NORWICH City Council

Committee name: Cabinet

Committee date: 08/02/2023

Report title: Local Council Tax Reduction Scheme 2023/24

Portfolio: Councillor Jones, Cabinet member for safe, strong and inclusive neighbourhoods

Report from: Head of revenues and benefits

Wards: All wards

OPEN PUBLIC ITEM

KEY DECISION

Purpose

To consider and recommend that Council resolves to adopt a Local Council Tax Reduction Scheme (LCTRS) for 2023/24.

Recommendation:

1) That Council retains a maximum 100 per cent LCTRS for working age recipients.

2) That Council make the following changes to the LCTRS for 2023/24 by continuing with the 2022/23 scheme with the following annual modifications:

    a) include provision for future central and local government financial support payments (such as energy rebates/council tax support funding) to be disregarded from the scheme;

    b) to increase the working age applicable amounts for allowances and premiums by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

    c) to increase the level of income brackets used to decide non-dependant deductions and level of non-dependant deductions by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

    d) to increase the level of income brackets used to decide entitlement to second adult reduction by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

    e) to retain the maximum household capital limit of £16,000;

    f) to amend the wording of the LCTRS to use self-employed earnings figures for Universal Credit (UC) claimants as determined by the Secretary of State from 1 April 2023;

g) to amend the wording of the LCTRS to take into account the prescribed regulations as notified by the Department for Levelling Up, Housing and Communities.

Policy framework

The council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report meets the following corporate priorities:

- People live independently and well in a diverse and safe city
- The city has an inclusive economy in which residents have equal opportunity to flourish

This report addresses our Norwich 2040 city vision that Norwich is a ‘Fair City’ and is a place where many already enjoy a great quality of life. By 2040, the health, wellbeing and life chances of all our citizens will be improved. We will remove barriers to achievement and a high standard of living will be enjoyed by everyone.

Report details

1. Since 1 April 2013 the council has operated a LCTRS for working age recipients, which replaced council tax benefit.

2. Councils are required to review their LCTRS for working age recipients on an annual basis and consider any appropriate revisions.

3. The LCTRS helps people on low incomes and/or certain welfare benefits to pay their council tax bill. This provides support to those under the greatest financial pressure.

4. The scheme that exists for pension age recipients is a national scheme prescribed by regulations and cannot be varied locally. The council can therefore only control the cost of LCTRS in relation to working age claims.

5. The council adopted the government's default CTRS in 2013, having made various changes since then but maintaining the principle of a full support (100% discount) scheme.

6. The LCTRS must take account of and support:

    - Work incentives and in particular avoid disincentives for those moving into work
    - The Council's duties to protect vulnerable people (under the Equality Act 2010, the Care Act 2014, the Child Poverty Act 2010 and the Housing Act 1996)
    - The Armed Forces Covenant.

7. Since 2019 there has been no revenue support grant to help cover the cost of the LCTRS. The cost of funding the LCTRS is incorporated into the Medium-Term Financial Strategy (MTFS). If the Council were to reduce the % award, or ask all claimants to pay a set amount, the Council's tax base (the total of Band D properties used in the calculation of council tax income) would increase, as there would be fewer Band D equivalents lost as a result of awarding Council Tax Reduction (CTR).

8. The council tax reduction scheme cross party member working group met on 20 September 2022 and 30 November 2022 to review in detail the options. The minutes of those meetings are attached as Appendix 1.

9. The council tax reduction scheme cross party member working group resolved unanimously to recommend the LCTRS 2023/24 to cabinet and council at its meeting of 20 September 2022.

10. Following that meeting, a further proposal was made to the member working group meeting held on 30 November 2022 to consult on revising the scheme to use the self-employed earnings figure determined by the Secretary of State for Universal Credit (UC) claimants from 1 April 2023.The cross-party member working group supported this additional proposal.

Proposed recommendations:

11. The proposed recommendations are:

    1) That Council retains a maximum 100 per cent LCTRS for working age recipients.

    2) That Council make the following changes to the LCTRS for 2023/24 by continuing with the 2022/23 scheme with the following annual modifications:

        (a) include provision for future central and local government financial support payments (such as energy rebates/council tax support funding) to be disregarded from the scheme;

        (b) to increase the working age applicable amounts for allowances and premiums by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

        (c) to increase the level of income brackets used to decide non-dependant deductions and level of non-dependant deductions by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

        (d) to increase the level of income brackets used to decide entitlement to second adult reduction by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

        (e) to retain the maximum household capital limit of £16,000;

        (f) to amend the wording of the LCTRS to use self-employed earnings figures for Universal Credit (UC) claimants as determined by the Secretary of State from 1 April 2023;

        (g) to amend the wording of the LCTRS to take into account the prescribed regulations as notified by the Department for Levelling Up, Housing and Communities.

Consultation

12. Both major preceptors (Norfolk County Council and the Office of the Police and Crime Commissioner) and the Financial Inclusion Consortium (FIC) have been consulted on the proposed changes:

    1) A view if the Council's decision is to no longer retain a maximum 100 per cent entitlement for working age LCTRS recipients for 2023-24, instead reducing this to a maximum of 90 per cent.

    In addition, further recommendations under consideration are that we;

    2) Increase the working-age applicable amount by the September 2022 Consumer Price Index (CPI) level of 10.1 per cent;

3) Increase the income brackets used to decide non-dependent deductions and level of non-dependent deductions by the September 2022 Consumer Price Index (CPI) level of 10.1 per cent;
4) Increase the income brackets used to decide entitlement to second adult reduction by the September 2022 Consumer Price Index (CPI) level of 10.1 per cent;

5) Retain the maximum household capital limit of £16,000;

6) In 2020/21, we made a change to our council tax reduction scheme to allow us to calculate earnings for self-employed working age customers in receipt of Universal Credit based on their actual self-employed income rather than using information provided by the Department for Work and Pensions. As part of our discussions for our 2023/24 scheme, we have carried out detailed analysis work. Based on a sample of cases, we have established that it would be more advantageous for 98% of our self-employed customers in receipt of Universal Credit if we revert to basing our calculations on income details determined by the Secretary of State.

13. Responses were received from all those consulted. There was a preference from the precepting authorities to reduce the level of support and thus reducing the cost. The FIC supported the retention of a 100% LCTRS. There was support for the use of self-employed earnings figures as determined by the Secretary of State to benefit more residents, and for using CPI for the upratings.

14. Other options the council was asked to consider by those consulted were:

- To work with colleagues across Norfolk to establish a cap for all LCTRS suggested at 75%
- Reducing/increasing the £16,000 capital limit
- To limit support to occupants of properties no higher than Band D Council Tax

15. The considered responses submitted are appreciated, however in the context of the overall Council budgetary position, it is recommended it continues with a 100% scheme without limiting it to residents in particular Council Tax bands, and to continue with a Capital limit of £16,000 above which there would be no entitlement to CTR.

Implications

Financial and Resources

16. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and Budget.

17. This council remains one of only a few that retains a 100% LCTRS i.e. one that requires no minimum payment of council tax but provides financial support at much the same level for claimants as existed within the old Council Tax Benefit scheme prior to 1 April 2013.

18. Most councils have reduced the cost of their schemes by providing a lower level of support. Whilst the Government initially provided some funding for the new LCTRS, that funding reduced each year in line with the reduction in the Council's Revenue Support Grant (RSG), and since 2019 no government funding is provided towards the cost of the LCTRS.

19. By continuing to award a reduction of up to 100%, this Council continues to support the residents of Norwich from going further into poverty and building up Council Tax debts. It is felt important that those on low incomes are not penalised by reducing the support currently available.

20. The social and economic benefits are many. By providing this level of support residents have more income to pay their bills and housing costs. The council is protecting its most vulnerable residents during the cost-of-living crisis and as the city recovers from the pandemic.

21. The current estimated cost of the working age LCTRS for 2022/23 is £10.163m of which the cost to Norwich City Council is £1.378m. This cost will fluctuate depending on the number of claimants and the amount of any reduction awarded.

22. The cost of the scheme for 2023/24 has been modelled. The estimated cost for the working age scheme for this council is £1.453m based on an assumed overall increase in Council Tax of 4.61%. (The referendum levels for 2023/24 are 3% for County with a 2% extra allowed for Adult Social Care, 3% for Norwich & £15.00 maximum for Police. Going a fraction below to ensure the referendum levels aren't breached would be: 2.99% for County plus 1.99% ASC, 2.99% for Norwich & £14.99 for Police - the composite percentage comes out at just under 4.61%).

23. This means an estimated increase in the cost to the council of the revised scheme to be c£75,000

24. To date we have not seen a large increase in LCTRS claims due to the cost-of-living crisis, but these could increase over the winter period into spring as the impact deepens and seasonal work ceases.

25. In previous years Central Government has issued a grant to compensate local authorities for the cost of administering LCTRS. This is now absorbed within the Revenue Support Grant.

26. The proposed changes to the scheme may increase the scheme's cost slightly. Increasing the applicable amounts mirrors the DWP uprating by CPI of 10.1%. The change to using UC figures for Self-employed claimants may also increase spend slightly.

Legal

27. The Local Council Tax Reduction Scheme (LCTRS) came into effect on 1 April 2013 pursuant to the Local Government Finance Act 1992. Section 13A(2) of that Act (as amended) provides:

    "Each billing authority in England must make a scheme specifying the reductions which are to apply to amounts of council tax payable, in respect of dwellings 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."

28. Schedule 1A of that Act prescribes what must be included in a LCTRS, and places a duty on the authority, each financial year, to consider whether to revise its scheme or replace it with another scheme. The scheme states the classes of person who are to be entitled to a reduction, the type of reduction and whether there are different reductions for different classes. The scheme should also set out the procedure to apply for a reduction and the appeal procedure.

29. Before preparing a scheme, the authority must (in the following order)—

(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.

30. In considering changes to the LCTRS, the Council must take into account the provisions of The Council Tax Reduction Schemes (Prescribed Requirements) (England) 2012 and subsequent amendments.

31. Since the introduction of LCTRS, there have been a number of legal challenges against other local schemes. Most of these challenges have been in relation to the consultation undertaken and have questioned whether due regard was given to any equality impact assessment when changes were made to schemes. A Supreme Court ruling in 2014 (R (Moseley) v London Borough of Haringey) has determined that consultation on changes to LCTRS must also include an option for any current scheme to be retained on the same level of funding with a consequent reduction in funding for other services. The council has considered this during the budget process.

32. The LCTRS itself must be adopted by Council, and the approval of the scheme cannot be delegated to an officer or committee.

33. Council is required to adopt its scheme by 28 February of the start of the following financial year, or by 11 March if retaining the scheme.

Statutory Considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	See Equality Impact Assessment at Appendix 2 The changes proposed in this report do not have any new equality impacts attached to them. If self-employed UC income figures are used, this will have a benefit to those residents When the scheme is published on the Council website, we will ensure customers are aware of our translating and interpreting services available.
Health, social and economic impact	By retaining a 100% CTR Scheme the council is contributing to improving this consideration
Crime and disorder	N/A
Children and adults safeguarding	N/A
Environmental impact	N/A

Risk management

Risk	Consequence	Controls required
Council fails to consider a LCTRS for 2023/24	Assessment of cases will be ultra vires, therefore subject to legal challenge	A LCTRS is designed and recommended to Cabinet for adoption by Council

Other Options Considered

34. The cross-party member working group dismissed introducing a resident contribution rate, therefore the council is looking to retain 100% entitlement to CTR.

Reasons for the decision/recommendation

35. The council is required to review its LCTRS for working age recipients on an annual basis and consider any appropriate revisions.

Background papers:
None

Appendices:

Appendix 1: Minutes of the council tax reduction scheme cross party working group on 20 September 2022 and 30 November 2022.
Appendix 2: Equality Impact Assessment

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IN TRAN communication for all	If you would like this agenda in an alternative format, such as a larger or smaller font, audio, or Braille, or in a different language, please contact the committee officer above.

NORWICH City Council

Appendix 1 - Minutes of the Cross-Party Working Group - Council Tax Reduction Scheme meetings held on 20 September 2022 and 30 November 2022

Minutes

Cross-Party Working Group – Council Tax Reduction Scheme

17:00 to 17:35 **20 September 2022**

Present:	Councillors Jones (chair, following appointment), Ackroyd, Davis, Haynes, Kendrick and Young
In attendance:	Annabel Scholes (executive director corporate and commercial services), Tanya Bandekar (head of revenues and benefits) Julie Gowling (revenues and benefits operations manager)
Apologies:	Councillor Thomas (Va)

1. Appointment of chair

RESOLVED to appoint Councillor Jones as chair.

2. Declarations of interest

There were no declarations of interest.

3. Minutes

RESOLVED to approve the accuracy of the minutes of the meetings held on 2 November 2021.

4. Council Tax Reduction Scheme (CTRS) 2023-24

Tanya Bandekar, head of revenues and benefits, presented the report.

Members were advised of a correction to paragraph 8, to reflect that the CPI figure used for annual applicable amount increases (and non-dependent deductions, second adult rebate) for July was 10.1 per cent in July. This figure was currently 9.4 per cent and was likely to drop but had the potential to increase the cost of the scheme to the council, estimated at £9,000. Modelling using the composite council tax rate was 3 per cent.

Annabel Scholes, executive director of corporate and commercial services, explained the importance of understanding members' priorities to consider options for modelling the scheme. Officers were aware of members views on the scheme.

The advantage of Tanya Bandekar's appointment was that she could bring a fresh pair of eyes to the scheme when reviewing the options.

During discussion, a member asked for clarification on the Minimum Income Floor (MIF) and asked how many self-employed customers would be affected. She considered that it was important that assessments were based on earnings in real time. She also considered that the Consumer Price Index (CPI) should be applied to the annual applicable amount increases because of rising prices. Julie Gowling, revenues and benefits operations manager, referred to the report and said that it was not possible to identify where the DWP had applied the MIF figure. The options set out in the report to change to a 6 monthly re-assessment or accept income given to the DWP were for consideration and that the current process of assessment could continue.

A member said that she considered that the composite council tax would not increase as much as CPI and therefore would be reluctant for the scheme to change. Annabel Scholes pointed out that the government had yet to give guidance on the threshold for the increase in council tax without triggering a referendum, currently 2 per cent for council tax increase, and the county council had the ability to increase social care by 4 per cent. An announcement was expected in the mini budget on 23 September 2022, which would provide further details to inform the council's position. Members concurred with the difficult position councils would be in next year, given the cost of living crisis and rising fuel prices, without increasing council tax by 10 per cent.

The chair summed up members' view that with the cost of living crisis they could not consider a scheme other than a 100 per cent reduction scheme as it would be "negligent to our residents". She pointed out that the maximum savings from a 75 per cent reduction scheme of around £344,000 would be offset by administration and enforcement costs. Tanya Bandekar said that potentially the scheme could be reduced to 0 per cent reduction. Smaller amounts were difficult to collect, and consideration needed to be taken into account that it would require debt collection from people who were financially vulnerable. At 75 per cent reduction, an additional two recovery officers (£65,000 and oncosts) would be required. The scheme would need to be reduced further to get any benefit. Kings Lynn's CTRS scheme had been reduced for one year to 75 per cent and then increased to 84 per cent maximum entitlement. A 99 per cent scheme would be too difficult to collect. Members were advised that modelling at a 5 per cent and 10 per cent reduction would need to be conducted to demonstrate that the council had considered it when consulting the county council and the PCC.

Discussion ensued on ethical debt collection at Hammersmith and Fulham, and the practice at the city council. The scrutiny committee would be looking at debt advice as part of its current work programme.

RESOLVED, unanimously, to:

(1) recommend to cabinet when considering the Council Tax Reduction Scheme for 2023-24, that the scheme retains a maximum 100 per cent entitlement for working age CTR recipients and taking into consideration the following:

(a) include provision for future financial assistance payments (such as energy rebates) to be disregarded from the scheme;

(b) increase the working age applicable amount in relation to premiums and allowances, income brackets used to decide non-dependent deductions and level of non-dependent deductions, and income brackets used to decide entitlement to “second adult reduction” by the Consumer Price Index (CPI) level at the rate of 10.1[1] per cent in September 2022;

(c) retain the assessment of self-employed income in real time, in line with each month’s Universal Credit assessment each month;

(d) agree the wording changes set out in paragraph 11 of the report;

(2) having considered the proposals from Norfolk County Council for all billing authorities **not** to adopt the following:

(a) to limit Council Tax Support where claimant has savings to a lower level than £16,000;

(b) to limit Council Tax Support discount to occupants of properties no higher than Band D Council Tax;

(c) to work with district colleagues across the county to establish the cap for the Council Tax Support discount for working age claimants at a uniform amount in Norfolk, suggested at 75 per cent of the maximum council tax charge.

CHAIR

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[1] These minutes were approved on 30 November subject to updating resolution 1(b) to reflect that the CPI for September 2022 had been confirmed at 10.1 per cent.

NORWICH
City Council

Minutes

Cross-Party Working Group – Council Tax Reduction Scheme

13:20 to 13:25 **30 November 2022**

Present:	Councillors Kendrick (in the chair), Ackroyd, Haynes, Thomas (Va) and Young
In attendance:	Tanya Bandekar (Head of Revenues and Benefits) Julie Gowling (Revenues and Benefits Operations Manager)
Apologies:	Councillor Jones (chair) and Davis

1. Appointment of the chair

RESOLVED to appoint Councillor Kendrick to chair the meeting, as Councillor Jones had sent apologies as she had been unavoidably delayed.

2. Declarations of interest

There were no declarations of interest.

3. Minutes

The Head of Revenues and Benefits said that the Consumer Price Index (CPI) level for September 2022 had been confirmed at 10.1 per cent, and proposed that with regard to item 4, Council Tax Reduction Scheme (CTRS) resolution (1)(b) be amended to reflect this.

RESOLVED to approve the accuracy of the minutes of the meetings held on 20 September 2022, subject to the following amendment to item 4, Council Tax Reduction Scheme (CTRS) 2023-24, Resolution (1)(b) deleting 9.4 and replace with 10.1. to read:

(1)(b) increase the working age applicable amount in relation to premiums and allowances, income brackets used to decide non-dependent deductions and level of non-dependent deductions, and income brackets used to decide entitlement to “second adult reduction” by the

Consumer Price Index (CPI) level at the rate of 10.1 per cent in September 2022.

4. Council Tax Reduction Scheme (CTRS) 2023-24

The Head of Revenues and Benefits presented the discussion papers and the proposal to amend the CTRS scheme to use the self-employed earnings figure determined by the Secretary of State from April 2023. The council had a duty to do the best for its residents and the use of actual self-employed income figures was less generous than using the Department for Work and Pensions (DWP) figures. If members were to agree to use DWP figures for the self-employed residents in receipt of Universal Credit, then it would need to be included in the consultation on the CTRS and included in budget papers for determination at cabinet and budget council in February 2023.

During discussion, members sought assurance that if the DWP were to change the basis for its assessment then the council would have the opportunity to review the arrangement. The Head of Revenues and Benefits said that the scheme was reviewed annually and set for a year. Should the DWP change its figures to the detriment of self-employed residents mid-year, then the council could use discretionary payments.

Members, based on the analysis, considered that the proposal to use the DWP figures was in the best interest of residents. They praised officers for presenting the analysis in chart form so that the comparisons could be easily understood.

RESOLVED, unanimously, to recommend that consultation takes place on amending the wording of the CTR scheme to use the self-employed earnings figure determined by the Secretary of State from April 2023.

Chair

Equality Impact Assessment

What is being assessed	The Local Council Tax Reduction Scheme 2023 - 2024	**Status**	Annual assessment of statutory function
Officer completing	Tanya Bandekar	**Role**	Head of Revenues and Benefits
Team	Revenues and Benefits	**Directorate**	Corporate and Commercial Services
Senior leadership team sponsor	Neville Murton	**Role**	Interim Executive Director

What are the main aims or purpose of the policy, practice, service or function?

Local Authorities are required to set a working age Local Council Tax Reduction Scheme (LCTRS) annually which provides a local discount to for working age low-income residents. Government prescribes a statutory Council Tax Reduction Scheme for Pensioners which local authorities have no control over. The Council proposes to make the following changes to its LCTRS for 2023/24 by continuing with the 2022/23 scheme www.norwich.gov.uk/CTRscheme with the following changes:

1) That Council retains a maximum 100 per cent LCTRS for working age recipients.

2) That Council make the following changes to the LCTRS for 2023/24 by continuing with the 2022/23 scheme with the following annual modifications:

   (a) include provision for future central and local government financial support payments (such as energy rebates/council tax support funding) to be disregarded from the scheme;

   (b) to increase the working age applicable amounts for allowances and premiums by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

   (c) to increase the level of income brackets used to decide non-dependant deductions and level of non-dependant deductions by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

   (d) to increase the level of income brackets used to decide entitlement to second adult reduction by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

(e) to retain the maximum household capital limit of £16,000;

(f) to amend the wording of the LCTRS to use self-employed earnings figures for Universal Credit (UC) claimants as determined by the Secretary of State from 1 April 2023;

(g) to amend the wording of the LCTRS to take into account the prescribed regulations as notified by the Department for Levelling Up, Housing and Communities.

How does it fit with other services and policies, and how does it support our corporate objectives and City Vision?

This supports the council's priorities

- People live independently and well in a diverse and safe city
- The city has an inclusive economy in which residents have equal opportunity to flourish

The scheme supports our Norwich 2040 city vision that Norwich is a 'Fair City' and is a place where many already enjoy a great quality of life. By 2040, the health, wellbeing and life chances of all our citizens will be improved. We will remove barriers to achievement and a high standard of living will be enjoyed by everyone.

What is the reason for the proposal or change (financial, legal etc)?

Reductions in grants from central Government, inflation, and the overall commercial environment are placing pressure on Norwich City Council finances. Councillors are able to decide whether or not to increase expenditure on Local Council Tax Support.

Legal:
Local Council Tax Reduction Schemes (LCTRS) came into effect on 1 April 2013 pursuant to the Local Government Finance Act 1992. Section 13A(2) of that Act (as amended) provides: Each billing authority in England must make a scheme specifying the reductions which are to apply to amounts of council tax payable, in respect of dwellings 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.'

Financial:
The council remains one of only a few that retains a 100% LCTRS i.e. one that requires no minimum payment of council tax but provides

financial support at much the same level for claimants as existed within the old Council Tax Benefit scheme, before the new LCTRS came into force on 1st April 2013. Most other councils have reduced the cost of their schemes by providing a lower level of support. Whilst the Government initially provided funding for the new local schemes, the funding reduced each year in line with the reduction in the Council's Revenue Support Grant (RSG), and since 2019 has reduced to zero. Consequently no government funding is provided towards the cost of the LCTRS. By continuing to award up to 100% CTR this continues to support the residents of Norwich from going further into poverty and building up Council Tax debts. It is important that those on low incomes are not penalised by reducing the support currently available. By using the self-employed earnings figures as determined by the Secretary of State for Universal Credit claimants from 1 April 2023 more claimants will better off by this change, although there will be a small increase in cost of the scheme by using these figures. By ignoring financial assistance payments as income at the start of the scheme claimants will have assurance that they will not be penalised if they receive additional monies, such as energy grant payments. Using CPI is in line with the Department for Work and Pensions (DWP) upratings for 2023/24.
Who implements, carries out or delivers the policy, practice, service or function? The Revenues and Benefits Service at Norwich City Council
What outcomes do we want to achieve, why and for who? To provide maximum financial support to help residents on low incomes who are required to pay Council Tax to the Council. The social and economic benefits are many. By providing this level of support residents have more income to pay their bills and housing costs. The council is protecting its most vulnerable residents during the cost-of-living crisis and as the city recovers from the pandemic. In Norwich, before the pandemic council tax arrears were the most common form of debt, followed by credit, store and charge card debts - but this is now energy debts as energy costs rise (Citizens Advice Cost of Living dashboard: How does the cost of living crisis differ between local areas? | Flourish.

Equality Impact Assessment

Will anyone be disproportionately affected by the programme, and/or will it create any benefits?

All residents on a low income can claim a reduction in their Council Tax liability, based on their domestic and financial circumstances and that the same maximum discount is applied to all resident and client groups, subject to means testing.

The Council's local Scheme replicates the Government's previously prescribed Council Tax Benefit Scheme in its qualifying rules and assessment, continuing with practices established over many years and long-standing compliance with Equalities legislation.

The scheme continues to retain the Department for Work and Pensions (DWP) established conventions for benefit assessment.

The Financial Inclusion Consortium regularly works with customers to support applications for CTR.

By using the self-employed earnings figures as determined by the Secretary of State from 1 April 2023, we have identified that more customers will receive additional CTR, creating an additional benefit.
By retaining a 100% scheme the council is retaining a scheme that benefits some of the most economically vulnerable residents in the city.

If yes, complete the relevant sections below for any benefits and adverse impacts identified.

Affected group	Key findings from analysis of data and evidence. Identify any gaps in data here	Level & type of impact: low/medium/high, positive/adverse	Justifiable if adverse	Actions to mitigate impacts, maximise benefits or address identified gaps in data	By when
Age	There is a separate nationally set scheme for pensioners. The Council Tax Reduction Scheme that this assessment refers to is the locally set scheme that applies to working age residents of Norwich.				
Disability	No changes are proposed to affect people with this characteristic			Additional allowances are already in place for people receiving specified disability benefits.	

Gender reassignment	No distinction is made in the assessment of entitlement as a result of gender identity.				
Marriage and civil partnership	There is no distinction between the treatment of married persons or persons in a civil partnership				
Pregnancy and maternity	No changes are proposed to affect people with this characteristic			Households with children will have a higher applicable amount. Norwich City Council has not implemented the wider welfare benefit policy which restricts that assistance to the first two children in a household.	
Race/ethnicity Includes ethnic or national origins	Brexit removed entitlement from EU nationals without 'settled status'. This is in addition to the restrictions to benefit already in place on non-EU nationals	Negative		This element of the policy is dictated by Government by way of statutory instrument and cannot be amended by the Council	
Religion and belief	No distinction is made in the assessment of entitlement as a result of religious belief				
Sex/gender	No distinction is made in the assessment of entitlement as a result of biological gender				
Sexual orientation	No distinction is made in the assessment of entitlement as a result of sexual orientation.				
Other groups	By using the self-employed earnings figures as determined by the Secretary of State from 1 April 2023, we have identified	Positive			

	that more customers will receive additional CTR, creating an additional benefit. By retaining a 100% scheme the council is retaining a scheme that benefits some of the most economically vulnerable residents in the city.	 Positive			

What evidence and data has been used for this assessment, including community engagement and consultation?

The major precepting authorities (Norfolk County Council and the Office of the Police and Crime Commissioner) and the Financial Inclusion Consortium (FIC) were invited to comment on the proposals.

The council received responses from all those consulted with.

Citizens Advice Cost of Living dashboard - How does the cost of living crisis differ between local areas? | Flourish

Incomes, capital holdings, age, sex and household make-up of existing recipients of Council Tax Reduction Scheme are known. Data regarding disability can be inferred from both income and qualification for additional premiums. Data regarding ethnicity, sexual orientation, religious beliefs and language is minimal as these characteristics are not relevant when assessing entitlement. Respondents to the budget consultation were given the option to provide ethnicity, age, sexual orientation, disability and religious beliefs in addition to their answers.

The Equality Impact Assessment must be able to influence the proposal and decision. This section asks how your understanding of the impacts identified has influenced your proposal, and how the findings of the Equality Impact Assessment can be measured going forward.

How has the equality impact assessment informed or changed the proposal?

Given the continuation of the existing 100% scheme with annual up ratings of the applicable amounts is being recommended, the impact on applicants has not changed.

What actions have been identified going forward? To look at examples of other schemes to simplify the process as the scheme should be operated as a discount not a benefit.
How will the impact of your proposal and actions be measured moving forward? The next annual review due later in 2023 for the 2024/2025 scheme will consider, in the usual way, any proposals for the following year's scheme.

Officer completing assessment	Tanya Bandekar	**Date**	20/01/2023
Senior leadership team sponsor	Neville Murton	**Date**	26/01/2023
Equality lead (strategy team)	Emma Smith	**Date**	24/01/2023