

Proposed new Local Council Tax Support Scheme (LCTS) & consultation outcome



Cllr Rob Strachan, Cabinet Member for Finance and Commissioning

Date:	28 February 2023
Agenda Item:	11
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Key Decision?	Yes
Local Ward Members	All

**FULL
COUNCIL**

1. Executive Summary

- 1.1 Lichfield District Council has consulted widely on proposed changes to its Local Council Tax Support Scheme (LCTS) for working-age claimants.
- 1.2 The proposed changes include:
1. Introducing an income banded discount scheme.
 2. Allowing residents in all council tax bands to claim council tax support in line with their council tax banding, if eligible.
 3. Not considering Housing Benefit and the housing element, disabled child element, severely disabled child element, and carers' element of Universal Credit when calculating income.
 4. Not considering Personal Independence Payments and Disability Living Allowance when calculating income and providing a further £85 per week disregard where an applicant, their partner or a dependant is in receipt of a disability benefit.
 5. Not considering Carer's Allowance, the support component of the Employment & Support Allowance or Child Benefit when calculating income.
 6. Not considering War Pensions, War Widows/Widower's Pensions or War Disablement Pensions when calculating income.
 7. Altering/awarding a claimant's support based on the date a new claim or change is submitted, rather than weekly.
 8. Introducing a standard £50 per week earnings disregard for all working applicants.
 9. Limiting the number of dependent children within the calculation for council tax support to a maximum of two for all applicants.
 10. Removing non-dependant deductions.
 11. Removing extended payments.
 12. Changing the backdating provisions within the scheme.
- 1.3 The aim of the proposed changes is to make the scheme:
- **Better for claimants** Provide more financial support to residents on the lowest incomes, distribute the support given more fairly to claimants based on their incomes and circumstances, create less paperwork and confusion, provide more financial stability, and deliver greater customer satisfaction. Reduce debt recovery activity carried out with the most financially vulnerable residents.
 - **Better for council taxpayers** Allow the council to streamline administration and reduce unnecessary paperwork and costs.

- 1.4 1,619 residents gave their views over a 12-week period on the proposed changes and all changes were supported by most respondents (see Appendix 1).
- 1.5 The major preceptors, including Police, Fire and Staffordshire County Council, were consulted in relation to the changes and all were supportive of the changes.
- 1.6 The scheme is more generous than the current scheme, and if approved will see approximately £694,051¹ more financial assistance is provided to the community in the form of council tax support by the council and its precepting partners. The true cost of the scheme for 2023/24 will be known when the council's annual billing and annual uprating process completes in March 2023.

2. Recommendations

- 2.1 Following a recommendation to approve by Cabinet on 14 February 2023, Full Council is asked to approve the introduction of a new income banded Local Council Tax Support Scheme (LCTS) for working age claimants that will come into effect on 1 April 2023 in line with the proposed regulations (detailed in Appendix 1), the costs of which form part of the medium-term financial strategy which is being considered elsewhere on the Full Council agenda.
- 2.2 Within this, Full Council is asked to approve the retention of extended payments within the new scheme which will better support residents who gain employment (see 3.25). This is a change to the scheme that was consulted on and was fully supported by Cabinet and Overview & Scrutiny.
- 2.3 Full Council is also asked to approve that the new scheme will disregard the disabled child element, severely disabled child element, and carers' element of Universal Credit as income. This is also a change to the scheme that was originally consulted on and was proposed following a detailed Equality Impact Assessment (see 3.25) and was fully supported by Cabinet.
- 2.4 Full Council is asked to note that a review of the scheme will be brought back to Overview & Scrutiny and Cabinet within twelve months of its launch to consider its benefits and any negative impacts, so it can be tailored in future years to offer the best support possible to residents.

3. Background

- 3.1 Since council tax was introduced in 1993, people on low incomes have been able to claim support to pay their council tax bills. Until 2013, this was through the nationally designed council tax benefit scheme.
- 3.2 On 1 April 2013, the Government transferred responsibility for council tax support to local councils. Since then, local councils have had a duty to design and deliver Local Council Tax Support Schemes (LCTS) for working-age claimants.
- 3.3 Local Council Tax Support Schemes apply to working-age claimants only. Pension-age claimants receive support under the nationally prescribed scheme in line with The Council Tax Support Schemes (Prescribed Requirements) (England) Regulations.

¹ This cost is based on a calculation performed on the council's current caseload mapped until 12 January 2023. The figures may however alter based on the caseload as of 1 April 2023 and may be impacted by the uprated income bands (see 3.16).

- 3.4 The council's current scheme was launched in April 2013. It fundamentally mirrored the outgoing national council tax benefit scheme.
- 3.5 There are many variations of schemes across the country, ranging from more generous schemes that mirror the national scheme, through to those that aim to limit who is eligible and severely restrict the level of help given.
- 3.6 Many councils have simplified their schemes to address changes brought about by welfare reform and Universal Credit, including introducing income-banded schemes for working age claimants. Such schemes are recognised to deliver more financial security/stability to customers, and to reduce the administrative burden on councils administering the schemes.
- 3.7 Nationally there is a strong view that there should be an increase in the level of support provided to those households on the lowest incomes. This view has gained momentum over the past few years and has been reinforced since the COVID-19 crisis, as well as the recent cost of living increase, both of which have had a major effect on incomes generally.
- 3.8 To date, Cabinet has fully supported the consultation on the proposed changes to the scheme and demonstrated an appetite to support the maximum number of claimants possible through the scheme.

Why consider changing the scheme?

- 3.9 The proposed new scheme was developed for several reasons:
- The administration grant the council receives from government is reducing year-on-year, however the cost of administering the scheme is not reducing. This is primarily due to inbuilt complexities in the current scheme – for example every time an applicant's income changes, their case must be reassessed, and their award must be reprofiled.
 - Universal Credit (UC) is undoubtedly a contributing factor to this, especially for claimants who are in employment. Claimants' UC is recalculated every month which can generate new files for the council to process. For claimants receiving fluctuating wages, this means they receive a revised award every month and, therefore, a revised council tax bill, which is costly to administer and deliver.
 - This reprofiling of payments also creates a high level of uncertainty for customers. Payments made by customers can be delayed because of the requirement to give 14 days' notice, meaning customers do not have the opportunity to apportion their remaining council tax payments over as many instalments. On average 40% of UC claimants have between eight and twelve changes in entitlement each year. These changes result in amendments to council tax bills, the re-calculation of instalments, delays, and resetting of recovery arrangements.

- The ability to award 100% support to those on the on very lowest incomes will prevent hundreds of households incurring small amounts of debt, as well as reduce debt recovery related costs. Studies have shown that the collection of a minimum amount of council tax is expensive, with recovery fees often exceeding the debt the customer originally owed (Institute of Fiscal Studies²). Whilst the principle of all working age households paying ‘something’ was initially thought to be a positive approach, the reality is that households on the lowest incomes have been unable to pay this amount, often leading to additional court and enforcement costs and a reduction in customer wellbeing. These charges and costs also often need to be written off as uncollectable.
- Due to the complex nature of assessments, benefit assessor skills are required to process Local Council Tax Support Scheme (LCTS) applications/changes.
- The administration of the current scheme is complex, with staff having to request significant amounts of information/evidence from applicants. This means the timescales for processing applications is lengthy, mainly due to the complexity and evidence required to support the applications. A simplified scheme will allow the possibilities of awards being automated, resulting in a prompt award of support, so meeting customers’ need for real-time changes to their bill according to changes in their circumstances.
- Above all, the cost of administering the scheme remains high, whilst customer satisfaction is compromised as customers are often confused by the nature and regularity of correspondence they receive and are less able to budget/manage their money based on fluctuating awards.
- Equally, future potential savings the council may hope to achieve following the introduction of Universal Credit are being hampered. This is because the council’s unique caseload is relatively constant, as regardless of the type of benefits a resident is claiming, the council’s assessors still need to regularly review each case.

3.10 There are approximately 2,660 working-age claimants of LCTS which costs approximately £2.423 million per annum to deliver, not including administration costs. This cost is accounted for in the Council Tax Collection Fund (a separate account where all income and expenditure associated with council tax is managed), whilst the administration costs (net of government grant) are accounted for in the council’s revenue budget.

The proposed changes

3.11 The consultation proposed the introduction of an income banded scheme and eleven further changes to the existing scheme. These changes are:

Proposed change	Impact on customers
Allowing residents in all council tax bands to claim council tax support in line with their council tax banding, if eligible.	Makes the scheme more equal and ensures residents living in Band E or above properties can claim council tax support in line with their council tax banding. Currently support is capped Band D rates.

² <https://www.ifs.org.uk/publications/13827>

Proposed change	Benefit to the customer
Not considering the housing element of Universal Credit when calculating income.	The housing element of Universal Credit customers receive towards their rent will be disregarded in the calculation.
Not considering Personal Independence Payments and Disability Living Allowance when calculating income and providing a further £85 per week disregard where an applicant, their partner or a dependant is in receipt of a disability benefit.	Provides a higher level of support to disabled customers and will enable them to retain more of their income to support their needs.
Not considering Carer's Allowance, the support component of the Employment and Support Allowance and Child Benefit when calculating income.	Better supports carers, vulnerable customers, and families with young children.
Not considering War Pensions, War Widows/Widower's Pensions and War Disablement Pensions when calculating income.	Better supports War Pensioners and War Widowers.
Altering/awarding a claimant's support based on the date a new claim or change is submitted, rather than weekly.	Ensures that support better matches the date of application or a change in circumstances.
Introducing a standard £50 per week earnings disregard for all working applicants.	Encourages residents to take up work opportunities and increases and unifies the current disregards.
Limiting the number of dependent children within the calculation for council tax support to a maximum of two for all applicants.	Families with two children will receive the same level of council tax support as families with three or more children.
Removing non-dependant deductions.	There will be no reduction to the support given if an applicant has non-dependants living with them. This is a significant change and means that the administration of the scheme will be more straightforward, whilst also protecting low-income families where adult children (for example) remain at home after leaving education or return home for any reason.
Removing extended payments – see 3.25.	Extended payments are provided to people who were not working and then gain employment, for four weeks, as a way of encouraging people into work/to stay in work.
Changing the backdating provisions within the scheme.	Enable the council to back-date claims up to six months if the resident can show they should have been entitled to support, regardless of whether they can show good cause for not having claimed previously it in a timely manner. This will support people who are not familiar with the benefits system and otherwise fall through the gaps.

3.12 Other discounts, exemptions and disregards including single person discount, carers discount, student disregards are not affected by the proposed new scheme and will remain in place. The process currently taken to assist care leavers will remain in place and will not be affected by this change.

The income banded scheme

3.13 The council also consulted on introducing an **income banded scheme**. Such schemes can better support claimants whose wages fluctuate regularly as they provide more clarity of the council tax support claimants will receive. If claimant's income fluctuates within a band, their support will not change.

3.14 In the proposed new scheme, the council will consider the amount of income a household earns, disregarding:

- Personal Independence Payments and Disability Living Allowance.
- The housing element of Universal Credit and Housing Benefit payments.
- Carer's Allowance and the support component of Employment & Support Allowance.
- Child Benefit.
- War Pensions, War Widows/Widower's Pensions and War Disablement Pensions.
- Passported benefits including Income Support, Job Seekers' Allowance Income Based and Employment & Support Allowance (income related) and any income for recipients of these benefits
- The disabled child element, severely disabled child element and carer's element of Universal Credit (see 3.25).

3.15 The council will also disregard £50 per week of earnings if the recipient/their partner in the household is working, and a further £85 per week (of any income) if an applicant, their partner, or a dependant is in receipt of a disability benefit.

3.16 Based on the earnings remaining, the council will then place the household into one of the income bands detailed below, and award support based on their household make-up and net weekly income:

Proposed Local Council Tax Support Scheme income bands for 2023/2024 (including 10.1% annual uprating)

Band	Council tax support (% reduction in bill)	Single person – net income per week ³	Single person with one child/young person – net income per week	Single person with two or more children/young persons – net income per week	Couple with no children – net income per week	Couple with one child/young person – net income per week	Couple with two or more children/young persons – net income per week
1*	100%	£0 - £86	£0 - £179	£0 - £252	£0 - £134	£0 - £227	£0 - £301
2	75%	£86.01 - £126	£179.01 - £219	£252.01 - £292	£134.01 - £174	£227.01 - £267	£301.01 - £341
3	50%	£126.01 - £166	£219.01 - £259	£292.01 - £332	£174.01 - £214	£267.01 - £307	£341.01 - £381
4	25%	£166.01 - £206	£259.01 - £299	£332.01 - £372	£214.01 - £254	£307.01 - £347	£381.01 - £421
5	0%	£206.01 or more	£299.01 or more	£372.01 or more	£254.01 or more	£347.01 or more	£421.01 or more

³ The council looks at net weekly income – after tax, National Insurance and half of pension contributions.

- 3.17 When a claimant's earnings fluctuate within a band (for example a single person whose income fluctuates between £86.01 and £126 a week as shown in yellow above), the amount of council tax support they receive will remain at 75%. However, if their earnings increase and they move into a higher band – for example their wages increase to £149 per week (a change from Band 2 to Band 3 - as shown in green above) the amount of council tax support they receive would drop from 75% to 50%.
- 3.18 Whilst the banded scheme offers more stability, there will inevitably be some people who are worse off than on a tapered scheme (as per the council's current scheme). This is because if a resident's income is on the borders of any of the bands, they could receive 25% less council tax support if they earn just a little more, as they could jump into a higher band (that offers less discount), rather than the current tapered reduction which reduces more gradually. This is known as a 'cliff-edge'.
- 3.19 The proposed bands (see 3.16) are loosely based on Universal Credit entitlements, and the modelling the council has carried out has shown that the majority of those who will receive less support are those with higher incomes. The modelling shows that 1,870 claimants will receive more support under the proposed new scheme, and 369 claimants will receive less support. The majority of those who would receive less support, will experience a reduction of £14.99 and under per week (as shown in the table below)⁴.

How residents will be affected by the proposed new bands (based on initial testing)

Amount support affected by (+/-)	Number of residents who will receive more support	Number of residents who will receive less support
Up to 99p	32	50
£1 - £4.99	725	117
£5 - £9.99	716	131
£10 - £14.99	250	41
£15 - £19.99	89	20
Over £20	58	10
Total claimants⁵	1,870	369

- 3.20 The above figures are indicative and cannot be confirmed until the annual billing and annual uprating process for 2023/2024 completes in March 2023. The annual uprating process occurs each year and is when the council uprates the income figures included at table 3.16 to reflect the uprating conducted by the Department for Work and Pensions (DWP). DWP benefits that are linked to inflation will rise by 10.1% in April 2023. By uprating the LCTS scheme accordingly claimants can earn a little more before they move up a band. This will however alter the cost of the overall scheme. Furthermore, as the scheme discounts a percentage of the amount of council tax a customer needs to pay, should the council tax rates be increased significantly by all precepting authorities, the cost of the scheme/amount of council tax revenue forgone will increase accordingly, further pushing up the cost of the proposed scheme (see Financial Implications for further details).

⁴ This cost is based on a calculation performed on the council's current caseload mapped until 12 January 2023. The figures may however alter based on the caseload as of 1 April 2023 and may be impacted by the uprated income bands (see 3.16).

⁵ Total claimants/impact is based on caseload when initial testing took place. Total caseload will always fluctuate as people start to and stop claiming LCTS.

3.21 Any residents who are disproportionately affected by the changes and face undue financial pressure will be considered for the Exceptional Hardship Scheme. This approach meets the requirement to have transitional support in place and will ensure individual applicants are dealt with in a fair and equitable manner.

3.22 Subject to the new scheme being adopted, thereafter new rates will be agreed each year at Full Council and any negative impact from the previous year can be taken into consideration and addressed as part of this annual review process.

The consultation results

3.23 1,619 residents gave their views as part of the consultation that ran for 12 weeks between 25 July 2022 and 16 October 2022. A summary of the results is included at Appendix 1. It is worth noting that the survey only asked for free-form text comments from people who disagreed with any of the proposals. As such, supportive free-form text comments were not gathered have not been captured as part of the consultation exercise, so it is important to view the balance of feedback in this light.

Proposal	Consultation question	Yes	No	Don't know
1	Should the council introduce an income banded discount scheme?	63%	18%	19%
2	Should residents in all council tax bands be able to claim?	69%	13%	18%
3	Should the housing element of Universal Credit not be considered when calculating income?	64%	17%	19%
4	Should Personal Independence Payments and Disability Living Allowance be disregarded and should a further £85 per week disregard be applied if an applicant, their partner or a dependant is in receipt of a disability benefit.	81%	6%	13%
5	Should Carer's Allowance, the support component of the Employment & Support Allowance and Child Benefit not be considered when calculating income?	76%	10%	14%
6	Should War Pensions, War Widows/Widower's Pensions and War Disablement Pensions, not be considered when calculating income?	82%	6%	12%
7	Should a claimant's award/amendment be based on the date it was submitted, rather than weekly?	81%	5%	14%
8	Should the council introduce a standard £50 per week earnings disregard for all working applicants?	66%	11%	23%
9	Should the council limit the number of dependent children within the calculation to a maximum of two?	69%	13%	18%
10	Should the council remove non-dependant deductions?	62%	16%	22%
11	Should the council remove extended payment provision?	68%	11%	21%
12	Should the council change the backdating provisions within the scheme?	80%	6%	14%

Proposals, equality impact assessment and extended payments

3.24 Most respondents agreed with all proposed changes, and no significant areas of detailed concern were raised.

3.25 Since the consultation however:

- The council has carried out a detailed **Equality Impact Assessment (see 3.29 - 3.31)**. This identified that the scheme design would negatively impact families claiming the disabled child element, the severely disabled child element and the carers' element of Universal Credit. The ability to automatically disregard these payments has become available since the scheme was originally conceived/consulted on. As such, it is proposed that these payments are disregarded as income in the new scheme from 1 April 2023 onwards. Based on initial testing, the estimated cost of disregarding these incomes is approximately £72,436⁶ per annum and the council has written to the County Council, Fire and Police to notify them of the proposed change to the originally consulted on scheme and the council's proposal to consider these changes as part of its approval of the scheme. Statutorily the council does not need to reconsult on these changes provided they form part of the council's decision-making process.
 - The council has reviewed the administration of the new scheme in detail and identified that removing **extended payments** for people who move from unemployment into employment does not present a significant administration saving, nor does it represent a large annual spend reduction (approx. £700 per annum). Extended payments are where someone who was unemployed, but gains employment, retains the same council tax support for the first four weeks of their employment, so that they do not face an increased bill as soon as they start working, when their wages may not yet have been paid. The aim of extended payments is to make it as easy as possible for a newly employed person to remain in work. As such, given the new scheme is designed to encourage and support people into and to remain in work, despite the consultation feedback, it is proposed that extended payments are retained in the new scheme.
- 3.26 Beyond the changes detailed at 3.25, this report proposes that the council adopt the proposed changes that were consulted on in full. These changes are reflected in the proposed regulations (see Appendix 1).
- 3.27 As with any new scheme, the council will undertake constant monitoring throughout the first year of the scheme's operation to identify any negative impacts on residents. Any exceptional financial hardship will be addressed through the proposed Exceptional Hardship Scheme (see 3.32 – 3.34). Any other impacts will be incorporated into and addressed as part of the annual review of the scheme that will take place each year in advance of the council tax setting proposals being brought to Cabinet and Full Council.

Envisaged benefits of the new scheme

- 3.28 Overall, the benefits of the proposed new scheme include:
- Residents on the **lowest incomes will receive more support** through the new scheme and could receive up to 100% council tax discount. This means they won't be chased for small amounts of council tax debt they can't pay, potentially ending up deeper in debt when court summons and recovery costs are added to their accounts. Equally the council can focus its debt recovery activity on those who can pay but are avoiding doing so. This will boost the wellbeing of hundreds of residents across the district as well as boost collection rates and reduce debt write-offs.
 - The scheme will result in a **simplified claim process** for all claimants.

⁶ This cost has been based on a calculation performed on the council's current caseload mapped until 12 January 2023. The figures may however alter based on the caseload as of 1 April 2023 and may be impacted by the updated income bands (see 3.16). More recent testing suggests it could reduce to approx. £55,650.

- **Speed of processing will be increased.** The new scheme will lend itself to automation of more processes, with the potential to further speed up claims and changes of circumstances.
- Residents whose circumstances change (where their income goes up or down a band) will need to fill in a **simple online form** to notify the council, so their award amount can be amended. Residents who had a recent claim with the council that went out of payment, due to an increase in income, will need to fill in a **simple online form** to notify the council that they are now eligible for payment, should their income drop.
- The new scheme will avoid constant changes in customer's awards, meaning customers will know month on month what they need to pay towards their council tax, and so help to **maintain the council's current high collection rates**. The increased level of discount will also assist all those applicants on the lowest incomes, again improving the overall collection rate.
- **Resident will better understand where they are in relation to their council tax support and what they need to pay**, and only significant changes in their income will affect the level of council tax support they receive.
- The new scheme is designed to **reflect other council tax discounts and exemptions**, and any changes will be effective from the day of change rather than the Monday of the following week.
- **A wider pool of staff will be able to administer the scheme**, without significant levels of training or expertise, supporting the new team's approach to more generic working.
- The overall **cost of administering the scheme has the potential to reduce over time**.

Equality impact assessment

- 3.29 The council carried out an Equality Impact Assessment (see Appendix 3) on the proposed new scheme that mapped the impacts on any members of our community who have characteristics that are protected under law including age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion, sex and sexual orientation. As a result, the council has made the following amendments to its proposed new scheme:
- Disregard the Disabled Child Element of Universal Credit, the Severely Disabled Child Element of Universal Credit and the Carers Element of Universal Credit.
- 3.30 The EIA also highlighted recipients of Limited Capability for Work and Limited Capability for Work Related Elements of Universal Credit may also be affected, as these payments are not disregarded within the proposed new scheme. This proposed new scheme has not be altered based on this outcome of the EIA. This is on the basis that LCW or LCWRA claimants do not always have a protected characteristic (e.g., a disability) and any claimants of LCW or LCWRA with a protected characteristic (long-term physical or mental health condition or disability) can claim Personal Independence Payments (PIP). PIP is disregarded under the proposed new scheme and could see people's income increase by between £97.80 and £627.60 per month (2022/2023 rates). Equally anyone already in receipt of a disability related benefit will have a further £85 disregarded from their income within the proposed new scheme.
- 3.31 In addition, should any claimants of LCW or LCWRA be able to demonstrate they are experiencing exceptional financial hardship because of LCW or LCWRA not being disregarded under the new scheme, and as such cannot afford their proposed council tax payments, they will be encouraged to apply for support under the Exceptional Hardship Scheme. The council will also encourage residents

with long-term health conditions who claim LCW or LCWRA to apply for the relevant disability benefits such as PIP (if applicable).

Transition to the new scheme and the Exceptional Hardship Scheme

- 3.32 Most councils introduce a discretionary hardship approach to support the introduction of the banded scheme that provides financial assistance to anyone who faces undue financial hardship whilst the scheme is embedded. This approach meets the requirement to have transitional support within any change to the scheme, it will also ensure individual applicants are dealt with in a fair and equitable manner.
- 3.33 It is proposed that the council's Exceptional Hardship Scheme will form part of the Local Council Tax Support Scheme and fall to be paid through the Collection Fund, in the same way any debt write offs are also paid through the Collection Fund. Given the proposed scheme is more generous, it is predicted that the demand on this fund will be limited.
- 3.34 A Section 13a policy that will allow the council to give short-term council tax support to those who are disproportionately affected by the new scheme will be considered by Cabinet for approval in March 2023 before the implementation of the scheme. The policy is so named as the powers to reduce council tax come under Section 13A of the Local Government Finance Act.

Alternative Options	The alternative to introducing a new scheme for Local Council Tax Support Scheme from 2023/2024 is to leave the existing scheme in place. This would be a short-term option, lead to increasing costs of administration and in the longer term, could significantly affect the collection of council tax and the effectiveness of the scheme to support households within the council's area.																																					
Financial Implications	<p>The current Local Council Tax Support Scheme is projected to cost approximately £4.986m (including the pensioner scheme) which is borne by the council's Collection Fund. The budgeted cost is shared between the council and the major precepting authorities based on the council tax resolution on this agenda in the following proportions in 2023/24:</p> <table border="1"> <thead> <tr> <th></th> <th>Band D</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Staffordshire County Council</td> <td>£1,471.23</td> <td>71.50%</td> </tr> <tr> <td>Staffordshire Commissioner - Police and Crime</td> <td>£260.57</td> <td>12.66%</td> </tr> <tr> <td>Staffordshire Commissioner - Fire & Rescue</td> <td>£84.25</td> <td>4.09%</td> </tr> <tr> <td>Lichfield District Council</td> <td>£187.85</td> <td>9.13%</td> </tr> <tr> <td>Parish Councils (Average)</td> <td>£53.86</td> <td>2.62%</td> </tr> <tr> <td>Total</td> <td>£2,057.76</td> <td>100.00%</td> </tr> </tbody> </table> <p>The council tax base for 2023/24 approved by Cabinet on 7 December 2022 included updated projections to accommodate the projected additional cost of the revised Local Council Tax Support (LCTS) Scheme included in the Collection Fund. The allowances and budgets based on the council tax Resolution for 2023/24 are shown overleaf:</p> <table border="1"> <thead> <tr> <th></th> <th>Band D Equivalents</th> <th>Total Budget</th> </tr> </thead> <tbody> <tr> <td>Base Budget</td> <td>(2,517.0)</td> <td>(£5,179,398)</td> </tr> <tr> <td>Projected LCTS Increase</td> <td>(287.5)</td> <td>(£591,637)</td> </tr> <tr> <td>Approved Local Council Tax Support Budget</td> <td>(2,804.5)</td> <td>(£5,771,035)</td> </tr> <tr> <td>Bad Debts Provision Allowance</td> <td>(304.9)</td> <td>(£627,419)</td> </tr> </tbody> </table>			Band D	%	Staffordshire County Council	£1,471.23	71.50%	Staffordshire Commissioner - Police and Crime	£260.57	12.66%	Staffordshire Commissioner - Fire & Rescue	£84.25	4.09%	Lichfield District Council	£187.85	9.13%	Parish Councils (Average)	£53.86	2.62%	Total	£2,057.76	100.00%		Band D Equivalents	Total Budget	Base Budget	(2,517.0)	(£5,179,398)	Projected LCTS Increase	(287.5)	(£591,637)	Approved Local Council Tax Support Budget	(2,804.5)	(£5,771,035)	Bad Debts Provision Allowance	(304.9)	(£627,419)
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Allowances impacted by a review of LCTS	(3,109.4)	(£6,398,454)
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	Base Budget	Total Projected Cost	Projected LCTS Increase
Staffordshire County Council	(£3,703,097)	(£4,199,321)	(£496,223)
Staffordshire Commissioner - Police and Crime	(£655,857)	(£743,743)	(£87,886)
Staffordshire Commissioner - Fire & Rescue	(£212,058)	(£240,474)	(£28,416)
Lichfield District Council	(£472,820)	(£536,179)	(£63,359)
Parish Councils (Average)	(£135,566)	(£153,732)	(£18,166)
Total	(£5,179,398)	(£5,873,449)	(£694,051)

The total budget potentially impacted by the revised LCTS is **£6,398,454** consisting:

- The LCTS scheme (including pensioners) is £5,771,035.
- The revised scheme will support some claimants with 100% discount and therefore the level of bad-debt provision will also potentially reduce. The bad debt provision budget is £627,419.

Since Cabinet, the test billing exercise has been completed and this suggests the projected cost of the proposed new scheme for 2023/2024 will be **£5,873,449** (Cabinet projected cost was £5,771,681).

It is important to note however, that the above modelling figures do not take into consideration the uprating of Universal Credit claimants' income (occurs in April 2023) which will increase incomes and therefore potentially reduce the costs of the scheme further.

The budgets for the LCTS increase (**£591,637**) and bad debts (**£627,419**) are currently sufficient to accommodate the modelled additional cost of **£694,051**, including any slight movement in costs because of the annual uprating of the revised scheme. The cost of the scheme will however continue to be monitored through council tax collection fund projections contained in Money Matters reports.

Approved by
Section 151 Officer

Yes

<p>Consultation</p>	<p>A full consultation has been undertaken in line with the statutory requirement with:</p> <ul style="list-style-type: none"> • The major preceptors, including Police, Fire and Staffordshire County Council, were consulted in relation to the changes and all were supportive of the changes. They have been notified of the change following the EIA detailed at 3.25. • The public and customers, including the Citizens Advice Bureau who were supportive of the proposed changes. • Overview and Scrutiny and Cabinet have been fully consulted. <p>An analysis of the public consultation is included within Appendix 2.</p> <p>The council will also work closely with partners including the Citizens Advice Bureau in advance of introduction of the scheme, to ensure they can best support their clients in relation to the scheme.</p>
<p>Legal Implications</p>	<p>Schedule 1A (3) of the Local Government Finance Act 1992, states:</p> <p>Before making a scheme, the authority must:</p> <ul style="list-style-type: none"> • consult any major precepting authority which has power to issue a precept to it, • publish a draft scheme in such manner as it thinks fit, and • consult such other persons as it considers are likely to have an interest in the operation of the scheme. <p>In addition, to set a new scheme, the council is obliged to make a resolution by 11 March of the year prior to the scheme coming into place. The council has and will adhere to the above guidance in relation to the proposed redevelopment of its scheme.</p>
<p>Approved by Monitoring Officer</p>	<p>Yes</p>
<p>Equality, Diversity and Human Rights Implications</p>	<p>The move to the new scheme will either have a positive or no impact on most working age claimants. From modelling carried out, approximately 1,870 claimants will receive more support than under the current scheme.</p> <p>As with all changes however, up to approximately 369 claimants may receive less support than under the current scheme. Further support will be made available through the council's Exceptional Hardship Fund should anyone affected experience exceptional financial hardship because of the proposed changes.</p> <p>A full EIA has been completed and is included at Appendix 3.</p>
<p>Contribution to the Delivery of the Strategic Plan</p>	<p>The review of LCTS underpins the council's priority of developing prosperity, encouraging economic growth, and being a good council that is responsive and customer focussed.</p>

Crime & Safety Issues	No specific issues.
Environmental Impact	The reduction in administration together with the removal of notification letters etc. will have a positive environmental impact
GDPR / Privacy Impact Assessment	No specific issues.

	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	New Score (RYG)
A	The accuracy of the modelling tool data is critical to the financial modelling of the schemes. All significant modelling has been done on 2022/2023 data and rates/precepting amounts for that year. Revenues and Benefits Manager/AD/S151 Officer	Likelihood: Yellow Impact: Yellow Severity: Yellow	Mock testing has suggested the modelling has been accurate. Ongoing monthly monitoring of the modelling to check results will be conducted.	Likelihood: Green Impact: Yellow Severity: Green
B	Current economic situation could result in more claims Revenues and Benefits Manager/AD/S151 Officer	Likelihood: Yellow Impact: Yellow Severity: Yellow	This risk is the same with any scheme, however the more generous the scheme, the higher the potential costs of the overall scheme. This will be monitored throughout year 1 (2023/2024) of the new scheme and any adverse changes will be addressed in revisions put forward for the following year's (2024/2025) scheme.	Likelihood: Yellow Impact: Yellow Severity: Yellow
D	Challenge to the legality of the scheme. Revenues and Benefits Manager/AD/S151 Officer	Likelihood: Green Impact: Yellow Severity: Yellow	Some councils have had the legality of the scheme challenged. The council is confident that it has not however proposed any changes that have previously been challenged. It has also complied with all the legal requirements for implementing a new scheme. This will be monitored ongoing during the first year of the scheme.	Likelihood: Green Impact: Yellow Severity: Yellow

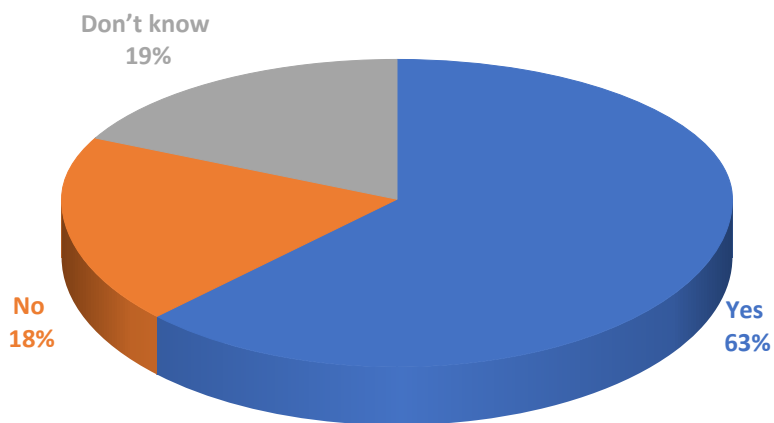
<p>Background documents</p> <ul style="list-style-type: none"> • Appendix 1 Draft new Local Council Tax Regulations 2023-2024. • Appendix 2 Consultation summary. • Appendix 3 Equality Impact Assessment.

Relevant web links

- [Local Council Tax Support Scheme Review presented to Cabinet 5 April 2022.](#)
- [Local Council Tax Support Scheme \(LCTSS\) permission to consult presented to Cabinet 11 July 2022.](#)

Appendix 2 Consultation summary

Proposal 1 Should the council introduce an income-based banded discount scheme?

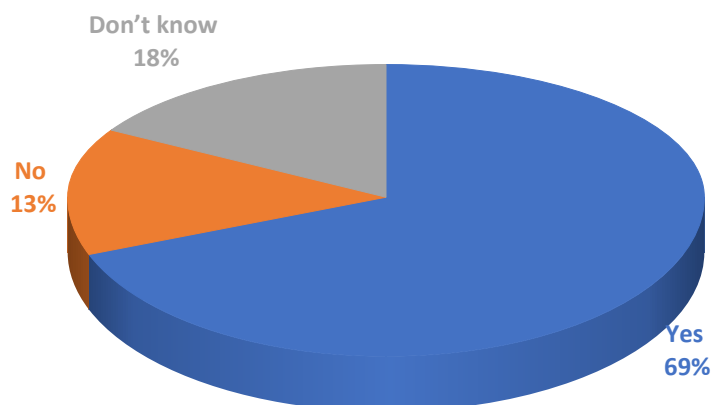


63% of people who responded agreed with this proposal. 705 answered.

What this would mean for claimants: In the current scheme if a claimant's salary alters (for example they work a few more or a few less hours), their council tax support must be reprofiled which can result in a resident receiving an amended award each month. This is costly to administer and confusing to residents, leaving them unclear as to what they need to pay. Introducing a banded scheme means that if a claimant's, or their partner's, income varies within a band, the council tax support they receive will not change, and their council tax bill will not be reprofiled. As such banded schemes can provide greater stability from month-to-month.

Summary of concerns: Concerns this scheme will affect single person discount (it does not and this needs to be clearly communicated to alleviate concerns). Concerns those earning more should not receive less council tax support than those earning less. Concerns the scheme will discourage people to work. Concerns the income bands prevent those families earning just over the maximum threshold to receive any support. Concerns those with two children should not get more support than those with one. Concerns benefits are unfair overall to working people who don't qualify.

Proposal 2 Should residents in all council tax bands be able to claim?

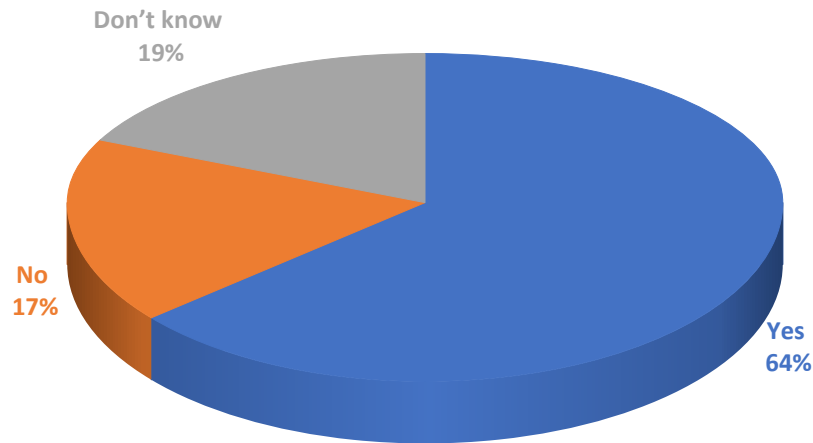


64% of people who responded agreed with this proposal. 512 answered.

What this would mean for claimants: In the current scheme if a resident lives in a band E, F or G property they are unable to claim, regardless of their earnings. Under the proposals anyone will be able to claim if they are eligible based on their income level, regardless of council tax band.

Summary of concerns: Concern that people who live in higher bands should be eligible for support. Agreement that council tax bands are not representative of a family's financial situation. Disagreement that people in higher bands should be able to claim, as they typically have bigger homes in better areas and should move if they cannot afford the higher costs.

Proposal 3 Should the housing element of Universal Credit not be considered when calculating income?

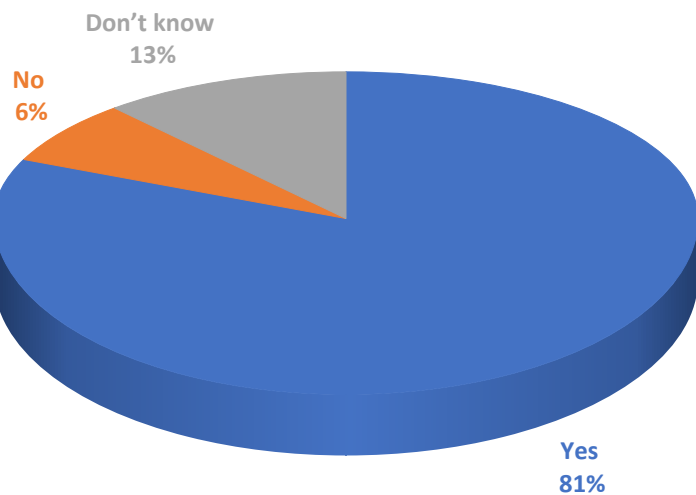


64% of people who responded agreed with this proposal. 559 answered.

What this would mean for claimants: Universal Credit claimants can be awarded a housing element, which goes directly to qualifying housing costs, such as rent or mortgage interest. Housing costs can either be owner-occupier costs (mortgage interest) or rent. This element replaces housing benefit. Under the proposed new scheme, this would not be taken into consideration when calculating a person's income.

Summary of concerns: Concerns that benefits are unfair overall to working people who don't qualify. Concerns all benefits should be taken into consideration as otherwise it is unfair to people who do not claim benefits. Concerns that simplifying the scheme could be detrimental.

Proposal 4 Should Personal Independence Payments and Disability Living Allowance be disregarded and should a further £85 per week disregard be applied if an applicant, their partner or a dependant is in receipt of a disability benefit.

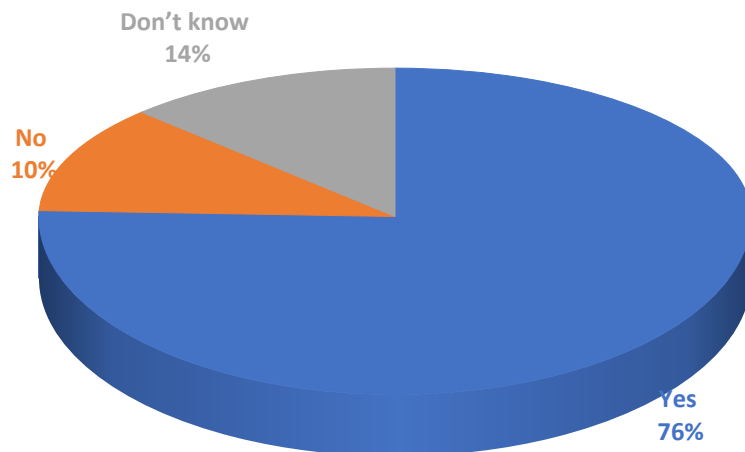


81% of people who responded agreed with this proposal. 474 answered.

What this would mean for claimants: The council will not consider Personal Independent Payments or Disability Living Allowance when calculating excess income and will disregard a further £85 of income if an applicant, their partner or dependent is in receipt of a disability benefit.

Summary of concerns: Concerns that PIP is not means tested. Concerns that some claimants of disability benefits are fit for work. Recognition that such benefits would support people who have extra costs due to a disability, but the measure would disadvantage working families on very low incomes.

Proposal 5 Should Carer's Allowance, the support component of the Employment & Support Allowance and Child Benefit not be considered when calculating income?

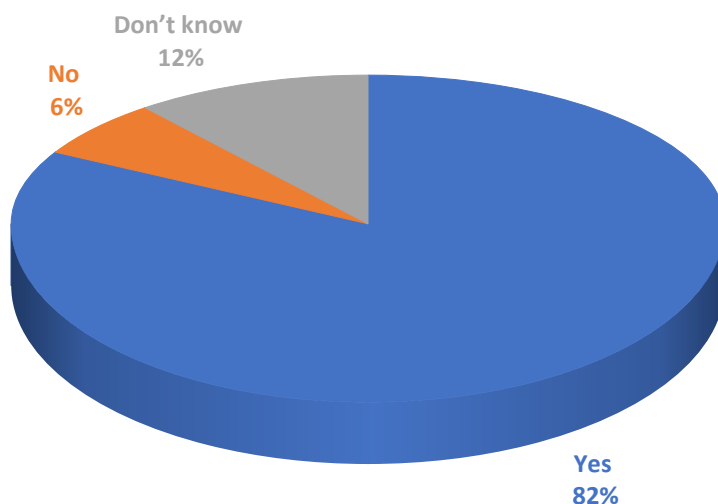


81% of people who responded agreed with this proposal. 470 answered.

What this would mean for claimants: The council will not consider Carer's Allowance, the support component of Employment & Support Allowance or Child Benefit when calculating excess income

Summary of concerns: Concerns people who are not eligible are claiming these benefits. Concerns protecting vulnerable families will disadvantage other families. Concerns benefits are calculated when looking at mortgages, so why are they being disregarded in relation to council tax support. Concerns child benefit should not be disregarded.

Proposal 6 Should War Pensions or War Disablement Pensions⁷ not be considered when calculating income?



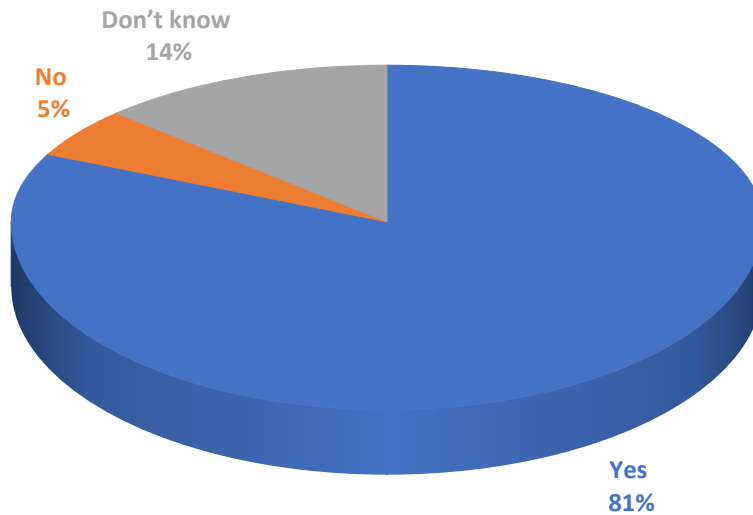
82% of people who responded agreed with this proposal. 468 answered.

What this would mean for claimants: The council will not consider War Pensions, War Widows/Widower's Pensions or War Disablement Pensions when calculating excess income and thereby meets its obligation under the Armed Forces Covenant.

Summary of concerns – full comments can be seen in Appendix 2b: Concerns that it excludes recipients of widow's allowance. Concerns this is not fair to all. Concerns people who chose to go to war understand the consequences, so this is unfair to others.

Proposal 7 Should a claimant's award/amendment be based on the date it was submitted, rather than weekly?

⁷ Please note, individuals can claim War Pensions when they are not of pensionable age and so are still considered under the working-age scheme.

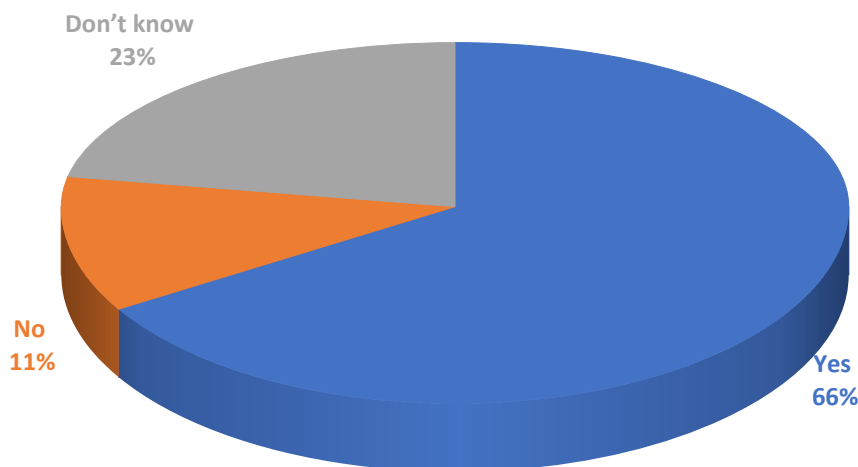


81% of people who responded agreed with this proposal. 485 answered.

What this would mean for claimants: In the current scheme if a new applicant applies, or an applicant has a change in income, the change to council tax support comes into effect from the Monday after the application/change occurs. Under the new proposals, the change would take effect from the date of application/date of change.

Summary of concerns: Concerns this is a change for change's sake. Comments people do not understand the proposed change.

Proposal 8 Should the council introduce a standard £50 per week earnings disregard for all working applicants?

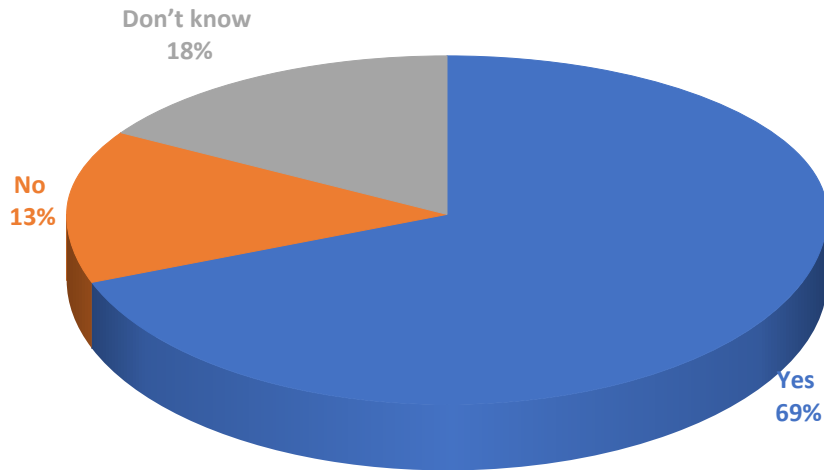


66% of people who responded agreed with this proposal. 528 answered.

What this would mean for claimants: To encourage people into work, the council will ignore £50 of earnings per week. This will replace the current standard disregards and additional earnings disregards.

Summary of concerns: Concerns this will disproportionately affect single parents who cannot work as many hours due to high childcare costs. Concerns anyone working should not receive help. Concerns the £50 level is too high and a lower disregard should be considered. Concerns this scheme will affect single person discount which it will not and this needs to be clearly communicated to alleviate concerns.

Proposal 9 Should the council limit the number of dependent children within the calculation to a maximum of two?

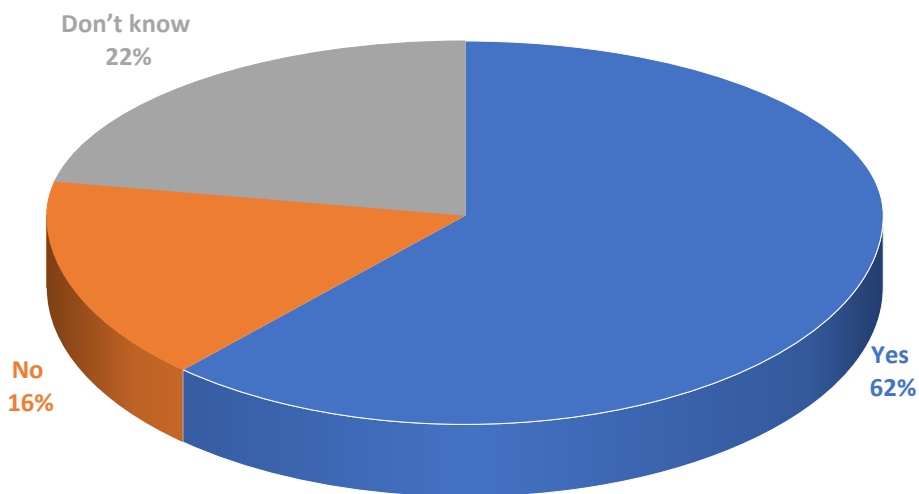


69% of people who responded agreed with this proposal. 636 answered.

What this would mean for claimants: Families with two children will receive the same level of council tax support as families with three or more children, so larger families would not receive greater support based on the number of children they have.

Summary of concerns: Concerns this is unfair to families with a larger number of children who will have higher costs. Views families with larger children should not get more support because they have more children. Concerns benefits are unfair to working people who do not qualify.

Proposal 10 Should the council remove non-dependant deductions?

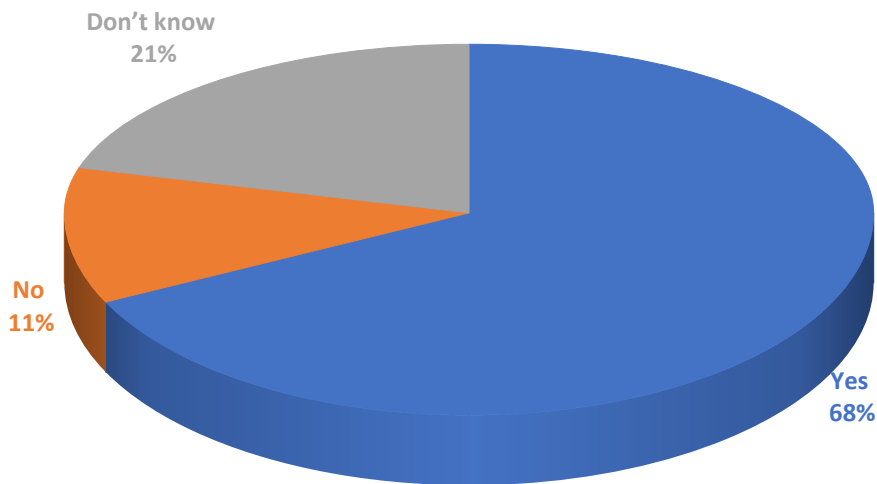


62% of people who responded agreed with this proposal. 581 answered.

What this would mean for claimants: There will be no reduction to the support given if an applicant has non-dependants living with them. This is a significant change and means that the administration of the scheme will be more straightforward, whilst also protecting low-income families where adult sons and daughters for example remain at home after leaving education or return home for any reason.

Summary of concerns: Concerns that non dependents may be paying rent to the liable party and the scheme will not take this into consideration. Concerns benefits are unfair to working people who do not qualify. Support for this approach in relation to young adults (18–25-year-olds). Concerns the whole household income should be considered. Support that more people living in the household will generate higher costs, so claimants should not see a drop in support.

Proposal 11 Should the council remove extended payment provision?

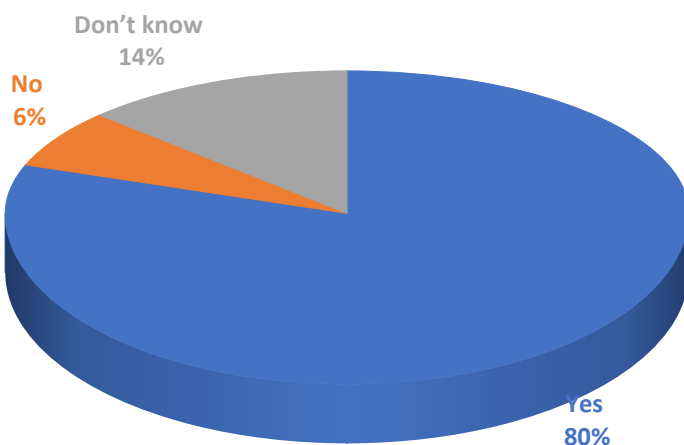


68% of people who responded agreed with this proposal. 496 answered.

What this would mean for claimants: Extended payments are provided to people who were not working and then gain employment, for four weeks, as a way of encouraging people into work/to stay in work.

Summary of concerns: Concerns this should be retained or reduced (in terms of weeks) to keep people in work to support people trying to improve their situation. Concerns this should not be retained, and once people have found work, payments should stop. Concerns benefits are unfair to working people who do not qualify.

Proposal 12 Should the council change the backdating provisions within the scheme?



80% of people who responded agreed with this proposal. 482 answered.

What this would mean for claimants: The council would be able to back-date claims up to six months if the resident can show they should have been entitled to support, regardless of whether they can show good cause for not having claimed previously in a timely manner.

Summary of concerns: Concerns that six months is excessive. Suggestions the period should be shorter, for example 1, 2 or 3 months. Concerns there is any backdate at all, and people should be awarded it from the day they receive it. Concerns this will open the scheme up to people claiming backdates when they are not eligible.

Appendix 3

Equality impact assessment

Council tax support scheme 2023-2024



Section 1: About the service area

Your name:	Nicola Begley
Your service area:	Customer, Residents and Business
Your assistant director:	Lizzie Barton, Assistant Director, Customer, Residents & Business
Your cabinet member:	Cllr Rob Strachan, Cabinet Member for Finance & Commissioning

Section 2: Overview

Name of service/policy you are assessing:	Local council tax support scheme (LCTS) for working age applicants
Detail of proposed change:	<p>The introduction of a banded scheme local council tax support scheme, with a series of additional changes.</p> <p>Overall, the scheme will increase the level of support for working age applicants, with an additional c£500k being made available to low-income households.</p>
Main users of your service/policy	<p>The change will apply to all claimants (new and existing) for council tax support on or after 1 April 2023.</p> <p>Pension age claimants (where both members of a household are of pension age) will not be affected. Such claimants will claim under the national scheme for pension age customers.</p>

Section 3: About the proposed change

The council is required to review its council tax support scheme for working age each year. The council is keen to consider altering the current scheme for several reasons:

- The administration grant the council receives from government is reducing year-on-year, however the cost of administering the scheme is not reducing. This is primarily due to inbuilt complexities in the current scheme – for example every time an applicant’s income changes, their case must be reassessed, and their award must be reprofiled.
- Universal Credit (UC) is undoubtedly a contributing factor to this, especially for claimants who are in employment. Claimants’ UC is recalculated every month which can generate new files for the council to process. For claimants receiving fluctuating wages, this means they receive a revised award every month and, therefore, a revised council tax bill, which is costly to administer and deliver.
- This reprofiling of payments also creates a high level of uncertainty for customers. Payments made by customers can be delayed because of the requirement to give 14 days’ notice, meaning customers do not have the opportunity to apportion their remaining council tax payments over as many instalments. On average 40% of UC claimants have between eight and twelve changes in entitlement each year. These changes result in amendments to council tax bills, the re-calculation of instalments, delays, and resetting of recovery arrangements.
- The ability to award 100% support to those on the on very low incomes will prevent hundreds of households being chased for small amounts of debt, as well as reduce debt recovery related costs. Studies have shown that the collection of a minimum amount of council tax is expensive, with recovery fees often exceeding the debt the customer originally owed (Institute of Fiscal Studies⁸). Whilst the principle of all working age households paying ‘something’ was initially thought to be a positive approach, the reality is that households on the lowest incomes have been unable to pay this amount, leading to additional court and enforcement costs and a reduction in customer wellbeing. These charges and costs also often need to be written off as uncollectable.
- Universal Credit claimants often fail to claim council tax support because of the belief that they have claimed it as part of the UC process, leading to a loss of financial support to those most in need.
- Due to the complex nature of assessments, benefit assessor skills are required to process Local Council Tax Support Scheme (LCTS) cases/changes.
- The administration of the current scheme is complex, with staff having to request additional/separate information from applicants. This means the timescales for processing applications is lengthy, mainly due to the complexity and evidence required to support the applications. A simplified scheme will allow the possibilities of awards being automated, resulting in a prompt award of support, so meeting customers’ need for real-time changes to their bill according to changes in their circumstances.
- Above all, the cost of administering the scheme remains high, whilst customer satisfaction is reducing as customers are often confused by the nature and regularity of correspondence they receive and are less able to budget/manage their money based on fluctuating awards.
- Equally future potential savings the council may hope to achieve following the introduction of Universal Credit is being hampered. This is because the council’s unique caseload is relatively constant, as regardless of the type of benefits a resident is claiming, the council’s assessors still regularly review cases.

In view of these issues, it is proposed that an alternative approach adopted from 1 April 2023. The approach has been to fundamentally redesign the scheme to address the issues with the current scheme, in particular:

- The level of support available to the poorest households.
- The customer experience.
- The problems with the introduction of full-service Universal Credit.
- The significant increase in administration costs due to the high level of changes received in respect of Universal Credit.

⁸ <https://www.ifs.org.uk/publications/13827>

Section 4: How will your plans impact on customers with protected characteristics?

Protected characteristic	Positive impact	Negative impact	Mitigating measures
Disability (physical, sensory or learning)	Most disabled applicants will either receive the same or more support through the proposed new scheme.	<p>The proposed new LCTS scheme will not disregard Limited Capacity for Work (LCW) or Limited Capability for Work & Work-Related Activity (LCWRA) elements of Universal Credit. It will treat these benefits as income.</p> <p>Applicants who receive LCW or LCWRA in their Universal Credit payment, and as such fall into a higher income band within the new scheme, could end up receiving less council tax support from 1 April 2023.</p> <ul style="list-style-type: none"> • LCW was removed (find out more) as a benefit by the government in 2017 and any new UC claimants are not awarded this benefit. People were awarded LCW by the DWP if they were considered not currently capable for work but may be capable for work some time in future. This could be because they have a health or mental health condition, or because they have a disability. Whilst the benefit has been removed, any UC claimants who have not had a break in their claim since 2017 and are still considered to have limited capability for work, can still receive LCW in their UC payment (max award £132.89 per month). • LCWRA is currently awarded to new UC claimants, and it means that during the time people are receiving the benefit, they are not expected to look for work, unlike claimants of other work-related benefits, such as Job Seekers' Allowance (max award £354.28 per month). <p>Any claimants of LCW or LCWRA with a long-term physical or mental health condition or disability can claim Personal Independence Payments (PIP) which is disregarded under the proposed new LCTS scheme and could see people's income increase by between £97.80 and £627.60 per month (2022 rates). Anyone already in receipt of PIP will also benefit from the additional £85 disregard that is a feature of the proposed new scheme.</p> <p>Under the new scheme the most any one claimant could lose in council tax support is up to £25.46 per week. The average is £4.83 per week in council tax support.</p>	<p>The proposed new local council tax support (LCTS) scheme is designed to support those on low incomes by better distributing the financial support the council gives to those on the lowest incomes and allowing those on the very lowest incomes to claim up to 100% council tax support.</p> <p>As such, the scheme assesses income in a fair and consistent manner and is designed to provide support where it is most needed.</p> <p>Where an assessment of income demonstrates that a customer can afford to pay an amount towards their council tax charge (even if that income comes from certain non-disregarded benefits), they will be charged a proportional amount in relation to their financial circumstances.</p> <p>Should any claimants of LCW or LCWRA be able to demonstrate they are experiencing exceptional financial hardship because of LCW or LCWRA not being disregarded under the new scheme, and as such cannot afford their proposed council tax payments, they will be able to apply for support under the Exceptional Hardship scheme.</p> <p>The council will also encourage residents with long-term health conditions who claim LCW or LCWRA to apply for the relevant disability benefits such as PIP (if applicable), which could increase the level of support they receive.</p> <p>All applicants who may potentially lose support, including those claiming LCW and LCWRA, will be contacted (8.35%) prior to the new scheme being implemented to advise of the additional support available and encourage them to apply if needed.</p>

Protected characteristic	Positive impact	Negative impact	Mitigating measures
Age ranges (all working age claimants)	<p>The scheme will now provide for up to 100% support for working age applicants on the lowest incomes, rather than 80% support (as per the current scheme).</p> <p>68% of claimants overall will receive an increase in support, 22% will receive the same level of support and 10% will receive a drop-in support.</p> <p>Households where the claimant and partner are of pensionable age, will not be affected by this revised scheme as they are assessed under a different scheme that remains unchanged.</p>	<p>Some working age applicants will receive less support under the new scheme however this is not related to age, but other circumstances that affect the level of income they receive.</p> <p>The analysis is based on current applicants and values and the final figures may change subject to the level of council tax in 2023/24 and the level of the applicant's income.</p>	
Gender/sex	The scheme changes apply equally to all working age applicants – this protected characteristic is not disproportionately affected.	None	None recommended
Transgender/ gender reassignment	The scheme changes apply equally to all working age applicants – this protected characteristic is not disproportionately affected.	None	None recommended
Race (includes ethnic or national origins, colour or nationality)	The scheme changes apply equally to all working age applicants – this protected characteristic is not disproportionately affected.	None	None recommended
Gypsies and travelers	The scheme changes apply equally to all working age applicants – this protected characteristic is not disproportionately affected.	None	None recommended
Refugees / asylum seekers	The scheme changes apply equally to all working age applicants – this protected characteristic is not disproportionately affected.	None	None recommended

Protected characteristic	Positive impact	Negative impact	Mitigating measures
Sexual orientation	The scheme changes apply equally to all working age applicants – this protected characteristic is not disproportionately affected.	None	None recommended
Marriage and civil partnerships	The scheme changes apply equally to all working age applicants – this protected characteristic is not disproportionately affected.	None	None recommended
Religion or belief (includes lack of belief)	The scheme changes apply equally to all working age applicants – this protected characteristic is not disproportionately affected.	None	None recommended
Pregnancy and maternity	The scheme changes apply equally to all working age applicants – this protected characteristic is not disproportionately affected.	Some pregnant customers, who are temporarily unable to work due to their maternity, may be in receipt of LCWRA – see above.	See above.
Other (please specify)		None	None recommended

Section 5: Can you justify and evidence, or lessen any impact?

Justification/evidence in relation to the proposed changes:
<p>The changes will provide a modern, more supportive and future proofed scheme that will be significantly simplify the application process for applicants and make the administration of the scheme more straightforward.</p> <p>The new scheme, unlike the existing scheme, will provide applicants with certainty and significantly reduce changes to council tax liability, especially those who are entitled to Universal Credit</p> <p>An Exceptional Hardship Fund (EHF) will be included in the scheme for those applicants that can demonstrate financial hardship caused by the new scheme.</p> <p>For each case, a full review of the income and priority expenditure will be undertaken to establish the affordability of the council tax due. Additional support will be awarded only where the transition to the new scheme has caused financial hardship.</p>

Section 6: Action plan

<p>The new scheme will be implemented with effect from 1 April 2023.</p> <p>All applicants will be advised of their new support on their council tax annual bill.</p> <p>Applicants who may lose support will be contacted in February and be offered additional support through the Council's Exceptional Hardship Scheme.</p> <p>A review of the scheme will be undertaken in 2023/24 to assess its impact on all applicants.</p>

Section 6: Record your actions

Sent this to the Equalities Team for publication on www.lichfielddc.gov.uk	Yes
Date completed:	20/12/2022