

<b>Report to:</b>	<b>EXECUTIVE CABINET</b>
<b>Date:</b>	24 January 2024
<b>Executive Member:</b>	Councillor J North, First Deputy – Finance, Resources and Transformation
<b>Reporting Officer:</b>	Ilys Cookson – Assistant Director Exchequer Services
<b>Subject:</b>	<b>COUNCIL TAX SUPPORT SCHEME 2024/2025</b>
<b>Report Summary:</b>	<p>The Council must adopt a Council Tax Reduction scheme no later than 11 March before the start of the financial year to which the scheme applies in accordance with the Local Government Finance Act 2012 as amended by The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017.</p> <p>The Council could decide not to set a scheme and the default scheme would apply in accordance with the Local Government Finance Act 2012. However, this would have significant financial impact on the Council as the default scheme affords a greater level of support to claimants of working age.</p> <p>The Council could also decide to set an alternative scheme, however, to do so without rationale and evidence from the operation of the current scheme in the timescales required would carry significant risk.</p>
<b>Recommendations:</b>	<p>That Executive Cabinet be recommended to agree to:</p> <p>a) Continue the Council Tax Reduction Scheme adapted for 2023/2024, known as the Council Tax Support Scheme, as set out in Appendix Three; save for the following:</p> <ul style="list-style-type: none"> <li>• annual benefit uprating which are not yet released by Department of Work and Pensions;</li> <li>• further guidance which may be issued by Department of Levelling Up, Housing and Communities.</li> <li>• the amendment to the wording in the scheme as detailed at section 4 of the report</li> </ul> <p>b) Approves a £50,000 hardship fund be in place to assist severe cases of hardship funded from existing budgets, to be administered by Exchequer Services under the existing Section 13A Policy.</p>
<b>Corporate Plan:</b>	The report supports the ‘Nurturing our Communities’ and ‘Live Longer and Healthier Lives’ Corporate Plan priority themes
<b>Policy Implications:</b>	The Council Tax Support Scheme supports economically vulnerable households with Council Tax bills, in line with Council policy and guidance from The Department for Levelling Up, Housing and Communities.
<b>Financial Implications: (Authorised by the statutory Section 151</b>	<p><b><u>Council Tax Support Scheme</u></b></p> <p>The Council Tax Support Scheme is a cost to the Council in the sense that it reduces the amount of Council Tax that can be collected.</p>

**Officer & Chief Finance Officer)**

The cost of the scheme in 23/24 is an estimated £15.6m. The revenue forgone as a result of the scheme is factored into the Council Tax base and Council Tax setting as part of the annual budget process.

If Council Tax rates increase in 2024/25 then the cost of the scheme will again increase, in line with the increase in Council Tax. Any increase in the number of claimants compared to 23/24 will further increase the cost of the scheme.

**Legal Implications:  
(Authorised by the  
Borough Solicitor)**

Legal Services have been consulted upon the contents of the report and the proposals. It is considered that the report accurately reflects the legislative framework within which the Authority is required to comply in connection with the Council Tax Support Scheme and hardship fund proposed. The decision maker should have regard to the Equality Impact Assessment, and mitigations set out in this report when determining whether to accept the recommendations set out.

**Risk Management:**

Risks are set out in section 11 of this report.

**Access to Information:**

Not confidential.

**Background Information:**

The background papers relating to this report can be inspected by contacting Ilys Cookson Assistant Director Exchequer Services



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## **1. INTRODUCTION**

- 1.1 The Local Government Finance Act 2012, as amended by The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017, contained provision for each local authority to have its own locally set Council Tax Reduction Scheme from 1 April 2013. Councils wishing to implement a local scheme must have the scheme approved by 11 March each year.
- 1.2 The Department for Levelling Up, Housing and Communities do not provide a specific amount of funding for payment of the support or the administration of the Scheme.
- 1.3 In Tameside the local Council Tax Reduction Scheme is known as the Council Tax Support (CTS) Scheme. In consideration of setting the local CTS scheme for 2024/2025, this report sets out:
- What the Council is required to do
  - The operation of the Council Tax Support scheme in 2023/2024
  - Revisions to be effective from 1 April 2024 and the proposed Council Tax Support Scheme 2024/2025.

## **2. PROCEDURAL REQUIREMENTS**

- 2.1 The procedural requirements are set out in the Local Government Finance Act 2012.
- 2.2 In setting a Council Tax Support scheme the Council must:
- Adopt a Council Tax Support scheme no later than 11 March before the start of the financial year to which the scheme applies.
  - Include prescribed requirements which must apply to all schemes, which include local schemes, the prescribed scheme for persons of state pension credit age and default schemes (the same as the previous Council Tax Benefit scheme).
  - Ensure that claimants of state pension credit age continue to receive the same support under the scheme as they received prior to 1 April 2013, known as Council Tax Benefit.
  - Consider the statutory public sector equality duty in adopting a scheme and the child poverty strategy.
  - Consult all major precepting authorities.
  - Consult generally on the draft scheme, when applicable.
- 2.3 If the Council fails to approve the local scheme by the correct date, The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 must be operated. This would have significant cost implications for the Council as it is based on some working age claimants being entitled to 100% of the Council Tax liability.
- 2.4 All local authorities must include The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 within their local schemes. These regulations provide certain elements of the scheme, including providing full protection for all pension age claimants by ensuring that Council Tax Support is calculated in the same way that Council Tax Benefit was operated prior to 01 April 2013. This means that all pension age claimants are excluded from decisions made by local authorities in respect of their local schemes.
- 2.5 The Council Tax Support Scheme 2013/2014 was approved at Council on 21 December 2012 and amended from 01 April 2016 following consultation with precepting bodies and the public. The Executive Cabinet of 30 August 2023 determined that the scheme for 2024/25 was to remain unchanged from that set for 2023/2024, other than a change of wording in respect of the way the scheme is administered, it is not necessary to consult as the change in wording is beneficial to claimants. Precepting bodies have been informed that the 2024/2025 scheme will be unchanged from that which was set in 2023, and therefore there will be no impact on

the precept budgets as a result of this.

- 2.6 The Executive Cabinet approve the Council Tax Support Scheme annually, after consideration is given as to whether the scheme should be changed.

### **3. THE COUNCIL TAX SUPPORT SCHEME REVISIONS**

- 3.1 The Council is committed to maximising the wellbeing of the people of Tameside; however, cuts in funding from Government have a significant impact on how much the Council has to spend on services. The Council Tax Support Scheme must be set taking into account the finances that are available.

- 3.2 The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulation 2012 apply to all Council Tax Reductions Schemes in England and legislate on the support that must be given to claimants of pension age. Additionally, Tameside's Council Tax Support Scheme disregards 100% of any war pensions/war widow's pension.

- 3.3 The Council Tax Support Scheme 2023/2024 for Tameside, set on 25 January 2023, contains the following provisions for claimants of working-age:

- Support is capped to that of a Band A property - Claimants living in Band B property and above have to pay the difference in full between a Band A property liability and that of the Band of their property.
- The maximum CTS awarded under the present scheme is 75% of the weekly Council Tax liability for a Band A property.
- There is no provision for a claim to be backdated.
- Disability Allowances received are disregarded in full.
- People in receipt of support due to being unemployed, and who then obtain employment, can keep the support provided whilst unemployed for a further four weeks, if they have been unemployed for 26 continuous weeks or more and were receipt of certain other benefits.
- There are no deductions from a claimant's CTS for non-dependants residing in the household under the Council's Staying Put arrangement.

- 3.4 Additional support is available to all Council Tax Support claimants in respect of the Discretionary Hardship Policy administered under Section 13A(1)(c) of the Local Government Finance Act 1992, which can be found at Appendix One. The purpose of the Hardship Fund is to mitigate the potential risk that some claimants may, in exceptional circumstances, suffer severe financial hardship as a result of the introduction of the scheme or changes to the scheme and may apply for additional monies to help pay their Council Tax.

### **4. PROPOSED CHANGE TO THE SCHEME FOR 2024/2025**

- 4.1 Tameside has been progressive in moving from paper forms to electronic digital alternatives. The application process for Council Tax Support is an on-line form which can be commenced, saved and completed at a later date prior to submission.

- 4.2 Tameside's Poverty Strategy and the Poverty Truth Commission work undertaken in 2022/2023 has been considered, and in particular the concerns that there are a plethora of forms to be completed to access different forms of financial support. By way of example, Universal Credit claimants will complete an application form to claim support for personal expenses and housing costs from the Department of Work and Pensions (DWP) and then have to complete another claim form to access Council Tax Support for help with Council Tax payments from the Council.

- 4.3 The scheme wording was amended effective from April 2023, to enable the Council to use new Universal Credit claims data received from the Department of Work and Pensions, to

award Council Tax Support without the requirement for the claimant to complete the on-line application form. This is beneficial to the claimants and the majority of the information required from the claimant to process the application for Council Tax Support is provided to the Council by the Department of Work and Pensions.

- 4.4 Universal Credit is awarded in monthly assessment periods. Whilst the above change in the Council Tax Support scheme has been in operation, it has become apparent that some new claimants of Universal Credit do not qualify during the first Universal Credit assessment period as they may receive other income, such as holiday pay that is owed to them.
- 4.5 It is proposed that, for Universal Credit claimants, the DWP new claim notification via the Universal Credit Data Share (UCDS) system can be considered as an advance claim for a period of 13 weeks. The Council Tax Support Scheme currently allows a period of 13 weeks for advance claims in circumstances where a person is aware that their circumstances are going to change within that 13 week period, such as a change of address, and want to ensure that the claim is made in a timely manner. The change in wording will clarify the condition in the scheme to allow the UCDS new claim notification to be used in the same way, (and so enable a Council Tax Support claim to start from the second monthly assessment period), if there is no entitlement to Universal Credit during the first assessment period of a new claim. This would also avoid temporary and incorrect arrears accruing on Council Tax accounts. This means that Universal Credit claimants would not have to complete a separate claim form for Council Tax Support should the award of Universal Credit be delayed by one month.
- 4.6 This proposed change is considered beneficial and therefore there will be no adverse effect on existing or new claimants, the scheme itself remains unchanged and in cases of minor and beneficial changes full consultation is not required.
- 4.7 The actual wording in the Council Tax Support scheme would need to be amended to reflect that notice via UCDS would be considered to be a claim for Council Tax Support purposes.
- 4.8 The suggested scheme wording would be included in Schedule 9, paragraph 64 of the scheme to include the period for which an advance claim for Council Tax Support can be made as follows:  
(7A) Except in the case of an application made by a person treated as not being in Great Britain, where -  
(a) the application for support is made within one month of the date on which the claim for universal credit was received, and  
(b) the applicant is not entitled to support under this scheme in the reduction week immediately following the date of his application but the authority is of the opinion that he will be entitled to support under this scheme for a period beginning not later than the thirteenth reduction week following the date on which the application is made,  
the authority may treat the application as made as the start date of the universal credit assessment period immediately preceding the first reduction week of that period of entitlement and award support accordingly.
- 4.9 The change would not affect the amount of Council Tax Support received by the applicant and as such have no financial bearing on the cost of the Scheme.

## **5. FACTORS TO BE CONSIDERED**

- 5.1 In considering the setting of the local Council Tax Support Scheme 2024/2025, it has been important to examine the information arising from the continual review of the scheme to ensure that demand and cost of the scheme, communications and the recovery of Council Tax remained within projections which took place at the time the scheme was set.
- Demand**
- 5.2 As at the end of quarter two of 2023/2024 approximately 17,143 people claimed Council Tax

Support. Of this number, there are approximately 6,935 (40%) people of pensionable age who will be guaranteed protection under the CTS scheme. Therefore approximately 10,208 (60%) claimants are of working age. Demand on the scheme is monitored on a quarterly basis and, Table 1 details the decline in demand since the scheme was first introduced in April 2013.

- 5.3 Claimant caseload fluctuates on a daily basis and overall, there has been a reduction in claimant numbers from 01 April 2013. The scheme was revised for 2016/2017 in response to the Council's budget position as follows:
- Capping support to the Council Tax liability of a Band A property
  - Reduction of the maximum Council Tax Support award to 75%
  - Align deduction for non-dependants of working age to the same level as those in the prescribed scheme and for those of pension age.
  - Disregard non-dependant deductions for claimants in receipt of a Staying Put payment.

The reduction in numbers is not likely to be attributed to the changes introduced to the scheme which became effective from 01 April 2016 because, while the changes affected the majority of existing claimants by way of a reduced amount of Council Tax Support awarded, it did not change the eligibility criteria.

**Table 1: Demand for Council Tax Support:**

<b>Number of Council Tax Support Claimants</b>				
<b>Year</b>	<b>Total Claimants</b>	<b>Working Age</b>	<b>Pension Age</b>	<b>Date of Data</b>
2013/2014	23,716	12,781	10,935	01/04/2013
2014/2015	23,231	12,600	10,631	14/04/2014
2015/2016	22,029	12,060	9,969	10/04/2015
2016/2017	20,889	11,438	9,451	18/04/2016
2017/2018	20,087	11,011	9,076	04/04/2017
2018/2019	19,636	11,084	8,552	17/04/2018
2019/2020	18,724	10,613	8,111	02/04/2019
2020/2021	17,922	10,250	7,672	28/04/2020
2021/2022	18,208	10,749	7,459	01/04/2021
2022/2023	17,466	10,178	7,288	01/04/2022
2023/2024	17,040	9,892	7,148	02/04/2023

- 5.4 The reduction in the number of pension age claimants is due to the increasing age at which people are considered to have attained pension age in accordance with DWP regulations.

#### **Funding the scheme**

- 5.5 The amount of funding for the Council Tax Support Scheme from the Department for Levelling Up, Housing and Communities is not specified, and it is entirely for local authorities to decide how much they are prepared to spend on Council Tax Support in their area.
- 5.6 It has been important to continually monitor the cost of the scheme. Scheme costs, claimant numbers and equalities data is monitored every quarter. The amount of Council Tax Support expenditure fluctuates on a daily basis and the scheme costs have stabilised over the last 4 years.
- 5.7 The regulations state that all Councils must include in their Council Tax Support (CTS) scheme protection for claimants who have reached the age for state pension credit, so that they receive the same support as they would have received prior to 1 April 2013. This means that any reductions in funding cannot impact on pensioners, so the full impact falls entirely upon claimants below pension credit age. The cost to the scheme in 2023/24 for pension age claimants is projected as £7.9m from a total estimated cost of £15.6m.

- 5.8 A social care precept and a Council Tax increase are expected from April 2024 which, with a potential increase in the mayoral precept, will impact on the scheme by increasing the cost. This however would be offset by any increase in Council Tax collected.
- 5.9 Working age claimants are moving from DWP legacy benefits such as Income Support and Employment and Support Allowance to Universal Credit. As claimant's DWP benefits change, this may affect any possible entitlement to Council Tax Support or increase or decrease the amount of Council Tax Support awarded.
- 5.10 Claimants in receipt of Council Tax Support are monitored in terms of ensuring that Council Tax liabilities are paid. All working age claimants have to pay at least 25% of their Council Tax liability. The maximum Council Tax Support award in 2023/2024 for a claimant of working age is 75% of the liability for a Band A property which equates to £1,042.90 per annum or £10.83 per week. This is particularly important to support claimants to pay on time and not fall into arrears which can, in some cases, be difficult to recover for both the claimants and the Council.
- 5.11 A total of 54.44% of all Council Tax due this year for CTS claimants was collected as at 31 October 2023 totalling £2.5m. Of that £751k was collected from pensioners in receipt of CTS and £2m from working age claimants in receipt of CTS. The collection rates include reductions in payments for some Council Tax payers where £25.00 funding from Central Government was credited to the Council Tax account, details of which can be found at section 8 of this report.

## **6. OTHER FACTORS TO BE CONSIDERED**

- 6.1 The Valuation Tribunal Service considers appeals by any resident with regard to Council Tax Support schemes. The Tribunal Service is independent of the Council. On occasion the Valuation Tribunal may advise a Local Authority to reconsider elements of the scheme which can be for a number of reasons and, bearing in mind that each Local Authority will set its own scheme, any decision of the Tribunal can only be directed to the Local Authority scheme being considered at appeal. Tameside has not received any direction from the Valuation Tribunal Service in 2023/2024.
- 6.2 The Department for Levelling Up, Housing and Communities have not issued any legislation, including changes to The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulation 2012, to be included in local schemes for the forthcoming financial year. Should legislation be released by the Department for Levelling Up, Housing and Communities at a future date then this would be included in a revision to the scheme to be effective from 01 April 2024.
- 6.3 The Local Government Ombudsman (LGO) in their report of August 2019 to Local Authorities titled "Council Tax Reduction – Guidance for Practitioners" helped Local Authorities manage complex Council Tax reduction enquiries and complaints and made a number of recommendations to all Local Authorities. It is considered best practice to recognise the recommendations by the LGO and provide clarity within the scheme. No further LGO recommendations have been received which may have an impact on the 2024/2025 scheme.
- 6.4 The scheme is operating as expected and no specific negative impacts have emerged to date other than those which were identified when the scheme was set and when revised, and the caseload continues to show a downward trend. Therefore, it is proposed to set in place the same scheme for 2024/2025 that was set in 2023/2024 and continue to use the annual DWP Housing Benefit upratings, and the annual uprated Universal Credit elements as applicable.
- 6.5 Banded Council Tax Support schemes are growing in popularity in many local authorities.

Such schemes are based on the amount of income that a household receives, and which can be subject to multiple changes over the course of a year. The amounts are then banded, and the Council Tax Support award is based on the income band into which the household falls. Administration costs for banded schemes are generally low as the award of Council Tax Support would only change where someone's income moved from one band to another. Changing the Council's scheme to a banded scheme will be explored further during 2024 in terms of feasibility, system costs and efficiencies and modelling potential impacts on claimants.

## **7. EQUALITY IMPACT ASSESSMENT**

- 7.1 The Equality Act 2010 makes certain types of discrimination unlawful on the grounds of: age, race, including colour, nationality, ethnicity, and national origin, gender reassignment, disability, marriage and civil partnership, pregnancy and maternity, sex, sexual orientation, religion or belief.
- 7.2 In Tameside, we also consider further protected characteristics of current and former members of the armed forces, mental health, carers, breastfeeding, socio-economic disadvantage, cared for children and care leavers.
- 7.3 Section 149 of the Equality Act 2010 places the Council and all public bodies under a duty to promote equality. All public bodies, are required to have regard to the need to
- Eliminate unlawful discrimination.
  - Promote equal opportunities between members of different equality groups.
  - Foster good relations between members of different equality groups including by tackling prejudice and promoting understanding.
  - Eliminate harassment on the grounds of membership of an equality group.
  - Remove or minimise disadvantages suffered by members of a particular equality group.
  - Take steps to meet needs of people who are members of a particular equality group.
  - Encourage people who are members of an equality group to participate in public life, or in any other area where participation is low.
  - This specifically includes having regard to the need to take account of disabled people's disabilities.
- 7.4 The Act therefore imposes a duty on the Council, which is separate from the general duty not to discriminate. When a Council carries out any of its functions, including deciding the Council Tax Support scheme to be adopted, the Council must have due regard to the matters within the section of the Act outlined above. The Courts have made it clear that Councils are expected to rigorously exercise that duty.
- 7.5 A review of equalities information on the scheme takes place every quarter to ensure that the CTS scheme is operating as expected and to ensure that no one equalities group is adversely affected. The equalities groups considered are by age, gender, disability and maternity. The categories of gender reassignment, sexual orientation and religion or belief are not considered, as this information is not required to be held when processing Council Tax Support, which is a means tested benefit.
- 7.6 The population of Tameside is estimated at 231,071 residing in 99,527 households based on the 2021 Census population statistics from the Office for National Statistics (ONS). Trends show an ageing population. The number of people aged 65 years and over is now 40,509 according to the ONS and the gender split of Tameside's overall population is 49% male and 51% female.
- 7.7 Tameside has approximately 17,143 CTS claimants (as at October 2023), of these 6,935



have reached pension credit age and are therefore fully protected under legislation contained in the prescribed scheme and will not see any change in their benefit entitlement. A summary of equality data as at October 2023 and a full equality impact assessment on the scheme is detailed at Appendix Two. The full equality impact assessment was undertaken in 2015 in consideration of changes to the scheme which became effective from 01 April 2016 and reviewed annually thereafter. The scheme to be adopted in 2024/2025 is the same scheme as that set for 2023/2024, other than a change of wording to reflect the beneficial change that a thirteen-week advance claim can be considered for Universal Credit new claims, and a separate application form for Council Tax Support is no longer required.

7.8 In addition to considering the effects on the key characteristic groups it is important to also consider:

- Economic vulnerability – 94% of the working age claimants (i.e. non-protected people below pension credit age) are out of work. This increases to 99.6% for those claimants with a disability (based on eligibility to Disability Living Allowance).
- Carers – 1, 060 (6%) of all claimants receive Carer’s Allowance.
- Maternity – 9 (0.09%) of working age claimants receive Maternity Allowance.
- War pensioners / widows – 17 (0.1%) of all claimants are war pensioners / widows (of which 5 are of working age).

(Data as at 05 October 2023)

7.9 The detail of the quarter two review of the scheme for 2023/2024 (data taken as at 05 October 2023) and conclusions drawn from the evidence and analysis of the effects on equality on the key characteristic groups are detailed here:

#### **Workers**

7.10 As at the end of quarter two 10,208 or 60% of total claimant base are working age claimants and 94% of those working age claimants are out of work. Working age claimants have increased by 134 people between quarters one and two. Those on low incomes / or reduced means as a result of a previous period of unemployment are protected by virtue of keeping support for 4 weeks once back in employment after having been out of work for more than 26 continuous weeks. 589 working age claimants benefit from a disregard of 35% of their earned income.

#### **Disabled**

7.11 A total of 6,234 claimants are disabled (36% of total claimants) and of those 2,751 are pensioners and so must be fully protected. There has been an increase in the number of working age disabled claimants from 3,020 between quarter two of 2022/2023 and 3,483 in quarter two of 2023/2024.

7.12 Of the 3,483 working age disabled claimants there has been an increase in the claimants that are given protection by the exclusion of Disability Living Allowance from their income taken into account when calculating CTS, which can be up to £172.75 per week (2023/2024 rates), from 1,183 in quarter two of 2022/2023 and 1,594 in quarter two of 2023/2024.

7.13 A total of 27 disabled claimants were working in quarter two: an increase of 4 claimants from quarter two 2022/2023. A total of 1,060 claimants (6%) receives Carer’s Allowance and have been provided with extra support by having an additional element of allowable income in the assessment. This is an increase of 52 from quarter two of 2022/2023.

#### **Women**

7.14 A total of 60% (10,286) of claimants are female. There are 2,623 lone parent households claiming CTS of which 2,415 (92% of all lone parent claims) are female. The number of female pensioners 4,061 (24 % of total claimants and 59% of pension age claimants). The scheme has affected women more than men as expected as there are more female claimants.

### **Children and families**

- 7.15 The Council is committed to eliminating the effects of child poverty and supporting the most vulnerable while reducing inequalities. There are 3,493 claimants with children, of which 3,471 are working age. The scheme continues to provide some protection for families with children by disregarding child benefit in full for those that do not receive maximum support. In quarter two, 2,706 working age claimants receive this protection (27% of working age claimants) of which 1,903 are lone parents and female. Childcare costs are disregarded for claimants in work in 6 claims of which 5 are single parents and 1 are a couple.
- 7.16 Child maintenance has been taken into account in the calculation for 25 cases where CTS is payable or 0.2% of the total working age case load. However, in the majority of these cases the claimants were found to receive high amounts of tax credits which then, with their earnings took them over the required amount to attract CTS.

### **War pension**

- 7.17 War pensions and war widow's pensions are disregarded in full from the calculation for CTS. 17 (0.01%) of all claimants are war widows (of which 5 are of working age).

The last quarterly review undertaken in October 2023 revealed that there continues to be no adverse impact on any specific equalities group. Further equalities analysis will continue to take place in each claimant category at the end of each quarter to enable the scheme to be continually monitored, and to identify and investigate any unforeseen negative impacts should they arise.

- 7.18 A summary of equality data as at October 20223 and a full equality impact assessment on the scheme is detailed at Appendix Two.

## **8. MITIGATION**

- 8.1 The scheme was designed to provide extra support for vulnerable people with disabilities claiming benefit, carers and those in receipt of war pensions and to support as many claimants on low incomes as possible taking into account the requirements of the scheme as determined by the Government and affordability.
- 8.2 Wherever possible mitigations have been put in place to protect the following equalities groups in the following ways:

Workers on low incomes or reduced means as a result of a previous period of unemployment are protected by virtue of keeping support for 4 weeks once back in employment after having been out of work for more than 26 continuous weeks.

Disabled claimants of working age are protected by the exclusion of Disability Living Allowance from their income taken into account when calculating CTS, which can be up to £172.75 per week for the higher rate (2023/2024 rates). This benefits 1,594 disabled claimants as at quarter two. Disabled claimants in receipt of war pensions or war widow's pensions are protected as this income is also excluded from the CTS assessment.

### Carers

1,060 claimants in receipt of Carer's Allowance are provided with extra support by having an additional element of allowable income in the assessment.

Women are affected more by the scheme than men because there are a higher proportion (60%) of female claimants. 2,415 (92%) of lone parents are female. Female pensioners account for 24% of claims.

Children and Families are protected by disregarding child benefit in full within the CTS

calculation and childcare costs being disregarded for claimants in work.

#### Staying Put Scheme

Non-dependent deductions are disregarded in households where there is an 18 year to 25-year-old person living in the household who is subject to the Staying Put scheme after they have left local authority care. There are currently 26 people residing in Tameside in receipt of Staying Put payments.

## **9. ADDITIONAL SUPPORT**

- 9.1 Additional support is available to all Council Tax Support claimants in respect of a Hardship Fund administered under Section 13A(1)(c) of the Local Government Finance Act 1992. The discretionary fund must be in place in accordance with government guidance to support local Council Tax Support schemes. The purpose of the Hardship Fund is to mitigate the potential risk that some claimants may, in exceptional circumstances, suffer severe financial hardship as a result of the introduction of the scheme or changes to the scheme and may apply for additional monies to help pay their Council Tax.
- 9.2 The Council Tax Service currently has a Discretionary Hardship Policy (Section 13A Policy) which has been approved by Executive Cabinet and can be found at Appendix One. The Policy is available on the Councils website [Section-13A-Policy.pdf \(tameside.gov.uk\)](https://www.tameside.gov.uk/section-13a-policy.pdf). Section 13A awards are managed by the Council Tax Service which holds all Council Tax liability records and Council Tax Support records and is therefore well placed to determine eligibility based on financial information held.
- 9.3 Hardship funding is identified from existing budgets with an amount of £50,000 approved for 2023/2024 and this will remain the same for 2024/2025. This amount does not exclude applications being granted should the maximum allocated funding be exceeded. The circumstances of the applications received in 2023/2024 do not suggest that any one equalities group has been adversely affected.
- 9.4 On 23 December 2022, the Department of Levelling Up, Housing and Communities (DLUHC) announced further support for claimants of Council Tax Support. Funding of £0.455m has been provided to reduce Council Tax bills in respect of 2023/2024 for pension age and working age claimants by up to £25. This reduction was deducted from the annual bills issued in March 2023 and will also be applied to any new Council Tax Support claimants with a Council Tax Liability throughout the financial year.
- 9.5 As working age Council Tax Support claimants in Tameside have a minimum of 25% of the Council Tax liability to pay, the award of £25 applied to all of those claimants.
- 9.6 DLUHC determined that the remaining funding of £0.127m could be allocated at the Council's discretion and be administered under Section 13A(1)(c) of the Local Government Finance Act 1992. The Council's Executive Cabinet determined 08 February 2023 that discretionary funding of £25 to be allocated to residents who are not in receipt of Council Tax Support but qualify for the following Council Tax discounts:
- Severely Mentally Impaired Discount
  - Care Leavers Discount
  - Carers Discount
  - Disabled Relief
- 9.7 In addition to supporting households evidencing financial hardship .It is not yet known if any further funding will be received from Central Government for Council Tax Support claimants for the financial year 2024/2025.

## **10. COMMUNICATIONS AND ADVICE**

- 10.1 Information regarding the Council Tax Support Scheme and an on-line application form is available on the Council's website and residents are signposted to the website on the back of Council Tax bills.
- 10.2 Residents may obtain advice and assistance on the Council Tax Support Scheme and the Hardship Fund from the Council's Benefits Service and Call Centre, Citizens Advice Bureau and Tameside Welfare Rights Service.
- 10.3 The Benefits and Council Tax service works closely with housing and voluntary sector colleagues who assist claimants, including those in supported accommodation. There are links with local DWP Job Centre to ensure that claimants of Universal Credit provide agreement for their data to be shared with the Council and also complete a claim for Council Tax Support when required.

## **11. RISKS**

- 11.1 In setting the local Council Tax Support scheme for 2023/24/25 it is important to consider the risks in doing so. If a local scheme is not set by 11 March 2024 the default scheme will apply. The default scheme is the same as the Council Tax Benefit scheme, which ceased to exist in March 2013 however this Scheme is no longer funded by government and the Council has insufficient funds to pay for it without increasing Council Tax further.
- 11.2 There is a continued risk that demand for support could increase if the economic picture worsens due to the cost of living situation and potential strike action which may result in some residents, and existing claimants, not having an income for periods of time, however this cannot be predicted. We cannot predict the number of people that may claim Council Tax Support in the future. However, the evidence gathered to monitor the effects of the scheme on a quarterly basis show a sustained decrease in demand since the scheme was introduced in April 2013 and a stabilising in the cost of the scheme in recent years.
- 11.3 Consideration must always be given to preventing poverty and the scheme aims to support as many Tameside residents as possible when in receipt of benefits or a low income. The cost of the scheme is borne by all Council Tax payers. To make the scheme more generous would impact on many residents of the Borough by way of increased Council Tax payments to fund any additional Council Tax Support scheme costs.
- 11.4 Implementation of the local scheme has meant that some working age people are paying at least 25% of their Council Tax liability. Small debts are difficult to collect and often take years to clear. This is particularly so where an attachment of benefit is in place to recover Council Tax arrears because the DWP have a hierarchy of attaching a debt to a benefit from source and Council Tax ranks below utility payments and other housing costs. There is a risk that Council Tax arrears may increase as a result.
- 11.5 There is also a continuing risk concerning provision of appropriate communication of the scheme to residents and in particular benefit recipients. To mitigate this communication on the scheme via the Council's web-site and on-line calculator will remain in place, as it is important that claimants are clear that they will have some Council Tax liability which will need to be paid
- 11.6 Equality reviews on the scheme currently takes place every quarter and this will continue for the 2024/25 financial year.

## **12. CONCLUSION**

- 12.1 In setting a Council Tax Support scheme for 2024/2025 it has been important to consider the current operation of the scheme in terms of demand, costs, equalities, support and risks. The scheme is operating as expected and therefore no changes are proposed to the scheme other than a change of wording in respect of the way the scheme is administered, as detailed in section 4 of this report. Appendix Three details Tameside's Council Tax Support Scheme for 2024/2025.
- 12.2 Council Tax Support claimant numbers have reduced, and scheme costs have increased from April 2021. Claimant numbers and costs fluctuate daily however costs increase as the Council Tax level set increases each year. The highest number of claimants are those of working age. The scheme continues to operate as expected.
- 12.3 The procedural requirements have been adhered to as the scheme will be adopted before 11 March 2024 before the start of the financial year to which the scheme applies. The prescribed requirements continue to be contained within the scheme and claimants of pension age continue to be fully protected within the scheme.
- 12.4 The public sector equality duty has been considered in relation to the live operation of the scheme. The scheme, in terms of equalities monitoring, is operating as expected and this will continue to be monitored every quarter.
- 12.5 The scheme, when drafted, was designed to be as fair as possible and support will continue to be provided with a Hardship Fund of £50k to be administered by Exchequer Services as part of the Section 13A legislation and policy. Advice available from both the Council and partner agencies remains in place.
- 12.6 No Tribunal directions have been received in respect of having to change the scheme and no legislative changes from DLUHC are expected. The Local Government Ombudsman has not issued any recommendations with regard to Council Tax Support schemes.
- 12.7 Council Tax collection rates have been monitored throughout the year. Additional support will continue to be provided via the Hardship Fund, continuing to provide the on-line calculator, up to date web pages and self-service account access.

## **13. RECOMMENDATIONS**

- 13.1 Recommendations are set out at the front of the report.