



**Wigan[♥]
Council**

I request copies of any recorded information pertaining to equality considerations made when the local Council Tax Reduction (CTR) scheme was introduced on 1 April 2013 — specifically regarding the removal of any backdating provision.

Please supply:

- | | |
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| 1. Equality Impact Assessment (EqIA) for 2013 CTR Scheme | We no longer hold this information. |
| 2. The complete EqIA document (not a summary) carried out prior to or at the time of adopting the CTR scheme on 1 April 2013, including any sections explicitly addressing the decision to disallow backdating of CTR awards. | We no longer hold this information. |
| 3. Related Equality Analysis or Reports | We no longer hold this information. |
| 4. Any additional equality analysis, equality monitoring reports, or briefing papers produced in 2012–2013 that assess how the proposed 2013 CTR scheme (and its “no backdating” rule) would affect persons with protected characteristics under the Equality Act 2010—particularly disabled, neurodivergent, or mentally ill residents. | We no longer hold this information. |
| 5. If no such EqIA or related equality analysis from 2012–2013 exists, please confirm that and briefly explain how the Council satisfied its equality-duty obligations when adopting the 2013 CTR scheme. | A consultation with customers and concerned groups was conducted prior to the scheme being implemented. The survey asked if they were in favour of the decision not to backdate claims. A copy of the report to the Cabinet & full Council containing the survey results is attached to this response. Subsequent EIA's have been undertaken during yearly updates to the scheme since 2013 and these can be viewed by visiting Meetings, agendas, and minutes . |

Report to: Cabinet Council

Date of Meeting(s): 10 January 2013
16 January 2013

Subject: Localisation of Council Tax Support Scheme – Proposals for New Scheme and Technical Reforms

Report of: Director of Policy and Customer

Contact Officer: Alison Mckenzie-Folan

Cabinet Portfolio Holder and area: Councillor G M Bretherton

Summary: This report seeks Council approval for the proposed new Local Council Tax Support Scheme (LCTSS) and associated technical reforms to Council Tax.

Link to Corporate Priorities: Confident Places

- Improving economic and social opportunities;
- An attractive, accessible and lively borough, with a prosperous economy as the location of choice for investment.

Confident People

- Protecting vulnerable groups, improving life opportunities and independence, making sure people feel safe and supported in their communities;
- Helping people to stay health longer.

Confident Council

Your Council has re-focused resources towards early intervention and prevention to achieve more for less.

Wards Affected: All

Recommendation(s): That Cabinet recommend to Council that it:

- I. agree with the recommendation that the consultation results do not give reasons for any aspect of the proposed scheme to be reconsidered.
- II. agree that the new scheme is operated in line with the principles set out in Section 1 of this report including protecting vulnerable groups.
- III. agree the new LCTSS - Scheme 3 arrangements as outlined in Section 1 of this report.
- IV. agree the changes to Council Tax discounts and exemptions as outlined in Section 1 of this report.
- V. note that the transitional grant offer has been considered within the context of the Medium Term Financial Strategy and will not be accepted.
- VI. note that assessment criteria for operating the Discretionary Fund (for those households most affected by the change in support levels) are being established. The principle of setting up the discretionary fund was agreed by Cabinet on 30 August 2012.

Implications:

*What are the **financial** implications?*

The Coalition Government will make Local Authorities responsible for running their own Council tax benefit schemes from 2013/14. Currently we process and pay claims based on a national scheme and claim the benefits paid back from the government. From next year we will be paid a fixed grant annually and be expected to manage the payments ourselves. However the government has cut the level of grant we receive. The cut in funding between £2.8- £5.6 million per year cannot be met from Council reserves year on year. In addition there are a number of unknown factors and variables such as demand growth, council tax collection rate and administration costs which will impact on the support the Council can afford.

*What are the **staffing** implications?*

The choice of scheme may impact on the collection team we have in place.

Customer Impact Assessment attached or not required because (please give reason)

Yes, considered for each option

What are the **property** implications in terms of reduction, addition or change to the council's asset base or its occupation? None

Risks: Coalition Government's default scheme would mean that we would need to make further cuts of up to £4.2million to offset the cut in grant and implement the scheme.

Has the Head of Service, Legal and Risk (Monitoring Officer) (John Mitchell) confirmed that the recommendations within this report are lawful and comply with the Council's Constitution? Yes

Has the Director Corporate Services (Paul McKeivitt) confirmed that any expenditure referred to within this report is consistent with the Council's budget? Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council? No

What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):

The alternative option would be not to have a local scheme. In this case we would be left to use the Coalition Government's default scheme which would mean that we would need to make further cuts of up to £4.2million to offset the cut in grant and implement the scheme.

Is this a Key Decision and, if so, under which definition?

This report does not involve a key decision as Council approval is required.

This item is included on the Forward Plan.

List of Background Papers under Section 100D of the Local Government Act 1972:

Title	Available from
Proposals for the Localisation of Council Tax Benefits	30 August 2012

Directorate Sign-off:	Donna Hall
Date:	21 December 2012

Please list any appendices:-

Appendix number or letter	Description
Appendix 1	Consultation Methods
Appendix 2	Consultation Survey Responses

1. Background to proposed scheme and principles

On 31 October 2012 the Local Government Finance Act 2012 gained Royal Assent. One of the purposes of this act is to abolish Council Tax Benefit and substitute in its place a requirement for the council to design and adopt a Local Council Tax Support Scheme. In preparation for this, Cabinet met on 30th August and determined a set of principles and a number of options for the design of a Local Council Tax Support scheme that would continue to offer Council Tax Support to working age claimants on low incomes and with low capital but within the anticipated funding restrictions. Cabinet determined that these proposed principles and options were to be put forward for public consultation.

The principles agreed by Cabinet were:

- The gap in funding should not be bridged through cuts to services.
- Additional revenue that could be generated by making changes to the levels of discounts and exemptions available for certain types of empty/unoccupied properties should be used to (i) offset the impact on the collection fund of the reduced funding available for Wigan's local scheme; and (ii) reduce the amount of savings needed to be found from changes to the amount of support offered to working age claimants.
- Working age families with children under five should be protected from any changes in support that would be proposed by the local scheme.
- In line with the Armed Forces Covenant Principles, those claimants in receipt of War Disablement or War Widow's Pension should have this income disregarded in any assessment of Council Tax Support.
- Any changes made to the current Council Tax Benefit rules in designing a local scheme should be as simple as possible.
- Extended Payments of support for qualifying claimants returning to work should be kept in place in order to continue to incentivise work.
- A discretionary policy and procedure should be in place to provide help to those struggling to pay their Council Tax bill, where it is in the interests of the Council Tax payers.

The scheme Cabinet chose to put out to public consultation was Scheme Three.

Scheme Three would see claims assessed using the existing Council Tax Benefit rules (the Government's default Local Council Tax Support Scheme) with the following exceptions applied:

- A 20% slice would be made from all awards of Council Tax Support – every working age household pays something towards their Council Tax bill (unless protected);
- The maximum amount of capital allowed before being excluded from receiving support would be set at £6,000;

- Second Adult Rebate would be abolished;
- No claims would be backdated.

Having proposed that revenue gained from Council Tax technical reforms should be used to support the Local Council Tax Support scheme, it was then proposed that the changes to Council Tax discounts and exemptions would be:

- Class 'A' 12 month exemption (dwellings undergoing major repairs) changed to a 75% discount for 12 months.
- Class 'C' 6 month exemptions (dwelling that have been empty for up to 6 months) would be changed to a 1 month full exemption followed by a 25% discount for a maximum of 5 months.
- The 50% long term empty property discount (dwellings that have been empty for 6 months or more) would be removed completely. Dwellings left empty for longer than 6 months would therefore be charged 100% Council Tax.
- Properties empty for longer than 2 years would attract an Empty Homes Premium – an extra 50% charge in addition to the 100% charge already applied.
- The 10% Second Homes Discount would be removed completely for dwellings that are unoccupied but furnished.

2. Public Consultation Strategy

Wigan's public consultation on Local Council Tax Support began on 19th September 2012 and ran for 6 weeks. It closed on 31 October 2012. The consultation was publicised through a variety of mediums. The survey was available primarily online, with telephone assistance advertised for those unable to complete it online. Paper surveys were offered at face to face forums.

The table in Appendix 1 illustrates the methods used to notify residents of the consultation, inform them of the council's proposals and invite them to complete the survey and give their views.

3. Public Consultation Results

The consultation period ended on 31st October 2012 with a total of 1050 responses submitted by residents and representatives of concerned groups.

Officers were mindful that the consultation was meaningful in order to ensure responses were received from a good cross section of residents and that the purpose of the consultation was understood. In addition officers were mindful to ensure that the consultation process was carried out efficiently and cost effectively. Aside from officer time, the direct costs involved in the consultation process were approximately £1,340.

Recent case law suggests that meaningful consultation requires at least 1,000 responses from a cross section of residents. An analysis of the 1,050 responses has revealed that

they have been received from adult residents of a variety of ages; males and females; those who are employed and unemployed; those earning various levels of income; those in receipt of state benefits; those who have children living with them; and from those with disabilities. Other characteristics were recorded and are available. Officers are satisfied that 1,050 responses received has ensured that the consultation has been meaningful and the results generally reflect the opinions of the residents of the borough.

The results in Appendix 2 outline the views of those that responded to the consultation survey questions. The results indicate that residents generally support the council's proposed scheme. There do not appear to be any aspects of the scheme that are not supported by the majority of respondents and thus by residents generally. The conclusion can be drawn that the consultation results do not therefore give reasons for any aspect of the proposed scheme to be reconsidered.

4. Transitional Grant Offer from Central Government

On 19 October 2012 the Department for Communities and Local Government (DCLG) issued a formal proposal offering local authorities the opportunity to take up a 'one year only' government LCTSS Transitional Grant (TG). The TG 'one year only' grant has been considered within the wider context of the Medium Term Financial Strategy. There would still be a significant shortfall in the first year and an even wider shortfall for each subsequent year. Given the restrictions placed on any re-modelling of the scheme through compliance with TG, the authority would find it incredibly problematic, if not impossible, to achieve the savings required.

5. Use of the Discretionary Fund

In order to make some provision for those households most severely affected and to offset the cost of collection, a discretionary fund will be set up and administered alongside the Local Council Tax Support Scheme. This will be funded by combining the Local Scheme with the Council Tax reform savings, and the surplus set aside for use on an individual circumstance basis. Principles will be established for operating the fund along with assessment criteria for approving applications.

6. Conclusions

It seems clear that the Council will need to introduce a LCTSS to assist those on low incomes to come into force in April 2013. The amount of funding available will be significantly less than we would have received if council tax benefit continued. The Council will be required to fully protect pensioners. It is desirable that the scheme provides an incentive to work and assist those unable to work through disability and mitigate against the effects of child poverty it will be difficult to strike a balance.

The cut in funding between £2.8- £5.6 million per year cannot be met from Council reserves year on year. In addition there are a number of unknown factors and variables such as demand growth, council tax collection rate and administration costs which will impact on the support the Council can afford.

The LTCSS proposals seek to take into consideration all known variable factors arising from guidance and the regulations released from DCLG including the requirement to consult with charities and to align the scheme with Universal Credit principles.

7. Recommendations

That Cabinet recommend to Council that it implement the new Local Council Tax Support Scheme detailed in this report from 1 April 2013 as directed by the Local Government Finance Act 2012.

Appendix 1 Consultation Methods

Contact Method	Details Of Publicity
Media Releases	<ul style="list-style-type: none"> • Press release to local press; • Members' Update; • Web Page banner with link to online information booklet & survey (internal & external web); • One For All articles; • Social Media posts via Wigan Council's Facebook page; Article in WALH Customer Involvement Update publication.
Electronic / Paper Mailing	<ul style="list-style-type: none"> • Email promoting the consultation and survey sent to 9,000 residents whose email addresses are held in the council's Customer Relationship Management System; • 22,000 flyers sent in all Council mailings issued during the consultation period; • 5,000 flyers distributed to Job Seekers Allowance claimants via Job Centre Plus Wigan.
Publicity Drops	<ul style="list-style-type: none"> • Booklets & flyers placed in all the borough's Bridgewater Medical Centres & Surestart Centres; • Booklets, flyers & posters distributed to welfare and concerned groups and advice providers such as CAB, WIAC, The Brick Project.
Life Centres	<ul style="list-style-type: none"> • Booklets & flyers displayed in all Life Centres in borough and staff briefed on take up opportunities; • Booklets available via floorwalkers for customers entering Wigan Life Centre; • Consultation survey responses taken by Customer Service Advisors at enquiry desks and self serve kiosks.
Briefings / Forums	<ul style="list-style-type: none"> • Wigan Life Centre Stakeholders Group briefing (CAB / Remploy / JobCentre+ / WIAC / WALH); • Representative Groups Forum held at Wigan Town Hall attended by CAB, WIAC, FIP, Your Housing Group. (approx 60 invited) • Briefing to major Registered Social Landlords; • Briefings to tenants at all Wigan & Leigh Housing tenant forums with paper surveys completed by tenants (approx 120 tenants attended). Paper surveys completed by tenants at the forums; • Briefing to staff and clients at The Brick Project with paper surveys completed by both; • Presentations at Wigan & Leigh Housing Welfare Reform awareness staff workshops with paper surveys completed; • Briefings to all Citizen Support Services staff

Appendix 2 – Consultation Survey Results

Consultation Survey Question	In favour	Not in favour	Neutral
Families with children under the age of 5 should not lose any support when the Local Council Tax Support Scheme is introduced	58.5%	25.9%	15.6%
War disablement income and War Widows pensions should not be counted as income in assessment of Council Tax Support	73.4%	18%	8.6%
The income disregards and premiums currently given to disabled persons for Council Tax Benefit should be carried over into the new Local Council Tax Support Scheme	63.2%	19%	17.6%
Qualifying claimants who start work should receive a four week extended payment of support	68.5%	20.2%	11.3%
Should the Council have a discretionary fund to provide support in addition to the Council Tax Support scheme?	55%	23.9%	21.1%
Revenue resulting from increasing the Council Tax payable for empty properties should be used to support the funding of the Local Council Tax Support Scheme and Discretionary Fund	65.7%	21.4%	12.9%
Working age people with savings or capital of more than £6000 should not receive Local Council Tax Support and should pay 100% of their Council Tax bill	61.7%	28.3%	10%
Second Adult Rebate should be abolished and working age claimants who don't qualify for Council Tax support, because their own income is too high, should pay all of their liable Council Tax bill	67.7%	19.3%	13.1%
Local Council Tax Support should not be backdated. Support should only be awarded from the date it was claimed, with no provision for that award to be made from an earlier date	64.6%	26.3%	9.2%
All working age households without children under five should pay at least 20% of their Council Tax bill	68.6%	21.4%	10.1%