

LONDON BOROUGH OF CROYDON

REPORT:	Executive Mayor	
DATE OF DECISION:	TBC	
REPORT TITLE:	Council Tax Hardship Scheme 2023/24	
CORPORATE DIRECTOR / DIRECTOR:	Jane West, Corporate Director of Resources & S151 Officer Allister Bannin, Director of Finance (Deputy S151 Officer)	
LEAD OFFICER:	Catherine Black, Head of Payments, Revenues, Benefits & Debt Catherine.black@croydon.gov.uk	
LEAD MEMBER:	Cllr Jason Cummings – Cabinet Member for Finance	
DECISION TAKER:	Executive Mayor Jason Perry	
AUTHORITY TO TAKE DECISION:		
KEY DECISION? [Insert Ref. Number if a Key Decision]	Yes	REASON: Key Decision – Decision incurs expenditure, or makes savings, of more than £1,000,000 or such smaller sum which the decision-taker considers is significant having regard to the Council’s budget for the service or function to which the decision relates
CONTAINS EXEMPT INFORMATION?	NO	Public
WARDS AFFECTED:	All	

1 SUMMARY OF REPORT

- 1.1** In order to protect and provide vital services that our residents rely on the government has given the council permission to raise council tax by 14.99%. This includes 2% to care for and protect our older and vulnerable residents, which the government expects all councils to raise.
- 1.2** The national increase in England is 4.99% which includes 2% to care for and protect older and vulnerable residents.
- 1.3** To help and support residents who may struggle to pay their council tax as a result of the council tax increase, and the cost of living crisis that we are all experiencing, the council has introduced a Council Tax Hardship Scheme (CTHS) to support the most vulnerable residents in the borough, and low income-households who are unable to meet the demands of their council tax due to financial hardship.
- 1.4** The value of available funding for this scheme is £2m and the funding will be available year on year.
- 1.5** This report summarises the principles of how the scheme could operate for Croydon residents ensuring those who need support most, receive this.
- 1.6** The principles of scheme should be as follows:
 - 1.6.1.** A review of an applicant's weekly income will take place to determine eligibility to the scheme based on the household composition.
 - 1.6.2.** The level of support provided should mitigate the 10% increase in the council tax rise above the national increase as per 1.2 above.
 - 1.6.3.** The support will be a reduction in the form of a locally defined discount.
 - 1.6.4.** Residents who are in receipt of council tax support will automatically receive support without the need to make an application if they meet the criteria.
- 1.7** It is accepted that additional staff will be needed to administer the scheme.
- 1.8** The Executive Mayor in Croydon is asked to agree the recommendations contained in this report.

2 RECOMMENDATIONS

- 2.1** To agree that as part of the application process a review of an applicant's income takes place, to determine eligibility to this scheme.

- 2.2** To agree that the level of support provided will be to mitigate 10% of the Croydon rise in council tax for 2023/24.
- 2.3** To agree support is provided as a council tax reduction in the form of a Locally Defined Discount.
- 2.4** To agree that the maximum income before being ineligible for this scheme is set to varying levels, depending on household composition.
- 2.5** To agree additional staffing to administer this scheme is prudent and financially viable.
- 2.6** To agree an initial automatic award to any resident in receipt of CTS as of 1 April 2023 where there is a balance to pay for the 2023/24 year.

3 REASONS FOR RECOMMENDATIONS

- 3.1** Recommendation 2.1, to agree that as part of the application process a review of an applicant's income takes place, to determine eligibility to this scheme, reasons.
 - 3.1.1 Income is key eligibility criteria; it would not be possible to make a full assessment for entitlement if the council does not make a full review of each applicant's income, when income is not already known to the council.
 - 3.1.2 With regards to this recommendation the council aims to mitigate the risks of false information being provided.
 - 3.1.3 Residents who are declaring low incomes but have higher incomes should be sought out and made ineligible.
- 3.2** Recommendation 2.2, to agree that the level of support provided will be to mitigate 10% of the Croydon rise in council tax for 2023/24 reasons.
 - 3.2.1 The discount is aimed to negate the extra rise above the national 5% limits imposed by the council. Negating more this year might see a larger cliff edge in future years for residents.
- 3.3** Recommendation 2.3, to agree support is provided as a council tax reduction in the form of a Locally Defined Discount, reasons.
 - 3.3.1 A locally defined discount is applicable to council tax only, which is what the scheme is aimed at negating.
 - 3.3.2 Risks in fraud are mitigated as removing a discount and then pursuing the recovery of unpaid council tax is part of business as usual for the council tax team.
 - 3.3.3 A locally defined discount has a low setup and administration cost and can be automatically awarded in the case of successful applications, and if

agreed in the case of an award without application for residents in receipt of council tax support.

3.4 Recommendation 2.4, to agree that the maximum income before being ineligible for this scheme is set to varying levels, depending on household composition, reasons.

3.4.1 Without a maximum income the scheme could be possibly open to every resident, negating the rise entirely across the entire borough impacting the council's budget.

3.4.2 A maximum income aims to provide support to those that most need it whilst excluding those that could pay the rise. Understanding that different household compositions have different needs and therefore different income limits is the recommended approach.

3.5 Recommendation 2.5, to agree additional staffing to administer this scheme is prudent and financially viable, reasons.

3.5.1 Without additional support staff the burden on the existing teams would be unmanageable.

3.5.2 If no additional staffing is agreed, then the time a resident is likely to have to wait for an outcome would increase substantially from that noted in the policy document.

3.5.3 Existing staff would need to be removed from existing duties to cover the new burdens from the scheme which could reduce perform in other service areas.

3.6 Recommendation 2.6, to agree an initial automatic award to any resident in receipt of CTS as of 1 April 2023 where there is a balance to pay for the 2023/24 year, reasons.

3.6.1 Croydon already has the income and household composition details for these residents and could automatically make an award. Reducing the need for applications or manual review process.

3.6.2 The 2023/24 budget Equalities Impact Assessment noted that a high proportion of the council tax support claimants are of black ethnicity. This automatic award would seek to mitigate some of that impact by ensuring the households that need the support most are provided that support as quickly as possible.

4 BACKGROUND AND DETAILS

4.1 The Council Tax Hardship Scheme (CTHS) needs to be aimed at households that are of low-income and struggling to deal with the rising demands of council tax and the cost of living.

- 4.2** The scheme needs to be cost-effective for the borough to administer, associated running costs will detract from the available funding for residents and so reduce the council's ability to support the most vulnerable in the borough.
- 4.3** The desires of the scheme that this paper reviews and provides options are as follows:
- 4.3.1 The scheme should be aimed at those struggling to pay their council tax.
 - 4.3.2 Support should reflect the household's circumstances but not exceed the 10% rise in council tax above the national threshold of 5%.
 - 4.3.3 Support should be in the form of a council tax reduction, not direct payments.
 - 4.3.4 Support should not be provided to cover any part of council tax that would otherwise be covered by another scheme, exemption or discount.
 - 4.3.5 There is a maximum income limit to the scheme.
 - 4.3.6 Additional staffing will be required to administer the scheme in-house to minimise delays in processing awards?
- 4.4** A review of options following each area shows the feasibility based on currently available technology, impact for the residents and cost-effectiveness for the council to administer. Each of the sections below contains a recommendation following the statements in each review area.
- 4.5** **The scheme should be aimed at those struggling to pay their council tax.**
- 4.6** It is intended that the scheme is born as a result of the rising demands in council tax, which will see the Croydon precept increase by 14.99% in 2023/24. The practicalities of identifying residents struggling to pay their council tax is difficult to determine.
- 4.7** A resident could be considered to be struggling with their council tax if they have received a reminder. However, this would mean that resident should not apply for this scheme until at least a reminder notice has been issued for the current year in which the application was made in respect of. This would be stressful for households that are struggling to pay their council tax.
- 4.8** The council could avoid the need to send a reminder notice at all, lowering print and production costs for the council tax department, should the resident be awarding the discount at the earliest opportunity giving more manageable instalments.
- 4.9** Payment history could be considered as an indicator for financial hardship. If a resident has no history of non-payment or missed payments, they could be considered to be in new hardship due to the rising demands and the cost-of-living crisis. However, the council would not be aware of other forgone payments by the resident, for example they may have had to make the choice between paying their council tax and buying food that week. A history of good payment is not a certain indicator that a resident hasn't experienced hardship.

- 4.10** The council could look to seek a balance of these items to determine financial hardship generally, not just in respect of council tax.
- 4.11** For example, if a resident has made efforts to pay in the past, but has not kept a perfect record, and has provided the necessary evidence that they are on a low income that may be enough to determine them as eligible. In this scenario they are willing to pay and trying to do so but perhaps have not been able to pay the full amount.
- 4.12** Available Technology
- 4.13** Where a resident is in receipt of housing benefit or council tax support, the council is able to check state benefit entitlement either against the housing benefit and council tax support system automatically. Setting this up would be low effort for the R&B Technical Support Team.
- 4.14** Application where the resident is not in receipt of housing benefit or council tax support would ask them to confirm their weekly income and provide evidence. These could be accepted at the point of application – automated checking of income limits based on what the resident has provided would therefore be possible. Manual reviews could then take place at leisure of the provided documents by officers.
- 4.15** If found that cases were not eligible based on the evidence provided the reduction would be removed and communication sent to residents. The council could choose what percentage of applications were to be checked, or what the limits for automated award based on income are. For example, if income is declared to be £0 but they also state they are not in receipt of a state benefit this could be flagged as an exception.
- 4.16** Resident Impact
- 4.17** For the resident to provide evidence of their financial situation (a pay-slip, confirmation of state benefits) as part of their application process would be low effort and not require them to seek new documentation specifically for this scheme.
- 4.18** Cost-Effectiveness
- 4.19** There will be an officer resource requirement to complete some manual activities depending on what percentage of checks and what limits are set to.
- 4.20** Recommendation
- 4.21** It is recommended that the council verifies all state benefit claims against the benefits system in the first instance where they are in receipt of housing benefit or council tax support.
- 4.22** For those not in receipt of housing benefit or council tax support if the applicant declares an income below the Council Tax Support (CTS) income bands limits then the recommendation is these are flagged for officer review as the resident may be entitled to CTS.

- 4.23** All other cases are submitted to a review team to verify income details and claims on the application are true, once income details are confirmed an automatic process would follow applying the award to the resident's council tax account and notifying them accordingly.
- 4.24** **Support should reflect the household's circumstances but not exceed the 10% rise in council tax above the national threshold of 5%**
- 4.25** Available technology
- 4.26** If the award is to be a reduction in council tax the council has three options on how to achieve this using available technology:
- 4.26.1 A payment direct to the account. This would be as if cash has been posted to the system.
 - 4.26.1.1 This is an established process as has happened with the energy rebate payments. Quick and easy setup would be possible.
 - 4.26.1.2 Risks are that cash can be refunded, there would always be a chance that a refund could be incorrectly processed, and the reduction would be paid out to the resident. Croydon would find it difficult to recover the funds.
 - 4.26.1.3 Payments made outside of the standard instalment plan can cause issues at year end, specifically with Direct Debits where the instalment plan no longer matches the outstanding balance. Care would need to be taken to rebalance accounts or to prevent failures in the direct debit calls near the end of the year.
 - 4.26.2 A locally defined discount percentage. This is a percentage reduction and would be based on the increase. The overall increase on a Band D property in 2022/23 to 2023/24 is 7.01%.
 - 4.26.2.1 This process is established and is the mechanism used for Care Leavers discount.
 - 4.26.2.2 The percentage approach ensures all bands receive a proportionate amount of award.
 - 4.26.2.3 Lower risks in terms of refunds and account balance, this would be a transaction on the system, not a cash receipt, meaning there's no funds for refunds.
 - 4.26.2.4 When transactions are applied the system will automatically recalculate the bill and provide new, lower (in this case), instalments for the resident.
 - 4.26.2.5 If fraud is detected at a later point the removal of the discount is possible and the council tax becomes due and payable.

Recovery is possible as part of usual council tax recovery processes.

4.26.3 A locally defined discount fixed value. This is a fixed value, for example £250 per account.

4.26.3.1 This is a new process; it is possible within the council tax system to administer the scheme this way, but additional licenses would need to be purchased. A quote has been required for this license.

4.26.3.2 All other comments in regard to the percentage award are the same for a fixed value.

4.27 Resident Impact

4.28 For the resident providing a fixed amount does not take in to account the rise based on the band of their property. A percentage ensures fairness across all bands.

4.29 A cash payment to the system would enable the resident to ask for a refund of this payment, it is not the ambition of the scheme to cause or create credits on account but there is a risk that could happen in error and confuse residents with a credit bill.

4.30 If the scheme were to negate the full 15% rise in council tax, rather than the 10% above national cap, the percentage award for the discount would need to be 12.23%. However, next year the resident may find it difficult to manage an even more significant increase from 2023/24 to 2024/25 as in effect negating the cost is holding the resident at the cliff-edge until support is no longer provided. Next year if the scheme were to negate the assumed 3% or 5% increase the overall change would need to be considered from 2022/23 to 2024/25 which may end up being more like a 21% increase.

4.31 Such a level of support would also limit the number of residents the scheme is able to support to approximately 6,700.

4.32 Cost-Effectiveness

4.33 The most cost-effective way forward for the council would be option 2 in this section, a percentage award. There would be no additional licenses to purchase and the effort to ensure the system is performing as it should at the end of year with regards to instalment plans is minimised.

4.34 The setup to this option is less than half a day.

4.35 Recommendation

4.36 Based on the available technology and risks a locally defined discount at a given percentage is the recommended approach.

4.37 It is easily recovered if fraud is detected and limits impact to ongoing billing and business as usual processes.

- 4.38** It is recommended that support to the resident should be seen as a transitional step, to prevent significant changes to the resident's finances in the future.
- 4.39** It is recommended that the support level be reduced from negating the full rise in council tax to just the percentage increase over the national 5% rise.
- 4.40** **Support should be in the form of a council tax reduction, not direct payments**
- 4.41** Available Technology
- 4.42** As mentioned in the last point, the technology available to make reductions to council tax are available.
- 4.43** As part of the energy rebate scheme payments have been possible direct to residents however this is not typical for how the system was designed. If the option to pay residents direct is chosen a suitable solution for making payments direct to residents' bank accounts would need to be procured or developed.
- 4.44** Resident Impact
- 4.45** How the award is provided has minimal impact to the resident. The scheme is aimed at reducing the burden that the council tax increase for 2023/24 may create for some low-income households. It is appropriate, therefore, that a council tax reduction be offered rather than a cash payment to residents.
- 4.46** Cost-Effectiveness
- 4.47** As mentioned in paragraph 4.26.2, applying a reduction to the council tax bill, as a discount is the most cost-effective method providing support.
- 4.48** Recommendation
- 4.49** It is recommended that the support from this scheme be offered as a reduction in the council tax bill as a percentage of their balance due.
- 4.50** An example of a band D household entitled to 60% CTS would be as shown below:

Band D Household		
	Amount	Percentage
Council Tax Charge:	£2,239.57	
Council Tax Hardship Scheme	£156.99	7.01%
Left to Pay after CTHS:	£2,082.58	
Council Tax Support:	£1,249.55	60.00%
Left to pay after CTS:	£833.03	

- 4.51** **Support should not be provided to cover any part of council tax that would otherwise be covered by another scheme, exemption, or discount.**
- 4.52** Available Technology

4.53 This is another reason why a percentage award as a discount is the recommended way to approach this scheme. The way the system allocates cash payments would mean that if a resident become 100% entitled to CTS the amount credited to the account as part of this scheme would require manual adjustment. A percentage discount avoids that necessity.

4.54 However, it is not possible to award the discount after council tax support has been awarded. Council tax and council tax support are linked and follow explicit rules. In this case council tax is raised and a liability is generated, £100. Then any discounts and reductions have to be considered, if a 15% discount is applied the liability is reduced to £85, this is now the net liability that is used for calculating council tax support awards. If in the income banded scheme the resident was entitled to 50% council tax support their balance to pay would be £42.50. There is no way, other than applying cash receipts, to change the order of these actions. If cash receipts are applied, they could not be considered a reduction in council tax liability under Section 13A of the Local Government Finance Act 1992. They would need to be considered as cash in the system and contribute towards collection rates.

4.55 Resident Impact

4.56 The impact to the resident if a percentage is used is nil. The diagram below shows that if the Band D council tax in 2023/24 is £2,239.56 per year and the reduction under this scheme is 7.01% (negate the additional 10% above the national 5% rise) and they were entitled to 50% reduction in council tax due to council tax support scheme entitlement the net payable amount is still the same.

CTHS applied, then CTSS applied

Band D	CTHS 7.01%	CTSS 50%	Net to Pay
£2,239.56	£156.99	£1,041.28	£1,041.28

CTSS applied, then CTHS applied

Band D	CTSS 50.00%	CTHS 7.01%	Net to Pay
£2,239.56	£1,119.78	£78.50	£1,041.28

4.57 Cost-Effectiveness

4.58 As shown in the resident impact, the net impact to the council is the same regardless of when the award is applied.

4.59 If the award is applied after CTS, the hardship scheme could be spread further but as noted above with technology limitations this is not possible with the software we have available. It would also raise questions around the order in which Section 13A reductions are being applied and is it lawful to apply them after council tax support has been applied.

4.60 Recommendation

- 4.61** Based on the above it would be recommended that the council is limited by what the systems available can achieve and that an award prior to CTSS is the only available solution to the council.
- 4.62** **There is a maximum income limit to the scheme.**
- 4.63** Available Technology
- 4.64** There are no concerns around technology regarding this limitation to the scheme however there will be limitations in terms of what is possible to automatically review against what will require manual officer review.
- 4.65** Resident Impact
- 4.66** The income limitation to this scheme will, of course, limit the number of residents who are able to apply and be awarded a reduction to their council tax. However, that is in keeping with the purpose of this scheme.
- 4.67** This scheme is aimed at those that are struggling to make ends meet and the rise in council tax has create a financial pressure for the resident.
- 4.68** Cost-Effectiveness
- 4.69** The council will want to provide support to as many residents as possible to get the best outcome for residents. To do this the council will need to set upper limits on income before someone becomes disqualified from support from this scheme.
- 4.70** The council will also want to make sure that support is offered to households whilst considering the needs of each household. A balance between household size and status could be made. The council would be taking into account that a household with dependents (children), is likely to need a higher income than a household with no dependents.
- 4.71** The council tax support scheme for 2023/24, assuming a 15% increase in income bands, will see the maximum income rise to £431.00 per week (£22,412pa). These bands are separated by £50 intervals. It could be suggested that a number of bands above the CTS cut off is considered to be low income.
- 4.72** Reviewing the ONS data for average salary in the UK, the median full-time pay is £640 per week in 2022. If the limit on income is set 3 bands higher than the CTS cut off for entitlement the scheme would have an upper limit of £581 – at which point all residents becomes disqualified from this scheme.
- 4.73** <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2022>

4.74 The matrix of maximum income, if the above is adopted, would be as follows:

Household	No Dependents	1 Dependent	2 Dependents	3 or more dependents
Single	£431	£481	£531	£581
Couple	£481	£531	£581	£581
Disabled	£481	£531	£581	£581

4.75 Recommendation

4.76 To keep the scheme in line with current support offerings it is recommended that the income limits are aligned to the council tax support scheme and the maximum income is limited to 2 (or another number) of income bands above the CTS cut-off for entitlement. This would mean that year-on-year reviews would be minimal and in keeping with either the rise in council tax or with CPI, depending on how the CTS scheme is implemented.

4.77 **What additional staffing requirement would be needed if this is administered in-house?**

4.78 To have a scheme that is to be verified on an individual basis taking into account each circumstance will require considerable effort from officers. No department is resourced to take on the additional demand that this scheme will create.

4.79 Setup, Support & Maintenance

4.80 Creating an application system that is easy for the residents to complete and for officers to administer would be a build that would take some effort depending on the solution.

4.81 Croydon has low-code options available from the Croydon Digital Service which could be used to deliver the scheme, or alternatives could be provided by the council tax support and development team.

4.82 Both solutions would need to be reviewed for effectiveness and speed of delivery, expecting that this scheme will need to be implemented in a very short timeframe.

4.83 Administration

4.84 Officer support for manual intervention, appeal and review would be required. Officers would be required to review provided supporting evidence as well as make decisions based on the statements provided by residents during their application.

4.85 These activities are not insignificant and depending on the depth of the application the time to review each application will vary. A review of this should take place once the application process has been assessed.

- 4.86** However, even before that review takes place there are 13,800 CTS residents that will have a bill to pay next year and around 5,000 residents that were entitled to CTS in 2021, but not in 2022. If an application takes 15 minutes to review and it is assumed that only 75% of residents apply within the first 6 months of the scheme going live. 5 FTE would be required to clear all anticipated applications – a better review of this should take place once the application process has been determined, once it's known what the officers are reviewing and how long a single review would take.
- 4.87** There are currently 2 areas where administration could take place, either within the enablement team or within the benefits team. A review should take place to come to a decision on what team is going to administer this scheme.

5 ALTERNATIVE OPTIONS CONSIDERED

5.1 Direct payments to Residents

- 5.2** The council could choose to operate a scheme that makes cash payments to residents in the form of BACS payments.
- 5.3** A benefit to this scheme is there is no requirement to having a council tax liability, but that is also a reason to not operate the scheme in this way as having a council tax liability is part of the proposed eligibility criteria.
- 5.4** It would also be significantly harder to reclaim the fund should instances of fraud be later discovered.
- 5.5** The council also does not have a business-as-usual ICT solution that does this. During the energy rebate scheme the council was able to use existing technology to make payments however there are risks involved that were mitigated at the time and accepted due to the one-off nature of the energy rebate scheme. The council would need to invest in a technical solution that is capable of making payments to residents.
- 5.6** Therefore, it has been recommended that this solution is not taken forwards for consideration.

6 CONSULTATION

- 6.1** This hardship scheme will be shared with partners such as South West London Law Society, and community groups to receive their comments and recommendations to ensure the principles of the scheme meet the needs of the our most vulnerable residents.

7. CONTRIBUTION TO COUNCIL PRIORITIES

- 7.1 The Executive Mayor’s priority 1 is that the council balances its books, listens to residents and delivers good sustainable services. We must get a grip on the finances and make the council financially sustainable. We will listen to and ask partners within Croydon’s diverse communities to support us in delivering this hardship scheme.
- 7.2 We will work in collaboration with partner organisations and the voluntary, community, and faith sectors to ensure this hardship scheme reaches the most in need and vulnerable residents of Croydon.

8. IMPLICATIONS

8.1 FINANCIAL IMPLICATIONS

8.1.1 The £2.00m funding available for this scheme has been set aside in the 2023/24 budget and is available year on year. For 2023/24 there is one off funding available from remaining Council Tax Support Grant of £0.235m.

8.1.2 Depending on the options chosen there may be one-off and on-going financial implications. These will include.

- Staffing implications of between 2 and 5 full time equivalents (FTE’s). The average cost per FTE would be £45,000 per annum including employee oncosts.
- One off systems development costs of approximately £12,000 to £15,000.

8.1.3 These costs will need to be funded through the £2m annual budget for the scheme.

8.1.4 Revenue and Capital consequences of report recommendation

This table below is a requirement unless the Head of Finance for your directorate confirms it is not needed.

	Current Year	Medium Term Financial Strategy – 3 year forecast		
	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26
Revenue Budget Available	0	2,000	2,000	2,000
One - Off Use of Remaining Council Tax Support Grant	0	(235)	0	0
Expenditure	0	2,235	2,000	2,000

Effect of decision from report	0	0	0	0
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8.1.5 Comments approved by Lesley Shields, Head of Finance for Assistant Chief Executive and Resources on behalf of the Director of Finance. 20/03/23.

8.2 LEGAL IMPLICATIONS

8.2.1 Under Section 13A(1)(c) (Reductions by billing authority) of the Local Government Finance Act 1992 (the 1992 Act), the amount of council tax which a person is liable to pay may be reduced to such extent (or to such further extent if the amount has been reduced under the Council’s council tax reduction scheme) as the Council, as billing authority thinks fit.

8.2.2 In deciding the terms of the Council’s policy in relation to exercising its discretion under Section 13A(1)(c) in the Council Tax Hardship Scheme, the usual principles will apply, as set out in Part 5.A – Protocol for Decision-Making of the Council’s constitution.

8.2.3 Whilst the Council is entitled to have a policy in relation to exercising its discretion under Section 13A(1)(c), the exercise of the discretion is “in any case”, and therefore the Council must consider each case on its own merits and must consider whether an exception should be made to the policy.

8.2.4 Under Section 16 (Appeals: general) of the 1992 Act, a person who is aggrieved by a decision under Section 13A(1)(c) has the usual right to appeal to a valuation tribunal, if the matter cannot be settled with the Council under the procedures specified in Section 16.

8.3 Comments approved on 20 March 2023 by Mark Turnbull, Corporate Solicitor.

8.4 EQUALITIES IMPLICATIONS

8.4.1 As a public body, the Council is required to comply with the Public Sector Equality Duty [PSED], as set out in the Equality Act 2010. The PSED requires the Council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. Failure to meet these requirements may result in the Council being exposed to costly, time consuming and reputation-damaging legal challenges.

8.4.2 The council will consult with community organisations within the borough to fully understand the impact of this proposal with protected groups and the EQIA is a live document and will be updated once the fund has discharged its duty.

- 8.4.3** An equality impact assessment has been carried out which has identified the impact across equality characteristics. It found that the proposal was likely to impact positively on the following characteristics who would in some cases have less household income: race (regarding African/African Caribbean communities), disability, age, sex, and sexual orientation.
- 8.4.4** A higher income threshold would be used for disability, though it would not be feasible to make changes in respect of sex, race, age and sexual orientation in that in some cases individuals would earn a higher income.
- 8.4.5** However, if a resident would approach the council and they are not eligible under this scheme there are alternative Section 13A support schemes, which residents could be signposted to.
- 8.4.6** It also found that younger people and families with children were more likely to be eligible for the fund.
- 8.4.7** It also found that two income households, whether male/female or male/male would have higher income brackets and be less likely to be eligible for the fund, unless they also had children which could potentially make them eligible.
- 8.4.8** Therefore, it is recommended to continue the proposed change despite potential for possible adverse impact or missed opportunities to promote equality – as we are satisfied that these will not lead to unlawful discrimination and there are justified reasons to continue as planned.

OTHER IMPLICATIONS

8.5 ENVIRONMENT AND CLIMATE CHANGE

- 8.5.1** The income limitation to this scheme will, of course, limit the number of residents who are able to apply and be awarded a reduction to their council tax. However, that is in keeping with the purpose of this scheme.
- 8.5.2** The council will also want to make sure that support is offered to households whilst considering the needs of each household. A balance between household size and status could be made. The council would be taking into account that a household with dependents (children), is likely to need a higher income than a household with no dependents.

- 8.6** Comments approved on 20 March 2023 by Denise McCausland, Equalities Manager.

9. APPENDICES

- 9.1** Appendix A. Council Tax Hardship Scheme – EQIA.docx
Appendix B. EQIA - Data Pack.pdf

Appendix C. Council Tax Hardship Scheme - Models Summary - v4.xlsx

Appendix D. Council Tax Reductions.docx

Appendix E. Council Tax Hardship Scheme - Policy - v5.docx

10. BACKGROUND DOCUMENTS

10.1 None.

11. URGENCY

11.1 None.

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