

# CABINET

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**Tuesday, 10 January 2017 at 5.30 p.m.**  
**C1, 1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London,**  
**E14 2BG**

## SUPPLEMENTAL AGENDA

### 5.4 Local Council Tax Reduction Scheme 2017/18

**The meeting is open to the public to attend.**

**Contact for further enquiries:**

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see the main agenda.

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AFFECTED**

**5 .4    Local Council Tax Reduction Scheme 2017/18**

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**All Wards**

<p><b>Cabinet</b></p> <p>10 January 2017</p>	
<p><b>Report of:</b> Zena Cooke – Corporate Director Resources</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Local Council Tax Reduction Scheme 2017/18</b></p>	

<b>Lead Member</b>	<b>Councillor David Edgar Cabinet Member for Resources</b>
<b>Originating Officer(s)</b>	Steve Hill Head of Benefits Services
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	Yes
<b>Community Plan Theme</b>	<b>One Tower Hamlets</b>

## Executive Summary

On 20 January 2016 Full Council considered the report from Cabinet on the Local Council Tax Reduction Scheme 2016/17.

The recommendations set out in the report were put to the vote and were agreed.

The decisions made by Full Council were as follows:

1. That the continuation of the current Local Council Tax Reduction Scheme for 2016/17 be approved which will retain the same level of support to all working age Council Tax payers on a low income as set out in the report to Cabinet on 5 January 2016;
2. That it be agreed that the extension of the scheme is for one year only, to be reviewed alongside the impact of the Government's proposed welfare reform changes and an options review for the future of LCTRS during 2016.

This report sets out the schemes that have been considered and consulted upon, the implications of each scheme and the feedback from the consultation. For each financial year, the Council is required to consider whether to revise its scheme or to replace it with a different scheme. Any revision or replacement must be made by 31 January in the financial year preceding that for which the scheme is to take effect.

## **Recommendations:**

The Mayor in Cabinet is recommended to:

1. Consider the feedback from the consultation on the options for the Local Council Tax Reduction scheme
2. Consider the options to revise the current Local Council Tax Reduction scheme as set out in paragraphs 3.11 to 3.18 and 3.27 to 3.28 of the report.
3. Agree the Local Council Tax Reduction scheme to be recommended to Full Council.

## **1. REASONS FOR THE DECISIONS**

- 1.1 At the meeting of Full Council on 20<sup>th</sup> January 2016 the decision was taken to extend the Local Council Tax Scheme for 2016/17 for one year only and that the scheme be reviewed alongside the impact of the Government's welfare reform changes and an options review for the future of the LCTRS be undertaken. This report details the outcome of that review and options for consideration.
- 1.2 For each financial year, the Council is required to consider whether to revise its scheme or to replace it with a different scheme; any revision or replacement must be made by 31 January in the financial year preceding that for which the scheme is to take effect.

## **2. ALTERNATIVE OPTIONS**

- 2.1 A number of options for changes have been identified and have been consulted upon; there is now a need to decide which scheme will be recommended to Full Council for approval in relation to the 2017/18 financial year.
- 2.2 The resolution from 2016 and regulations are clear that a scheme must be agreed each year and so in the event that the decision is made to retain the current scheme without any changes a resolution to that effect is required.

## **3. DETAILS OF REPORT**

- 3.1 In April 2013 the Government replaced the national Council Tax Benefit scheme with a requirement for each local authority to develop its own Local Council Tax Reduction Scheme (LCTRS). At the same time, the Government reduced its funding contribution to Local Authorities nationally by £500 million

(10%) and put in place mandatory protections for some groups of recipients such as Pensioners.

- 3.2 Since that time, the funding made available to support LCTRS schemes has formed part of the Council's formula funding arrangements (the Revenue Support Grant (RSG)) and consequently from 2014/15 there has been no visibility over the actual level of funding for LCTRS. However, the government has transacted its austerity savings programme for local government through reducing the level of support through RSG and it is reasonable to conclude that a proportion of the resources received through RSG have been subject to those reductions. Between 2014/15 and 2017/18 the overall reduction in RSG is 54%. Based on the current cost set out below a pressure of around £13m could be considered to be falling on Council Tax payers or being met through service reductions.
- 3.3 The cost of the current LCTRS scheme is around £26.5m with £19m supporting 22,551 working age households and £7.5m supporting 8,920 pensioner households. Given that the Revenue Support Grant is expected to disappear in 2020, this represents a significant on-going cost to the council.
- 3.4 Councils have discretion over its own LCTRS within certain constraints; the Government requires pensioner households in receipt of LCTRS to be protected, but councils can determine the level of support provided for working age households. The current Tower Hamlets LCTRS also includes protection for war widows.
- 3.5 Since April 2013 the Council's LCTRS has mirrored the previous national Council Tax Benefit scheme. This means that the Council has met the full cost of reductions in Government funding for the last four years as an alternative to passing them on to working age households via changes to the council's Local Council Tax Scheme. The Council is currently one of 41 councils (from a total of 326 councils) that have chosen to retain the level of support available under the national Council Tax Benefit scheme that was abolished in 2013.
- 3.6 It is important to note that while pensioner households are not affected as, under the regulations, they are a protected group; changes to LCTRS may result in working age households receiving a Council Tax bill for the first time. Some working age households may also see their Council Tax bill rise.
- 3.7 In order to explain fully the schemes, it should be noted that the current LCTR scheme is similar to the national Housing Benefit scheme whereby the income of the claimant and their partner is compared to a nationally defined set of allowances designed to reflect needs; these include amounts for each dependent child. Deductions are then applied to entitlement in respect of non-dependants (adults in the household other than the claimant and partner). The level of deduction is based on the non-dependant's income and circumstances.

- 3.8 Any number of options could be considered when designing a Local Council Tax Reduction scheme although there is clearly a balance between fairness, complexity and costs of administration that should be considered overall.

#### Current Scheme

- 3.9 The current scheme is based on a claimant's Council Tax liability and their entitlement to a reduction is then assessed by comparing the income of both the claimant and their partner with a national set of amounts designed to reflect their circumstances. A reduction of up to 100% of the Council Tax liability is possible. Deductions are then made in respect of other adults residing in the household. The nationally set amounts are also used to assess entitlement to Housing Benefit.

#### Options Considered

- 3.10 Three alternative options were considered as follows:

##### Option 1

This option is based on a claimant's full Council Tax Liability and their entitlement to a reduction is assessed as it currently is but including the earnings of all other adults in the household are also taken into account. Once the reduction is calculated, a 20% deduction is made (this is referred to as a "bottom slice" option).

##### Option 2

This option is based on an initial 80% of a claimant's Council Tax Liability and their entitlement reflects not only the income of the claimant and their partner but also the earnings of all other adults in the household (this is referred to as a "top slice" option).

##### Option 3

This option is a banded option under which entitlement is assessed by comparing household income with income bands that determine the level of entitlement.

- 3.11 Option 1 and 2 were proposed because they retain the fairness inherent in the current option via the use of allowances which reflect an applicant's circumstances. By contrast Option 3 would be easier to administer and understand but may be perceived as less fair.
- 3.12 All three options differ from the current scheme in that entitlement is based on the income and the earnings of all adults in the household. Consequently there are no nominal deductions for non-dependants as all income has been considered. This provides a more accurate indication of household income and affordability and is therefore considered to be fair.
- 3.13 All the options include a minimum income floor for self employed households, whereby after the first year of self-employment, if the reported income from self-employment is not at or above the minimum wage then the minimum wage will be assumed as income. Applying the floor in the first year

acknowledges that there can be challenges to becoming self-employed and there may be little or no income in the first year. From the second year of self-employment we would expect income to be at or above the minimum wage level to demonstrate that the self-employment is genuine and effective. Where self-employed income is reported to be below minimum wage, support and advice will be offered to the claimant.

- 3.14 The three options above also incorporate proposed changes to the amount of savings that a claimant can have from £16,000 to £6,000. Currently applicants with savings between £6,000 and £15,999 can still qualify for a Council Tax Reduction but an assumed level of income is used as a proxy measure based around the value of savings. This assumed income is applied in the assessment of entitlement and which therefore reduces the entitlement. An additional £1 for every £250 or part thereof in respect of capital between £6,000 and £15,999 is included as income in the assessment which may therefore reduce entitlement.
- 3.15 Variations to Options 1 and 2 were also proposed so as to provide protection to vulnerable households. Vulnerable households include lone parents, households in receipt of Personal Independence Payments/ Disability Living Allowance/ESA Support, carers' allowance and war widows.
- 3.16 All the options and variations referred to above were then consulted upon. These are set out in the table below, with the number of households estimated to be affected, the average weekly support and average loss of support and the estimated cost reduction of each option.

Option	Details	Estimated Number of working age households affected	Average weekly support	Average Loss in weekly support	Estimated cost reduction
<b>1A</b>	Reducing the maximum level of support for working age applicants to 80%	4,341	£13.70	£3.05	£6.1m
<b>1B</b>	Reducing the maximum level of support for non-vulnerable working age applicants to 80%	4,164	£15.23	£1.52	£4.4m
<b>2A</b>	Maximum support reduced by 20% for all working age households	4,736	£13.05	£3.24	£6.0m
<b>2B</b>	Maximum support reduced by 20% for all non-vulnerable working age households	3,897	£15.17	£1.58	£4.3m
<b>3</b>	Introduce an income banded scheme in line with Universal Credit	6,015	£13.27	£3.47	£7.9m

3.17 Further to the Options and Variations referred to in the table above, five proposed additions to any option were also consulted upon. These are:

- Reducing the period for which backdated claims can be made for a reduction in Council Tax to 1 month.  
(Currently claims can be backdated for up to 6 months).
- Reducing the length of time claims can continue whilst the recipient is abroad to 4 weeks.  
(The current scheme allows for up to 13 weeks).
- Removing the allowances for the work related activity premium in the Employment Support Allowance (ESA) and for recipient of the family premium for new claims with effect from 1 April 2017.  
(Allowances for both are included in the current scheme).
- Limit to a maximum of 2 the allowances for children included in the assessment of new claims from 1 April 2017.  
(There is currently no limit to the number of children included in a claim).
- To introduce a scheme in addition to council tax reduction to help applicants suffering exceptional hardship.

3.18 Although each of the additions will reduce the future cost of the scheme, the main purpose of including them is to align the LCTRS to the Housing Benefit provisions as both are claimed and assessed simultaneously via a single application and there is in any case a logic for them being the same given that they both relate to claimed welfare benefits.

#### Consultation

3.19 A public consultation ran from 14 October until 2 December. All households (115,617) in the Borough were written to; residents were encouraged to respond to the consultation through a daily social media campaign using Twitter (generating 16,387 impressions and 136 engagements), Facebook and Instagram; the consultation was promoted in the council's e-bulletin to 9,000 residents; it was featured on the homepage of the council's website with a web banner; all welfare advice agency partners were encouraged to support their clients in completing the consultation; a news release was also sent to all local and BME media outlets.

3.20 The survey was open to all Tower Hamlet residents aged 18 years and over. A total of 2092 people responded to the questionnaire. This was a very high response rate for a consultation and provides results with a 95% confidence level and a 2.1% error rate. (i.e. if we were to run the survey again, 95 times out of 100 the results would be within +/-2.1% of the original survey results).

3.21 In addition to online responses, the Council received a petition signed by 500 residents against changing the scheme. These have been appended to the report in line with guidance from legal services.

3.22 Representations were also received from Child Poverty Action Group, Toynbee Hall and the GLA. These are included in the final consultation



outcomes report where it was possible to do so (i.e. they answered the questions in line with the survey).

3.23 A full report setting out the consultation feedback is set out at appendix 2, but a summary of the findings is as follows:

- There was a broadly similar level of support for each LCTRS option with 1B slightly the most popular of the models and 2B the second most popular.
- 46% of residents were in favour of changing the scheme and 40% thought we should keep the current LCTRS.
- The addition of “reducing the period for which a person can be absent from Great Britain and still receive CTR to four weeks” was the most popular option followed closely by “reducing backdating to one month”.
- 68% of respondents opposed the choice to increase the level of Council Tax to fund LCTRS, while 56% opposed finding savings from cutting other council services and 68% opposed using council reserves to delay savings. However, when forced to choose one of the options respondents’ preference was to find savings from cutting other council services.

3.24 As part of the survey residents were asked to place the options in order of preference. 1B was the highest rated option with 3 receiving the lowest level of support.

#### Next steps

3.25 The Council is required to conscientiously take into account the product of the consultation prior to the ultimate decision being taken. However it is not under a duty to adopt the option that residents favoured the most or any of the options consulted on. In considering the outcome of a consultation exercise it may well be that more appropriate alternative options reveal themselves. The Council must show good reasons however, if it wishes to depart from those consulted on options.

3.26 Having considered the responses from the consultation (including consideration of the petition and the representations from Child Poverty Action Group, Toynbee Hall and the GLA) and discussions with Members, the Mayor has indicated he is minded to retain the 100% support for working age households and therefore requested alternative options which retained 100% support to be drawn up for consideration. These are set out below.

3.27 Members are therefore asked to consider adopting components of the options which have been consulted upon as part of the 2017/18 LCTR scheme and retain the up to 100% reduction of the current scheme. The individual components are set out as Options 4 to 7 below. It should be noted that Options 4 and 5 below are exclusive of each other.

Option 4 – All non-dependants’ income is taken into account as part of household income rather than applying a standard deductions for non dependants as this could be considered fairer.

Option 5 – Households with non-dependants' income above £370.50 per week are excluded from support. CTR non-dependant deductions apply to all other non-dependants with income below £370.50 per week. This level is consistent with the full time London Living Wage which is considered sufficient to cover all costs including those associated with housing. In order to avoid potential “cliff edges” a tiered approach has been proposed; these range from £4.00 per week to £12.00 per week for those with income below £370.50. Appendix 1 sets out the current level of deductions and those now proposed.

Option 6 applies an assumed income for self employed earners where their self-employment earnings after one year is declared at below equivalent minimum wage levels. This takes into account the time taken for new businesses to start up and acknowledges there may be extra expenses incurred in the first year of self-employment. However, we would expect self-sufficiency to be achieved after that time.

Option 7 would lower the existing capital threshold for working age households from £16,000 to £6,000. If adopted this would mean that households would not qualify for CTR until their capital fell below £6,000.

Options based on individual elements of the LCTRS models consulted upon

Individual element/option	Details	Estimated Number of working age households affected	Average weekly support	Average loss in support	Estimated cost reduction if this individual element/option was adopted
4	All non-dependants income is taken into account as part of household income	2,634	£18.04	£1.29	£1.3m
5	Households with non-dependants income above £370.50 per week excluded from support. CTR non-dependant deductions apply to all other non-dependants with income below £370.50 per week.	1,261	£18.38	£1.64	£700k
6	A minimum income floor is applied to self-employed income after one year where income is below minimum wage; minimum wage will be used as earnings	2,262	£18.73	£1.98	£600k
7	The savings limit is lowered from £16k to £6k in order to qualify for LCTRS	473	£18.94	£2.20	£400k

3.28 It should be noted that some people may be affected by more than one of the options e.g. the same claim may have non dependants' income and have savings above £6,000.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 The current cost of the Local Council Tax Support Scheme in 2016/17 is estimated at £26.5m; approximately half of which could be considered to be met through Revenue Support Grant (RSG).
- 4.2 RSG will no longer be paid from 2020, as the government implements its 100% business rate retention scheme. All other things being equal the total cost of any support under the Local Council Tax Support Scheme (LCTRS) from that time will fall to be met largely from a combination of service reductions, income from Council tax payers or retained business rates.
- 4.3 Other than the need to comply with government constraints such as the requirement to protect pensioner households, authorities can determine the scope of their schemes in a way that reflects local needs and priorities. However, there is clearly a need to balance the complexity of a scheme against its fairness and ability to be understood.
- 4.4 The 2017-2020 Medium Term Financial Plan considered by the Cabinet elsewhere on this agenda, includes a savings proposal amounting to £1.4m consequent on agreeing a scheme that will require some people, currently in receipt of full relief, to start to make a contribution towards their Council tax costs. Unless the scheme is unchanged, some households will pay more Council Tax than they pay at present, including those who may have to pay towards their Council Tax for the first time.
- 4.5 However, because of the wide variation in outcomes from the options set out here, which arise from the need to make assumptions about the numbers of people affected, means that there is a high degree of uncertainty attached to this level of estimated income. In addition entitlement to a Council tax reduction also has significant volatility inherent in it as circumstances and therefore entitlements change.
- 4.6 In order to recognise that there may be a number of people adversely affected by both changes to the LCTRS and other changes to the welfare system the Mayor has asked that an earmarked Tackling Poverty Reserve be created as mitigation against the overall effects associated with welfare changes. Dependent on the options chosen and therefore an assessment of the number of people affected and the potential risks, a sum of up to £5m has been provided in the Tackling Poverty Reserve; this sum will be reviewed and finalised in the February report recommending the budget to Full Council once the outcome from the LCTRS and other associated changes are known.

#### **5. LEGAL COMMENTS**

- 5.1 In order for the Council to implement its own local council tax reduction scheme ('LCTRS'), it has a duty under Schedule 1A, Paragraph 3 (1) of the Local Government and Finance Act 2012 ("the Act") to publish a draft scheme and consult any major precepting authority, namely the Greater London

Authority (“GLA”). The Council has discretion in the manner it publishes the draft scheme.

- 5.2 The Council must decide to adopt a LCTRS no later than the 31<sup>st</sup> January of the financial year the scheme relates to or the default scheme in the Act will apply.
- 5.3 There is a statutory duty to consult and the consultation had to comply with the following common law criteria:
- (a) it should be at a time when proposals are still at a formative stage;
  - (b) the Council must give sufficient reasons for any proposal to permit intelligent consideration and response;
  - (c) adequate time must be given for consideration and response; and
  - (d) the product of consultation must be conscientiously taken into account as stated at paragraph 3.25 above.
- 5.5 Although the Act imposes a statutory duty to consult, the length of the consultation period is not stipulated. The Cabinet Office Principles on Consultation suggest a timeframe between 2-12 weeks. Council should decide on a reasonable timeframe that is commensurate to the significance of the subject matter of the consultation. Council launched the Council Tax Reduction Scheme Consultation for a period of 8 weeks which is a proportionate length of time.
- 5.6 Whilst there is a statutory duty to consult, as stated in paragraph 3.25 there is no corresponding duty to adopt the LCTRS that residents favoured the most or any of the options consulted on. In considering the product of a consultation exercise, the Council should also consider whether the responses to the consultation reveal more appropriate alternative options. In this case such consideration did and a further 4 options (numbered 4 through to 7) have revealed themselves and which are based on components of what was consulted on. In adopting any of these alternative options, the Council must show good reasons if it wishes to depart from those consulted on options.
- 5.7 When deciding whether or not to proceed with the proposals, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty). A proportionate level of equality analysis is required in order to enable the Council to adequately discharge this duty. Paragraph 6.3 of this report refers to an equalities impact assessment and which is included as at Appendix 3.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 The vision and priorities expressed in the Tower Hamlets Community Plan are to increase opportunity, prosperity and mobility in Tower Hamlets. Welfare

reform, of which LCTRS is one element, could have a significant impact for each of these priorities for residents.

6.2 There are client groups within the scheme that are fully protected e.g. pensioners, while others e.g. those of working age, could be liable to reduced support if the Council revises the current scheme.

6.3 It is important to ensure that no individual or group will be adversely impacted by any changes that may be introduced for the 2017/18 scheme. An equalities impact assessment has been completed and is attached as Appendix 3. This includes actions to mitigate against any adverse implications.

## **7. BEST VALUE (BV) IMPLICATIONS**

7.1 This report acknowledges the financial pressures on the Council and sets out the options review of LCTRS for consideration.

7.2 The options have been subject to a full public consultation during which every household in the Borough was written to, to encourage participation and feedback.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

8.1 There are no sustainable action for a greener environment implications arising from this report.

## **9. RISK MANAGEMENT IMPLICATIONS**

9.1 The principal risk to the Council is to ensure that an agreed scheme for LCTRS is approved by full Council before the end of January 2017 and is in place by the beginning of the financial year 2017/18, that the scheme is written and approved by Legal and that the changes to the Council's ICT systems are delivered.

9.2 A full implementation plan will be developed to reflect the decisions made by Full Council which will include a risk register setting out the actions and related mitigations.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

10.1 None.

## **11. SAFEGUARDING IMPLICATIONS**

11.1 None.

## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- List any linked reports [if Exempt, Forward Plan entry MUST warn of that]
- State NONE if none.

### **Appendices**

Appendix 1 – Option 5 Non Dependant Deductions current and proposed

Appendix 2 – LCTRS Consultation Report

Appendix 3 – Equalities Impact Assessment

### **Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012**

- NONE

### **Officer contact details for documents:**

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## Appendix 1 – Option 5 Non Dependant Deductions current and proposed/

### Current LCTRS Non Dependant Deductions

Aged over 18 or over and in remunerative work	2015	2016
- gross income: less than £195.00	3.74	3.77
- gross income: £195.00 to £337.99	7.52	7.77
- gross income: £338.00 to £419.99	9.49	9.56
- gross income: £420.00 and above	11.36	11.45
- Lowest Deduction	3.74	3.77

### Non Dependant Deductions in the event that option 5 were to be introduced

Aged 18 or over - All income	2017
- gross income: less than £195.00	4.00
- gross income: £195.00 to £281.99	8.00
- gross income: £282.00 to £370.49	12.00
- Income £370.50 per week and above	No CTR
- Lowest Deduction	4.00

Under Option 5 there would be no entitlement to CTR for any household where a non dependant's income is greater than £370.50 per week.



## Appendix 2



# 2016

## Council Tax Reduction Scheme Consultation



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## Summary Results

Summary	% Agreeing	Rating
<b>Schemes</b>		
Scheme 1A Reducing the maximum level of support for working age applicants to 80%	43%	3.0
Scheme 1B Reducing the maximum level of support for working age applicants to 80% for non-vulnerable working age applicants	48%	3.5
Scheme 2A Maximum support reduced by 20% for all working age applicants	36%	2.8
Scheme 2B Maximum support reduced by 20% for all working age households for non-vulnerable working age applicants	45%	3.2
Scheme 3 Introduce an income banded scheme in line with Universal Credit	39%	2.7
<b>Additions</b>		
Addition 1 Reducing backdating to one month	67%	3.3
Addition 2 Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction up to four weeks.	73%	3.5
Addition 3 To remove the "Work Related Activity" and or "Family Element" part of the calculation of Council Tax Reduction	50%	2.3
Addition 4 To limit the number of dependent children within the calculation for Council Tax Reduction to a maximum of two	65%	3.0
Addition 5 To introduce a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship	63%	3.0
<b>Other Options</b>		
Increase the level of council tax to fund the Council Tax Reduction Scheme	68%	1.7
Find savings from cutting other council services	34%	2.2
Use the council's reserves to delay savings	22%	2.1
Continue to fund and operate the Council Tax Reduction Scheme as we do now	40%	

## Methodology

Tower Hamlets undertook a consultation on its proposed changes to Council Tax Reduction between 14<sup>th</sup> October and 2<sup>nd</sup> December 2016.

The survey was carried out online, with a direct letter to all households in the borough and was promoted on the Council's website, social media and in the local newspaper.

The survey was open to all Tower Hamlet residents aged 18 years and over.

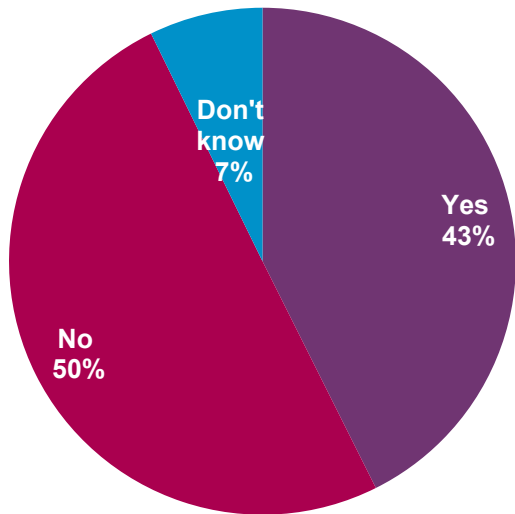
A total of 2092 people responded to the questionnaire, Please note not every respondent answered every question therefore the total number of respondents refers to the number of respondents for the question being discussed not to the survey overall.

This provides the results with a 95% confidence level and a 2.1% error rate. This means that if we run to the survey again, 95 times out of 100 the results would be within +/- 2.1% of the original survey results.

Groups that should be treated with caution due to under representation are:

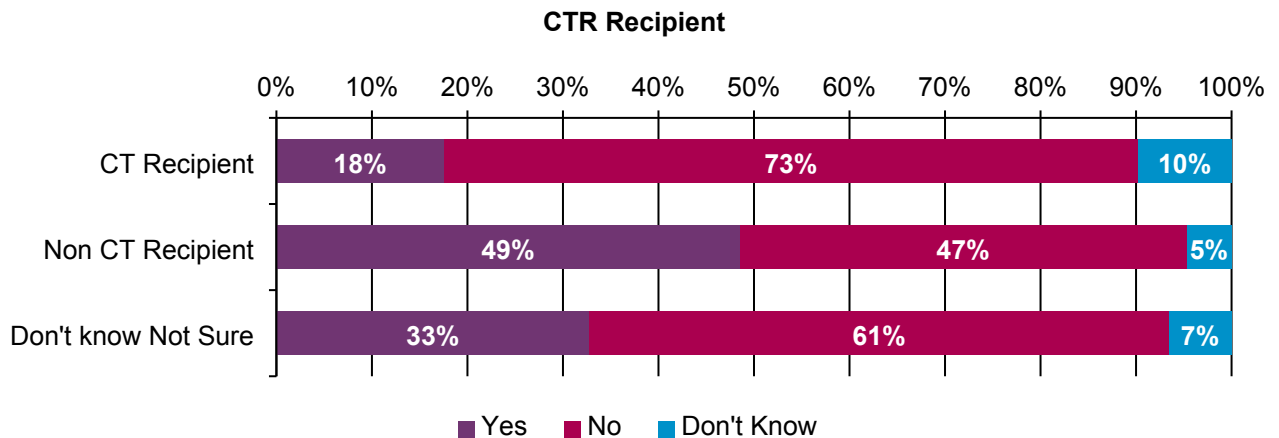
- 18 to 24 years
- 75 years and over
- Black/African/Caribbean/Black British

## Scheme 1A: Reducing the maximum level of support for working age applicants to 80%.

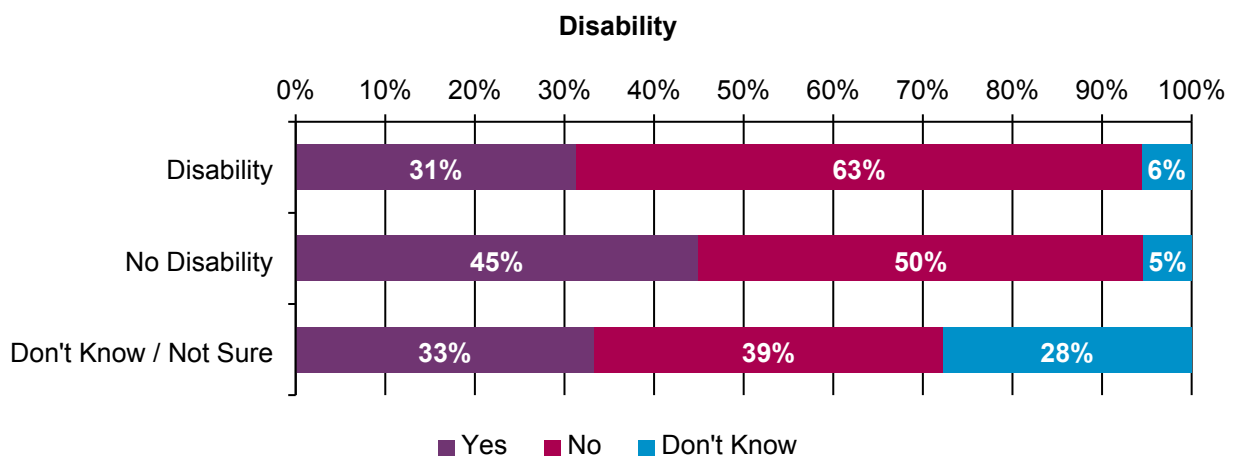


Overall 43% of respondents to the survey are in favour of Scheme 1A - reducing the maximum level of support for working age applicants to 80%. Half of respondents were not in favour of this scheme

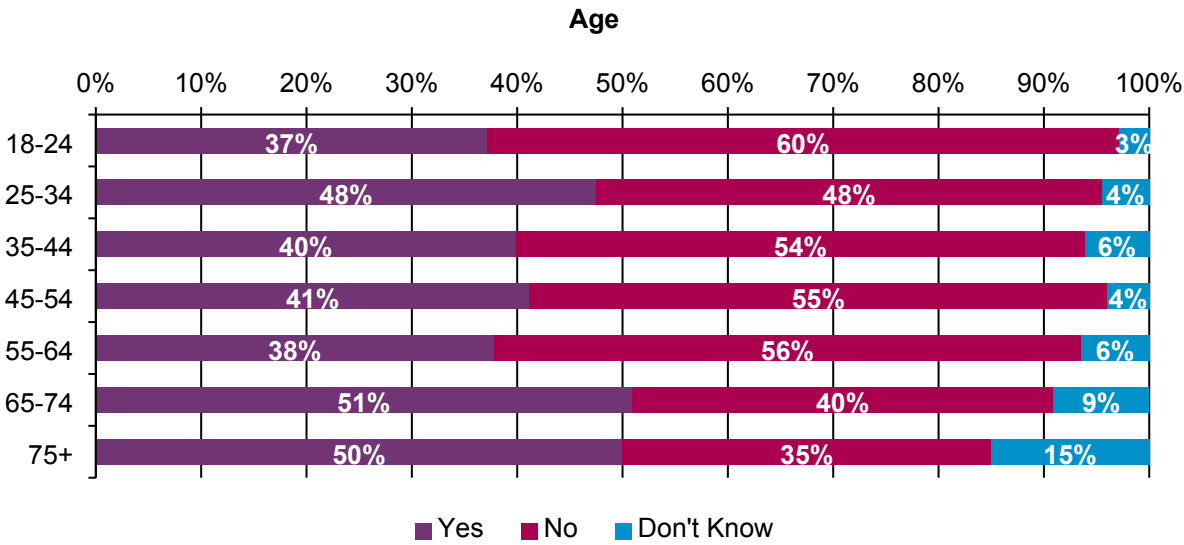
Nearly three quarters of respondents in receipt of Council Tax Reduction are opposed to this option, the largest opposition of any group; there is a 31% difference in the level of support for this scheme between this group and those who do not receive Council Tax Reduction.



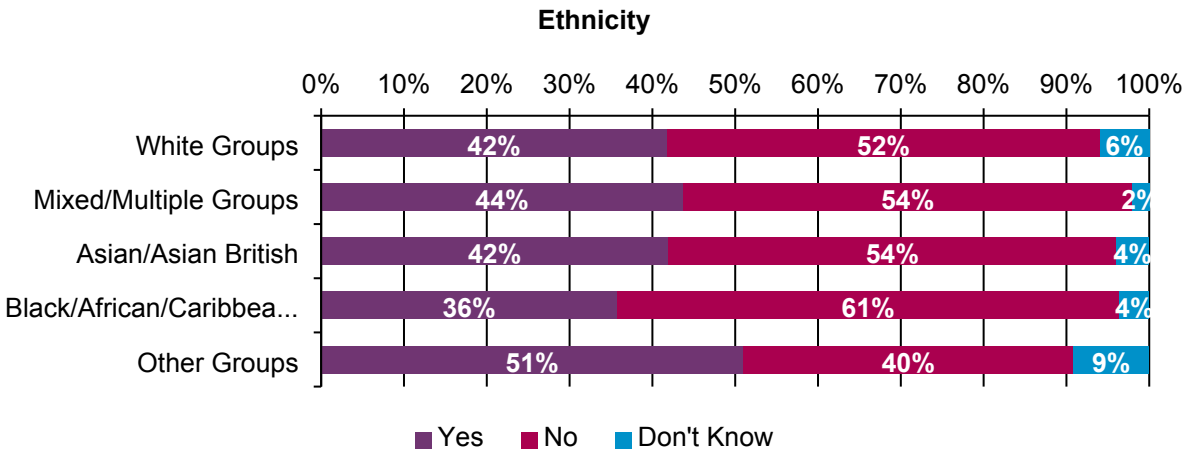
Respondents with a disability were more inclined to disagree with this option than those without a disability. There was a 14% difference in the proportion of those with a disability supporting this scheme compared with those without a disability. It should be noted however that those without a disability had no strong opinion.



There is a 15% difference between the age group most in favour and least in favour of this option. The 18-24 age group have the least support for this option and the 60-74 and 75+ age group is most inclined to support it. However with the exception of the 18-24 age group it should be noted there is overall no strong opinion.



There is very little difference in response by ethnicity. Those that defined their ethnic origin as 'other' were the only group that supported this option and had the greatest level of support out of all the groupings. There was less than a 10% difference in agreement between all other ethnic types.

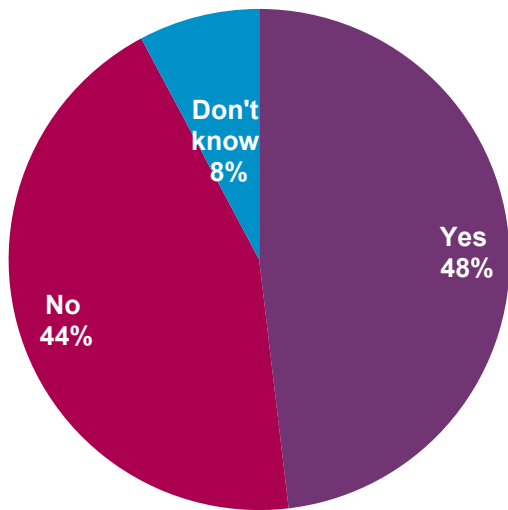


A majority of the comments for this option express concern for vulnerable people whom they felt hadn't been considered and were at risk of hardship if this option was implemented. A lot of comments also expressed support for this option. The key reason was that it seems to be fair and a sense that all parts of the community should fund services they use.

Some respondents didn't feel able to securely agree or disagree with the option, key reasons included:

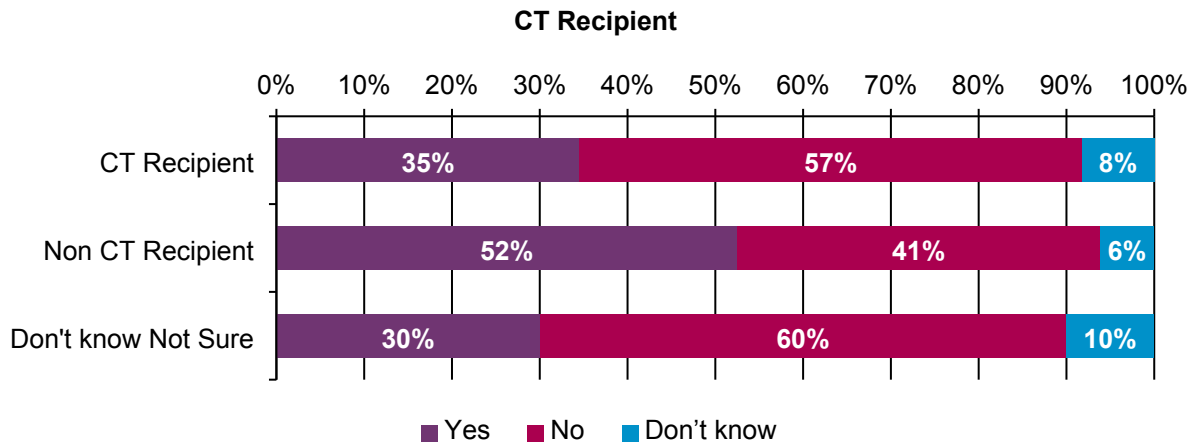
- They felt they hadn't been provided with enough information to determine the impact.
- They didn't understand the terminology: who are vulnerable people and who are working people
- Unclear on how this could affect the self employed

## Scheme 1B: Reducing the maximum level of support for working age applicants to 80% for non-vulnerable working age applicants.

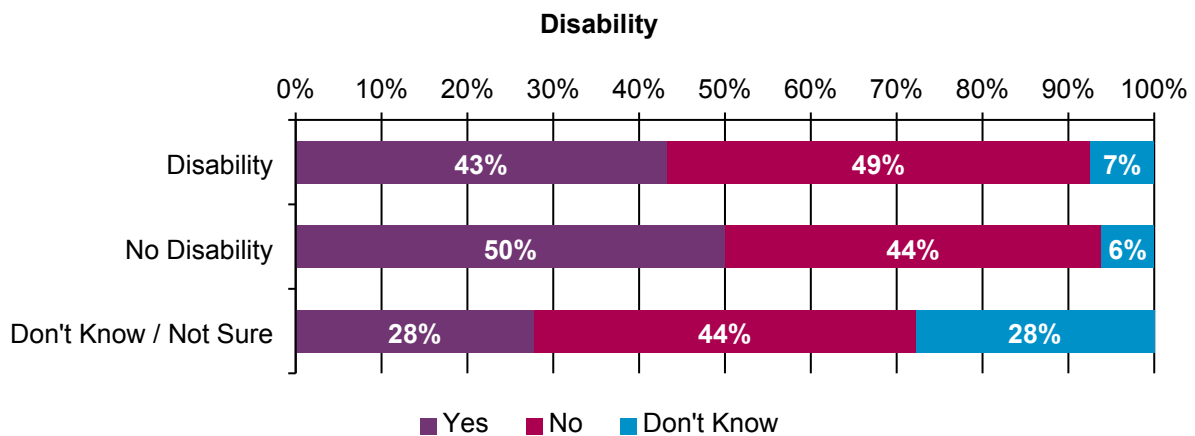


48% of respondents to the survey are in favour of Scheme 1B - reducing the maximum level of support for working age applicants to 80% for non-vulnerable working age applicants.

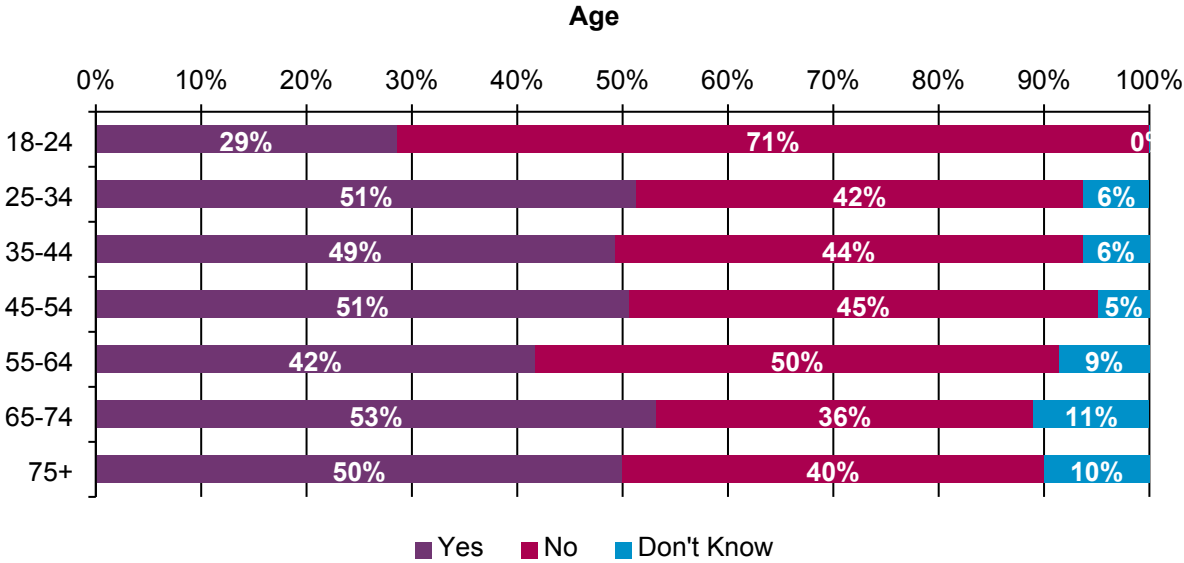
Respondents receiving Council Tax Reduction were less likely to support this option than those not in receipt of Council Tax Reduction. There is a 17% difference between this group and those who do not receive Council Tax Reduction.



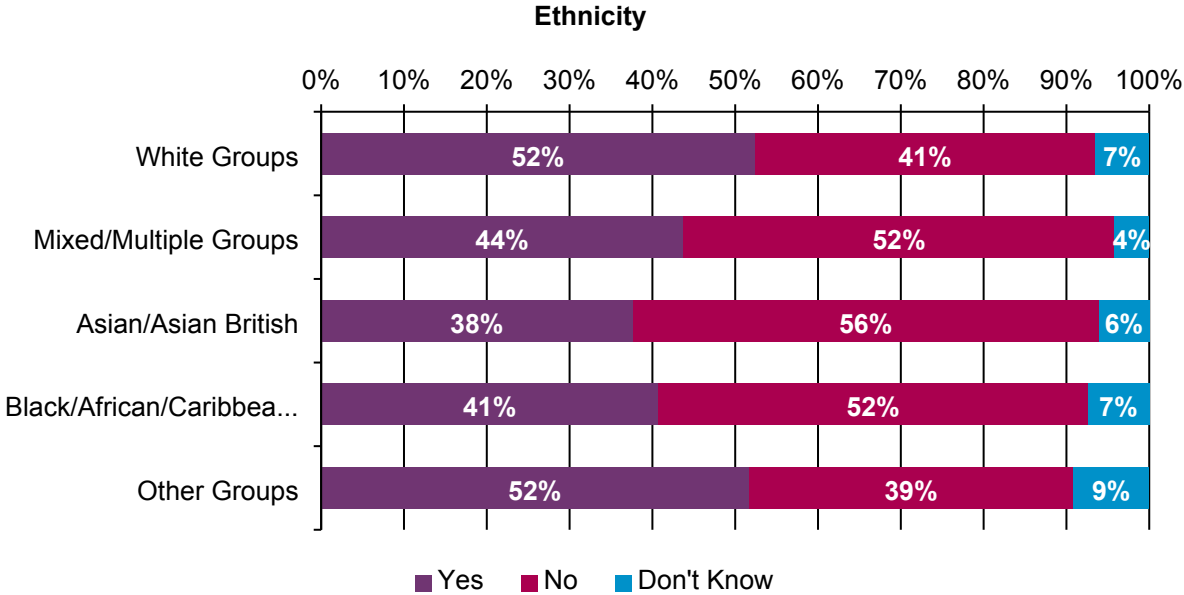
There is a slight difference in views between those respondents with a disability and those without. 43% of respondents with a disability would support this option compared to 50% of those without a disability – 7% difference. Levels of respondents not in favour of this option are broadly consistent across the three groups in this category.



All groups except 18-24 and the 55-64 age groups support this option. The 18-24 year group are the least likely to support this option out of all age groups. However due to a low response rate from 18 to 24 year olds these results should be treated with caution.



Respondents that describe their ethnicity as 'White' or 'Other' are the only ethnic groups that support this option; 'Asian/Asian British' are least likely to support this scheme. Overall there is a 14% difference between the ethnic group with the greatest level of support for this scheme and the one with the lowest level of support for this scheme.

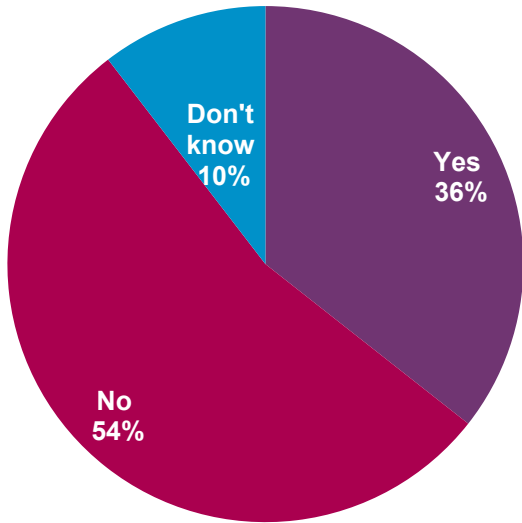


Many of the comments express concern for low income families who they consider will be more unduly affected by these changes

There was a sense from respondents that this would be an easy scheme to administer for the Council. Others expressed that they felt this was a very fair, simple option and that it protected the vulnerable better than option 1A.

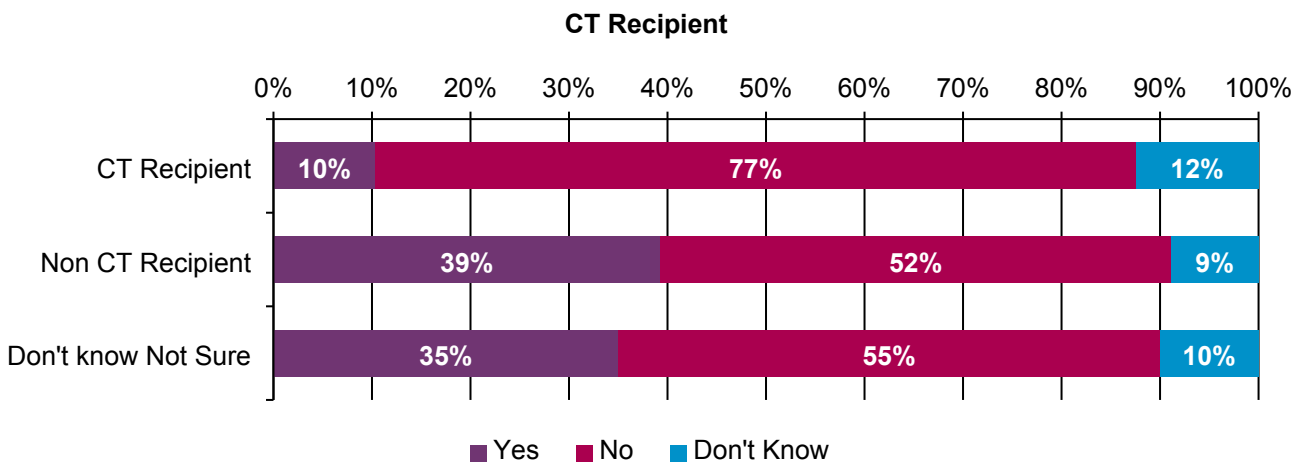


**Scheme 2A: Maximum support reduced by 20% for all working age households.**

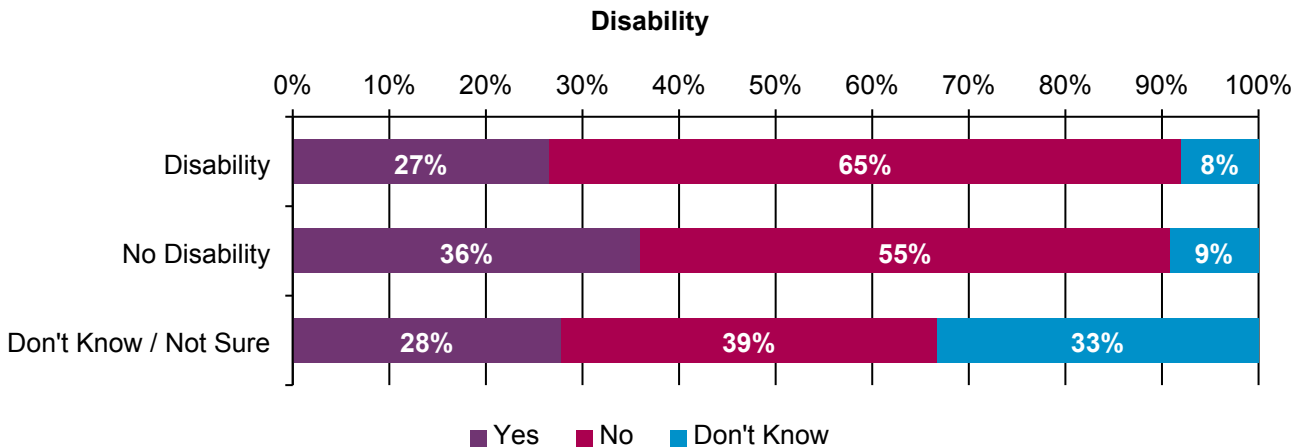


The majority of respondents to the survey are not favour of Scheme 2A - Maximum support reduced by 20% for all working age households. In addition one in ten respondents were unsure about this scheme.

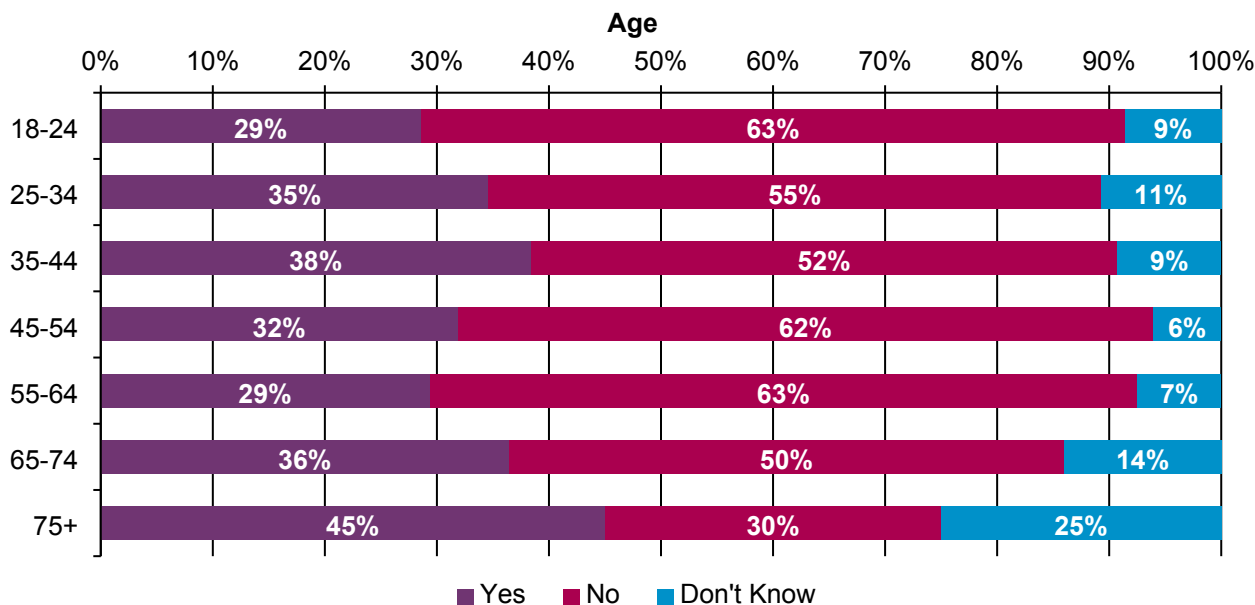
Respondents receiving Council Tax Reduction were not in favour of the scheme with 77% saying no. There is a 29% difference in the level of support between this group and those who do not receive Council Tax Reduction.



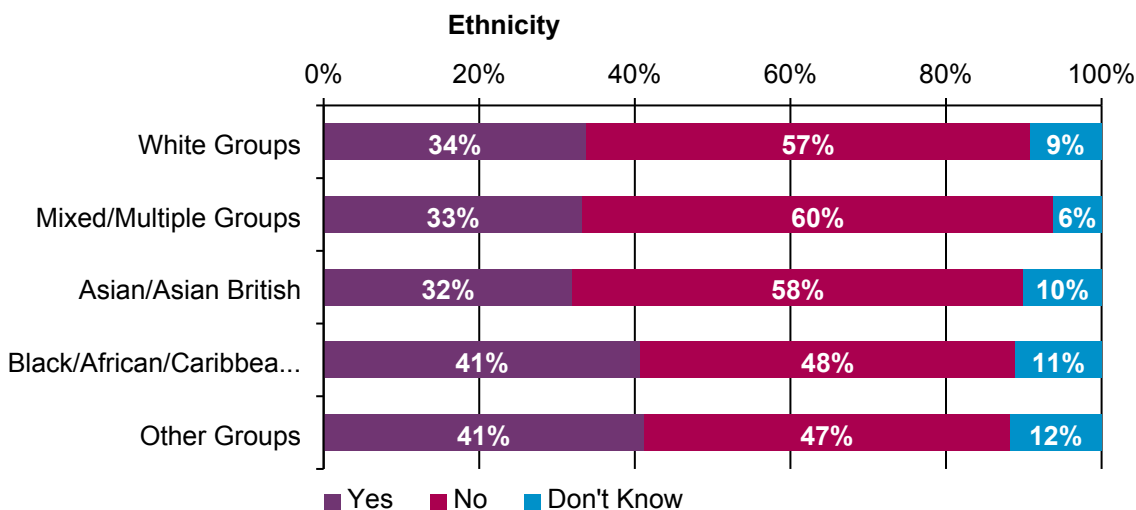
Respondents with a disability were more likely to disagree with this scheme than respondents without a disability. However the majority of respondents in each group did not support it.



Most respondents across age groups except for the 75+ age group were against this scheme. The 75+ age group had the highest level of support for this option at 45%. The 18 to 24 years and 55 to 64 years groups had the lowest levels of support for scheme 2A at 29%. This equates to a 16% difference between these groups.



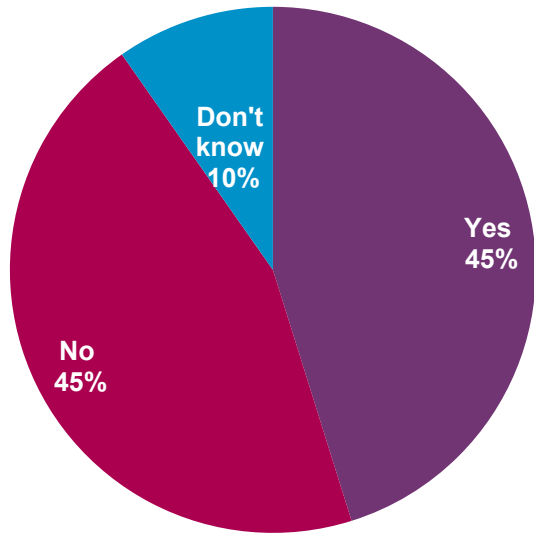
None of the ethnic groups were in favour of scheme 2A. Those from Asian/Asian British background were least likely to support it and Black/African/ Caribbean/Black British and other ethnicity were most likely to support it. However there was only a 9% difference in the level of agreement between the group with the greatest proportion in favour and the group with the lowest proportion in favour.



The majority of comments expressed deep concern for vulnerable households who they felt were not being considered in this scheme. They felt that if this was implemented support for the vulnerable should be considered.

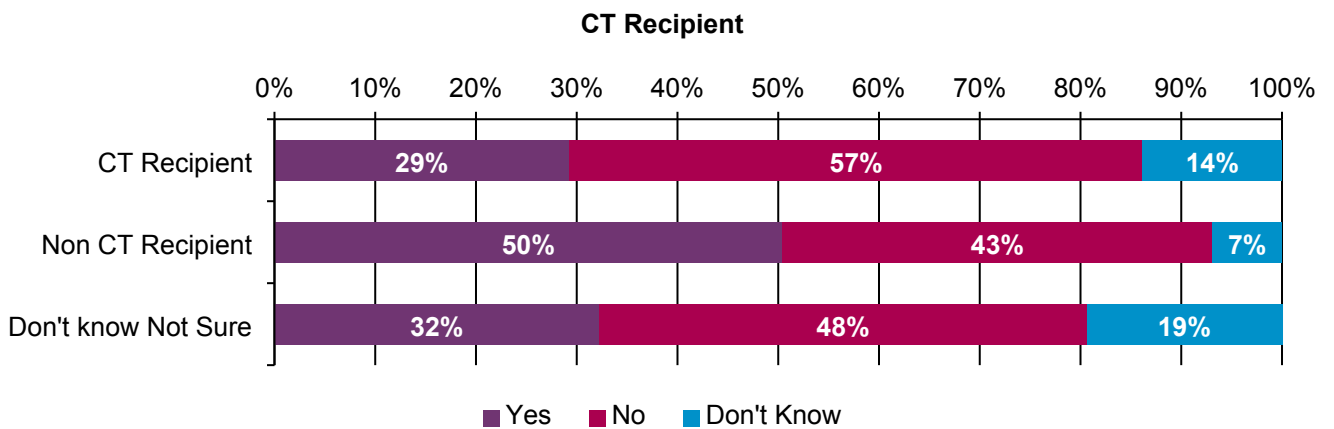
There was a sense from some respondents that this scheme didn't go far enough and that the Council should be stronger in their reductions.

**Scheme 2B: Maximum support reduced by 20% for all working age households for non-vulnerable working age applications.**

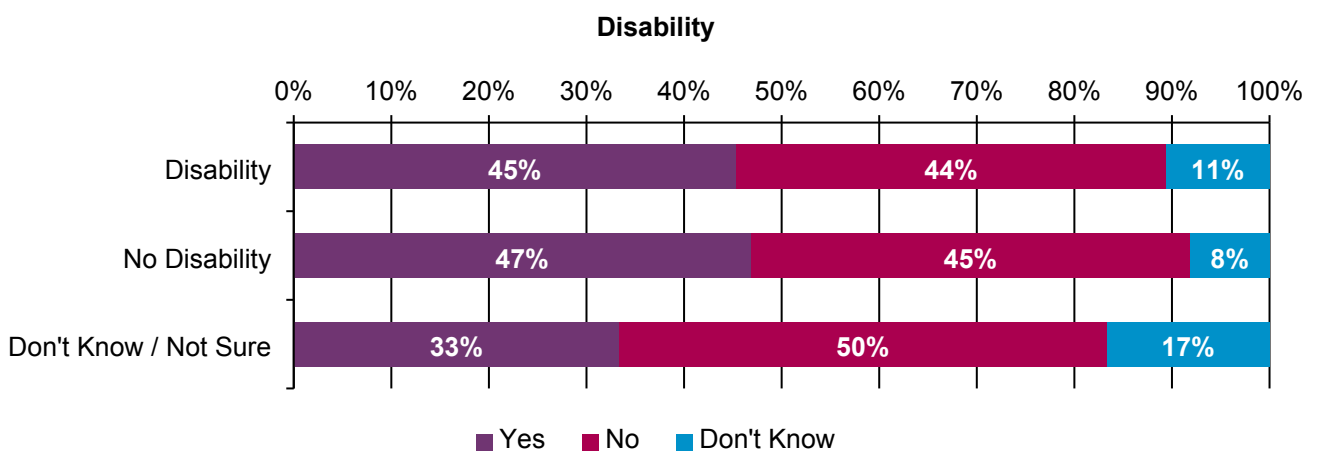


Support for Scheme 2B - Maximum support reduced by 20% for all working age households for non-vulnerable households is split with 45% in favour and 45% against.

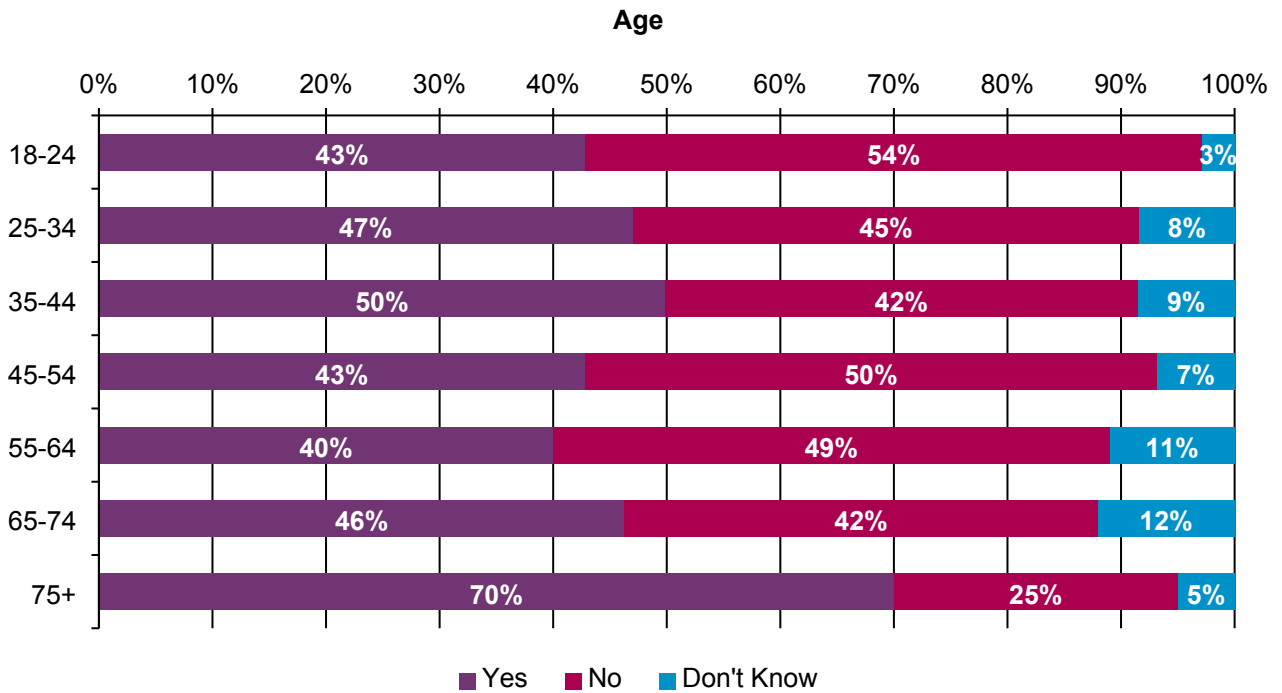
More than half of respondents receiving Council Tax Reduction disagreed with this scheme at 57% compared to those not receiving Council Tax Reduction at 43%.



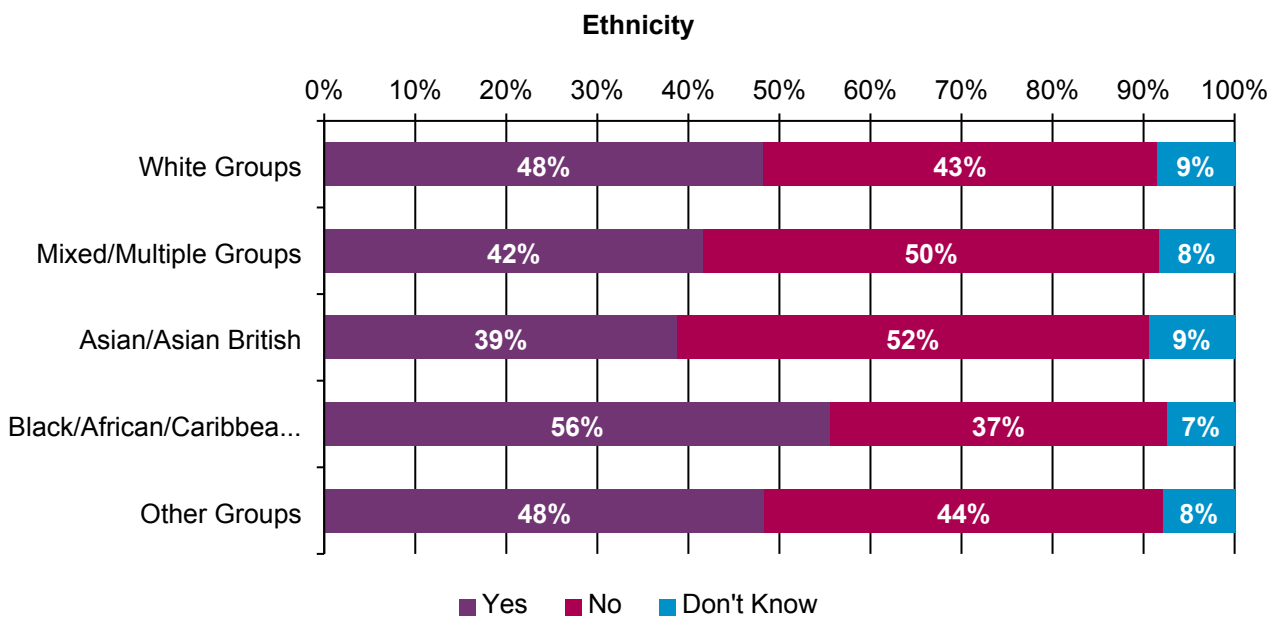
There is very little difference in the views of those respondents with a disability and those without a disability, with a maximum variance of 3% between these groups.



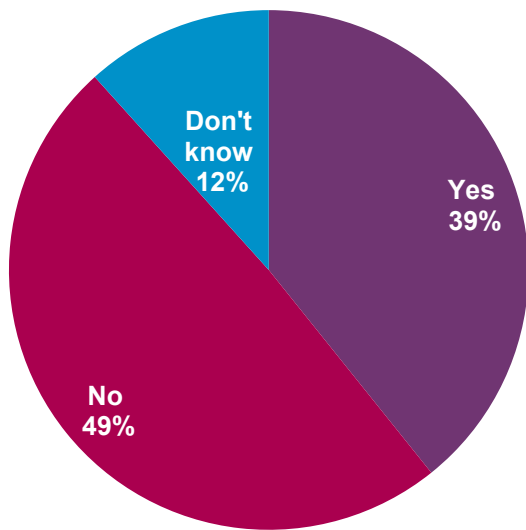
There was very little difference in the level of support between the different age groupings; the only outlier was the 75+ age group with 70% of respondents supporting this scheme. Although due to low response rates from this age group these results should be treated with caution.



Those from Asian/Asian British backgrounds were least likely to support this option and Black/African/ Caribbean/Black British were most likely to support it.



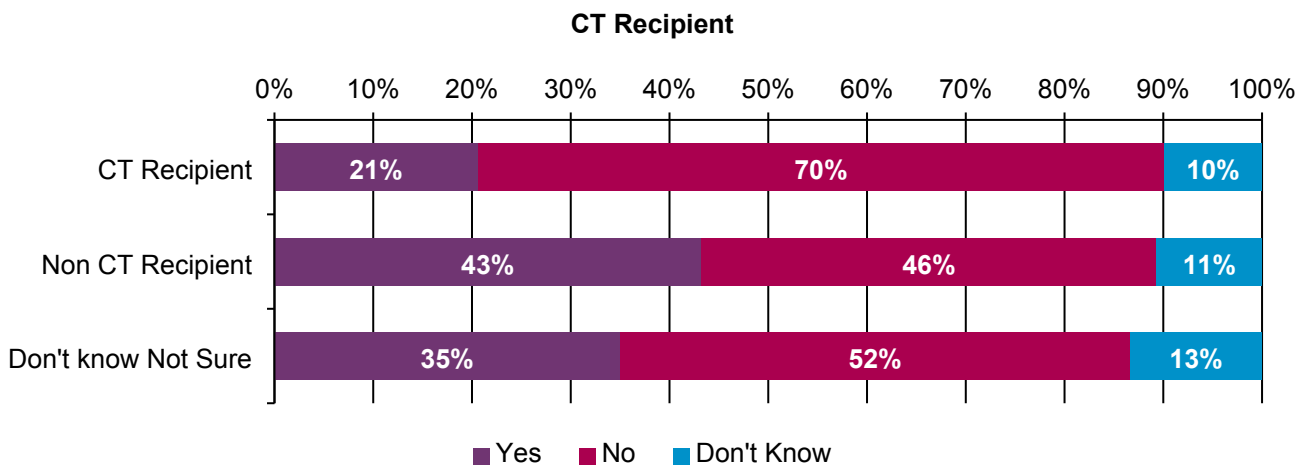
### Scheme 3: Introduce an income banded scheme in line with Universal Credit



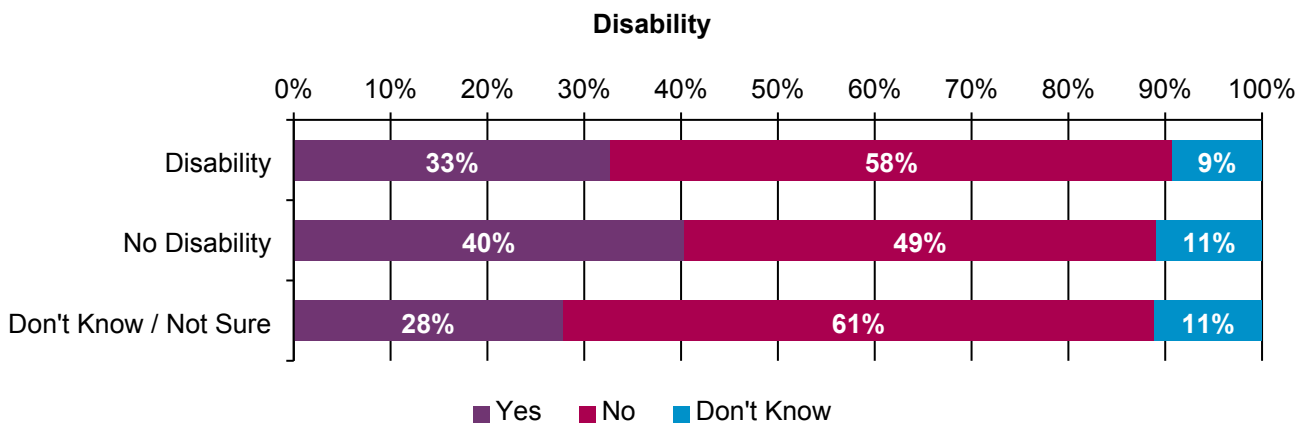
39% of respondents were in favour of Scheme 3 - Introduce an income banded scheme in line with Universal Credit.

It should be noted that this option had a greater proportion of Don't knows across all grouping types.

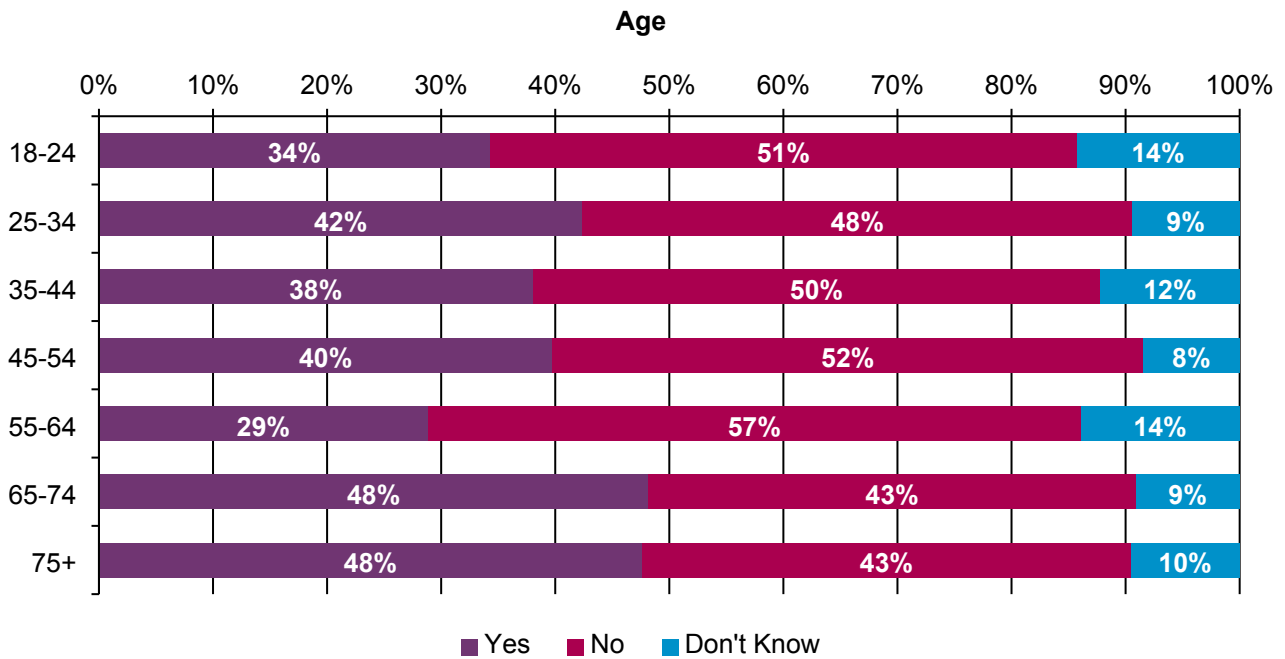
Respondents receiving Council Tax Reduction were not in support of scheme 3 and had the highest level of opposition of all groupings at 70%. Those that don't receive Council Tax Reduction also have a large proportion in opposition but a significantly lower proportion, than those in receipt of Council Tax Reduction.



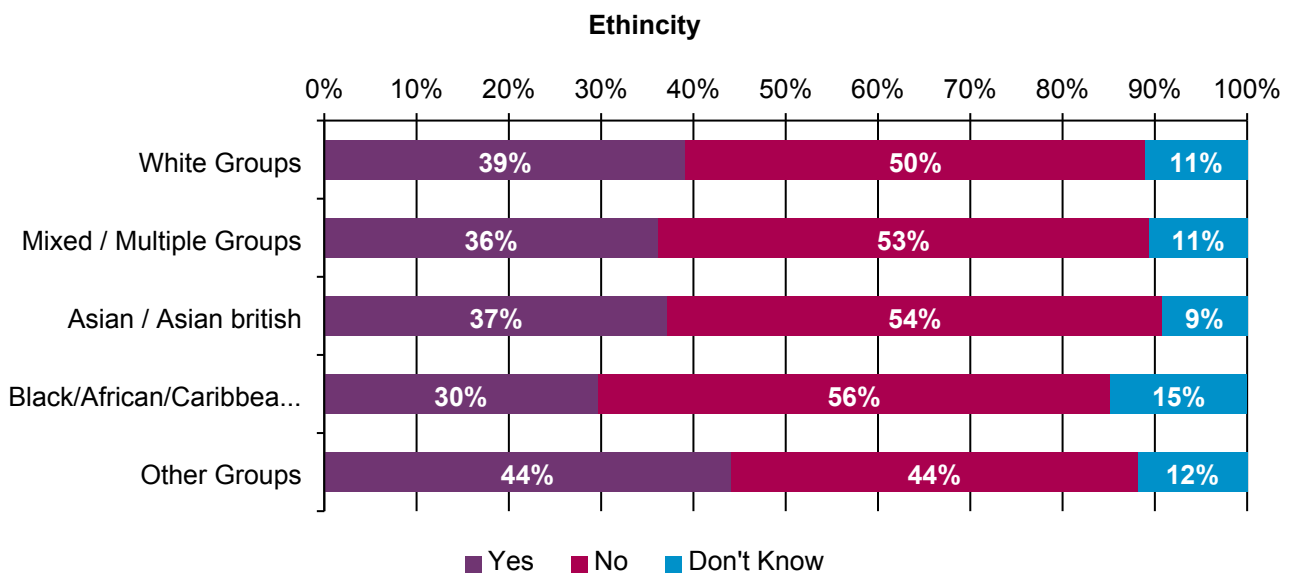
Respondents with a disability and those without a disability are both more likely to oppose this option. There is a 9% difference in the proportions responding no between these two groups.



The 65-74 and 75+ were the only age groups to support this option. All other age groups were opposed to scheme 3. The 55-64 age groupings had the strongest opposition with only 29% support.



All ethnic groups oppose this scheme, with the exception of respondents in 'other ethnic groups' which was split with 44% in favour and 44% opposed.

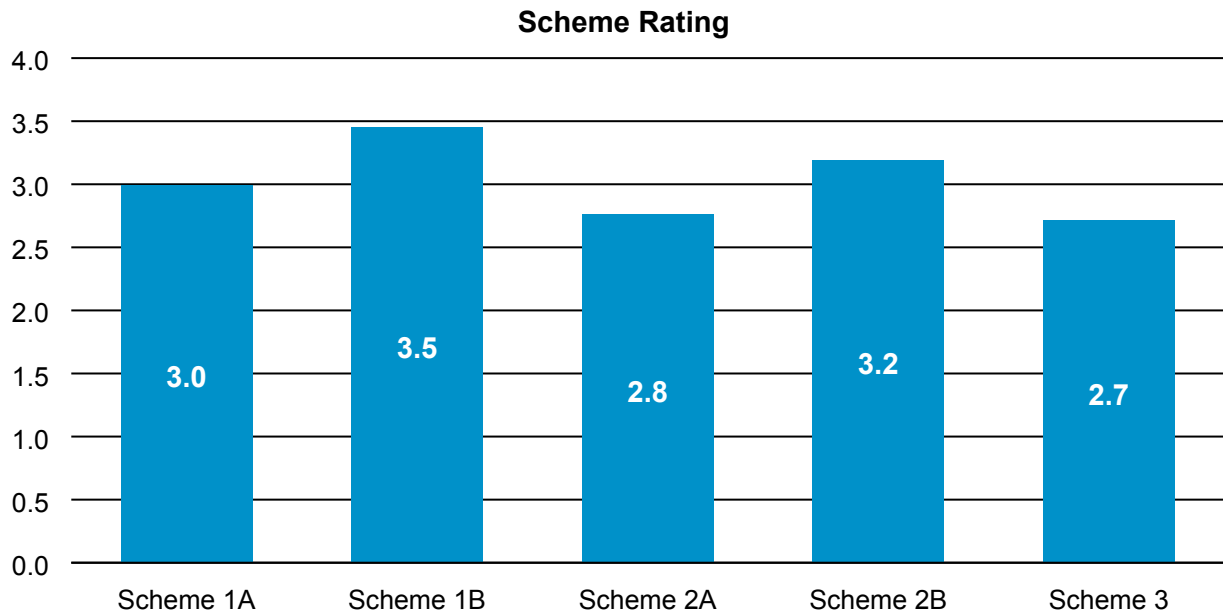


There was a sense from respondents that this scheme seems costly and time consuming to introduce and would be complicated to understand.

Those in favour felt that the means testing element of it; ensures that the right people benefit, though some were concerned that this could lead to manipulations of the system.

A majority of respondents were still concerned at the impact this option would have on vulnerable people.

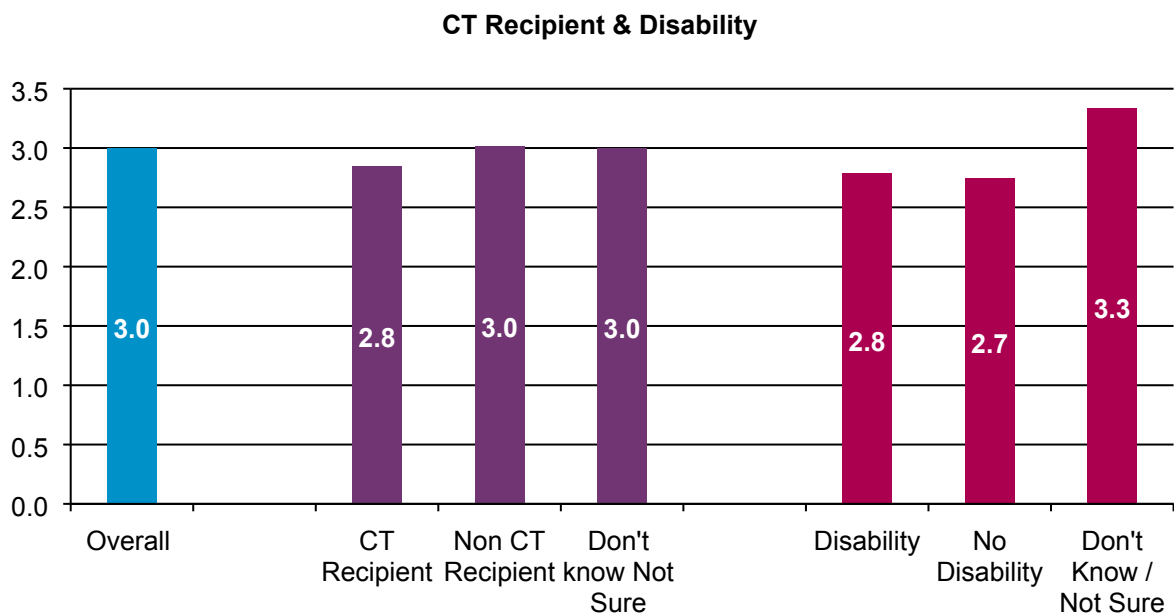
## Schemes Rating



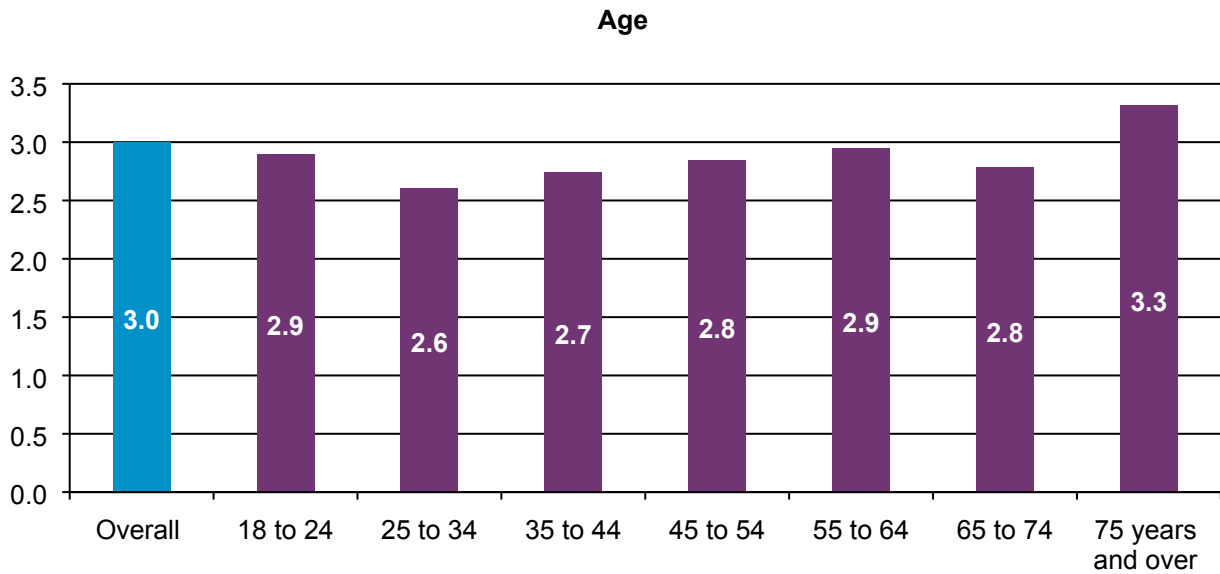
As part of the survey residents were asked to place the schemes in order of preference. A higher score indicates a higher priority. The graph above shows that Scheme 1B was the highest rated scheme with a score of 3.5. This aligned with the previous questions on agreement with the proposed schemes as Scheme 1B had the greatest overall proportion agreeing at 48%.

While Scheme 3 has the lowest rating at 2.7 it was not the option that received the lowest amount of support with 39% of respondents agreeing. Scheme 2A received the lowest level of support with 36% however when ranked it is fourth rather than fifth.

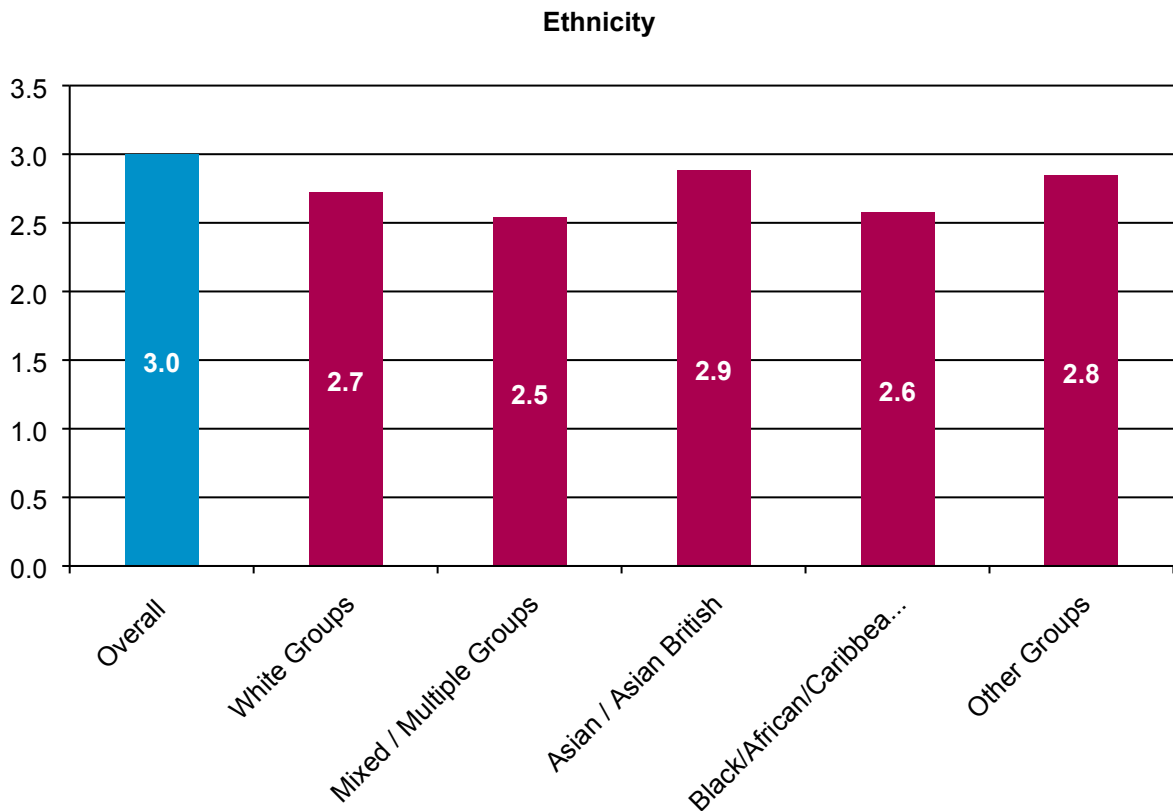
## Scheme 1 A



The results for those not in receipt of Council Tax Reduction are consistent with the overall result. Respondents receiving Council Tax Reduction rated this scheme lower however there is little difference in average rating between respondents with a disability and those without.



With the exception of the 75 years and over group all of the age groups had lower average ratings than the overall result. The 25 to 34 years group have the lowest average rating for Scheme 1A.

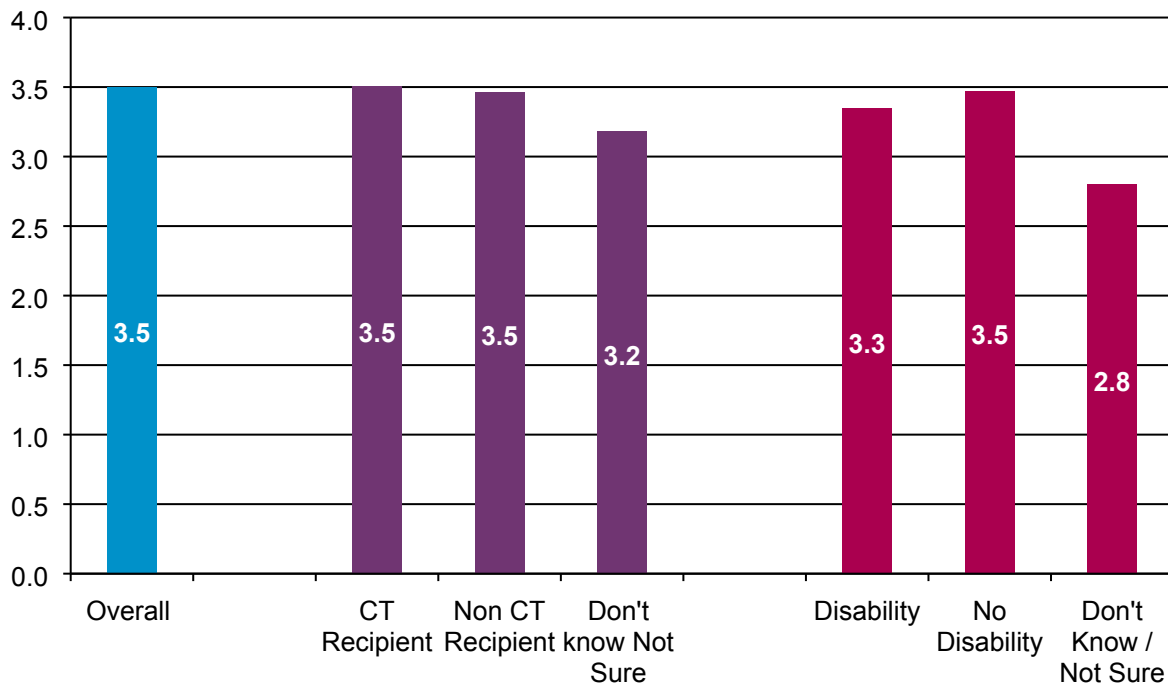


Respondents from Asian/ British Asian groups had the highest ranking with 2.9 and Mixed/Multiple groups had the lowest at 2.5. For Scheme 1A all ethnicities had an average rating lower than the overall result.



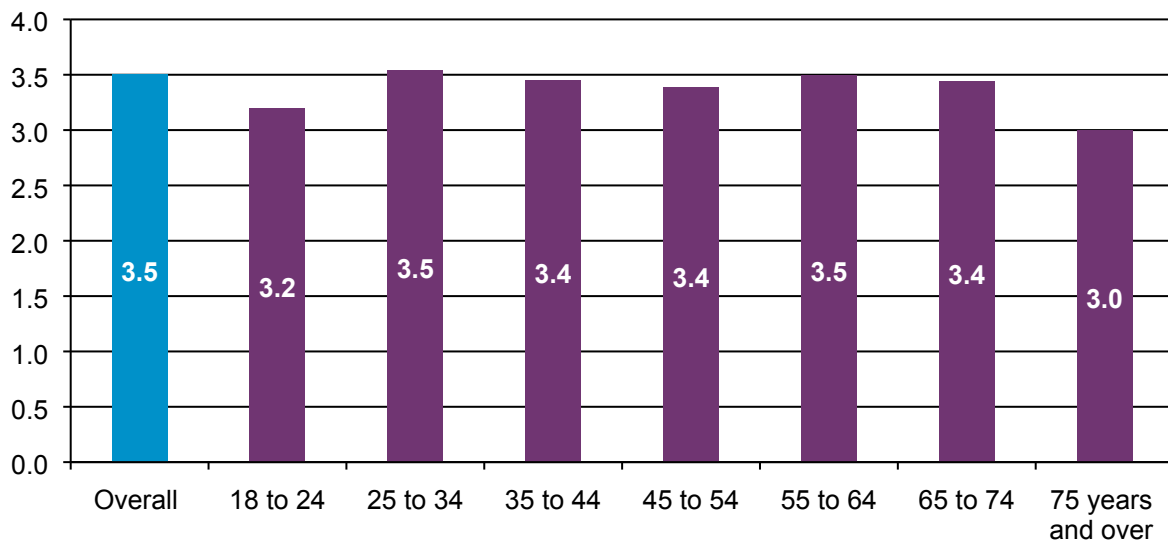
**Scheme 1B**

**CT Recipient & Disability**



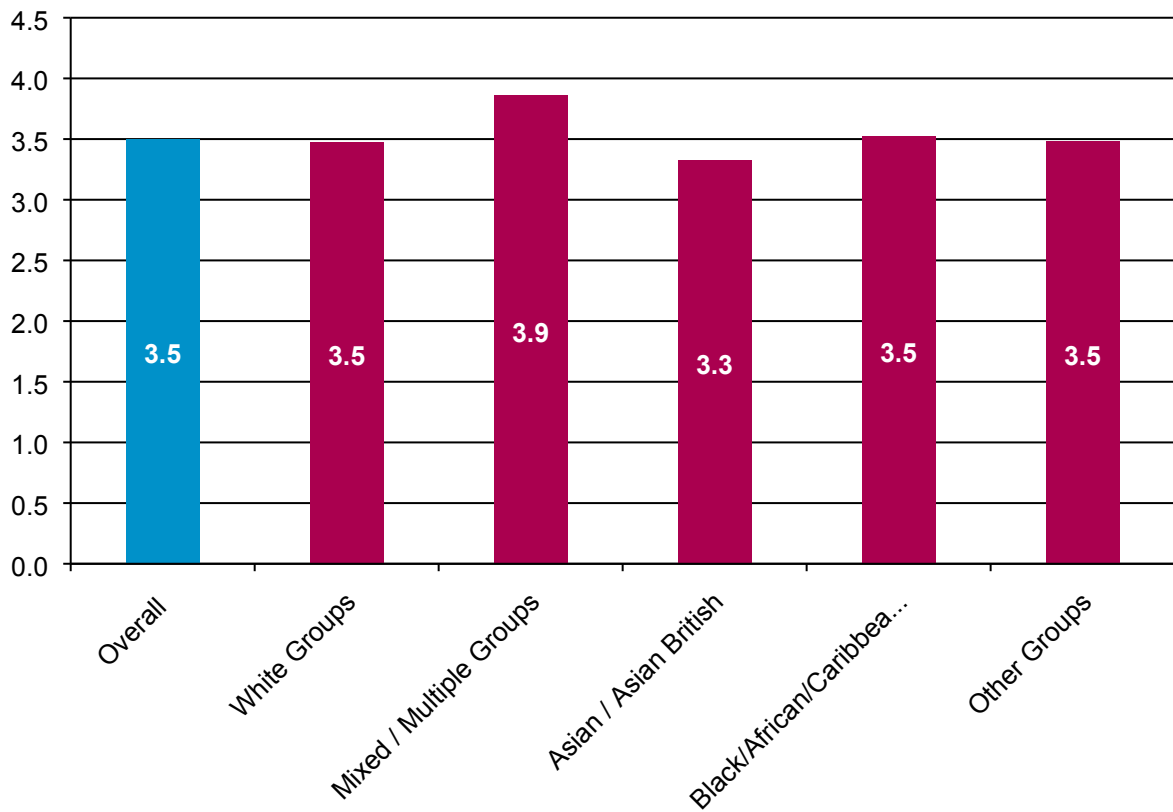
The results for both those not in receipt of Council Tax Reduction and those receiving Council Tax Reduction are consistent with the overall result. The results for those without a disability are also in line with the overall result.

**Age**



With the exception of the 18 to 24 year olds and the 75 years and over groups the average rating for the remaining age groups is consistent with the overall result. It should be noted that there was a low response rate from the 18 to 24 years and the 75 years and over groups and therefore results from these groups should be treated with caution.

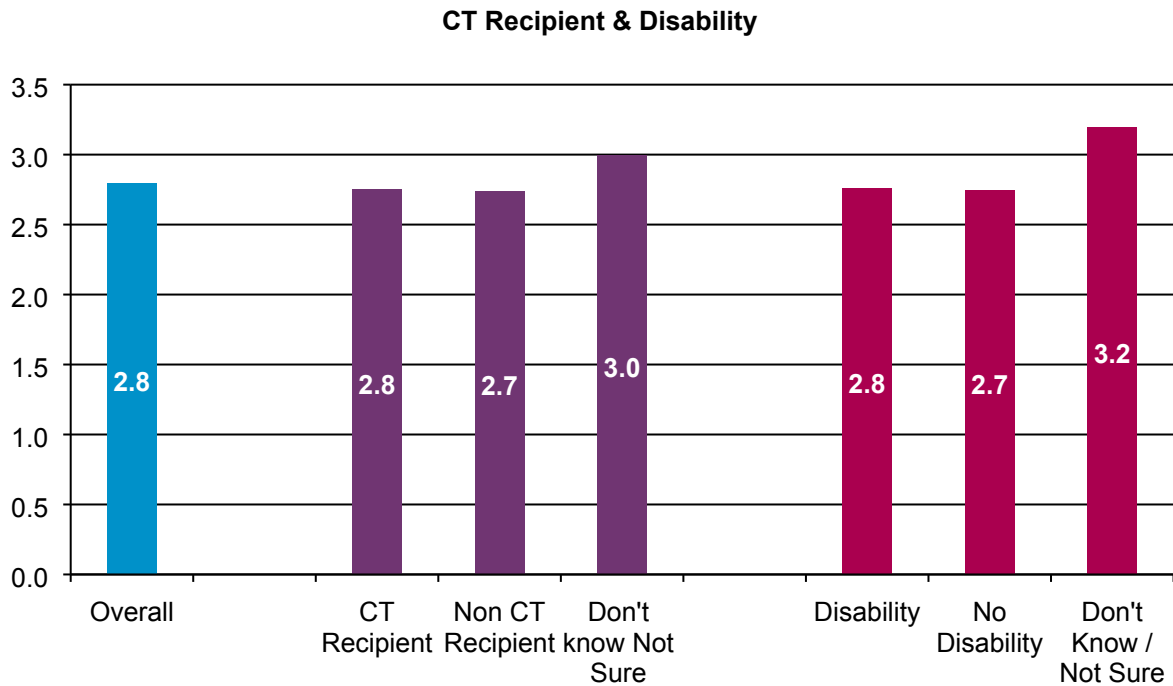
### Ethnicity



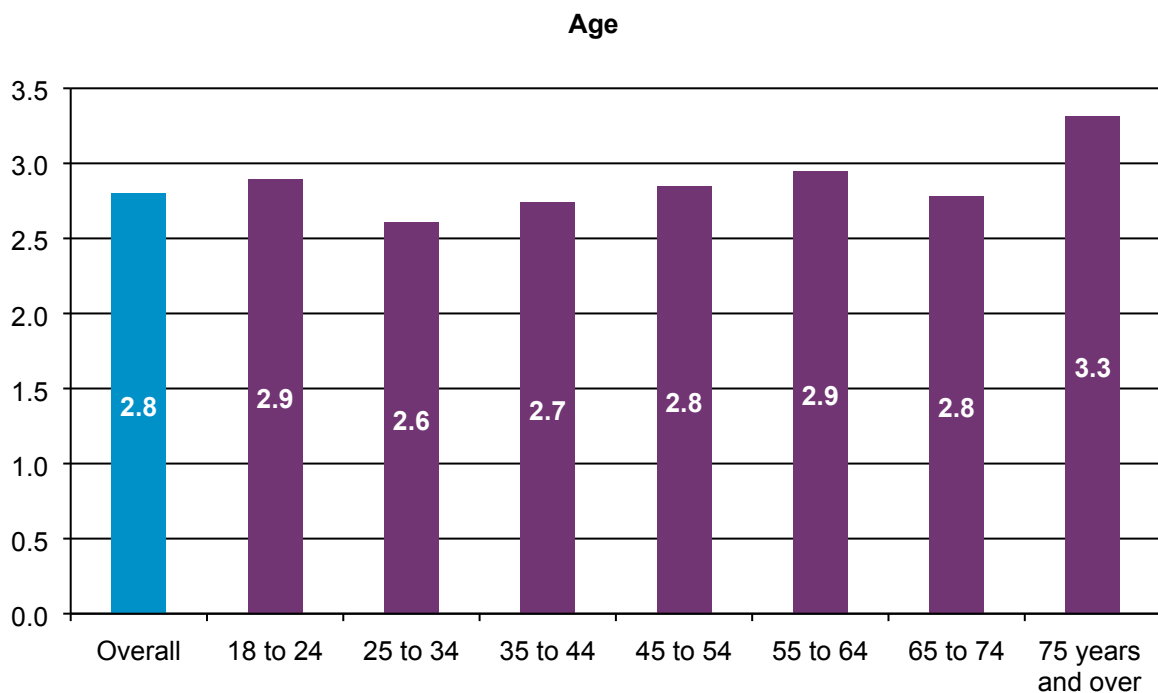
Respondents from Mixed/Multiple groups had the highest rating with 3.9 and Asian / Asian British group had the lowest at 3.3. With the exception of the Asian /Asian British group the results for the remaining ethnicities are consistent or have a greater rating than the overall result.

### Scheme 2A

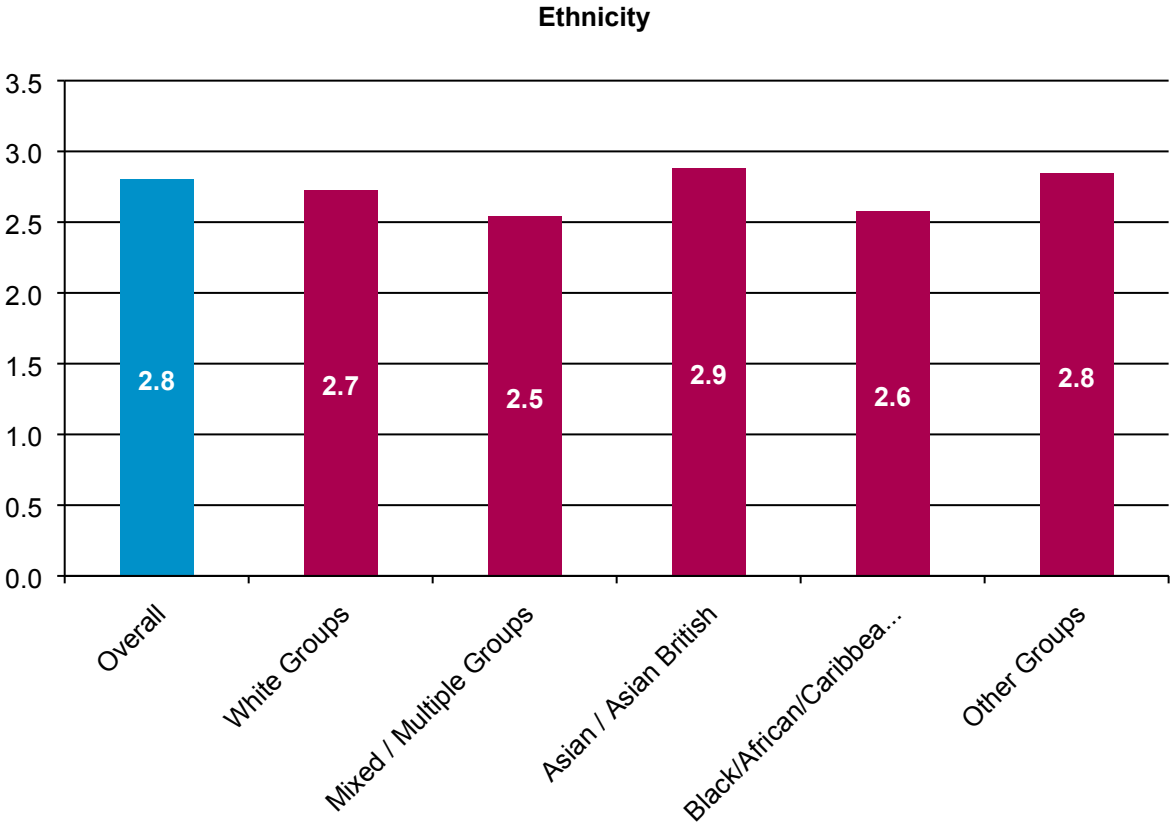
The results for Council Tax Reduction recipients and those with disabilities are consistent with the overall results. This scheme received a higher rating from respondents who responded Don't know / not Sure for both groupings.



Two age groups had average ratings lower than the overall result, 25 to 34 years and 35 to 44 years. The 75 years and over group had the greatest average rating at 3.3 however due to a low response from this group these results should be treated with care.



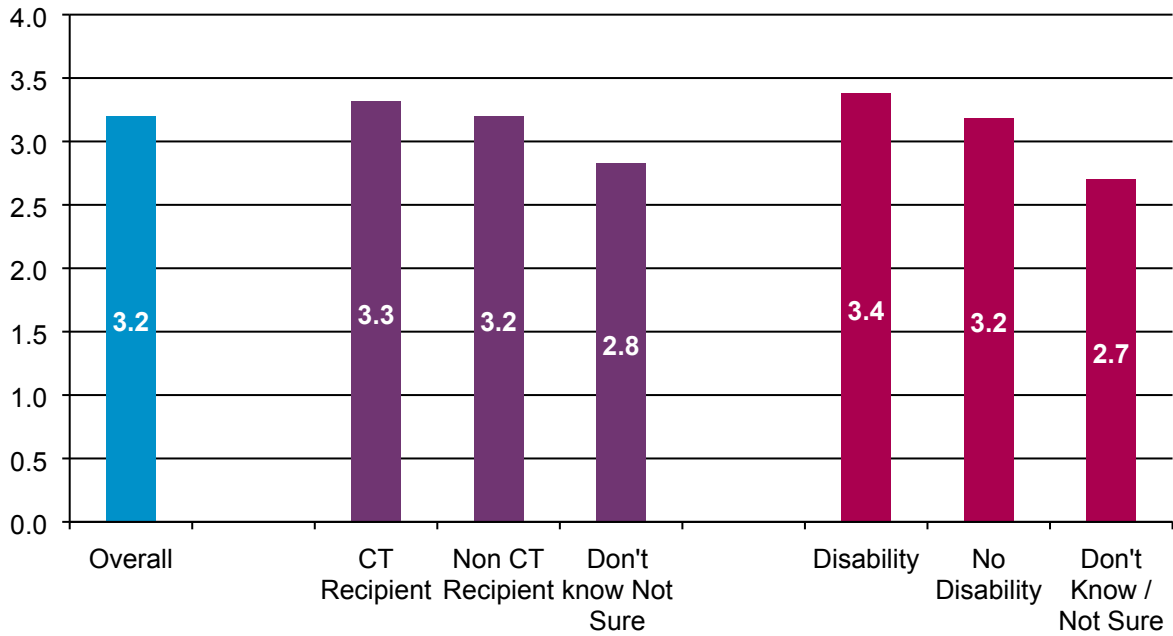
Respondents from Mixed/Multiple groups had the lowest rating with 2.5 and Asian / Asian British group had the highest at 2.9. With the exception of these two groups the results for the remaining ethnicities are broadly consistent albeit with an equal or lower average rating than the overall result.



### Scheme 2B

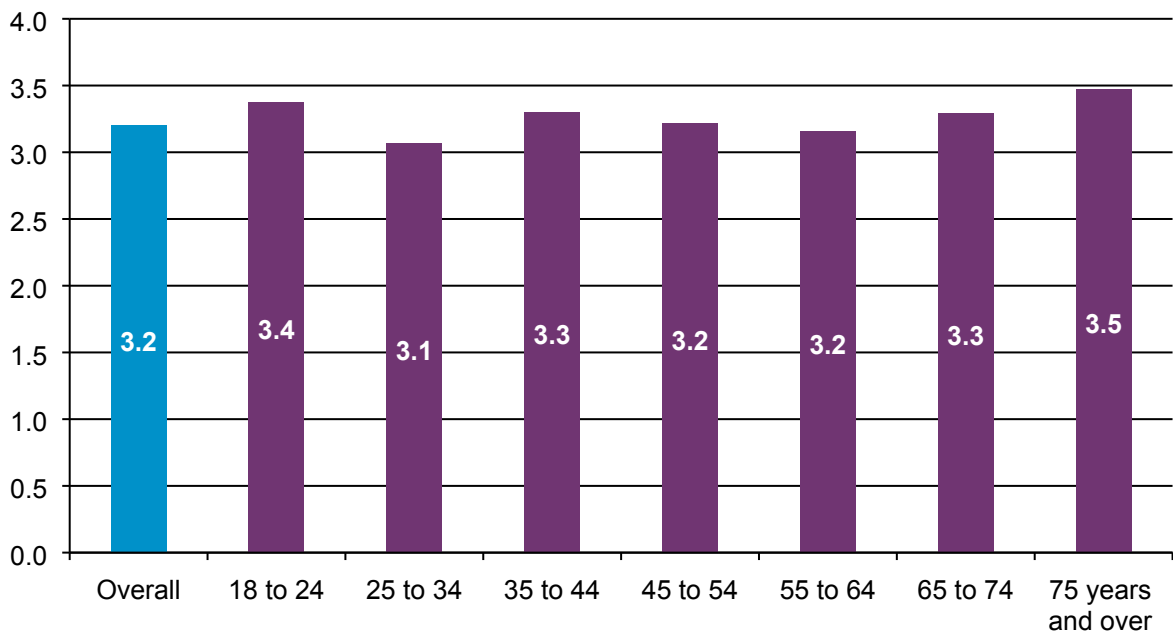
The result for respondents not receiving Council Tax Reduction and those without a disability are consistent with the overall result. Respondents with disabilities and those in receipt of Council Tax Reduction have higher average rating than the overall result.

**CT Recipient & Disability**

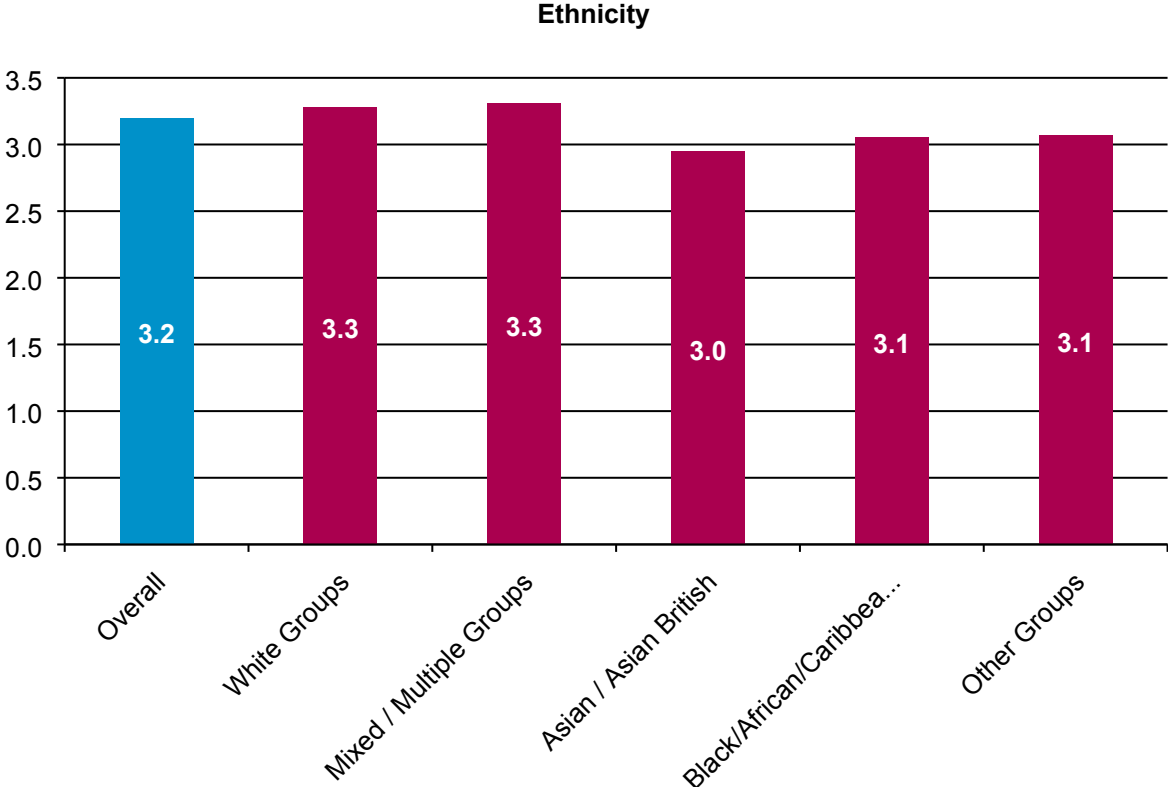


With the exception of the 25 to 34 years groups all other age groupings are in line with the overall result or have rated this scheme higher.

**Age**

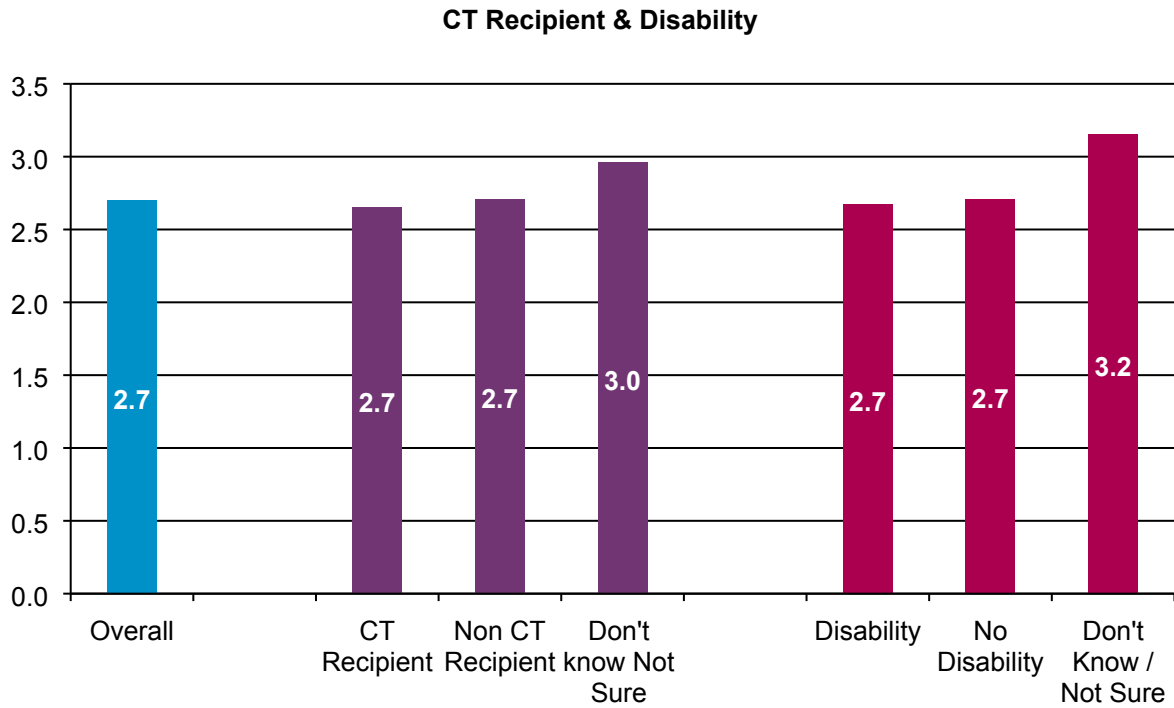


Responses from White groups and Mixed / Multiple groups are marginally higher than the overall rating while the average rating for the remaining ethnic groups is lower than the overall result. All are broadly consistent with the overall result.

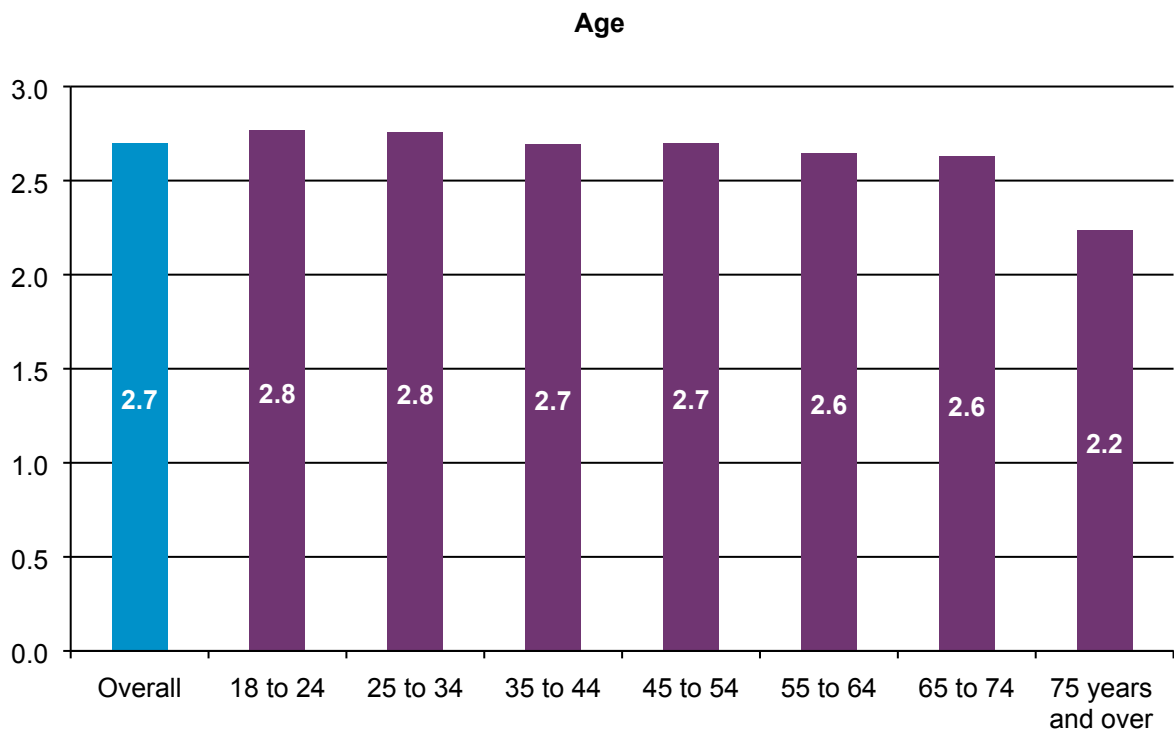


### Scheme 3

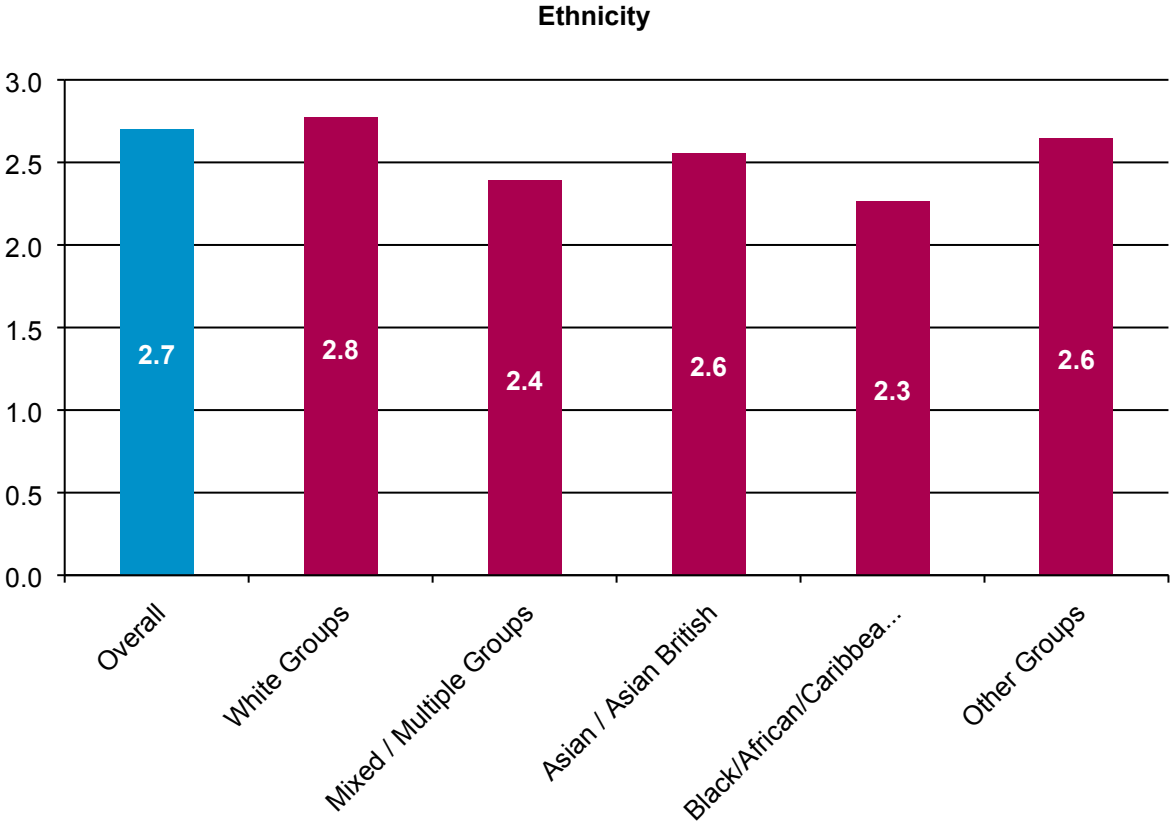
The results for the Council Tax Reduction recipients and disability groupings are either in line with the overall rating for this scheme or higher.



With the exception of the 75 years and over group the results for the age groupings are broadly consistent with the overall result, with little variation.

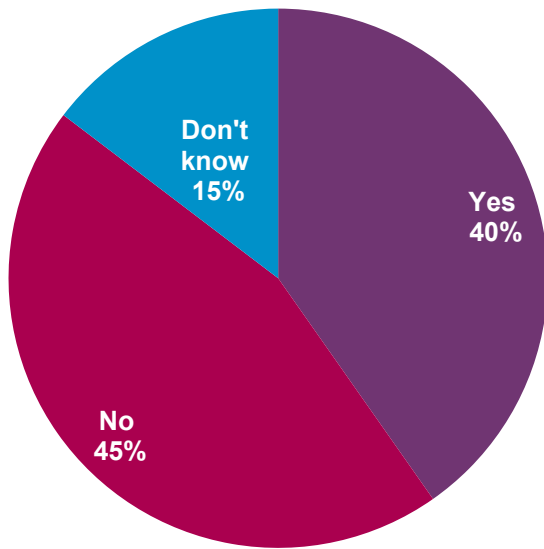


There are some variations between the ethnic groupings with the Black/African/Caribbean/ Black British group having the lowest average rating at 2.3 and White groups with the highest rating at 2.8, there is a 0.5 gap between the results for these groups.



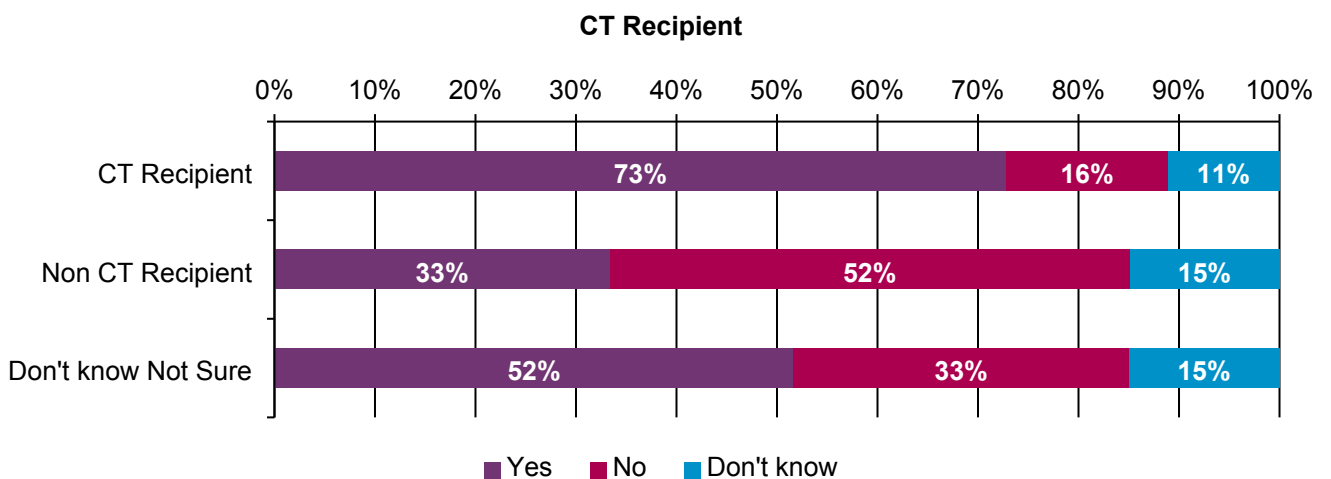


## Should the council continue to fund and operate the Council Tax Reduction Scheme as we do now?

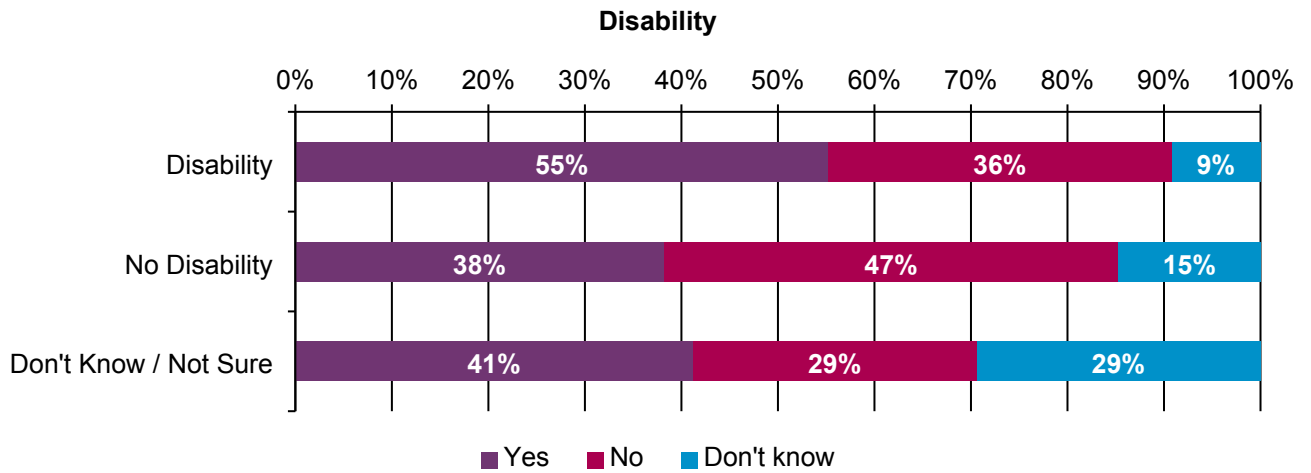


40% of respondents were in favour of funding and operating the Council Tax Reduction Scheme as it is now.

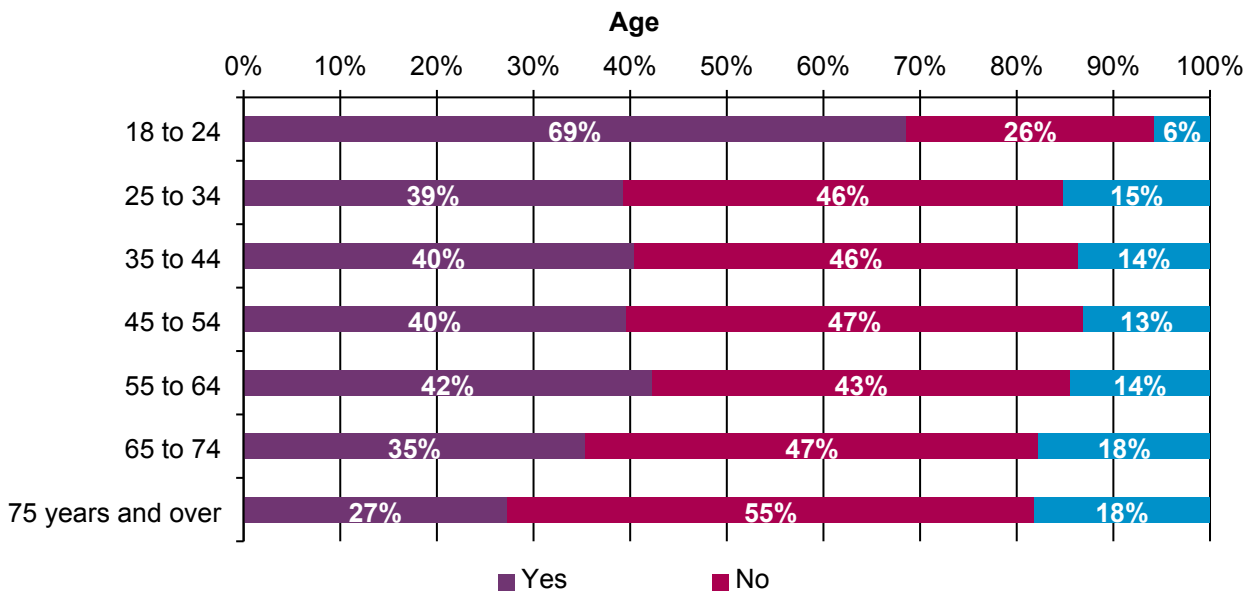
Respondents receiving Council Tax Reduction strongly agreed with this approach and had the highest level of agreement of all groupings at 73%. A majority of respondents that don't receive Council tax reduction were against continuing to fund and operate a reduction scheme.



Respondents with a disability were more supportive of this approach than without a disability with a difference of 17%.

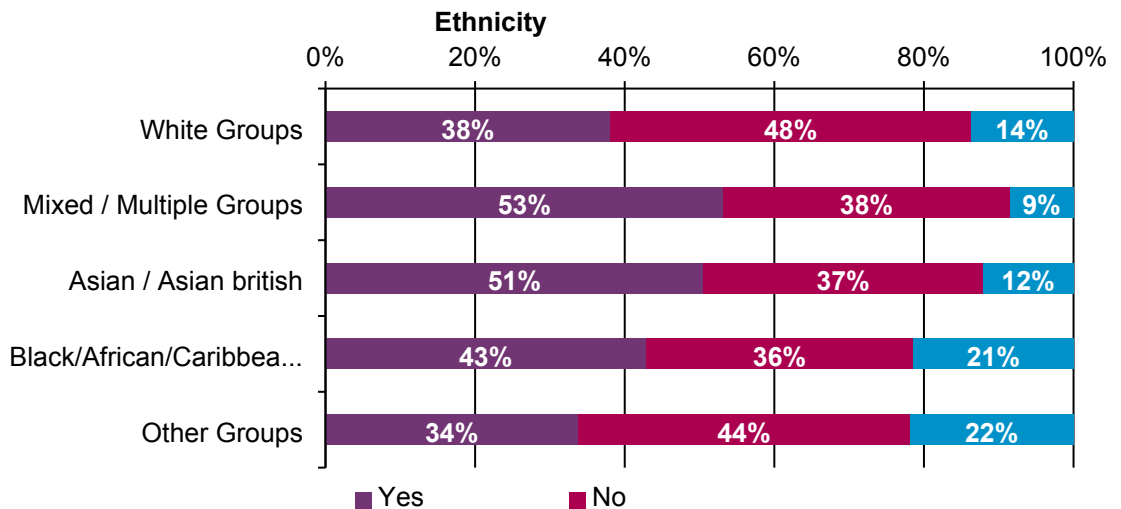


The only age grouping which supported retention of funding for the reduction scheme as it is currently operated were the 18-24 age group, with a 69% majority. The 75+ age group had the least support for retaining funding with 27% of respondents agreeing in this age group.



Respondents in 'White' and 'Other' groups had the greatest proportion of respondents that oppose this approach; all other ethnic groups had a greater proportion in support of this

approach than against it.

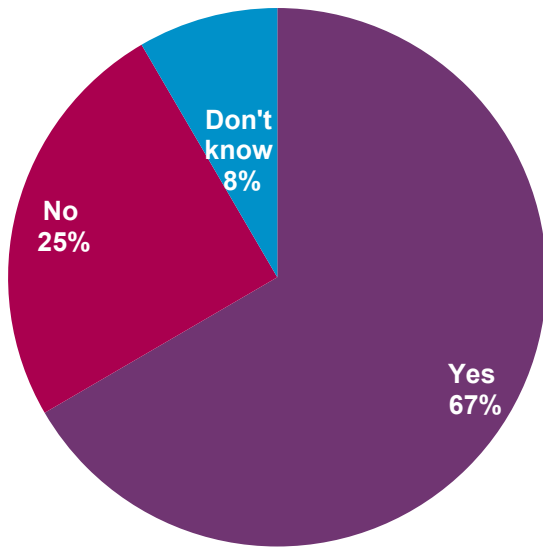


Those in favour of the proposed approach overall felt that the changes were overdue and that they represented a move to a more equitable approach. There was also a sense that in the Council’s financial position there were few options left. A number of respondents also felt that they didn’t want to see services cut further.

Those against the proposed approach objected that it was targeting the poor and most vulnerable people in the community, unfairly. Others felt however that the proposals were not clear and they didn’t feel the impact had been considered, so they felt unable to make a clear decision. Some offered alternative suggestions and these included:

- Council tax should be raised for those on a higher income
- Council tax bands should be reviewed
- Cost cutting should be looked at elsewhere in the Council

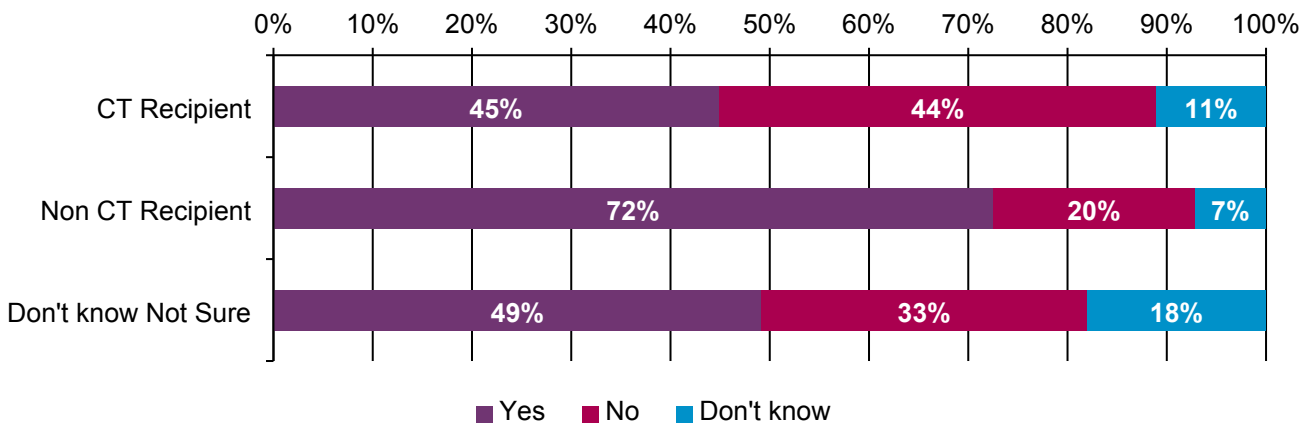
## Addition 1: Reducing backdating to one month



The majority of respondents to the survey are in favour of Addition 1: Reducing backdating to one month. Despite this majority, one in four respondents were against this change.

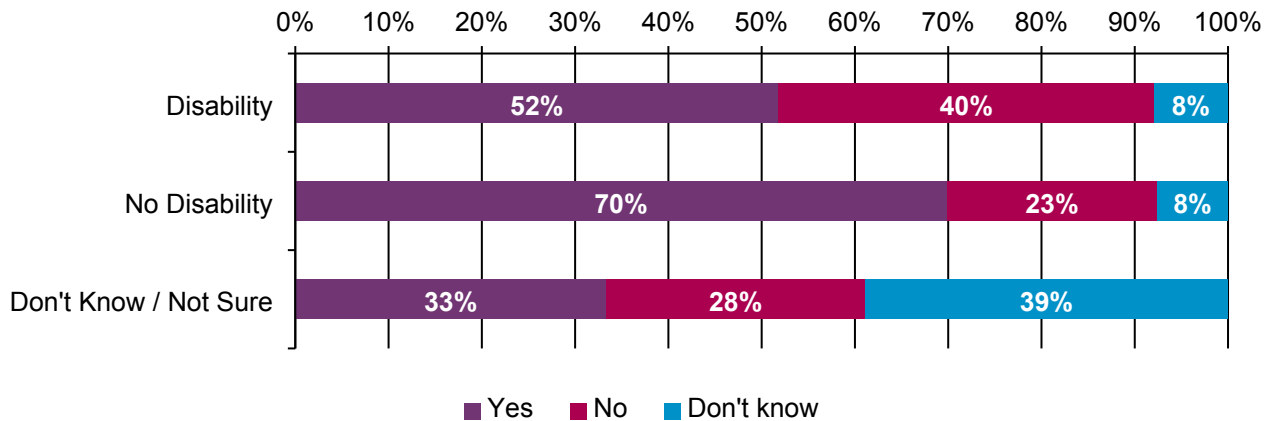
Respondents not receiving Council Tax Reduction are strongly in favour of this addition at 72% and have the second highest support across all groupings. Those in receipt of Council Tax Reduction also support this addition though the proportion is not as high and is fairly evenly split between those for and against

**CT Recipient**

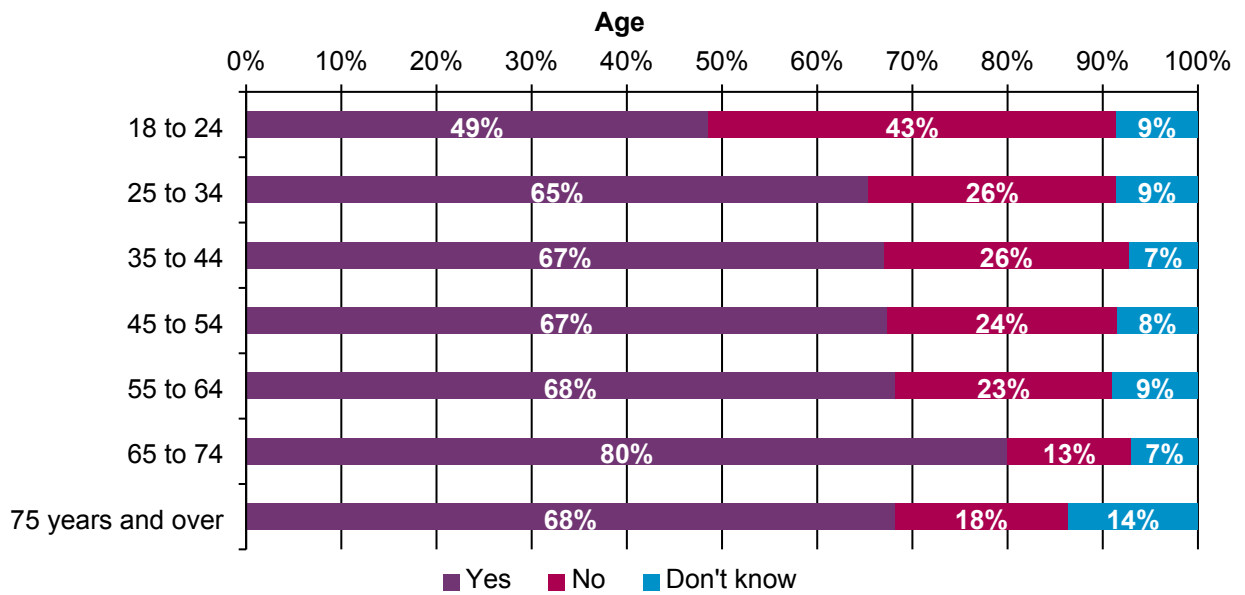


Respondents without a disability are strongly in favour of this addition at 70%. Those with a disability also support this addition though the proportion is not as high. Overall, there is an 18% difference in the proportion in favour of addition 1 between these groups.

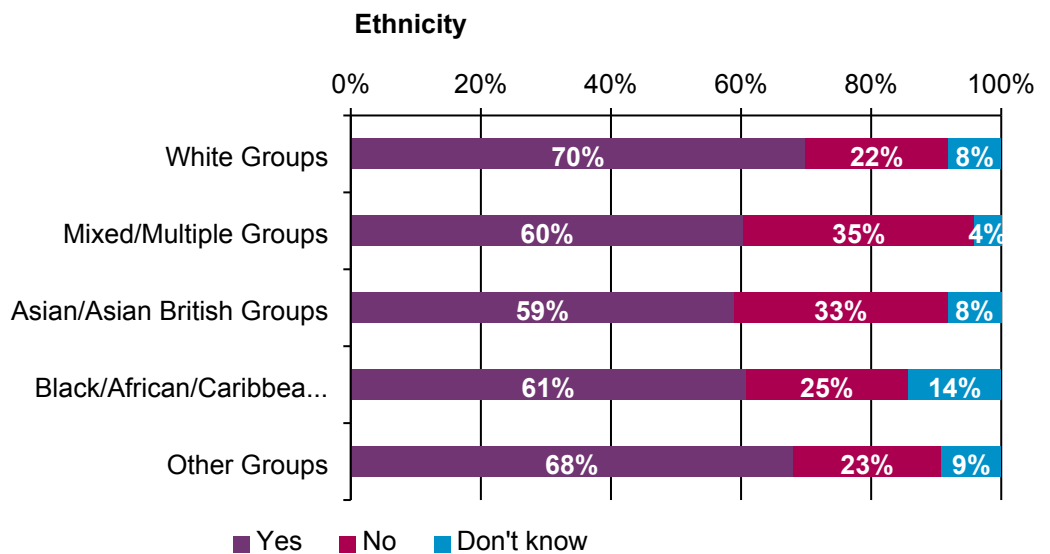
**Disability**



There was strong support for this addition across all age groupings. The strongest support is from the 65-74 age group which has the highest support of all groupings at 80%.



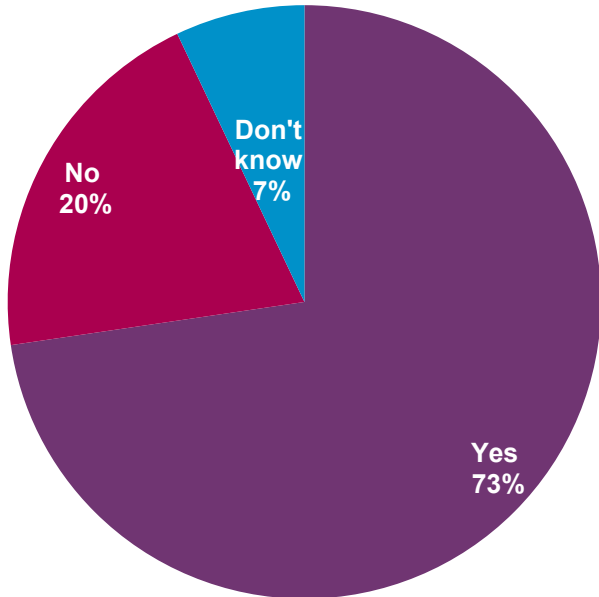
All ethnic groups support this addition, by a clear majority. While respondents from Mixed /Multiple groups had the greatest proportion that were not in favour of this addition at 35% this group did not have the lowest proportion in agreement the Asian/Asian British group had the lowest level of support for this addition at 59% and the Black/African/Caribbean/Black British group had the greatest proportion of respondents that were unsure about this addition at 14%.



A majority of comments support this addition; there were a number of points or suggestions which respondents felt would make the addition more acceptable

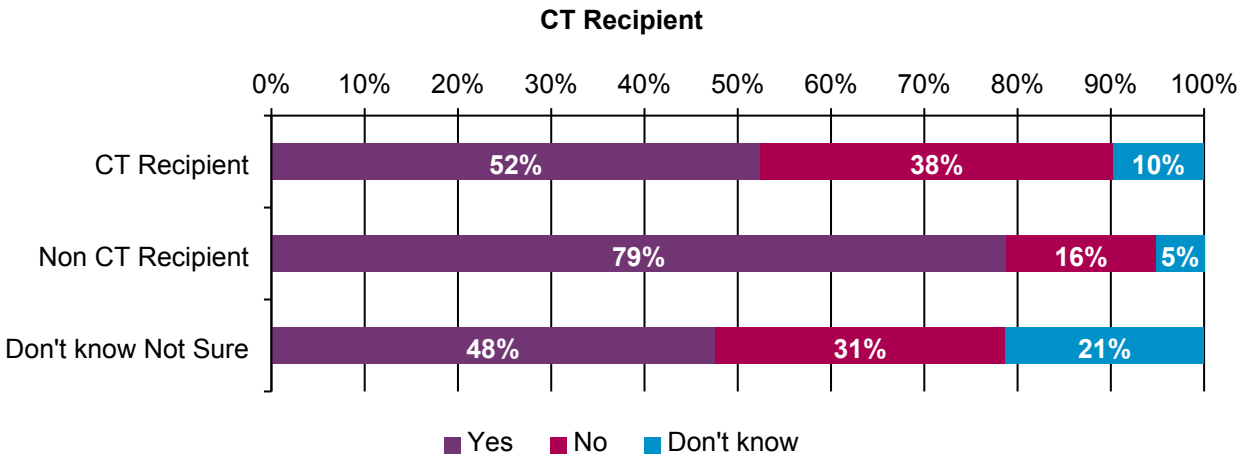
- Make sure advice, communication and the website are clear
- Three months would be more reasonable
- Make sure that staff are trained to ensure that they are able to apply discretion in applicable circumstances
- Council processes should be quick if customers are going to be penalised for a delay

**Addition 2: Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction up to four weeks.**

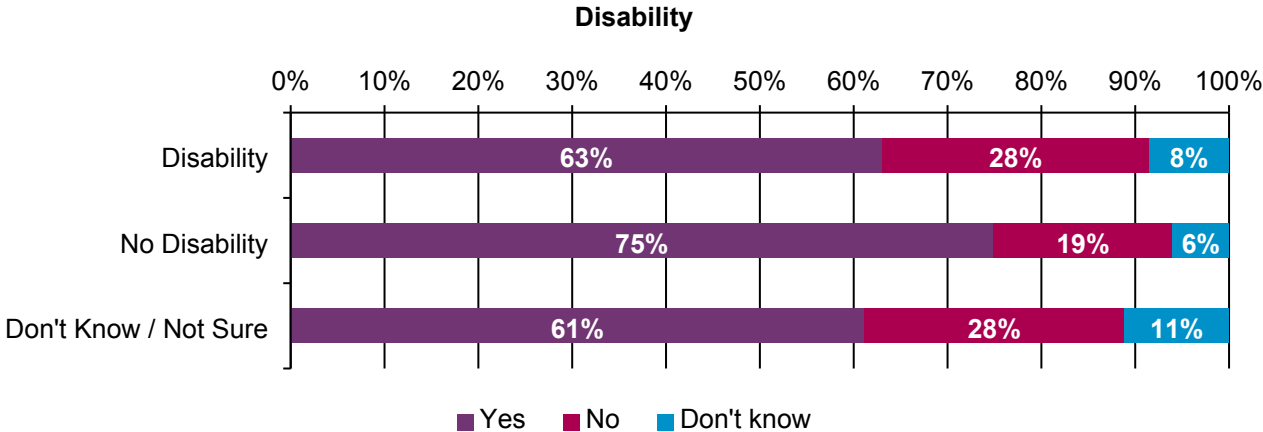


The majority of respondents to the survey are in favour of Addition 2: Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction for up to four weeks. One in five respondents were not in favour of this addition to the scheme.

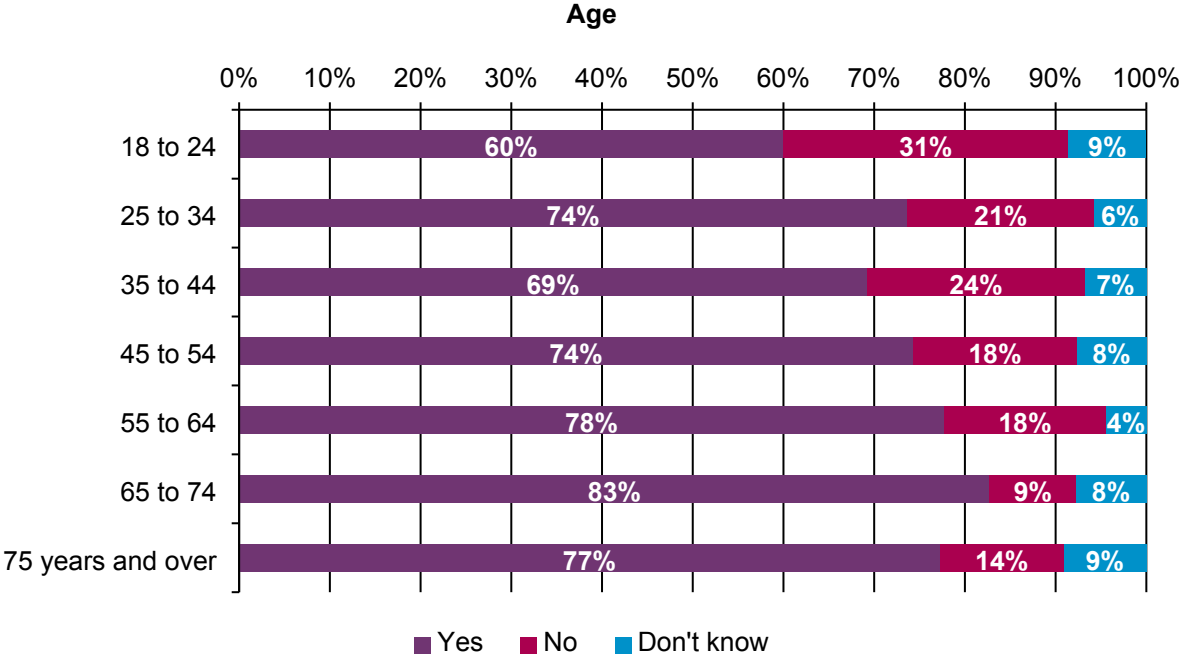
Respondents not receiving Council Tax Reduction are strongly in favour of this addition at 79% and have the second highest support out of all the groupings. Those in receipt of Council Tax Reduction also support this addition.



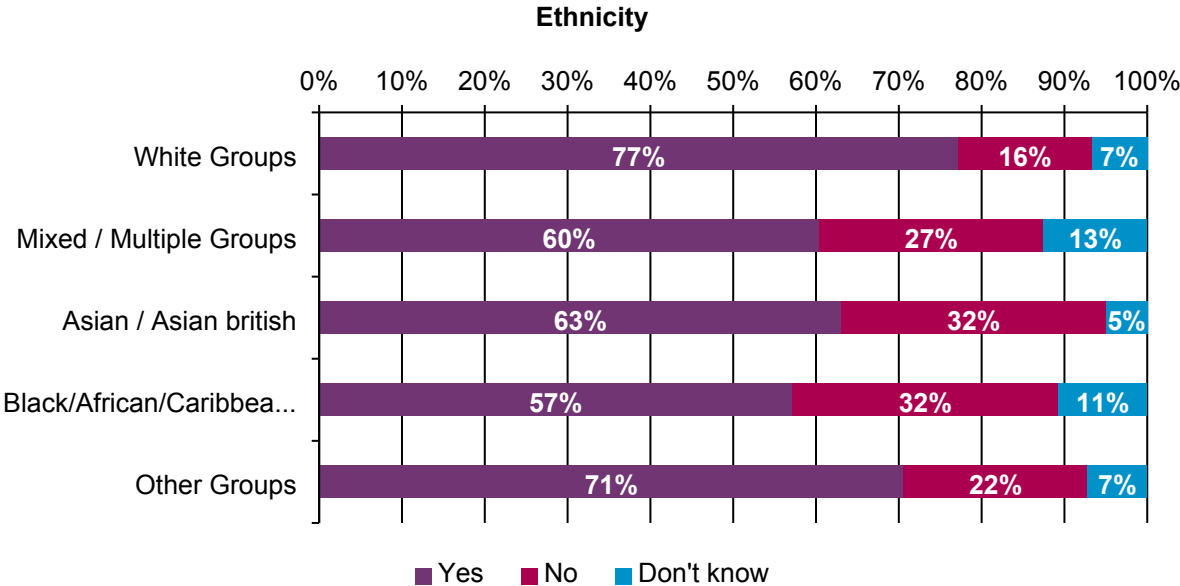
Both respondents with and without a disability are strongly in favour of this addition.



All age groupings support this addition, the strongest support is from the 65-74 age group which has the highest support of all groupings at 83%. There is a 23% difference between the age group with the highest and that with the lowest levels of agreement.



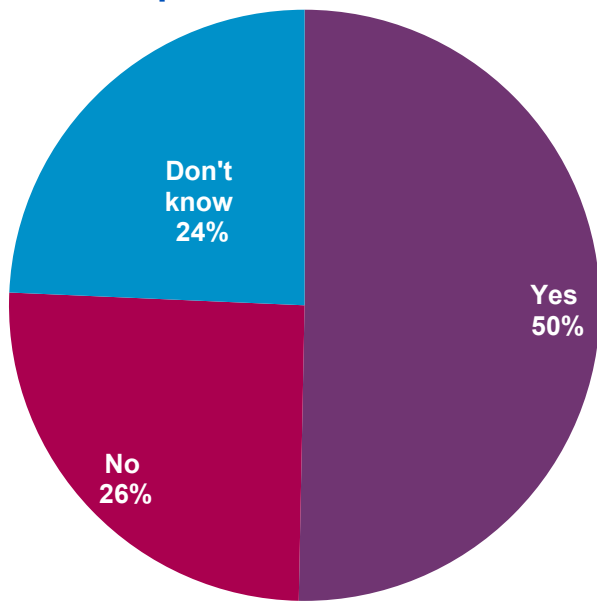
All ethnic groups support this addition. There is a 20% difference between the ethnic group with the highest and that with the lowest level of support for this addition.



Most of the comments are supportive of this addition; there were some concerns about extreme circumstances and a couple of recurring suggestions.

- could a suspension and reactivation be more appropriate
- two months would be more fair

### Addition 3: To remove the "Work Related Activity" and or "Family Element" part of the calculation of Council Tax Reduction

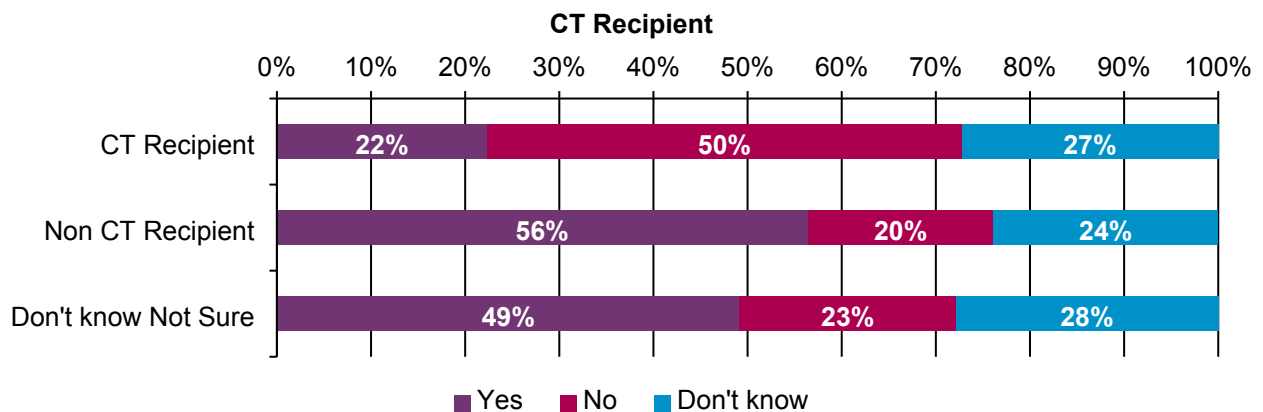


Half of respondents were in favour of addition 3: To remove the 'work related activity' and or 'Family Element' calculation part of Council Tax Reduction. Just over one in four were not in favour of this addition and just under one in four were uncertain.

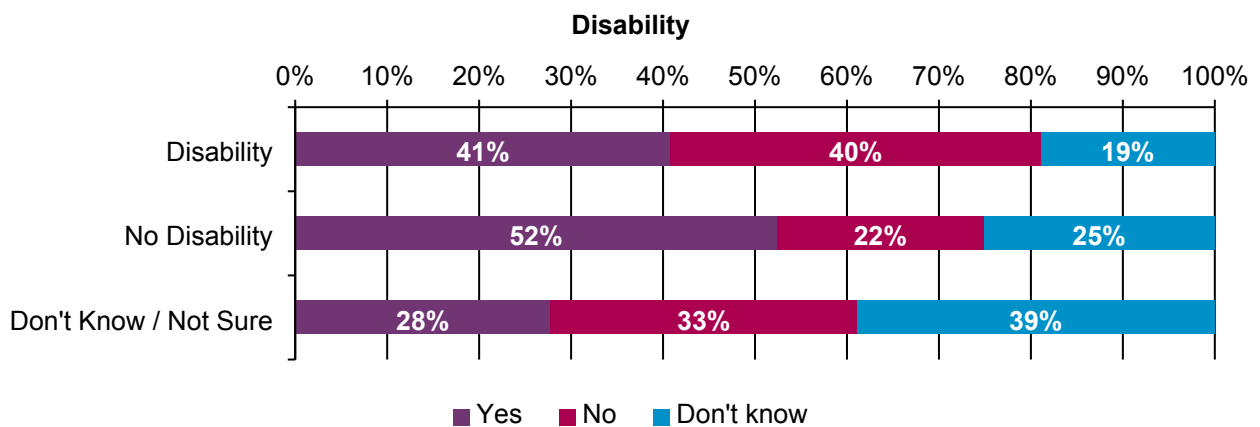
This addition has the highest proportion of respondents responding 'don't know' and this is reflected in all of the groupings.

Respondents receiving Council Tax Reduction do not support this addition with 50% of respondents opposing the removal

of work related activity and the family element. Those not in receipt of Council Tax Reduction were more likely to support the addition.

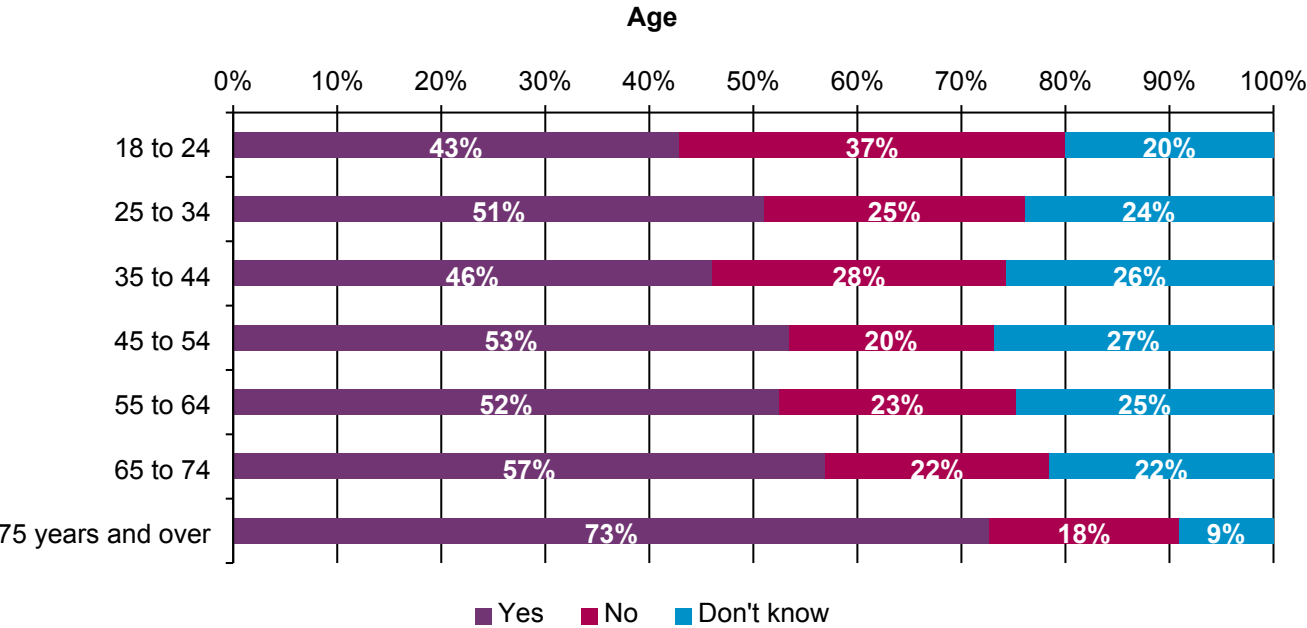


Both those with a disability and those without were likely to be supportive of this addition. However those with a disability were split in their views with only 1% difference between those in favour and those against.

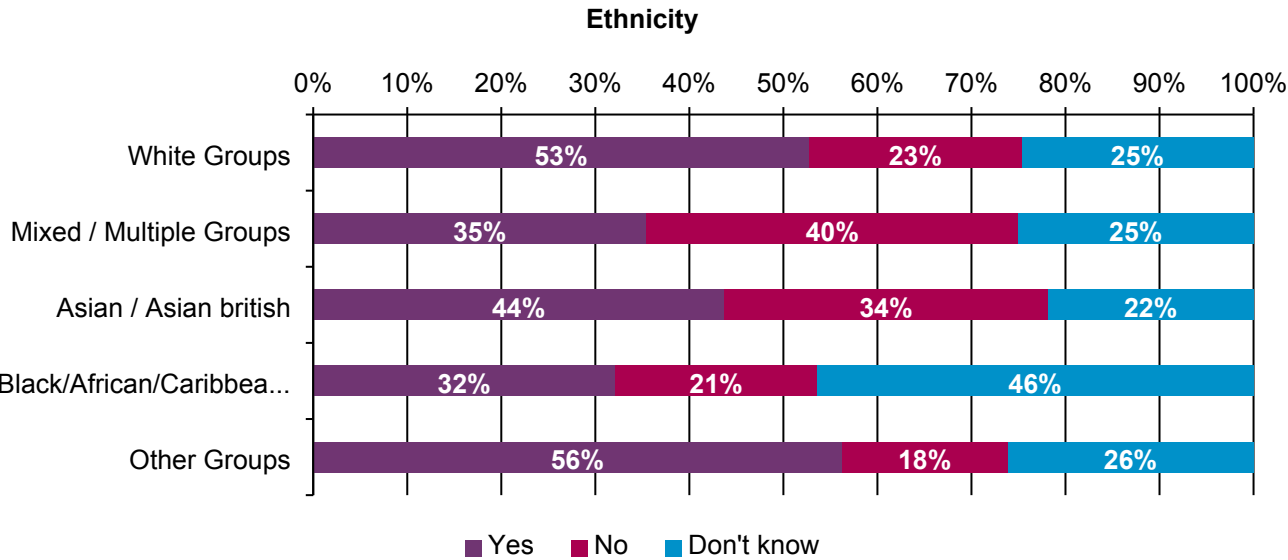




All age groupings support this addition, the strongest support is from the 75+ age group which has the highest support of all groupings at 73%. There is a 30% difference between the age group with the greatest proportion in favour of this addition and the age group with the lowest proportion in favour of this addition.

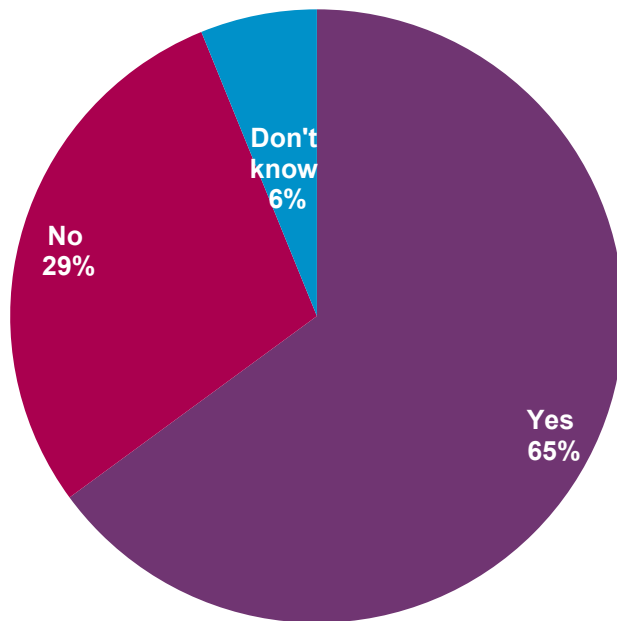


There are significant variations in support for this addition between the different ethnicities. Respondents from Other and White groups had a majority showing support for this addition. Black/African/Caribbean/Black British had a significant proportion of respondents that were uncertain and the lowest proportion in support.



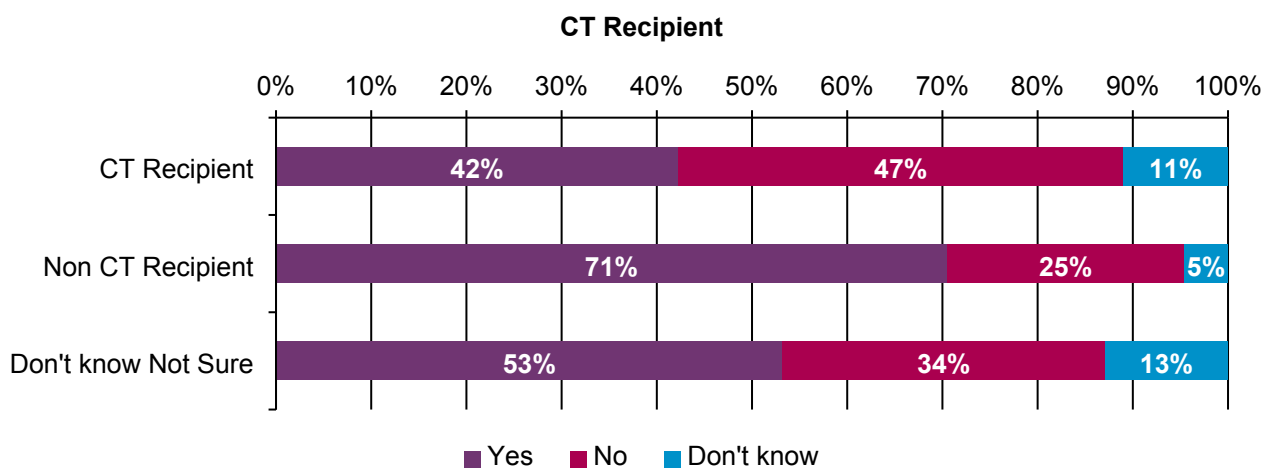
A lot of respondents didn't feel that they understood the addition and their comments reflected this. Those against the addition felt that it affected the most vulnerable. Those in favour suggested that it would reduce administration and provide simplicity.

## Addition 4: To limit the number of dependent children within the calculation for Council Tax Reduction to a maximum of two

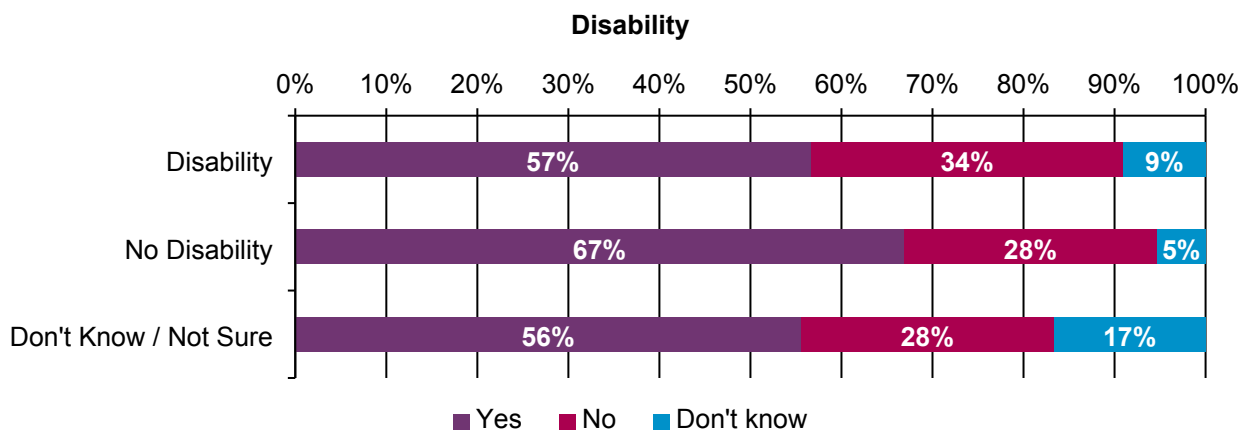


The majority of respondents to the survey are in favour of Addition 4: To limit the number of dependent children within the calculation for Council Tax reduction to a maximum of two.

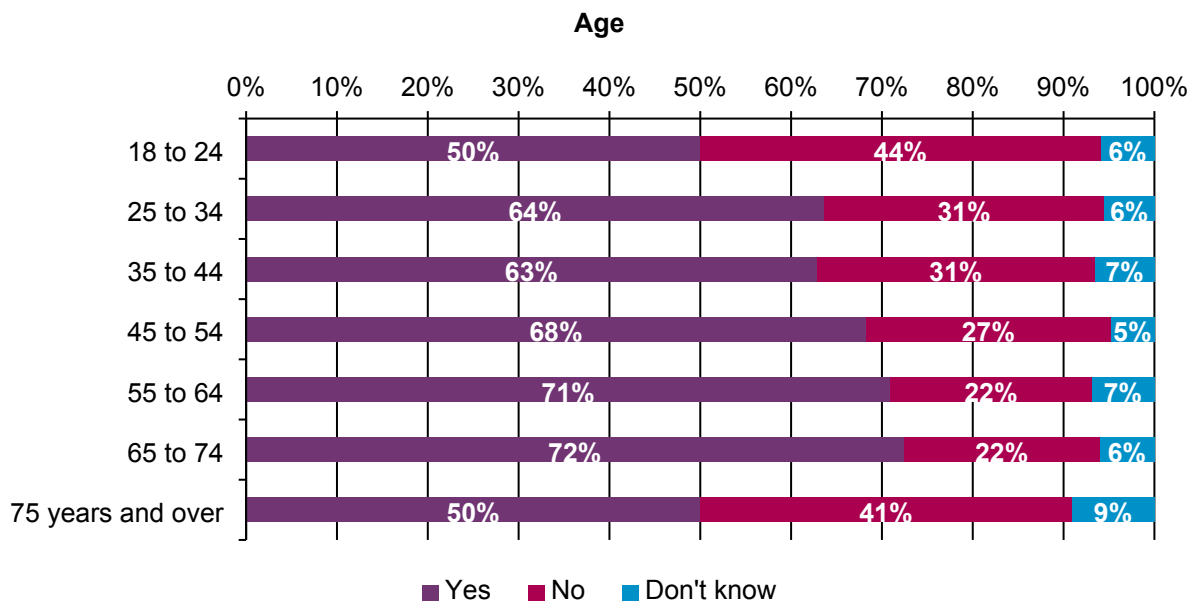
Respondents receiving Council Tax Reduction are less likely to support this addition with 47% of respondents opposing the removal of work related activity and the family element. Those not in receipt of Council Tax Reduction were more likely to support the addition with 71% respondents support this addition and 25% against.



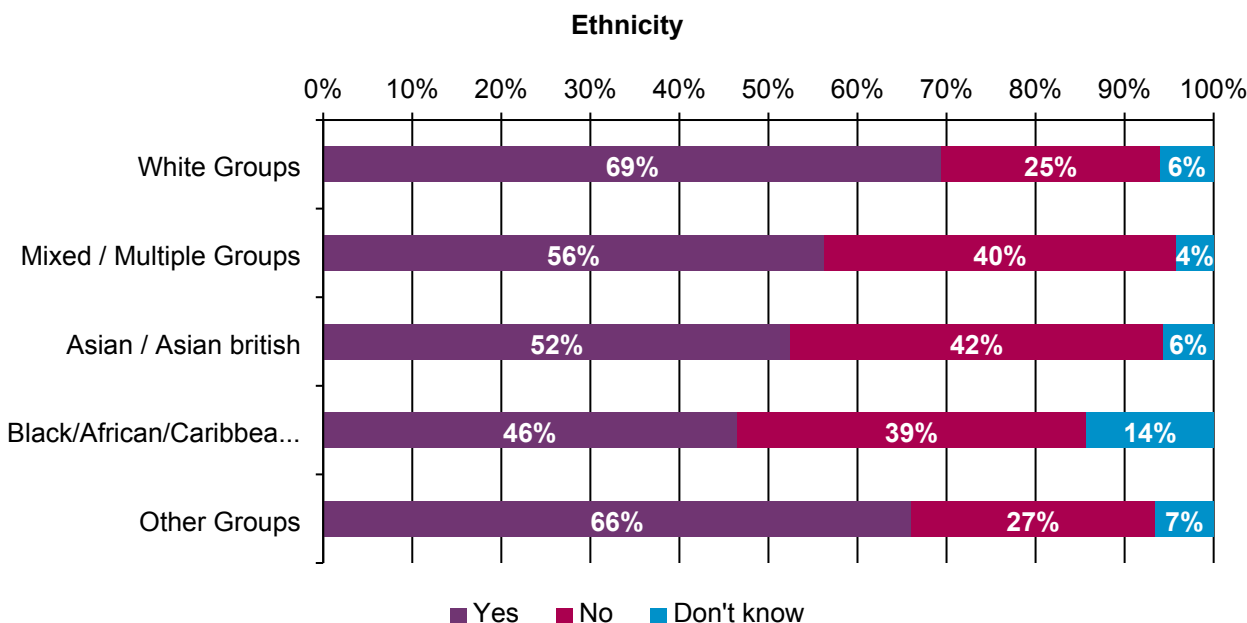
Both those with a disability and those without were supportive of this addition. Whilst there was just over a third or respondents with a disability that were not in support of this addition. This group also had a greater proportion responding don't know.



There was support for this addition across all age groups albeit with some variations. Both the 18 to 24 years and the 75 year and over groups have significantly lower levels of support for this option than the other age groups however both these groups were under represented in the respondent profile.



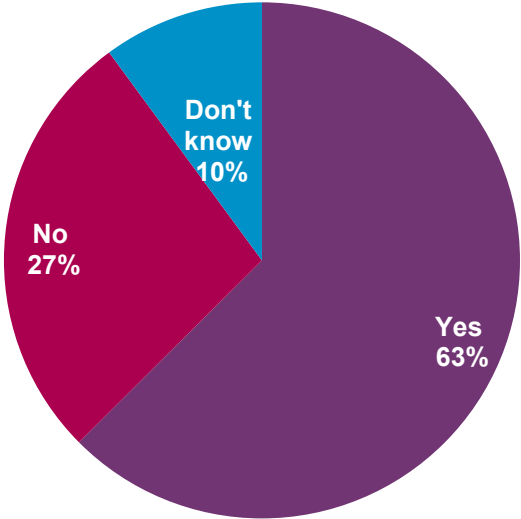
With the exception of respondents from Black/African/Caribbean/Black British groups the majority of respondents from remaining ethnic groups were in favour of addition 4. This group also had a greater proportion that were uncertain about this addition.



There were a significant number of comments expressing concern that the Council was dictating family size and that was inappropriate.

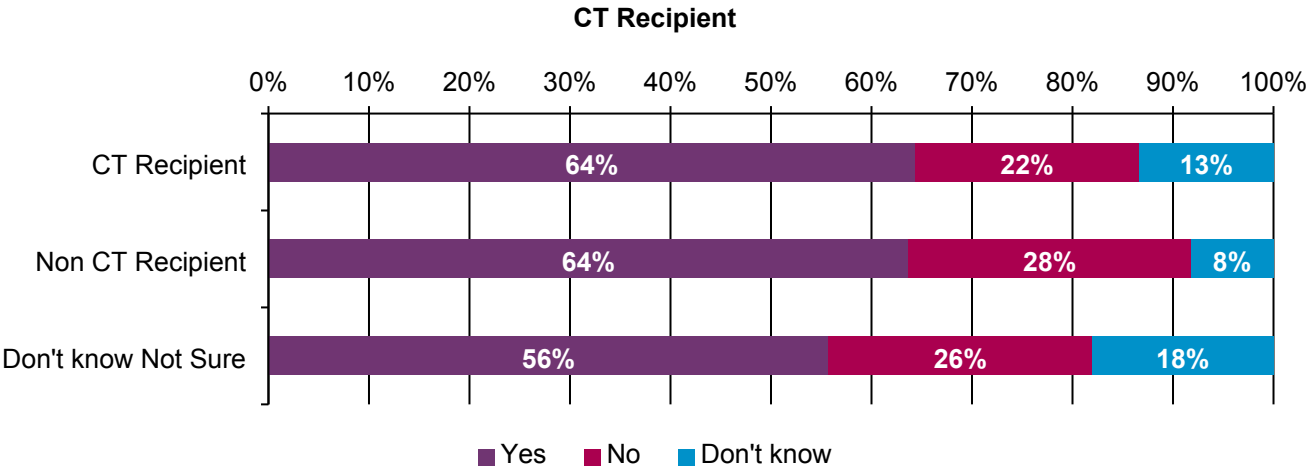
Respondents that support this option felt that it would be simple to implement and would be consistent across the community.

## Addition 5: To introduce a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship

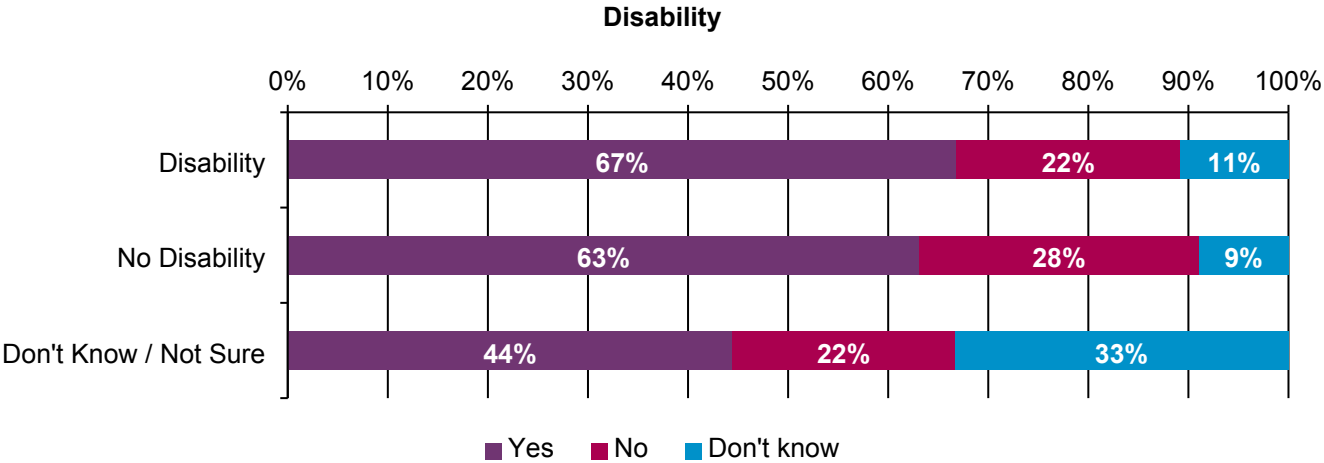


The majority of respondents to the survey are in favour of addition 5: to introduce a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship. One in ten respondents were unsure about this option.

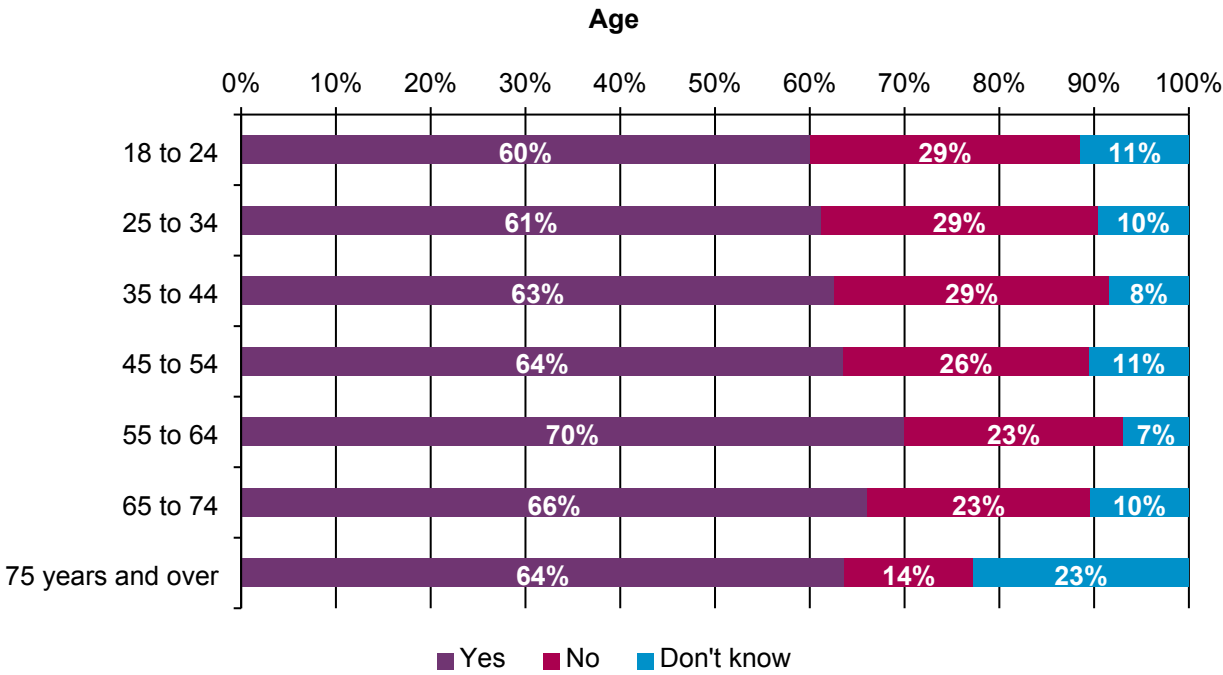
While there was no difference in the level of support for addition 5, between those who receive Council Tax Reduction and those who do not, those who do receive Council Tax Reduction are more likely to be unsure of this addition than their counterparts who do not receive Council Tax Reduction.



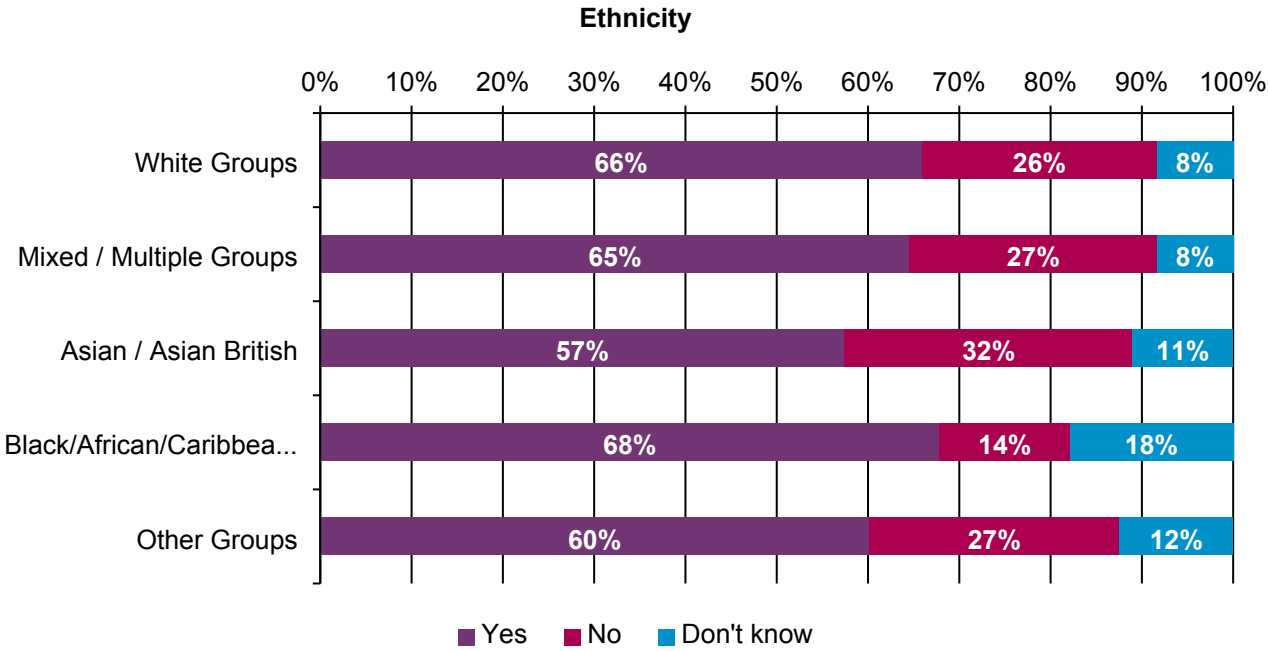
There is a 4% difference in the level of support for addition 5 between respondents with a disability and those without. Those with a disability have a higher level of support for this option.



There was support for this addition across all age groups albeit with some variations. The proportion of those against this addition decreases with age however this does not mean that agreement increases with age. The 55 to 64 years group has the greatest proportion agreeing with this addition at 70%,

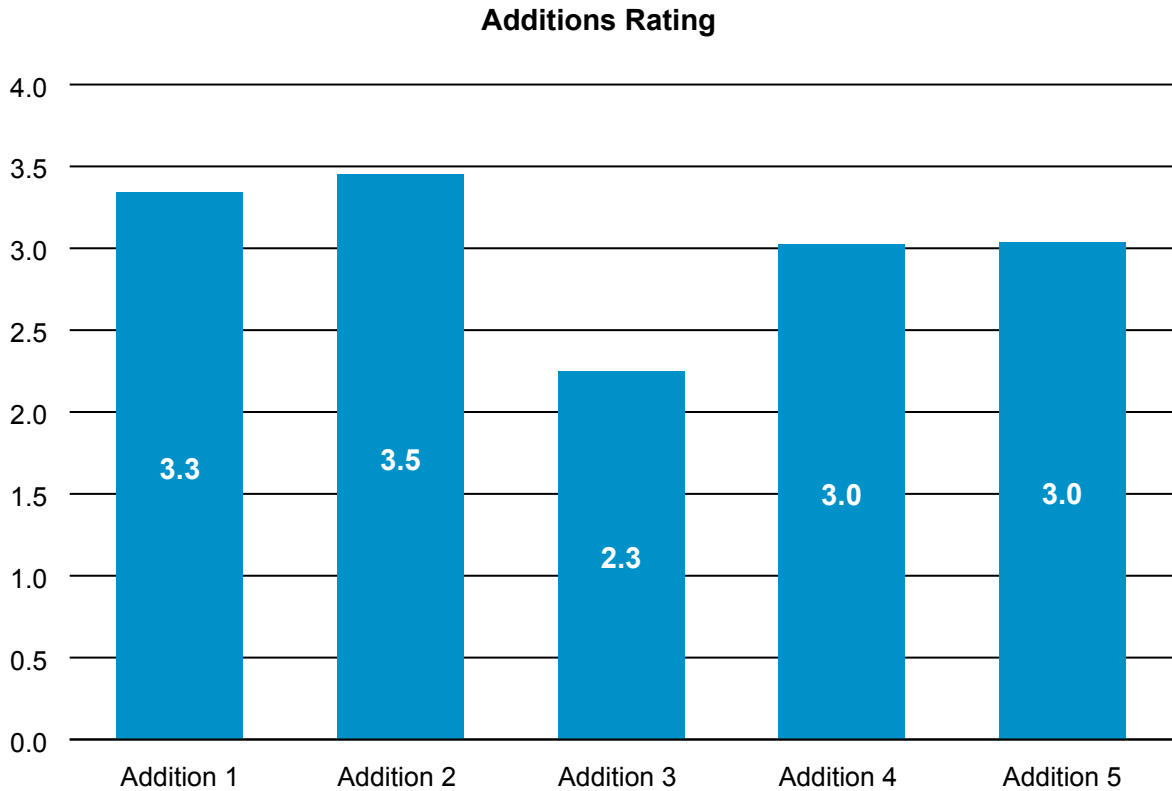


Out of the five ethnic groupings Asian /Asian British have the lowest level of agreement with this addition at 57%. Overall there is an 11% difference between the group with the highest and the group with the lowest levels of agreement.



A majority of respondents supported the principle of this option, however there were concerns that the aim of the changes to the current scheme were to make savings and that this addition would be costly to administer and therefore would not be efficient.

## Additional Elements Ranking



In addition to asking respondents specifically about each addition the survey also asked respondents to rank the additions in terms of preference where 1 was the most preferable option and 5 was the least preferred option. To assess which options were most preferable a weighted average calculation has been used.

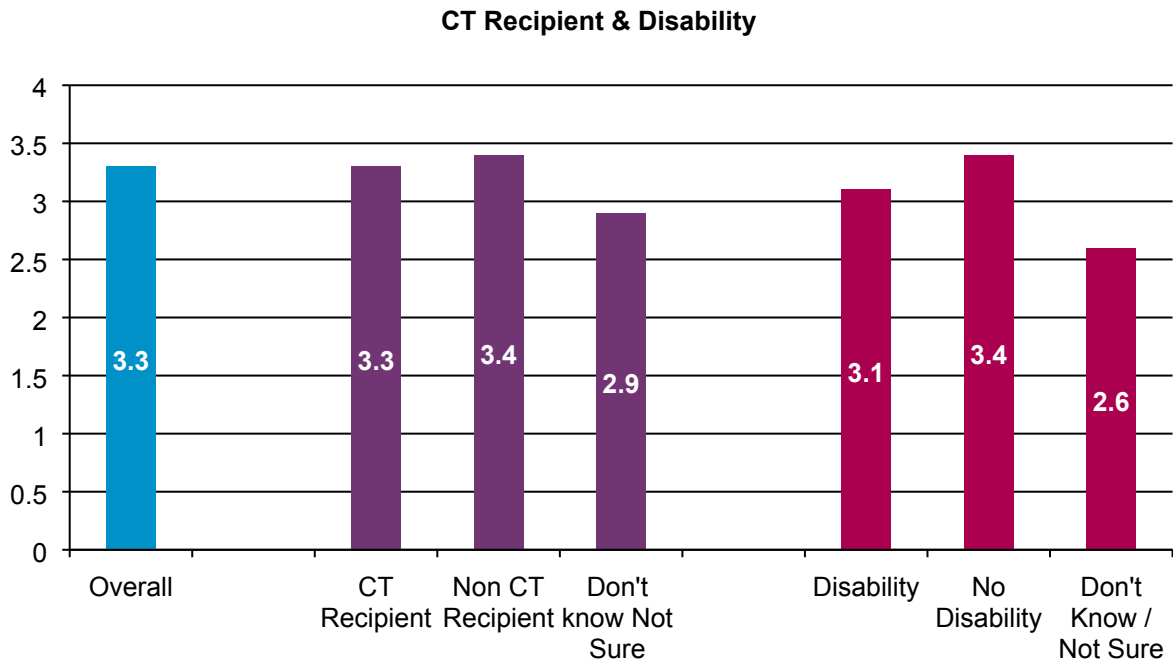
Addition 2 reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction up to 4 weeks received the highest rating and it also had the greatest overall proportion agreeing with this addition at 73%.

Addition 3 to remove the work related activity and or family element part of the calculation of Council Tax Reduction received the lowest rating when respondents were asked to rank the additions, it also had the lowest proportion agreeing with this addition at 50%.

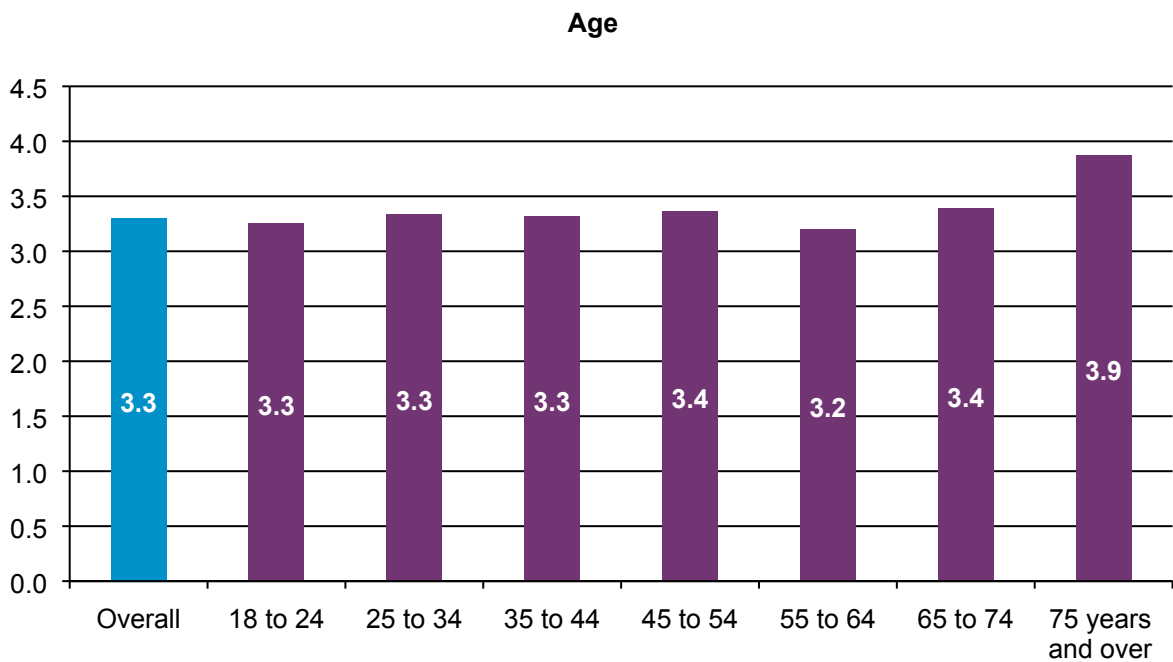
The table shows the results of the ranking question compared against the levels of agreement with each option as shown in this report.

### Addition 1 – Reducing backdating to one month

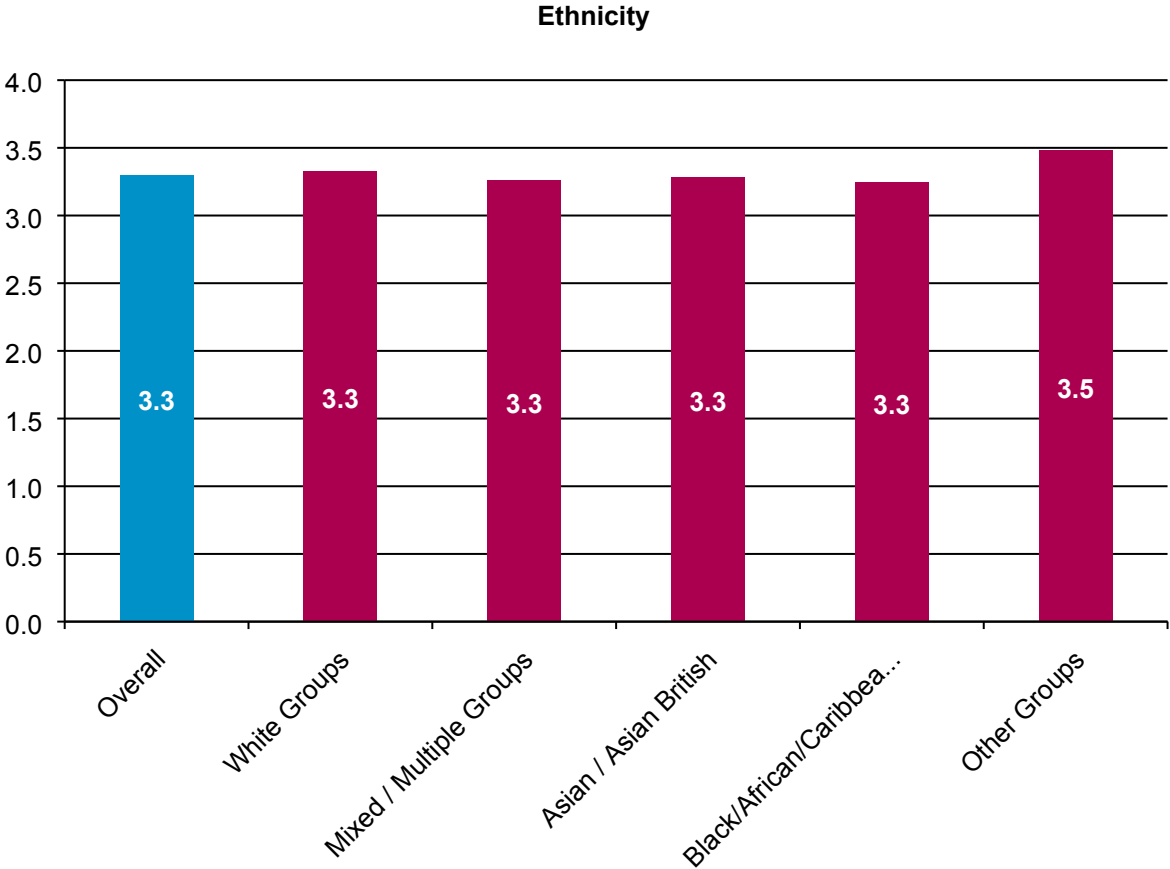
Respondents with a disability rated Addition 1 lower than respondents without a disability and both of the Don't know / Not sure categories are significantly lower than the overall rating. However the results for respondents with a disability and those who do not receive Council Tax Reduction are broadly consistent with the overall result.



With the exception of the 55 to 64 years group the rest of the age groups ratings for addition 1 are broadly consistent, if not slightly higher, than the overall rating. While the 75 years and over group is shown to have the highest rating for this this addition it should be noted that due to a low response rates from this group that care should be taken with results for this group.



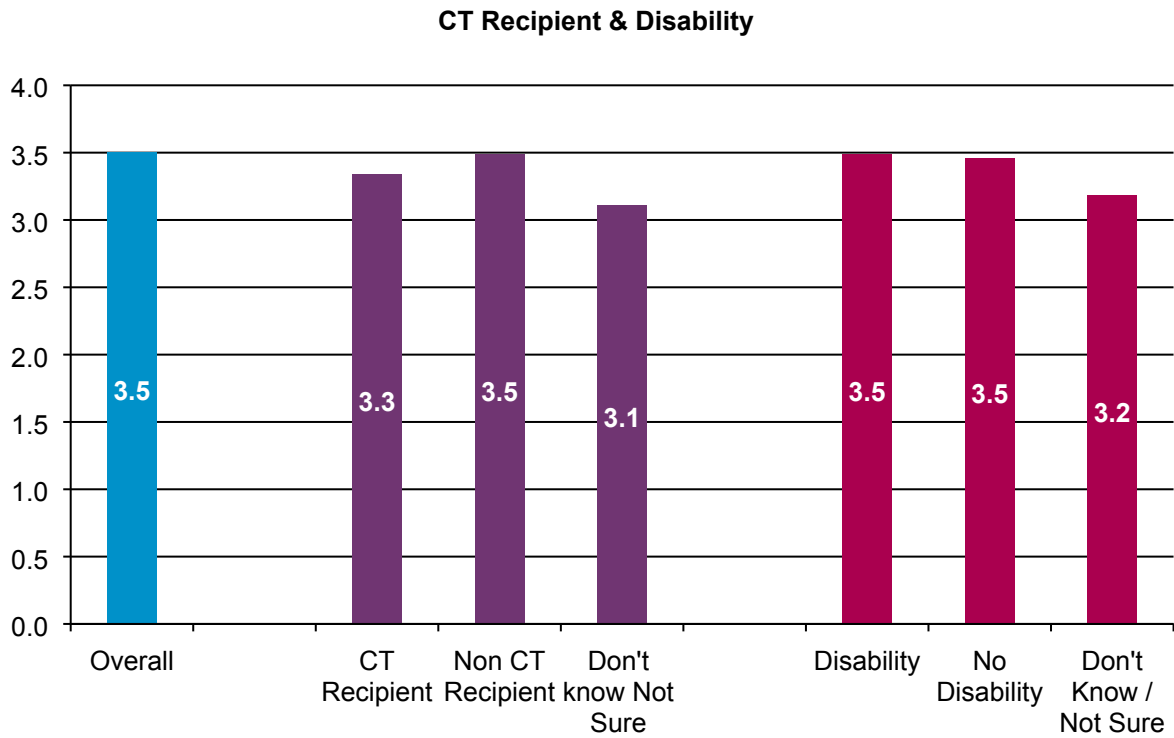
The results for addition 1 across the ethnic groupings are consistent with the overall result, with the exception of the 'other groups' who rated this addition slightly higher than the other ethnic groups.



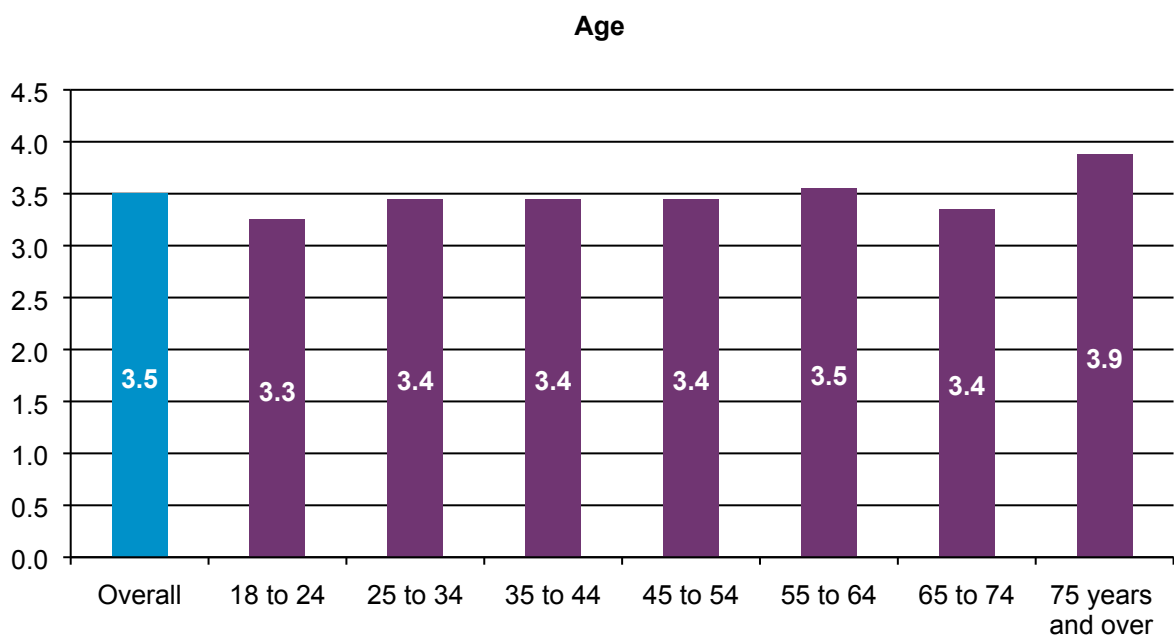


**Addition 2: Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction up to four weeks**

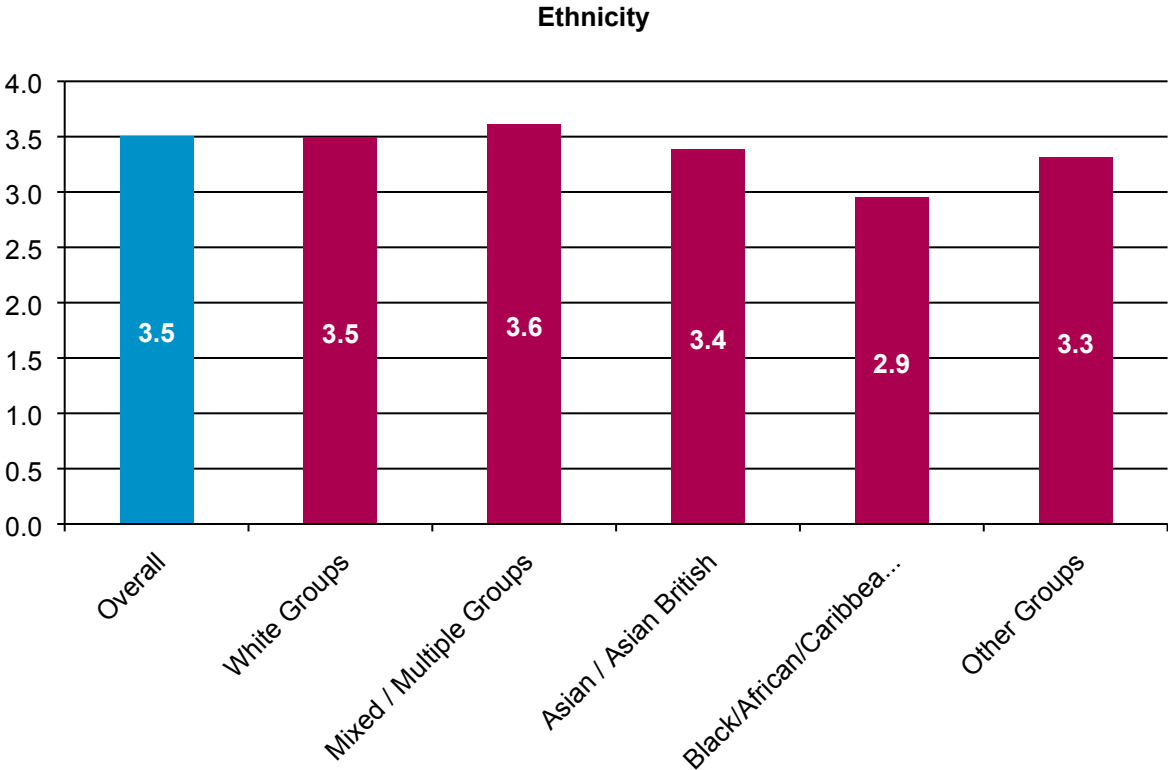
The results for the disability groupings and for non Council Tax Reduction recipients are in line with the overall result for addition 2. Those in receipt of Council Tax Reduction rated this addition slightly lower, but not significantly.



The results across the different age groups are broadly consistent with the overall result, with the exception of the 75 years and over group and the 18 to 24 years group. Both these groups had low response rates and their results should therefore be treated with caution.



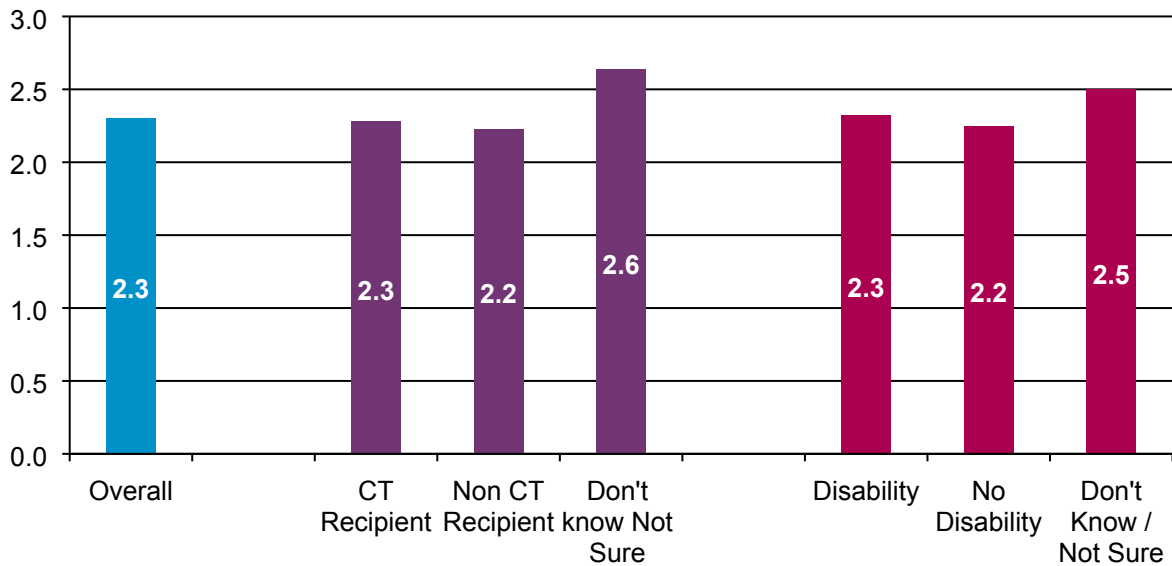
Respondents from Black/African/Caribbean/Black British groups gave a significantly lower rating to addition 2 than the other ethnic groups with a 0.6 difference between their results and the overall result. However, the results for this group should be treated with caution due to under-representation in the respondent profile. The result for 'Other groups' is slightly lower than the overall result while the remaining groups ratings are consistent with the overall result.



**Addition 3: To remove the "Work Related Activity" and or "Family Element" part of the calculation of Council Tax Reduction**

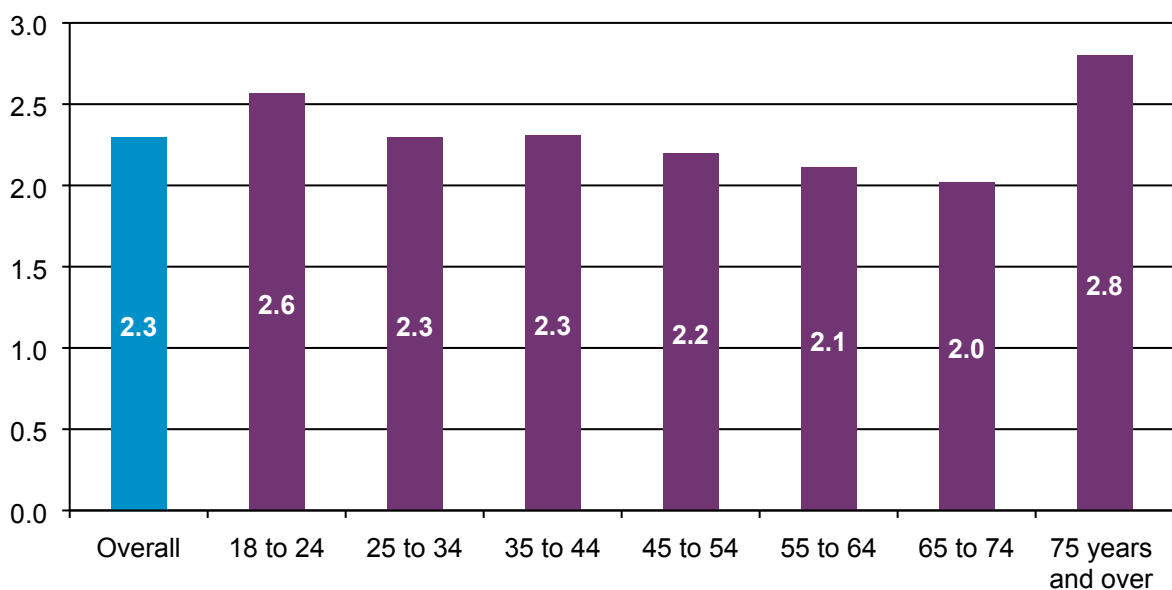
The results for the groupings in the Council Tax Reduction and disability groupings are consistent with the overall rating for addition 3 – To remove the 'Work related activity' and or 'Family element' from the calculation of Council Tax Reduction. Both groups of Don't know/ Not sure have slightly higher ratings for this addition.

**CT Recipient & Disability**

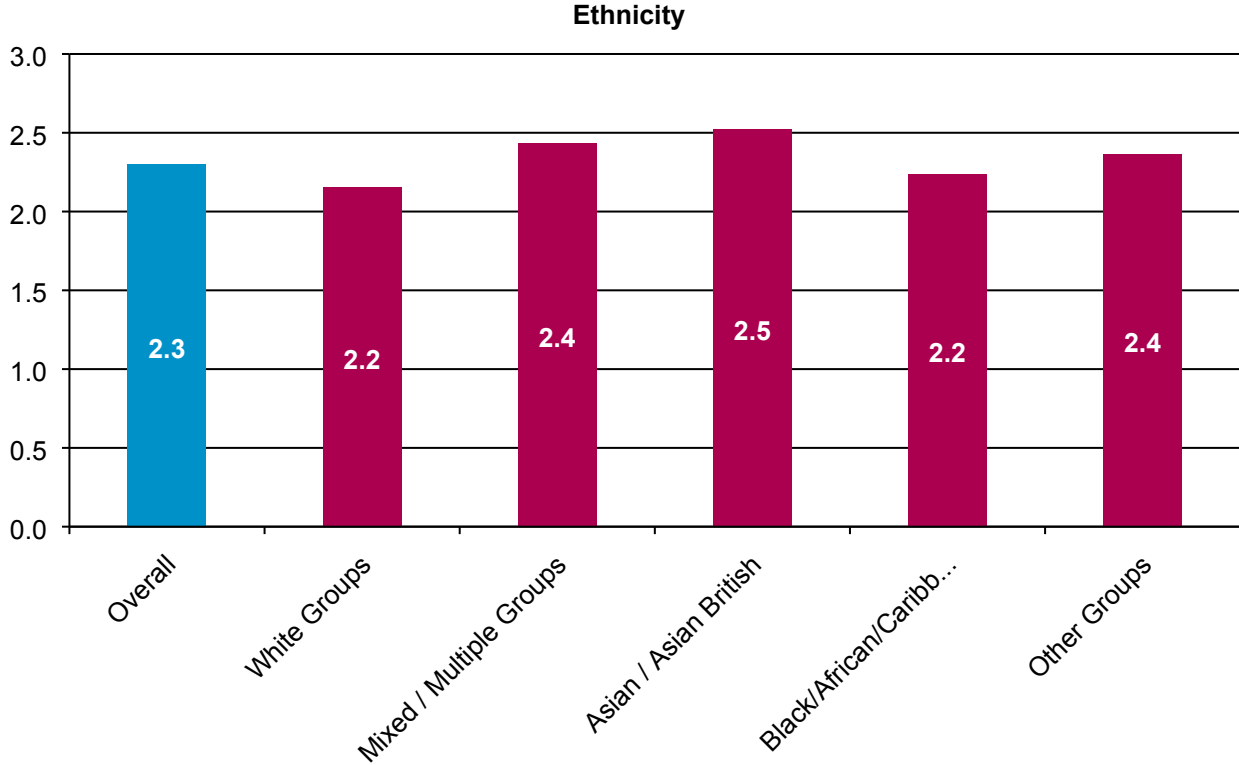


There are some variations across the different age grouping for the rating of addition 3. The 75 years and over group has the highest rating at 2.8 and the 65 to 74 years group has the lowest at 2.0. The results for 25 to 44 year olds are consistent with the overall result.

**Age**

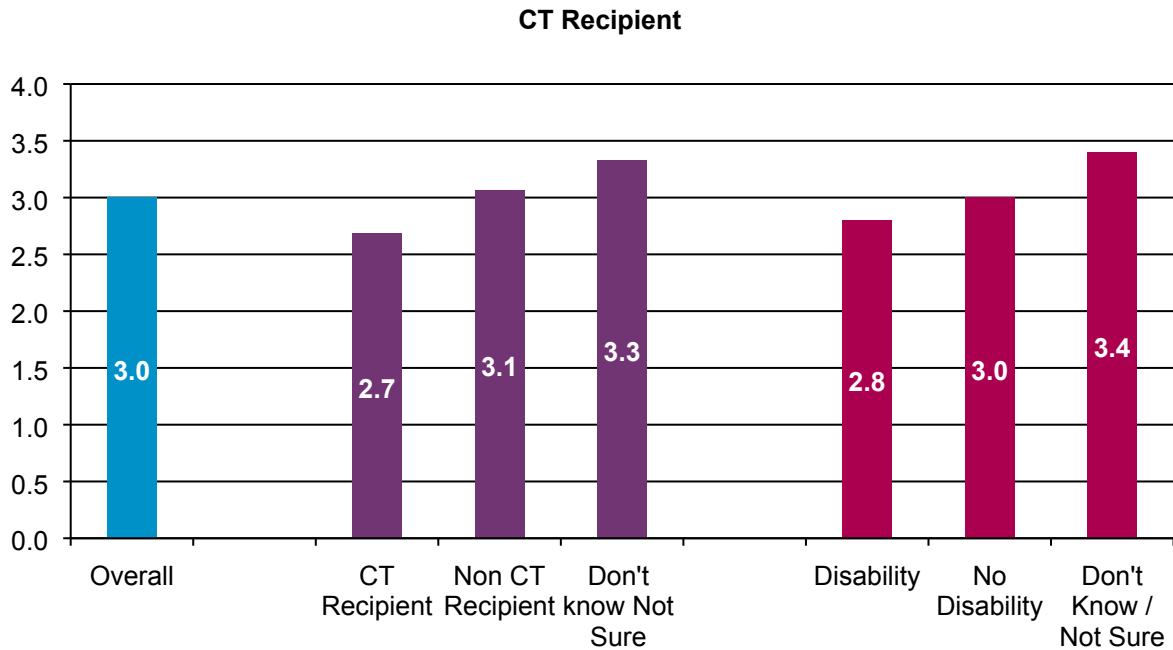


The ratings across the ethnic groupings are broadly consistent with the overall results.

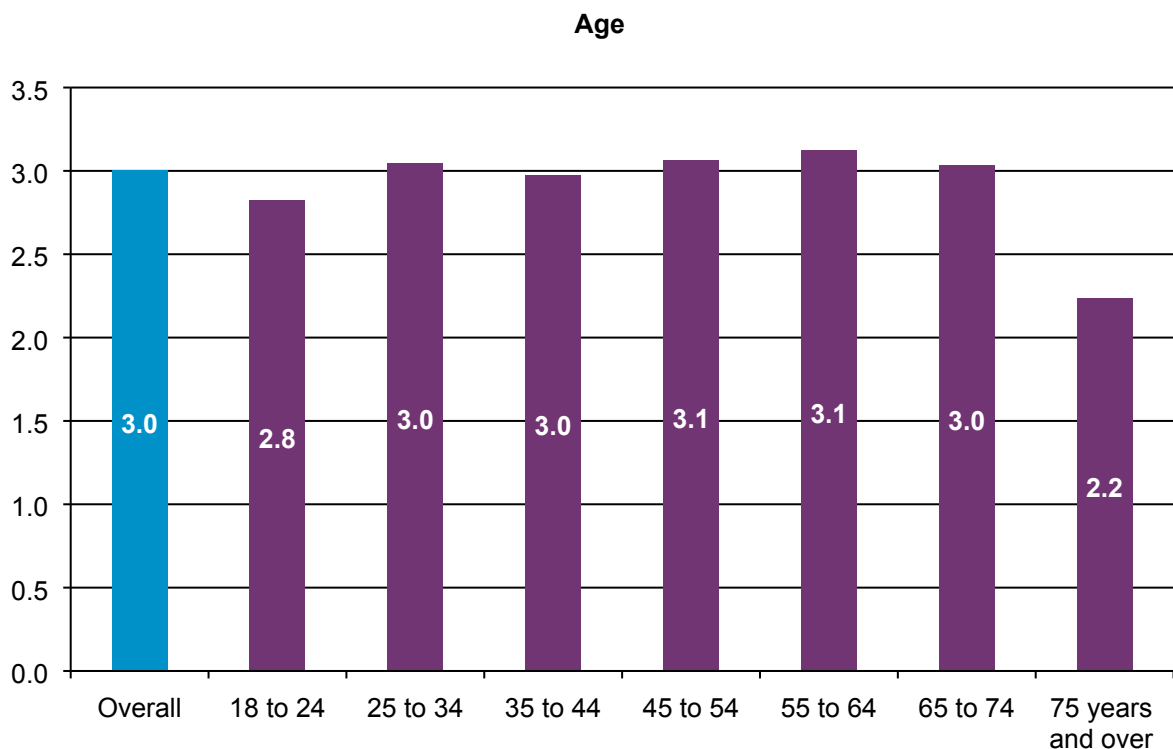


## Addition 4 To limit the number of dependent children within the calculation for Council Tax Reduction to a maximum of two

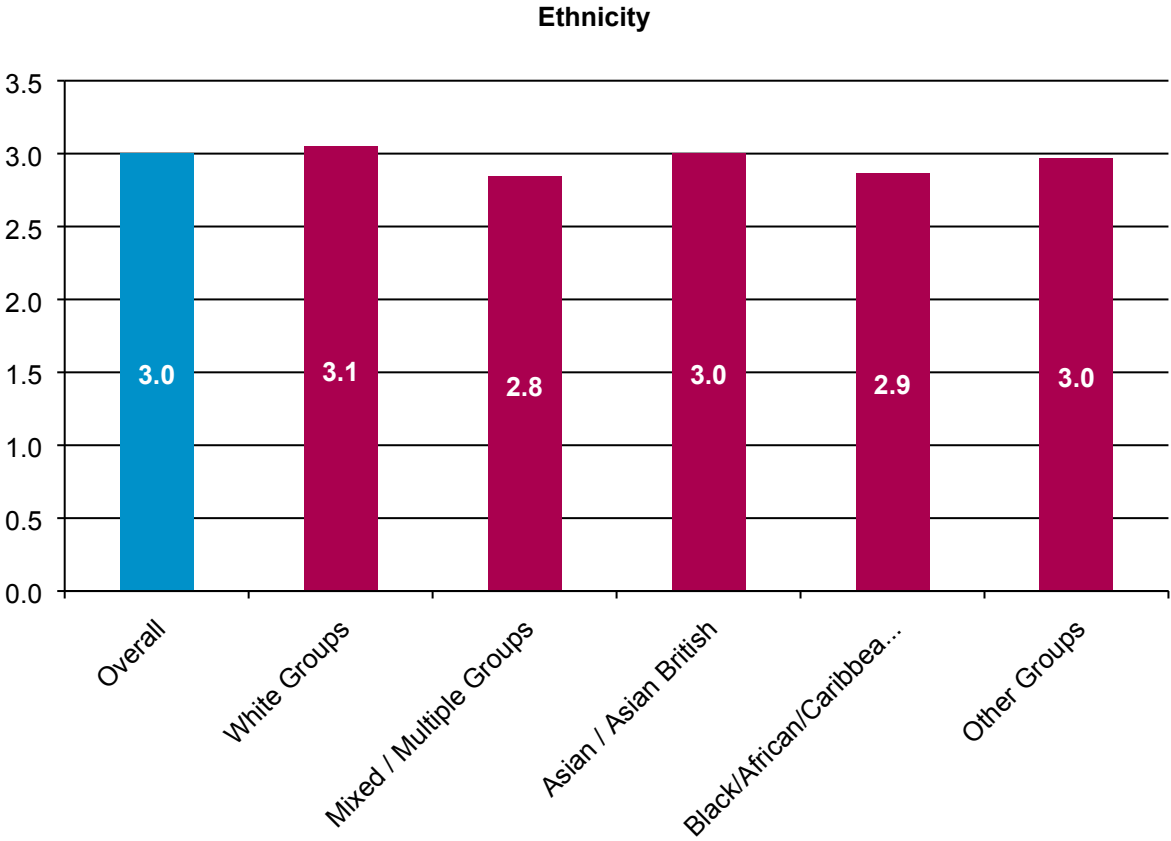
The results for non-Council Tax Reduction recipients and the disability groupings are consistent with the overall rating for addition 4. Those who currently receive Council Tax Reduction rated this addition slightly lower, but not significantly.



The results for the age groupings are consistent with the overall rating for addition 4 with the exception of the 75+ which has a lower rating at 2.2 and the 18 to 24 years group at 2.8. However, both these groups were under-represented in the respondent profile.



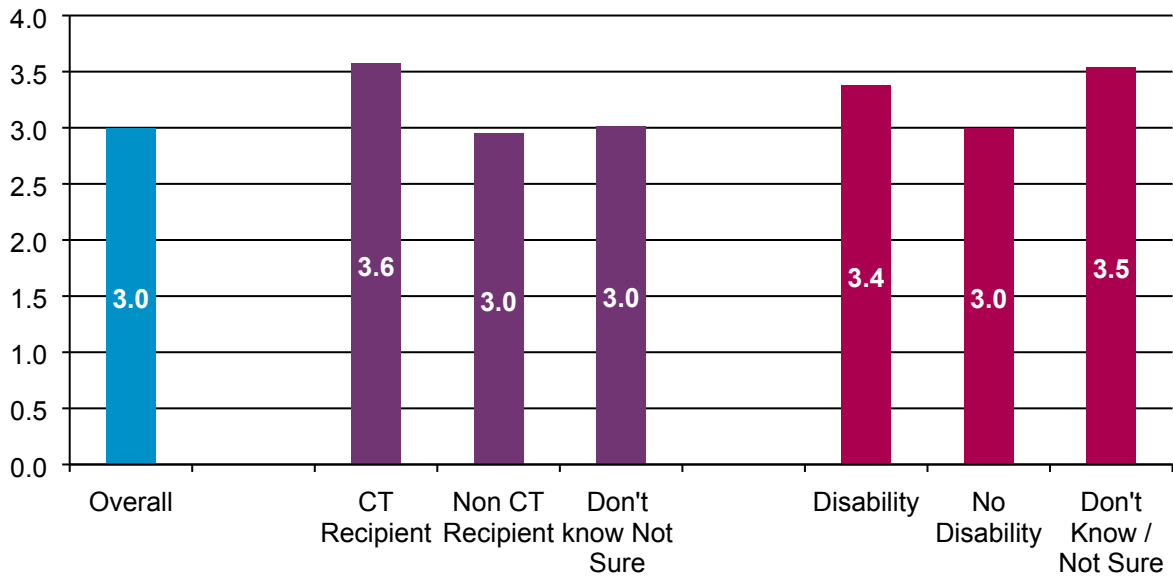
The results for the ethnic groupings are broadly consistent with the overall rating for addition 4.



**Addition 5: To introduce a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship**

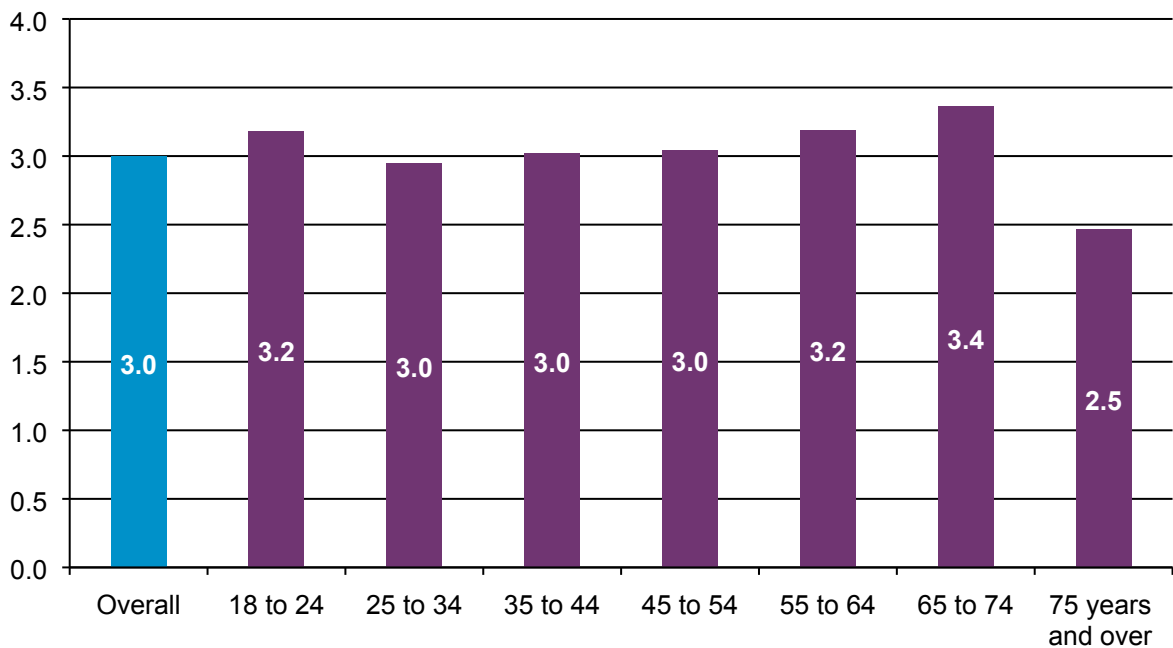
The results for those in receipt of Council Tax Reduction are 0.6 higher than the overall result similarly those respondents with a disability have rated addition 5 higher at 3.4.

**CT Recipient & Disability**

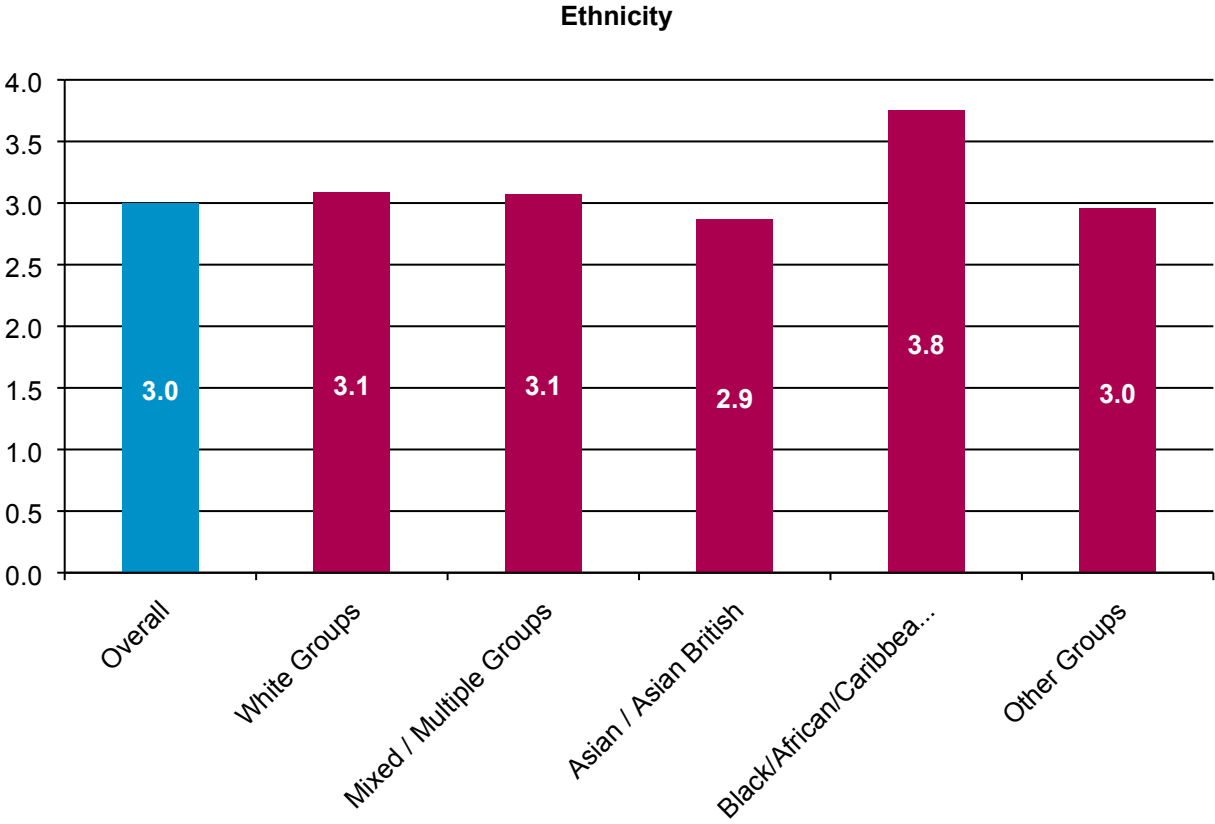


The age groupings are generally consistent with the overall rating for addition 5 with the exception of the 65-74 age groups which have rated addition 5 higher and 75+ which has a lower rating.

**Age**



The results for the ethnic groupings are consistent with the overall rating for addition 5. The only outlier is respondents, who define themselves as Black/African/Caribbean and Black British that have rated Addition 5 higher.

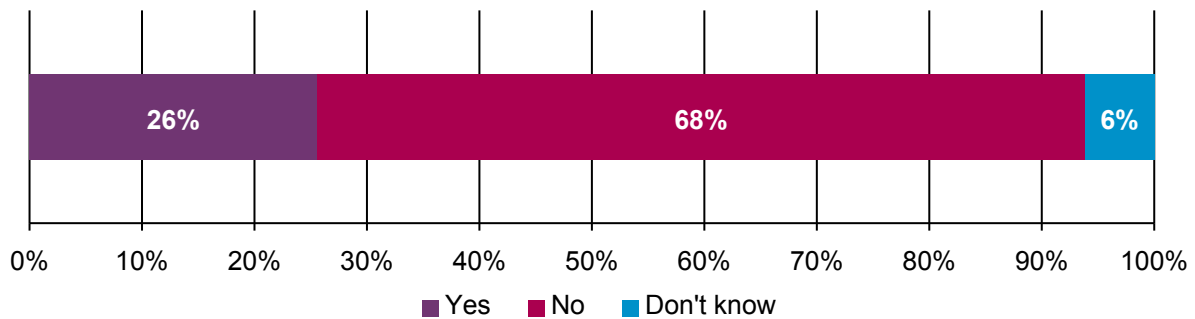




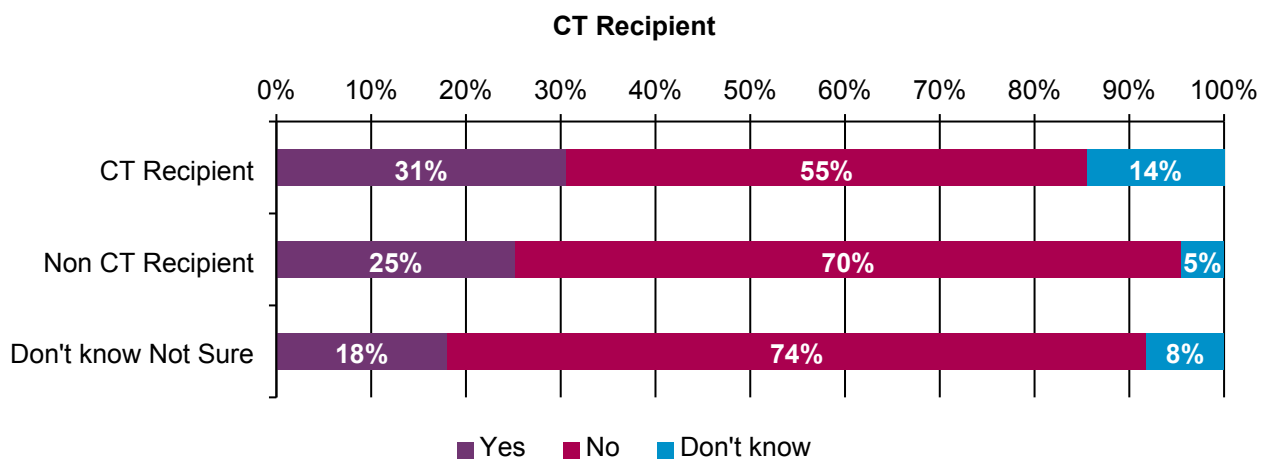
## Other Options

### Increase the level of Council Tax to fund the Council Tax Reduction Scheme

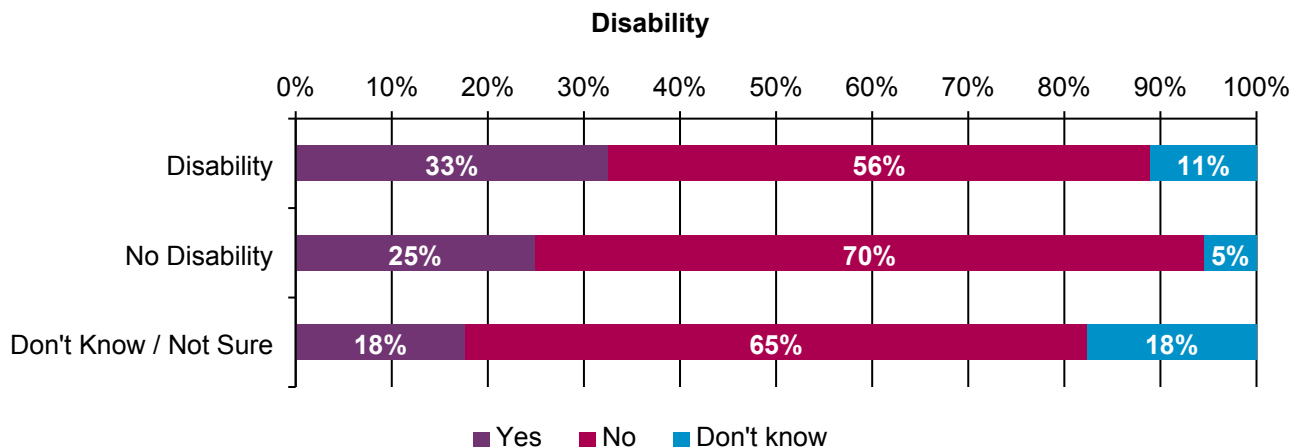
68% of respondents to the survey were against increasing the level of Council Tax to fund the Council Tax Reduction Scheme.



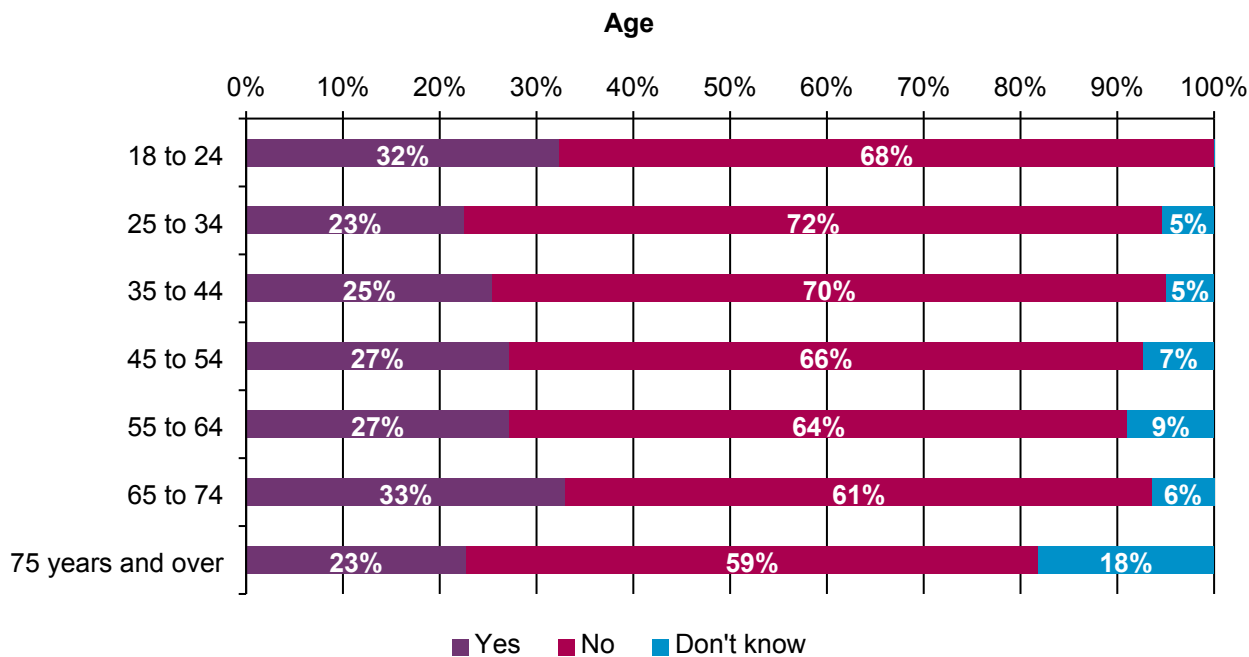
A majority of the respondents both in receipt of and not in receipt of Council Tax Reduction were against this option. Respondents in receipt of Council Tax Reduction had a greater proportion agreeing with this option, with 6% difference.



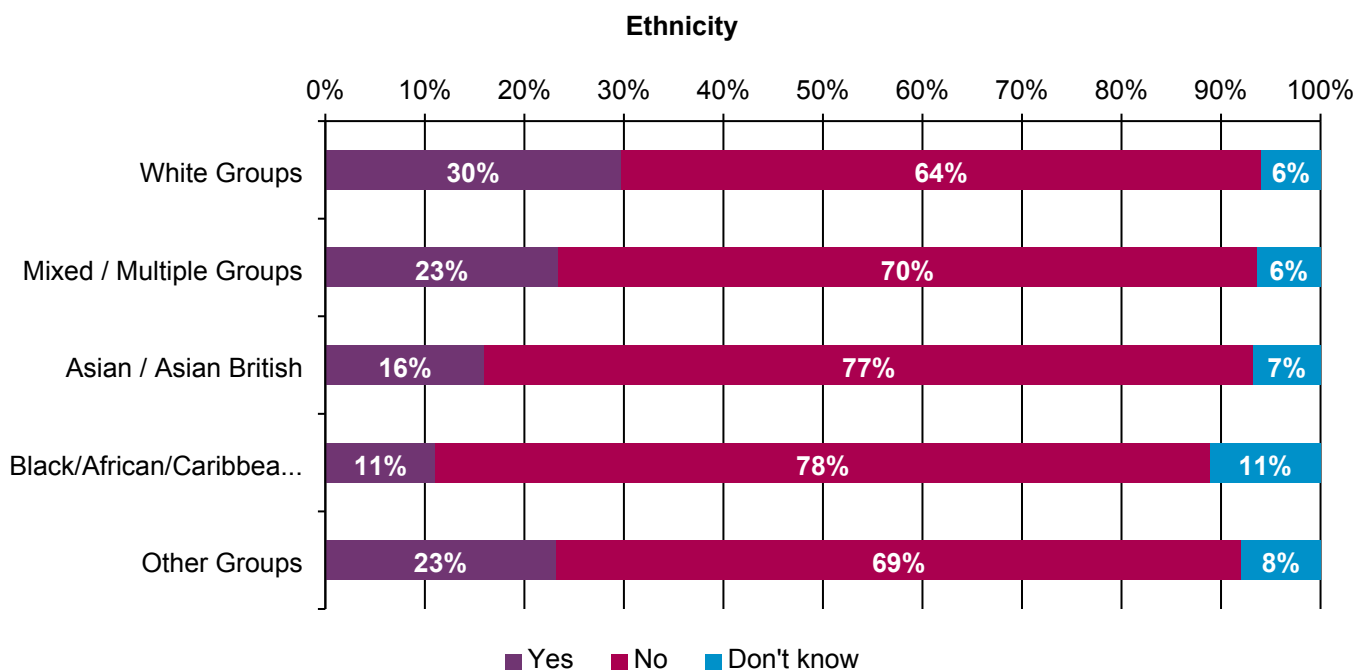
Both groups were opposed to this option, however respondents with a disability had a greater proportion in favour of this option than those with a disability.



There was a 9% difference between the age group most in favour and least in favour of this option, with a clear majority of all age groups being against introducing an increase in Council Tax. The 65-74 age group was most likely to be in favour and the 75+ age group was least likely.

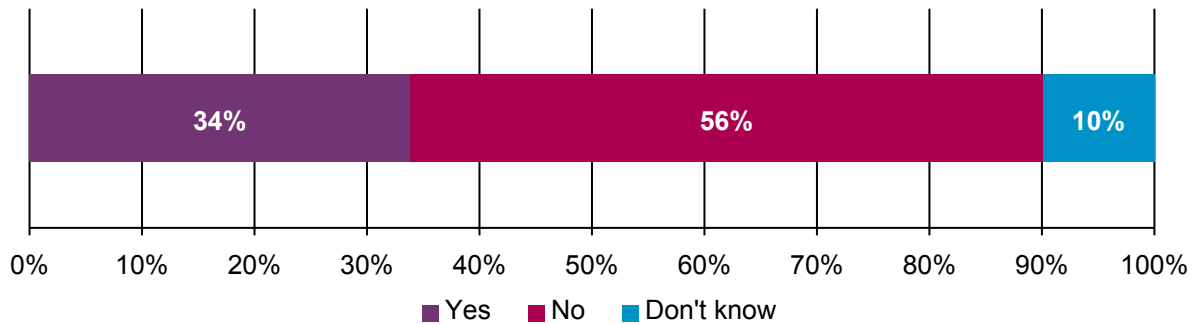


All ethnic groups were opposed to this option. Black/African/Caribbean and Black British had the greatest proportion opposed white groups had the greatest proportion in favour. .

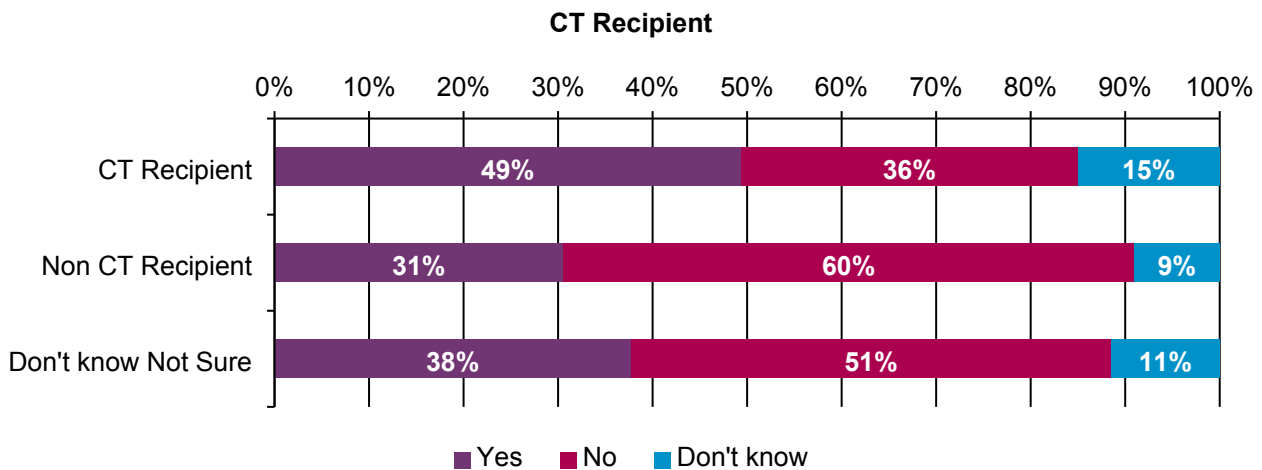


## Find savings from cutting other council services

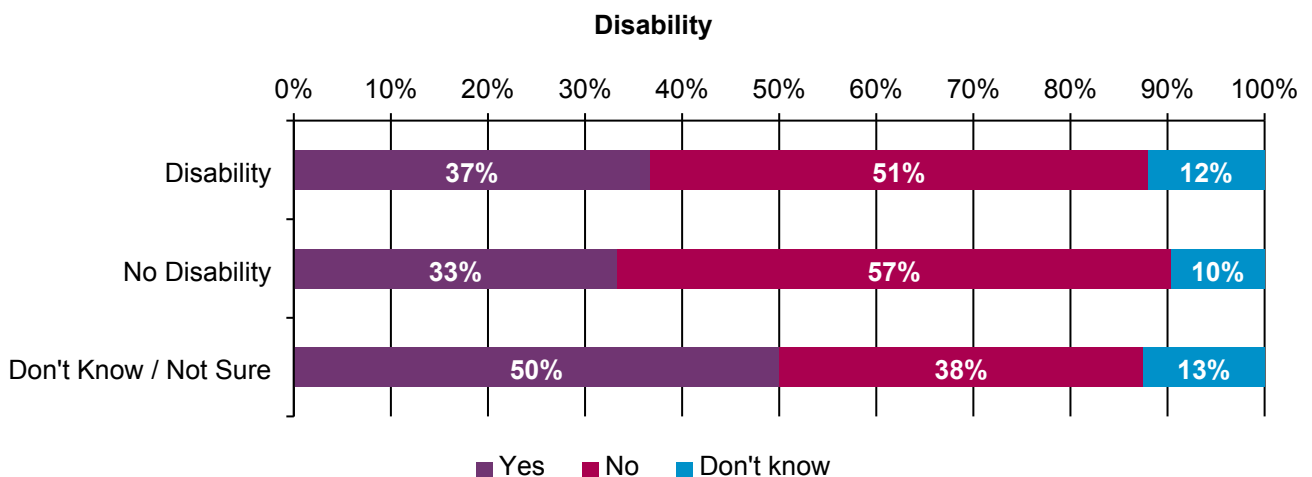
A third of respondents (34%) were in favour of the Council finding savings from cutting other council services.



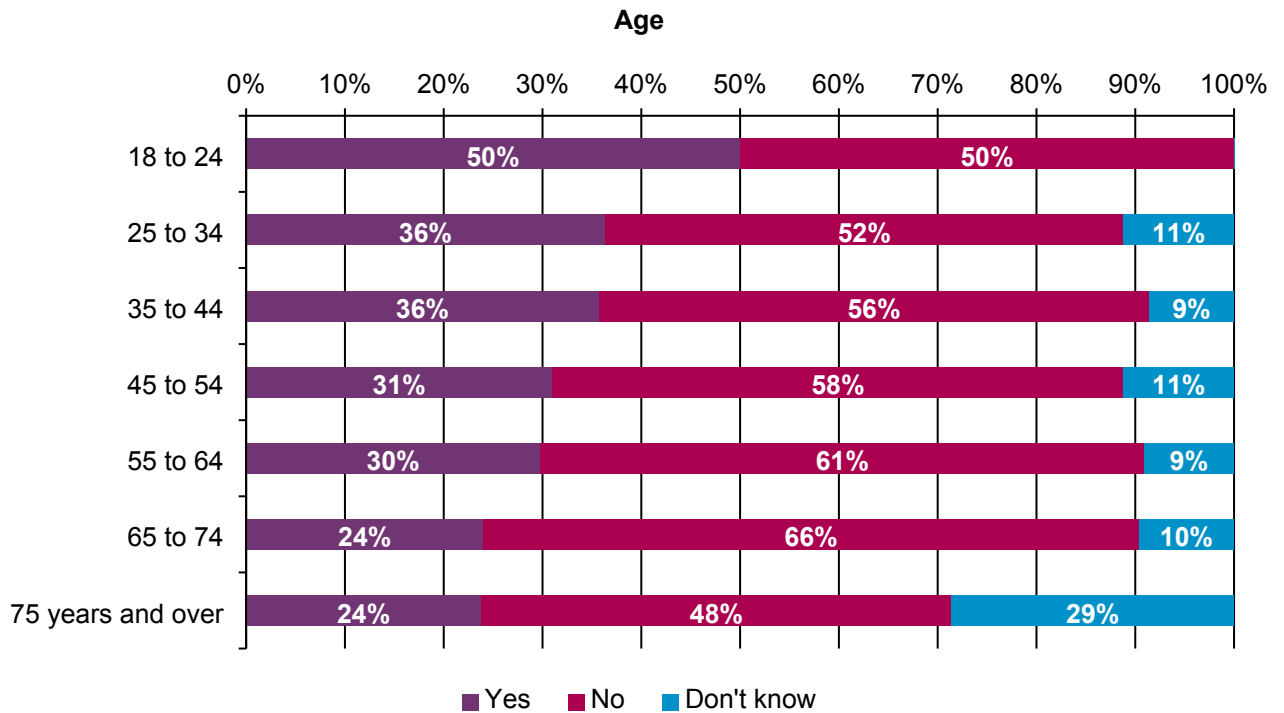
Nearly half (49%) of respondents receiving Council Tax Reduction were in favour of this option, in comparison to just under a third (31%) of respondents not in receipt of Council Tax Reduction.



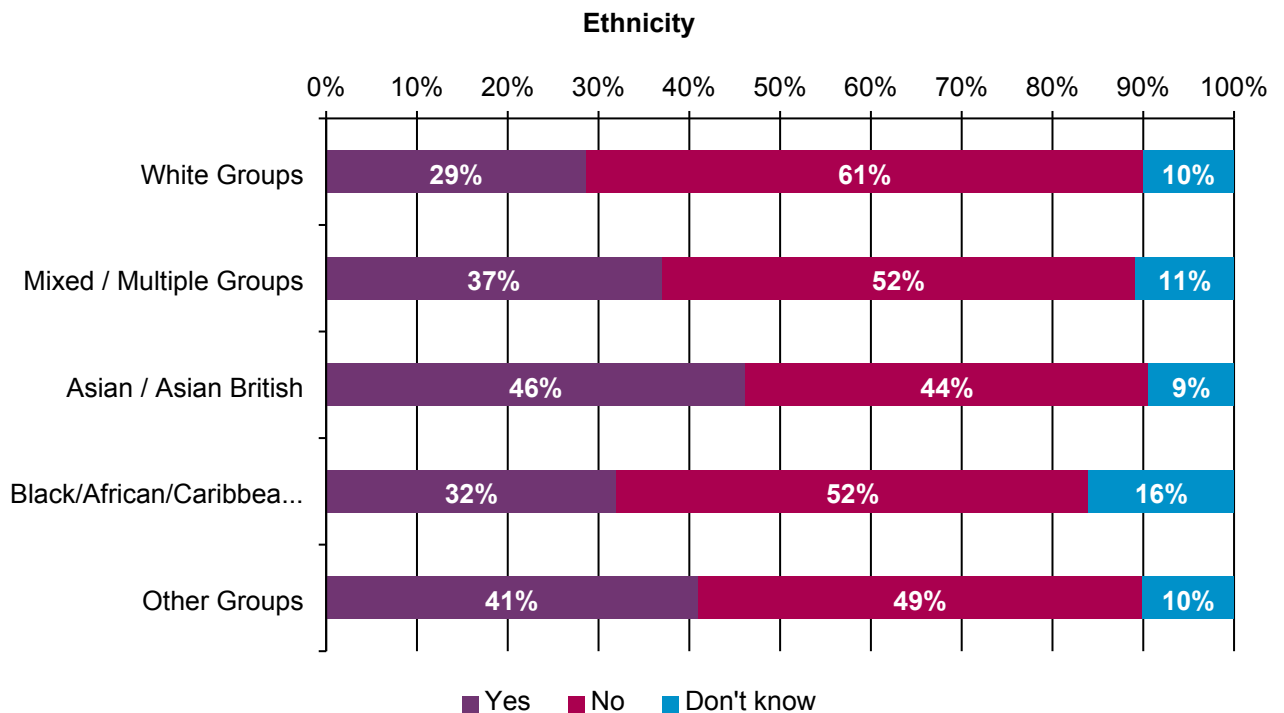
There is little difference in the viewpoints of those respondents with a disability to those respondents without a disability. In both cases just over half of respondents were against this option.



Respondents from all age groups were against this option. As the age increases the less favourable this option became, until the 75+ age group which had the least opposition of all age groupings.

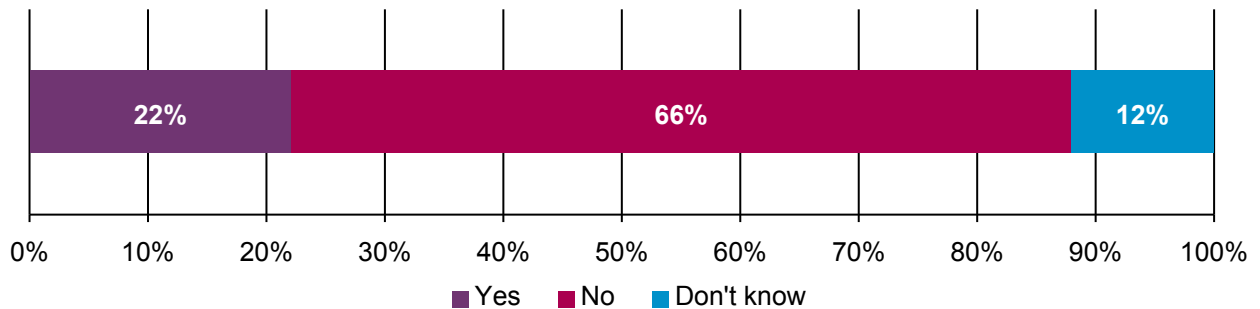


There is some variation between the ethnic groups in relation to this option. Respondents from Asian/ Asian British backgrounds had the greatest proportion in favour at 46% and those from white backgrounds had the lowest proportion in favour at 29%. This equates to a difference of 17%.

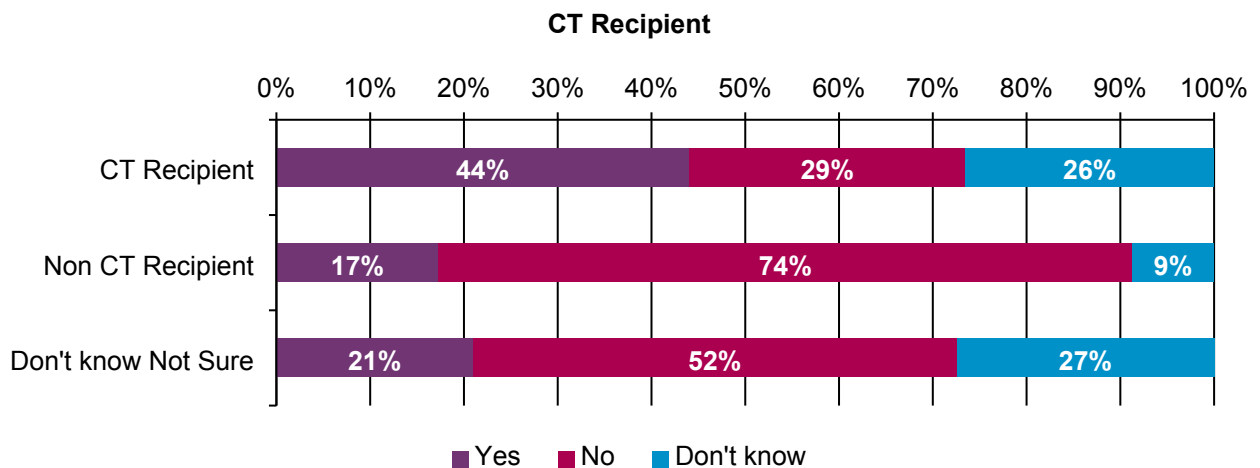


## Use the council's reserves to delay savings

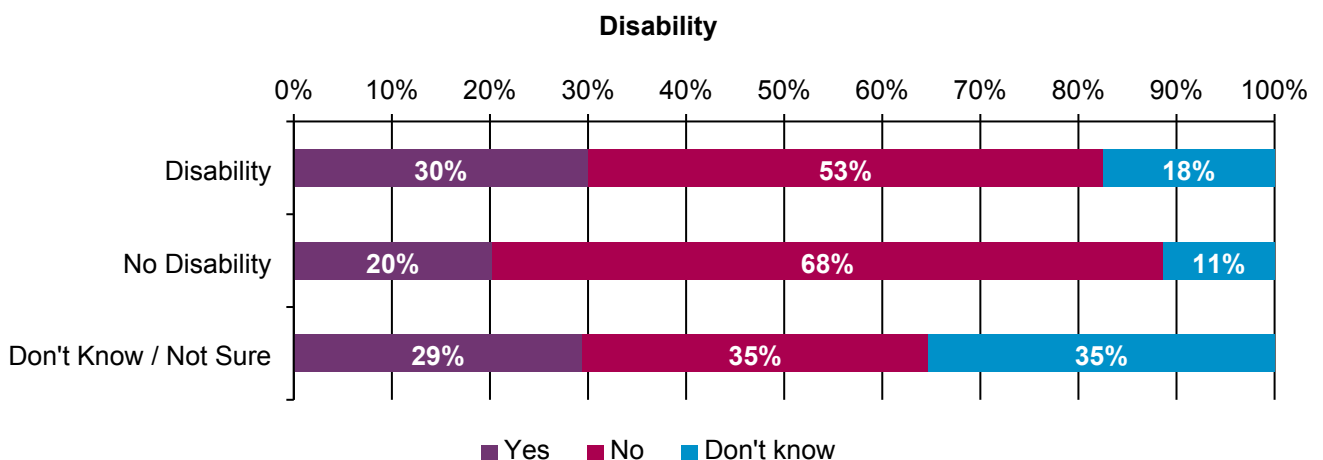
Just over one in five respondents were in favour of the Council using its reserves to delay savings.



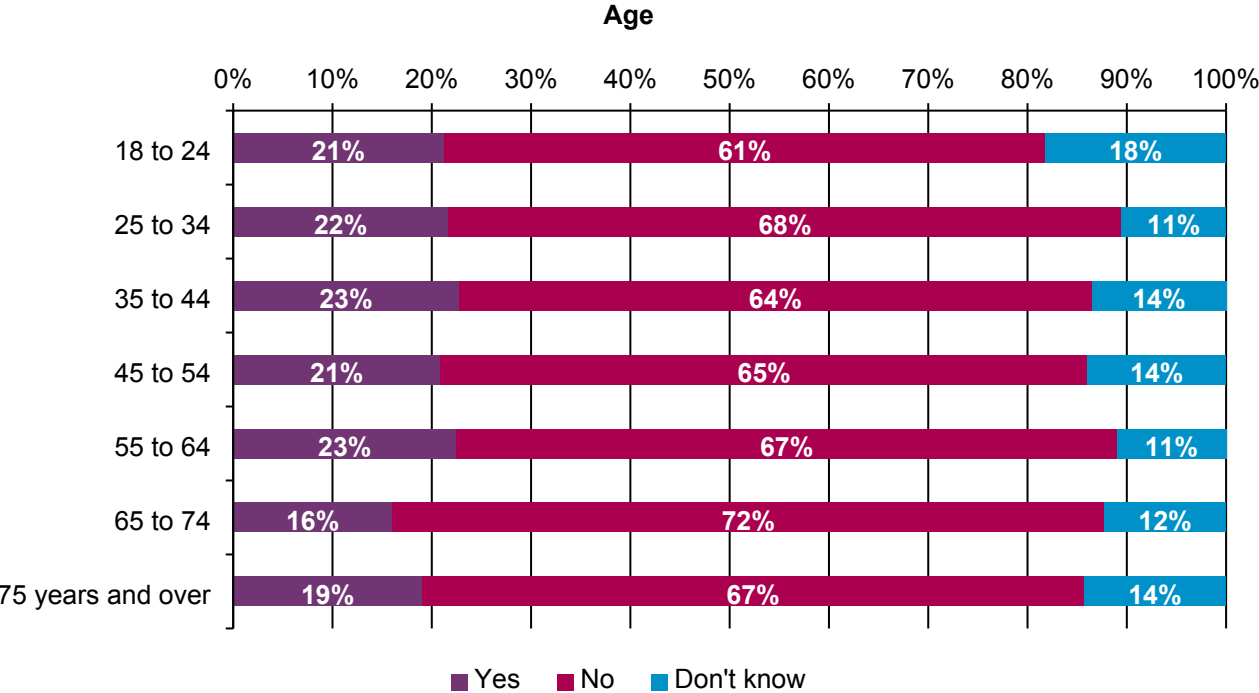
Respondents not receiving Council Tax Reduction had the greatest proportion against this approach. Those receiving Council Tax Reduction had the greatest proportion in favour of this, but it should also be noted 26% of this group responded don't know.



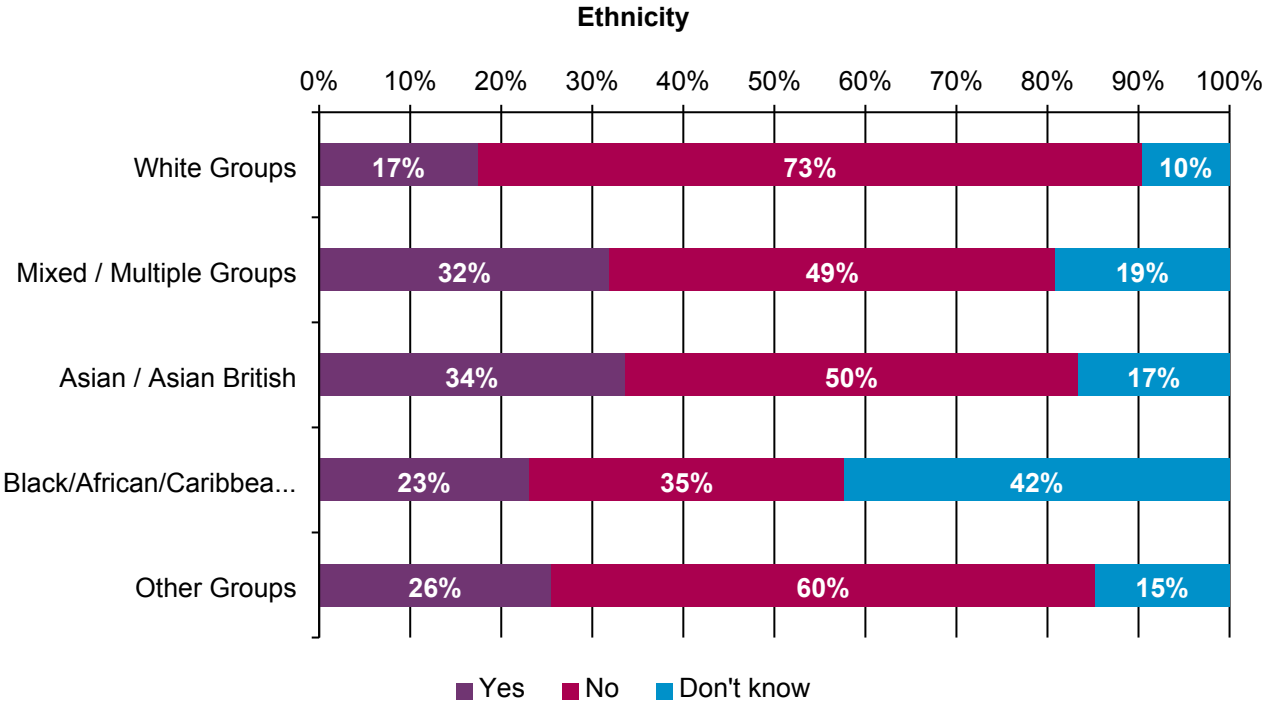
There was a 10% difference between those respondents with a disability and those without, who said they agreed with this option. The majority from both groupings were more likely to disagree with using the council's reserves in this way.



There is only a 7% difference between the age group with the greatest and that with the lowest proportions in favour of this option. Overall all age groups were opposed to this option.

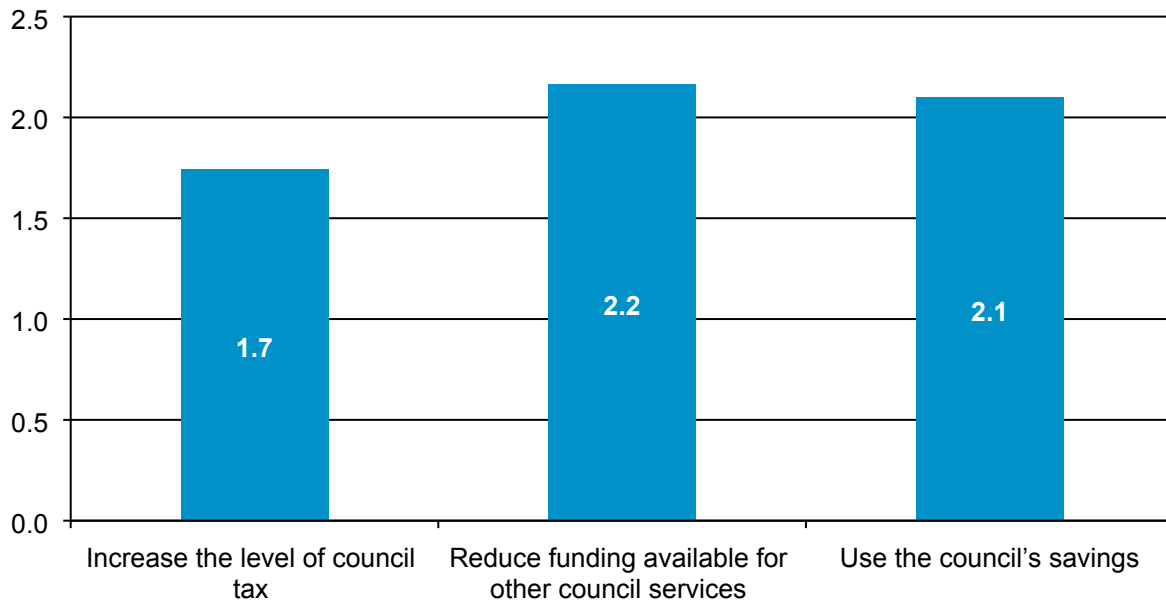


There are variations amongst the ethnic groups for this option. White Groups have the greatest proportion opposed to this option and Black/African/Caribbean and Black British groups had the lowest proportion opposed however four in ten of respondents from this group were uncertain about this option.



## Other Options Preferences

Funding Approach Options Rating

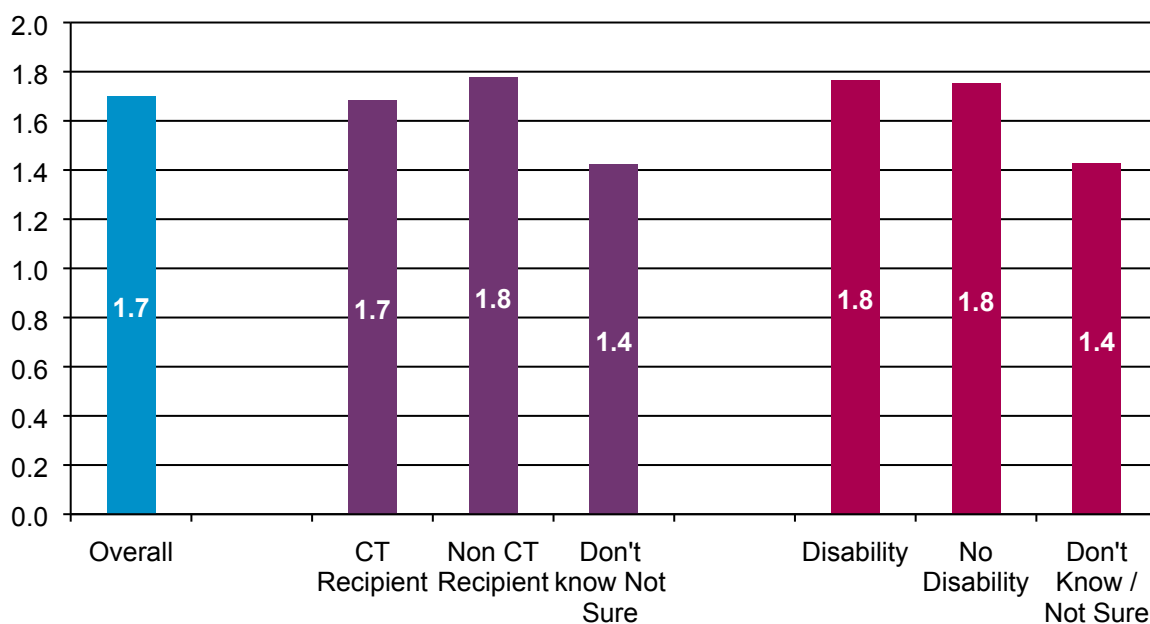


Although the option of Reducing funding available to other council services had the second lowest proportion that agreed with this approach, when assessed in terms of priority this option is top. The option increasing the level of Council Tax to fund the Council Tax Reduction Scheme had the greatest proportion agreeing with this approach but when ranked it is the bottom priority.

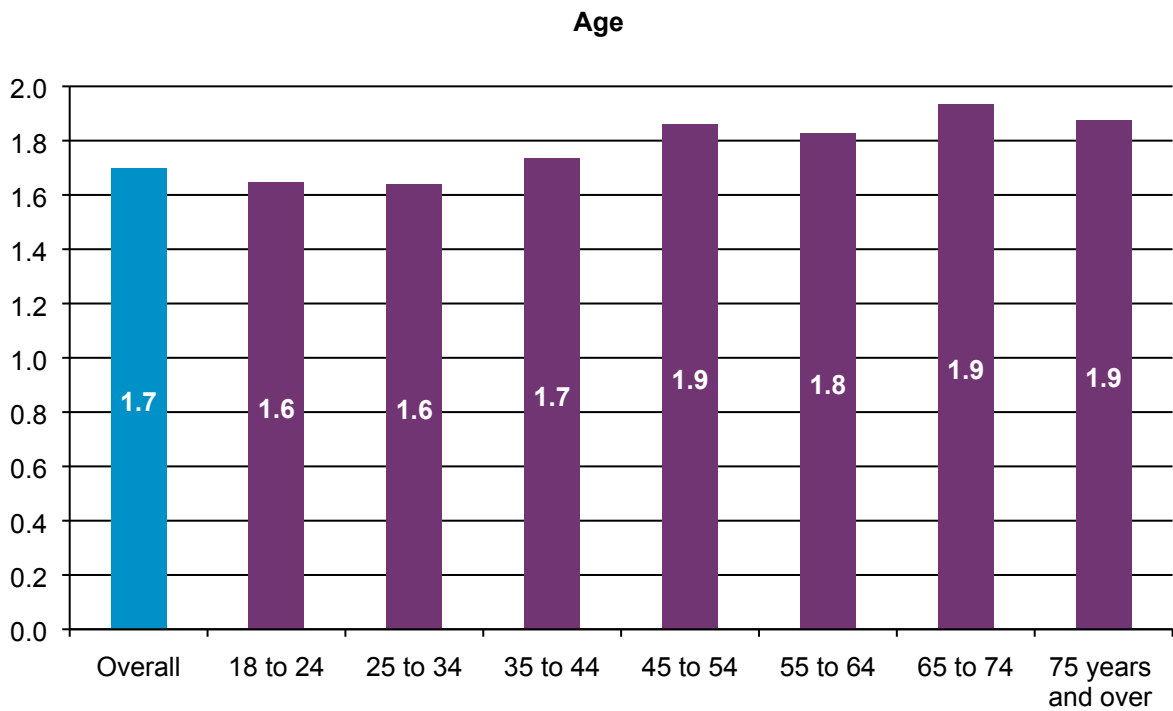
### Increase the level of Council Tax

Excluding the Don't know/Not sure the ratings from the Council Tax Reduction recipient groups and the disability groups are consistent with the overall response.

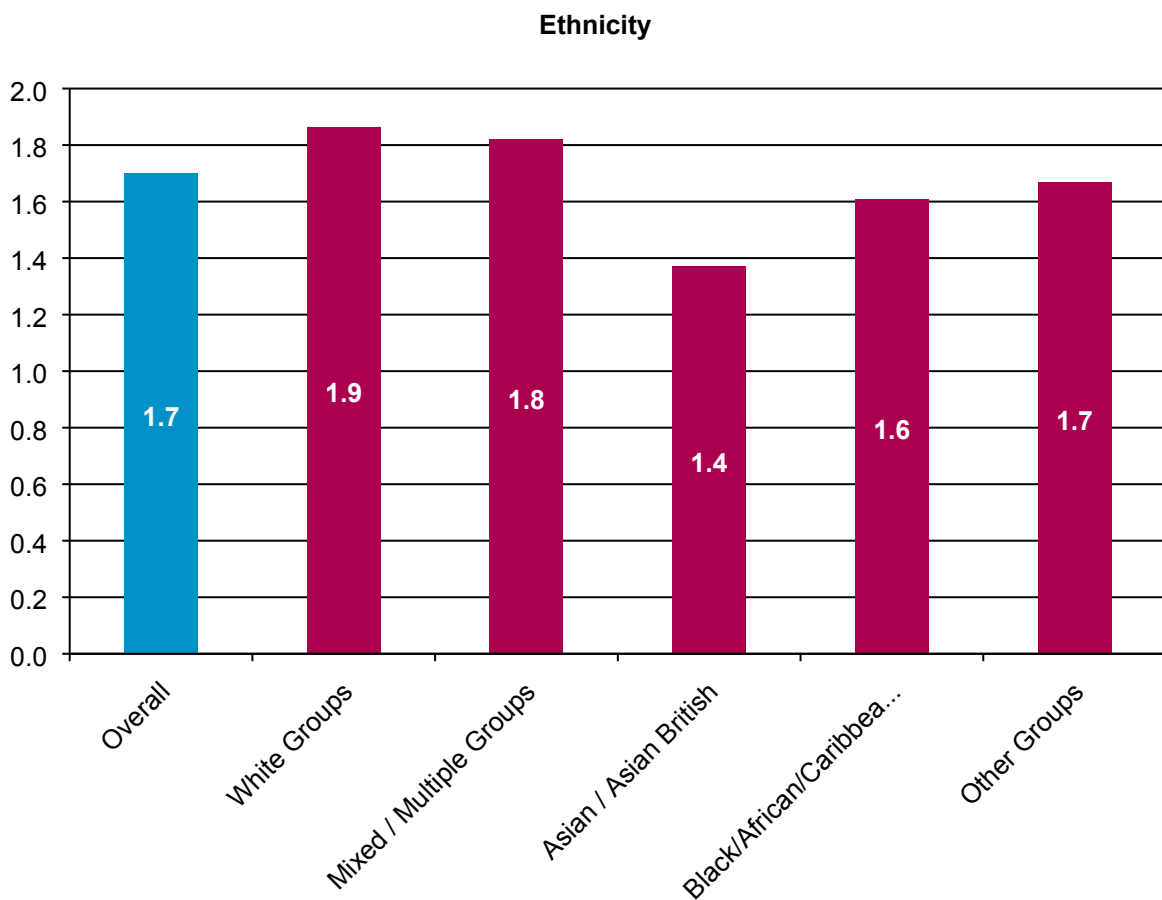
CT Recipient



Those under 34 years rated this option slightly lower than the older age groups, whose results were consistent or higher rated than the overall result.



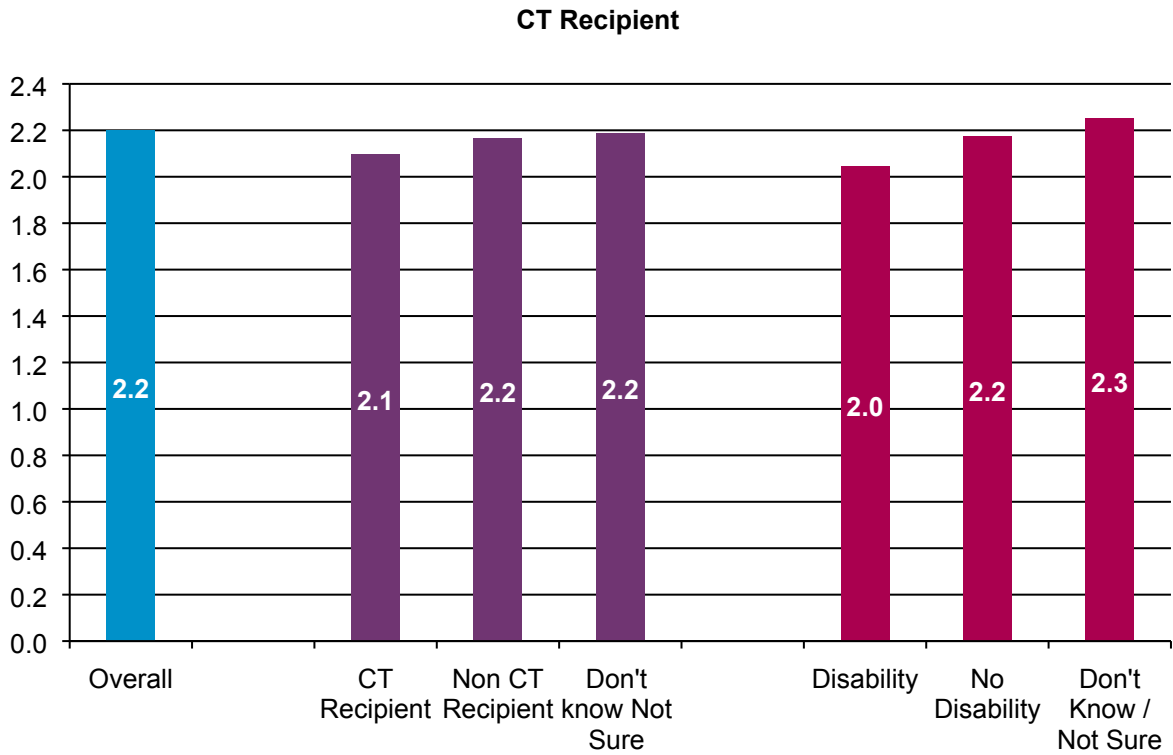
There are some variations between the ethnic groupings with 0.5 difference between the group with the highest rating and that with the lowest rating.



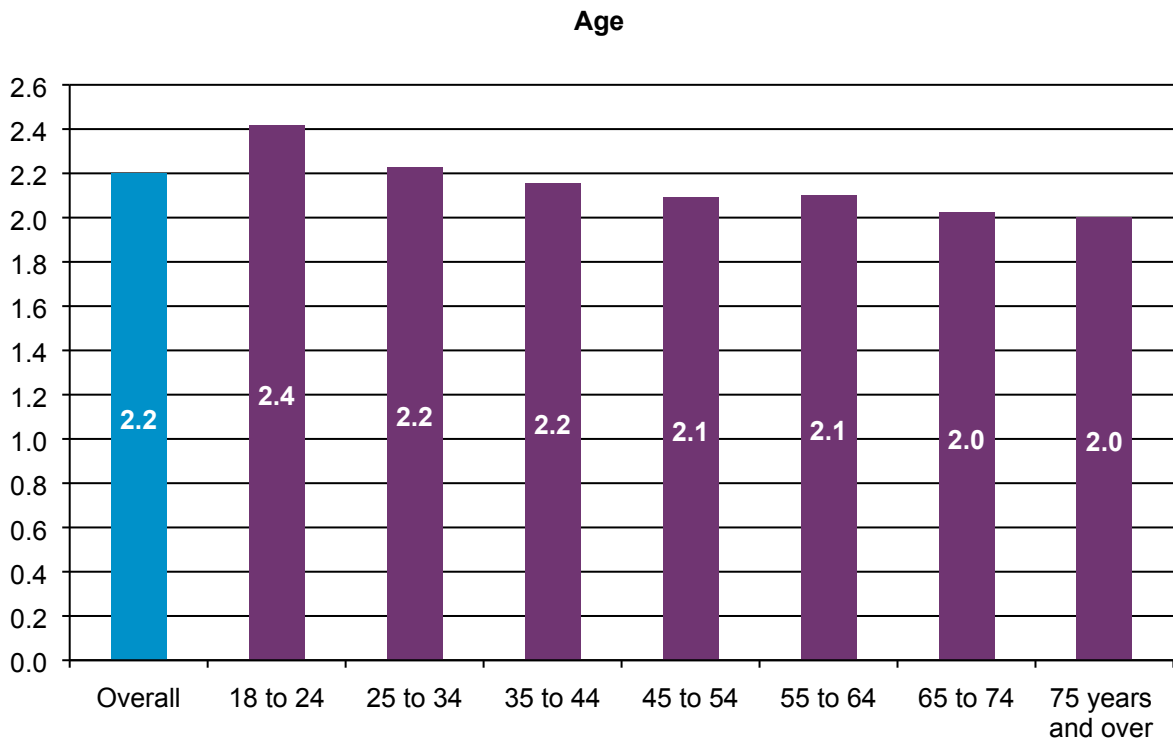


## Reduce funding available for other council services

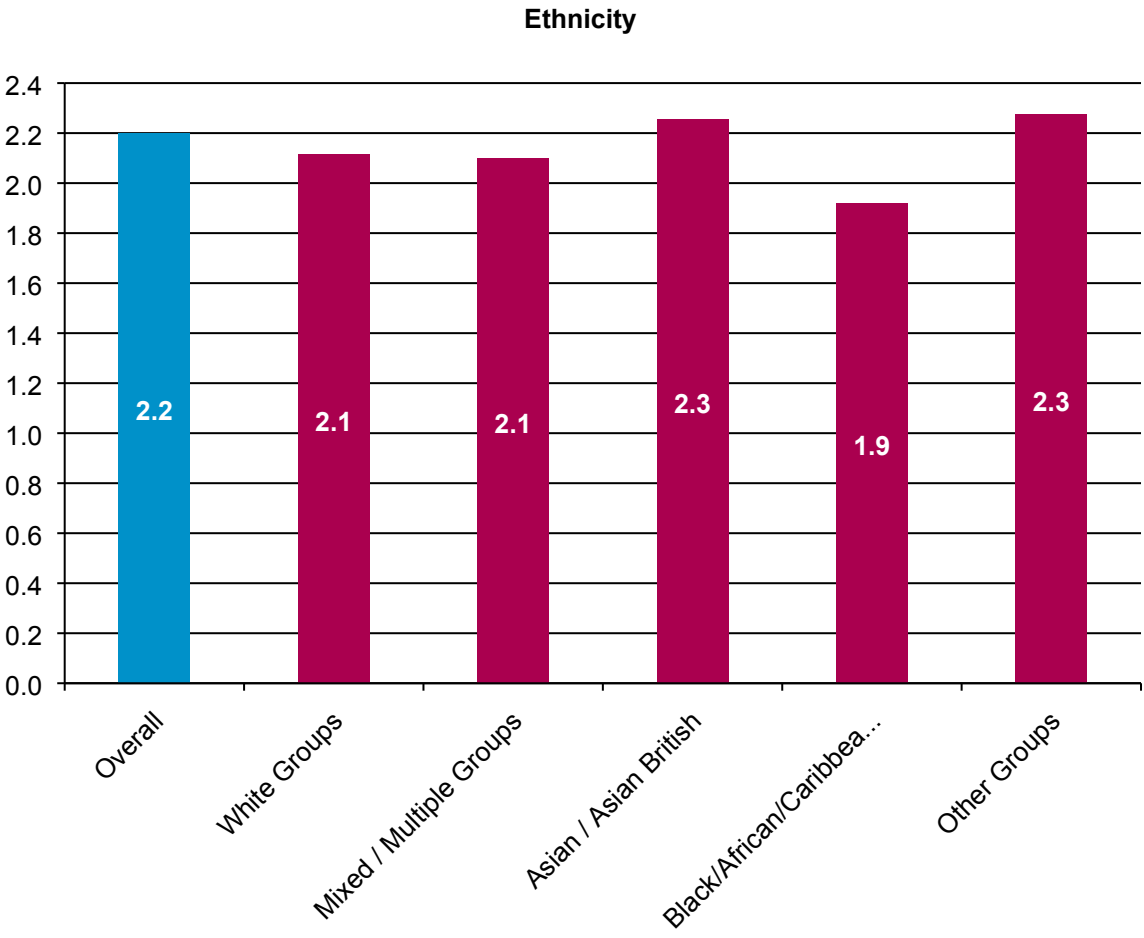
The results for the groupings in the Council Tax Reduction grouping and disability groupings are consistent with the overall rating.



The results for the age groupings are consistent with the overall rating for this option.

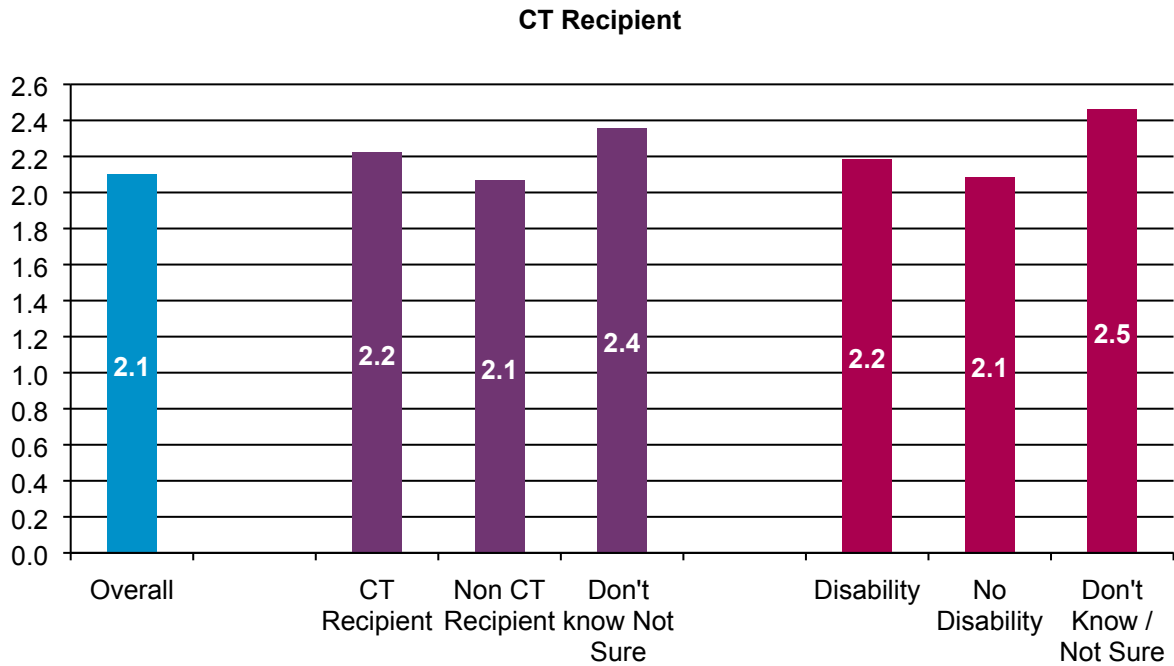


The results for the ethnic groupings are broadly consistent with the overall rating of this option.

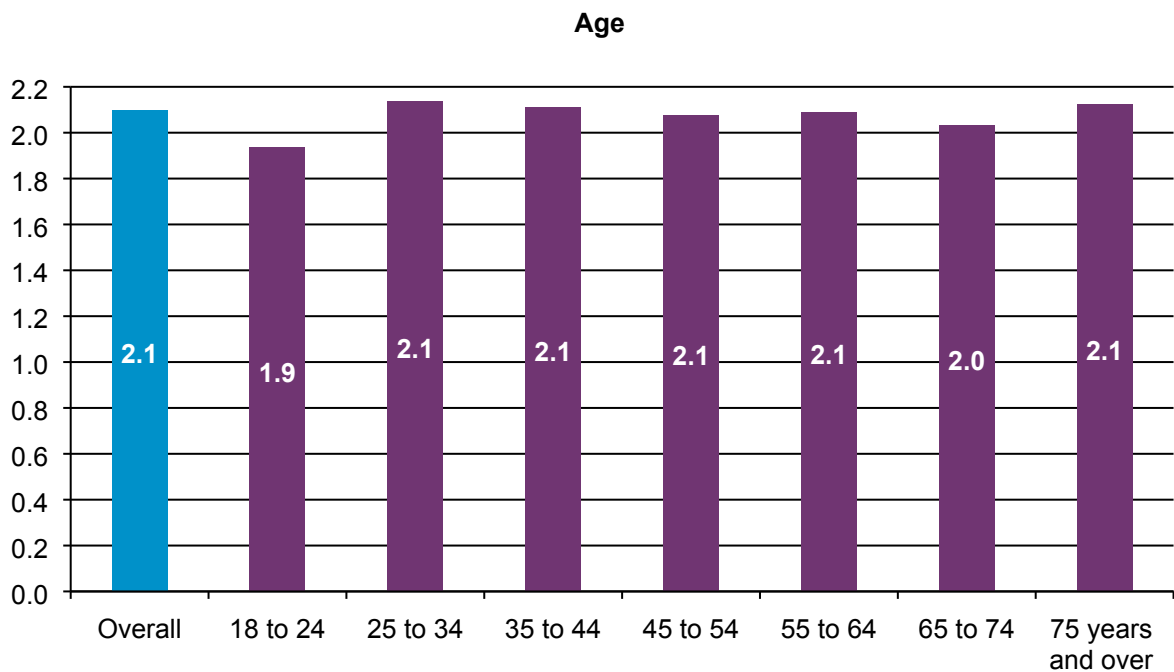


## Use the Council's Savings

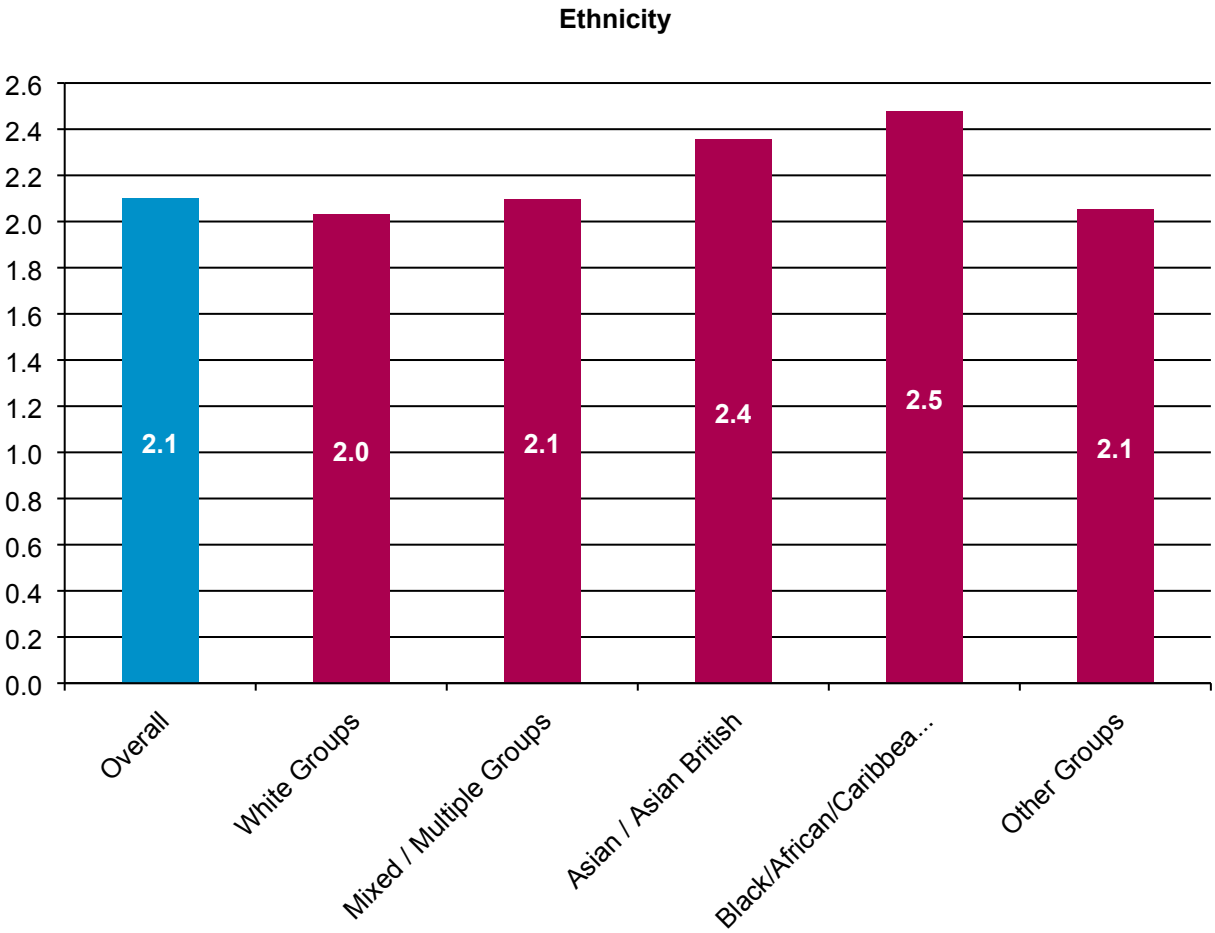
While the rating for those with and without a disability and those who receive and do not receive Council Tax Reduction are consistent with the overall rating for this option the respondents who answered Don't know and Not sure rated this option higher.



The ratings across the age groupings are broadly consistent with the overall rating for this option.



There are some variations between the ethnic groupings with 0.5 difference between the group with the highest rating and that with the lowest rating.



## Survey Demographics

The table below shows the profile of the survey respondents in relation to the population of Tower Hamlets, where the information was provided.

	Survey		Population	
	Count	%	Count	%
<b>Gender (Over 16s 2011 Census) (Total 1539)</b>				
Men	863	56%	102,792	52%
Women	637	42%	96,208	48%
Other	29	2%		
<b>Age (2011 Census) (Total 1538)</b>				
18 to 24 years	35	2%	37,828	19%
25 to 34 years	471	31%	73,185	37%
35 to 44 years	429	28%	37,217	19%
45 to 54 years	251	16%	21,514	11%
55 to 64 years	204	13%	13,686	7%
65 to 74 years	116	8%	8,169	4%
75 years and over	22	1%	7,401	4%
<b>Ethnicity (2011 Census 18 years and over) (Total 1502)</b>				
White groups	990	66%	104,518	53%
Mixed/Multiple groups	48	3%	6,299	3%
Asian / Asian British	282	19%	70,062	35%
Black/African/Caribbean/Black British	28	2%	13,375	7%
Other	154	10%	4,746	2%
<b>Disability (2011 Census all people) (Total 1534)</b>				
Disability	166	11%	31,644	16%
No Disability	1340	87%	168,570	84%
Don't know	18	1%		
<b>Council Tax Reduction Recipient (Total 1536)</b>				
CTR Recipient	247	16%		
Non CTR Recipient	1227	80%		
Not Sure & N/A	62	4%		

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# Equality Analysis (EA)

Financial Year  
**2016/74**

## Section 1 – General Information (Aims and Objectives)

See Appendix  
**A**

Current decision  
rating



### Local Council Tax Reduction Scheme Report

In April 2013 the Government replaced the national Council Tax Benefit scheme with a requirement for each local authority to develop its own Local Council Tax Reduction Scheme (LCTRS). At the same time, the Government reduced its funding contribution to Local Authorities nationally by £500 million (10%) and put in place mandatory protections for some groups of recipients such as Pensioners. The cost of the current LCTRS scheme is around £26.5m with £19m supporting 22,551 working age households and £7.5m supporting 8,920 pensioner households.

Councils have discretion over their own LCTRS within certain constraints; the Government requires pensioner households in receipt of LCTRS to be protected, but councils can determine the level of support provided for working age households. The current Tower Hamlets LCTRS also includes protection for war widows.

Any number of schemes could be considered when designing a Local Council Tax Reduction scheme although there is clearly a balance between fairness, complexity and costs of administration that should be considered overall.

A number of actions have been put forward to mitigate any adverse effects and are detailed within this equality analysis.

This equalities analysis covers the range of options presented in the report.

#### **Conclusion - To be completed at the end of the Equality Analysis process**

As a result of performing the analysis, it is evident that a risk of discrimination exists and this risk may be removed or reduced by implementing the actions detailed within the *Action Planning* section of this document.

**Name:** Steve Hill  
(signed off by)

**Date signed off:** 22<sup>nd</sup> December 2016  
(approved)

Service area:  
Resources

Team name:  
Benefits Service

Service manager:  
Steve Hill

Name and role of the officer completing the EA:  
Lee Fearon – Benefits Policy and Procedures Manager

## **Section 2 – Evidence (Consideration of Data and Information)**

What initial evidence do we have which may help us think about the impacts or likely impacts on service users or staff?

- Analysis of SHBE data
- Analysis of demographic profile of the borough
- Analysis of the demographic profile of LCTRS recipients

## **Section 3 – Assessing the Impacts on the 9 Groups**

Please refer to the guidance notes below and evidence how you're proposal impact upon the nine Protected Characteristics in the table on page 3?

**For the nine protected characteristics detailed in the table below please consider:-**

- **What is the equality profile of service users or beneficiaries that will or are likely to be affected?**

Working age households eligible for or in receipt of Local Council Tax Reduction  
Of the 22,735 households, there is good levels of equality monitoring information on 65% of the caseload covering ethnicity, gender and disability.

From that we know that 51% of LCTRS recipients are Bangladeshi households compared to 30% of all households in the borough, 13% are Black / Black British compared to being 8% of all households in the borough, whilst 27% are White households whilst making up 56% of all households in the borough.

Although household size of LCTRS recipients has not been analysed, we expect that the household size of ethnic minority households on average to include more children. The Census 2011 data shows that there are 2.48 children per Bangladeshi household compared to 1.60 per White British household.

In taking households that are in receipt of a disability benefit as a proxy indicator for disability, 33% of the LCTRS caseload is a household in receipt of at least one disability benefit. This compares with 12% of the borough's population known to have a limiting or long term condition from the Census in 2011.

These factors show that there are likely to be potential impacts on these groups. This will be monitored as part of the range of mitigation measures that are proposed as part of the action plan accompanying the proposal.

- **What qualitative or quantitative data do we have?**

List all examples of quantitative and qualitative data available

- Census 2011 data on Tower Hamlets population
- Office of National Statistics (ONS) population estimate
- The London Voluntary Service Council (LVSC) on VCS profile in Tower Hamlets
- Community Plan 2015
- Joint Strategic Needs Assessment
- Borough Equalities Assessment



- SHBE date
- Council Tax data
- Council Tax Reduction scheme recipient data
- Housing Benefit data

- **Equalities profile of staff?**

N / A

- **Barriers?**

- **Recent consultation exercises carried out?**

- Online survey
- Letters to every household
- Use of local, BME and social media

- **Additional factors which may influence disproportionate or adverse impact?**

N / A

- **The Process of Service Delivery?**

Equalities monitoring and analysis will be built into the implementation of the agreed scheme to comply with general equality duties and equality more broadly:

- Individual financial assessments
- Income maximisation assessments
- Support in relation to income collection, recovery and arrears

Target Groups	Impact – Positive or Adverse	Reason(s)
Race	Neutral	<p>No inadvertent bias or discrimination on the basis of race is indicated in the options presented in the report. However, it is noted that the proportion of existing LCTRS recipients that are Bangladeshi is significantly higher than the proportion of Bangladeshi households in the borough. The proposed schemes and options are means tested and include mitigation measures by ensuring vulnerability and ability to pay Council tax are a key part of the proposals. There will also be regular and on-going monitoring to review the impact of any new scheme. The Council is also proposing a hardship scheme as part of any proposed scheme change.</p>
Disability	Neutral	<p>No inadvertent bias or discrimination on the basis of disability is indicated in the options presented in the report. The proposed schemes and options are means tested and include mitigation measures by ensuring vulnerability and ability to pay Council tax are a key part of the proposals. There will also be regular and on-going monitoring to review the impact of any new scheme. The Council is also proposing a hardship scheme as part of any proposed scheme change. Schemes 1B and 2B specifically protect vulnerable households which includes those in receipt of disability related benefits.</p>
Gender	Neutral	<p>No inadvertent bias or discrimination on the basis of gender is indicated in the options presented. The proposed schemes and options are means tested and include mitigation measures by ensuring vulnerability and ability to pay Council tax are a key part of the proposals. There will also be regular and on-going monitoring to review the impact of any new scheme. The Council is also proposing a hardship scheme as part of any proposed scheme change. Schemes 1B and 2B specifically protect vulnerable households which includes lone parents, a greater proportion of which are women.</p>

Gender Reassignment	Neutral	No inadvertent bias or discrimination on the basis of gender reassignment is indicated in the options presented in the report. The proposed schemes and options are means tested and include mitigation measures by ensuring vulnerability and ability to pay Council tax are a key part of the proposals. There will also be regular and on-going monitoring to review the impact of any new scheme. The Council is also proposing a hardship scheme as part of any proposed scheme change.
Sexual Orientation	Neutral	No inadvertent bias or discrimination on the basis of sexual orientation is indicated in the options presented in the report. The proposed schemes and options are means tested and include mitigation measures by ensuring vulnerability and ability to pay Council tax are a key part of the proposals. There will also be regular and on-going monitoring to review the impact of any new scheme. The Council is also proposing a hardship scheme as part of any proposed scheme change.
Religion or Belief	Neutral	No inadvertent bias or discrimination on the basis of religion or belief. The proposed schemes and options are means tested and include mitigation measures by ensuring vulnerability and ability to pay Council tax are a key part of the proposals. There will also be regular and on-going monitoring to review the impact of any new scheme. The Council is also proposing a hardship scheme as part of any proposed scheme change.
Age	Neutral	No inadvertent bias or discrimination on the basis of religion or belief. The proposed schemes do not impact pension age households, are means tested and include mitigation measures by ensuring vulnerability and ability to pay Council tax are a key part of the proposals. There will also be regular and on-going monitoring to review the impact of any new scheme. The Council is also proposing a hardship scheme as part of any proposed scheme change.
Marriage and Civil Partnerships.	Neutral	No inadvertent bias or discrimination on the basis of Marriage and Civil Partnerships is indicated in the options presented in the report. All the options proposed take account of both the claimant's and partner's income regardless of marital status. The proposed schemes and options are means tested and include mitigation measures by ensuring vulnerability and ability to pay Council tax are a key part of the proposals. There will also be regular and on-going monitoring to review the impact of any new scheme. The Council is also proposing a hardship scheme as part of any proposed scheme change.
Pregnancy and Maternity	Neutral	No inadvertent bias or discrimination on the basis of Pregnancy and Maternity is indicated in the options presented in the report. The proposed schemes and options are means tested and include mitigation measures by ensuring vulnerability and ability to pay Council tax are a key part of the proposals. There will also be regular and on-going monitoring to review the impact of any new scheme. The Council is also proposing a hardship scheme as part of any proposed scheme change. The Addition limiting claims

		to two children if selected would impact on those households with more than two children.
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## Section 4 – Mitigating Impacts and Alternative Options

From the analysis and interpretation of evidence in section 2 and 3 - Is there any evidence or view that suggests that different equality or other protected groups (inc' staff) could be adversely and/or disproportionately impacted by the proposal?

Yes? ✓                      No?

If yes, please detail below how evidence influenced and formed the proposal? For example, why parts of the proposal were added / removed?

The analysis of the four options demonstrated that very similar proportions of equality groups will be impacted as per the current profile of recipients of the LCTRS and that disproportionate numbers of equality groups are part of this profile. The councils approach to incorporating means testing, exemptions for vulnerability e.g. disabled and lone parent households, and the local welfare support scheme provide a framework of mitigation measures to support affected households where this is required.

## Section 5 – Quality Assurance and Monitoring

Have monitoring systems been put in place to check the implementation of the proposal and recommendations?

Yes? ✓                      No?

How will the monitoring systems further assess the impact on the equality target groups?

Regular analysis of the demographic profile of claimants and households

Does the policy/function comply with equalities legislation?  
(Please consider the OTH objectives and Public Sector Equality Duty criteria)

Yes? ✓                      No?

If there are gaps in information or areas for further improvement, please list them below:

N / A

How will the results of this Equality Analysis feed into the performance planning process?

Equalities monitoring will be embedded in the implementation and forms part of the regular service monitoring and reporting.

## Section 6 - Action Plan

*As a result of these conclusions and recommendations what actions (if any) **will** be included in your business planning and wider review processes (team plan)? Please consider any gaps or areas needing further attention in the table below the example.*




Page 84

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress
Income maximisation	<p>Income maximisation assessments will be undertaken for all claimants affected by the new scheme if the existing scheme is changed.</p> <p>Work with voluntary sector partners will include advice and information regarding income maximisation and support for claimants</p>		Steve Hill	
LCTRS Hardship Policy	<ul style="list-style-type: none"> <li>- A new policy to address hardship based on vulnerability and ability to pay will be developed and in place from 1<sup>st</sup> April if the existing scheme is changed and will be reviewed annually.</li> </ul>	<p>March 2017</p> <p>Annual</p>	<p>Steve Hill</p> <p>Steve Hill</p>	
Local Welfare Support Scheme	<ul style="list-style-type: none"> <li>- A new local welfare support scheme will be developed and implemented for 2017/18 to address the wider impacts of welfare reform which will include LCTRS recipient households.</li> </ul>	May 2017	Steve Hill	
Income Collection and Debt Recovery Support	<ul style="list-style-type: none"> <li>- An income collection and debt recovery process will be put in place to ensure in particular</li> </ul>	March 2017	Roger Jones	

	those receiving Council Tax bills for the first time are appropriately advised and supported, to minimise any financial burden			
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## Appendix A

### (Sample) Equality Assessment Criteria

Decision	Action	Risk
As a result of performing the analysis, it is evident that a risk of discrimination exists (direct, indirect, unintentional or otherwise) to one or more of the nine groups of people who share <i>Protected Characteristics</i> . It is recommended that the use of the policy be suspended until further work or analysis is performed.	<b>Suspend – Further Work Required</b>	Red 
As a result of performing the analysis, it is evident that a risk of discrimination exists (direct, indirect, unintentional or otherwise) to one or more of the nine groups of people who share <i>Protected Characteristics</i> . However, a genuine determining reason may exist that could legitimise or justify the use of this policy.	<b>Further (specialist) advice should be taken</b>	Red Amber 
As a result of performing the analysis, it is evident that a risk of discrimination (as described above) exists and this risk may be removed or reduced by implementing the actions detailed within the <i>Action Planning</i> section of this document.	<b>Proceed pending agreement of mitigating action</b>	Amber 
As a result of performing the analysis, the policy, project or function does not appear to have any adverse effects on people who share <i>Protected Characteristics</i> and no further actions are recommended at this stage.	<b>Proceed with implementation</b>	Green: 