

## Manchester City Council Report for Resolution

**Report to:** Resources and Governance Scrutiny Committee - 5 January 2017  
Executive - 11 January 2017

**Subject:** Localised Council Tax Support Scheme 2017

**Report of:** City Treasurer

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### Summary

The Council is required to set a Council Tax Support (CTS) scheme for 2017/18 by 31 January 2017.

The purpose of the report is to provide final recommendations for the Council's CTS scheme from April 2017 onwards for the Executive to consider.

This report follows on from the report that went to Executive on 19th October 2016 detailing options for reducing spend by up to £2m on the Council's Council Tax Support (CTS) scheme for 2017/18 onwards. The report formed part of the suite of budget reports and had been prepared in the context of the budget reductions that the Council will have to make in order to close an estimated budget gap of £40m to £75m by 2019/20.

On 15 December 2016 the government announced that in order to fund adult social care costs councils could bring forward a 6 percent increase in Council Tax over the next two years instead of three years as originally planned. This means that the Council is allowed to increase Council Tax by an additional 3% in 2017/18 and 2018/19 over the 2% referendum limit. This is known as the 'social care precept'. The Council has consulted on a 3.99% council tax increase. If this option is taken then the annual increase in Council Tax would be 4.99% in 2017/18 and 2018/19. This would affect all households liable for Council Tax including those working age residents in receipt of some or maximum CTS and pensioner households in receipt of partial CTS (some pensioners receive 100% CTS towards the cost of their Council Tax so would be unaffected). These residents would see an increase of 4.99% in the amount of Council Tax they had to pay after any CTS was awarded.

The Revenue Budget report to Executive on 11 January will make recommendations on the level of Council Tax increase for the next three years, taking into account the ability to raise Council Tax by 4.99%. The budget report will also set out a reduced amount of savings required over the next three years of £30m. In the light of this, officers are now recommending that the CTS scheme is amended by moving to a model that awards CTS on 82.5% of the Council Tax that is due. This revised proposal will save £1m. This replaces the original preferred option that proposed moving to a model that awards CTS on 80% of the Council Tax due. The options of 80% or 82.5% were included in the October Executive report and the consultation considered the 80% proposal with the option to vary the scheme based on the amount of money available.

The 80% proposal is not being recommended to limit increase in the amount payable by the poorest residents.

In addition to a change to the overall threshold, it is also recommended that the Council introduces the technical changes that were detailed in the consultation process. These will ensure that the CTS scheme is aligned to the Housing Benefit rules that are currently assessed in the main as part of the same assessment process, make the scheme easier to understand and will avoid the scheme costing more due to increased awards if our scheme is not aligned.

## **Recommendations**

Scrutiny Committee is requested to consider and comment upon the contents of the report and the steps being taken to develop a localised Council Tax Support Scheme.

Executive is requested to:

- i. Note the impact of the government announcement to changes to Council Tax to fund adult social care services that, if approved by the Council, would mean Council Tax bills would be increasing by 4.99% across the board.
- ii. Note the outcomes of the consultation process and the Equality Impact Assessment (EIA) both of which have informed the final recommendations. Both the consultation and the EIA have supported the Council's preferred approach which was to provide a maximum level of support against the Council Tax bill rather than other options that require differential rates based on Council Tax property bands.
- iii. Agree that the CTS scheme funding will be reduced by £1million rather than £2million, so as to mitigate the impact on working age CTS claimant households in the city.
- iv. Agree that the Council's local CTS Scheme will be based on the following:  
The core scheme is amended and the Council would pay CTS based on all working age claimants receiving a maximum of 82.5% of the Council Tax that is due for the property (this means that the maximum a working age household could receive would be 82.5% of the Council Tax due). All working age households will have to pay a minimum of 17.5% of the Council Tax due. Pension age households will continue to receive up to 100% support.

Agree to align the CTS scheme to Housing Benefit and other DWP means tested benefits. The effect of which is:-

1. When working out entitlement to CTS the Council will disregard capital relating to payments made directly to a parent for the purposes of meeting their child's special educational needs.
2. The Council will use the date of change rather than Monday after for any award or increase of a DWP benefit.

3. The Council will increase the length of time that a claimant has to notify us of a beneficial change from three weeks to one month. If we are told after a month, we will pay any extra from the Monday after the date we were told.
  4. When working out entitlement to CTS the Council will no longer include a family premium in the applicable amount for all **new** claims with dependants, or for existing claims without children where a first child is born or a child joins the household, aligning to Housing Benefit rules.
  5. When deciding eligibility for CTS the Council will reduce the period of time where a person is outside Great Britain for any reason and still treated as occupying the property from thirteen weeks to four weeks.
  6. When working out entitlement to CTS the Council will only take into account two children in the calculation. This will only affect anyone who has a child or responsibility for a new child after 1<sup>st</sup> April 2017, aligning to Housing Benefit rules.
- v. Recommend that Council delegate authority to the City Treasurer to continue to make minor technical changes to the CTS Scheme to provide for uprating of applicable amounts, disregards and non-dependant deduction levels and income bands.
- vi. Commend the revised CTS Scheme to Council.

The Council's updated CTS Scheme for 2017/18 onwards is attached as appendix one. This updated scheme includes the 2017/18 uprating figures. Annual uprating prior to the new financial year is a technical routine provided for within delegated authority and includes increases in elements of the applicable amounts, non dependent deduction rates and earnings bands for people of working age.

**Wards Affected: All**

<b>Manchester Strategy outcomes</b>	<b>Summary of the contribution to the strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Where possible the proposals have been considered to ensure that they do not have a negative impact on the transition into work or maintaining employment
A highly skilled city: world class and home grown talent sustaining the city's economic success	N/a
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The changes have been considered so as to be as fair as possible. The scheme recognises the needs of those with children, disability or caring responsibilities by retaining features of the current scheme that address those needs.
A liveable and low carbon city: a destination of choice to live, visit, work	N/a

A connected city: world class infrastructure and connectivity to drive growth	N/a
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**Full details are in the body of the report, along with any implications for:**

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

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### **Financial Consequences – Revenue**

The recommended option of all working age claimants receiving support at a maximum of 82.5% of Council Tax due for the property will reduce the cost to the council of operating the scheme by £1m.

### **Financial Consequences – Capital**

None

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### **Background documents (available for public inspection):**

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to four years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

(1) Executive report and minutes – Localised Council Tax Support Scheme, 19 October 2016

(2) Resources and Governance Scrutiny report and minutes – Localised Council Tax Support Scheme, 10 November 2016

## 1. Introduction and background

This report follows on from the report that went to Executive on 19 October 2016 detailing options for reducing spend by up to £2m on the Council's Council Tax Support (CTS) scheme for 2017/18 onwards. The report formed part of the suite of budget reports and had been prepared in the context of the anticipated budget reductions that the Council would have to make in order to close an estimated budget gap of £40m to £75m by 2019/20.

The Council is required to set a scheme for 2017/18 by 31 January 2017. This is ahead of the timetable for the rest of the budget. The purpose of the report is to provide a final recommendation for the Executive to consider as part of this wider suite of reports.

## 2. Funding and costing of the Council's CTS scheme

### 2.1 Funding of Council Tax Support

When the government abolished Council Tax Benefit (CTB), an amount equal to 90% of the associated CTB spend was provided to councils to administer their own Council Tax Support schemes. After the first year, the funding was subsumed within the overall Revenue Support Grant (RSG) funding which has reduced year on year. As a result, the assumed level of current funding is now significantly below the amount that the Council pays out in CTS.

The following table illustrates the year on year CTS funding levels. This illustration assumes that the original funding (now subsumed within RSG) has decreased in line with RSG reductions. The figures also show the expected impact on 2017/18 and 2018/19 with proportional RSG cuts, as per the government's 2016/17 finance settlement. It should be noted that this is a local illustration model only and is not used in any government funding models.

<b>Manchester Council Tax Support Scheme Financial Model</b>							
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Scheme Cost	£46,829	£42,098	£39,561	£40,658	-	-	-
CTB / CTS Scheme Funding	(37,390)	(30,471)	(22,038)	(18,121)	(14,359)	(11,745)	(9,086)
CTS Transition Grant	(997)	-	-	-	-	-	-
<b>Total income</b>	<b>(38,387)</b>	<b>(30,471)</b>	<b>(22,038)</b>	<b>(18,121)</b>	<b>(14,359)</b>	<b>(11,745)</b>	<b>(9,086)</b>
RSG reduction	-	-18.5%	-27.7%	-17.8%	-20.8%	-18.2%	-22.6%

This table shows funding of £18.121m against 2016/17 CTS scheme costs of £40.658m.

## 2.2 Financial implications

Since its introduction in 2013/14, the CTS caseload has reduced and expenditure on the local scheme has decreased (all benefit caseloads reached their peak in 2012). In this five year period, the number of residents receiving CTS has reduced by around 10,000 households and spend has reduced by around £8 million.

Even with this reduced level of spend (circa £40.658m), the overall cost of the scheme is now significantly above the amount that the Council actually receives from government (circa £18m), when the grant reductions are factored in. As Revenue Support Grant continues to be reduced the financial gap becomes worse each year with a forecasted shortfall projected in 2017/18 against scheme costs of more than £40m.

If the Council was to increase the Council Tax payable each year, then the costs of the CTS scheme would rise as CTS would be payable on this increased amount.

Year	% max CTS	Cost of CTB/CTS	Increase in Council Tax	Caseload at 31 May
2012/13	100% (CTB)	£48,609,668	Nil	71,531
2013/14	91.5%	£46,829,532	3.94%	70,288
2014/15	85%	£42,098,600	0.22%	67,612
2015/16	85%	£39,561,659	Nil	64,412
2016/17	85%	£40,658,007	3.83%*	60,963

\* The overall Council Tax increase of 3.83% is made up of a 3.99% increase in the Council's precept and lower percentage increases in the police and fire precepts.

Keeping the scheme as it is means that in effect the CTS scheme is subsidised at an ever increasing level from other parts of the Council's budget. The Council therefore has to consider the cost of the scheme and the impact on the Council's overall budget against the positive impact that this financial support provides to low income households in the city at a time when the government has cut and frozen other means tested financial support.

## 3. Proposals for the Council Tax Support Scheme for 2017/18 onwards

At its meeting on 19 October 2016, the Executive agreed to go out to consultation based on the following Council Tax Support Scheme proposal for 2017/18 onwards.

The consultation included the following options and questions and was designed to seek the feedback of residents, claimants and other interested parties and for this to inform the Council's decision making when we had a clearer view of the overall financial settlement and position (complicated by the recent announcement re adult social care funding). This included a specific question about varying the scheme based on affordability and the Council's budget position.

- I. That the Council's CTS scheme for working age households is based on option one

Option one

The Council would pay CTS based on:

- All awards will be based on a maximum of 80% of the Council Tax charge for the property (This means that the maximum a household could receive would 80% of the Council Tax due). All households will have to pay a minimum of 20% of the Council Tax due.

- II. That option two is explored as part of the consultation as an alternative to option one above.

Option two

The Council would pay CTS based on:

- Only paying benefit based on the Council Tax of a band A property, irrespective of the band of the property where the Council Tax is due; and
- Assesses all awards on 83% of the Council Tax that is due, meaning that all working age households have to pay a minimum of 17% of the Council Tax that is due.

- III. That option three is explored as part of the consultation as an alternative to option one above.

Option three

The Council would pay CTS based on:

- [for properties banded C or higher] Only paying benefit based on the Council Tax of a band B property, irrespective of the band of the property where the Council Tax is due; and
- Assesses all awards on 81% of the Council Tax, meaning that all working age households have to pay a minimum of 19% of the Council Tax that is due.

- IV. That if the financial settlement allows and the Council can afford it should we provide a more generous scheme that those we have proposed here or put the money towards funding other Council services?

- V. That residents' proposals for other options are requested as part of the consultation exercise. These proposals would be required to deliver the reduction in CTS costs or alleviate the funding gap of up to £2m.

- VI. That the following changes are made to align the CTS scheme to Housing Benefit and other DWP means tested benefits:

1. When working out entitlement to CTS the Council will disregard capital relating to payments made directly to a parent for the purposes of meeting their child's special educational needs.
2. The Council will use the date of change rather than Monday after for any award or increase of a DWP benefit.

3. The Council will increase the length of time that a claimant has to notify us of a beneficial change from three weeks to one month. If we are told after a month, we will pay any extra from the Monday after the date we were told.
4. When working out entitlement to CTS the Council will no longer include a family premium in the applicable amount for all **new** claims with dependents or for existing claims without children where a first child joins the household, aligning to Housing Benefit rules.
5. When deciding on eligibility for CTS the Council will reduce the period of time where a person is outside of Great Britain for any reason and still treated as occupying the property from thirteen weeks to four weeks.
6. When working out entitlement to CTS the Council will only take into account two children in the calculation. This will only affect anyone who has a child or responsibility for a new child after 1<sup>st</sup> April 2017 aligning to Housing Benefit rules.

#### **4. Government announcement, additional funding for adult social care**

On 15 December 2016, government announced that in order to fund adult social care costs, councils could bring forward a 6 percent increase in Council Tax over the next two years instead of three years as originally planned. This means that the Council is allowed to increase Council Tax by a further 3% in the 2017/18 financial year. When this option is added to the 1.99% proposed within the wider budget consultation, this results in an annual increase in Council Tax of up to 4.99% in 2017/18. If agreed by the Council this would affect all households liable for Council Tax including those residents in receipt of some or maximum CTS (except for some pensioners who receive 100% benefits towards the cost of their Council Tax). These residents would see an increase of the 4.99% in the amount of Council Tax they had to pay after CTS was awarded.

This announcement has had a significant impact on the financial modelling of the proposals and options being considered as part of this process, as the percentage increase in the amount payable by households is now much higher for CTS claimants than the non-CTS claimant households, although the specific financial amounts involved are much smaller.

#### **5. Impact on households in the city of a 4.99% increase in Council Tax payable**

The following tables show the financial impact of a 4.99% increase on those households not in receipt of CTS and on those working age households that receive the maximum CTS (based on 2016/17 threshold of 85% of the Council Tax due). Weekly amounts are shown for those liable to full Council Tax and for those with a Single Person Discount (SPD)



Amount to pay with no Council Tax Support in payment							
Band	Multiplier	2016/17 as is			2017/18 4.99%		
		Annual	Weekly	Weekly SPD	Annual	Weekly	Weekly SPD
Band AR	5/9	£797.29	£15.29	£11.47	£837.07	£16.05	£12.04
Band A	6/9	£956.74	£18.35	£13.76	£1,004.48	£19.26	£14.45
Band B	7/9	£1,116.19	£21.41	£16.05	£1,171.89	£22.47	£16.86
Band C	8/9	£1,275.65	£24.46	£18.35	£1,339.30	£25.69	£19.26
Band D		£1,435.12	£27.52	£20.64	£1,506.73	£28.90	£21.67
Band E	11/9	£1,754.04	£33.64	£25.23	£1,841.57	£35.32	£26.49
Band F	13/9	£2,072.95	£39.76	£29.82	£2,176.39	£41.74	£31.30
Band G	15/9	£2,391.86	£45.87	£34.40	£2,511.21	£48.16	£36.12
Band H	18/9	£2,870.24	£55.05	£41.28	£3,013.46	£57.79	£43.34
Amount to pay with maximum 85% Council Tax Support							
Band	Multiplier	2016/17 as is			2017/18 4.99%		
		Annual	Weekly	Weekly SPD	Annual	Weekly	Weekly SPD
Band AR	5/9	£119.59	£2.29	£1.72	£125.56	£2.41	£1.81
Band A	6/9	£143.51	£2.75	£2.06	£150.67	£2.89	£2.17
Band B	7/9	£167.43	£3.21	£2.41	£175.78	£3.37	£2.53
Band C	8/9	£191.35	£3.67	£2.75	£200.90	£3.85	£2.89
Band D		£215.27	£4.13	£3.10	£226.01	£4.33	£3.25
Band E	11/9	£263.11	£5.05	£3.78	£276.23	£5.30	£3.97
Band F	13/9	£310.94	£5.96	£4.47	£326.46	£6.26	£4.70
Band G	15/9	£358.78	£6.88	£5.16	£376.68	£7.22	£5.42
Band H	18/9	£430.54	£8.26	£6.19	£452.02	£8.67	£6.50

### 5.1 Cumulative impact of a 4.99% increase in Council Tax and the CTS options that are being considered

The following tables show the combined financial impact of a 4.99% increase in Council Tax as well as a less generous CTS Scheme detailed in the three options detailed in the consultation:

- Option one - CTS awarded based on maximum of 80% of Council Tax due
- Option two – CTS based on band A property with CTS awarded based on maximum of 83% of Council Tax due
- Option three - Awards based on maximum of band B property with CTS awarded based on maximum of 81% of Council Tax due

#### 5.1.1 Option one - CTS awarded based on maximum of 80% of Council Tax due

Amount to pay with maximum 80% Council Tax Support							
Band	Multiplier	2016/17 as is			2017/18 4.99%		
		Annual	Weekly	Weekly SPD	Annual	Weekly	Weekly SPD
Band AR	5/9	£119.59	£2.29	£1.72	£167.41	£3.21	£2.41
Band A	6/9	£143.51	£2.75	£2.06	£200.90	£3.85	£2.89
Band B	7/9	£167.43	£3.21	£2.41	£234.38	£4.49	£3.37
Band C	8/9	£191.35	£3.67	£2.75	£267.86	£5.14	£3.85
Band D		£215.27	£4.13	£3.10	£301.35	£5.78	£4.33
Band E	11/9	£263.11	£5.05	£3.78	£368.31	£7.06	£5.30
Band F	13/9	£310.94	£5.96	£4.47	£435.28	£8.35	£6.26
Band G	15/9	£358.78	£6.88	£5.16	£502.24	£9.63	£7.22
Band H	18/9	£430.54	£8.26	£6.19	£602.69	£11.56	£8.67

The cumulative impact of this option means that all working age CTS claimant households would face an increase in Council Tax of around 40% ranging from an annual increase of £57.39 (£1.10 per week) for a band A property to an annual increase of £172.15 (£3.31 per week) for a band H household.

#### 5.1.2 Option two – CTS based on band A property with CTS awarded based on maximum of 83% of Council Tax due.

Amount to pay with maximum 83% Council Tax Support capped at band A							
Band	Multiplier	2016/17 as is			2017/18 4.99%		
		Annual	Weekly	Weekly SPD	Annual	Weekly	Weekly SPD
Band AR	5/9	£119.59	£2.29	£1.72	£142.30	£2.73	£2.05
Band A	6/9	£143.51	£2.75	£2.06	£170.76	£3.27	£2.46
Band B	7/9	£167.43	£3.21	£2.41	£338.17	£6.49	£4.86
Band C	8/9	£191.35	£3.67	£2.75	£505.59	£9.70	£7.27
Band D		£215.27	£4.13	£3.10	£673.01	£12.91	£9.68
Band E	11/9	£263.11	£5.05	£3.78	£1,007.85	£19.33	£14.50
Band F	13/9	£310.94	£5.96	£4.47	£1,342.67	£25.75	£19.31
Band G	15/9	£358.78	£6.88	£5.16	£1,677.49	£32.17	£24.13
Band H	18/9	£430.54	£8.26	£6.19	£2,179.75	£41.80	£31.35

The cumulative impact of this option means that all working age households would face an increase in the Council Tax they have to pay. The impact of this varies significantly based on the band of the property.

For those claiming CTS, working age households in band A properties would have an increase of 19% and an annual increase in the amount they have to pay of £27.25 (an extra £0.52 per week).

For a band B property this rises to an increase of 102% based on an annual increase in the amount they have to pay of £170.74 (£3.27 per week).

The level of increase then rises exponentially based on the band of the property to 406% and an annual increase in the amount payable of £1,749.21 (£33.55 per week) for a band H household.

### 5.1.3 Option three - Awards based on maximum of band B property with CTS awarded based on maximum of 81% of Council Tax due

Amount to pay with maximum 81% Council Tax Support capped at band B							
Band	Multiplier	2016/17 as is			2017/18 4.99%		
		Annual	Weekly	Weekly SPD	Annual	Weekly	Weekly SPD
Band AR	5/9	£119.59	£2.29	£1.72	£159.04	£3.05	£2.29
Band A	6/9	£143.51	£2.75	£2.06	£190.85	£3.66	£2.75
Band B	7/9	£167.43	£3.21	£2.41	£222.66	£4.27	£3.20
Band C	8/9	£191.35	£3.67	£2.75	£390.08	£7.48	£5.61
Band D		£215.27	£4.13	£3.10	£557.50	£10.69	£8.02
Band E	11/9	£263.11	£5.05	£3.78	£892.34	£17.11	£12.83
Band F	13/9	£310.94	£5.96	£4.47	£1,227.16	£23.53	£17.65
Band G	15/9	£358.78	£6.88	£5.16	£1,561.98	£29.96	£22.47
Band H	18/9	£430.54	£8.26	£6.19	£2,064.24	£39.59	£29.69

The cumulative impact of this option means that all working age CTS claimant households would face an increase Council Tax. The impact of this varies significantly based on the band of the property.

For those claiming CTS, working age households in band A and B properties would have an increase of 33%. Band A would have an annual increase in the amount they have to pay of £47.34 (£0.91 per week). Band B would have an annual increase in the amount they have to pay of £55.23 (£1.06 per week)

For a band C property this rises by 104% , based on an annual increase in the amount they have to pay of £198.73 (£3.81 per week).

The level of increase then rises exponentially based on the band of the property to 379% and an annual increase in the amount payable of £1,633.70 (£31.33 per week) for a Band H household.

### 5.1.4 Other options covered within the original report and the consultation - model of CTS awarded based on maximum of 82.5% of Council Tax due

Because the Council went out to consultation prior to the full financial position and settlement, the consultation sought specific views on whether a more generous scheme should be provided if the Council could afford it. This was also covered in the October Executive report.

The following model shows a more generous. This further option is based on the principles of option one but with a higher maximum CTS award. This does not include any differential based on the household's Council Tax property band.

This is based on a maximum award of 82.5% rather than the 80% shown in option one. Within this model all awards would be based on a maximum of 82.5% of the Council Tax charge for the property (this means that the maximum a working age household could receive would be 82.5% of the Council Tax due). All working age households would have to pay a minimum of 17.5% of the Council Tax due.

<b>Amount to pay with maximum 82.5% Council Tax Support</b>							
<b>Band</b>	<b>Multiplier</b>	<b>2016/17 as is</b>			<b>2017/18 4.99%</b>		
		<b>Annual</b>	<b>Weekly</b>	<b>Weekly SPD</b>	<b>Annual</b>	<b>Weekly</b>	<b>Weekly SPD</b>
Band AR	5/9	£119.59	£2.29	£1.72	£146.49	£2.81	£2.11
Band A	6/9	£143.51	£2.75	£2.06	£175.78	£3.37	£2.53
Band B	7/9	£167.43	£3.21	£2.41	£205.08	£3.93	£2.95
Band C	8/9	£191.35	£3.67	£2.75	£234.38	£4.49	£3.37
Band D		£215.27	£4.13	£3.10	£263.68	£5.06	£3.79
Band E	11/9	£263.11	£5.05	£3.78	£322.27	£6.18	£4.64
Band F	13/9	£310.94	£5.96	£4.47	£380.87	£7.30	£5.48
Band G	15/9	£358.78	£6.88	£5.16	£439.46	£8.43	£6.32
Band H	18/9	£430.54	£8.26	£6.19	£527.36	£10.11	£7.59

The cumulative impact of this option means that all working age households would face an increase in the minimum Council Tax they have to pay of around 22.5% ranging from an annual increase of £32.27 (£0.62 per week) for a band A property to an annual increase of £96.82 (£1.85 per week) for a Band H household.

## **6. Consultation exercise - major precepting authorities**

As required by legislation the Council has consulted the Greater Manchester Fire and Rescue Service and the Office of the Police and Crime Commissioner for Greater Manchester. To date the Council has not received any comments on the proposals.

## **7. Consultation exercise**

### **7.1 Consultation requirements**

On 19 October 2016, the Council published reports setting out a series of budget options for consideration for 2017 to 2020 by members. As the Financial Settlement had not been published at that time, options were designed in response to the estimated funding gap of £40m to 75m.

The Council is required to consult on any proposed changes to CTS in accordance with Section 13A of the 1992 Local Government Finance Act (Paragraph 3 of Schedule). This requires the following:

Preparation of a scheme:

- (1) Before making 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.

Although the exercise was linked to the Council's wider budget consultation; it was considered that the potential impact of the CTS scheme warranted a specific consultation exercise for this option. The consultation started on 3 November and ended on 15 December 2016.

## **7.2 Consultation approach and content**

To ensure that the consultation reached as many benefit claimants and Manchester residents as possible, a wide-ranging consultation and engagement plan was developed. The approach was both digital and off line, ensuring that those most impacted by the proposals had the opportunity to respond. This was developed with the evaluation results of previous consultation exercises in mind.

A comprehensive consultation narrative, explaining the scheme and why it had been proposed, three potential options and the impact on benefit claimants for each as well as offering the opportunity to provide alternative suggestions was used as the basis of both content for the Council website and a paper questionnaire.

Targeted and organic social media activity drove people to the web content. Over the period of the consultation, 89 posts were made directing residents to the budget homepage and 11 directed people directly to the CTS consultation. Of these, 12 of the general budget posts were boosted through paid advertising to target specific geographic areas of the city and boost engagement with the consultation overall.

A total of 15 comments were made in social media about the CTS scheme consultation. The comments in social media largely related to making internal staff/pension cuts rather than cutting CTS.

100 posters and 1,910 paper questionnaires were also distributed. The paper questionnaires were sent to libraries, the Customer Service Centre and to members.

Historically, the greatest response to a CTS scheme was a direct mail-out with a paper questionnaire. With that in mind, a letter with the overarching narrative, options and questionnaire with a freepost return envelope was sent directly to a random selection of 50% of the working age CTS caseload - 20,760 households (directly affected by the scheme change) as well as 10% of households that receive a Council Tax bill - 18,000 households.

A copy of the consultation document is included in appendix 2.

## **7.3 Consultation Outcome**

A total of 1,996 questionnaires were completed, this includes 1,742 paper questionnaires and 254 on line questionnaires. Of this total, 916 were from benefit claimants and 1,598 from Manchester residents. A further 398 responses were received from outside the city.

The high level of engagement with the consultation is positive. It is considered to have reached a representative sample of the Manchester population as a whole by the Council's Research and Intelligence team.

Of the 1,996 respondents, the response rate from all areas of Manchester where residency was declared is in line with the 2015 Mid Year Estimates comparison figures, with only the City Centre being slightly underrepresented.

The age category figures reveal that, whilst the response rate from 40 to 65 year olds was high (58% of all responses) there was a disappointingly low response of 3% from 16 to 25 year olds given that they make up 26% of the population of Manchester.

The data for respondents who declared their ethnic origin reveal figures that are very much in line with the demographic make up of the city including BME.

The main findings from the consultation are as follows:

The majority (988, 49%) of respondents chose Option 1 which was the Council's preferred option. This was followed by 471 (24%) of respondents that preferred Option 2 and 201 respondents (10%) that chose Option 3. 336 (17%) respondents did not answer this question.

Of the 1,996 responses to the consultation, the majority (916, 46%) were in receipt of Council Tax Support, whilst 836 (42%) didn't receive the benefit. 235 (12%) respondents did not know if they were in receipt of the benefit and 11 (1%) did not respond to the question.

Respondents were asked if possible should we provide a more generous CTS Scheme than those options we proposed or put the money towards funding other Council services. The majority of respondents (936, 47%) stated that the Council should put the money towards funding other council services rather than providing a more generous scheme. 770 (39%) of respondents said that they thought the council should provide a more generous scheme. A total of 290 (15%) of respondents did not answer this question.

Responses from recipients of the CTS Scheme, shared the following, 349 (38%) preferred Option 1, 295 (32%) preferred Option 2 and 90 (10%) preferred Option 3, of the 733 recipients of CTS that had a preferred Options 1, 2 or 3, 407 (56%) went on to state they would welcome a more generous scheme. This is compared to 273 (37%) that thought the money should go towards funding other Council services.

A summary document of the results and responses is attached as appendix three. The Council also compiled all free format comments into a separate document attached as appendix four.

## **8. Equality Impact Assessment**

As a public body the Council has a number of statutory duties under equalities

legislation. These are often referred to as the Public Sector Equality Duties (PSED). The PSED require the Council, through its decision making process, to give due regard to the need:

- to eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act;
- to advance equality of opportunity between people who share a protected characteristic and those who do not;
- to foster good relations between people who share a protected characteristic and those who do not.

This involves in particular having due regard, to the need to:

- (a) tackle prejudice; and
- (b) promote understanding

The protected characteristics are age, disability, gender re assignment, pregnancy, maternity, race, religion or belief, sex and sexual orientation. The Equality Act explains that having due regard for advancing equality involves:

- Removing or minimising disadvantages suffered by people due to their protected characteristics
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people. Particular attention needs to be paid to the needs of disabled people in taking account of this requirement.
- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low

Compliance with the duties may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under the Act.

An Equality Impact Assessment (EIA) has been completed to inform members of the relevant more detailed issues in considering the recommendations in this Report (see appendix five). The EIA is based upon extensive analysis drawing on a number of sources of data.

The EIA was then reviewed cognisant of the consultation exercise responses. The responses received were from a broadly representative sample of Manchester residents based on gender, ethnicity, disability and caring responsibilities. Around half of the responses were from people in receipt of Council Tax Support.

In terms of the results the consultation supports the EIA in that option one is the preferred option with 55% of respondents who answered this question choosing this as the preferred option. This supports our own analysis on data held and knowledge of the caseload.

Of the six options to align the scheme to Housing Benefit and other DWP means tested benefit the consultation showed that more respondents agreed or strongly agreed than those who disagreed or strongly disagreed.

The EIA on the revised Localised Council Tax Support Scheme 2017/18 onwards found that the scheme will not have a disproportionate impact on any of the protected equality groups. However, should their circumstances change they may be affected by the changes to the family premium and limiting to two children. There are safeguards in place to support the most vulnerable via a discretionary scheme. The CTS scheme maintains the award of premiums and discounts certain benefits that recognise the needs of disabled people, those with children and caring responsibilities. The City Treasurer has considered the EIA, the issues raised and the Council's overall financial position.

## **9. Requirement for transitional arrangements**

As the proposed revised scheme has the effect of reducing the level of CTS awarded, the Council must consider whether to include any transitional provisions in the scheme. The Council has considered this and has determined that it will not be providing a transitional scheme. Any anomalous or vulnerable claimants will be considered on their own merits and the Council may consider discretionary support to alleviate impact.

## **10. Conclusions**

The Council has complied with requirements to consult on changes to its CTS Scheme. It has carried out an Equality Impact Assessment and a thorough consultation exercise that have satisfied legal requirements and provided essential information. This information and intelligence has been used to develop the final recommendations.

The general feedback from the consultation is that a CTS scheme that provides a threshold entitlement across all claimants is preferable to other schemes that award support based on the Council Tax property band. As such it is proposed that this approach is maintained and the CTS scheme is based on a maximum award threshold figure (currently 85%). In addition, the technical changes to align the scheme to the Housing Benefit rules that are currently administered at the same time for the majority of claimants were broadly supported and are proposed to be introduced within the scheme.

The changes proposed by government to fund adult social care budget pressures through an increase in Council Tax, if approved by the Council, will have an impact on all households in the city. When the cumulative impact of this is considered alongside the proposed changes to CTS this impact is more significant for CTS claimants than households that do not receive CTS.

Due to these late changes and the increased impact on CTS claimants, the Council is looking to mitigate the impact on CTS claimants and as such is proposing that the scheme is reduced by £1m rather than the £2m originally proposed.



This would mean that the core CTS scheme is amended and the Council would pay CTS based on all awards for working age households being based on a maximum of 82.5% of the Council Tax charge for the property (this means that the maximum a household could receive would be 82.5% of the Council Tax due). All working age households will have to pay a minimum of 17.5% of the Council Tax due.

## 11. Recommendations

Scrutiny Committee is requested to consider and comment upon the contents of the report and the steps being taken to develop a localised CTS Scheme.

Executive is requested to:

- i. Note the impact of the government announcement to changes to Council Tax to help fund adult social care services that, if approved by the Council, would mean that Council Tax bills would be increasing by 4.99% across the board.
- ii. Note the outcomes of the consultation process and the Equality Impact Assessment (EIA) both of which have informed the final recommendations. Both the consultation and the EIA have supported the Council's preferred approach which was to provide a maximum level of support against the Council Tax bill rather than other options that require differential rates based on Council Tax property bands.
- iii. Agree that the CTS scheme funding will be reduced by £1million rather than £2million so as to mitigate the impact on working age CTS claimant households in the city.
- ii. Agree that the Council's local CTS Scheme will be based on the following:  
The core scheme is amended and the Council would pay CTS based on all working age claimants receiving a maximum of 82.5% of the Council Tax charge for the property (This means that the maximum a household could receive would 82.5% of the Council Tax due). All households will have to pay a minimum of 17.5% of the Council Tax due.

Agree to align the CTS scheme to Housing Benefit and other DWP means tested benefits. The effects of which is:

1. When working out entitlement to CTS the Council will disregard capital relating to payments made directly to a parent for the purposes of meeting their child's special educational needs
2. The Council will use the date of change rather than Monday after for any award or increase of a DWP benefit
3. The Council will increase the length of time that a claimant has to notify us of a beneficial change from three weeks to one month. If we are told after a month, we will pay any extra from the Monday after the date we are told.
4. When working out entitlement to CTS the Council will no longer include a family premium in the applicable amount for all **new** claims with dependents or for existing claims without children where a first child is born or a child joins the household, aligning to Housing Benefit rules.

5. When deciding on eligibility for CTS the Council will reduce the period of time where a person is outside of Great Britain for any reason and still treated as occupying the property from thirteen weeks to four weeks.
  6. When working out entitlement to CTS the Council will only take into account two children in the calculation. This will only affect anyone who has a child or responsibility for a new child after 1<sup>st</sup> April 2017 aligning to Housing Benefit rules.
- iv. Recommend that Council delegate authority to the City Treasurer to continue to make minor technical changes to the CTS Scheme to provide for uprating of applicable amounts, disregards and non-dependant deduction levels and income bands.
  - v. Commend the revised CTS Scheme to Council.

The Council's updated CTS Scheme for 2017/18 onwards is attached as appendix one. This updated scheme includes the 2017/18 uprating figures. Annual uprating prior to the new financial year is a technical routine provided for within delegated authority and includes increases in elements of the applicable amounts, non dependent deduction rates and earnings bands for people of working age.

### **13.0 Key Policies and Considerations**

#### **13.1 (a) Equal Opportunities**

The Council has undertaken a comprehensive Equality Impact Assessment of the proposals (see section 4 of this report). The assessment has considered in detail what the impact the proposals could have on the protected characteristics: age, disability, gender reassignment, pregnancy, maternity, race, religion or belief, sex and sexual orientation.

The Equality Impact Assessment is attached as appendix five.

#### **13.2 (b) Risk Management**

The changes as proposed are being assessed and maintained in a risk register.

The main risks affecting the Council are financial risks.

Reducing the amount of CTS that is paid results in the poorest residents having to pay more Council Tax at a time when other changes to welfare provision are also impacting on their income levels. Increasing the amount to pay increases the risks to collection levels and may mean that some of the Council Tax that is raised is not collected promptly.

The changes could also create increased demand on the Council Tax Discretionary Payment Scheme.

#### **13.3 (c) Legal Considerations**

The legal considerations are contained within the report.

**Appendix one**  
**Manchester's Draft Council Tax Support Scheme 2017/18 onwards**

# Manchester City Council

## Draft Local Council Tax Support Scheme 2017

With annual uprating of the 2016 figures to 2017 values where appropriate and incorporating the options before the Executive

## Introduction

The Welfare Reform Act 2012 abolished Council Tax Benefit and the Local Government Finance Act 2012 made provision for local authorities to devise their own schemes for a Council Tax Support discount to assist people on low incomes to pay their Council Tax.

People over pension age are protected by regulations requiring a local scheme to retain most features of the former Council Tax Benefit scheme. People below pension age are covered by a locally defined scheme that is subject to only limited national prescription.

The funding provided by the government for Council Tax Support was, for the first year, approximately 10% less than for Council Tax Benefit and determined before the start of the year rather than reflecting actual expenditure and fluctuating caseloads.

The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (SI 2012/2885) set out the scheme provisions that local authorities must adopt for people over pension age and additionally prescribe a small number of provisions that local authorities must incorporate into their local scheme for people of working age. These regulations will be maintained across time.

The Council Tax Reductions Schemes (Default Scheme) (England) Regulations 2012 (SI 2012/2886) prescribed the scheme that would be a local authority's local scheme if the local authority failed to make a local scheme by 31 January 2013. As such, these regulations will not be maintained beyond that date as any local authority on which the default scheme was imposed will have that as its local scheme and will be responsible for maintaining it.

Both of these regulations have been amended by the Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012 (SI 2012/3085) to uprate amounts in line with the general 2013 Social Security uprating. For 2014 the Prescribed Requirements regulations have been further amended by the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013 (SI 2013/3181) and by the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2014 (SI 2014/448) to uprate amounts in line with the general Social Security uprating and to make minor technical amendments.

The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 were further amended from 13 March 2014 to recognise the introduction of same sex marriage by The Marriage (Same Sex Couples) Act 2013 (Consequential Provisions) Order 2014 (SI 2014/107) and from 1 April 2014 in respect of pensioners' capital by The Social Care (Self-directed Support) (Scotland) Act 2013 (Consequential Modifications and Savings) Order 2014 (SI 2014/513).

The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 have been further amended from 1 April 2015 by The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2)

Regulations 2014 (SI 2014/3312) for uprating, to align provisions in respect of EEA jobseekers with those in the Housing Benefit scheme and for minor technical matters.

The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 have again been further amended, from 1 April 2016 by The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015 (SI 2015/2041) for uprating, to remove the family premium for elderly claimants from 1 May 2016 with transitional protection for existing cases, and for minor technical matters.

The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 have again been further amended, from 1 April 2017 by The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016 (SI2016/1262), for uprating and to apply more restrictive rules on eligibility for elderly claimants who are temporarily absent abroad.

Manchester's scheme for people of working age is based on the government's default scheme subject to the modifications specified below. The Council at its meeting of **25 January 2017** decided to make this scheme, applicable from 1 April 2017. It is a revision of the Council's 2013 and subsequent Council Tax Support Schemes. Through powers it delegated to the City Treasurer it incorporates uprated amounts for applicable amounts, disregards, non-dependant deductions and non-dependant income bands. Further upratings applicable from 1 April 2015, 1 April 2016 and now from 1 April 2017 have been applied under these delegated powers. Note that the 2017 uprating reflects the freeze on basic applicable amounts while amounts for disability or carers are based on inflation measured at a point when it was 1% and new non-dependant deduction rates and their related income bands have been applied.

## Part A

### Council Tax Support for people of pension age

For a person to whom regulation 3 (a) of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 applies (a “pensioner”), the classes of person entitled to Council Tax Support under this scheme for any week are classes A, B and C as defined in Part 1 of Schedule 1 of those regulations and the provisions of those regulations, amended as may be from time to time, and in particular with values updated by the Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme)(England)(Amendment) Regulations 2012, the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013, Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2014, and the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015, shall apply,

save that

1. In paragraph 1 of schedule 5 of those regulations (disregard of pensions paid for war disablement and to war widows and war widowers), the amount to be disregarded shall be the whole of that income.
2. In matters not prescribed by the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, the provisions of the Council Tax Reductions Schemes (Default Scheme) (England) Regulations 2012 as they relate to pensioners shall apply.

## Part B

### Council Tax Support for people of working age

For a person to whom regulation 3 (b) of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 applies (a “person who is not a pensioner”), the classes of person entitled to Council Tax Support under this scheme for any week are those prescribed in paragraphs 16 and 17 of the Schedule to the Council Tax Reductions Schemes (Default Scheme) (England) Regulations 2012 (Class D and Class E) and the provisions of

- Parts 1 to 3 and schedules 7 and 8 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012,
- The Council Tax Reductions Schemes (Default Scheme) (England) Regulations 2012, and
- The Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme)(England)(Amendment) Regulations 2012

shall apply,

save as follows:-

## People of Working Age

1. For the avoidance of doubt, a person who is not a pensioner shall be treated as a pensioner if he is one of a couple and the other member of that couple has reached the qualifying age for state pension credit and neither member of the couple is
  - (a) a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance, or
  - (b) a person with an award of universal credit.

## Maximum Council Tax Reduction

2. In paragraph 29 (1) of the Default Scheme, for a person who is not a pensioner, the amount of a person's maximum council tax reduction in respect of a day is 85% **[80%, 81%, 82.5%, 83%]** of the amount A/B where—
  - (a) A is the amount set by the authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and
  - (b) B is the number of days in that financial year, less any deductions in respect of non-dependants which fall to be made under paragraph 30 (nondependent deductions: pensioners and persons who are not pensioners).

## Assessment of income and capital

3. In paragraph 20 of schedule 8 of the Default Scheme (disregard of pensions paid for war disablement and to war widows and war widowers), the amount to be disregarded shall be the whole of that income.

## Delay in reporting changes

4. Paragraph 107 of the Default Scheme is subject to the proviso that where an applicant (or any person acting on his behalf) fails to notify a relevant change of circumstances in accordance with paragraph 9 of Schedule 8 to the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (SI 2012/2885)(reproduced in paragraph 115 of the Default Scheme) and that change would result in an increase in the amount of a reduction, the amount of the reduction granted shall not be increased for any day before the day on which the authority received notification of that change.

## Uprating

5. The Council shall review the amounts specified in this scheme (these being those set in the 2016 scheme) before 1 April 2017 and thereafter annually, having regard in particular, but not exclusively, to

- (a) the level of funding to be provided by the Secretary for State for Communities and Local Government,
- (b) figures prescribed in the Default Requirements for pensioners, and
- (c) comparable figures in the Housing Benefit scheme.

The resulting figures for 2017 are set out in Appendix 1 below.

#### Alternative maximum council tax reduction

6. Paragraph 18, Part 8 and Schedule 4 of the Default Scheme shall not apply.
7. For the words “classes D to F” in the Default Scheme there shall be substituted the words “classes D and E”.

#### Restriction of level of support on the basis of band

- 8. For a person who is not a pensioner, where the property at which the person is liable is in bands [B,] C, D, E, F, G, or H, the level of reduction shall be that which would apply if the property was in band B [A].**

#### Family Premium

9. The provisions set out in regulations 2 and 4 of the Housing Benefit (Abolition of the Family Premium and date of claim) (Amendment) Regulations 2015 [SI 1857 of 2015] to exclude the family premium from the applicable amount of a new applicant shall apply to the applicable amount for Council Tax Support from 1 April 2017 for new claims made on or after 1 April 2017 and for existing applicants where a first child is born or a child joins a household that does not include children on or after 1 April 2017.

#### Applicable amounts for children

10. The provisions to be set out in legislation to exclude, with exceptions, additional applicable amounts for a third or subsequent child born or joining the household on or after 1 April 2017 shall apply equally in the assessment of the applicable amount for Council Tax Support.

#### Temporary absence from home

11. Where an applicant is absent from Great Britain for more than four weeks, the provisions of the Housing Benefit scheme set out in the Housing Benefit and State Pension Credit (Temporary Absence) (Amendment) Regulations 2016 (S.I.2016 No.624) shall apply also to Council Tax Support.



## Part C

### Provisions common to people of pension age and people of working age

#### Transitional

1. A person entitled to Council Tax Support in respect of 31 March 2016 or who has made a timely claim for Council Tax Support in respect of 31 March 2016 and that claim has not yet been determined shall be treated as having made an application for a reduction under this scheme from 1 April 2016.

#### Technical amendments

2. The Council shall review and amend this scheme as appropriate to reflect changes to legislation referenced in this scheme, changes to the Council Tax scheme itself, decisions of the courts, new sources of income, for example allowances paid under government schemes, and such other matters that appear to require technical amendment to maintain the coherence and intentions of this scheme.

#### Reviews and appeals

3. Where the provisions of this scheme align with those of the Housing Benefit scheme, the Council will apply the findings of a Lower or Upper Tier Tribunal on Housing Benefit as being applicable to the amount of a reduction under this scheme unless a valuation tribunal determines otherwise.
4. The Council may review and change any decision relating to a reduction to correct an accidental error or to take into account new caselaw relevant to the decision in question but shall be under no obligation to do so in respect of entitlement in any previous financial year.

#### Application of reductions to account and suspension of changes to reductions and of further reductions

5. The council will apply a reduction under this scheme to the relevant Council Tax account for the remainder of the relevant financial year, thereby reducing the amount of Council Tax payable. The Council may adjust this amount at any time during or after the relevant year as a result of changes to, or the end of entitlement to, the reduction.
6. The Council may suspend any adjustment to the amount of a reduction or the award of a further reduction if there is doubt about a person's entitlement to or the amount of a reduction but in such a case shall take all reasonable steps to resolve such doubts as soon as practical. The Council may also suspend any adjustment to the amount, or further award, of a reduction if an applicant does not provide information or evidence that is reasonably required within one month of the request for such information or evidence and may end the reduction from

the date the information or evidence was requested if it is not provided within one month of the date of the suspension.

7. Where the Council decides that the amount of a reduction should be reduced, it will usually reduce the amount applied to the account but reserves the right to waive the application of all or part of that reduction in cases of "official error" where the applicant could not be considered to have caused or contributed to the error, had no reason to doubt the amount of the reduction awarded and could not be expected to pay the increased liability for Council Tax quickly without difficulty. Adjustments to a reduction for the remainder of the financial year from the date of the decision to change the amount of a reduction will always be applied.

#### Additional disregards of income and capital

8. Payments as defined in paragraph 66 of Schedule 5 (sums to be disregarded in the calculation of income other than earnings) and paragraph 61 of Schedule 6 (capital to be disregarded) of the Housing Benefit Regulations 2006, any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments) shall be fully disregarded.

#### Time limit for notifying a change

9. The period of 21 days specified as the period during which an applicant must notify a change likely to affect the amount of a reduction is extended to one month to align with the provisions of the Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001, Regulations 7(2)(a), (3), 8(3)(5) and Regulation 9.

#### **Effective date of change for CTS as a result of an award or increase of a DWP benefit**

10. When we have awarded CTS and the claimant, or a member of their family becomes entitled to a DWP benefit or has an increase in the amount of a DWP benefit from a date after the start of the claim, the provisions of The Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001 Regulations 7(2)(i) and 8(14) will apply to the award of CTS as they would to an award of Housing Benefit.

#### Cases where income equals the applicable amount

11. For the avoidance of doubt, the entitlement of an applicant whose assessed income is the same amount as their applicable amount is to be treated according to the provisions of Class A in the case of a person who is a pensioner or class D for a person who is not a pensioner.

## Appendix 1

### Upated amounts from 1 April 2017 for people of working age

The amounts set out in the Schedule to the Council Tax Reduction Schemes (Default Scheme)(England) Regulations 2012 as amended by the Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme)(England)(Amendment) Regulations 2012, and as upated in Manchester City Council's Local Council Tax Support Schemes for 2014, 2015 and 2016 are further amended as follows:-

#### **Non-dependant deductions**

In paragraph 30 (non-dependant deductions)—


- (a) in sub-paragraph (1)(a) for “£11.45” substitute “£11.55”; .
- (b) in sub-paragraph (1)(b) for “£3.77” substitute “£3.80”; .
- (c) in sub-paragraph (2)(a) for “£195.00” substitute “£196.95”; .
- (d) in sub-paragraph (2)(b) for “£195.00”, “£338.00” and “£7.58” substitute “£196.95”, “£341.40” and “£7.65” respectively; .
- (e) in sub-paragraph (2)(c) for “£338.00”, “£420.00” and “£9.56” substitute “£341.40”, “£424.20” and “£9.65” respectively.

#### **Applicable amounts for persons who are not pensioners**

In Schedule 3 (applicable amounts: persons who are not pensioners), no uprating is appropriate except in respect of amounts for disability and carers and the amounts specified remain unchanged or are uprated as follows—

- (a) in column (2) of the Table in paragraph 1—
  - (i) in sub-paragraph (1)(a) and (b), £73.10;
  - (ii) in sub-paragraph (1)(c), £57.90;
  - (iii) in sub-paragraph (2), £73.10;
  - (iv) in sub-paragraph (3), £114.85;
- (b) in column (2) of the Table in paragraph 3, in each place in which it occurs, £66.90;
- (c) in paragraph 4(b), £17.45;
- (d) in the second column of the Table in paragraph 17—
  - (i) in sub-paragraph (1)(a), for “£32.25” substitute “£32.55”;
  - (ii) in sub-paragraph (1)(b), for “£45.95” substitute “£46.40”;
  - (iii) in sub-paragraph (2)(a) and (b)(i), for “£61.85” substitute “£62.45”;

- (iv) in sub-paragraph (2)(b)(ii), for “£123.70” substitute “£124.90”;
  - (v) in sub-paragraph (3), for “£60.06” substitute “£60.90”;
  - (vi) in sub-paragraph (4), for “£34.60” substitute “£34.95”;
  - (vii) in sub-paragraph (5)(a), for “£24.43” substitute “£24.78”;
  - (viii) in sub-paragraph (5)(b), for “£15.75” substitute “£15.90”;
  - (ix) in sub-paragraph (5)(c), for “£22.60” substitute “£22.85”;
- (e) in paragraph 23, £29.05;
- (f) in paragraph 24, for “£36.20” substitute



# Our Budget

**Council Tax Support**  
Have your say on  
proposed changes



**Our Budget**  
2017-2020



## Why we want to hear from you

Major cuts in Government funding, unavoidable cost pressures and increasing demand for services like older people's care, mean that the Council has had to make difficult decisions over the past few years.

In fact, we're spending almost 40% less this year than we did five years ago.

Unfortunately, we know that Government cuts are likely to continue over the next few years, so we must continue to look at ways to reduce what we spend.

This year, we're setting a three-year budget – planning ahead for how to spend between 2017 and 2020. This gives us more time to discuss and agree any changes we need to make with people, and also gives everyone a clearer view about what to expect.

We know that we'll need to make savings of between £40million and £75million over the next three years. The Council cannot ignore these cuts – we have to set a

balanced budget for the next three years, and to do that we'll have to make some difficult decisions.

As part of these savings, the Council is looking at options to reduce spend on Council Tax Support by up to £2million from April 2017.

To do this, we are looking at changing the Council Tax Support scheme.

Your responses to this questionnaire are confidential and will be managed in line with Data Protection Regulations. Any contact details you give us will not be included when the data is analysed. All personal details will be stored separately. However, if you disclose that you or someone else is at risk of harm, we have a duty to assess this and may need to contact you or other relevant persons.

The financial information and caseload numbers we have provided are based on 2016/17 data.

## What is Council Tax Support?

Council tax is based on the value (band) of the property that residents live in. The higher the band, the more council tax you pay – A being the lowest band and H the highest.

Council Tax Support is means-tested support that helps those on low incomes to pay their council tax.

Manchester's current scheme provides support for working-age people of up to 85% of the amount of council tax they have to pay. This means that all these residents have to pay at least 15% of their council tax.

If they are eligible, pensioners can receive support of up to 100% of the amount of council tax they have to pay. This is set by the Government and we do not have any power to change it.



**These changes are expected to save the Council around £2million per year**

## What changes are being proposed?

The Council is looking at changing the level of support it provides for working-age households, and making some changes to the way it assesses whether people are eligible for Council Tax Support.

These changes are expected to save the Council around £2million per year.

There are a number of options for how these changes could be made, so before we make any decisions about these changes, we want to know what you think.

You can help us by completing the following questions and returning the questionnaire to us at the Freepost address, or by completing the questions online at [manchester.gov.uk/counciltaxsupportchanges](http://manchester.gov.uk/counciltaxsupportchanges)

You can also find further information about these proposed changes, including examples of how they could affect those currently receiving support, on the Council's website.

All these proposals would affect working-age households only. Pensioners would not be affected.

**This consultation will end on**

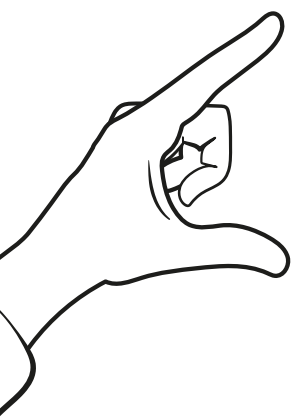


## The current scheme

Eligible working-age households can get Council Tax Support of up to 85% of the amount of council tax they have to pay. This means that they have to pay at least 15% of their council tax.

In England, properties are given a band between A and H based on their value, with A being the lowest value and H being the highest. This means that households in higher-value homes pay more council tax than those in lower-banded homes. In Manchester, 75% of all properties are in bands A and B.

Under the present Council Tax Support scheme all residents in any value of property can get help with 85% of their council tax if their income is low.

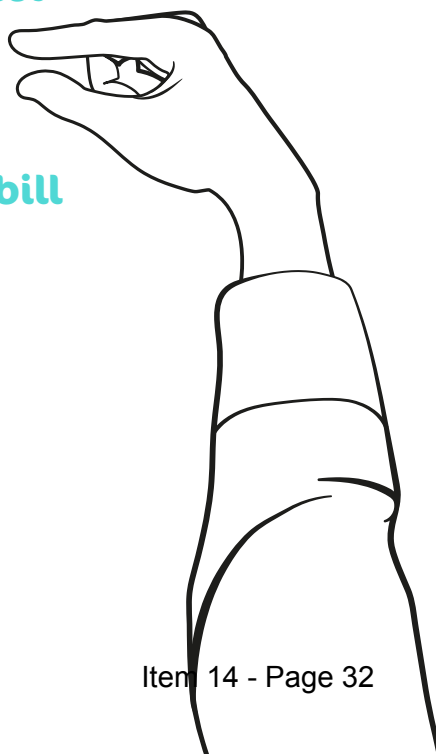


Households can  
get support of up to  
**85%**  
of their council tax bill



**75%**  
of all Manchester  
properties are in  
band A or B

Residents have  
to pay at least  
**15%**  
of their  
council tax bill





## Main proposals to reduce the cost of the scheme by £2million

### Option 1: Reducing the maximum amount of support for working-age households from 85% to 80%.

This option would reduce the amount of support working-age people can get, so that eligible households can get support of up to 80% of the amount of council tax they have to pay. This would mean that all working-age people would have to pay at least 20% of their council tax.

For example, if the council tax bill was £1,000, we would work out the amount of Council Tax Support based on £800 (80% of the bill). This means that all working-age residents would have to pay at least £200 if their bill was £1,000.

This proposal would affect all current working-age recipients of Council Tax Support – around 41,000

households. The amount this would affect them by is dependent upon the amount of council tax that is due. This is based on the band of the property.

This is the Council's preferred option, as it shares the reduction and impact across all working-age people claiming Council Tax Support.

The table below shows the minimum weekly and annual amounts that working-age recipients would have to pay if this option were to be taken. It also shows the extra amounts households would have to pay each week.

Band	Number of working-age households affected	Option 1: Maximum Council Tax support of 80%		Amount extra to pay each week
		Annual amount to pay	Weekly amount to pay	
A	35,249	£191.35	£3.68	£0.92
B	4,136	£223.24	£4.29	£1.07
C	1,699	£255.13	£4.91	£1.23
D	345	£287.02	£5.52	£1.38
E	77	£350.81	£6.75	£1.69
F	12	£414.59	£7.97	£1.99
G	2	£478.37	£9.20	£2.30
H	0	£574.05	£11.04	£2.76

### **Other options**

There are other ways the Council could reduce the cost of the scheme by up to £2million. These include limiting the amount of support based on a particular council tax band as well as requiring working-age households to pay a minimum percentage towards their council tax bill.

Property bands are between A and H based on value.

Under the current Council Tax Support scheme, all residents in any value of property can get help with up to 85% of their council tax if their income is low.

For example, a family in a band D property receive Council Tax Support based on 85% of the council tax bill for a band D property. This means that they could currently receive up to £23.46 in support per week compared to up to £15.64 in support per week for those in a band A property. This is because they have a bigger council tax bill to start off with.

## Option 2: Limiting the maximum amount of support for working-age households to 83% of the council tax due for a band A property, whatever the band of their home.

We could save around £2million by limiting the maximum amount of support a working-age household receives to 83% of a band A property. This would be a set amount regardless of the band of their home. The household would have to pay the difference between this amount and their council tax bill.

This would mean a smaller impact on those in lower-value homes and a larger impact for those in higher-value homes. It would mean working-age people who live in a band A property would have their support calculated on 83% of their bill. Those living in a band B–H property would receive support up to a maximum of 83% of the council tax due for a band A property.

The table below shows the minimum weekly and annual amounts that working-age recipients would have to pay if this option were to be taken. It also shows the extra amounts households would have to pay each week.

Band	Number of working-age households affected	Option 2: Council Tax Support based on maximum of 83% of band A		Amount extra to pay each week
		Annual amount to pay	Weekly amount to pay	
A	35,249	£162.65	£3.13	£0.37
B	4,136	£322.10	£6.19	£2.97
C	1,699	£481.56	£9.26	£5.58
D	345	£641.03	£12.33	£8.19
E	77	£959.95	£18.46	£13.40
F	12	£1,278.86	£24.59	£18.61
G	2	£1,597.77	£30.73	£23.83
H	0	£2,076.15	£39.93	£31.65

### Option 3: Limiting the maximum amount of support for working-age households to 81% of the council tax due for a band B property.

We could also save around £2million by limiting the maximum amount of support a working-age household receives to 81% of a band B property.

This would mean working-age people who live in a band A property would have their support calculated on 81% of a band A bill. Working-age people who live in a band B property would have their support calculated on 81% of a band B bill. Those living in a band C–H property would receive support up to a maximum of 81% of the council tax due for a band B property.

The table below shows the minimum weekly and annual amounts that working-age recipients would have to pay if this option were to be taken. It also shows the extra amounts households would have to pay each week.

Band	Number of working-age households affected	Option 3: Council Tax Support based on maximum of 81% of band B		Amount extra to pay each week
		Annual amount to pay	Weekly amount to pay	
A	35,249	£181.78	£3.50	£0.74
B	4,136	£212.08	£4.08	£0.86
C	1,699	£371.54	£7.14	£3.46
D	345	£531.01	£10.21	£6.07
E	77	£849.93	£16.34	£11.28
F	12	£1,168.84	£22.48	£16.50
G	2	£1,487.75	£28.61	£21.71
H	0	£1,966.13	£37.81	£29.53

## Have your say

**Question 1** Which is your preferred option?

- Option 1: Reducing the maximum amount of support for working-age households from 85% to 80%. **This is the Council's preferred option.***
- Option 2: Limiting the maximum amount of support for working-age households to 83% of the council tax due for a band A property, whatever the band of their home.*
- Option 3: Limiting the maximum amount of support for working-age households to 81% of the council tax due for a band B property. This would mean working-age people who live in a band A property would have their support calculated on 81% of a band A bill. Working-age people who live in a band B property would have their support calculated on 81% of a band B bill. Those living in a band C–H property would receive support up to a maximum of 81% of the council tax due for a band B property.*

**Question 2** Why have you chosen this option?

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**Question 3** Please tell us any other ways you think we could make changes to the Council Tax Support scheme to save £2million.

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**Question 4** Do you think the Council should keep the Council Tax Support scheme as it is?

- Yes
- No

If yes, how else could the Council save £2million?

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**Question 5** The full financial position of the Council will be known at the end of December. We might then find that the savings we have to make are less than £2million.

If we can afford it, should we provide a more generous scheme than those we have proposed here, or put the money towards funding other Council services?

Please tick the option you prefer.

- The Council should provide a scheme more generous than the ones proposed here, based on how much it can afford.
- The Council should put the money towards funding other Council services.

## Other changes to how the Council works out Council Tax Support

As well as proposing changes to the amount of support we offer, we are also proposing to change the way we work out Council Tax Support so that our approach is in line with that of the Government's Housing Benefit scheme.

## Proposed changes to the premiums and allowances within the Council Tax Support scheme for residents with children

When working out whether households get any Council Tax Support, we look at a needs allowance (applicable amount) that the Government says a household needs to live on. We then assess the money the household has against this amount to decide how much they can get.

### Changes to the family premium

**Current:** When we work out the needs allowance for Council Tax Support, we allow an extra amount called a family premium (£17.45 per week in 2016/17) if a resident has one or more children living with them.

**Proposal:** The Government's rules for Housing Benefit changed in May 2016 to remove this premium from the calculation.

We are proposing to remove this premium for any new claims or for existing claims without children where a first child is born or a child joins the household. This would take effect from April 2017.

**Question 6** Do you agree with this proposed change?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

## Changes to how we work out Council Tax Support for households with children

**Current:** When we work out the needs allowance for Council Tax Support, we allow an extra amount for each child in the household (£66.90 per child per week in 2016/17).

**Proposal:** From April 2017, the Government is proposing that when working out entitlement to Housing Benefit, the Council will only take into account the allowance for up to a maximum of two children. The Government is proposing that this will affect anyone who has a child or responsibility for a new child after 1 April 2017. The rules have not yet been set for this, but any changes we are proposing would be subject to the same exemptions set by the Government.

If the Housing Benefit rules change, then we are proposing that Manchester's Council Tax Support scheme would also change so that the rules are the same for Council Tax Support and Housing Benefit.

This would mean that the Council would only take into account the allowance for up to two children when working out entitlement to Council Tax Support. This will only affect residents who have a child or responsibility for a new child after April 2017.

**Question 7** Do you agree with this proposed change?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

**Proposed change to Council Tax Support for residents who receive payments for children with special educational needs**

Since 1 September 2014, parents of children and young people with special educational needs have been able to ask for them to be assessed and provided with an Education, Health and Care (EHC) plan. These parents also have the option of a personal budget to purchase services normally provided by the Council.

**Current:** This money is counted as income and capital when working out Council Tax Support. It is not taken into account when calculating Housing Benefit.

**Proposal:** We are proposing to not take these payments into account as income or capital when working out Council Tax Support.

This would mean the rules are the same for Housing Benefit and Council Tax Support.

**Question 8** Do you agree with this proposed change?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

**Proposed change to our Council Tax Support scheme dates and timescales**

**When benefits are paid or changed**

**Current:** If a household is getting Council Tax Support and then gets benefit from the Government or gets an increase in these benefits, we do not change their Council Tax Support claim until the following Monday. Their Housing Benefit is updated from the date the benefit was paid or changed.

**Proposal:** We are proposing to change our Council Tax Support scheme so that it is updated from the date the benefit was paid or changed.

**Question 9** Do you agree with this proposed change?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

**Date of change**

**Current:** If a household is getting Council Tax Support and has a change that means it would get more, it needs to tell us within three weeks, otherwise we will only pay any extra from the date we were told.

This is not the same as the Government's rules for Housing Benefit, where people have a month to tell us.

**Proposal:** We are proposing to allow a month for households to tell us about any change that would mean they would get extra. If we are told after a month, we will pay any extra from the Monday after the date we were told.

**Question 10** Do you agree with this proposed change?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

**Change to rules about temporary absence from home**

**Current:** If a person is outside the UK for any reason for 13 weeks or less, we will carry on paying their Council Tax Support.

This is not the same as the Government's rules for Housing Benefit, which limit this time to four weeks.

**Proposal:** We are proposing that the time we will carry on paying Council Tax Support if a person is outside the UK for any reason is reduced from 13 weeks to four weeks.

**Question 11** Do you agree with this proposed change?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

**Question 12** Is there anything else you want to say about these proposals?

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**Question 13** Do you or your household currently receive Council Tax Support?

- Yes
- No
- Don't know



## Tell us about yourself

**Question 14** What is your postcode?

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**Question 15** What is your gender? Please tick one box only.

- Female                       Male                       Prefer not to say

**Question 16** Do you identify with the gender you were assigned at birth? (ie. male or female)

- Yes                       No                       Prefer not to say

**Question 17** What is your age? Please tick one box only.

- Under 16                       26–39 years                       65–74 years                       Prefer not to say
- 16–25 years                       40–64 years                       75+ years

**Question 18** I would describe my ethnic origin as... Please tick one box only.

- |   |  |  |  |
|---|--|--|--|
| <input type="checkbox"/> Black Caribbean    | <input type="checkbox"/> Indian                            | <input type="checkbox"/> Kashmiri                  | <input type="checkbox"/> White and Black African |
| <input type="checkbox"/> Black African      | <input type="checkbox"/> White – Irish                     | <input type="checkbox"/> Middle Eastern            | <input type="checkbox"/> White and Asian         |
| <input type="checkbox"/> Black British      | <input type="checkbox"/> White – Gypsy/<br>Irish traveller | <input type="checkbox"/> Pakistani                 | <input type="checkbox"/> White British           |
| <input type="checkbox"/> Bangladeshi        | <input type="checkbox"/> Roma/<br>Romani traveller         | <input type="checkbox"/> Vietnamese                | <input type="checkbox"/> Prefer not to say       |
| <input type="checkbox"/> Chinese            |  | <input type="checkbox"/> White and Black Caribbean |  |
| <input type="checkbox"/> East African Asian |  |  |  |

Other ethnic group (please specify)

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Other mixed origin (please specify)

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Other African (please specify)

---

Other Asian (please specify)

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Other black (please specify)

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Other white (please specify)

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**Question 19** Do you consider yourself to be a disabled person? Please tick one box only.

- Yes       No       Prefer not to say

Please use this space if you would like to give more information about your disability.

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**Question 20** I would describe my sexuality as... Please tick one box only.

- Heterosexual/straight
- Gay
- Lesbian
- Bisexual
- Prefer not to say
- Other (please specify)

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**Question 21** Do you identify with any religion or belief? Please tick one box only.

- Yes       No       Prefer not to say

**Question 22** If you have said yes to Question 21, please specify.

- Christian (including Church of England, Roman Catholic, Protestant and all other Christian denominations)
- Buddhist
- Jewish
- Muslim
- Hindu
- Sikh
- Prefer not to say
- Other (please specify)

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**Question 23** What is your relationship status? Please tick one box only.

- Single
- Married
- Life partner
- Civil partnership
- Prefer not to say
- Other (please specify)

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**Question 24** Do you have caring responsibilities?  
Please tick all that apply.

- None
- Primary carer of child/children (under 18)
- Primary carer of disabled adult (18 and over)
- Primary carer of older person(s) (65 and over)
- Primary carer of disabled child/children
- Secondary carer (carer but not the primary carer)
- Prefer not to say

Please return your  
completed form by



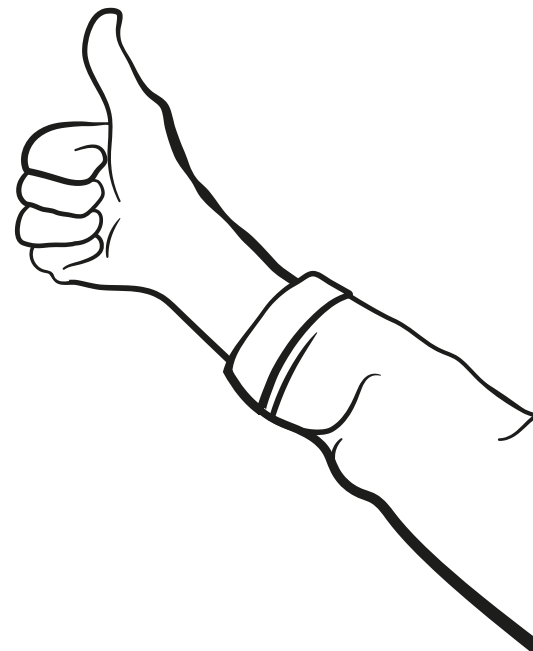
## Thank you for your views

Please return your completed form by  
**Thursday 15 December** in the prepaid  
envelope provided.

Or return to:

**FREEPOST MCC (Council Tax Support Consultation)**  
Benefits Service  
Manchester City Council  
PO Box 532  
Manchester  
M60 2LA

You do not need a stamp.



**Appendix three – Consultation results summary**

**Council Tax Support  
2017/20 Consultation  
Summary of responses by Q13.**

	Comparison data	Number of submissions to date	Percentage of submissions to date	Claimant	Non Claimant	Don't know
Number of responses		<b>1996</b>		<b>916</b>	<b>836</b>	<b>244</b>
		(includes 1742 hard copy inputs)				

Q1. Which is your preferred option?						
Option 1		988	49%	349	541	98
Option 2		471	24%	295	131	45
Option 3		201	10%	90	93	18
No response		336	17%	182	71	83
Total		1996	100%			

Q4. Do you think the Council should keep the Council Tax Support scheme as it is?						
Yes		815	41%	515	186	114
No		969	49%	319	575	75
No response		212	11%	82	75	55
Total		1996	100%			

Q5. If we can afford it, should we provide a more generous scheme than those we have proposed here, or put the money towards funding other Council services?						
The Council should provide a scheme more generous than the ones proposed here, based on how much it can afford.		770	39%	473	204	93
The Council should put the money towards funding other Council services.		936	47%	302	560	74
No response		290	15%	141	72	77
Total		1996	100%			

Q6. Do you agree with the proposed change to premiums and allowances?						
Strongly agree		345	17%	108	215	22
Agree		457	23%	168	245	44
Neither agree nor disagree		349	17%	193	114	42
Disagree		294	15%	163	100	31
Strongly disagree		317	16%	162	116	39
Don't know		169	8%	102	32	35
No response		65	3%	20	14	31
Total		1996	100%			
Q7. Do you agree with the proposed change to how Council Tax Support is worked out for households with children?						
Strongly agree		477	24%	139	306	32
Agree		502	25%	200	249	53
Neither agree nor disagree		293	15%	172	89	32
Disagree		238	12%	138	73	27
Strongly disagree		259	13%	139	86	34
Don't know		156	8%	101	23	32
No response		71	4%	27	10	34
Total		1996	100%			
Q8. Do you agree with the proposed change to Council Tax Support for residents who receive payments for children with SEN?						
Strongly agree		500	25%	186	279	35
Agree		637	32%	278	302	57
Neither agree nor disagree		309	15%	169	95	45
Disagree		163	8%	91	53	19
Strongly disagree		146	7%	65	61	20
Don't know		186	9%	109	37	40
No response		55	3%	18	9	28
Total		1996	100%			
Q9. Do you agree with the proposed change to our Council Tax Support scheme dates and timescales?						
Strongly agree		469	23%	157	277	35
Agree		740	37%	330	337	73
Neither agree nor disagree		329	16%	164	121	44
Disagree		132	7%	84	35	13
Strongly disagree		112	6%	68	29	15
Don't know		153	8%	90	29	34
No response		61	3%	23	8	30
Total		1996	100%			

Q10. Do you agree with the proposed change to Council Tax Support for date of change?						
Strongly agree		471	24%	210	228	33
Agree		901	45%	425	395	81
Neither agree nor disagree		242	12%	118	85	39
Disagree		115	6%	53	49	13
Strongly disagree		89	4%	31	46	12
Don't know		111	6%	63	19	29
No response		67	3%	16	14	37
Total		1996	100%			

Q11. Do you agree with the proposed change to rules about temporary absence from home?						
Strongly agree		647	32%	220	378	49
Agree		559	28%	245	259	55
Neither agree nor disagree		218	11%	117	74	27
Disagree		217	11%	145	53	19
Strongly disagree		163	8%	98	40	25
Don't know		129	6%	73	21	35
No response		63	3%	18	11	34
Total		1996	100%			

Q13. Do you or your household currently receive Council Tax Support?						
Yes		916	46%	672	0	0
No		836	42%	0	683	0
Don't know		244	12%	0	0	169
Total		1996	100%			

Q14. Location of residence/organisation (Postcode)	Popn over 16, MYE 2015					
North Manchester	19%	357	18%	190	124	33
New East Manchester	16%	290	15%	153	102	30
City Centre	5%	33	2%	2	28	3
Central Manchester	17%	263	13%	149	81	31
South Manchester	29%	450	23%	145	242	49
Wythenshawe	14%	205	10%	81	107	15
Not recognised/outside of Manchester	N/A	398	20%	130	109	59
Total	100%	1996	100%			

Q15. What is your gender?	Popn over 16, MYE 2015					
Male	51%	976	49%	486	386	104
Female	49%	905	45%	399	400	106
Prefer not to say	N/A	64	3%	19	37	8
No response	N/A	51	3%	12	13	26
Total	100%	1996	100%			

Q16. Do you identify with the gender you were assigned at birth?						
Yes		1723	86%	786	754	183
No		35	2%	18	9	8
Prefer not to say		94	5%	40	41	13
No response		144	7%	72	32	40
Total		1996	100%			

Q17. What is your age?	Popn over 16, MYE 2015					
16 to 25	26%	69	3%	18	42	9
26 to 39	32%	426	21%	182	201	43
40 to 64	30%	1159	58%	640	392	127
65 to 74	7%	131	7%	24	90	17
75+	5%	79	4%	7	57	15
Prefer not to say	N/A	61	3%	24	33	4
No response	N/A	71	4%	21	21	29
Total	100%	1996	100%			

Q18. I would describe my ethnic origin as?	Based on popn aged 16 and over, Census 2011					
Black or Black British – Caribbean	2%	19	1%	14	2	3
Black or Black British – African	4%	112	6%	77	20	15
Asian or Asian British – Bangladeshi	1%	46	2%	28	6	12
Asian or Asian British – Chinese	3%	28	1%	13	9	6
Asian or Asian British – Indian	2%	17	1%	7	6	4
White Irish	3%	53	3%	18	32	3
White – Gypsy or Irish Traveller	0%	7	0%	4	2	1
Arab	2%	41	2%	28	7	6
Asian or Asian British – Pakistani	7%	122	6%	92	23	7
Other Asian (please specify)	2%	32	2%	19	7	6



Mixed – White and Black Caribbean	1%	10	1%	6	4	0
Mixed – White and Black African	1%	16	1%	13	1	2
Mixed – White and Asian	1%	22	1%	11	9	2
White – British/English/Welsh/Scottish/Northern Irish	62%	1063	53%	406	550	107
White – Other (please specify)	5%	61	3%	20	36	5
Mixed – Other (please specify)	1%	5	0%	2	3	0
Other Black (please specify)	1%	62	3%	32	16	14
Other (please specify)	1%	33	2%	16	9	8
Prefer not to say	N/A	146	7%	60	72	14
No response	N/A	101	5%	50	21	30
Total	100%	1996	100%			

<b>Q19. Do you consider yourself to be a disabled person?</b>						
Yes		430	22%	291	76	63
No		1344	67%	519	690	135
Prefer not to say		124	6%	69	43	12
No response		98	5%	37	27	34
Total		1996	100%			

<b>Q20. I would describe my sexuality as...?</b>						
Heterosexual/straight		1451	73%	682	614	155
Gay		84	4%	31	44	9
Lesbian		19	1%	6	9	4
Bisexual		33	2%	9	20	4
Prefer not to say		216	11%	92	100	24
Other		21	1%	10	5	6
No response		172	9%	86	44	42
Total		1996	100%			

<b>Q21. Do you identify with any religion or belief?</b>						
Yes		1046	52%	549	381	116
No		566	28%	198	315	53
Prefer not to say		233	12%	105	96	32
No response		151	8%	64	44	43
Total		1996	100%			

Q22. If yes to Q21 - Religion/Belief?						
Christian (including Church of England, Roman Catholic, Protestant and all other Christian denominations)		734	37%	319	341	74
Buddhist		14	1%	8	2	4
Jewish		16	1%	12	3	1
Muslim		302	15%	214	49	39
Hindu		12	1%	6	3	3
Sikh		3	0%	2	0	1
Prefer not to say		141	7%	56	66	19
Other (please specify)		27	1%	16	6	5
No response		747	37%	283	366	98
Total		1996	100%			

Q23. What is your relationship status?.						
Single		902	45%	517	276	109
Married		615	31%	245	305	65
Life partner		123	6%	21	93	9
Civil partnership		6	0%	0	5	1
Prefer not to say		135	7%	41	77	17
Other (please specify)		96	5%	41	45	10
No response		119	6%	51	35	33
Total		1996	100%			

Q24. Do you have caring responsibilities?						
None		1135	55%	489	527	119
Primary carer of child/children (under 18)		381	19%	218	112	51
Primary carer of disabled adult (18 and over)		94	5%	68	16	0
Primary carer of older person(s) (65 and over)		78	4%	22	44	12
Primary carer of disabled child/children		38	2%	30	6	2
Secondary carer (carer but not the primary carer)		69	3%	20	43	6
Prefer not to say		135	7%	56	59	20
No response		129	6%	57	39	33
Total		2059	100%			

## Appendix four – Consultation results (freeform text)

Table 1 sets out respondents' reasons for the selection of Option 1. Approximately half selected it because they considered it was the fairest option:

*'It's fairer for people who may need this support if suddenly out of work, but live in a higher band property. Realistically people aren't going to be in a band A or B property because they're unemployed or on benefits - especially if they have a family. It's fairer across the board for all the people in Manchester who may potentially need this support' (26-39 year old male)*

**Table 1: Reasons for selection of Option 1**

	Count	%
Fairest / everyone contributes	426	54%
Trust Council - preferred option	91	12%
Most savings	67	9%
It is affordable/ support is too high at present	57	7%
Least impact on households	39	5%
Better than other options	41	5%
Personally best	29	4%
Simplicity	22	3%
Unrelated comment	5	1%
Do not understand options	4	1%
Don't know	3	0%
<b>Total known</b>	<b>784</b>	<b>100%</b>
Unknown/no response	199	-

1. Eleven percent of respondents selected Option 1 because they trust the Council to select the best option:

*'If this is the Council's preferred option, then I am sure that it prefers this option for very sound reasons, and so I prefer it too' (40-64 year old male)*

2. Nine percent of respondents selected Option 1 because they considered it would generate the most savings for the Council:

*'From my limited understanding of the banding and benefit system, it seems to be the one that offers the greatest savings for tax payers generally' (40-64 year old male)*

3. **A quarter of respondents selected Option 2**, limiting the maximum amount of support for working-age households to 83% of the Council Tax due for a band A property, whatever the band of their home. Table 2.3 sets out respondents' reasons for the selection of Option 2. Three fifths selected this option because they felt it was fairer to prioritise support to those in lower bands:

*'The people who need the support most are likely to live in low banded properties. People who live in the most valuable ones ought to take the biggest hit if there has to be one'. (profile unknown)*

**Table 2: Reasons for selection of Option 2**

	Count	%
Fairer to prioritise support to those in lower bands	240	60%
Personally the best option	83	21%
Best of the three options	38	9%
Fairest generally	14	3%
Unrelated comment	8	2%
Most savings	9	2%
A good compromise between option 1 and 3	4	1%
Don't like any option	3	1%
Trust Council	2	0%
<b>Total responses</b>	<b>401</b>	<b>100%</b>
<b>Unknown/no response</b>	<b>72</b>	<b>-</b>
<b>Don't know why</b>	<b>3</b>	<b>-</b>

4. **Ten percent of respondents selected Option 3**, limiting the maximum amount of support for working-age households to 81% of the Council Tax due for a band B property. Table 3 sets out respondents' reasons for the selection of Option 3. As for Option 2, the majority, over two thirds selected this option because they felt it was fairer to prioritise support to those in lower bands:

*'It appears to disproportionately support those who have the greatest difficulty, while striking a balance with affordability' (26-39 year old male)*

**Table 3: Reasons for selection of Option 3**

	Count	%
Fairer to prioritise support to those in lower bands	102	68%
Personally the best option	19	13%
A good compromise between option 1 and 2	12	8%
Better than the other options	11	7%
Most savings	4	3%
It is affordable/ support is too high at present	1	1%
Unrelated comment	1	1%
<b>Total known</b>	<b>150</b>	<b>100%</b>
Unknown/no response	51	-
Don't know	1	-

5. Thirteen percent selected this option because it was the best option for them personally.

'I'm finding it difficult to pay as it is, I am afraid I will not be able to pay anything more than I already do. I can see I will be going to prison' (40-64 year old male)

**Other changes to the CTSS to save £2 million**

6. Respondents were asked to suggest other ways the Council could make changes to the Council Tax Support scheme to save £2 million.

Table 4 details the suggested changes.

**Table 4: Suggested changes to save £2 million**

	Count	%
<b>Increase revenue</b>		<b>45%</b>
Reduce high salaries in Council	56	8%
Reduce fraudulent claims/improve collection	46	7%
Reduce other areas of spend	43	6%
Increase CT for those in higher bands	38	5%
Increase CT other groups or in general	35	5%
Increase CT for those earning more	33	5%
Increase revenue	21	3%
Increase CT for students and/or pensioners	14	2%
Appeal central government cuts	13	2%
Increase business rates	9	1%
<b>Reduce costs</b>		<b>11%</b>
Increased efficiency/reduced wastage	52	8%
Ensure benefits go only to those who need them	14	2%
Increase volunteering	9	1%
<b>Cut support</b>		<b>26%</b>
Cut CT support generally	134	20%
Cut CT support to top band properties	24	3%
Improve employment/incomes	14	2%
<b>Need more support</b>		<b>11%</b>
None – do not cut	37	6%
More support for specific groups	21	3%
Reduce CT	11	2%
<b>Other</b>		<b>7%</b>
Other	22	3%
General comment	18	3%
Lack of information of which to base decision	6	1%
<b>Total known</b>	<b>663</b>	
Unknown	58	
Don't know	216	

7. Just under half (45%) of respondents suggested changes to increase revenue. For 17 percent, this involved changes to Council Tax: either increasing Council Tax for those in higher bands; for those earning more or for specific groups including students, pensioners and landlords.

8. Just over a quarter (26%) of respondents suggested cuts to the level of support. In 20% of cases this was to reduce levels of Council Tax support.

Reduce the amount of council tax paid to people on benefits if they receive a certain amount (i.e. Those that have massive families that get loads of child benefit and tax credits!) or you could reduce council tax and then you wouldn't need to pay out as much!!!' (26-39 year old female)

9. For 2% the impact on support was indirect through a greater focus on increasing employment and incomes:

'Offer incentive to work that council tax would be discounted if you went to work rather than giving it to those who use " I have children " as an excuse not to work. I have two kids and work 3 jobs! (Female, 40 - 64)

10. Eleven percent of respondents considered that more support was needed rather than less:

'In a few words - you can't. It's inhumane and targeting people in their darkest hour of need' (Female, 26-39)

11. A further eleven percent of respondents suggested ways of reducing costs through greater efficiency; greater targeting of benefits and increased reliance on volunteering:

'Cut down on waste, increase efficiency, send out emails rather than postal letters?' (Male, 26-39)

### **Views on keeping CTSS as it is**

12. Residents were asked whether the CTSS should be kept as it is. Just under a half (49%) thought it should be changed. Fifty six percent of those in receipt of Council Tax support agreed that it should be kept as it is compared to 22% of those not in receipt of support.

**Table 5: Should the CTSS be kept as it is?**

	All respondents <sup>1</sup>		Receiving CT support		Not receiving CT support	
CTSS should be kept as is	813	41%	514	56%	186	22%
CTSS should be changed	969	49%	319	35%	575	68%
<b>Total</b>	<b>1782</b>	<b>100%</b>	<b>916</b>	<b>100%</b>	<b>836</b>	<b>100%</b>

N.B.<sup>1</sup> This group includes those who did not know whether they received CT support but expressed an opinion on whether CTSS should be kept as it is.

Does not include no responses to the question

13. If residents considered that the CTSS should be kept as it is they were asked to suggest other ways in which the Council could save £2m. Table 6 outlines their core suggestions.

**Table 6: Suggested changes to save £2 million for those who wanted CTS to remain as is**

	Count	%
<b>Increase revenue</b>		<b>35%</b>
Reforms to Council Tax	50	18%
increase Council income	31	9%
Reduce fraudulent claims/improve collection	13	5%
Put pressure on central government to increase support	10	3%
<b>Reduce costs</b>		<b>51%</b>
Make savings elsewhere	68	21%
Make savings on staff salaries	53	14%
Make savings in efficiency/bureaucracy	34	12%
Make savings in benefit payments	9	4%
<b>Need more support</b>		<b>9%</b>
Protect vulnerable/low income householders	30	9%
<b>Cut support</b>		<b>4%</b>
Work to reduce low incomes / reduce cost of living	9	4%
<b>Other</b>		<b>1%</b>
Unrelated comment	3	1%
Lack of information on which to base decision	1	0%
<b>Total known</b>	<b>311</b>	<b>100%</b>
Don't know	86	-
Unknown	391	-



14. Just over half of respondents felt savings could be made elsewhere in the Council:

'Christmas celebrations are way too expensive/elaborate, could cut down on expensive celeb guests who cost a fortune...I'm sure people would just come for a fun time and lights anyway' (*Female, 40-64*)

'More efficient use of resources. Optimum output from any input. Enforcement and fines for littering, anti-social behaviour. Better use of community service individuals for many jobs' etc. (*Male, 40-64*)

15. Over a third of respondents felt that revenue could be increased. In over half of these cases this was through changes to Council Tax, including scrapping the single person discount; increasing council tax for those in higher bands and reviewing council tax for students and pensioners:

'Increasing the banding D to H so they are paying more council tax' (*Female, 26-39*)

Residents were asked the open question 'is there anything else you want to say about these proposals. Of the 1,996 survey respondents 390 provided comments (Table 7).

**Table 7: Other comments**

	Count	%
<b>Disagreement with proposals</b>		<b>46%</b>
Concerns over penalising the poorest/most vulnerable	122	30%
Concerns over reduction from 13 weeks to 4 weeks	33	8%
Concerns about loss of services/service quality	13	3%
Concerns over penalising people with more children	12	3%
Concerns about cost of council tax	9	2%
<b>Agreement with proposals</b>		<b>25%</b>
Broad agreement with the proposals	60	15%
Change to four weeks - agree	41	10%
<b>General comments/suggestions</b>		<b>15%</b>
Suggestions of other cost savings	19	5%
Concerns about the cost of benefit received by large families	15	4%
Too much support provided	6	1%
Need greater checks for fraudulent claims	4	1%
Concerns over support for migrants	3	1%
Help to increase income / make people less dependent	6	1%
Need to reform Council Tax	3	1%
Need to tax businesses more	2	0%
Need to support economic growth	2	0%
<b>Comments regarding survey</b>		<b>14%</b>
Confusing/unclear survey	37	9%
Consider Council will not listen anyway	13	3%
Need to keep public informed over any changes	9	2%
<b>Total</b>	<b>409</b>	<b>100%</b>

16. Just under half (46%) spoke of disagreement with one or more of the proposals. Just under a third (30%) of respondents raised concerns over the impact on the poorest/most vulnerable in society:

‘If you need to save/raise money, I suggest that you should impose changes on wealthy people, not the poorest/most vulnerable in our society. I'm extremely disappointed with some of these proposals’ (Male, 26-39)

‘Disabled people should be subject to a different (more lenient) set of rules as they are unable to change their circumstances’ (Female 26-39)

'Why are there no questions about taxing the rich more and all about taxing the working people and the unemployed, sick and disabled? (Female 26-39)

17. A quarter of respondents to the question were in broad agreement with one or more of the proposals:

*'It's good the council is moving towards a fairer and simpler system for council tax'*

*'It will be easier for residents to understand their benefits if housing benefit and council tax support rules are mirrored. Should also mean the benefits calculation would be easier to carry out and would have a greater degree of accuracy'*

18. Eight percent were concerned about the changes to rules about temporary absence from home:

*'Absences from UK being limited to 4 weeks may bring difficulties in the event of, say, parents making a 6 week visit to children living abroad' (60-74 year old male)*

*'Manchester has a very diverse ethnic population. Some citizens have parents/ loved ones outside the UK. If they have to travel to provide care or settle an estate etc- this could potentially take longer than 4 weeks. Perhaps 8 weeks could be considered' (Female, age unknown)*

19. Fifteen percent of respondents made a variety of general comments/suggestions in relation to what the Council should do. These included suggestions to support economic growth:

*'Perhaps any needed savings can be offset by an increase in business activity (number of businesses, number employed by small business, and their profits) leading to an increase in business rates receipts, and more support for those who genuinely are in need' (Male, 40-64)*

20. Fourteen percent of respondents made comments in relation to the survey, including nine percent who considered it to be confusing and unclear:

*'We have seven degrees between us and we struggled to understand the text of this form and its implications' (Female, 40-64)*

**Appendix five - Equality Impact Assessment**

**Demonstrating Outcomes of Equality Analysis**

**EQUALITY IMPACT ASSESSMENT – December 2016**

1. Directorate	Corporate Core	2. Section	Revenues and Benefits Unit – Benefits Service	3. Name of the function being assessed	Localised Council Tax Support scheme for 2017/18
4. Is this a new or existing function?	Existing	5. Officer responsible for the assessment	Mark Holroyd	6. Lead manager responsible for the assessment	Julie Price
7. Date assessment commenced	13 October 2016	8. Date of completion	22 December 2016	9. Date passed to Equalities Team	22 December 2016

**Summary of Relevance Assessment**

1. Has a Stage 1 Equality Analysis: Relevance Assessment document been completed?

No

2. Please indicate which **protected characteristics** the relevance assessment identified as relevant to the function that is being assessed (tick below):

Age  Disability  Race  Gender (inc. Gender Reassignment, Pregnancy and Maternity)

Sexual Orientation  Religion or Belief (or lack of religion or belief)  Marriage or Civil Partnership

3. Please indicate which **aims of the equality duty** the relevance assessment identified as relevant to the function being assessed (tick below):

Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act

Advance equality of opportunity between those who share a protected characteristic and those who do not

Foster good relations between people who share a protected characteristic and those who do not

### Equality Impact Assessment Template

1. About your function

<p>Briefly describe the key delivery objectives of the function being assessed</p>	<p>The Council is looking to reduce spend by up to £2m on the Council's Council Tax Support scheme for working age claimants from 2017/18 onwards. This is part of a wider budget consultation looking to reduce spend. This part of that wider consultation has a shorter timescale as the Council must set its scheme by 31 January 2017.</p> <p>There are four main options plus a further option that may come from the consultation. Also we are looking to align the scheme to Housing Benefit rules. There was a consultation period from 3 November to 15 December 2016 for residents to consider these proposals. The proposals are as follows including the option if the financial settlement allows:</p> <p>VII. That the Council's Council Tax Support scheme is based on option one <u>Option one</u> The Council would pay Council Tax Support based on:</p> <ul style="list-style-type: none"> <li>All awards will be based on a maximum of 80% of the Council Tax charge for the property (This means that the maximum a household could receive would be 80% of the Council Tax due). All households will have to pay a minimum of 20% of the Council Tax due.</li> </ul> <p>VIII. That if the financial settlement allows, then option two should be considered. <u>Option two</u> The Council would pay Council Tax Support based on:</p> <ul style="list-style-type: none"> <li>All awards will be based on a maximum of 82.5% of the Council Tax charge for the property (This means that the maximum a household could receive would be 82.5% of the Council Tax due). All households will have to pay a minimum of 17.5% of the Council Tax due.</li> </ul> <p>IX. That option three is explored as part of the consultation as an alternative to option one above. <u>Option three</u></p>
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	<p>The Council would pay Council Tax Support based on:</p> <ul style="list-style-type: none"><li>• Only pays benefit based on the Council Tax of a band A property, irrespective of the band of the property where the Council Tax is due; and</li><li>• Assesses all awards on 83% of the Council Tax that is due, meaning that all working age households have to pay a minimum of 17% of the Council Tax that is due.</li></ul> <p>X. That option four is explored as part of the consultation as an alternative to option one above. <u>Option four</u> The Council would pay Council Tax Support based on:</p> <ul style="list-style-type: none"><li>• For people in property banded C or higher, only pays benefit based on the Council Tax of a band B property, irrespective of the band of the property where the Council Tax is due; and</li><li>• Assesses all awards on 81% of the Council Tax, meaning that all working age households have to pay a minimum of 19% of the Council Tax that is due.</li></ul> <p>XI. That proposals for other options are requested as part of the consultation exercise. These proposals would be required to deliver the reduction in Council Tax Support costs or alleviate the funding gap of up to £2m.</p> <p>XII. That the following changes to align the Council Tax Support scheme to Housing Benefit and other DWP means tested benefits are made:</p> <ol style="list-style-type: none"><li>1. When working out entitlement to Council Tax Support the Council will disregard capital relating to payments made directly to a parent for the purposes of meeting their child's special educational needs</li><li>2. The Council will use the date of change rather than Monday after for any award or increase of a DWP benefit</li><li>3. The Council will increase the length of time that a claimant has to notify us of a beneficial change from three weeks to one month. If we are told after one month we will action this from the Monday after we are notified of the change rather than the Monday after the change occurred.</li></ol>
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	<ol style="list-style-type: none"> <li>4. When working out entitlement to Council Tax Support the Council will no longer include a family premium in the applicable amount for all <b>new</b> claims with dependants, aligning to Housing Benefit rules.</li> <li>5. The Council will reduce the period of time where a person is outside Great Britain for any reason and still treated as occupying the property from thirteen weeks to four weeks.</li> <li>6. When working out entitlement to Council Tax Support the Council will only take into account two children in the calculation. This will only affect anyone who has a child or responsibility for a new child after 1<sup>st</sup> April 2017, aligning to Housing Benefit rules.</li> </ol>
<p>What are the desired outcomes from this function?</p>	<p>The Council is looking to reduce spend by up to £2m on the Council's Council Tax Support scheme for working age claimants from 2017/18 onwards. When doing this it will update the local Council Support scheme for 2017/18 in line with the following principles:</p> <p><u>Compliance with statutory duties</u></p> <ul style="list-style-type: none"> <li>• The Council will comply with its duties in relation to the Equality Duty (Equality Act 2010), duty to mitigate the effects of child poverty (The Child Poverty Act 2010) and the duty to prevent homelessness (The Housing Act 1996).</li> <li>• Any new proposals will be subject to appropriate consultation and the outcome of the consultation will be subject to a full equality impact assessment.</li> </ul> <p><u>Claims from people over pension age</u></p> <ul style="list-style-type: none"> <li>• People over pension age are excluded from these changes.</li> </ul> <p>The Government has determined that people over the state pension age for women, and younger people with a partner over the state pension age for women, will receive help with Council Tax under a national scheme as now. The Council has no power to reduce the level of entitlement provided by this scheme.</p>



	<p><u>Claims from people of working age</u></p> <ul style="list-style-type: none"> <li>• Given the reduction in Government funding, people of working age will receive less help with their Council Tax.</li> <li>• The Council will seek to spread the impact of this cut as fairly as possible.</li> <li>• Everybody of working age will be affected; nobody will have their full Council Tax covered by Council Tax Support.</li> <li>• The Council will recognise the needs of those with children, disability or caring responsibilities by retaining features of the current scheme that address those needs.</li> <li>• While many claimants receive Housing Benefit and DWP means-tested benefits, the Council will use information from these benefits and align rules for Council Tax Support with the rules for these benefits as far as possible to avoid further means-testing and additional administration.</li> <li>• The Council will seek to ensure that its scheme does not undermine incentives to work.</li> <li>• The Council will continue to disregard war disablement pensions and pensions for war widows and widowers.</li> <li>• Administration should be simplified.</li> <li>• The scheme will attempt to provide for people on Universal Credit to receive a similar level of Council Tax Support on a similar basis to those on the present schemes of national means-tested benefits and tax credits.</li> </ul> <p>The Council will annually review the scheme and make any necessary changes, where necessary subject to appropriate consultation.</p>
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2. About your customer

Do you currently monitor the function by the following protected characteristics?	Protected Characteristics	Y/N	If no, please explain why this is the case and / or note how you will prioritise gathering this equality data
	Race	Y	
	Gender (inc. gender	Y	

	reassignment, pregnancy and maternity)		
	Disability	Y	
	Sexuality	N	No relevance or impact
	Age	Y	
	Religion or belief (or lack of religion or belief)	N	No relevance or impact
	Marriage or civil partnership	N	No relevance or impact
<p><b>4.</b> What information has been analysed to inform the content of this EIA?</p> <p><b>Please include</b> details of any data compiled by the service, any research that has been undertaken, any engagement that was carried out etc.</p>	<p>Council Tax Support caseload data on</p> <ul style="list-style-type: none"> <li>• Ethnicity for 78% of the overall caseload on Council Tax Support (81.6% of working age caseload)</li> <li>• Ethnicity and Council Tax band</li> <li>• Ethnicity of caseload</li> <li>• Disability</li> <li>• Single parents</li> <li>• Carers</li> <li>• Age</li> <li>• Gender</li> <li>• Single claimants by band</li> <li>• Single claimants with dependants by band</li> <li>• Couples claiming by band</li> <li>• Couples with dependants by band</li> <li>• Households by band with children and without children</li> </ul> <p>Plus Manchester Factsheet Consultation exercise</p>		

3. Delivery of a customer focused function

Does your analysis indicate a disproportionate impact relating to <b>race</b> ?	Y	N	
<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p><b>x</b></p>		<p>Statistics show the ethnicity of the current Council Tax Support caseload plus ethnicity and Council Tax bandings as at 3 October 2016. There is ethnicity for 78% of the caseload overall. For working age caseload the figure is 81.6%. The data includes cases of individuals categorised as 'missing'. For the purposes of this analysis the missing individuals have been discounted, as there is no way of identifying their ethnicity and their inclusion therefore corrupts the statistics.</p> <p><b>For options one and two based on a % reduction across the board (see section 1 page 3).</b></p> <p>Options one and two replicate the current approach of everyone paying a proportion of the Council Tax and will not disproportionately impact as it is the same approach we currently use. This is the approach favoured by the Council.</p> <p><b>For options three and four (see section 1 page 4).</b></p> <p>White British make up 46% of the caseload and 59.3% of residents in Manchester. They are affected across all the bands. There are high numbers in all the bands – 48% in band A, 40% in band B, 30.9% in band C, 29.1% in band D, 28.8% in Band E, 28.6% in band F and 33.3% in band G.</p> <p>Asian / Asian British Pakistani make up 5.4% of the caseload and are affected across all the bands. They have 22.9% of the claims (eight) in band F and 33.3% of the claims in band G (only 1 claim). They make up 8.5% of the overall population. Although the numbers are low and not likely to be statistically valid it does show that options three and four may impact disproportionately on Pakistani and other BME residents.</p>

The above suggests that options one and two are the most balanced. These are the Council's favoured options. Options one and two replicate the current approach of everyone paying a proportion of the Council Tax and will not disproportionately impact as it is the same approach we currently use.

#### **Proposal VI**

1. When working out entitlement to Council Tax Support the Council will disregard capital relating to payments made directly to a parent for the purposes of meeting their child's special educational needs. **Beneficial and EIA not applicable**
2. The Council will use the date of change rather than Monday after for any award or increase of a DWP benefit. **Beneficial and EIA not applicable**
3. The Council will increase the length of time that a claimant has to notify us of a beneficial change from three weeks to one month. If we are told after one month we will action this from the Monday after we are notified of the change rather than the Monday after the change occurred. **Beneficial and EIA not applicable**
4. When working out entitlement to Council Tax Support the Council will no longer include a family premium in the applicable amount for all **new** claims with dependents, aligning to Housing Benefit rules. **This proposal only affects any new claims and existing claims without children where a first child is born or a child joins the household. So there is existing protection for current benefit claimants unless there is a change of circumstance as outlined above. However our data shows that certain BME groups in receipt of Council Tax Support have a higher proportion of households with child/ren than those that don't which may lead to an impact in the future. These are Bangladeshi, Pakistani, African and Somali. Plus Gypsy/Traveller, Kashmiri and Roma although the numbers in receipt of Council Tax Support are low. We will work with Communications team to ensure people are aware of the changes ahead of them coming in. In exceptional circumstances the Council could consider making an award of Discretionary Council Tax Support.**
5. The Council will reduce the period of time where a person is outside of Great Britain

for any reason and still treated as occupying the property from thirteen weeks to four weeks. **There are exceptions in the Housing Benefit rules and we will mirror these in the Council Tax Support rules.** For example if the absence from Great Britain is in connection with the death of:

- a partner;
- a child or young person for whom they or their partner are responsible;
- their or their partner's close relative;
- or a close relative of a child or young person for whom they or their partner are responsible;

If the above applies then the standard four week period of absence may be **extended by up to four further weeks** if we are satisfied that it is unreasonable to expect the person to return within the first four weeks.

An absence **from Great Britain** can be allowed for **up to 26 weeks** in the following circumstances (the absence must be unlikely to exceed 26 weeks, or in exceptional circumstances not substantially exceed 26 weeks):-

- A person is absent abroad in order to receive medical treatment.
- A person is accompanying a partner, child or qualifying young person for medical treatment abroad.
- A person is resident in hospital or similar institution as a patient.
- A person, their partner or dependent child is undergoing medical treatment or medically approved convalescence in accommodation other than residential accommodation.
- A person is a mariner or a continental shelf worker (for example someone working on an oil rig in the North Sea).
- A person is a member of the armed forces posted overseas.
- A person is absent through fear of violence, in their home, or by a person who was

	<p>formerly a member of the family.</p> <p>6. When working out entitlement to Council Tax Support the Council will only take into account two children in the calculation. This will only affect anyone who has a child or responsibility for a new child after 1<sup>st</sup> April 2017 and aligns to Housing Benefit rules. <b>This proposal only affects anyone who has an additional child or responsibility for a new child. So there is existing protection unless there is a change of circumstance as outlined above. However our data shows that certain BME groups have a higher proportion of households with more than two children which may lead to an impact in the future. These are Bangladeshi, Pakistani and Somali. Plus Gypsy/traveller and Roma although the numbers in receipt of Council Tax Support are low. We will work with Communications team to ensure people are aware of the changes ahead of them coming in. In exceptional circumstances the Council could consider making an award of Discretionary Council Tax Support.</b></p>		
Which action plans have these actions been transferred to?	Management Action plan		
Does your analysis indicate a disproportionate impact relating to <b>disability</b> ?	Y	N x	
<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p>The existing Council Tax scheme which will continue already demonstrates such consideration of disabled people’s needs by including a reduction in Council Tax for people with ‘substantial or permanent’ physical, learning or mental health disabilities.</p> <p><b>For options one and two based on a % reduction across the board (see section 1 page 3).</b></p> <p>Options one and two replicate the current approach of everyone paying a proportion of the Council Tax and will not disproportionately impact as it is the same approach we currently</p>		

	<p>use.</p> <p><b>For options three and four (see section 1 page 4).</b></p> <p>For the proposals relating to band capping 86.8% of disabled households are in band A and 8.9% in band B. 1% is in bands D to E and there are none in bands F and G who potentially will have the most to pay. This indicates that they are less likely to be affected by this and this option would be better for them so not likely to be disproportionately affected.</p> <p>The proposed schemes will also continue to include premiums for disability, enhanced and severe disability plus premiums for disabled children.</p> <p><b>For proposal VI (see section 1 page 5)</b> For proposal VI none of the proposals disproportionately disadvantage people by disability.</p>					
<p>Which action plans have these actions been transferred to?</p>						
<p>Does your analysis indicate a disproportionate impact relating to <b>Gender</b> (including gender reassignment or pregnancy and maternity)?</p>	<table border="1"> <tr> <th data-bbox="757 820 882 900">Y</th> <th data-bbox="882 820 1016 900">N</th> </tr> <tr> <td data-bbox="757 900 882 1043">x</td> <td data-bbox="882 900 1016 1043"></td> </tr> </table>	Y	N	x		
Y	N					
x						
<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p>The 2011 census indicates that Manchester's gender representation is 50.6% male, 49.4% female overall.</p> <p>Overall data from the Benefits Service shows the following numbers for working age claimants</p> <p>Overall the number of claimants is 41,331            9,330 are couples. Of these 6,829 have children, 2,501 no children            11,374 are single males. Of these 500 have children, 10,874 no children            20,627 are single females. Of these 11,174 have children, 9,453 no children</p>					

95% of single parent women are in bands A and B. 84% in band A

96% of single parent men are in bands A and B. 86% in band A

There are 6,829 couples with child/ren. 77% in band A, 91% are in bands A and B

**For options one and two based on a % reduction across the board (see section 1 page 3).**

Since there are a larger proportion of women that are single parents than men, a larger proportion of women will be affected by any change. The bulk of single parents are in bands A and B where the reduction is least. The Council's favoured option one plus option two replicate the current approach of everyone paying a proportion of the Council Tax and will not disproportionately impact as it is the same approach we currently use.

**For options three and four (see section 1 page 4).**

5% of single parent women are in bands C to E. There are none in bands F and G.

4% of single parent men are in bands C to E. There are none in bands F and G.

9% of couples are in bands C to F.

**In summary**

Notwithstanding this, the nature of the scheme's effects is not changing. The current scheme makes a wide range of provision that recognises the needs for those with children (in the applicable amount, in disregarding childcare costs). These features have stood the test of time and we continue to retain them in the Council Tax Support scheme.

This effectively anticipates and mitigates any potential adverse impact arising from a resident's gender.



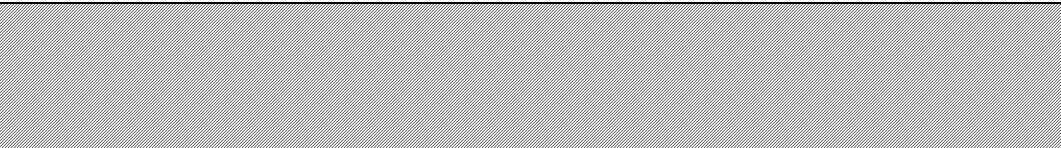

Similarly, the proposed scheme's principles do not differentiate on the grounds of gender reassignment, and this does not affect the calculations in respect of an individual's Council Tax Support.

#### **Proposal VI**

1. When working out entitlement to Council Tax Support the Council will disregard capital relating to payments made directly to a parent for the purposes of meeting their child's special educational needs. **Beneficial and EIA not applicable**
2. The Council will use the date of change rather than Monday after for any award or increase of a DWP benefit. **Beneficial and EIA not applicable**
3. The Council will increase the length of time that a claimant has to notify us of a beneficial change from three weeks to one month. If we are told after one month we will action this from the Monday after we are notified of the change rather than the Monday after the change occurred. **Beneficial and EIA not applicable**
4. When working out entitlement to Council Tax Support the Council will no longer include a family premium in the applicable amount for all **new claims with dependents, aligning to Housing Benefit rules. There are more female single parents than males or couples with children. This rule will be for new claims or where there is a change so it won't affect existing claims. There is protection for current benefit claimants unless there is a change of circumstance as outlined above. Even so, this may lead to a disproportionate impact on female single parents. We will work with Communications team to ensure people are aware of the changes ahead of them coming in. In exceptional circumstances the Council could consider making an award of Discretionary Council Tax Support.**
5. The Council will reduce the period of time where a person is outside of Great Britain for any reason and still treated as occupying the property from thirteen weeks to four weeks. **Not applicable**
6. When working out entitlement to Council Tax Support the Council will only take into account two children in the calculation. This will only affect anyone who has a child

	<p>or responsibility for a new child after 1<sup>st</sup> April 2017 aligning to Housing Benefit rules. <b>This is to align with Government’s policy intention. We currently have 5,549 households with two or more children claiming Council Tax Support. These will not be impacted unless they have a child or responsibility for a new child after 1 April 2017. The Government will also introduce exemptions which we will mirror in our scheme. In exceptional circumstances the Council could consider making an award of Discretionary Council Tax Support.</b></p>						
<p>Which action plans have these actions been transferred to?</p>	<p>Management Action plan</p>						
<p>Does your analysis indicate a disproportionate impact relating to <b>age</b>?</p>	<table border="1"> <tr> <td data-bbox="750 612 880 683">Y</td> <td data-bbox="884 612 1014 683">N</td> </tr> <tr> <td data-bbox="750 686 880 756"></td> <td data-bbox="884 686 1014 756">x</td> </tr> </table>	Y	N		x		
Y	N						
	x						
<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p>The scheme changes proposed will not affect older people. The impacts will be on working age claimants only.</p> <p>The bulk of claimants affected are aged between 36 and 55. Of 22,330 claimants, 18,740 (84%) are in band A and 2,300 (10% in band B)</p> <p><b>For options one and two based on a % reduction across the board (see section 1 page 3).</b></p> <p>Options one and two replicate the current approach of everyone paying a proportion of the Council Tax and will not disproportionately impact as it is the same approach we currently use.</p> <p><b>For options three and four (see section 1 page 4).</b></p> <p>6% of people aged 36 to 55 are in band C and above, 4% of 22-35 year olds, 7% of under 22s and 5% of over 55s. This indicates that it is proportionate across the ages.</p>						

	<p><b>For proposal VI (see section 1 page 5)</b> For proposal VI none of the proposals disproportionately disadvantage people by age.</p>		
Which action plans have these actions been transferred to?			
Does your analysis indicate a disproportionate impact relating to <b>sexual orientation</b> ?	Y	N	
		x	
<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p>The Council Tax Support claimant profile is not disaggregated between different sexuality types as this would not be relevant to the nature of the service. While this prevents an assessment of whether the proposed changes affect a greater proportion of people due to sexual orientation, it does not affect the nature of the scheme; the scheme's principles do not differentiate on the grounds of sexuality and an individual's sexuality has no influence over the calculations of entitlement.</p> <p>Therefore whilst it is possible that a disproportionate ratio of LGBT people may be affected, how they will be affected is no more or less favourable than non LGBT people.</p>		
Which action plans have these actions been transferred to?			
Does your analysis indicate a disproportionate impact relating to <b>religion and belief</b> (including lack of religion or belief)?	Y	N	
		x	

<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p>The current Council Tax scheme offers a member of religious community a special discount. This discount will continue to be available.</p> <p>The religion and belief of claimants has not been monitored and whilst we cannot make assumptions there is nothing that shows that the proposed options impact on religion or belief.</p>		
<p>Which action plans have these actions been transferred to?</p>			
<p>Does your analysis indicate the potential to <i>cause discrimination</i> in relation to <b>marriage and civil partnership</b>?</p>	<p><b>Y</b></p>	<p><b>N</b></p>	
<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>		<p><b>x</b></p>	
<p>Which action plans have these actions been transferred to?</p>			
<p>Does your analysis indicate a disproportionate impact relating to <b>carers</b>?</p>	<p><b>Y</b></p>	<p><b>N</b></p>	
		<p><b>x</b></p>	

<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p>The welfare scheme has provision within it such as Carer's Allowance if caring for someone at least 35 hours per week. There are also other benefits for carers and those cared for such as Attendance Allowance, Carer's Credit, DLA for adults, PIP and Constant Attendance Allowance.</p> <p>The existing Council Tax Support scheme recognises the important work carers do and contains a carer's premium in the assessment of the needs allowance (the applicable amount). Our proposals will continue to keep this.</p> <p>Where there is a resident carer they are not counted as a non-dependant in certain circumstances.</p> <p>In addition the Council Tax scheme contains a number of quite limited provisions relating to disability. The two significant ones are the reduction of liability by the equivalent of one band for people with wheelchair-friendly accommodation and the exemption of people with severe mental impairment.</p> <p>Of 3,614 households in receipt of the carer premium for Council Tax Support 81% are in band A and 12% in band B.</p> <p><b>For options one and two based on a % reduction across the board (see section 1 page 3).</b></p> <p>Options one and two replicate the current approach of everyone paying a proportion of the Council Tax and will not disproportionately impact as it is the same approach we currently use. Option one is the favoured option of the Council. The bulk of people in receipt of the carer premium are in bands A and B</p> <p><b>For options three and four (see section 1 page 4).</b></p> <p>Whilst the bulk of carer households are in bands A to B, there are 68 in bands C and above. See above for the welfare scheme and our Council Tax Support scheme recognises this.</p> <p><b>For proposal VI (see section 1 page 5)</b></p>
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	For proposal VI none of the proposals disproportionately disadvantage carers.
Which action plans have these actions been transferred to?	
<b>Results of the consultation – impact on the EIA</b>	
<p>The consultation exercise has now been completed and we received 1,996 responses. The responses received were from a broadly representative sample of Manchester residents based on gender, ethnicity, disability and caring responsibilities. Around half of the responses were from people in receipt of Council Tax Support – see appendix three of the main report for the full details.</p> <p>In terms of the results the consultation supports the EIA in that option one is the preferred option with 55% of respondents who answered this question choosing this as the preferred option. This supports our own analysis on data held and knowledge of the caseload.</p> <p>Of the six options to align the scheme to Housing Benefit and other DWP means tested benefit the consultation showed that more respondents agreed or strongly agreed than those who disagreed or strongly disagreed.</p> <p>It must be noted that any change to the scheme that is less generous does directly impact on Manchester residents across the demographic split identified in the report</p>	

EIA Action Plan

Service / Directorate lead: Mark Holroyd  
Strategic Director: Julie Price  
Equality Team lead: Keiran Barnes

Actions identified from EIA	Target completion date	Responsible Officer	Is this action identified in your Directorate Business Plan and / or Equality Action Plan? (Yes / No / n/a)	Comments

Actions identified from EIA	Target completion date	Responsible Officer	Is this action identified in your Directorate Business Plan and / or Equality Action Plan? (Yes / No / n/a)	Comments
<b>We will work with Communications team to ensure people are aware of the changes ahead of them coming in.</b>	24 March 2017	Mark Holroyd	We will include it in our Management Action plan	
<b>Review, and update if necessary, the Discretionary Council Tax Support policy in line with the removal of the family premium and restriction to two children in the Council Tax Support calculation.</b>	24 March 2017	Mark Holroyd	We will include it in our Management Action plan	

5. Director level sign off

Name:	Julie Price	Date:	
Directorate:	Corporate Core	Signature:	