

	<h2>Policy and Resources Committee</h2> <h3>11 December 2018</h3>
Title	Council Tax Support 2019/20 – Revision to Council Tax Reduction Scheme
Report of	Chairman of the Policy and Resources Committee
Wards	All
Status	Public
Urgent	Yes (see section 1.2)
Key	No
Enclosures	Appendix A – Proposed Barnet Council Tax Support Scheme Appendix B – Council Tax Support Scheme Consultation Findings Report Appendix C – GLA Consultation Response Appendix D – Citizens Advice Consultation Response Appendix E – Equalities Impact Assessment Appendix F – Proposed DCTH/DHP Policy
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Summary

This paper provides information relating to the proposal of a new Council Tax Support (CTS) scheme, to be introduced in April 2019 and includes analysis from the public consultation carried out between 18th October 2018 and 29th November 2018.

The paper also provides details of the proposed Discretionary Council Tax Hardship and Discretionary Housing Payment (DCTH/DHP) Policy to be introduced alongside the CTS scheme in April 2019.

The report seeks support from members on the recommended CTS scheme and for referral to Full Council.

It also seeks approval from the committee to implement the DCTH/DHP Policy.

Officers Recommendations

The report recommends that the Committee:

- 1. Agree that the proposed Barnet Council Tax Support Scheme as set out in Appendix A should be referred to Full Council for approval.**
- 2. Approve the proposed Discretionary Council Tax Hardship and Discretionary Housing Payment Policy as set out in Appendix F.**

1. WHY THIS REPORT IS NEEDED

Local Council Tax Reduction Scheme

- 1.1 The London Borough of Barnet is considering replacing its current Local Council Tax Reduction Scheme (LCTRS) in 2019/20. The Council has four primary objectives:
 - To move towards a scheme that is more adaptable to Universal Credit (UC) regulations.
 - To mitigate against expected increases in administration costs under UC.
 - To provide opportunity for better collection levels by reducing the monthly rebilling of Council Tax for UC claimants.
 - To reduce the overall scheme costs.
- 1.2 The proposed LCTR scheme requires approval of Full Council and this decision needs to take place at the scheduled 18 December 2018 meeting to allow sufficient time to implement the changes if the scheme is approved.
- 1.3 With the introduction of UC there is a significantly higher volume of income re-calculations for those receiving LCTRS, therefore increasing resources required to administer the scheme.

- 1.4 Maintaining the current scheme into 2019/20 would not only mean that cost reductions could not be realised, but would also increase scheme cost slightly from £23.93m in 2017/18 to £23.99m in 2019/20. This is an increase in cost of £66,389 or 0.3%.

Current Position

- 1.5 The current scheme is based on the Default scheme. This is a complex means-tested scheme with certain types of income compared to a needs allowance which is itself calculated by reference to household circumstances. Since 2012/13, local authorities were permitted to determine their own local scheme for reductions in council tax to replace the council tax benefit scheme. There is a prescribed scheme for pensioner households whereas local authorities are free to determine an appropriate local scheme for working-age households.
- 1.6 For working-age households, Barnet Council has maintained the 2013 scheme and has updated it in line with default regulations, with the exception of the family premium which has been retained.
- 1.7 Cost of current scheme

Cost of current scheme			
Age group	Number of households	council tax support (£/annum)	council tax support (£/week)
All working age	19,146	£14,832,579	£14.90
Pension age	8,230	£9,093,746	£21.25
Total	27,376	£23,926,325	£16.81

Current council tax support cost and level of support

Discretionary Council Tax Hardship & Discretionary Housing Payment Policy

- 1.8 The London Borough of Barnet are looking to update and combine the two currently separate policies for Discretionary Council Tax Hardship (DCTH) and Discretionary Housing payments (DHP).
- 1.9 The key drivers for this new policy was to consolidate the Discretionary Housing Payment Policy and the Discretionary Council Tax Hardship Scheme Policy whilst at the same time providing more detailed and clearer guidelines. These clearer guidelines will benefit both officers (decision makers) and potential claimants by clearly laying out the circumstances where awards are likely to be made.
- 1.10 A change has been made to the application process for DCTH which if agreed by the committee will remove the requirement for applications to be made by the claimant. This will be applied where the decision maker identifies a case

that would benefit from this award from another source; applications will be required in most cases.

- 1.11 There is no further changes to the overall policy intentions of the current policies or additional restrictions to what is being offered within this updated policy.
- 1.12 There is no change to the allocated budget available for those facing hardship. The Council however will keep the impact of the proposed scheme under review and if appropriate consider whether increases to the DCTH budget is appropriate.

2. REASONS FOR RECOMMENDATIONS

Proposed LCTRS Scheme

- 2.1 A report presented to the Urgency Committee on 15th October 2018 considered several modelled options for the new scheme with 'Model 5' being the proposed model for consultation. This report can be viewed [here](#).
- 2.2 The council consulted on the proposed Model 5 for a 6-week period, the full findings and methodology are contained within Appendix B. The consultation was focused on stakeholder's views in the following key areas:
 1. If the Council has set the correct aims by introducing an income banded scheme. And if so, were the levels of banding deemed fair.
 2. If residents agreed with the capital limit (the maximum amount of savings and/or investments) being reduced from £16,000 to £6,000.
 3. If residents agreed with Non-Dependant deductions being simplified.
 4. If residents agreed with the introduction of the Minimum Income Floor for self-employed people.
 5. If residents agreed with the proposal to no longer offset Child Care Costs against earnings.
- 2.3 The key findings of the consultation are summarised below:

All Respondents

- Respondents are in favour of a simplified income banded scheme with 48.53% agreeing. 29.95% didn't agree and the remainder were either not sure or neither agreeing or disagreeing.
- The view on the banded levels were 44.72% disagreeing, 37.1% agreeing and 11.39% neither agreeing or disagreeing.

- Respondents are not in favour of the reduced capital limits with 54.85% disagreeing. 29.54% did agree, 14.77% weren't sure or neither agreed or disagreed with 0.84% not responding to this question.
- The views on changes to non-dependant deductions were mixed with 41.77% disagreeing, 24.05% agreeing and 30.38% neither agreeing or disagreeing.
- Opinion on the introduction of a minimum income floor for self-employed was split with 32.49% neither agreeing or disagreeing, 31.64% disagreeing and 30.38% agreeing.
- The views on removing child care costs from the scheme were mixed with 39.24% disagreeing, 30.80% neither agreeing or disagreeing and 22.36% agreeing.

Current Council Tax Support Recipient Responses

- Respondents are in favour of a simplified income banded scheme with 48.53% agreeing. 26.47% didn't agree and the remainder were either not sure or neither agreeing or disagreeing.
- The view on the banded levels were 42.65% disagreeing, 37.5% agreeing and 11.39% neither agreeing or disagreeing.
- Respondents are not in favour of the reduced capital limits with 55.15% disagreeing. 30.88% did agree, 13.97% weren't sure or neither agreed or disagree.
- The views on changes to non-dependant deductions were mixed with 44.12% disagreeing, 22.06% agreeing and 33.82% neither agreeing or disagreeing.
- Opinion on the introduction of a minimum income floor for self-employed was split with 35.29% neither agreeing or disagreeing, 32.35% disagreeing and 32.35% agreeing.
- The views on removing child care costs from the scheme were mixed with 39.71% disagreeing, 37.50% neither agreeing or disagreeing and 22.79% agreeing.

Additional Comments made by Respondents

Appendix B contains details of the additional comments made as part of the consultation. They have been analysed and grouped into the broad themes shown in the table below.

Nonspecific comments or comments made about situations outside the proposed scheme have been left out of the themed analysis.

Several respondents made comments relating to the key components of the proposed scheme, however as their agreement or disagreement had already been captured in the earlier questions, these were also left out the themed analysis.

Broad Themes of disagreement not already captured in this report	
Themes	Number of comments
Penalising the poorest/most vulnerable / increasing poverty	28
Increasing hardship	8
More protection required for disabled households	8
Penalising the self employed	5
Will result in increased debt including rent and council tax arrears	4
Penalising families	3
Will increase homelessness	3
Will increase stress and mental health issues	2
Social cleansing exercise	2
Not supportive of those caring for others	2
People with kids claiming benefits is putting pressure on others	1
Discriminating against those with children in childcare	1
Penalising lone parents	1
Will increase crime	1

The above suggests the main area of concern with the proposal is that the poorest and most vulnerable are being unfairly treated which will result in hardship. Other issues have been raised and in the main are covered within the EIA (Appendix E).

The Council will look to support those in severe hardship with DCTH being a possible solution. The Council will also monitor applications for DCTH and continue to review the support available as discussed in paragraph 1.12. Where respondents disagreed with the proposed changes they were given the opportunity to suggest alternative methods to achieving the required savings. Those comments have also been analysed and grouped into the broad themes shown in the table below.

Alternative Suggestions to Saving Money	
Themes	Number of comments
Look to wealthier residents for a higher contribution	15

Bring service back in house/end relationship with Capita	14
Reduce staff and or salaries	8
Lobby central government for more funding	4
Reduce support for higher banded properties/increase their tax	4
Don't disregard the value of the claimants home when assessing capital	3
Reduce waste collection	3
Reduce councillor pay/freeze increases	2
Don't provide loans to private companies/Saracens	2
Don't waste money on new offices	2
Greater control over highway maintenance expenditure	2
Get businesses to contribute more	1
Increase Council Tax	1
Don't send land off at subsidised prices	1
Collect parking fines	1
Introduce a tax on road pollution	1
Provide less support to those who don't work	1
Get capital expenditure under control	1
Introduce waste collection charges	1
Generate income from green energy initiatives	1
Share a chief exec with neighbouring boroughs	1
Cut expenditure on consultants/agency staff	1
Change in political leadership	1
Limit expenditure on meetings and travel etc	1

Some of what has been suggested has already been considered within the Councils budget proposal and where appropriate the Council will consider the other points raised as potential areas for savings going forward.

Greater London Authority Response

Appendix B contains the full written response received from the Greater London Authority (GLA), the key points are summarised below with the Councils response where appropriate.

- They are in favour of a simplified income banded scheme, commenting that such an approach should reduce the burden on the Council to recalculate entitlements multiple times a year. They also highlight that it

will improve certainty over the council tax bill UC claimants will be required to pay, enabling greater certainty over their finances.

- They do have concerns over the proposed banding levels, highlighting the fact that working age claimants will on average see a reduction in support by 25% with couples on legacy benefits facing a significant reduction of over 30%
- There is also concern over a 'cliff edge effect' where claimants move into work owing to the proposed bands.

The Council has considered this point and agrees it would not wish to have a scheme that penalised claimants who wish to get into work. When the scheme was modelled the banding levels were set to spread the loss across the whole caseload as evenly as possible. As the scheme looks to determine an award solely on net earnings any other income that the customer may receive through UC or legacy benefits (where appropriate) would be ignored resulting in less of a financial 'cliff edge' than the bands suggest. If a customer does find themselves considerably worse off and in financial hardship following a move into work, the Council would consider an application for a DCTH payment.

- They raise the valid point around research conducted by the New Policy Institute which highlights poorer collection rates within scheme that require more than a minimum 20% contribution.

This point was considered when the schemes were being modelled. The current collection rate from those receiving an award is 90%, the modelling has been carried out assuming a lower 85% collection rate.

- GLA have commented that the move to a £6,000 capital limit will bring Barnet's scheme in line with other London Boroughs, however they are concerned that this could result in a significant rise in some residents' council tax.

The Council agrees that this will be the case, however when capital reduces below £6,000 the resident will be able to reclaim support.

- GLA have mentioned that it would be helpful to know the number of claimants that would be affected by the capital reduction proposal and the average increase in liability as a result.

The modelling identified that 164 households would lose their Council Tax Support Award resulting in an average monthly increase in liability of £67.96.

- GLA have asked that we consider how the changes impact on our vulnerable residents. They have also suggested capping the maximum changes at a lower level for households with families.

The Council has considered the impact their scheme will have on its residents, vulnerable or otherwise. Unfortunately owing to the savings that the Council are required to make it simply cannot afford to propose a more generous scheme. The sections below discuss alternative models considered and the things that were considered as part of the proposed Budget.

- They welcome the proposal to continue with the discretionary council tax relief scheme and ask if more funds will be made available. Section 1.12 of this report deals with this question.
- Finally, the GLA recommend that the Council consider its power under the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 to increase the premium charged for long term empty properties.

The Council is currently considering this as an option to generate additional revenue. Any proposal to increase is likely to be sent to the February 2019 meeting of the Policy and Resources Committee.

Preliminary analysis suggests that an increase in the premium to 100% would generate around £220,000 additional council tax.

Citizens Advice Barnet Response

Appendix B contains the full written response received from the Citizens Advice Barnet (CAB), the key points are summarised below with the Councils response where appropriate.

- They are extremely concerned about the impact the proposed changes will have on vulnerable adults, many of whom are their clients. They advise that from April 2018 and September 2018 4% of their clients experiencing benefit problems specifically had issues with Council Tax Support. 19% of their clients with debt issues had Council Tax debts.
- They feel that the banding levels are unreasonable with specific concerns around the under £500 earned income banding and they perceive this as a deterrent to enter work

The Council has considered this point and agrees it would not wish to have a scheme that penalised claimants who wish to get into work. When the scheme was modelled the banding levels were set to spread the loss across the whole caseload as evenly as possible. As the scheme looks to determine an award solely on net earnings any other income that the customer may receive through UC or legacy benefits (where appropriate)

would be ignored resulting in less of a financial ‘cliff edge’ than the bands suggest. If a customer does find themselves considerably worse off and in financial hardship following a move into work, the Council would consider an application for a DCTH payment.

- They feel the reduction in capital limit is unfair and ask that consideration be given to applying the same limits as exist in other means tested benefits.
- They believe the application of a minimum income floor is wholly unfair and advise that this is something they are currently campaigning against within UC.

The Council has considered the points around the capital limit and minimum income floor. Unfortunately owing to the savings that the Council are required to make it simply cannot afford to propose a more generous scheme. The sections below discuss alternative models considered and the things that were considered as part of the proposed Budget.

- The CAB are supportive of the changes to Non-Dependant deductions with the opinion that the current deductions are outdated.
- CAB do not support the proposed changes to Child Care Costs. They believe this will act as another deterrent to work with those who have had the care costs covered by UC or tax credits likely to see no Council Tax Support award.

The Council has considered this point and carried out further modelling, discussed from paragraph 2.4 following the consultation and owing to savings required it simply cannot afford to include Child Care Costs within its scheme.

Specifically, in response to the point about costs being offset for those receiving UC or tax credits; the Council do not agree with CAB’s opinion that they will likely see no award at all. As the proposed scheme looks purely at earnings any additional UC or tax credits paid to the claimant to support their child care, would be completely ignored within the calculation.

- CAB have asked whether the budget for Council Tax Discretionary Relief will be increased in light of the proposed scheme changes. Section 1.12 of this report deals with this question.

2.4 Analysis of the opinion between those currently claiming Council Tax Support and those not suggests there is no real difference in respondents’ outlook, whether claiming or not, towards the scheme. The table below summaries this.

	Total	CTS recipient	Total	CTS recipient
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	Agree	agree	Disagree	disagree
Income Banding	48.53%	48.53%	29.95%	26.47%
Income banding levels	37.14%	37.50%	44.72%	42.65%
Reduction in Capital	29.54%	30.88%	54.85%	55.15%
Non-Dependant changes	24.05%	22.06%	41.77%	44.12%
Minimum Income Floor	30.38%	32.35%	31.64%	32.35%
Child Care Costs	22.36%	22.79%	39.24%	39.71%
Views on reduction in expenditure	26.58%	31.62%	42.62%	40.44%
Overall views of the proposed scheme	29.03%	29.41%	52.54%	50%

- 2.5 In the main respondents have objected to the banding levels, proposed changes on Capital, Non-Dependant Deductions and Child Care Costs. When the initial modelling was carried out Policy in Practice assisted the Council by analysing current caseload and from this designed banding levels which provided, as far as possible, a relatively even reduction across income levels. The banding was therefore designed in a way that savings could be met across all bands as fairly as possible and is therefore fundamental to the proposed scheme design.
- 2.6 In response to concern around Capital, Non-Dependant Deductions and Child Care Costs the Council has commissioned further modelling from Policy in Practice. They were provided with our latest caseload extract to ensure the modelling took account of any recent changes. It should be noted that the forecasted outturn for 2018/2019 Council Tax Support expenditure has increased from £23.93m to £24.65m, an increase of £720,000.
- 2.7 This updated modelling, referred to as Model 6 was done on the same basis as Model 5 except for the following changes:
- The capital limit would be increased from £6,000 to £10,000 with the current tariff income calculation between £6,000 and £10,000 continuing.
 - Child Care Cost disregards would be included for those on legacy benefits.
 - No changes to non-dependent deduction rates would be made.
- 2.8 The headline finding of the remodelling is that should the Council adopt Model 6 as its scheme then the savings generated would reduce from £3.2m to £1.6m overall, this includes GLA share and doesn't account for non-collection. It is difficult to attribute exact costings to each of the factors within paragraph 2.6

owing to the interdependencies each change has on the other. However, the table below provides an estimate of how the £1.6m reduction is made up.

Element	Percentage reduction in savings
Cost of Capital changes	17%
Cost of Child Care Cost changes	65%
Cost of Non-Dependant changes	17%

- 2.9 Applying the same 85% collection rate as assumed in Model 5 and after allowing for our major preceptors share these changes would result in the Council achieving a £1.1m reduction in cost compared to the forecasted outturn for 2018/2019.
- 2.10 Savings from Model 5 were £2.1m meaning a move to Model 6 would see a reduction in savings of £1m.
- 2.11 Model 5 therefore remains the only scheme that will meet the financial savings target.

DCTH/DHP Policy

- 2.12 The current DCTH and DHP policies are both administered by the same team and in many occasions, assist the same customers. The consolidated policy will therefore provide just one reference point for both applicants and decision makers.
- 2.13 The additional detail within this newly combined policy will provide a more robust reference point for applicants and decision makers.
- 2.14 The removal of the requirement for all claimants to complete a written application for DCTH will provide support for our most vulnerable citizens including those negatively impacted by the proposed changes to the LCTRS. In situations where revenues and benefits staff are made aware of a situation of hardship, they will be able to automatically award DCTH, if they feel appropriate based on other information held.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

Proposed LCTRS Scheme

- 3.1 The Urgency Committee report of 15th October 2018 contained information as to previous alternatives considered and not recommended.

- 3.2 An alternative scheme based on the changes discussed in 2.5 was considered but owing to the additional cost of making these changes this is not recommended.

DCTH/DHP Policy

- 3.3 The status quo of two separate policies was considered but not recommended.

4. POST DECISION IMPLEMENTATION

Proposed LCTRS Scheme

- 4.1 The decision to adopt the scheme will be referred to Full Council on 18th December 2018.

DCTH/DHP Policy

- 4.2 Key staff will be briefed on the policy in readiness for April 2019.
- 4.3 The policy will be published online and shared with key stakeholders such as Citizens Advice Barnet.

5. IMPLICATIONS OF DECISION

Corporate Priorities and Performance

- 5.1 The recommendation within this report supports the Council's corporate priorities as expressed through the 2018/19 addendum to the Corporate Plan for 2015-20 which sets out the Council's financial position and highlights a further gap between 2018 and 2020 of £41million.

Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2 The council's Council Tax Support Scheme currently costs the authority £24.65m per year.
- 5.3 At its meeting on the 6th March 2018, Full Council approved the MTFs and detailed revenue budgets which included an assumption of £1.4m additional income relating to a change in the Council Tax Support Scheme for 2019/20. Full Council also approved a change in financial strategy and seeks to balance its resources recurrently, ceasing to utilise reserves to fund ongoing expenditure.

- 5.4 Following a further review of the Council's financial position at the July 2018 Policy and Resources Committee, the requirement to identify further savings or increased revenue was presented.
- 5.5 Within the MTFs considered at the Committee, a funding deficit of £9.8m was identified for 2019/20. This was after an assumption of increasing Council Tax by the maximum allowed under regulation. This also assumed all currently proposed savings were fully achieved and that the adverse budget variance for 2018/19 was fully resolved.
- 5.6 The Policy and Resources Committee considered a forecast of the Council's reserves position in June 2018. This highlighted that non-ringfenced revenue reserves were anticipated to reduce from £41.5m to £7.5m by the end of 2019/20. Clearly this level of reduction is unsustainable and action is required to reduce the draw on reserves going forward.
- 5.7 The MTFs presented to this Committee as part of the Business Planning report in item 8 means that Non Ringfenced Revenue Reserves are forecasted to fall to just over £20m. The council's Section 151 officer has made the determination that they should not fall below this level in order to ensure the council has sufficient resilience to adverse events. As such, the use of reserves to negate further budget savings cannot be considered.
- 5.8 The council estimated that it had a funding deficit of £69m over the period 2019-2024 and has been identifying proposals for funding reductions in order to balance this shortfall. As a way of reducing this funding deficit, a further reduction of £0.6m in the cost of the LCTRS is proposed for consideration.
- 5.9 Significant savings from across the council have been put forward and a total of £68.0m of proposals are presented to the Committee for consideration and approval if appropriate at item 8 on this Committee's agenda. This includes the LCTRS proposal. The process of arriving at this level of savings has considered all areas of council activity. Even so, this level is still insufficient to balance the expenditure with the forecast incoming resources for 2019/20 and 2020/21.
- 5.10 Should the recommendation to approve the scheme amendments to full council not be taken, the MTFs will be unbalanced and alternative savings will be required in order to present a legal budget for approval.

Social Value

- 5.11 The LCTRS provides financial support to council tax payers on low incomes by reducing the amount they are required to pay. The DCTH/DHP policy provides

support to our most vulnerable citizens to help meet council tax liabilities and shortfalls in housing costs.

Legal and Constitutional References

- 5.12 Section 13A(1)(a) and (2) of the Local Government Finance Act 1992 introduced a duty on every billing authority in England to make a scheme specifying the reductions which are to apply to amounts of council tax payable, in respect of dwellings situated in its area, by:
- (a) Persons whom the authority considers to be in financial need, or
 - (b) Persons in classes consisting of persons whom the authority considers to be, in general, in financial need.
- 5.13 The above scheme is referred to as the authority's council tax reduction scheme. Section 67 of the 1992 Act requires that revisions to the council tax reduction scheme are reserved to Full Council for a decision.
- 5.14 Schedule 1A sets out the requirements in relation to adoption or revision of a scheme. Paragraph 2 confirms a scheme must state the classes of person entitled to a reduction and that this may be by reference to income, capital, a combination of income and capital, number of dependents and whether an application has been made. Different reductions may be set for different classes. A reduction may be a discount calculated as a percentage, a set amount, expressed as an amount of council tax to be paid or the whole amount of council tax. The scheme must state the procedure by which a person may apply for a reduction and the procedure for appeal. The scheme must comply with prescribed matters set out by the Secretary of State in regulations. Paragraph 5 confirms that a billing authority must consider whether to revise its scheme or to replace it with another scheme for each financial year. Any revisions or replacement must be made no later than 11 March in the financial year preceding that for which the revision or replacement is to have effect. If any revision or replacement has the effect of reducing or removing a reduction to which any class of persons is entitled, the revision or replacement must include such transitional provision as the authority thinks fit. When making revisions to a scheme, paragraph 3 applies. Paragraph 3 requires an authority, before making a scheme, to (a) consult any major precepting authority which has power to issue a precept to it, (b) publish a draft scheme in such manner as it thinks fit, and (c) consult such other persons as it considers are likely to have an interest in the operation of the scheme.
- 5.15 **Section 13A(1)(c)** permits a billing authority to reduce council tax in other discretionary circumstances.
- 5.16 When making policy decisions, the Council must take into account of all relevant material, including financial resources, consultation responses and potential equality impacts in order to reach a decision. This report presents a proposed

model, as well of details of why an alternative model has been discarded based on financial implications. However, this does not preclude Committee from recommending that another option is the most appropriate way forward.

- 5.17 There is a statutory duty to consult on the council tax support scheme. A summary of the details of the consultation responses are set out in the report and the full results are attached as an appendix. Case law has confirmed that when determining whether to change policy, the Council must be receptive to reasonable arguments against the proposals, however this does not simply involve a head count of those for and against the proposals. In the case of withdrawal of support, it will not be surprising if a number of respondents are against the proposal. The Committee must take these views into account and must balance this with other relevant information to decide whether to recommend an option.
- 5.18 Council Constitution, Article 7 (Committees, Sub-Committees, Area Committees and Forums and the Local Strategic Partnership) sets out the responsibilities of the Policy and Resources Committee which includes: To be responsible for Finance including Local taxation.
- 5.19 Council Constitution, Article 4 (The Full Council) sets out the responsibilities of the Council which includes: Setting the Council Tax.

6. RISK MANAGEMENT

- 6.1 The risks associated with this report are that vulnerable citizens find themselves with lower levels of financial support. If approved, the DCTH/DHP policy will assist with mitigating hardship to the worst affected. As set out in paragraph 1.12, the level of available DCTH/DHP will be kept under review.

7. EQUALITIES AND DIVERSITY

- 7.1 The 2010 Equality Act outlines the provisions of the Public-Sector Equalities Duty which requires Public Bodies **to have due regard** to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not
 - foster good relations between persons who share a relevant protected characteristic and persons who do not.
- 7.2 The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.3 A full EIA for the LCTRS has been undertaken and can be found at Appendix E. The overall assessment of the proposed scheme is one of a negative significant impact. The tables below provide analysis of how different groups are impacted by the proposed scheme. To help mitigate against any severe financial hardship which the scheme may cause any particular group the

Council will ensure its DCTH/DHP policy is publicised and brought to the attention of key stakeholders such as the Citizens Advice Barnet. It will also keep both the DCTH/DHP policy and this proposed scheme under review.

Households losing more than £5.00 per week, by economic status				
	Universal Credit		Legacy benefits	
Economic status	Number losing over £5/week	% of total cohort losing over £5/week	Number losing over £5/week	% of total cohort losing over £5/week
Employed	990	42.1%	1,611	43.3%
Self-employed	783	72.8%	1,298	73.3%
Out-of-work benefits	836	19.7%	1,182	19.7%
Total	2609	34.1%	4,091	35.6%

Households losing more than £5.00 per week, by household composition				
	Universal Credit		Legacy benefits	
Household type	Number losing over £5/week	% of total cohort losing over £5/week	Number losing over £5/week	% of total cohort losing over £5/week
Single	777	23.7%	1,056	23.5%
Lone Parent	667	30.5%	1,011	29.5%
Couple no children	226	54.2%	306	54.8%
Couple with children	939	52.9%	1,718	57.2%
Total	2609	34.1%	4,091	35.6%

Number of households losing support		
Loss £/week	Universal Credit	Legacy
£5-£10	1471	2277
£10-15	683	1109
£15-20	286	430

>£20	169	275
Total losing more than £5/week	2609	4091

Number of households gaining support		
Gain £/week	Universal Credit	Legacy
£5-10	238	356
£10-15	33	43
£15-20	8	14
>£20	3	3
Total gaining more than £5/week	279	413

8. CORPORATE PARENTING

- 8.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. The outcomes and priorities in the refreshed Corporate Plan, Barnet 2024, reflect the council's commitment to the Corporate Parenting duty to ensure the most vulnerable are protected and the needs of children are considered in everything that the council does.
- 8.2 Care leavers liable for Council Tax will be protected from the proposed changes to the Council Tax Support scheme for up to their first two years of independent living up to the age of 25. This is because the Council committed to providing support to this group through the Care Leaver Council Tax Reduction Policy. The policy was adopted in July 2018, but backdated to April 2018, meaning that all care leavers living independently have relief until at least April 2020. During the period to April 2020 the council will investigate further whether there are any potential unintended consequences for care leavers from this scheme, with a view to having any necessary consequential changes to the Care Leaver Council Tax Reduction Policy in place by April 2020.
- 8.3 Although it has not been possible to analyse the specific impacts of the proposed changes on foster carers, providers of supported lodgings or special guardians, it is not the intention of the Council to cause these groups of people any additional hardship. Foster care allowances, supported lodging allowances and special guardianship allowances will be fully disregarded under the proposed scheme.

- 8.4 The council will always have regard to the Corporate Parenting Principles in considering any applications for discretionary help from foster carers, providers of supported lodgings, special guardians or care leavers.

9. CONSULTATION AND ENGAGEMENT

- 9.1 The consultation results have been included in the main part of this report.

10. INSIGHT

- 10.1 The Council via Policy in Practice has considered the demographic data it holds on current LCTRS claimants. This data was anonymised to protect the identity of the claimants.

11. BACKGROUND PAPERS

- 11.1 None applicable to this report