

**Report to:** EXECUTIVE CABINET

**Date:** 28 July 2021

**Executive Member:** Cllr Oliver Ryan – Executive Member (Finance and Economic Growth)

**Reporting Officer:** Ilys Cookson – Assistant Director Exchequer Services

**Subject:** **COUNCIL TAX SUPPORT SCHEME 2022-2023 AND ADDITIONAL LOCAL COUNCIL TAX SUPPORT MONIES 2021/22**

**Report Summary:** This report details the procedural requirement in deciding if changes are required to the Council Tax Support scheme (CTS). If any changes are required then consultation must take place for the scheme to become effective from April 2022. The scheme cost and claimant numbers have increased in 2020/21 and support for claimants remains in place. There appears to be no adverse equality impact assessment arising from the quarterly reviews that take place and further guidance, which may have a bearing on the scheme, from the MHCLG is not expected. The report also details further additional monies made available by the Ministry of Housing, Communities and Local Government (MHCLG) for Council Tax Support claimants in 2021/22 and financially vulnerable households.

**Recommendations:** That Executive Cabinet be recommended to agree that:

- (i) The Council Tax Support scheme for 2022/23 in principle remains the same scheme as that set effective from April 2021, subject to annual benefit uprating as detailed in the scheme and any further guidance which may be issued by MCHLG.
- (ii) That £1.012m Local Council Tax Support grant monies for 2021/22 be used to award £50 to each existing and new Council Tax Support claimant, subject to the conditions set out in Section 3.16, with remaining monies supporting hardship cases considered on a case by case basis under Section 13a Hardship Policy.

**Corporate Plan:** The Council Tax Support (CTS) scheme assists the most financially vulnerable in the Borough by providing means tested financial support towards Council Tax costs.

**Policy Implications:** The local scheme is set in accordance with MHCLG guidelines.

**Financial Implications:** **Council Tax Support Scheme 2022/23**  
(Authorised by the statutory Section 151 Officer & Chief Finance Officer)

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. For 2021/22, the estimated 'cost' of the scheme, in terms of revenue foregone, is approximately £16.5m, compared to £14.7m in 2020/21. The cost of the scheme for 2022/23 is expected to increase to approximately £16.8m. 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.

The increase in the cost of the scheme over the last few years is in part due to increases in Council Tax payable, but also more recently due to a significant increase in the number of Council Support Claimants during 2020 and 2021. This increase in claimant numbers is attributed to the economic impact of the COVID-19 pandemic and may increase further over the coming months if economic conditions and employment levels deteriorate.

No changes are proposed to either the Council Tax Support Scheme or the Hardship Fund for 2022/23. If the Council chose to adopt the default scheme, rather than a local scheme, the 'cost' to the Council is estimated to be significantly greater than the cost of the local scheme.

The Council could chose to adopt a less generous local scheme however any reduction in the level of support provided is expected to increase levels of uncollected Council Tax as those claimants in receipt of Council Tax Support are often the most economically vulnerable.

### **Local Council Tax Support Grant 2021/22**

In 2020/21 the Council was awarded a Council Tax Hardship Grant of £2.158m which was mandated to be used to make a payment of £150 to all existing and new working age Council Tax Support (CTS) claims in 2020/21 (up to available funding).

For 2021/22 the Council has been awarded a further grant of £2.025m. The application of this grant is not mandated but provided with the guidance that grant is to be used to meet the anticipated additional costs of providing Local Council Tax support in 2021-22, resulting from increased unemployment. This could either be through direct payments to CTS Claimant accounts (to reduce the Council Tax Liability) or to offset the expected Collection Fund deficit that will arise if CTS claimants are unable to pay their Council Tax liability.

This report proposes that £1.012m is earmarked to award £50 to each existing and new Council Tax Support claimant, subject to the conditions set out in Section 3.16, with remaining monies supporting hardship cases considered on a case by case basis under Section 13a Hardship Policy. The remaining £1.012m grant money will contribute to the overall Council budget and which may be used to offset a shortfall in Council Tax collection.

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

The legal implications are set out in the main body of this report. The choices members are asked to make is either be through direct payments to CTS Claimant accounts (to reduce the Council Tax Liability) or to offset the expected Collection Fund deficit that will arise if CTS claimants are unable to pay their Council Tax liability – in effect the money does not leave the Council it's a case of which deficit to reduce.

#### **Risk Management:**

The scheme is legally compliant in the way it has been set and the decision to consider if the scheme needs to change, and any proposed changes are consulted upon, is part of the process to set the scheme for the future year

**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 Welfare Reform Act 2012 contained provision to abolish Council Tax Benefit. The Government replaced it with a power for each local authority to have its own locally set council tax reduction scheme. The necessary primary legislation is included in the Local Government Finance Act, passed on 31 October 2012, which contained provision that Councils wishing to implement a local scheme must have the scheme approved by 31 January each year, which was later revised in 2016 to have the scheme approved by 11 March each year.
- 1.2 The local scheme was funded in the first year by way of a fixed grant, which the Department of Communities and Local Government (DCLG) determined as being 90% of the 2011/12 outturn for Council Tax Benefit expenditure. In real terms this reduction in funding equated to 17.3% for Tameside for 2013/14 and a local Council Tax Support (CTS) scheme was set taking into account the costing envelope available.
- 1.3 Tameside's own local CTS scheme was set at the Council meeting on 21 December 2012. The scheme was adopted to a challenging timescale additionally, the Universal Credit Regulations 2013, on which the principals of the CTS scheme were based, was not passed through parliament until 25 February 2013.
- 1.4 The 2013/14 CTS scheme, which had been in place since 01 April 2013, was revised after consultation had been carried out with the public between 14 September 2015 and 30 November 2015. The following elements were introduced to the scheme from 01 April 2016:
- Capping support to a Band A property.
  - Reduce the maximum CTS award to 75%.
  - Align deductions for non-dependents of working age to the same level as those in the prescribed scheme for claimants of pensionable age.
  - Non-dependent deductions are disregarded for CTS claimants in receipt of a Staying Put payment.
- 1.5 A further revision took place effective from April 2018 after consultation had been carried with the public from 19 September 2018 to 22 November 2018 and the following elements were introduced:
- Award a two week run on for claimants moving from benefit to work
  - Apply an earnings disregard to self-employed working age claimants
- 1.6 In consideration of setting the local CTS scheme for 2022/2023 this reports sets out:
- What the Council is required to do
  - The CTS scheme in operation

## **2 PROCEDURAL REQUIREMENTS**

- 2.1 In considering setting a CTS scheme the Council must adhere to a number of procedural requirements, which are detailed as follows:
- Set a CTS scheme no later than 11 March before the start of the financial year to which the scheme applies.
  - Adopt the prescribed requirements, which must apply to all schemes, which includes 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 receive in 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 changes to the scheme.

- 2.2 The procedural requirements are contained in the Local Government Finance Act 2012 as amended.
- 2.3 Paragraph 5(1) of Schedule 1A to the 1992 Act states that;  
*'For each financial year, each billing authority must consider whether to revise its scheme or to replace it with another scheme.'*
- 2.4 The purpose of this report is therefore to consider the following:  
a) That the current CTS scheme remains in place in 2022/2023 or;  
b) That the current CTS scheme is revised for 2022/2023.
- 2.5 Where a CTS scheme is to be revised then legislation is clear on the requirements to consult the public and precepting bodies prior to any changes to the scheme. Full consultation has taken place prior to previous revisions to the scheme. Any changes to the CTS scheme for any future years are subject to a decision by Full Council.
- 2.6 In considering whether there should be revisions to the current scheme, the current operation and costs of the scheme should be considered, in addition to any guidance released by central government or by direction of the Valuation Tribunal Service, which consider appeals for local CTS schemes. In setting the scheme for 2022/2023 consideration has been given to the COVID-19 pandemic and its effects on caseload.

### 3. CURRENT OPERATION AND COSTS

- 3.1 The number of claimants and cost of the scheme has reduced steadily over the years however, a steady increase was experienced in 2020 as a result of COVID as detailed below:

**Table 1 Scheme costs and number of CTS claimants by year**

Year	Scheme Costs £m	Total claimants
Apr 2013	£16.6m	23,716
April 2014	£15.94m	23,231
April 2015	£14.9m	22,029
April 2016	£14.3m	20,889
April 2017	£13.7m	20,087
April 2018	£13.7m	19,636
April 2019	£14.3m	18,635
April 2020	£13.95m	17,922
June 2020	£14.7m	18,155
April 2021	£14.7m	18,208

- 3.2 Claimant caseload fluctuates on a daily basis and overall there has been a downward trend on claimant numbers from 01 April 2013, however 2020 saw an increase in claimant numbers attributed to the COVID 19 pandemic. Claimants experienced reduced working hours, furlough and in some cases loss of employment. Claimant profile information is detailed at **Appendix 1**.
- 3.3 The actual scheme costs had reduced year on year up to April 2019, however any increase in Council Tax including the mayoral precept and the adult social care precept increases the costs of the scheme. The higher the Council Tax charge, the more the CTS scheme will cost, unless claimant numbers fall significantly. Council Tax has increased each year and from 2016/17 and included an adult social care precept, and mayoral precept from 2018/19. The reduction in costs from 2016 could be partly be a consequence of the CTS scheme change requiring that all claimants pay at least 25% of their Council Tax liability.

- 3.4 Scheme costs, claimant numbers and equalities data is monitored every quarter. This regular monitoring has highlighted an increase in claimant numbers and costs, from June 2020 as detailed above, which is clearly attributable to COVID, however the scheme is currently operating as expected. The implications of COVID on the CTS scheme are detailed in Section 4 of this report.
- 3.5 **Hardship relief:** Hardship relief continues to be available to any person who is experiencing financial hardship as a result of the CTS scheme. This relief is an integral part of any local scheme in accordance with government scheme guidance, and where hardship payments are made these are paid under Section 13A (1) ( C) of the Local Government Finance Act 1992. 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.
- 3.6 The Hardship Fund totals £50k in 2021/22 as in previous years. Hardship funding is identified from existing budgets and is administered by the service on a case by case basis; however, this amount does not exclude approved applications being granted should the maximum allocated funding being exceeded.
- 3.7 Additional monies were made available to all Local Authorities by MHCLG in April 2020 in response to the COVID 19 pandemic. This totalled £2.35m and was subject of an executive decision report at that time. The additional monies had to be used primarily on reducing CTS claimants Council Tax liability by £150 for the 2020/2021 financial year with remaining monies supporting Council Tax payers suffering hardship. In total £2m assisted 12,691 all working age CTS claimants and £344k supported non-CTS claimants with a Council Tax liability.
- 3.8 Further additional monies have been made available in the current financial year by MHCLG in respect of COVID and which may be used towards Council Tax Support for 2021/22. The total monies for Tameside are £2.025m. Guidance states that the money is  
*“aimed directly at supporting councils to meet the anticipated additional costs of providing Local Council Tax support in 2021-22, resulting from increased unemployment”*.
- 3.9 MHCLG expect that the funding will benefit economically vulnerable households. Last year £150 reduction was given to all working age CTS claimants and remaining monies was used in accordance with the Councils Section 13a Hardship Policy following Executive Decision approval. £2m assisted 12,691 claimants, the majority of which was used in the £150 reductions, (1.903m) and £344k supported non-CTS claimants with a Council Tax liability evidencing severe financial hardship.
- 3.10 Some local authorities are using the whole of this years grant money to support overall Council budget requirements, whereas others are using some or all of the grant monies to directly support financially vulnerable households although not necessarily Council Tax Support claimants. Discussion with Financial Management colleagues on various options has taken place to ensure that the right balance is therefore proposed in supporting both residents and budget.

**Current Year Context:**

- 3.11 It must be borne in mind that the caseload fluctuates throughout the year and on a daily basis, and last year a total of 12,691 claimants of CTS at some point in the year benefitted from the reduction. The following matters have therefore been taken into consideration in terms of how the grant monies can best be used in the context of a potential shortfall on the Council Tax collection fund at the end of the year
- 10,779 working age caseload as at Mar 2021.
  - Reminders issued Apr to June 15,656 value £2.896m (some of whom may be CTS claimants)

- Summons issued Apr to June 6,127 value £6.036m (some of whom may be CTS claimants) summons costs £86.00 per account.
- Liability Orders granted 943
- 10,900 residents on furlough as at end April 2021.
- Furlough scheme ends on 30 September 2021
- Tameside CTS scheme is least generous in GM
- Everyone must pay at least 25% and support capped at a Band A property.
- Band A property - minimum annual Council Tax payable if in receipt of maximum CTS = £318.90

3.12 There is a need to balance the needs of those already claiming CTS and managing to pay and those who are just above the CTS threshold and in financial difficulty. There is generally less overall cost to the Councils budget to support such claimants by the award a one off Section 13a Hardship Policy payment than to claim CTS longer term.

3.13 A number of options have been considered and £1,012,500m grant monies is proposed to be used to directly support Council Tax Support claimants and financially vulnerable households as follows:

Claimant support	Cost	Notes
£50 awarded to each CTS claimant	634k	£378k remaining for further new claims and hardship cases under Section 13a Hardship Policy

3.14 The above strikes the balance between benefitting existing and new Council Tax Support claimants and those just above the threshold and are experiencing significant financial hardship and unable to pay Council Tax. The remaining £1.012m grant money will contribute to the overall Council budget and which may be used to offset a shortfall in Council Tax collection.

3.15 The Council Tax Service currently has a Discretionary Hardship Policy (Section 13a Policy) as detailed on the Councils website [Section-13A-Policy.pdf \(tameside.gov.uk\)](https://www.tameside.gov.uk/section-13a-policy) as must be in place in accordance with government guidance to support local Council Tax Support schemes. The Council's existing Hardship Policy could be used as a basis to award monies from the remaining monies in the hardship fund.

3.16 Current 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. It is not known exactly how much hardship monies, will remain after all existing and new Council Tax Support claims are paid however it is proposed that those households evidencing hardship are supported where possible. Specific conditions are as follows:

- Priority will be to award to new CTS claims
- Only one payment will be paid during the year
- The maximum paid will not exceed the Council Tax Support liability for 2021/22
- Consider on a case by case basis working age Council Tax payers evidencing experience of extreme hardship in terms of Council Tax payments in accordance with Section 13a Policy.

3.17 **Additional support:** Residents may also obtain advice and assistance on the Hardship Fund and CTS scheme from the Council's Benefits Service, Citizens Advice Bureau, Tameside Welfare Rights Service and other local advice services such as MiNT.

- 3.18 All claimants have to pay at least 25% of their Council Tax liability. The Council continues to face significant financial challenges in how much the Council has to spend on services. Cuts in funding from Government have a significant impact on how much the Council has to spend as Government funding provides the greater proportion of the Council's finance and the money raised from Council Tax paid by local residents make up only one third of the Council's funding.
- 3.19 It is clear given the financial challenges we face that a local CTS scheme must be set taking into account the Councils finances as any increase in costs of the CTS scheme is borne by Council Tax payers.

#### 4 FACTORS TO BE CONSIDERED

- 4.1 In considering whether any revisions to the CTS scheme are appropriate it is important to take into account current costs, current caseload, external influences such as changes in legislation, changes directed by a Tribunal, funding and scheme wording.
- 4.2 The Council is committed in providing support to CTS claimants and support takes different forms such as financial advice and support as detailed in Section 3 above and consideration has been given to the current cost of the scheme, which is £14.7m and the maximum support available to CTS claimants. The current maximum award is set at being 75% of a claimants Council Tax liability subject to income and circumstances such as the Council Tax band of the property. Should Council Tax levels increase or the caseload increase in future years then the cost of the scheme will increase.
- 4.3 It is clear given the financial challenges the Council continues to face that a local Council Tax Support scheme must be set taking into account the finances that are available, in addition to external factors as follows:
  - Impact of COVID-19
  - Valuation Tribunal direction
  - MHCLG guidance
- 4.4 Whilst the economic situation as a result of the impact of COVID-19 is not a procedural factor to be considered when setting a scheme as required by law, the Council does have a duty to consider the impacts of the economy on financially vulnerable residents. The impact of COVID-19 has been unprecedented in terms of people being out of work due to being furloughed or losing their job. This has impacted on the numbers of claimants for both Universal Credit and Council Tax Support.
- 4.5 The number of new CTS claims by month is detailed below however not all that apply will meet the eligibility criteria as CTS is means tested and the scheme is limited to only those on a very low income.

**Table 2: New CTS claims made for both working age and pensioners April 2020 to Mar 2021.**

Apr 2020	May 2020	June 2020	July 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Total
599	541	628	553	365	568	605	510	384	544	474	666	6437

- 4.6 **Impact of COVID-19**  
The table above confirms that new claims submitted remained high for most months of 2020/21. The above does not include existing caseloads.
- 4.7 The rise in the number of CTS claimants does not correspond with the number of claimants of Universal Credit in Tameside, as the UC claimant numbers are significantly higher. This

suggests that the impact of COVID-19 and lockdown had a considerable financial effect in the borough however not all claimants of Universal Credit have a Council Tax liability hence numbers of UC claimants being higher than CTS applications being received. Claimants of Universal Credit and / or Council Tax Support may be in work in low paid jobs and already claiming CTS.

**Table 3: Numbers of Universal Credit claimants in Tameside**

Month	Total UC claimants	Employed	Unemployed
April 2020	20,825	7,532	13,290
July 2020	25,346	9,367	15,977
October 2020	25,776	9,893	15,882
January 2021	26,659	9,875	16,786
April 2021	27,132	N/K	N/K

Excludes pensioners

Source: DWP data as at June 2021

- 4.8 Recent data from the Office for National Statistics (ONS) official labour market statistics suggest that 10,900 of employments of Tameside residents are furloughed. The data is based on employee's residential address and some employees may have more than one job.

**Table 4: Number of cases on furlough in Tameside**

2020								2021			
May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
27,700	32,800	16,900*	12,400	9,500	7,900	6,400	12,700	15,300	14,900	13,700	10,900

Note: \* ONS data changed reporting criteria in July.

- 4.9 As at June 2021 the furlough scheme remains in place until 30 September 2021, and although the majority of business have now re-opened some are not yet experiencing the same level of business pre- COVID. It is therefore difficult to predict if unemployment will rise and should this be the case and CTS claims increase then the costs of the scheme will increase. It must be borne in mind, however that claimant numbers and costs of the scheme changes on a daily basis due to changes in claimant's circumstances.
- 4.10 In response to the COVID-19 economic situation the government announced additional monies to be paid to claimants in receipt of Council Tax Support, which equated to a £150 reduction off Council Tax bills for all existing and new claimants. This was paid in addition to any Council Tax Support awarded. This £150 reduction was subject to a report to Covid Board on 8 April 2020, and benefitted the financially vulnerable in Tameside by having less Council Tax to pay in 2020/21.

#### **Valuation Tribunal direction**

- 4.11 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.

#### **MHCLG guidance**

- 4.12 The Ministry for Housing, Communities and Local Government (MHCLG) have not issued any guidance on what local authorities should consider including in their local scheme for the forthcoming financial year. Should MHCLG release guidance at a future date then this would be included in a revision to the scheme to be set in February 2022.

### **Local Government Ombudsman Recommendations**

- 4.13 The Local Government Ombudsman may also make generalised recommendations (as opposed to guidance) for all local authority schemes arising from complaints received, however no recommendations have been received which may have an impact on the 2022-23 scheme.
- 4.14 Given the above factors, no revisions to the scheme are proposed, save for the annual upratings of welfare benefit amounts and any urgent changes to legislation, which are not anticipated.

## **5 EQUALITIES IMPACT ASSESSMENT**

- 5.1 The Equality Act 2010 makes certain types of discrimination unlawful on the grounds of: age, gender, race, gender reassignment, disability, maternity, sexual orientation, religion or belief.
- 5.2 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
- 5.3 The Equality Act therefore imposes a duty on the local authority, which is separate from the general duty not to discriminate. When a local authority carries out any of its functions, including deciding the CTS scheme to be adopted, the local authority must have due regard to the matters within the section of the Act outlined above. The Courts have made it clear that the local authority is expected to rigorously exercise that duty.
- 5.4 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.
- 5.5 The last quarterly review undertaken in June 2021 revealed that there continues to be no adverse impact on any specific equalities group. Detailed equalities analysis will be included in the annual CTS reporting document, which is to be considered by the Executive Cabinet when setting the scheme.
- 5.6 The population of Tameside is an estimated at 226,493 based on the latest mid-year population (2019 stats). Trends show an ageing population. Tameside has 18, 205 CTS claimants as at 01 June 2021 and of these 7,417 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.

- 5.7 In addition to considering the key characteristic groups it is important to consider that the CTS scheme in place remains largely the same as that in place from 2013/14 with the revisions as detailed in Section 1 of this report.

## 6 RISKS

- 6.1 The decision on whether to change the CTS scheme for 2022/23, to some extent carries the risk of the unknown in terms of a potential increase in new claims, and therefore increased costs, after the furlough scheme ends at the end of September 2021. However, as the majority of businesses are now open and trading again this is not expected to have a considerable impact on the scheme.
- 6.2 The cost of the scheme is borne by all Council Tax payers, and 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.
- 6.3 MCHLG issuing guidance which local authorities must take into account in implementing any future scheme may present a risk, however MCHLG are aware of the legislative timescale within which a local scheme must be set. Therefore, should MCHLG wish to issue guidance to be included in a future year's scheme then every local authority would be in the same position of a tight timescale within which to consult and redraft the scheme in accordance with legislation. The same applies with a Tribunal decision however such matters cannot be foreseen.
- 6.4 The decision as to whether or not the scheme as set from April 2021 should continue from April 2022 is complying with the procedure as set in Paragraph 5(1) of Schedule 1A to the 1992 Local Government Finance Act.
- 6.5 Equality reviews on the scheme currently takes place every quarter and an equality impact assessment will be included in the later report to set the scheme for the 2022/23 financial year.

## 7 CONCLUSION

- 7.1 Council Tax Support claimant numbers and costs have increased from April 2020, by an estimated 286 claimants and an estimated increase in costs of £750k. The highest number of claimants are those of working age. This is expected as a result of the Covid-19 economic situation and the scheme continues to operate as expected.
- 7.2 Scheme claimant numbers are not consistent with the number of people furloughed in the borough or those claiming Universal Credit (according to DWP data), as some residents have more than one job, or do not have a Council Tax liability, and claimants of Universal Credit equally may not have a Council Tax liability i.e. younger adults living with parents and therefore not eligible to claim Council Tax Support.
- 7.3 Claimants of pension age continue to be fully protected within the scheme. The scheme in terms of equalities monitoring is operating as expected and this will continue to be monitored every quarter.
- 7.4 Support will remain in place for all claimants in respect of the hardship fund and advice available from both the Council and partner agencies remains in place.
- 7.5 Council Tax Support grant monies totalling £2.025m have been given in respect of the current financial year and *“aimed directly at supporting councils to meet the anticipated additional costs of providing Local Council Tax support in 2021-22, resulting from increased*

*unemployment*'. Some local authorities are using all grant monies to directly support the overall budget and others are using part of the monies to directly support Council Tax Support claimants and those who are financially vulnerable.

- 7.6 The proposal below strikes the balance between benefitting existing and new Council Tax Support claimants and those just above the threshold and are experiencing significant financial hardship and unable to pay Council Tax, after taking into account factors detailed in Section 3. The remaining £1.012m grant money will contribute to the overall Council budget and which may be used to offset a shortfall in Council Tax collection.

<b>Claimant support</b>	<b>Cost</b>	<b>Notes</b>
£50 each CTS claimant	634k	£378k remaining for further new claims and hardship cases administered via the Sec13a Hardship Policy

- 7.7 No Tribunal directions have been received in respect of having to change the scheme and no legislative changes from MHCLG are expected. The Local Government Ombudsman has not issued any recommendations with regard to Council Tax Support schemes.
- 7.8 In view of the above no proposals are made to change the scheme for 2022/23 save for the annual uprating of welfare benefit amounts set by central government.

## **8 RECOMMENDATIONS**

- 8.1 As set out at the front of the report.

# APPENDIX 1

## Claimant Profile by Working Age and Non-Working Age

