Green. Keep tighter budget control on projects e.g. NIDR
- 168: 24 hours is not a consultation. It is not enough time to give people to digest the information and come to an informed conclusion
- 169: A single occupancy allowances to be reduced to 50% and increase of 10% on the primary property for people owning multiple properties
- 171: Consider monthly assessments of income to come into line with Universal Credit and reduce admin.
- 172: Having spent an hour trying to understand the printed version of the document I am still not much better informed beyond seeing that Bands will be required to prevent constant reappraisals. Before sending out similar questionnaires in the future could I suggest you ask someone who has no prior expertise on the matter to read to make sure the "person in the street" has a chance to understand the matter in hand? As it is I fear a lot of money has been wasted producing an almost incomprehensible consultation document. Plus, what on earth has my sexual orientation, religious belief or ethnicity got to do with this consultation.

- 174: No doubt I've wasted my time filling out this but I will anyway. Incomes such as Disability living allowance and personal independence payments are paid to help disabled people lead a normal life because living as a disabled person, is more expensive than being a healthy person. Because we are at home more, our utility bills are higher, especially in the autumn to early spring time when we need the heating on. Both these benefits are disregarded as an income by the Inland Revenue and the Department for work and pensions. I have to ask why Taunton Deane council think that it is moral to target the most vulnerable in society who have to live on benefits as a necessity rather than a life style choice, whilst at the same time, saying that people with families will pay less. It is a lifestyle choice to have children and in my view, nobody should expect the taxpayers to fund their choice to have a family larger than they can afford. I chose not to have any children because my medical condition meant that I would never have a full working life and would have to cease work before pension age. Despite what some people think (and it would seem that many TDBC councillors think) disabled people DO NOT live a life of luxury with a high income. My DLA is used to lease a small car from the Motability scheme, I am unable to use public transport, so a car is a vital necessity to enable me to attend doctors and hospital appointments and it also enables me to get out of the house, rather than being stuck at home relying on the kindness of friends and neighbours. The care component of my DLA enables me to afford to have help cleaning my home and the keeping the interior decorating etc. respectable and keeping my garden tidy (I live in a disabled friendly TDBC bungalow) as per my tenancy agreement. It would seem that politicians of every level are targeting the most vulnerable in society, who have no choice but to live on what is decided we need, with most of the cuts. Adult Social care is underfunded these days, and in Taunton Deane, disabled people no longer have free parking and have to pay £6.50 a session to hire a mobility scooter to go around the shops. Do you people think that we get so much money that we can afford to pay out whatever you ask? As for this being a democratic decision based on a consultation that most people only knew about because it was broadcast on the local radio today, just 3 days before its end, that's just rubbish! The people who stand to lose the most (people who get Disability living allowance and other disabled benefits) are the minority compared to those with children who will all vote for themselves not to be affected. Shame on you Taunton Deane BC, yet again targeting the most vulnerable in society. By the way, the government have not, to my knowledge, intend to reduce the council tax grant to councils, so why are you implementing these changes?
- 175: Simply support those with a genuine need and not those without scaling according to those needs.
- 188: That Council Tax support is only given to the most needy.
- 202: As long as the benefits are going to the right people and monitored.
- 204: Everyone should pay something.
- 205: In order to improve it there would need to be strategic plan for improvement.
- 208: Money should go to the most financially disadvantaged people.
- 232: I pay full Council Tax so I expect everyone else to pay theirs so it is fair.
- 253: Stricter control on benefits entitlements.
- 259: Continue to merge as Cornwall.
- 263: Pensioners should pay - they use the services more than working age people. Build more Council homes and use the revenue from rents.
- 288: Be transparent.
- 294: Not qualified to give an opinion on any of these questions.
- 295: Have not understood most of the graph in the time I have had the form.
- 307: I've said enough.
- 316: 1. I wish the Council would impress on our MP and the Secretary of State the need to remove this dreadful assault in poorest households and to fund Local Government in a way that enables decent Councillors to do right by their electorate. I fear that the timing of this consultation, its complexity and limited response window will mean that the responses are documented by those "in the know" rather than those in need/most affected.
- 332: Providing the scheme is fair and considers individual circumstance to a degree, the changes in support may be beneficial in saving money and still providing support.
- 333: None
- 334: Reduce as much support as possible.
- 339: Think too generous when awarding benefits tighten up on it.
- 345: I assume that Council Tax support is limited to (up to) Band D properties, not sure why anyone in higher band would need support.

- 351: Yes, I have the roads near us are so badly looked after and we pay to maintain our roads but not being used for us. If I come out of my gate and go towards Newport I only need to go about 50 yards and all along the side of the road has huge ruts. Also, if I go to my mums in Athelny/Burrowbridge that hedges are so badly maintained by property owners this may come Bridgwater one place it has grown out about 5 feet and people park their cars in front of it now.
- 354: We have a duty to protect people who are vulnerable through disability or old age when they can't support themselves.
- 355: Only picked up form from reception on 16/8/17 and you want back by 27/8/17 not long enough time given to tenants to reply so this has not been a full consultation and don't say that it has been.
- 357: See above
- 360: Use the planning rules to make sure there are more affordable homes to rent. Charge Council workers to park at Deane House. Charge Business Council Tax on their car parks see Nottingham and other LA's who have done this. Have more Council Tax Bands - Houses worth £1m plus should not be paying the same as a house worth only £320,000. I don't see why you can't add Bands I-Z and use Zoopla to assess the value.

Forecast A

Appendix 3

No change to current Council Tax Support Scheme

	Pension Age	Working age	Total
Number of claims	3,356	3,647	7,003
Total weekly awards	£56,897.90	£47,620.80	£104,518.70
Average weekly award	£16.95	£13.06	£14.92
Estimated 2018/19 awards	£2,966,819.20	£2,483,084.68	£5,449,903.88
Estimated expenditure 2017/18			£5,449,903.88
Saving			£0.00
* Notional Budget 2017/18			£5,605,370.03
Estimated underspend in 2018/19 compared to *notional budget for 2017/18			£155,466.15

Working age customers	Number	Average award
Single, no children	1,571	£12.33
Couple no children	253	£17.09
Couple with children	481	£15.33
Lone parent with children	1,342	£12.33
Total	3,647	£13.06
Employed & self employed	984	£10.22
Applicants with a disability	241	£13.15
Applicants with caring responsibilities	68	£13.57

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Forecast B

Change CTS so entitlement is based on bands of income, where maximum CTS is 85% and there is a flat rate deduction of £5 for each non-dependant

	Pension Age	Working age	Total
Number of claims	3,356	3,594	6,950
Total weekly awards	£56,897.90	£47,832.85	£104,730.75
Average weekly award	£16.95	£13.31	£15.07
Estimated 2018/19 awards	£2,966,819.20	£2,494,141.57	£5,460,960.77
Estimated expenditure 2017/18			£5,449,903.88
Additional cost			£11,056.89
* Notional Budget 2017/18			£5,605,370.03
Estimated underspend in 2018/19 compared to *notional budget for 2017/18			£144,409.26

Working Age Customers	Number increased	Average weekly increase	Number reduced	Average weekly decrease	Number no longer qualifying	Average weekly loss
Single	1,326	£1.20	243	£2.57	2	£1.60
Couple	212	£1.38	40	£4.53	1	£1.00
Couple + children	288	£1.97	163	£5.81	30	£11.29
Lone parent	955	£1.76	367	£4.30	20	£12.34
Total	2,781	£1.49	813	£4.10	53	£11.13
Employed	523	£3.59	419	£3.97	42	£10.93
Disabled	58	£2.55	168	£3.42	15	£12.77
Carer	20	£1.95	37	£6.73	11	£13.16

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Forecast C

Change CTS so entitlement is based on bands of income, where maximum CTS is 85% there is a flat rate deduction of £5 for each non-dependant carers allowance is disregarded from income calculation

	Pension Age	Working age	Total
Number of claims	3,356	3,601	6,957
Total weekly awards	£56,897.90	£48,057.29	£104,955.19
Average weekly award	£16.95	£13.35	£15.09
Estimated 2018/19 awards	£2,966,819.20	£2,505,844.20	£5,472,633.40
Estimated expenditure 2017/18			£5,449,903.88
Additional cost			£22,759.52
* Notional Budget 2017/18			£5,605,370.03
Estimated underspend in 2018/19 compared to *notional budget for 2017/18			£132,706.63

Working Age Customers	Number increased	Average weekly increase	Number reduced	Average weekly decrease	Number no longer qualifying	Average weekly loss
Single	1,329	£1.21	240	£2.60	2	£1.60
Couple	216	£1.40	36	£4.34	1	£1.00
Couple + children	292	£2.02	165	£5.56	24	£11.50
Lone parent	959	£1.78	364	£4.27	19	£12.46
Total	2,796	£1.50	805	£4.04	46	£11.24
Employed	532	£3.63	416	£3.88	36	£11.18
Disabled	69	£2.60	164	£3.08	8	£14.82
Carer	35	£3.12	29	£5.80	4	£17.94

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Forecast D

Retain existing CTS scheme, but reduce maximum CTS to 70%

	Pension Age	Working age	Total
Number of claims	3,356	3,580	6,936
Total weekly awards	£56,897.90	£40,887.77	£97,785.68
Average weekly award	£16.95	£11.42	£14.10
Estimated 2018/19 awards	£2,966,819.20	£2,132,005.34	£5,098,824.55
Estimated expenditure 2017/18			£5,449,903.88
Saving			£351,079.33
* Notional Budget 2017/18			£5,605,370.03
Estimated underspend in 2018/19 compared to *notional budget for 2017/18			£506,545.48

Working Age Customers	Number reduced	Average weekly decrease	Number no longer qualifying	Average weekly loss
Single	1,557	£1.66	14	£1.07
Couple	250	£2.30	3	£1.22
Couple + children	458	£2.38	23	£1.78
Lone parent	1,315	£1.82	27	£1.22
Total	3,580	£1.85	67	£1.38
Employed	984	£1.93	0	£0.00
Disabled	241	£1.99	0	£0.00
Carer	68	£2.19	0	£0.00

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Forecast E

Retain existing scheme, but set minimum CTS at £5.00 a week and maximum CTS at £15.00 a week

	Pension Age	Working age	Total
Number of claims	3,356	3,444	6,800
Total weekly awards	£56,897.90	£43,985.94	£100,883.84
Average weekly award	£16.95	£12.77	£14.84
Estimated 2018/19 awards	£2,966,819.20	£2,293,552.61	£5,260,371.81
Estimated expenditure 2017/18			£5,449,903.88
Saving			£189,532.07
* Notional Budget 2017/18			£5,605,370.03
Estimated underspend in 2018/19 compared to *notional budget for 2017/18			£344,998.22

Working Age Customers	Number with reduced entitlement	Average weekly loss	Number no longer qualifying	Average weekly loss
Single	215	£2.33	52	£2.77
Couple	219	£3.36	6	£2.34
Couple + children	348	£3.69	39	£2.68
Lone parent	284	£1.81	106	£3.17
Total	1,066	£2.85	203	£2.95
Employed	225	£2.56	175	£2.99
Disabled	92	£2.93	15	£3.21
Carer	215	£2.33	52	£3.30

* Notional budget calculated in accordance with initial distribution of funding for CTS in 2013/14

Summary of the impact of models for working age customers

Number of claims with reduced entitlement	Forecast			
	B	C	D	E
Single, no children	243	240	1,557	215
Couple, no children	40	36	250	219
Couple with children	163	165	458	348
Lone parent with children	367	364	1,315	284
Total claims reduced	813	805	3,580	1,066
Employed & self employed	419	416	984	225
Applicants with a disability	168	164	241	92
Applicants with caring responsibilities	37	29	68	35

Average weekly reduction in CTS entitlement	Forecast			
	B	C	D	E
Single, no children	£2.57	£2.60	£1.66	£2.33
Couple, no children	£4.53	£4.34	£2.30	£3.36
Couple with children	£5.81	£5.56	£2.38	£3.69
Lone parent with children	£4.30	£4.27	£1.82	£1.81
Average weekly reduction (all claims)	£4.10	£4.04	£1.85	£2.85
Employed & self employed	£3.97	£3.88	£1.93	£2.56
Applicants with a disability	£3.42	£3.08	£1.99	£2.93
Applicants with caring responsibilities	£6.73	£5.80	£2.19	£3.47

Number of claims with increased entitlement	Forecast			
	B	C	D	E
Single, no children	1,326	1,329	0	0
Couple, no children	212	216	0	0
Couple with children	288	292	0	0
Lone parent with children	955	959	0	0
Total claims reduced	2,781	2,796	0	0
Employed & self employed	523	532	0	0
Applicants with a disability	58	69	0	0
Applicants with caring responsibilities	20	35	0	0

Average weekly increase in CTS entitlement	Forecast			
	B	C	D	E
Single, no children	£1.20	£1.21	£0.00	£0.00
Couple, no children	£1.38	£1.40	£0.00	£0.00
Couple with children	£1.97	£2.02	£0.00	£0.00
Lone parent with children	£1.76	£1.78	£0.00	£0.00
Average weekly reduction (all claims)	£1.49	£1.50	£0.00	£0.00
Employed & self employed	£3.59	£3.63	£0.00	£0.00
Applicants with a disability	£2.55	£2.60	£0.00	£0.00
Applicants with caring responsibilities	£1.95	£3.12	£0.00	£0.00

Summary of the impact of models for working age customers

Number of claims no longer qualifying	Forecast			
	B	C	D	E
Single, no children	2	2	14	52
Couple, no children	1	1	3	6
Couple with children	30	24	23	39
Lone parent with children	20	19	27	106
Total claims reduced	53	46	67	203
Employed & self employed	42	36	0	175
Applicants with a disability	15	8	0	15
Applicants with caring responsibilities	11	4	0	8

Average weekly loss in CTS entitlement for those no longer qualifying	Forecast			
	B	C	D	E
Single, no children	£1.60	£1.60	£1.07	£2.77
Couple, no children	£1.00	£1.00	£1.22	£2.34
Couple with children	£11.29	£11.50	£1.78	£2.68
Lone parent with children	£12.34	£12.46	£1.22	£3.17
Average weekly reduction (all claims)	£11.13	£11.24	£1.38	£2.95
Employed & self employed	£10.93	£11.18	£0.00	£2.99
Applicants with a disability	£12.77	£14.82	£0.00	£3.21
Applicants with caring responsibilities	£13.16	£17.94	£0.00	£3.30

FORECAST	Estimated 2018/19 awards	Saving against estimated spend 2017/18	Estimated saving against notional* budget 2017/18	Net funding shortfall for TDBC (see para. 4.7)	Estimated saving/cost for TDBC
A. No change to current CTS Scheme	£5,449,903.88	£0.00	£155,466.15	£204,897.78	£0.00
B. Banded income scheme with maximum CTS of 85% and flat rate £5 deduction for each non-dependant	£5,460,960.77	-£11,056.89	£144,409.26	£205,960.34	-£1,062.57
C. Banded income scheme with maximum CTS of 85%, flat rate £5 deduction for each non-dependant and with protection for carers	£5,472,633.40	-£22,759.52	£132,706.63	£207,082.08	-£2,187.19
D. Reduce maximum support through CTS to 70% for all working age recipients	£5,098,824.55	£351,079.33	£506,545.48	£171,159.05	£33,738.72
E. Retain existing CTS scheme, but set minimum CTS of £5.00 a week and maximum CTS of £15.00 a week	£5,260,371.81	£189,532.07	£344,998.22	£186,683.75	£18,214.03

Equality Impact Assessment Form and Action Plan

Officer completing EIA Form	Job Title	Team/Service	
Heather Tiso	Revenues & Benefits Service Manager	Revenues & Benefits Service	
Why are you completing the Equality Impact Assessment? Please ✓ as appropriate			
Proposed new policy or service	Change to policy or service	New or change to budget	Service review
	✓		
1 Description of policy, service or decision being impact assessed:			
<p>Background</p> <p>From 2013/14 district councils have operated localised Council Tax Support (CTS) schemes to provide assistance to people on low income. CTS replaced the previous Council Tax Benefit scheme that was administered by the council on behalf of the Department for Work and Pensions (DWP). Councils are responsible for the design and implementation of these schemes and need to consider if they are to be revised or replaced on an annual basis. The subsidy reimbursement for CTS reduced nationally by 10% in 2013/14 with councils having the option of funding the shortfall or designing a CTS scheme that is cost neutral. The Government state any CTS scheme must protect pensioners at the existing level of support. That decision means the burden falls disproportionately upon those of Working Age.</p> <p>From 1 April 2014, funding for localised CTS is incorporated in Settlement Funding Assessment (SFA) and not separately identified. The SFA has reduced by 45.7% in cash terms since 2013/14. In applying this methodology, the funding available for Localised CTS has reduced by £2,792,307 to £3,317,773. In 2016/17, we paid CTS of £5,377,970, meaning that if there is no change to the existing CTS scheme, we estimate we will have a funding shortfall of £2,060,197, with TDBC's share of that shortfall being £197,985. The financing risk of the scheme is shared with other precepting Authorities through the tax base calculation. Taunton Deane's share of the collection fund in 2017/18 is 9.61%.</p> <p>Taunton Deane's Council Tax Support Scheme</p> <p>On 11 December 2012, the Council adopted the Local Council Tax Support scheme for 2013/14. While those of pension age receive support of up to 100% of their Council Tax liability, from 1 April 2013, the maximum support for those of working age was set at 80%.</p> <p>On 10 December 2013, the Council decided to continue the 2013/14 CTS scheme for 2014/15.</p> <p>In designing our CTS scheme, we considered customers' ability to pay and the collectability of the resultant Council Tax liability. The key changes between our local CTS scheme, for working age claimants, and the former CTB scheme are set out below. Dependent on household circumstances, more than one of these criteria below may apply simultaneously to a household.</p> <ul style="list-style-type: none"> • Maximum support is 80% of Council Tax - everyone of working age has to pay something; • Non-dependant deductions were increased; • Second adult rebate ceased for working age applicants; • Child maintenance was counted as income until 31 March 2015; • Disregards for earned income are at increased levels than those offered under CTB; • Exceptional Financial Hardship fund of £35k, through Discretionary Reduction in Council Tax Liability for short-term help (this is a Collection Fund commitment and not fully funded by TDBC). <p>In December 2014, the Council decided to continue the 2014/15 CTS scheme for 2015/16 with an amendment to no longer treat maintenance received for children as income.</p> <p>In developing options for our CTS scheme for 2016/17, we worked in collaboration with the County Council (as the major preceptor) and the other Somerset District billing authorities of West Somerset, Sedgemoor, Mendip and South Somerset. On 15 December 2015 Full Council, having regard to the consultation response and the Equality Impact Assessment, agreed to revise support for working age applicants in 2016/17 by:</p> <ul style="list-style-type: none"> • removing entitlement to applicants with capital over £6,000; • applying a Minimum Income for Self-Employed applicants; and • paying CTS at a level that would be no more than for a Band D property 			

In December 2016, the Council decided to align the CTS scheme for 2017/18 with some changes made by the Government to other welfare benefits. As a consequence, CTS for working age applicants from 1 April 2017 was amended as follows:

- Maximum backdating of CTS reduced from 6 months to 1 month;
- Family premium not included in the applicable amount for new applicants, or existing recipients who would otherwise have a new entitlement to the premium;
- Work Related Activity component not included in the applicable amount for new claimants of Employment and Support Allowance;
- Removal of child allowance in applicable amount for third and any subsequent children born after 1 April 2017 but protection for some customers;
- Reduction in the allowable period of temporary absence outside Great Britain from 13 weeks to 4 weeks.

Taunton Deane Borough Council's current Council Tax Support scheme for people of working age is designed to retain the majority of features of the CTB scheme through a system of additional allowances/premiums within the means test. These additional allowances/premiums recognise the additional financial burden of childcare responsibilities disability and caring responsibilities thereby having a positive impact for such households.

As a consequence of ongoing reductions to the Settlement Funding Assessment, continuing to allow the same level of CTS in 2018/19 for working age recipients could impact negatively upon TDBC's budget and the budget of those that levy a precept to it (County Council, Fire, Police Authorities and Parish Councils). An adverse effect on service provision might result in us, and the other major preceptors, having to stop, reduce or seek additional charges for services with a disproportionate effect on the most vulnerable.

In addition, the DWP subsidises the cost of administering Housing Benefit, while the Department for Communities and Local Government (DCLG) provides an annual grant towards the cost for CTS administration. However, funding has steadily decreased and is likely to be removed entirely with the move to 100% business rate retention in 2020.

Until recently, the administration of our localised CTS scheme has been both cost effective and efficient as for the majority of claims we have been able to use information supplied by claimants for a Housing Benefit claim or directly from the Department for Work and Pensions. However, CTS administration has become increasingly difficult since the roll out of the "full service for Universal Credit (UC), with the number of customers claiming UC significantly increasing. We receive information from the Department of Work and Pensions (DWP) on any variations to the customer's income and for many customers, such changes occur every month. As our current CTS scheme does not contain any "de-minimus" for income variances, we need to reassess the amount of CTS entitlement. In changing the CTS award, we then need to issue an amended Council Tax bill and adjust any direct debit arrangements to reflect revised instalments. Changing payment arrangements can result in cancellation of the next direct debit, with instalments effectively delayed by one month. Where such changes take place every month, it is possible for Direct Debits to be continually set back so the customer then needs to pay a lump sum at the end of the financial year.

For the reasons outlined above, the cost and administration of the CTS scheme in the future could become progressively financially burdensome, as well as being increasingly complex for customers. Therefore, on 25 May 2017, the Corporate Policy Advisory Group agreed on options to take to public consultation for our CTS scheme for 2018/19.

Public consultation on proposals to change the CTS scheme in 2018/19 started on 3 July 2017 and ended on 27 August 2017. Every Council Taxpayer had the opportunity to comment on the proposals, although officers targeted responses from a random, proportionate selection of households in every including the unparished area in Taunton Deane to ensure we received sufficient responses. The options on which we consulted were as follows:

Option 1 – Change the CTS scheme for 2018/19 so entitlement for working age recipients would be based on bands of income.

Option 2 - Reduce maximum support offered by CTS from 80% for working age applicants, thereby reducing the cost of the scheme.

Option 3 – Introduce entitlement limits to reduce the cost of our existing CTS scheme.

2 People who could be affected, with particular regard to the legally defined protected characteristics¹:

Our localised CTS scheme affects all claimants who are of working age (and those of working age currently not in receipt of CTS but who may apply in the future). Limited equality data is held within TDBC's CTS computer system (as the collection of such information has not been necessary for administering CTS) given the caseload can come from all sections of the community it is likely there will be claimants (and their household members) that contain the full range of protected characteristics 1 as defined within the Equalities Act 2010 and include:

- Age
- Disability
- Gender
- Gender Reassignment
- Marriage and Civil Partnership
- Pregnancy and Maternity
- Race
- Religion and belief
- Sexual orientation

The Government expect local authorities to establish schemes that minimise the impact on vulnerable groups. The Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012 include provisions for those of working age but none of those prescribed requirements set out the level of support to be given.

3 People and Service Area who are delivering the policy/service/decision:

Council Staff in the Revenues & Benefits Service

4 Evidence used to assess impact: Please attached documents where appropriate.

We have obtained data relating to people affected from our Council Tax Support processing system. The data available has allowed us to analyse impact on people according to their age, disability, family circumstances and level of income. We have modelled options on scenarios with "live" data based on actual entitlements and CTS recipients at that point in time. We asked general diversity questions as part of the consultation exercise.

In addition, we have undertaken debt profiling against the Council Tax Support (CTS) customer base ([Appendix 5](#)) and also against those customer groups impacted most by the key elements of our localised scheme.

The impact of implementing any changes to our local Council Tax Support Scheme in 2018/19 for each of the protected groups, is considered below and on the following pages.

Equality Impact Assessment (by protected characteristic)

Age

The proposed scheme for 2018/19 is subject to some national prescription relating to protecting pensioners' entitlements. Therefore, we have no discretion about whether or not to follow this principle. The Government is committed to protecting pensioners on low incomes and have prescribed a scheme for pensioners through legislation. This means pensioners will not see any reduction in their CTS in comparison with their former levels of Council Tax Benefit.

Pensioners are still entitled to claim up to 100% of their Council Tax liability through CTS. The Council's general equality duty is lessened to an extent with regard to older people as Government has prescribed that pensioners are not affected by CTS. However, we have a responsibility to foster good relationships between people who share a protected characteristic and those who do not. There is a risk of harming the relationship between pensioners and working age claimants of CTS as pension age claimants are not affected and working age claimants have a greater reduction to their CTS to cover the shortfall in funding.

¹ For protected characteristics, please visit:

<http://www.equalityhumanrights.com/private-and-public-sector-guidance/guidance-all/protected-characteristics>

At 31 March 2017, just 36 (1%) CTS recipients of pension age had Council Tax arrears contrasting with 1,013 (28%) for those of working age - see Table 1 below.

Table 1	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Pension Age	3,356	36	1%	£172.82	£6,221.53
Working age	3,647	1,013	28%	£267.65	£271,132.12
Total for CTS recipients	7,003	1,049	15%	£264.40	£277,353.65

In conducting consultation for our CTS scheme for 2018/19, the majority of responses given for groups that should be protected from any reduction were for those that were elderly, even though those of pension age would not be affected by any changes. However, this does demonstrate general public support for this protected group and thereby reduces the risk of failing relationships between working age and pensionable age groups as the result of our Council Tax Support scheme.

Under Options 2 and 3, the CTS scheme would retain the majority of the former Council Tax Benefit assessment rules, including the use of applicable amount and personal allowances. The personal allowances and applicable amounts used to calculate CTS are the amounts deemed necessary to provide for basic needs based on household composition and disability. These allowances and applicable amounts take the claimant's circumstances into account and mean they are awarded more support if they have children or dependents under the age of 18.

In consultation, 35% of respondents felt we should offer extra support (protection) to young people that have left local authority care. According to Somerset County Council, there are currently 10 care leavers living in our area, so any additional help provided to these young people would have a positive effect for this protected group.

For all options to change our scheme, we would continue to disregard Child Benefit in income calculations meaning that the added income this provides will not reduce the CTS that an applicant receives.

To mitigate any of the effects in changing our CTS scheme in 2018/19, officers could apply a discretionary reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our policy.

Disability

Disabled people have a limited ability to work and are likely to have higher level disability related living expenses. This group in particular find it difficult to access and sustain employment and therefore improve on their current financial situation. This group of people is less resilient to the impact of recession and unemployment and are often living in poverty. These further impacts on the individual's mental health.

In common with other working age recipients, people with disabilities receive less CTS under the localised scheme than they did under CTB. However, the limited changes between CTB and our local CTS scheme are not such as to introduce disproportionately adverse effects on people based on disabled people as a specific group. Outside of CTS, the Council Tax scheme itself recognises disability by exempting those with a severe mental impairment. The CTS scheme does not impact upon that exemption and it will continue to apply where appropriate. Additionally, the Council Tax scheme also recognises disability where a dwelling occupied by a disabled person has a room that is adapted or additional to meet the needs of that resident. In those cases, the band attributable to that dwelling for the purposes of Council Tax is reduced in advance of any further reduction under CTS.

In moving to an income banded CTS scheme - Option 1 ([Forecast B](#)), just 25 (29%) of customers with disabilities would receive increased CTS. For those receiving reduced CTS, the average reduction in their weekly entitlement would be £3.79 a week (£197.62 a year). Further analysis shows:

- 14 are single people with weekly incomes ranging from £129 to £328 before any income disregards are applied;
- 9 are couples with weekly incomes ranging from £220 to £477 before any income disregards are applied;
- 24 are couples with responsibility for children, with weekly incomes ranging from £320 to £647 before any income disregards are applied;
- 11 are lone parents with weekly incomes ranging from £307 to £587 before any income disregards are applied.

A further 15 disabled customers would no longer receive any CTS with weekly incomes ranging from £631 to £975.

If the Council decided to move to an income banded CTS scheme (Option1), it could choose to provide additional assistance for customers with disabilities by disregarding an amount from their income that would be equivalent to the disability premium included in the applicable amount for our current CTS scheme. Such additional support would mean that the number of customers with disabilities that would receive less CTS under a banded income scheme would reduce from 183 ([Forecast B](#)) to 159. However, such protection would result in additional complexity to the scheme proposed under Option 1 and mitigation could be more efficiently managed through the application of a reduction in Council Tax liability through exceptional hardship in accordance with our discretionary policy

Under Options 2 and 3, the personal allowances and applicable amounts currently used to calculate CTS would be retained. These allowances and applicable amounts take the claimant's circumstances into account and mean that they are awarded more support if they or anyone in their household has a disability than if the household had the same income but contained no-one with a disability.

The average level of debt for working age CTS recipients in 2016/17 receiving the disability premium was £300.19 - greater than the scheme average of £267.65 for working age claims, but only 16% of CTS recipients with a disability premium were in arrears with their Council Tax - significantly less than the scheme average of 28%.

Table 2

CTS recipients with disabilities	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Working Age	241	39	16%	£300.79	£11,730.88

Gender

There are a greater number of female recipients of CTS within our caseload (either single, lone parents or part of a couple) than male recipients. Consequently, more females will be impacted by changes made to our CTS scheme than males. This is not deliberate but is simply a product of the makeup of our caseload. However, gender will not be a direct factor in any part of the assessment of CTS as it is not considered to be a characteristic that requires greater assistance when assessing support.

The majority of lone parents in receipt of CTS are female.

The average level of debt for working age lone parents in 2016/17 was £259.70 - less than the scheme average of £267.65. See table 3 detailing debt levels for this group.

Table 3

Lone Parents	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Working Age	1,342	437	33%	£259.70	£113,490.89

Gender Reassignment

We hold no data on our Council Tax system to identifying the names or numbers of current CTS applicants who share this protected characteristic. Gender reassignment is not a factor in any part of the assessment of CTS and it is not considered to be a characteristic which requires that requires greater assistance when assessing support. In common with other working age CTS applicants, transgendered people may receive less CTS under the proposals for change in 2018/19. However, these are not such as to introduce disproportionately adverse effects on transgendered people as a specific group.

Marriage and Civil Partnership

Marital or civil partnership status is not currently a factor in determining CTS as it is not considered to be a characteristic that requires greater assistance when assessing support. Options for changing our CTS scheme for 2018/19 do not introduce disproportionately adverse effects on people based on their marriage or civil partnership status.

Religion and Belief

We do not gather data on religion or belief as part of the CTS application process; we do not hold full data specific to religion or belief within our caseload. Religion and belief is not a factor in any part of the assessment of Council Tax Support as it is not considered to be a characteristic which requires greater assistance when assessing support. Some working age CTS applicants, people of all or no religion or belief, may receive less CTS under the proposals for change in 2018/19. However, these are not such as to introduce disproportionately adverse effects on people based on their religion or belief status.

Race

Race is not a factor in the assessment of CTS and it is not considered to be a characteristic that requires greater assistance when assessing support. Some people of all races, may receive less CTS under the proposals for change in 2018/19. However, these are not such as to introduce disproportionately adverse effects on people based on their race status.

Pregnancy and Maternity

For the purposes of CTS, pregnancy and maternity must be considered as two separate characteristics as while the applicants is pregnant, her applicable amounts and personal allowances are lower (as for a person without children). Once a child is born, it becomes part of the household composition and increased allowances are currently applied and would continue to be applied under all the options to change our CTS scheme in 2018/19.

Pregnancy alone is not a factor in the current assessment of CTS as it is not considered to be a characteristic that requires a higher level of support. Providing that the child (or children) forms part of the mother's household composition once it is born, the application for CTS will then include the child (or children) as part of the household and the CTS available will increase which, once other income changes have been taken into account may provide for a more generous assessment of CTS and reduced Council Tax payments.

The CTS scheme would retain the current disregard of Child Benefit in income calculations for all the options in changing our scheme for 2018/19. This will mean the income that Child Benefit provides will not reduce the amount of CTS that a recipient receives as a result of having a baby.

Sexual Orientation

Sexual orientation is not a factor in any part of the assessment of CTS as it is not considered to be a characteristic which requires a higher level of support when assessing CTS. Some working age CTS applicants may receive less CTS under the proposals for change in 2018/19. However, these are not such as to introduce disproportionately adverse effects on people based on their sexual orientation.

Children and duties under the 2010 Child Poverty Act

The minimum age for receiving CTS is 18 and so people under the age of 18 will not be impacted directly by the CTS scheme. Indirect impact has been considered as people under the age of 18 are included as part of a claimant's household and the Council has a duty to prevent child poverty as outlined in the Child Poverty Act 2010. There are 1,823 working age CTS recipients with children, accounting for 50% of all working age CTS recipients. Of those with children, 31% (568) have debt that at 31 March 2017 totalled £165k with these arrears making up 61% of all Council Tax debt for those of working age getting CTS. Analysis of debt levels at 31 March 2017 for working age applicants with children is shown in Table 4 below

Table 4

Working age claims with children	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Working Age	1,823	568	31%	£291.41	£165,523.02

Under the CTS scheme applying before 1 April 2017, applicants with children were awarded a dependant's addition of £66.90 for each child within the calculation of their needs (Applicable Amounts). There was no limit to the number of dependants' additions that could be awarded. From April 2017, the Council decided to limit dependants' additions to a maximum of two. This only affected households who had a third or subsequent child on or after 1 April 2017. We continued to include the amount for first and second children and applied protection for multiple births or for women who had a third child as the result of rape or other exceptional circumstances.

Under an income band scheme (Option1), there is additional income provision for up to 2 children. Such a limit aligns to other Welfare Benefits administered by the Department for Work and Pensions. The calculation of a customer's net income would continue to disregard certain income as well as disregarding qualifying childcare costs. However, where households have 3 or more children, the limitations on child numbers could have an adverse effect. In mitigating such an effect, a disregard of £50 could be applied to net income for third and subsequent children under the age of 5 years old. Such a provision would recognise the potential limitations experienced by parents in increasing their income through employment as a result of caring for young children.

In mitigating the effects under any of the options proposed to change our CTS scheme in 2018/19, officers could apply a discretionary reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our policy.

Other Groups (non-statutory)

Employment

The number of working age CTS recipients in employment is 984, accounting for 27% of all working age recipients. Those CTS recipients without employment are 1% more likely to have Council Tax arrears, although the average value of their debt (£231.24) is significantly less than for those with employment (£369.90) - see Table 5.

Table 5

Working age claims - employment status	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
In employment	984	266	27%	£369.90	£98,392.65
Not in employment	2,663	747	28%	£231.24	£172,739.47

For people of working age that are not in employment, the benefit cap restricts the amount in certain benefits that a household can receive. Any household receiving more than the cap will have their Housing Benefit reduced to bring them back within the limit. The Benefit Cap is £20,000 for households living in the Taunton Deane area. This reduction in income may mean Council Tax is more difficult to collect from those households.

Carers

People who provide care to a person with disabilities have a limited ability to work. This group may find it difficult to access and sustain employment as a result of their caring responsibilities to improve their financial situation.

In common with other working age recipients, people with caring responsibilities receive less CTS under the localised scheme than they did under CTB. However, the current CTS scheme also recognises caring responsibilities by the inclusion of a Carer Premium within the Applicable Amount, thereby providing a greater level of support.

In moving to an income banded CTS scheme - Option 1 ([Forecast B](#)), 20 customers with caring responsibilities would receive increased CTS. For those receiving reduced CTS – 37 customers, the average reduction in their weekly entitlement would be £6.73 a week (£350.92 a year). A further 11 customers with caring responsibilities would no longer receive any CTS with the average weekly loss in support being £13.16.

If the Council decided to move to an income banded CTS scheme (Option1), it could choose to provide additional assistance for customers with caring responsibilities by disregarding Carers Allowance (money for people who spend at least 35 hours a week providing regular care to someone who has a disability) from any income used to work out CTS. Such additional support would mean that the number of customers with caring responsibilities that would receive less or no CTS under a banded income scheme would reduce from 48 to 33 ([Forecast C](#)).

Under Options 2 and 3, the personal allowances and applicable amounts currently used to calculate CTS would be retained. These allowances and applicable amounts take the claimant's circumstances into account and mean that they are awarded more support if they have caring responsibilities.

Armed Forces

Veteran Benefits will continue to be fully disregarded in the means test for Council Tax Support. Our scheme does not appear to have a differential impact but we are aware some ex veterans experience mental health issues and have physical disabilities.

5 Conclusions on impact of proposed decision or new policy/service change:

In considering options to change our CTS scheme we have tried hard to balance the reality of a significant cut in Central Government funding to protecting the most vulnerable members of our community as far as practicable. The proposed options acknowledge that recipients of CTS need to contribute more to meet the funding shortfall but also looks to protect people with protected characteristics as much as possible.

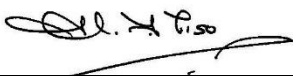
In mitigating any disproportionate effect through implementing any of the proposed options to change our CTS scheme, officers could apply a reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our discretionary policy.

6 Recommendation based on findings. These need to be outlined in the attached action plan.

Adjust the policy/decision/service.

Equality Impact Assessment Action Plan

Group Affected	Action required	Expected outcome of action	Person to undertake action	Service Plan - for monitoring	Expected Completion date
Age	Young people leaving care may have particular difficulties and it is recommended that additional support be provided to help with Council Tax costs. Liaison is to be established with Somerset County Council to identify care leavers aged up to 25 to ensure they receive extra support.	Flagging affected individuals as “vulnerable” with Revenue IT systems to ensure collection of debt is appropriately managed	DHP/Welfare Reform Officer	Revenues & Benefits	On-going
Disability	Members to consider providing mitigation against any adverse effects of the proposed changes. For those customers with reduced or no entitlement through any changes applied to the CTS scheme for 2018/19, invite applications for a discretionary reduction in Council Tax liability in accordance with agreed policy	Flagging affected individuals as “vulnerable” with Revenue IT systems to ensure collection of debt is appropriately managed. Provide short-term help for instances of hardship.	DHP/Welfare Reform Officer	Revenues & Benefits	Throughout 2018/19
Marriage and Civil Partnership	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Pregnancy and Maternity	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Race	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Gender Re-assignment	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable

Religion and Belief	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Sex	There are a greater number of female CTS recipients within our caseload (either single, lone parents or part of a couple) than male recipients. Consequently, more females will be impacted by changes made to our scheme. However, gender is not a direct factor in any part of the assessment of CTS as it is not considered to be a characteristic that requires a higher applicable amount when assessing support.	Provide short-term help for instances of hardship.	DHP/Welfare Reform Officer	Revenues & Benefits	On-going
Sexual Orientation	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Rurality	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Author's Signature:		Report Title	Date	EIA Version	1.2
Contact Details:	Tel:	01823 356541	Email:	h.tiso@tauntondeane.gov.uk	

Debt Profile for working age CTS recipients @ 31 March 2017

	Number of cases	Cases with debt	Percentage of cases with debt	Average arrears cases	Average arrears across scheme	Total arrears
Single, no children	1,571	394	25%	£232.27	£58.25	£91,516.27
Couple no children	253	51	20%	£276.33	£55.70	£14,092.83
Couple with children	481	131	27%	£397.19	£108.17	£52,032.13
Lone parent with children	1,342	437	33%	£259.70	£84.57	£113,490.89
Total	3,647	1,013	28%	£267.65	£74.34	£271,132.12
Employed & self employed	984	266	27%	£369.90	£99.99	£98,392.65
Applicants with a disability	241	39	16%	£300.79	£48.68	£11,730.88
Applicants with caring responsibilities	68	16	24%	£445.15	£104.74	£7,122.45

Impact of banded income scheme with maximum CTS of 85% and £5 deduction for each non-dependant where CTS recipient is in arrears

Working age customers in arrears	Number reduced	Average weekly reduction	Total CTS lost for those reduced in arrears	Number increased	Average weekly increase	Total CTS increased for those in arrears	Applicants that would no longer qualify	Average weekly loss for those no longer entitled	Total CTS lost for those in arrears who no longer qualify
Single	64	£2.68	£8,959.46	330	£1.16	£19,947.46	1	£1.22	£63.60
Couple	4	£5.01	£1,044.14	47	£1.62	£3,967.29	1	£1.00	£52.21
Couple + children	43	£6.19	£13,878.57	88	£1.55	£7,098.26	8	£10.27	£4,284.75
Lone parent	102	£3.46	£18,376.04	335	£1.51	£26,355.04	8	£11.37	£4,744.39
Total	213	£3.80	£42,258.21	800	£1.38	£57,368.06	18	£9.74	£9,144.95
Employed	114	£3.37	£20,005.84	123	£3.64	£23,375.80	13	£9.82	£6,656.79
Disabled	24	£3.47	£4,336.34	11	£2.63	£1,511.19	3	£10.98	£1,717.75
Carer	7	£6.71	£2,449.95	6	£1.43	£446.64	3	£10.98	£1,717.75

Impact of banded income scheme with maximum CTS of 85% and £5 deduction for each non-dependant where CTS recipient is in arrears

Working age customers in arrears	% of those in arrears with reduced CTS	% of those in arrears with increased CTS
Single	16%	84%
Couple	8%	92%
Couple + children	33%	67%
Lone parent	23%	77%
Total	21%	79%
Employed	43%	46%
Disabled	62%	28%
Carer	44%	38%