

Agenda Item No:	11	
Committee:	Council	
Date:	24 February 2022	
Report Title:	Council Tax Support – 2022-23 Scheme	

Cover sheet:

1 Purpose / Summary

To consider the Cabinet recommendations in relation to the Council Tax Support (CTS) Scheme to take effect from 1 April 2022.

2 Key issues

- Each year the Council is required to review its Council Tax Support Scheme. This report advises Council about the conclusion of the 2021 annual review and the resultant Cabinet recommendations for the CTS scheme to take effect from 1 April 2022.
- Cabinet at its meeting on 20 January 2022 considered the outcome of the consultation process and decided to recommend to Council that proposed changes detailed in Section 4 of this report, be implemented in the Council Tax Support Scheme with effect from 1 April 2022.
- The report detailing Cabinet's considerations is attached.
- A Customer Impact Assessment (CIA) is attached at Appendix C to this report.
- The proposed Council Tax Support Scheme for 2022/23 is set out at the following link: <https://www.fenland.gov.uk/CTSS2022>

3 Recommendations

- (i) It is recommended by Cabinet that the proposed changes detailed in Section 4 of the attached report, be implemented in the Council Tax Support Scheme with effect from 1 April 2022,
- (ii) the Council Tax Support Scheme to take effect from 1 April 2022 as set out in the following link be approved:
<https://www.fenland.gov.uk/CTSS2022>

Wards Affected	All
Portfolio Holder(s)	Cllr Chris Boden, Leader & Portfolio Holder, Finance Cllr Mrs Jan French, Deputy Leader
Report Originator(s)	Sam Anthony, Head of HR & OD Mark Saunders, Chief Accountant
Contact Officer(s)	Peter Catchpole, Corporate Director and Chief Finance Officer Sam Anthony, Head of HR & OD Mark Saunders, Chief Accountant
Background Paper(s)	None

Agenda Item No:	9	
Committee:	Cabinet	
Date:	20 January 2022	
Report Title:	Council Tax Support – 2022-23 Scheme	

Cover sheet:

1 Purpose / Summary

To consider the outcome of the consultation process on potential changes to the Council Tax Support Scheme for 2022-23 and to recommend to Council the final scheme for implementation with effect from 1 April 2022.

2 Key issues

- Cabinet at its meeting on 30 September 2021 decided to carry out a consultation exercise on the following four changes to the current scheme (as detailed in Section 4 of the report):
 - to reduce the capital threshold to £10,000 and abolish tariff income;
 - to introduce a fixed rate deduction of £7.40 for non-passported non-dependents;
 - to streamline the claim process and
 - to increase the tolerance for Universal Credit data re-assessments.
- A consultation exercise was carried out for a 6 week period from 25 October to 5 December 2021.
- The results of the consultation exercise are summarised in Appendix A with the detailed responses in Appendix B. The majority of the 13 responses received agreed with the proposed changes.
- A Customer Impact Assessment (CIA) will be required if Cabinet recommends any changes to the contribution rate for 2022-23. This is detailed at Appendix C.

3 Recommendations

- It is recommended that members consider the attached report and consultation responses and recommend to Council that the proposed changes detailed in Section 4 of this report, be implemented in the Council Tax Support Scheme for 2022-23.

Wards Affected	All
Portfolio Holder(s)	Cllr Chris Boden, Leader & Portfolio Holder, Finance Cllr Mrs Jan French, Deputy Leader
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Background Paper(s)	None

Report:

1 Introduction

- 1.1 Before April 2013, Council Tax Benefit (CTB) was a nationally controlled scheme administered by District and Unitary Councils that give reductions from Council Tax to people on low incomes according to set criteria specified by regulations. The maximum reduction was 100% of a person's Council Tax bill.
- 1.2 The costs of CTB were fully reimbursed to the Council by the DWP, so that if demand rose or fell, the Council did not bear the costs of these changes.
- 1.3 CTB was localised and replaced by CTS in April 2013. At the same time, Government funding was reduced and CTS was localised, coming under the control of District and Unitary Councils. Whilst pensioners were protected and regulations specified that they must still receive up to 100% CTS, this protection did not apply to working age people.
- 1.4 Unlike CTB, the costs of CTS are borne by Councils. Funding is given by the Government within the overall finance settlement, but this has reduced significantly over the years so that Councils bear the costs of an increase in demand but gain from reduced demand.
- 1.5 The implementation of CTS left Fenland with a funding gap, that potentially saw working age customers only being entitled to 80% CTS. However, Members considered the options available to help increase CTS and were able to implement a scheme in 2013-14 that saw working age customers be entitled to up to 91.5% of CTS; in two ways.
- 1.6 Members primarily met the funding shortfall by revising Council Tax exemptions on empty properties, permitted by regulations that changed in 2013. This meant that the Council would no longer give a Council Tax reduction for most empty domestic properties.
- 1.7 The funding shortfall was further closed by a one-off transitional Government grant that applied in 2013-14 only.
- 1.8 In 2014-15 this grant was not available. With demand for CTS not growing as much as was predicted for 2013-14, Members were able to revise the CTS scheme to feature a reduction of 14% CTS for working age customers.
- 1.9 Councils are required to review the operation of their CTS schemes annually. They are required to make any revisions no later than 28 February in the financial year preceding that for which the scheme will be revised (i.e. 28 February 2022 for the scheme relating to the 2022-23 financial year).
- 1.10 Further annual reviews determined that the CTS reduction remained at 14% since 2015-16, with further links to Welfare Reform and Universal Credit introduced for 2018-19. That scheme was retained for 2019-20.
- 1.11 For 2020-21 the only change was to introduce a fluctuating earnings rule to the treatment of Universal Credit (UC). A weekly tolerance level of £15 (£65 monthly) was introduced to minimise the number of reassessments imposed by monthly changes in a customer's UC payment. This was intended to reduce customer reassessments by a third and continues to work well.

- 1.12 For 2021-22 the only change was to increase the percentage for the minimum contribution rate from a baseline of 14% to 20%. It is too early to report the impact this has had on collection and recovery and it will take several months before we start to understand this. Many customers still have arrears from last year following the impact of COVID-19 and the suspension in recovery action throughout the year which could impact on their ability to pay this year.
- 1.13 We are now reviewing our CTS scheme for the 2022-23 financial year.

2 The 2021 review (for CTS scheme for 2022-23)

- 2.1 Councils are required to review operation of their CTS schemes each year. Where a change is proposed, we are required to undertake customer consultation; the results of which assist in the final decision made by the Council regarding the CTS scheme next year.
- 2.2 Members will be aware that this Council is one of five partners forming the Anglia Revenues Partnership (ARP). The other four Councils are Breckland, East Cambridgeshire, West Suffolk (formerly Forest Heath and St. Edmundsbury) and East Suffolk (formerly Waveney and Suffolk Coastal). These Councils have maintained the contribution rate in their schemes at 8.5% since 2013. They are not proposing any changes to this rate for 2022-23.
- 2.3 Currently, apart from a different contribution rate, all other aspects of the CTS scheme are consistent across all of the ARP partners. This aids the efficient administration of the schemes across the partnership. This does not however preclude any of the partners amending their scheme independently of the others.
- 2.4 All partner authorities are currently considering the options to change the scheme for 2022-23 as detailed in Section 4 below.
- 2.5 Since 2018 the scheme has been harmonised to DWP welfare reforms introduced for Housing Benefit and CTS for Pensioners and introduced closer links to Universal Credit data share to claims, most notably removing the default stipulation for customers to make a separate claim to the Council. This has been of particular help to all the new customers impacted by Covid-19 needing to make a Universal Credit claim but not needing to make a further claim to the Council for Council Tax Support.
- 2.6 Since April 2020 we have strengthened our use of DWP Universal Credit data share links to further assist customers.
- 2.7 Both these initiatives continue to work well for customers, with other Councils either now introducing these changes or looking to do so.
- 2.8 Customer consultation is central to the review of the CTS scheme for 2022-23 and following Cabinet's decision on 30 September 2021, a consultation exercise on the four proposals was undertaken. This took the form of a web-based consultation and was widely publicised on the Council's website and with stakeholders.
- 2.9 Consultation was open for 6 weeks, from 25 October 2021 to 5 December 2021.

- 2.10 We received 13 responses, which although low, is consistent with the normal response rate to public consultation exercises.
- 2.11 The results of the consultation exercise are summarised at Appendix A, with detailed responses at Appendix B. The majority of respondents agreed with the proposed changes.
- 2.12 The majority of respondents (69%) agreed with the Council lowering the capital threshold to £10,000 and removal of a capital tariff with those customers with savings over £6,000. With regards the proposal for a fixed non-dependent deduction 61% agreed, 54% thought the figure of £7.40 was the right amount for this deduction. Most survey respondents also agreed with the simplification of the claims process (69%). The final proposal to increase the tolerance rule had the agreement of 92% of those who responded, the remaining 8% did not know.
- 2.13 The survey also asked for any other thoughts or comments on the proposals. One respondent was concerned that the smallest change may have a significant impact on those receiving benefits. Another comment supported any change that helps ease the financial burden for those on the lowest incomes. The last comment suggested the council should consider supporting those with mental or physical disabilities and customers with a terminal illness.

3 The impact of CTS to date

- 3.1 CTS with its associated gap between Council Tax payable and the maximum help working age people can receive has been in operation now for eight full years and we are in the ninth year of operation.
- 3.2 The table below shows how the amount of CTS awarded and numbers of customers claiming it have changed since CTS was introduced in 2013:-

CTS cases and amount awarded			
Date	CTS awarded	Working age claims	Pensioner claims
31/3/13 (CTB)	£8.16m	4,682	4,727
31/3/14	£7.89m	4,755	4,667
31/3/15	£7.45m	4,620	4,431
31/3/16	£7.21m	4,450	4,202
31/3/17	£7.02m	4,228	3,998
31/3/18	£6.91m	4,189	3,827
31/3/19	£6.98m	4,227	3,629
31/3/20	£7.39m	4,244	3,472
31/3/21 Covid-19 Hardship Fund Net Cost of CTS	£8.65m <u>-£0.87m</u> 7.78m	4,823	3,334
Change 2013 to 2021	- £0.38m -4.66%	141 3.01%	- 1,393 -29.47%

- 3.3 The annual amount of CTS awarded since 2013 to the end of March 2021 has reduced as a result of both the increase in contribution rate to 14% in 2014-15 and a significant reduction in Pensioner claims. There was, however a significant increase in the number of working age claims during 2020-21 due to the impact of Covid-19.

CTS Current Position

- 3.4 Since March 2021, we have seen a reduction of 10.82% in the number of working age CTS claims as at the end of December 2021.
- 3.5 Figures for the amount of CTS awarded and numbers of customers claiming it at the end of December 2021 compared with March 2021 are detailed in the table below:

CTS cases and amount awarded: March – December 2021			
Date	CTS awarded	Working age claims	Pensioner claims
31/03/21	£7.78m	4,823	3,334
31/12/21	£7.37m	4,301	3,269
Change March to December 2021	-£0.41m -5.27%	-522 -10.82%	-65 -1.95%

- 3.6 Total CTS awarded has reduced over the first nine months of 2021-22 due to a reduction in working age claims and the increase in contribution rate to 20%.
- 3.7 Although the Government's Coronavirus Job Retention Scheme ceased on 30 September 2021, there has not, as yet, been corresponding increases in CTS claims.
- 3.8 Whilst the potential remains for caseloads to increase due to continued uncertainties over the future economic impact of Covid-19, it is encouraging that caseloads have returned to near pre-pandemic levels.

Government Funding 2021-22

- 3.9 For 2021-22, the government has provided a one-off grant to authorities in recognition of the anticipated additional cost of providing CTS, at a time when more households are likely to be facing financial difficulties as a result of the pandemic. The grant is for local authorities to keep and the funding is unringfenced. This Council's grant is £194,254 and the major preceptors (County, Police and Fire) have received their grants directly.

4 Proposals for changes to CTS for 2022-23 approved for consultation - improving the customer journey

Proposal 1 - Reduce the capital threshold from £16,000 to £10,000 and remove the requirement to pay a tariff on savings over £6,000.

4.1 This option would result in:

- A simplified scheme reducing the burden on customer and evidence requirements;
- Reduced number of claim adjustments as there would be no requirement to notify changes in capital of £250 or more;
- More streamlined customer experience and reduced processing times for universal credit claims as tariff income details are not provided in DWP claim records;
- Targeting help to those most in need as those with less capital will receive increased awards and those who no longer qualify will have more than £10,000 capital.

4.2 A by-product of implementing this change would be that our options to automate and provide decisions to customers in one day would be extended to those with Capital over £6,000 as the need to manually calculate tariff income would be removed.

4.3 This option focuses on improved customer journey and although indicating some savings it is likely to be relatively cost neutral to the Collection Fund as detailed in the table below:

Option	Saving	Gains	Reductions
Capital upper threshold £10,000 with no tariff income	£7,492	11	11

NB: The capital threshold is the amount of capital (for example, savings) that a customer can own and still receive a reduction on their council tax. This proposal is intended both to ensure support is focused on those customers who most need it and to remove the need for customers to provide evidence (where there is an over £250 change to their capital) of their capital for 'tariff income' to be calculated. ('Tariff income' is a measure that the Government uses for all benefits to calculate how much income a customer could theoretically earn from their capital, even if they don't earn it).

Proposal 2 – Introduce a fixed rate non-dependant deduction

4.4 It is proposed to set a fixed deduction of £7.40 on the amount of Council Tax reduction a customer on 'non-passported benefits' (see definition below) is entitled to if they live with non-dependent adult family members or friends. At the moment, the amount of deduction has to be calculated individually and can cause problems when the non-dependent family members or friends refuse to, or forget to, let the customer know about changes in their circumstances.

- 4.5 Non-passported benefits is a DWP term. ‘Passported’ means people in receipt of DWP prescribed benefits; the income-based elements of Income Support, Jobseekers Allowance and Employment Support Allowance for whom a council does not have to undertake a separate means-tested exercise and evidence gather to determine Council Tax Support or Housing Benefit. ‘Non passported’ means a council must undertake that separate exercise, usually because people have earnings/income exceeding those benefit thresholds. ‘Passported’ customers automatically receive full Council Tax Support up to the non contribution rate or full Housing Benefit whilst non-passported customers will have to make some contribution towards both cohorts must pay the minimum of 20% as required within Fenland District Council’s Scheme.
- 4.6 This option would result in:
- A simplified scheme reducing burden on customer and evidence requirements.
 - Reduced number of claim adjustments as there would be no requirement to notify changes in non-dependant income. This is something the customer is not always aware of or able to obtain verification of themselves.
 - The functionality to verify and receive automatic income updates from DWP and HMRC does not extend to non-dependants meaning verification is always a manual process and the ownness is solely on the customer to identify and report changes for their adult household members.
 - More streamlined customer experience and reduced processing times for Universal Credit claims as DWP do not gather details of non-dependant’s income and the responsibility on the Local Authority to obtain this missing information delays claim processing.
 - Harmonisation with Universal Credit where there is already a flat-rate non-dependent deduction
 - Delays in and failure to provide non-dependant income details results in incorrect CTRS awards, payment failure and Council Tax arrears.
- 4.7 A by-product of implementing this change would be that our options to automate and provide decisions to customers in one day would be extended to those with non-dependants as the need to request follow up details would be removed.
- 4.8 Any customers who are entitled to a severe disability premium within their Council Tax Support assessment will continue to be exempt from non-dependant deductions.
- 4.9 This option focusses on an improved customer journey and reduction in administration resource and although indicating some savings the proposed deduction rates have been modelled to provide a relatively cost neutral option as detailed in the table below:

Option	Saving	Gains	Reductions
Fixed non-dep deduction to £7.40 for those not passported	£4,324	99	58

Proposal 3 – Streamlining the claim process

- 4.10 Currently anyone who claims Universal Credit (UC) is signposted to the Local Authority to make a separate application for CTRS. However, our scheme allows us to treat the DWP notification of UC outcome as a claim in its own right and the Local Authority, therefore, often receive duplicate claims.
- 4.11 Making the claim process more streamlined by restricting use of our direct claim route to those already in receipt of UC or a legacy benefit and signposting everyone else to make a claim for UC if they haven't already done so, thereby, not accepting a duplicate direct claim with the LA would have the following impact:
- More streamlined customer journey by preventing duplication of claims.
 - Reduce burden on customer to provide evidence through making a non-UC claim.
 - Removes requirement for both DWP and Local Authority to verify income details.
 - Maximises income by signposting customers to claim Universal Credit.
 - Makes full use of DWP data share functionality.
 - Reduces administration resource requirements.
- 4.12 A by-product of implementing this change would be that our opportunity to automate DWP first payment files would increase if more claims came through this verified route in the first instance rather than via our online claim form.
- 4.13 Reporting has indicated that for this financial year to date only 3 customers have applied directly to the Local Authority without being in receipt of a legacy benefit or UC or making a fresh claim for UC at the same time. Implementing this change would signpost all 3 to claim directly with the DWP, resulting in 2 of them being entitled to UC and CTRS and 1 not being entitled to UC but still being entitled to CTRS. Therefore, 66% of the few people we would signpost to claim UC as they haven't already done so, would be better off as a result and we would no longer receive duplicate claims for those who have already claimed UC.
- 4.14 This option focusses on improved customer journey and reduction in administration resource and there are no financial implications.

Proposal 4 – increase tolerance for Universal Credit data re-assessments

- 4.15 In April 2020 a tolerance of £65 per month was introduced which meant that income changes of less than £15 per week were no longer re-assessed for UC customers.
- 4.16 Universal Credit (UC) is designed to be paid monthly, calculated on the customer's circumstances, including Real Time Information (RTI) earnings data from HM Revenue and Customs. Given customers' circumstances, especially earnings, fluctuate, this leads to monthly revised UC awards sent to the Council by the DWP.

- 4.17 Due to the tolerance rule, customers have seen a reduction by one third in Council Tax adjustment notifications, and a reduction in direct debit amendments and the need to request a refund. This has provided greater certainty to customers to enable them to manage their payments and household budgets.
- 4.18 The introduction of a fluctuating earnings rules last year has been particularly beneficial given the significant increase in the COVID-19 workload for Anglia Revenues Partnership, which peaked at a 500 per cent increase compared to the same point last year, before reducing to 200 per cent and now starting to return to normal levels.
- 4.19 By increasing the tolerance rule from £65 per month to £100 per month a further 16% of re-assessments would be avoided, providing customers with more consistent payments, fewer adjustments and improved financial certainty. By retaining the discretion to review exceptional cases we will be able to override the rule in the case of a single beneficial change being reported. However, we are yet to see a case where discretion has been needed with the current £65 tolerance as most cases have monthly fluctuations reported which evens out any impact of applying the tolerance over the course of a year.

5 Customer Impact

- 5.1 The Equality Act 2010 reminded all public authorities of their duty to have ‘due regard’ to the need to:
 - Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act,
 - Advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
 - Foster good relations between people who share a protected characteristic and people who do not share it.
- 5.2 Authorities must consider the needs of “protected groups” when making policy decisions, and undertake a Customer Impact Assessment (CIA) to understand the effect of such decisions upon such groups. In doing this, we are required to take the appropriate actions when making changes that may impact negatively on these groups.
- 5.3 A CIA will be required as part of the Council report approving the final CTS scheme for 2022-23 at their meeting on 24 February 2022. This is detailed at Appendix C.

6 Next steps

- 6.1 The recommendations from this meeting will be presented to Council at their meeting on 24 February 2022 who will approve the final scheme for implementation from 1 April 2022.

Fenland District Council survey results for proposed Council Tax Support changes 2022-23

APPENDIX A

Proposal 1 Capital changes Proposal 1 Fenland District Council is proposing to lower the 'capital threshold' for Local Council Tax Reduction from £16,000 to £10,000 and remove the requirement to pay a tariff on savings over £6000.	Proposal 2 Fixed deduction. Proposal 2 Fenland District Council is proposing to set a fixed deduction on the amount of Council Tax reduction a customer is entitled to if they live with non- dependent adult family members or friends.	Proposal 2 Is £7.40 the right amount for the deduction? Based on data about average deductions for current claimants, the council is proposing a fixed rate deduction of £7.40 for claimants whose are not in receipt of Income Support, Jobseekers Allowance (Income based), Employment Support Allowance (Income Related). Do you agree that this is the right amount?	Proposal 2 Too high or too low If you answered no to Q3, do you believe this amount is too high or too low?	Proposal 3 Simplification of application process Proposal 3 Fenland District Council is proposing to simplify the application process for LCTRS by requiring all customers to apply to DWP rather than direct to the local authority. Whereas previously, customers submitted separate claims for LCTRS, the proposals would mean customers would in future only need to apply for benefits through DWP, who will automatically notify ARP if someone is eligible for LCTRS. Do you agree with this proposal	Proposal 4 Increase to the amount used for the tolerance rule. Proposal 4 The council is proposing to adjust the current rule whereby customers' income can vary up to £65 a month (£15 a week) before a reassessment is required, to £100 a month.
Strongly agree	23.08%	7.69%			38.46% 30.77%
Agree	46.15%	53.85%	53.85% Too High 50%	30.77%	61.54%
Don't know	0.00 %	30.77%		15.38%	7.69%
Disagree	15.38%	7.69%	46.15% Too Low 50%	15.38%	0.00%
Strongly disagree	15.38%	0.00%		0.00%	0.00%

13 responses.

Appendix B: Responses to consultation on proposed changes to Fenland District Council Local Council Tax Reduction Scheme 2022-23

Question	Consultees' responses	Fenland District Council response
<p>1 Proposal 1. Do you agree with the proposal to lower the 'capital threshold' for Local Council Tax Reduction from £16,000 to £10,000, and remove the requirement to pay a tariff on savings over £6,000.</p>	<p>Agree 9 Don't know 0 Disagree 4</p> <p>If someone has this much in savings then they're not in most need. There are those with a higher priority for support.</p> <p>Should be in line with income tax personal allowance and then incremental steps up to £16000.00</p> <p>I think if someone has over that amount in savings they have enough so survive.</p> <p>This would result in more of the poorest people having to pay more council tax</p> <p>It seems much fairer as those with little or no savings should be prioritised over those who are lucky to have a relatively larger amount of savings</p> <p>Penalises those who have saved vs those who haven't. What affect would this have? Where are the statistics on affected number of people vs savings made by the council?</p>	<p>There will be some customers who will receive more Council Tax Reduction Support and some customers who will receive less but this is not proposed as a cost saving measure.</p> <p>The change is aimed to target help to those most in need as those with less capital will receive increased awards and those who no longer qualify will have more than £10,000 capital.</p> <p>As with all means tested schemes there is a level where customers' savings or income results preclude assistance.</p> <p>If customers savings decrease below this level £10,000 a customer may make a further claim for LCTRS assistance.</p>

	Question	Consultees' responses	Fenland District Council response
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2	Proposal 2. Do you agree with the proposal to set a fixed deduction for customers with non-dependent adult friends or family members in the same household?	Agree 8 Don't know 4 Disagree 1 Will this mean people who get PIP enhanced care element or mobility will no longer be entitled to the non dependent deduction being ignored? Peoples circumstances are unique	The proposal is to retain a nil deduction for non-dependents in receipt of passported benefits (or UC with no earnings) but introduces a fixed rate deduction of £7.40 for other non-dependents. We would also retain the existing protections for customers in receipt of disability benefits meaning they would be exempt from any deductions (regardless of their non-dependent's circumstances): Deductions are not made if you or your partner: <ul style="list-style-type: none">• are receiving attendance allowance• are registered as blind• are receiving <u>Disability Living Allowance</u> (the care component)• are receiving the <u>Personal Independence Payment</u> (the daily living component).
3-4	Based on data about average deductions for current claimants, the council is proposing a fixed rate deduction of £7.40 for claimants whose benefits are not 'passported'.	Agree 7 Don't know 0 Disagree 6 In times where cuts are being made and costs are going up (especially gas and electricity) this could tip people in to deep poverty.	There are currently deductions of non-dependents and these can often change leading uncertainty of CTS entitlement and revised Council Tax Bills.

	Question	Consultees' responses	Fenland District Council response
	Do you agree that this is the right amount?	<p>is this per week or per month. What if the non-dep is only working part-time, on zero hours contract and not guaranteed an income.</p> <p>What if you get income related universal credit?</p> <p>I actually don't know -there is no point of reference for anyone to know whether this is the right amount and surely the deduction amount should depend upon income</p> <p>More support for low income people</p>	<p>The nil deduction will apply to those on passported benefits including those on UC with no earnings.</p> <p>A fixed deduction reduces the burden on customer to continually provide and evidence and updated wage information.</p> <p>It is anticipated that there will be less claim adjustments as there would be no requirement to notify changes in non-dependant income. This is something the customer is not always aware of or able to obtain verification of themselves.</p>
5	Proposal 3. Do you agree with the proposal to simplify the application process for LCTRS by requiring all customers to apply to the Department for Work and Pensions (DWP) rather than direct to the local authority. Whereas previously, customers submitted separate claims for LCTRS, the proposals would mean customers would in-future only need to apply for benefits	<p>Agree 9 Don't know 2 Disagree 2</p> <p>how will you ensure those that do not want to claim other benefits will be able to access support -not everyone wants to claim with DWP.</p> <p>Not sure how this will work.</p> <p>What if this goes wrong? What safeguards will be in place for those who slip through the net when the automatic system doesn't</p>	<p>We already receive data for new UC claimants directly from DWP and treat this as a new claim in its own right (removing the need for a duplicate claim via the LA). This change is to help reduce the number of duplicate claims still received.</p> <p>The council will make all decisions in relation to Council Tax Reduction Support entitlement, it is just that the income information will be provided by the DWP. Customers will still have reconsideration and appeal rights regarding all</p>

	Question	Consultees' responses	Fenland District Council response
	through DWP, who will automatically notify ARP if someone is eligible for the LCTRS.	work 100% correctly (as most systems are not perfect)	<p>Fenland District Council Tax Reduction Support assessments.</p> <p>This change will mean that we only accept new claims via our website from those in receipt of legacy benefits or war pensions. Anyone else will be signposted to claim UC in the first instance or advised that they do not need to complete a form if they have claimed UC already and are waiting its outcome.</p> <p>The numbers we will be signposting are minimal with modelling showing we would only signpost around 4 customers per quarter and 3 of these would have qualified for UC so we would be helping maximise their income.</p> <p>Anyone already in receipt of UC or who has previously made an unsuccessful claim for UC will be able to make a quick and easy re-claim via a short declaration form on our website. We will still provide customer assistance with eligibility questions etc.</p> <p>If a customer decides not to claim Universal Credit a claim for Council Tax Reduction Support may still be submitted.</p>
6	Proposal 4. Do you agree with the proposal to increase the threshold for income changes	Agree 12 Don't know 1 Disagree 0 I don't understand this one.	By increasing the figure from £65 per month to £100 per month would further reduce the need

	Question	Consultees' responses	Fenland District Council response
	that affect Local Council Tax Reduction from £65 to £100?		<p>for re-assessments from a third to a half. This should result in customers having stable payment arrangements, fewer adjustments and improved financial certainty.</p> <p>The Council are not trying to reduce Council Tax Support entitlement. The discretion to review exceptional cases we will be able to override the rule in the case of a single beneficial change being reported. However, most cases have monthly fluctuations reported even out any impact of applying the tolerance over the course of a year</p> <p>There are likely to be less overpayments of Council Tax Reduction Support as there should be fewer assessments required because the increase of the threshold.</p>
7	Anything else about the proposals.	I'm very lucky that I don't need to claim support so my views are not based on my own experiences. However, I work in Social Housing and I see first hand the impact of a small weekly increase can have on those who are on minimal benefits. It might only be a few pound a week here, but it's also other things that are 'only a few pounds more' before you know it we will be having more and more people depending on food banks etc	<p>These proposals are not about implementing savings or effecting other services delivered by the council. These proposals aim to simplify and improve service provision, reduce duplication of information, and lessen the requirement to provide information to the council.</p> <p>.</p> <p>Deductions will not made for a non-dependent if a customer or their partner is in receipt of</p>

Question	Consultees' responses	Fenland District Council response
	<p>I am all for anything which helps ease the financial burden for those of us on the lowest incomes even just a little</p> <p>Please consider supporting further those uniquely in need such as those with mental or physical disabilities, terminal illness.</p>	Personal Independence Payment (PIP) daily living component.

Customer Impact Assessment

APPENDIX C

Name and brief description of policy being analysed
<p>Council Tax Support Proposed changes to Fenland District Council's Council Tax Support Scheme 2022-23</p>
Information used for customer analysis
<p>Changes to Fenland District Council's Local Council Tax Reduction Scheme 2022-23. The four proposed changes are as follows:</p> <p>Proposal 1 It is proposed to lower the 'capital threshold' for Local Council Tax Reduction from £16,000 to £10,000 and remove the requirement to pay a tariff on savings over £6000.</p> <p>Proposal 2 It is proposed to set a fixed deduction of £7.40 on the amount of Council Tax reduction a customer on 'non-passported benefits' (see definition below) is entitled to if they live with non-dependent adult family members or friends. At the moment, the amount of deduction has to be calculated individually and can cause problems when the non-dependent family members or friends refuse to, or forget to, let the customer know about changes in their circumstances.</p> <p>Proposal 3 Fenland District Council is proposing to simplify the application process for LCTRS by requiring all customers to apply to DWP rather than direct to the local authority. Whereas previously, customers submitted separate claims for LCTRS, the proposals would mean customers would in future only need to apply for benefits through DWP, who will automatically notify ARP if someone is eligible for LCTRS.</p> <p>Proposal 4 The council is proposing to adjust the current rule whereby customers' income can vary up to £65 a month (£15 a week) before a reassessment is required, to £100 a month. Since the £65 threshold was introduced in 2020, ARP have seen a significant reduction in adjustment notifications, direct debit amendments and refunds. It has also given customers greater certainty to enable them to manage their payments and household budgets.</p> <p>The majority of the service we provide is governed by legislation and regulations. All of the policies and procedures we work to are reviewed regularly to ensure these are fair and we welcome feedback from customers and take appropriate action where necessary through our 3c's department.</p>

	Could particularly benefit	Neutral	May adversely impact	Explanations	Is action possible or required?	Details of actions or explanations if actions are not possible Please note details of any actions to be placed in your Service Plan
Race		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability</p> <p>There is no impact in relation to race of a person. Council Tax Support is a means tested benefit, race is not a factor of the scheme.</p> <p>No mitigation required</p>	N	
Sex		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability. There is no impact in relation to the sex of person.</p> <p>No mitigation required.</p>	N	

Gender reassignment		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability irrespective of a person's gender reassignment.</p> <p>No mitigation is required.</p>	N	
Disability		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability irrespective of disability. Existing protections for customers entitled to a severe disability premium would be retained meaning there would continue to be an exemption from non-dependant deductions.</p> <p>No mitigation is required</p>	N	
Age		<input checked="" type="checkbox"/>		<p>The Fenland Council Tax Support Scheme is based in the national default scheme which was previously the Council Tax Benefit Scheme. The proposed changes may affect working age customers dependent on capital, household circumstances or Council Tax liability, not on the basis on age.</p> <p>Customers of pensionable age (this is defined by legislation and will change over time as the state retirement age</p>	N	

				<p>changes upwards) will not be affected by these changes as the Government has specified that they must be protected.</p> <p>All information being published about the changes make reference to the changes only affecting working age customers. Households with children and young adults at school will continue to be supported by Child Benefit and maintenance being ignored in calculation Council Tax Support assessments.</p>		
Sexual orientation		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability.</p> <p>There is no impact in relation to sexual orientation of a person.</p> <p>No mitigation required.</p>	N	
Religion or belief		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability. There is no impact in relation to religion or belief of a person.</p> <p>No mitigation required.</p>	N	

Pregnancy & maternity		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability.</p> <p>There is no impact in relation to pregnancy and maternity. Applicable amounts and premiums remain unchanged.</p> <p>No mitigation required.</p>	N	
Marriage & civil partnership		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability irrespective of marital or civil partnership status.</p> <p>No mitigation is required</p>	N	
Human Rights		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability.</p> <p>There is no impact in relation to Human Rights of a person.</p> <p>No mitigation required.</p>	N	
Socio Economic	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability.</p> <p>These proposed charges will result in some customers receiving more Council Tax Support and some</p>	N	

				<p>receiving less.</p> <p>The proposed changes aim to target assistance to those customers who have under £10,000 capital and reduce the evidence requirement burden for customers. In addition, the proposed changes aim to provide stable payment arrangements and provide financial certainty by applying a standard rate nondependent deduction and increasing the amount used within the Universal Credit tolerance rule.</p> <p>Mitigation.</p> <p>To continue with the discretion to review exceptional cases to override the Universal Credit tolerance rule in the case of a single beneficial change being reported.</p>		
Multiple/ Cross Cutting		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability.</p> <p>These changes will only impact customers in receipt of or claiming Council Tax Support Reduction</p>	N	
Outcome(s) of customer analysis						
a) Will the policy/ procedure impact on the whole population of Fenland and/ or identified groups within the population; negative <input type="checkbox"/> neutral <input checked="" type="checkbox"/> positive <input checked="" type="checkbox"/>						

No major change needed <input checked="" type="checkbox"/>	Adjust the policy <input type="checkbox"/>	Adverse impact but continue <input type="checkbox"/>	Stop and remove / reconsider policy <input type="checkbox"/>
Arrangements for future monitoring: We are always welcoming customers feedback and act upon them when necessary.			
Details of any data/ Research used (both FDC & Partners): A consultation survey on the proposals was conducted by Fenland District Council Consultation for 6 weeks, from 25 th October 2021 to 5 th December 2021.			
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Approved by Peter Catchpole: Corporate Director	Date published: This should be the date the analysis was published on the website		