



ISLINGTON

COUNCIL

15 December 2016

SECOND DESPATCH

Please find enclosed the following items:

Item 9a. Revised Chief Whip's Report

1 - 4

Item 11 Urgent Item - Council Tax Support Scheme 2017/18

5 - 34

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ISLINGTON

COUNCIL MEETING – 15 December 2016

REPORT OF THE CHIEF WHIP

COMMITTEE APPOINTMENTS:

1. APPOINTMENTS TO THE HEALTH AND WELLBEING BOARD

- a) That Dr Henrietta Hughes is standing down as the NHS England representative on the Health and Wellbeing Board and that Dr Helene Brown is appointed as her replacement with immediate effect.
- b) That Dr Hasz Sonigra is appointed as the substitute member for Dr Helene Brown on the Health and Wellbeing Board with immediate effect.
- c) That Mark Taylor is standing down as the substitute member for Carmel Littleton on the Health and Wellbeing Board and Finola Culbert is appointed as his replacement with immediate effect.

Recommendation:

- a) To agree that Dr Helene Brown is appointed as the NHS England representative on the Health and Wellbeing Board for the remainder of the municipal year 2016/17 or until a successor is appointed.
- b) To agree that Dr Hasz Sonigra is appointed as the substitute member for Dr Helene Brown on the Health and Wellbeing Board for the remainder of the municipal year 2016/17 or until a successor is appointed.
- c) To agree that Finola Culbert is appointed as the substitute member for Carmel Littleton on the Health and Wellbeing Board for the remainder of the municipal year 2016/17 or until a successor is appointed.

APPOINTMENTS TO OUTSIDE BODIES:

1. APPOINTMENT TO ISLINGTON COUNCIL'S COMMUNITY CHEST

- a) That Councillor Rowena Champion is appointed as a substitute member of Islington Council's Community Chest with immediate effect.

Recommendation:

- a) To agree that Councillor Champion is appointed as a substitute member of Islington Council's Community chest for the remainder of the municipal year 2016/17 or until a successor is appointed.

2. APPOINTMENT TO RICHARD CLOUDESLEY TRUST

- a) That Tanya Parr, Senior Commissioning Officer (Children's Services), is appointed as a Trustee on the Board of the Richard Cloudesley Trust with immediate effect.

Recommendation:

- a) To agree that Tanya Parr, Senior Commissioning Officer (Children's Services), is appointed as a Trustee on the Board of the Richard Cloudesley Trust for a period of four years or until a successor is appointed.

3. APPOINTMENT TO FINSBURY PARK TRUST

- a) That Councillor Mick O'Sullivan's term of office as the Council's representative on the Board of Trustees of the Finsbury Park Trust has ended, and Councillor Gary Heather is appointed as his replacement with immediate effect.
- b) That Councillor Asima Shaikh is appointed as the substitute member for Councillor Gary Heather on the Board of Trustees of the Finsbury Park Trust with immediate effect.

Recommendation:

- a) To agree that Councillor Heather is appointed as the Council's representative on the Board of Trustees of the Finsbury Park Trust for a period of three years or until a successor is appointed.
- b) To agree that Councillor Shaikh is appointed as the substitute member for Councillor Heather on the Board of Trustees of the Finsbury Park Trust for a period of three years or until a successor is appointed.

OTHER APPOINTMENT:

1. APPOINTMENT OF ISLINGTON READS CHAMPION

- a) That Councillor Raphael Andrews is appointed as Islington Reads Champion with immediate effect. The responsibilities of the Islington Reads Champion are:
 - To support and promote the Islington Reads agenda at council and community events as appropriate
 - To encourage wider reading throughout the borough
 - To spread the word via social media
 - To attend Islington Reads events, within availability, and be available for occasional photo opportunities.

Recommendation:

- a) To agree that Councillor Andrews is appointed as Islington Reads Champion for the remainder of the municipal year 2016/17 or until a successor is appointed.

CONSTITUTION UPDATE:

1. Amendment to Terms of Reference of the Housing Scrutiny Committee

HOUSING SCRUTINY COMMITTEE

Composition

Members of the Executive may not be members of the Scrutiny Committee.

No member may be involved in scrutinising a decision in which he/she has been directly involved.

~~Up to 3 Elected Resident Representatives shall be included in the membership of the committee as non-voting co-optees:~~

~~The Council may appoint up to 3 observers to the Committee.~~

The membership shall include up to three resident representatives. These shall have the status of non-voting co-opted members, and are appointed to ensure resident representation within the Council's formal scrutiny function. Up to three observers may also be appointed to the Committee to enhance its work in the absence of resident representatives.

Recommendation:

- a) To approve the amendment to the Constitution, as set out above.

COUNCILLOR ALICE PERRY
Chief Whip

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Report of: Executive Member for Finance, Performance & Community Safety

Meeting of:	Date:	Wards:
Council	15 December 2016	All

The Council Tax Support Scheme for 2017/18

1. Synopsis

- 1.1 The Council Tax Support Scheme for 2016/17 was agreed by full Council on 3 December 2015. Schemes have to be agreed by the full Council by 31st January for each subsequent year. This report seeks approval for the 2017/18 Council Tax Support Scheme with some proposed changes following a public consultation exercise.
- 1.2 There is also a legal requirement to affirm on an annual basis the council tax discounts and exemptions for empty properties and the 50% empty rates premium. This is to ensure that we can retain the discounts, exemptions and premiums approved at full Council last year.

2. Recommendations

- 2.1 To agree to adopt the Council Tax Support Scheme for 2017/18 as contained in Appendix A and explained in this report.
- 2.2 To retain the amendments to council tax agreed at full Council on 3 December 2015. To be clear, this means that from 1 April 2017 the following will continue to apply:
 - 1) council tax exemption classes A and C will have a discount of 0% for all cases.
 - 2) council tax discount for second homes will be 0% in all cases
 - 3) council tax discount for empty furnished lets will be 0% in all cases
 - 4) a premium of 50% will be charged on the council tax of all properties that have remained empty for over 2 years in all cases.

3 Background

- 3.1 As a result of the Government's abolition of council tax benefit from 1st April 2013 and a reduction in our funding from the Government of at least £2.9m, we have had to propose and consult on a new Council Tax Support scheme which commenced on 1 April 2013. The Council disagreed with the abolition of council tax benefit and the accompanying 10% reduction in funding and actively campaigned against it. Nevertheless, we had no choice but to move forward and to design a scheme that we considered provided the fairest outcome for all our residents in the circumstances.
- 3.2 There is a legal requirement for the Council to agree the scheme each year and a further requirement to consult with residents if the scheme is to be changed. We are proposing some changes this time and so have consulted:
- directly with 2,000 residents – 1,000 council tax payers (not in receipt of council tax support) and 1,000 council tax support recipients
 - generally via the Islington Council website
 - the GLA and Lloyds Square residents as this is a requirement under the council tax precepting arrangements.
- 3.3 The Council also has to formally agree each year the council tax discounts, exemptions and premium set out once again as a recommendation (unchanged from the previous year) in clause 2.2 above.

4 Detail leading to our recommended Council Tax Support scheme

The Current Scheme

- 4.1 The scheme that we adopted and have retained since 2013 has the following features:
- Pensioners aged 65 or over receive at least £100 in council tax support to help them pay their council tax if they are charged from the start of the council tax year.
 - Pensioners are protected and their council tax support award is linked to national requirements that are prescribed by the government. This broadly means that their council tax support is the same as they would have received in council tax benefit.
 - The council tax support award for working age people is worked out by calculating how much benefit they would have received under the old Council Tax Benefit scheme, and then reducing this by 8.5 per cent.
 - Working age people have their award based on the council tax benefit regulations to allow us to continue to provide extra support for disabled people, families with children, and people in employment.
 - A cash-back of £15 is awarded to all working age council tax support recipients who pay their council tax in full by the end of the year.

Changes proposed

4.2 We are proposing to change the following for the 2017/18 scheme:

- Any revisions that would cumulatively reduce a person's council tax support award for working age people by less than £1 per week to be discounted.
- End the £15 cash back award.
- For changes that happen to similar benefits nationally, provide the Council the option to make changes at the same time to our Council Tax Support Scheme.
- To make some housekeeping changes (to dates etc.) to ensure that the scheme relates to the 2017/18 financial year.

The rationale for change

4.3 We are proposing to stop making changes to a person's award (working-age) if it is cumulatively less than £1 a week for two reasons:

- This would allow a person to have a wage increase (or any income increase) of around £5 a week and still retain their current level of council tax support. We want to support people into higher paid employment.
- It would mean we no longer have to issue a new council tax bill - which can be confusing for residents - every time there is a minor increase in resident's income.

4.4 Awarding a cash-back of £15 to council tax support recipients who pay in full by the end of the year costs on average around £150,000 a year. It was intended to be a payment incentive. The Council has a significant budget savings requirement for 2017/18 as a result of on-going cuts in government funding. We will bring full budget proposals to Council for agreement in February 2017 but, in our discussions to date, we consider this reduction to be fairer than the alternatives which could include cuts that would lead to a loss or reduction in a service that we ought to retain. In the context of the difficult budgetary decisions that we have to make, we consider it better to remove a council tax payment incentive for some (with no clear evidence that it actually increases collection) than to remove or reduce other important services for our residents.

4.5 The proposal to give us the option to make changes to the Council Tax Support scheme during the year, in line with changes that are being made to similar benefits nationally, means that our scheme could retain the features that exist within similar national schemes such as Housing Benefit. The intention is that we continue to apply income, premiums and allowances in broadly the same way across similar schemes. This would apply to changes that are both advantageous and detrimental; hence our proposal gives us the option to make a change during the year or to reject this if we consider it to be inappropriate.

The consultation results

4.6 The consultation report is included as Appendix B.

The summary of feedback on the proposed changes to the Council Tax Support Scheme is as follows:

- The proposal to have the option to make changes to the Council Tax Support scheme when changes are made to similar benefits nationally: 45% of respondents either strongly agreed or agreed, 23% of people either disagreed or strongly disagreed with this.
- The proposal to ignore changes that would reduce the council tax support award by less than £1 a week: 51% of respondents either strongly agreed or agreed, 22% of people either disagreed or strongly disagreed with this.
- The proposal to end the £15 cash back awarded to council tax support working age recipients who pay their council tax in full by the end of the year: 46% of respondents either strongly agreed or agreed, 33% of people either disagreed or strongly disagreed with this.

4.7 The consultation responses favour the proposals that we have made to change the existing scheme. The GLA did not respond to our letter inviting their response to the proposed changes.

5 Implications

Financial Implications:

5.1 We used a modelling tool to baseline the existing cost of our council tax support scheme and to calculate the savings or the cost of adopting each proposal. The overall impact of this set of proposals is a budget saving of £100,000 (rounded) which will be included in the list of proposals for the budget decision at Council in February 2017.

	Baseline the Current Scheme for 2017/18	Change 1	Change 2	Change 3
Proposal description	The current scheme uprated by 3.99%. This takes into account the National Living Wage, the increase in the Personal Tax Allowance and other policy changes.	The current scheme aligned with recent changes in housing benefit regulations.	To not apply any revisions that would reduce a person's council tax support award for working age people by less than £1 per week.	The current scheme with the removal of the £15 cash back for all working- age council tax support recipients who pay their bill in full by the end of the financial year.
Total cost of scheme	£26,136,542	£26,116,542	£26,136,542	£25,983,662
Support to working age households	£17,193,926	£17,173,926	£17,193,926	£17,033,232

Estimated Savings (working age)	N/A	£20,000 (our share £15,400) immediate saving based on a family premium change in May 16. Future savings and costs to be determined as changes are made.	£40,000 cost (our share £30,800)	£152,880 saving (our share £117,718)
Resident Impact Assessment		All working age claimants could be impacted, depending on changes made nationally.	Will help all working age claimants including working people who receive small pay increases during the year.	All working age council tax support claimants could be impacted, depending on their propensity to pay the council tax in full by year end.

Legal Implications:

- 5.2 The proposals to change the current scheme are considered to be lawful. The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

Resident Impact Assessment:

- 5.3 The Resident Impact Assessment is attached as Appendix C. In retaining most aspects of the scheme as summarised in 4.1 above we are:
- Choosing to continue to align the Council Tax Support Scheme with council tax benefit; providing extra premiums and/or applicable amounts for disability, children and incentives for employment.
 - Providing full protection for older people who are a vulnerable group that we would like to continue to support. This includes minimum council tax support of £100 for older people aged 65 or over. This means that there will be fewer marginal cases of older people who are not quite poor enough to receive the benefit but who are still economically fragile. People in this category are less likely to access, or be able to access, the labour market.
 - Retaining the 8.5% cap on council tax support reduction despite the loss of the government grant; helping all residents who will be impacted by the cumulative loss of other benefits from the government's on-going programme of cuts to social security.

- Applying the 8.5% reduction to the end of the benefit award (bottom slicing) rather than taking this from the liability (top slicing) works out better for people on partial benefit and it was people on partial benefit who were most concerned about the financial impact of the changes to them personally.

5.4 The Resident Impact Assessment identified the following as the key mitigations for the two changes that could possibly dis-benefit council tax support recipients (4.4 and 4.5 above):

- The Council's limiting of the reduction in benefit from what would be a cap in the region of 20% to 8.5%. This will continue to allow affected claimants greater opportunity to adapt to their financial circumstances.
- The Council will continue to help to finance the costs of limiting the reduction in benefit to 8.5% as a result of adopting the other changes to the Local Government Finance Act on exemptions and discounts (empty properties) by charging fully for class A and C empty properties, second homes and empty furnished lets.
- The change proposed in 4.3 above, stopping award changes of less than £1 per week, will benefit all council tax support recipients.
- The Council will continue to limit the impact of council tax on council tax support recipients by adopting a non-standard council tax recovery process. This includes our policy not to use bailiffs for live council tax support cases.
- The Council will continue to support residents who cannot pay through the use of council tax welfare provision (or other funds) in the Residents Support Scheme.

6 Reasons for the recommendations / decision:

The amended Council Tax Support Scheme is agreed at full Council in December each year in compliance with statutory timescales. We are proposing a change to the scheme this year to contribute to our overall savings requirement, improve the position (particularly for the employed) when they have small increases in income and to continue the alignment of our scheme with national schemes where we consider it to be appropriate. The consultation responses broadly support the proposals that we have made.

Appendices:

- Appendix A – 2017/18 Draft Scheme
- Appendix B – Consultation Report
- Appendix C – Resident Impact Assessment

Background Papers: None

Final Report Clearance:

Signed by



9 December 2016

Executive Member for Finance, Performance &
Community Safety

Date

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London Borough of Islington

Council Tax Support Scheme

Draft for approval by Council on 15 December 2016



Islington Council: Council Tax Support Scheme

1. This document and the law

This document is the London Borough of Islington's Council Tax Reduction Scheme, set out under section 13A (2) [substituted by clause 8 of the Local government finance Bill] of the Local Government Finance Act 1992.

This scheme, referred to as Council Tax Support (CTS), has been agreed based on:

- the outcome of a public consultation exercise carried out in 2012 and repeated in 2016;
- the Equality Impact Assessment made in relation to the scheme and the subsequent Resident Impact Assessments carried out annually
- Considerations and decisions made annually by the full Council.

2. Introduction

CTS reduces the amount of council tax a person has to pay based on an assessment made by Islington Council (the Council). As the Billing Authority, council tax is raised and charged by the Council and the CTS assessed by the Council can only be applied to council tax bills issued by the Council.

This scheme sets out rules for three classes of claimants. The amount of CTS shall be determined through means testing. As such the income and capital of the claimant and any partner or partners in the case of a polygamous couple in the household shall be taken into account. It is considered that eligibility for CTS is defined by the terms of the former Council Tax Benefit (CTB) scheme as set out in the Social Security Contributions and Benefits Act 1992, the Social Security Administration Act 1992, the Council Tax Benefit Regulations 2006 and the Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001. These will hereafter be known as the Regulations and these Regulations set out how CTB was claimed, how it was calculated and how it was paid. This scheme proposes that the principles and methods set out in those Regulations be used to determine CTS, except where amendments are set out in this scheme or by statute under the Local Government Finance Act 1992 (as amended) and accompanying legislation. For the avoidance of doubt where there is a difference or conflict between the Regulations and the Council's CTS scheme, then it is the Council's CTS scheme as set out here that will take precedence and be applied.

3. Making a claim

A claim must be made in respect of a person who is resident in the dwelling concerned, and liable for payment of council tax. A valid claim can be made by the person liable for council tax or by their appointed representative.

3.1 How to claim

3.1.1 Except where paragraph 3.1.2 applies, an application shall be required for all new claims from 1 April 2013. A person liable to pay council tax will be able to make a claim using any of the methods the Council provides for. Generally claims can be made via telephone, email, the Council website, in writing or in person at Islington Council offices, or to the Department of Work and Pensions (DWP) and Jobcentres. A valid claim must be accompanied by the necessary supporting evidence.

3.1.2 For claimants entitled to the reduction in class 2 only (defined below); where it is possible for the Council to award CTS without application it shall do so. Indeed, for this provision an identification by the Council that a person would be entitled to this reduction by virtue of relevant detail already obtained by the Council, may be enough to constitute a claim and to enable the award of a reduction. If a reduction cannot be awarded by the Council automatically under class 2, it shall be the duty of the person or persons with a council tax liability to claim this using the application process prescribed on the Islington Council website, and this application shall be required to be received in the council tax year for which the reduction applies.

4. Classes of reduction

4.1 It is considered that the Council has 3 classes of reduction in its CTS scheme. The classes below also identify the persons that the reduction will cover.

Class 1 – A person or persons of pension credit age have protection prescribed in the Local Government Finance Act 1992 (as amended). The council tax reduction shall be assessed in accordance with the provisions of that Act.

Class 2 – A person or persons with a council tax liability on 1st April 2017 aged 65 or over shall be entitled to a minimum reduction of £100 per annum, unless the council tax liability is less than this in which case it shall match the annual council tax liability.

Class 3 – A person or persons not entitled to protection under class 1 who would be entitled to CTB based on the Regulations at 31 March 2013:

- a) shall be entitled to CTS based on that notional CTB entitlement less 8.5%; and
- b) if after the accurate calculation of the CTS award under Class 3a), subsequent calculations or revisions of the same CTS award would result in a decrease in the CTS award of less than £1 a week cumulatively then no decrease shall be applied. This excludes uprating as defined in clause 5.3.

4.2 Making changes to the dates for the classes of reduction

For Class 2 the Council may substitute the date provided with a date of its choosing. This will enable the scheme to continue into future years. Any changes to dates shall be published on the website on 31 January of the year that immediately precedes the new council tax year to which the CTS shall apply.

4.3 Making changes to the values for the classes of reduction

For Class 2, for the minimum reduction the Council may substitute any amount it chooses, including £Nil. Should a change be made for a future council tax year this shall be published on the website on 31 January of the year that immediately precedes the new council tax year to which the CTS shall apply.

For the purposes of Class 3a) the Council may substitute 8.5% with any amount it chooses but capped at 25%.

For the purposes of Class 3b) the Council may substitute £1 with any amount it chooses.

Should a change be made for a future council tax year this shall be published on the website on 31 January of the year that immediately precedes the new council tax year to which the CTS shall apply.

4.4 Administering the reduction

For all Classes the reduction shall be made to the council tax liability in the council tax year that the CTS applies.

4.5 Explanation of the cumulative effect in Class 3b)

The intention is that subsequent calculations or revisions of the same CTS award that would result in a decrease in that CTS award of less than £1 a week, would only take effect when the combination of these changes would reduce that CTS award by £1 a week or more. In other words, changes in circumstances that, if applied, would reduce the CTS award would be held back until the cumulative impact of these when combined with future changes actually reduces the CTS award by £1 a week or more. This excludes uprating as defined in clause 5.3.

5. Exceptions to the Regulations

This scheme proposes that the principles and methods set out in the Regulations be used to determine CTS, except where amendments are set out in this scheme or by statute under the Local Government Finance Act 1992 (as amended) and accompanying legislation.

The exceptions to these Regulations (or clarifications) are set out below:

5.1 Information and evidence

The Council may accept any information or evidence that it sees fit to support a claim for CTS and may receive this in any way that it sees fit. As a guide, it shall publish what is expected on the Council's website. If all the information or evidence it needs is not submitted, the Council shall seek to make contact with the claimant once to obtain this. If the claimant does not reply or provide the information required within one month of the first contact made with or by the Council in relation to the application, the Council may decide to treat the claim as incomplete and refuse the CTS application. The Council may extend the one month time limit if it thinks it is reasonable to give more time but in any case this shall not be extended beyond 3 months after the date of the first contact made with or by the Council in relation to the application.

5.2 Treatment of income

For the purpose of making an assessment under the CTS scheme, all income shall be treated in accordance with the Regulations. However from time to time the Government may reform welfare benefits and introduce new benefits or replace them with equivalent benefits of a different name. Under the Regulations, some prescribed income is disregarded, some prescribed income has an impact on the premiums that can be applied to a person's applicable amount, and some prescribed income has an impact on the level of a non-dependant deduction(s) to be applied. In addition to this, some prescribed income passports a person to full entitlement to CTB, albeit subject to certain deductions such as a non-dependant deduction.

It is the intention of the Council for the CTS scheme, that where such income is replaced by the Government by an equivalent benefit or where new benefits are introduced, that these changes should be applied at the same time to CTS (or as soon as practicable thereafter) and attract the appropriate and equivalent income disregard, premium for the applicable amount and non-dependant deduction. It is also the intention to continue to passport an equivalent benefit to full entitlement to notional CTB to allow the CTS to be calculated.

To achieve this, when a new welfare benefit (income) is introduced by Government, the Council shall decide for the purposes of applying the Regulations:

- whether it should be disregarded; and or

- the premium (if any) that it should attract; and/or
- the non-dependant deduction that should apply (if any); and/or
- whether it should be treated as income that would passport a person to full notional CTB entitlement

Once the Council has decided how changes to other welfare benefits shall be treated for the purposes of applying the Regulations, the Council shall publish this detail on the Council website prior to the commencement of this new welfare benefit or as soon as practicable thereafter.

The Regulations currently afford the Council the discretion to disregard war widows pension and war disablement allowance. The Council will continue to disregard this income for the purposes of assessing CTS.

5.3 National changes to premiums, allowances, applicable amounts, disregards and deductions (the components)

For the purpose of making an assessment under the CTS scheme, all the components shall be treated in accordance with the Regulations. However from time to time the Government may reform welfare benefits and:

- introduce a new component
- change the value of an existing component
- change the basis on which an existing component can be applied

Where this happens the Council will have the option to immediately make a change to the CTS scheme based on the treatment of a similar component in an equivalent national scheme. An equivalent national scheme means either the provisions that form the basis for assessment under Class 1 or the Housing Benefit General Regulations 1987 (as amended).

The Council shall determine how changes to the components in an equivalent national scheme will be treated for the purposes of assessing an award under Class 3, including the date that any change will take effect. The Council shall publish this detail on the Council website prior to the commencement of these changes or as soon as practicable thereafter.

From time to time the components and some income will be subject to uprating by the government to reflect changes in the consumer price index. This scheme provides that the Council shall uprate all the components and income in accordance with the Government's uprating of the same or equivalent components (as identified by the Council) in the equivalent national scheme.

5.4 Decisions and notifications of decisions

The Council shall make a decision on a claim within a reasonable timescale of receiving all required information and evidence. In order to inform a claimant of the decision the Council shall send them a revised council tax bill showing the amount and period of the CTS award. The bill itself shall be formal notification of the CTS decision unless CTS is not awarded as a result of us deciding to treat the claim as incomplete or the person does not qualify for CTS, in which case a letter will be issued to the claimant. Claimants may request a statement of reasons to explain how the award was calculated. The council tax bill shall include a person's appeal rights, how they can request a statement of reasons and details of how to apply for further discretionary help from the Council Tax Welfare provision in the Resident Support Scheme. The claimant can elect to receive their bill by post or by using Islington's web portal 'My eAccount' also known as e-billing. For the avoidance of doubt, the requirements in the Regulations to notify a person of their CTB entitlement in a manner and including detail prescribed by those Regulations shall be revoked for the purposes of the CTS scheme.

5.5 How CTS will be paid

All CTS will be 'paid' by crediting the amount of CTS against the claimant's council tax liability to reduce the bill. Should a bill that attracts a council tax reduction be in credit at the point that a council tax liability is ended; the Council may use that credit to reduce any other sum that is owed to the Council by that person.

5.6 Changes of circumstances

The recipient of CTS or their appointee must notify the Council of any change to their household circumstances, income or capital that may affect the amount of CTS they are entitled to. Any change of circumstances must be reported within one calendar month of the change happening. Any change can be reported to Islington Council by telephone, email, fax, via website or in writing. Supporting information may be required. Each material change shall result in a recalculation of CTS entitlement and a revised bill if appropriate.

A process for reviewing current CTS entitlement may be implemented by the Council. CTS may be reviewed at any time after its commencement. Failure of the claimant to fulfil any reasonable request made by the Council during a review of their CTS award shall result in the termination of that CTS award from the commencement date of the review.

5.7 Appeals

If the claimant disagrees with the CTS award or non-award following a claim, they can request that the Council looks at this again (this is known as an application for revision). They must do this within one month of the date of the council tax bill that shows the amount and period of their CTS or within month of the date of their CTS non-qualification letter. If an appeal made by the same claimant about a housing benefit decision would also impact on CTS, the Council may also treat this as an appeal against CTS if it is made within one month of the date of the council tax bill that shows the amount and period of their CTS. The Council shall check if the decision is correct and inform the claimant of its decision in writing. If the Council believes that its decision is correct or the claimant does not receive a response from the Council within 2 months, the claimant has another 2 months to appeal to the Valuation Tribunal where a final decision can be made. Any appeal against a decision regarding CTS will not mean that payments of council tax may be withheld. Payments must be made as they fall due and if an appeal is successful any additional CTS award shall be credited against the claimant's council tax liability at that time as directed.

6. General Provisions

6.1 Council Tax Welfare Provision

There is a welfare scheme available for council tax payers receiving CTS experiencing exceptional hardship. This is part of the Resident Support Scheme and the procedure for application is contained within the detail of the Resident Support Scheme approved by the Council's Executive.

6.2 Fraud

The Council will investigate any case where it has reason to believe that an amount of CTS has been awarded as a result of a claim which is fraudulent in any respect. This will include any incidence of a claimant not notifying the Council of any change in household circumstances, income or capital that results in a higher reduction under the CTS scheme than a person is due

6.3 Consultation

The Council recognises its legal duty to consult should there be future changes to the scheme. However from time to time the council will need to make minor changes to the practice and operation of the scheme and should these occur we will consult by way of publishing a notice on the Council's website during the last 2 weeks of January of the year that immediately precedes the new council tax year to which the CTS shall apply. A consultee shall then have until 31 January of that same month to respond to this notice. The Council officers delegated to operate the scheme will give due regard to this response.

6.4 Delegation

The Council shall delegate the operation of this scheme to the Corporate Director of Finance and Resources and he will designate the appropriate officers to undertake this role. Currently these officers are all placed in the Financial Operations and Customer Services Directorate of the Council's Finance and Resources Department.

6.5 CTS Scheme Agreement

The CTS Scheme will be reviewed annually and subject to further agreement at Full Council prior to 31 January each year.

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APPENDIX B

Consultation on proposals to change the Council Tax Support Scheme from 1 April 2017







A consultation on the proposals to change the Council Tax Support Scheme from 1 April 2017 was conducted between the 23 September 2016 and the 7 November 2016.

The consultation document was posted to a random sample of 2,000 residents. 1,000 were current Council Tax Support recipients and 1,000 were current council tax payers who are not in receipt of Council Tax Support.

Residents were able to complete the consultation by post or online via the council's website. The website link was advertised in Islington Life and within the council's e-bulletin service.

Responses to consultation questions

1. Any changes to the Council Tax Support scheme will be introduced from 1 April 2017. Overall, do you agree with the changes being proposed?


Strongly Agree	8%		14
Agree	33%		61
Neither Agree nor Disagree	15%		28
Disagree	11%		21
Strongly Disagree	14%		27
Not Sure	19%		35
Total respondents			186
Respondents who skipped this question			4





Summary

41% of respondents either strongly agreed or agreed with the overall changes being proposed to the council tax support scheme, compared to 25% who either disagreed or strongly disagreed.

2. The proposal is that the council would have the flexibility to make changes to the Council Tax Support scheme when changes are made to similar benefits nationally.

Do you agree with this?

Strongly Agree	8%		15
Agree	37%		70







Neither Agree nor Disagree	17%		31
Disagree	10%		19
Strongly Disagree	13%		25
Not Sure	15%		29
Total respondents			189
Respondents who skipped this question			1

Summary

45% of respondents either strongly agreed or agreed that the council should have the flexibility to make changes to the Council Tax Support scheme when changes are made to similar benefits nationally. 23% of people either disagreed or strongly disagreed with this.

3. The proposal is to ignore changes that would reduce the council tax support award by less than £1 a week.

Do you agree with this?






Strongly Agree	14%		26
Agree	37%		70
Neither Agree nor Disagree	14%		28
Disagree	9%		18
Strongly Disagree	13%		24
Not Sure	13%		24
Total respondents			190
Respondents who skipped this question			0


Summary

51% of respondents either strongly agreed or agreed with the proposal to ignore changes that would reduce the council tax support award by less than £1 a week. 22% of people either disagreed or strongly disagreed with this.

4. The proposal is to end the £15 cash back awarded to council tax working age recipients who pay their council tax in full by the end of the year.

Do you agree with this?

Strongly Agree	16%		31
Agree	30%		56
Neither Agree nor Disagree	9%		17
Disagree	14%		26
Strongly Disagree	19%		35

Not Sure	12%		23
Total respondents			188
Respondents who skipped this question			2

Summary

46% of respondents either strongly agreed or agreed with the proposal to end the £15 cash back awarded to council tax working age recipients who pay their council tax in full by the end of the year. 33% of people either disagreed or strongly disagreed with this.

5. Are there any comments or alternative proposals that you would like to make?

Total respondents	45
Respondents who skipped this question	145



Summary

A summary of the comments of the 45 respondents to this question are shown below.



Category	No of responses
Some confusion about scheme	5
Concerned about benefit loss	3
Unable to see benefit of changes	4
Agree with new proposals	4
Scheme should remain the same as before	3
Other varied responses	26

Further detail is in the source documentation.



6. Do you live in Islington?

Yes	98%		184
No	2%		4
Total respondents			188
Respondents who skipped this question			2





7. Are you a council tax payer?

Yes	88%		160
No	12%		22
Total respondents			182
Respondents who skipped this question			8



8. Are you currently receiving Council Tax Support?

Yes	52%		93
No	48%		87
Total respondents			180
Respondents who skipped this question			10

9. Gender

Female	49%		90
Male	47%		86
Transgender	0%		0
Prefer not to say	4%		8
Total respondents			184
Respondents who skipped this question			6




10. Are you a pensioner?

Yes	43%		78
No	57%		103
Total respondents			181
Respondents who skipped this question			9


11. Are you or your partner in paid employment for more than 16 hours a week?

Yes	35%		64
No	65%		119
Total respondents			183
Respondents who skipped this question			7

12. How many children do you have living with you?

No children	77%		140
1 -3 children	22%		39
4 or more children	1%		2
Total respondents			181
Respondents who skipped this question			9

13. Do you, or does anyone who lives with you, have a disability?

Yes	37%		66
No	63%		114
Total respondents			180

Respondents who skipped this question







10

14. Please tick the appropriate box to indicate your ethnic background.







White - British	48%		88
White - Irish	8%		14
White - Kurdish	2%		3
White - Turkish/ Turkish Cypriot	2%		4
White - Greek/ Greek Cypriot	2%		3
White - Gypsy/Traveller	0%		0
Any other white background	9%		16
Black or Black British -Caribbean	7%		12
Black or Black British - Somali	2%		3
Black or Black British - Eritrean	0%		0
Black or Black British - Nigerian	2%		4
Black or Black British - Ghanaian	0%		0
Black or Black British - Other African	3%		6
Any other black background	1%		2
Mixed - White and black Caribbean	0%		1
Mixed - White and black African	1%		2
Mixed - White and Asian	0%		1
Any other mixed background	1%		2
Arab	0%		0
Latin American	0%		0
Asian or Asian British - Indian	0%		0
Asian or Asian British - Pakistani	0%		0
Asian or Asian British - Bangladeshi	4%		8
Any other Asian background	1%		2
Chinese or other Ethnic Group - Chinese	1%		2
Chinese or other Ethnic Group - Filipino	0%		1
Chinese or other Ethnic Group - Vietnamese	0%		0
Prefer not to say	5%		9
Any other background	1%		2
Total respondents			185
Respondents who skipped this question			5

15. Religion/Belief

Buddhist	2%		3
Pagan	1%		2
Christian	47%		82
Jewish	0%		1

Sikh	0%		0
Hindu	0%		0
Muslim	11%		20
No religion	25%		43
Prefer not to say	12%		21
Other	2%		3
Total respondents			175
Respondents who skipped this question			15

16. Sexual Orientation

Bisexual	4%		6
Heterosexual/Straight	70%		113
Gay	4%		7
Lesbian	0%		0
Prefer not to say	20%		33
Other	2%		3
Total respondents			162
Respondents who skipped this question			28

Resident Impact Assessment

Council Tax Support Scheme

Service Area: Finance & Resources

1. What are the intended outcomes of this policy, function etc?

Council Tax Support reduces the amount of council tax a person has to pay based on an assessment made by the Council. As the Billing Authority, council tax is raised and charged by the Council and the Council Tax Support assessed by the Council can only be applied to council tax bills issued by the Council.

2. Resident Profile

		Borough profile	All Council Tax Support recipients
		Total: 206,285	Total: 29,494
Gender	Female	51%	63%
	Male	49%	37%
Age	Under 16	32,825	0
	16-24	29,418	612
	25-44	87,177	9,343
	45-64	38,669	11,566
	65+	18,036	7,973
Disability	Disabled	16%	29%
	Non-disabled	84%	71%
Sexual orientation	LGBT	No data	No data
	Heterosexual/straight	No data	No data
Race	BME	52%	38%
	White	48%	32%
	Not declared		30%
Religion or belief	Christian	40%	13%
	Muslim	10%	5%
	Other	4.5%	2%
	No religion	30%	7%
	Religion not stated	17%	73%

3. Equality impacts

To change the way that Council Tax Support is calculated so that when changes happen to similar benefits nationally we have the option to make changes at the same time to Council Tax Support.

It is possible that national changes could benefit or dis-benefit Council Tax Support recipients. Given that the Council is proposing that national changes would be optional in our local council tax support scheme, we will be able to make an informed choice about the impact of change on each occasion that it happens.

We have modelled the effect of changes to Housing Benefit Regulations that have already taken place in 16/17 which have not yet been incorporated in Islington's current Council Tax Support scheme. This only affects the family premium which has been eliminated from housing benefit for new claims or new births after 1st May 2016. This scheme will cost 0.1% less than the current scheme and is not likely to generate additional cost savings in administration.

On analysis based on Housing Benefit data from September 2016, 744 households receiving Council Tax Support had made a new claim for housing benefit after 1st May 2016. Within this group, 291 households are composed of families with children and would thus be affected by the removal of the family premium. The loss in Council Tax Support following the implementation of these changes would be reflected in a costs reduction of £10,000 per year. This is an average loss of £34.36 per year per affected household or £0.66 per week.

The tables below breakdown the 291 households further:

Ethnicity

Ethnicity	Number of households losing family premium	% new claims on family premium from May 16	% receiving council tax support for all ages
Not declared	96	33.0%	24.4%
White British	61	21.0%	22.6%
Black-Black British: African	38	13.1%	7.8%
Black-Black British: Caribbean	18	6.2%	4.6%
Mixed White & Black Caribbean	17	5.8%	1.5%
Not Known	13	4.5%	10.1%
White: Any other White background	12	4.1%	4.3%
Mixed: Any other Mixed background	6	2.1%	0.9%
White Turkish/Turkish Cypriot	6	2.1%	3.1%

White Irish	5	1.7%	3.0%
Black-Black British Other	4	1.4%	1.0%
Mixed: White & Black African	3	1.0%	0.7%
Asian or Asian British Bangladeshi	2	0.7%	2.0%
Black	2	0.7%	1.2%
European	2	0.7%	4.0%
Mixed Parentage	2	0.7%	2.0%
Asian or Asian British: Indian	1	0.3%	0.5%
Asian or British: Any other background	1	0.3%	1.1%
Chinese	1	0.3%	0.5%
Mixed White & Asian	1	0.3%	0.3%

This identifies that for the family premium alone (£0.66 average loss per week), compared to the full council tax support population (including pensioners) the biggest difference is in the cohort of households defining themselves as 'Black-British: African' and 'Mixed: White and Black Caribbean'.

Household composition

Household type	Number of households losing family premium	% losing family premium	% receiving council tax support
Couple with children	61	21%	8.8%
Lone parent	230	79%	21.7%
Couple without children	0	0%	7.2%
Single	0	0%	62.3%

The removal of the family premium will affect only families with children. From this, 79% will be lone parents

Gender single households & lone parents

Gender	Number of households losing family premium	% losing family premium	% receiving council tax support
Female	221	96.1%	66.3%
Male	9	3.9%	33.7%

Where people have declared their gender, female claimants will be disproportionately affected. There is no detail held on gender re-assignment.

Sexual Orientation

No data held

Religion

No data held

Tenure type

Tenure	Number of households losing family premium	% losing family premium	% receiving council tax support
Council tenant	171	58.8%	54.8%
Private rent	36	12.4%	7.3%
Social rent	79	27.2%	30.4%
Temporary accommodation	5	1.7%	1.0%
Owner-Occupier	0	0%	6.5%

Of all different tenures, private tenants appear to be the only group which would be disproportionately affected compared to the overall population of council tax support recipients.

Economic status

Economic status	Number of households losing family premium	% losing family premium	% receiving council tax support
Employed	87	29.9%	14.4%
On out of work benefits	175	60.1%	49.1%
Pension age	3	1.0%	31.2%
Self-employed	26	8.9%	5.3%

Comparison is difficult because all council tax support recipients includes pensioners.

Disability

Disability	Number of households losing family premium	% losing family premium	% receiving council tax support
DLA & ESA	8	2.8%	17.9%
DLA only	5	1.7%	15.6%
ESA only	26	8.9%	14.2%
Not disabled	252	86.6%	52.4%

The majority of households impacted do not comprise any disabled individual. The group of non-disabled households in fact makes up 86.6% of the cohort facing the loss of the family premium, against the 52.4% in the overall CTS recipients' cohort.

To not apply any revisions that would cumulatively reduce a person's Council Tax Support award for working age people by less than £1 per week.

The proposal not to send a new bill during the year if a person's Council Tax Support award reduces cumulatively by less than £1 per week would be beneficial to people who have regular small changes in income. This includes people who are employed allowing us to ignore small increases in pay without regularly having to recalculate the council tax bill.

This will reward working people who receive small pay increases during the year.

The proposal to end the £15 cash back awarded to council tax working age recipients who pay their council tax in full by the end of the year.

This option models a scheme similar to the current one. The only difference is the removal of the £15 cash-back rebate currently in place for all households who pay their full annual liability within the first ten months of the financial year.

The analysis has identified 10,192 households currently benefitting from the £15 cash-back measure who receive Council Tax Support.

A breakdown of this group of households across key demographic and economic indicators follows.

Ethnicity

Ethnicity	Number of households receiving cash-back	% receiving cash-back	% receiving council tax support
White British	2,184	21.4%	22.6%
Not declared	1,928	18.9%	24.4%
Not known	1,125	11.0%	10.1%
Black-Black British: African	956	9.4%	7.8%
White: Any other White background	593	5.8%	4.3%
White: Turkish/Turkish Cypriot	498	4.9%	3.1%
European	430	4.2%	4.0%
Black-Black British: Caribbean	360	3.5%	4.6%
Asian or Asian British: Bangladeshi	256	2.5%	2.0%
Includes Mixed Parentage	256	2.5%	2.0%

White: Irish	202	2.0%	3.0%
Black	164	1.6%	1.2%
Mixed: White and Black Caribbean	152	1.5%	1.5%
Asian or British: Any other background	138	1.4%	1.1%
Black-Black British: Other	111	1.1%	1.0%
Mixed: Any other mixed background	111	1.1%	0.9%
Turkish/Cypriot	97	1.0%	0.6%
Mixed: White & Black African	77	0.8%	0.7%
White: Greek/Greek Cypriot	63	0.6%	1.1%
Caribbean	56	0.6%	0.6%
Chinese	53	0.5%	0.5%
Asian or Asian British: Indian	49	0.5%	0.5%
White: Kurdish	48	0.5%	0.3%
Gaelic	43	0.4%	0.5%
Bangladesh	37	0.4%	0.3%
Mixed: White & Asian	34	0.3%	0.3%
Asian or Asian British: Pakistani	31	0.3%	0.2%
Chinese: Other	31	0.3%	0.2%
Turkish	24	0.2%	0.1%
Other Asian	17	0.2%	0.2%
Greek/Cypriot	15	0.2%	0.2%
Chinese: Vietnamese	14	0.1%	0.1%
Chinese	11	0.1%	0.1%
Indian	10	0.1%	0.1%
Chinese: Filipino	7	0.1%	0.1%
Pakistani	7	0.1%	0.1%
African	3	0.0%	0.0%

The table above shows how the removal of the cash-back rebate does not seem to disproportionately affect any of the most represented ethnic groups within this cohort. Among the most represented groups (100+ households), only households who have defined themselves as 'Black – Black British: African', 'White: Turkish/Turkish Cypriots' and 'White; Any Other Background' appear to be slightly over-represented within the group losing the cash-back rebate, compared to the overall cohort of Council Tax Support recipients.

Household composition

Household type	Number of households receiving cash-back	% receiving cash-back	% receiving council tax support
Couple with children	1,369	13.4%	8.8%
Couple without children	423	4.2%	7.2%
Lone parent	2,939	28.8%	21.7%
Single	5,461	53.6%	62.3%

Couples with children and lone parents will be disproportionately affected by the removal of the cash-back rebate when compared against the full population of council tax recipients. However this difference is not surprising as the full population includes pensioners.

Sexual Orientation

No data held

Religion

No data held

Gender single households

Gender	Number of households receiving cash-back	% receiving cash-back	% receiving council tax support
Female	5,685	67.7%	66.3%
Male	2,715	32.4%	33.7%

Among households composed by single adults, the gender distribution within the cashback cohort and within the wider Council Tax Support recipients' cohort is largely unvaried; albeit that more than twice as many females benefit from this award. There is no detail held on gender re-assignment.

Tenure type

Tenure	Number of households receiving cash-back	% receiving cash-back	% receiving council tax support
Council tenant	5,690	55.8%	54.8%
Owner-Occupier	402	3.9%	6.5%
Private Rent	905	8.9%	7.3%
Social Rent	3,149	30.9%	30.4%
Temporary accommodation	46	0.5%	1.0%

By tenure, no specific group appears to be disproportionately affected by the removal of the cash-back .

Economic status

Economic Status	Number of households receiving cash-back	% receiving cash-back	% receiving council tax support
Employed	1,891	18.6%	14.4%
On out of work benefits	7,497	73.6%	49.1%
Self-employed	804	7.9%	5.3%
Pension age	0	0.0%	31.2%

The comparison against the full council tax recipients is difficult due to the number that are of pension age. Nevertheless this shows that people on out of work benefits are significantly more impacted by this change.

Disability

Disability	Number of households receiving cash-back	% receiving cash-back	% receiving council tax support
DLA & ESA	2,905	28.5%	17.9%
DLA only	507	5.0%	15.6%
ESA only	2,023	19.9%	14.2%
Not disabled	4,757	46.7%	52.0%

Disabled people would not be disproportionately impacted when compared to the full population of council tax recipients.

4. Safeguarding and Human Rights impacts

Safeguarding risks and Human Rights breaches

There are no identified safeguarding risks for children or vulnerable adults or potential human rights breaches

5. Action

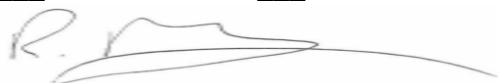
Action	Responsible person or team	Deadline
<p>The impact on specific groups identified to be disproportionately affected by the removal of the family premium or any future changes to benefits nationally and the cash back will be mitigated by us:</p> <p>Continuing to hold the cap on benefit at 8.5%. Without this subsidy the cap could rise to 20%.</p> <p>Continuing to help to finance the costs of limiting the reduction in benefit to 8.5% as a result of adopting the other changes to the Local Government Finance Act on exemptions and discounts by charging fully for class A and C exemptions, second homes and charging a premium on homes left empty.</p> <p>Making extra provision as follows:</p> <ul style="list-style-type: none"> • Retaining all disability premiums so that the level of allowable income before tapers are introduced is higher than for the average working age person. • Continuing to disregard as income certain disability benefits such as Disability Living Allowance (DLA) and War Disablement Allowance. • Ensuring that no non-dependant deductions apply if a person is in receipt of DLA (care component) therefore allowing him/her to qualify for a disability premium. • Retaining applicable amounts that recognise that families with children need a higher level of income to support their household. • Continuing to disregard Child Benefit as income in the calculation of benefit entitlement for passported cases – this means that there is an allowance for each child • Continuing to apply a premium for disabled children. <p>Continuing to encourage people moving into employment by offering a 4 week guaranteed payment of existing benefit level to those attaining work.</p> <p>Adding a proposal to disregard any revisions that would reduce a person's Council Tax Support award for working age people by less than £1 per week cumulatively will potentially benefit all cases with a particular impact expected on working people who</p>	Processing Services	1/4/2017

<p>receive small pay increases during the year.</p> <p>Continuing to support the most vulnerable residents by way of a council tax welfare fund. This is part of the council's Resident Support Scheme to support cases of exceptional hardship resulting from additional council tax charges.</p> <p>Continuing to adopt a non-standard council tax recovery process for affected council tax support recipients where appropriate. This includes the policy not to use bailiffs for live council tax support cases.</p>		
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This Resident Impact Assessment has been completed in accordance with the guidance and using appropriate evidence.

Staff member completing this form:

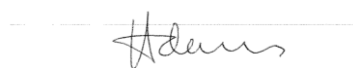
____Robbie Rainbird____



Signed: _____

Date: 07/12/2016

Head of Service or higher:



Signed: _____

Date: 07/12/2016