



# Doncaster Council

## Report

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Date: 24 January 2019

To the Chair and Members of Council

### Proposals for Localised Council Tax Support from 1 April 2019 (the Local Council Tax Reduction Scheme)

Relevant Cabinet Member(s)	Wards Affected	Key Decision
The Mayor	All wards	Yes

#### EXECUTIVE SUMMARY

1. From 1 April 2013 Council Tax Benefit was replaced by Local Council Tax Support (LCTS). Under LCTS, billing authorities have to decide for working age claims who is eligible for a reduction in their Council Tax and what level of support they should receive. Support for people of pensionable age and other aspects of the scheme are prescribed by regulations and the Council has no discretion in relation to these matters.
2. Around **24,200** households currently receive a reduction in their Council Tax from Doncaster Council's local support scheme. Of these, around 10,760 (44%) are of pension age and around 13,440 (56%) are of working age.
3. The Authority is required to consider whether to revise or replace its scheme on an annual basis. Local changes to our scheme are proposed from 1 April 2019 to make it easier for people on Universal Credit to claim support and to disregard some additional income and earnings when working out support in a small number of cases.
4. Further changes to the scheme from 1 April 2019 have been applied based on matters arising from The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2018 which were laid before Parliament on 14 December 2018 and come into force on the 14 January 2019. Some of the rates and allowances used to work out support for claims from those of working age have also been uprated in line with the Government rates that apply to Housing Benefit. Our LCTS scheme has stipulated that we will apply this uprating on an annual basis since it was introduced in 2013.

5. Under the Local Government Finance Act (LGFA) 2012, before making any local revisions to a scheme, the Authority must consult its major precepting authorities and such other persons as it considers are likely to have an interest in the operation of the scheme. The South Yorkshire Police and Crime Commissioner and South Yorkshire Fire and Rescue Service have been consulted on the proposals. The Authority also carried out a public consultation exercise between 3 December 2018 and 6 January 2019. This report includes the results of the public consultation exercise which showed that, on average, over **95%** of respondents were in favour of the proposals, and the revised Equality Impact Assessment.
6. In accordance with the legislation, the final revised scheme has to be decided by Full Council by 11 March 2019. This date was previously 31 January, however, the date was extended under The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017. In January 2018, the Government also confirmed that LCTS schemes did not need approval by Full Council each year unless any local non-prescribed changes to the scheme were proposed. Therefore, in future years, reports will only be brought to Council if any local changes are proposed.
7. Doncaster Council's proposed LCTS scheme from 1 April 2019 continues to provide 100% support to the poorest households in receipt of 'passported' benefits such as Income Support and most unemployed people on Universal Credit. This remains a priority for Doncaster Council and we are one of only a handful of Council's in the country that continues to provide maximum support to those on the lowest income levels.

## **EXEMPT REPORT**

8. The report is not an exempt report.

## **RECOMMENDATIONS**

9. Members are requested to:
  - i. Approve the proposal to remove the requirement for people claiming Universal Credit to make a separate LCTS claim to the Council where they have indicated on their Universal Credit claim that they also want to claim LCTS and this information has been passed to the Council by the Department for Work and Pensions;
  - ii. Approve the proposal to use the information provided by the Department for Work and Pensions for someone claiming Universal Credit about their income and personal circumstances to work out the person's LCTS rather than the claimant having to provide separate information to the Council;

- iii. Approve the proposal to extend the LCTS claim period to six months so that claimants do not have to reapply for support following a short period of non-entitlement, for example, following a one-off or short-term wage increase which can occur frequently where the claimant receives Universal Credit;
- iv. Approve the proposal to disregard Bereavement Support Payment when working out how much support someone is entitled to which would align the treatment of this income with the Housing Benefit scheme. (This proposal would only affect a very small number of claimants (3 currently) at minimal cost);
- v. Approve the proposal to disregard an additional prescribed amount (currently £17.10 per week) from the earnings of a couple where one of the partners is disabled regardless of which partner is working to align the treatment of earnings in these circumstances with the Housing Benefit scheme. (This proposal would only affect a very small number of claimants (around 200 nationally) at minimal cost);
- vi. Note that any increase in Council Tax liability for the Council, its major preceptors and local parish preceptors will increase the cost of LCTS. The assumptions used in the cost of the scheme for 2019/20 are an overall increase of 4.99% for Doncaster's Council Tax;
- vii. Consider the public consultation outcome which is summarised at Appendix 1 as part of the decision making;
- viii. Consider the Equality Analysis and Due Regard Statement attached at Appendix 2 as part of the decision making;
- ix. Approve the revised scheme which is linked at Appendix 3 and incorporates the proposed changes at (i) to (v) above and has also been amended to take into account The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2018. These amendments in the main are to increase certain figures which are used in calculating whether a person is entitled to a reduction and the amount of that reduction. These increases relate to pensioner claims and most of the rates used in the calculation of working age claims have been frozen in line with the rates for Housing Benefit. The Regulations were laid before Parliament on 14 December 2018 and come into force on the 14 January 2019 for application in the Council's revised local scheme from the 1 April 2019.

## **WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?**

- 10. LCTS is a means tested form of help to assist the poorest Doncaster citizens by reducing the amount of Council Tax they have to pay. There are currently around 24,200 households receiving a reduction in their Council Tax from the local support scheme in Doncaster. Of these around 10,760 (44%) are of pension age and around 13,440 (56%) are of working age on a low income.

11. The proposed local changes to the claiming rules from 1 April 2019 will impact positively on people claiming Universal Credit making it easier for them to claim LCTS and meaning that any support they are entitled to would be awarded quicker. There are currently **3,015** people claiming Universal Credit and receiving LCTS however, the proposed changes to the LCTS claiming rules would potentially benefit all current LCTS recipients of working age who will move onto Universal Credit over the next few years. The proposed change to disregard Bereavement Support Allowance, whilst only affecting a very small number of people, would result in the level of support being increased for these people. The proposed change to introduce an additional earnings disregard for disabled couples would potentially increase the level of support paid in these circumstances. Again, this latter change would only affect a very small number of people – estimated by DWP as 200 nationally.

## **BACKGROUND**

12. Under national Welfare Reforms, the Council Tax Benefit scheme was replaced by LCTS from 1 April 2013. Once a LCTS scheme has been made by the Council, it cannot be revised for at least one financial year. A billing authority must, however, consider whether to revise or replace its scheme with another one on an annual basis. In practice, this requires any options to amend the scheme other than changes prescribed by Government to be considered as part of the budget setting process to enable the decision making processes to be concluded in time for Council Tax annual billing preparations.
13. Any replacement or revision of a scheme must be made by the Council by 11 March immediately before the financial year in which it is to take effect. The decision to approve the scheme is reserved for Full Council and cannot be delegated.
14. Consideration is also required to be given to transitional provisions where the support is to be reduced or removed as the Authority thinks fit. The Local Government Finance Act states that a billing authority must have regard to any guidance issued by the Secretary of State.
15. Through the Prescribed Requirements regulations, the Government continues to confirm its commitment to protecting pensioners on low incomes, who it does not want to see disadvantaged as a result of the introduction of LCTS schemes. The intention has always been that the provisions for pensioners will replicate, as far as possible, the provisions under which pensioner eligibility for Council Tax Benefit was assessed. To ensure that this protection is maintained, the Government has amended the Prescribed Requirements Regulations again to uprate the allowances, premiums and non-dependent deductions for pensioners for 2019/20. We are required to include in our scheme all matters covered by the Prescribed Requirements regulations. To deliver this protection, and to keep the allowances and premiums which measure need broadly in line with those for Housing Benefit, the Authority has to meet the costs associated with these changes.

16. The implementation of localised Council Tax Support in April 2013 coincided with other major reforms to the welfare system; Housing Benefit restrictions for under-occupation in the social sector, the introduction of an overall benefit cap, Discretionary Housing Payments and other welfare reform changes such as benefit sanctions. In addition, Universal Credit Full Service was rolled out in Doncaster from 11 October 2017. Some claimants may already have been affected by multiple changes arising from these reforms and may be subject to further welfare reform changes in the coming years.
17. The amount Doncaster has awarded in LCTS in 2018/19 is lower than initially estimated as the caseload for LCTS has continued to fall. The fall in caseload is largely attributable to people moving to Universal Credit which in many cases coincides with them moving into employment. The number of pensioners claiming support has also fallen from 11,340 in 2017/18 to 10,760 in 2018/19. The caseload reduction is in line with the national trend which shows an overall reduction in the number of people receiving support since 2015 of 7.4%. The reduction in caseload has contributed to an increased tax base and surplus in the Collection Fund which will be considered as part of the Council's budget and tax setting process.
18. There have been no complaints or challenges to the LCTS scheme in 2018/19. However, as set out in the Council report for approval of the 2018/19 scheme, a review of the scheme has recently taken place with a particular focus on any adverse impact for people claiming Universal Credit and the administration associated with assessing LCTS claims for these people. The internal scheme review concluded that the claiming and evidence rules in our LCTS scheme were onerous for people on Universal Credit and could, in some cases, be resulting in people not receiving the support they are entitled to. The review also concluded that there were some areas of our scheme where income was being treated differently for Housing Benefit and LCTS. This is specifically in relation to the treatment of Bereavement Support Allowance and earnings disregards for disabled couples where the Government changed the Housing Benefit rules in 2017. As the proposals to disregard the additional sums in the calculation of support only affect a very small number of people and would incur minimal additional spend in the scheme, these proposals are included for Members consideration.
19. The LGFA 2012 requires that, before making any local changes to their LCTS scheme, local authorities consult people with an interest in the scheme. A public consultation exercise was carried out between 3<sup>rd</sup> December 2018 and 6<sup>th</sup> January 2019. A summary of the public consultation methodology and outcome is summarized at Appendix 1. **358** responses were received and the result was an overwhelming majority (over **95%** on average) in support of the changes. South Yorkshire Police and Crime Commissioner and South Yorkshire Fire and Rescue Service have also been consulted and neither body have raised any objections or concerns about the proposals.

## **OPTIONS CONSIDERED**

20. There is an option not to incorporate the proposed local changes from 1 April 2019, however, to not do so would be missing an opportunity to simplify the LCTS claiming experience for Universal Credit claimants, many of whom experience significant difficulties in the transition to Universal Credit as covered widely by the media. By not incorporating the changes to the treatment of Bereavement and Support Allowance and the additional earnings disregard for disabled couples, the Council would be missing an opportunity to align these areas to the Housing Benefit rules and potentially benefit people who have been bereaved or are disabled. This option is not recommended.

## **REASONS FOR RECOMMENDED OPTIONS**

21. It is recommended that the revised LCTS scheme from 1 April 2019 incorporates the changes set out at paragraph 9 of this report to simplify the claiming and evidence requirements for people also claiming Universal Credit, and to disregard Bereavement and Support Allowance and apply an additional earnings disregard to disabled couples who meet the criteria. It is further recommended that the LCTS scheme:-
  - i. Continues to provide support for pensioners and incorporates other changes in line with the requirements of The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2018;
  - ii. Continues with a local disregard of various war pensions and war disablement pensions which are only partially disregarded under the national regulations. The cost of this to be borne locally for 2019/20 is estimated at £50,000;
  - iii. Continues to provide maximum support to the poorest households defined as those on 'passported' benefits (Income Support, income-based Jobseeker's Allowance or income-related Employment and Support Allowance) and for those with income below their needs allowance;
  - iv. Incorporates the changes to the allowance rates used to calculate support in line with the changes to the rates set out by the Secretary of State in the Housing Benefit regulations for working age claims;
  - v. Remains as in the previous scheme agreed for 2018/19 for all other aspects of the scheme.
22. When approving previous years' schemes, Members have expressed their preference that local changes to the scheme should be avoided other than those required under the Prescribed Requirements regulations and the consideration of the annual uprating of allowances and premiums used to calculate support. The proposals for local changes to the LCTS Scheme from 1 April 2019 are all advantageous to claimants and provide a positive response

to those people transitioning from other benefits to Universal Credit. For these reasons, it is recommended that Members approve the proposals set out at paragraphs 9 and 21 of this report. This option would also ensure the Council continues to comply with the legal requirements in relation to the calculation of support for pensioners and other prescribed requirements; continues to provide maximum support to the poorest households and shows the Council's commitment to supporting those in receipt of war pensions.

## IMPACT ON THE COUNCIL'S KEY OUTCOMES

	<b>OUTCOME</b>	<b>Implications</b>
	<p><b>Doncaster Working:</b> Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> <li>• Better access to good fulfilling work</li> <li>• Doncaster businesses are supported to flourish</li> <li>• Inward Investment</li> </ul>	<p>To maintain work incentives within the proposed scheme such as earnings disregards to assist in making work pay.</p> <p>Extended payments to provide additional support to people starting work.</p> <p>Increased earnings disregards for lone parents and people with disabilities provide extra help to those with more significant barriers to work.</p> <p>Disregard of childcare costs for authorised providers ensures families can improve their incomes through work whilst providing adequate care for their children.</p>
	<p><b>Doncaster Living:</b> Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> <li>• The town centres are the beating heart of Doncaster</li> <li>• More people can live in a good quality, affordable home</li> <li>• Healthy and Vibrant Communities through Physical Activity and Sport</li> <li>• Everyone takes responsibility for keeping Doncaster Clean</li> <li>• Building on our cultural, artistic and sporting heritage</li> </ul>	

	<p><b>Doncaster Learning:</b> Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> <li>• Every child has life-changing learning experiences within and beyond school</li> <li>• Many more great teachers work in Doncaster Schools that are good or better</li> <li>• Learning in Doncaster prepares young people for the world of work</li> </ul>	
	<p><b>Doncaster Caring:</b> Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> <li>• Children have the best start in life</li> <li>• Vulnerable families and individuals have support from someone they trust</li> <li>• Older people can live well and independently in their own homes</li> </ul>	<p>Our LCTS scheme continues to provide 100% support for those on the lowest income levels.</p> <p>Disregards and extra premiums for those who receive disability benefits ensure extra costs for those with disabilities are catered for when the amount of Council Tax they must pay is calculated.</p> <p>Proposal to disregard Bereavement and Support Allowance from April 2019 to support people who have been bereaved.</p> <p>Proposal to disregard more from the earnings of disabled couples from April 2019.</p> <p>Proposals to simplify the claiming process for people claiming Universal Credit, many of whom face difficulties claiming and receiving this benefit.</p> <p>Using our discretionary power in our LCTS scheme to disregard war pensions.</p> <p>We continue to work with partners on the Anti-Poverty Steering Group and Financial Inclusion Group to deliver outcomes to support those experiencing poverty and who are subject to welfare reforms.</p>

	<p><b>Connected Council:</b></p> <ul style="list-style-type: none"> <li>• A modern, efficient and flexible workforce</li> <li>• Modern, accessible customer interactions</li> <li>• Operating within our resources and delivering value for money</li> <li>• A co-ordinated, whole person, whole life focus on the needs and aspirations of residents</li> <li>• Building community resilience and self-reliance by connecting community assets and strengths</li> <li>• Working with our partners and residents to provide effective leadership and governance</li> </ul>	<p>Using savings gained from changes to Council Tax discounts and exemptions in the Collection Fund to support the scheme.</p> <p>Proposals to simplify the claiming process for people also claiming Universal Credit to also achieve efficiencies in the administration of LCTS claims.</p> <p>Online claiming process for LCTS and for reporting changes in circumstances.</p>
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## RISKS AND ASSUMPTIONS

23. The Council is required to have a LCTS Scheme and would not be discharging its duties with regard to equality, disability, child poverty or with regard the Armed Forces Covenant if it did not provide a level of support. Significant hardship would be caused to many of the poorest households in Doncaster who receive full and partial support with their Council Tax. Without a LCTS scheme in place it is unlikely that, as a billing authority, we would be in a position to collect all the Council Tax charges from these citizens and we would incur significant costs in trying to do so.

## LEGAL IMPLICATIONS [Officer Initials NC Date 8/1/2019]

24. In accordance with Section 13A of the Local Government Finance Act 1992 (“the 1992 Act”), each billing authority in England is required to make a Council Tax Reduction Scheme which specifies the reductions to Council Tax payable, by persons or classes of persons whom the authority considers to be in financial need.
25. The Act requires billing authorities to consider whether to review or revise their schemes on an annual basis and, for the scheme from 1 April 2019, this must take place no later than 11 March 2019. Before making a scheme (or revising or replacing it) the billing authority must consult any major precepting authority which has power to issue a precept to it, publish a draft scheme in such manner as it thinks fit, and consult such other persons as it considers are likely to have an interest in the operation of the scheme.

26. The decision maker must be aware of their obligations under section 149 Equality Act 2010, the Public Sector Equality Duty (PSED). It obliges public authorities, when exercising their functions, to have 'due regard' to the need to:
  - a. Eliminate discrimination, harassment and victimization and other conduct which the Act prohibits;
  - b. Advance equality of opportunity; and
  - c. Foster good relations between people who share relevant protected characteristics and those who do not.
27. The relevant protected characteristics under the Equality Act are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The duty also covers marriage and civil partnerships, but only in respect of eliminating unlawful discrimination.
28. The decision maker must ensure that they have seen the due regard statement. The duty must be exercised in substance, with rigour, and with an open mind and is not a question of ticking boxes. It is for the decision-maker to decide how much weight should be given to the various factors informing the decision, including how much weight should be given to the PSED itself. The duty is a continuing one and there should be a record/audit trail of how due regard has been shown. It is not sufficient for due regard to be a "rear-guard action" following a concluded decision. The decision maker must also pay regard to any countervailing factors and decide the weight to be given to these, which it is proper and reasonable to consider; budgetary pressures, economics and practical factors will often be important.

## **FINANCIAL IMPLICATIONS [Officer Initials AT 09/01/19]**

29. There are currently around 24,200 low income households receiving a reduction in their Council Tax from the LCTS scheme in Doncaster. 19,370 households (80%) receive maximum support and 4,830 households (20%) receive partial support.
30. The estimated cost of LCTS for 2019/20 is £21m. The estimated cost for 2018/19 was £20.80m, however, the current spend projection for this year is £20.04m due mainly to the caseload continuing to steadily fall, i.e. more people moving into work and less claims from those of pensionable age. This has contributed to an increase in the Council Tax base and Collection Fund surplus which is being considered as part of the Council's budget and tax setting process.
31. Any reduction in LCTS granted represents additional money that the Council has to collect from Council Tax payers so there is an associated risk of non-collection from households facing difficult economic times. The anticipated impact of the proposals on the tax base and Collection Fund surplus have been considered in the budget setting process, along with the impacts on the major preceptors' budget moving forward, i.e. South Yorkshire Fire and Rescue and the Police.

32. The billing authority is also required to maintain a surplus on its Collection Fund and we are required to consider the risks of non-collection when developing the scheme.

#### **HUMAN RESOURCES IMPLICATIONS [Officer Initials KG Date 09.01.19]**

33. There are no direct human resource implications arising from this report other than an increase in Council Tax and potential subsequent increase in the number of claims that require processing. It is anticipated that this will be managed within existing resources.

#### **TECHNOLOGY IMPLICATIONS [Officer Initials PW Date 8/1/19 ]**

34. The information needed to simplify the claiming and evidence requirements for people also claiming Universal Credit is already provided to the Council by the DWP. There are no additional technology implications arising from this report that cannot be managed through the Northgate Revenues and Benefits system.

#### **HEALTH IMPLICATIONS [Officer Initials.....RS.....Date ...08/01/2019...]**

35. The choices the council makes in raising revenue will impact on the health of the population. Decision makers should balance the requirement to raise resource as part of the overall funding of council activities and the health benefits that may arise though the use of council tax across a range of service areas (bearing in mind in general 20% of what contributes to health and wellbeing is due to clinical care, 30% due to behavioural factors, 40% due to socio-economic factors and 10% due to the built environment) with the health benefits that directly arise from improving the standard of living for Doncaster residents through ensuring the local council tax burden is fairly distributed. These proposals for a Localised Council Tax Support Scheme supports individuals and families in greatest need and should contribute to maintaining health and wellbeing in the face of poverty and austerity.

#### **EQUALITY IMPLICATIONS [Officer Initials MB Date 07/01/2019 ]**

36. The Public Sector Equality Duty (PSED) was created by the Equality Act 2010 and replaces the race, disability and gender equality duties. The duty came into force in April 2011 and places a duty on public bodies and others carrying out public functions. The new Equality Duty requires public bodies to have due regard to the need to:-
- a. Eliminate discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
  - b. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and

- c. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
37. We have ensured in developing the LCTS scheme that we make fair and informed financial decisions, demonstrating our commitment to improving outcomes for the poorest and often vulnerable groups of people living in Doncaster and at the same time showing due regard to the Public Sector Equality Duty. We have used the findings of this extensive review and equality analysis previously undertaken which is still relevant for this review of the scheme and we have updated relevant data as part of the process. This information is detailed and provided at Appendix 2 to this report.

## **CONSULTATION**

38. In line with the requirements of the LGFA 2012, the South Yorkshire Police and Crime Commissioner and South Yorkshire Fire and Rescue have been consulted on the local change proposals. Neither body has raised any objections to the proposals.
39. A public consultation exercise was also undertaken between 3 December 2018 and 6 January 2019. A dedicated consultation page was set up on the Council's website clearly setting out the proposals for change with an online questionnaire for the public to complete. Social media was used to promote the consultation as well as promotion in the Civic Office One Stop Shop and through key partners including members of the Financial Inclusion Group and Anti-Poverty Strategy Group. Officers in the Benefits Team also telephoned a random selection of current LCTS recipients and invited visitors to the One Stop Shop to take part in the survey. A total of **358** responses were received with, on average, over 95% of respondents being in favour of the proposals. A summary of the consultation activity and results is at **Appendix 1**.

## **BACKGROUND PAPERS**

40. Various circulars and legislation, the requirements of The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2018.

## **REPORT AUTHOR & CONTRIBUTORS**

Marian Bolton  
Head of Revenues and Benefits  
[Marian.bolton@doncaster.gov.uk](mailto:Marian.bolton@doncaster.gov.uk)  
Tel 01302 735341

**Steve Mawson**  
**Chief Financial Officer**  
**& Assistant Director of Finance**

## Appendix 1

### Summary of Consultation and Results

A public consultation exercise was undertaken between **3 December 2018 and 6 January 2019**. A dedicated consultation page was set up on the Council's website clearly setting out the proposals for change with an online questionnaire for the public to complete. Social media was used to promote the consultation as well as promotion in the Civic Office One Stop Shop and through partners including members of the Financial Inclusion Group and Anti-Poverty Strategy Group. Officers in the Benefits Team also telephoned a random selection of current LCTS recipients and invited visitors to the One Stop Shop to take part in the survey.

A total of **358** responses to the consultation were received.

There were four questions asked in the online questionnaire which are shown below along with the corresponding responses:

#### **Proposal 1**

When someone claims Universal Credit, they are asked if they also want to claim Council Tax Support. If they answer 'Yes' to this question, the Department for Work and Pensions pass this information to the Council along with details of the person's income and other circumstances used to work out their Universal Credit. We are proposing to use the information from the Department for Work and Pensions as a claim for Council Tax Support and to work out how much support to award. This change would mean that the person would not have to make a separate claim to the Council as they do now, and would not have to provide the same information to us as they have given to the Department for Work and Pensions.

1. Do you agree with this proposal?

Yes **98.04%**                      No 1.12%                      Don't know 1.12%

#### **Proposal 2**

Currently, if someone stops being entitled to Council Tax Support, for example, if their wages increase temporarily, they have to make a new claim when their income goes down again. This happens often for people on Universal Credit especially where their wages change from month to month. We are proposing to allow a claim for support to last for six months which would mean that the person would not have to reapply if their income increased temporarily within six months of making their claim.

2. Do you agree with this proposal?

Yes **95.52%**                      No 1.96%                      Don't know 2.52%

### Proposal 3

Bereavement Support Payment was introduced in April 2017 to replace other bereavement benefits for working age people whose spouse or civil partner died on or after 6 April 2017. Bereavement Support Payment is paid for up to 18 months from the date the spouse or civil partner died. The payment is not taken into account for Housing Benefit under national rules but is currently taken into account in our Local Council Tax Support scheme. We are proposing to stop taking this payment into account when working out how much Council Tax Support someone is entitled to. This change would only affect a small number of people but may mean that these people are entitled to more Council Tax Support.

3. Do you agree with this proposal?

Yes **94.12%**                      No    2.52%                      Don't know    3.64%

### Proposal 4

When we work out Local Council Tax Support for people who are working, we normally ignore part of their earnings - known as an "earnings disregard". Unless the person is also claiming Universal Credit, we disregard the same amount from their earnings as applies in the national Housing Benefit scheme. The Housing Benefit rules were changed from 23 June 2017 to allow an extra earnings disregard of £17.10 per week to be applied in all cases to couples where one member of the couple is disabled. (Before 23 June 2017, the additional disregard could only be applied if it was the disabled person who was working.) In our current Local Council Tax Support scheme, we only allow the extra earnings disregard if it is the disabled person who is working. We are proposing to change our scheme to be the same as the amended Housing Benefit rules so that we allow the extra earnings disregard even where it is the non-disabled partner who is working. This change is only expected to affect a small number of people but may mean that these people are entitled to more Council Tax Support.

4. Do you agree with this proposal?

Yes **94.93%**                      No    2.54%                      Don't know    2.82%

The following additional comments were made about the proposals:

*"All good ideas. Good to see Doncaster trying to find ways to ease the hardships caused by reductions in benefits, universal credit and unstable zero hours jobs which fluctuate each week. But hopefully eventually this will stop being a local agreement and go back to being a standard entitlement nationally to make it available equally across the country. This is perhaps the best that you can do under current rules and it is positive. Thank you. (Please note I am not personally affected by this and not is any member of my family. We believe that looking after those less fortunate is very important in a civilised society."*

*"About time"*

*“Will save a lot of hardship in Doncaster”*

*“I fully support these changes and feel that your first proposal should be rolled out across the country.”*

*“Should have been in place sooner - I have received a Court Summons for my Council Tax as I advised JCP that I wanted to claim CTS when I applied for UC and thought this meant that it would be claimed for.”*

*“Some sort of help should be available to all people on universal credit. When a person goes from earning to claiming it’s really difficult for them to adjust, I believe that this should be taken into account. Thank you”*

*“I feel this change will benefit a lot of people and save time in making new claims.”*

*“Single people whether they are living with non dependents or not should still get a reduction as some non dependents do not contribute much or anything at all.”*

*“Welcome changes to help some of the most vulnerable.”*

*“I presume when you say the claim will be for 6 months this is only where the claimant has stopped being entitled due to an increase in income. Other claims would be for as long as the claimant is eligible. “*

*“All these proposals are fair and well thought through and the impact to the people will make a big difference to their lives.”*

*“Thank you to DMBC for these proposals which will help the most vulnerable people.”*

# **EQUALITY, DIVERSITY AND INCLUSION**

## **DONCASTER METROPLITAN BOROUGH COUNCIL**

### **Due Regard Statement Template**

How to show due regard to the equality duty in how we develop our work and in our decision making.

## **Due Regard Statement**

A **Due Regard Statement** (DRS) is the tool for capturing the evidence to demonstrate that due regard has been shown when the Council plans and delivers its functions. A Due Regard Statement must be completed for all programmes, projects and changes to service delivery.

- A DRS should be initiated at the beginning of the programme, project or change to inform project planning.
- The DRS runs adjacent to the programme, project or change and is reviewed and completed at the relevant points.
- Any reports produced need to reference “Due Regard” in the main body of the report and the DRS should be attached as an appendix.
- The DRS cannot be fully completed until the programme, project or change is delivered.

<p><b>1 Name of the ‘policy’ and briefly describe the activity being considered including aims and expected outcomes. This will help to determine how relevant the ‘policy’ is to equality.</b></p>	<p><b>Local Council Tax Reduction Scheme from 1 April 2019</b></p> <p>The Local Government Finance Act 2012 proposed measures that required Doncaster Council, along with all other local authorities in the country, to design a Council Tax Reduction Scheme (known as Local Council Tax Support) from 1 April 2013 to support its residents to pay their Council Tax. This replaced the former national Council Tax Benefit scheme.</p> <p>In designing their local scheme, all authorities were mandated to include certain criteria as set out in the Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012. These regulations covered how support must be worked out for people of pension age and certain other matters which the Council has no discretion over. The Government continue to prescribe the rules that apply to support for pensioners and also a small number of other areas of the scheme such as those who are excluded from receiving support.</p> <p>Around 24,200 Doncaster residents receive support through the scheme.</p> <p>The aims of Doncaster Council’s Local Council Tax Reduction Scheme are:</p> <ul style="list-style-type: none"> <li>• To mitigate cuts to the Council Tax Support of Doncaster residents with the lowest income, to ensure that the most vulnerable are not disadvantaged and that Council Tax is proportionately paid by those most able to pay;</li> <li>• To manage the cost of the scheme within the available funds, ensuring that additional burdens are not put upon the general fund at further cost to local taxpayers;</li> <li>• To maintain a scheme that meets the requirements of the Local Government Finance Act and associated legislation and that takes account of the ongoing process of welfare reform so that those most affected by other benefit cuts are not disproportionately affected by changes to Council Tax Support;</li> <li>• To reduce and mitigate the effects of child poverty and inequality in line with the Council’s equality duties;</li> <li>• To maintain a scheme that has regard for</li> </ul>
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		<p>those vulnerable to homelessness and to mitigate the impacts on those people;</p> <ul style="list-style-type: none"> <li>• To ensure that the scheme is clear and easy to understand for applicants and to simplify administration where possible.</li> </ul>
2	<p><b>Service area responsible for completing this statement.</b></p>	<p>Corporate Resources/Revenues and Benefits/Benefits Service</p>
3	<p><b>Summary of the information considered across the protected groups.</b></p> <p><b>Service users/residents</b></p> <p><b>Doncaster Workforce</b></p>	<p><b>Age</b></p> <ul style="list-style-type: none"> <li>• Pension Age: Around 10,760 people of pension age currently receive support through the scheme. These people will continue to have their support assessed under national rules that are designed to replicate the former Council Tax Benefit system as much as possible. In addition, the scheme provides additional support to pensioners through the application of a full disregard of War Pensions. The local changes to the scheme proposed from 1 April 2019 will not affect pensioners. Pensioners will continue to be required to complete a claim for LCTS to the Council as this is the only way we can gather information about their intention to claim and their circumstances.</li> <li>• Working Age: Around 13,440 people of working age currently receive support through the scheme. Those on the lowest levels of income who receive pass ported benefits such as Income Support receive 100% support (subject to any deductions for non-dependents living with them). The scheme provides for earnings and childcare costs disregards for those of working age. The proposed local changes to the scheme from 1 April 2019 will potentially benefit all working age claimants either currently receiving Universal Credit or as they are transitioned to this benefit.</li> </ul> <p><b>Disability</b></p> <p>4,315 people with a disability currently receive support through the scheme.</p> <ul style="list-style-type: none"> <li>• Applicants who receive Income Support by virtue of having a disability, or who receive an Income-related Employment and Support Allowance, are automatically entitled to the maximum amount of support.</li> <li>• Additional premiums are included in the</li> </ul>

applicable amount for those in receipt of disability benefits. These include a Disability Premium, Enhanced Disability Premium, Severe Disability Premium and Disabled Child Premium and the Support or Work Component for people who receive Employment and Support Allowance. This means that if family members receive certain disability benefits, such as Disability Living Allowance, Personal Independence Payments, Long-term Incapacity Benefit or Employment and Support Allowance, they are allowed to keep more of their income before their support is reduced. This reflects the extra demand on finances for people with disabilities.

- Total disregard of Disability Living Allowance, Personal Independence Payments and War Disablement Pension in the means test. This protects people with disabilities by ensuring this money can be used to support their needs.
- The basic weekly earnings disregard for people with a disability is set at £20, rather than the standard £5 for a single person or £10 for a couple. This ensures that disabled people who work are able to keep more of their earnings as their costs involved in that earning, may be greater.
- The proposed change to apply an additional earnings disregard to disabled couples who meet the criteria will align the treatment of earnings in these circumstances with the national Housing Benefit rules.

### **Race**

The means tested scheme is based on income and household circumstances that are not influenced by race and ethnicity. The policy itself does not impact anyone differently on grounds of race or ethnicity.

Data is not available for this characteristic and there are no plans to collect this data as it has no impact.

### **Gender**

The means tested scheme is based on income and household circumstances that are not influenced by gender. The scheme itself does not impact anyone differently on grounds of gender. 14,625 people currently claiming support are

female.  
9,445 people currently claiming support are male.  
In a further 130 cases, the gender is not recorded.

**Sexual Orientation**

The means tested scheme is based on income and household circumstances that are not influenced by sexual orientation. The policy itself does not impact anyone differently on grounds of sexual orientation.

Data is not available for this characteristic and there are no plans to collect this data as it has no impact.

**Religion and Belief**

The means tested scheme is based on income and household circumstances that are not influenced by religion or belief. The policy itself does not impact anyone differently on grounds of religion or belief.

Data is not available for this characteristic and there are no plans to collect this data as it has no impact.

**Maternity and Pregnancy**

The means tested scheme is based on income and household circumstances that are not influenced by pregnancy and maternity. The policy itself does not impact anyone differently on grounds of pregnancy and maternity.

Data is not available for this characteristic and there are no plans to collect this data as it has no impact.

**Gender Reassignment**

The means tested scheme is based on income and household circumstances that are not influenced by gender reassignment. The policy itself does not impact anyone differently on grounds of gender reassignment.

Data is not available for this characteristic and there are no plans to collect this data as it has no impact.

**Marriage and civil partnership**

The means tested scheme is based on income and household circumstances that are not influenced by marriage and civil partnership. The policy itself does not impact anyone differently on grounds of marriage and civil partnership.

		<p>Data is not available for this characteristic and there are no plans to collect this data as it has no impact.</p>
<p>4</p>	<p><b>Summary of the consultation/engagement activities</b></p>	<p>Under the Local Government Finance Act 2012, before making or revising a scheme, the Authority must “consult such other persons as it considers are likely to have an interest in the operation of the scheme”.</p> <p>Prior to the introduction of Doncaster’s first Local Council Tax Reduction Scheme in April 2013, consultation took place with elected members on various draft proposals for the scheme to manage the reduction in Government funding from the former fully subsidised Council Tax Benefit Scheme. Formal consultation also took place with major preceptors on the draft proposals for the scheme review. This was primarily in relation to the financial implications on those preceptors.</p> <p>A wide-ranging public consultation exercise on the scheme proposals was carried out prior to the introduction of the first local scheme, this entailed:</p> <ul style="list-style-type: none"> <li>• Writing to all working age Local Council Tax Support recipients in the borough who were potentially affected by the proposals, to inform them of the potential changes and inviting them to comment on the proposals;</li> <li>• A questionnaire available on the Council website (paper versions were available in Libraries and Council public offices for anyone requesting these);</li> <li>• Publicising the changes on the Council’s website, alongside the questionnaire, including a summary of the proposals for change and case studies showing how people would be affected;</li> <li>• Information stands in the customer waiting area of the Council’s Civic Office;</li> <li>• A dedicated phone line and answer phone set up by the Benefits Team;</li> <li>• Presenting to stakeholder groups including the: <ul style="list-style-type: none"> <li>○ Doncaster Financial Inclusion Group (FIG) including representation from: <ul style="list-style-type: none"> <li>▪ DMBC Success Doncaster</li> <li>▪ Department for Work and Pensions</li> </ul> </li> </ul> </li> </ul>

- JobCentre Plus
- DMBC Private Sector Housing
- Doncaster CAB
- South Yorkshire Centre for Inclusive Living (SYCIL)
- DMBC Housing Options
- Doncaster West Development Trust
- DMBC Trading Standards
- South Yorkshire Credit Union
- St Leger Homes of Doncaster (SLHD)
- Refurnish
- Probation Services
- DMBC Children Services
- DMBC Adult Services
- Doncaster Disability Focus Group
- BME New Settlers Tenants and Residents Association
- A general awareness campaign including press releases to local press, a poster campaign in libraries and the Civic Office, and publicity in HouseProud magazine.
- Publicity on Facebook and the Council's twitter account.

**674** people responded to the consultation. This included 351 working age Council Tax payers who were receiving Council Tax Benefit at the time.

Further local changes to the scheme were made in 2014 due to further reductions in Government funding. Elected Members and the major preceptors were again consulted on the proposals for change followed by a further public consultation exercise using a range of approaches and publicity as in 2012. **256** people responded to the consultation. Of these, at least 141 were Council Tax payers and 137 were of working age.

A public consultation has taken place for the proposed local changes to the scheme from 1 April 2019. The consultation ran between 3 December 2018 and 6 January 2019. A dedicated consultation page was set up on the Council's website clearly setting out the proposals for change with an online questionnaire for the public to complete. Social media was used to promote the consultation as well as promotion in the Civic Office One Stop

		<p>Shop and through partners including members of the Financial Inclusion Group and Anti-Poverty Strategy Group. Officers in the Benefits Team also telephoned a random selection of current LCTS recipients and invited visitors to the One Stop Shop to take part in the survey. A total of <b>358</b> responses were received with, on average, over <b>95%</b> being in favour of the proposals.</p>
<p><b>5</b></p>	<p><b>Real Consideration:</b></p> <p><b>Summary of what the evidence shows and how has it been used</b></p>	<p>Around 24,200 Doncaster residents receive support through the Local Council Tax Reduction Scheme.</p> <p>The implementation of Local Council Tax Support coincided with other major reforms to the welfare system; Housing Benefit restrictions for under-occupation in the social sector; the introduction of an overall benefit cap; Discretionary Housing Payments and other welfare reform changes such as benefit sanctions. Universal Credit Full Service was rolled out in Doncaster from 11 October 2017. Some claimants may already have been affected by multiple changes arising from the reforms and be subject to further welfare reform changes in the coming years.</p> <p>The amount Doncaster has awarded in Local Council Tax Support in 2018/19 is lower than initially estimated as the caseload for LCTS has continued to steadily fall. This has contributed to an increased tax base and surplus in the Collection Fund which will be considered as part of the Council's budget and tax setting process.</p> <p>A review of the scheme has recently taken place with a particular focus on any adverse impact for people claiming Universal Credit, and the administration associated with assessing LCTS claims for these people. The internal scheme review concluded that the claiming and evidence rules in our scheme were onerous for people on Universal Credit and could, in some cases, be resulting in people not receiving the support they are entitled to. The review also concluded that there were some areas of our scheme where income was being treated differently for Housing Benefit and LCTS. This is specifically in relation to the treatment of Bereavement Support Allowance and earnings disregards for disabled couples where the Government changed the Housing Benefit rules in 2017. As the proposals to disregard the additional sums in the</p>

		<p>calculation of support only affect a very small number of people and would incur minimal additional spend in the scheme, these proposals have been included in the proposals for change from 1 April 2019.</p> <p>When approving previous years' schemes, Members have expressed their preference that local changes to the scheme should be avoided other than those required under the Prescribed Requirements Regulations and the consideration of the annual uprating of allowances and premiums used to calculate support.</p> <p>The proposals for local changes to the LCTS Scheme from 1 April 2019 are all advantageous to claimants and provide a positive response to support those people transitioning from other benefits to Universal Credit. The changes for Universal Credit claimants will potentially affect all working age LCTS claimants either now or as they move onto Universal Credit as they have a change in circumstances or are moved onto the benefit under the Government's managed migration plans.</p>
6	<b>Decision Making</b>	<p>Doncaster Council's Local Council Tax Reduction Scheme is based on the requirements of the Local Government Finance Act 2012, the Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012 and Amendment Regulations 2013, 2014, 2015, 2016, 2017 and 2018.</p> <p>The scheme takes consideration of the former Council Tax Reduction Schemes (Default Scheme) Regulations 2012 and Department for Communities and Local Government (DCLG)'s guidance papers on vulnerable people and taking work incentives into account.</p> <p>The scheme also takes into account the national Equality Impact Assessment undertaken by DCLG in 2012.</p>
7	<b>Monitoring and Review</b>	<p>Once a Local Council Tax Reduction Scheme has been made by the Council, it cannot be revised for at least one financial year. A billing authority must, however, consider whether to revise or replace its scheme on an annual basis.</p> <p>The Council will monitor the number of people in receipt of support together with any complaints</p>

		and challenges to the scheme and ensure that this information is included in reports presented to Full Council for approval of any local changes to the LCTS scheme in the future.
<b>8</b>	<b>Sign off and approval for publication</b>	Steve Mawson Chief Financial Officer and Assistant Director of Finance

## **Appendix 3**

**The Local Council Tax Support Scheme coming into force on the 1<sup>st</sup> April 2019**

<http://www.doncaster.gov.uk/services/council-tax-benefits/what-is-local-council-tax-support>