

10 DECEMBER 2019

KEY DECISION: NO

COUNCIL TAX SUPPORT SCHEME 2020/21

SUMMARY

This report sets out the work undertaken by the Council Tax Support Task and Finish Group to review the Council's Council Tax Support Scheme (CTSS) and recommends action as follows.

RECOMMENDATIONS

Cabinet are requested to:

1. Recommend to full council that the existing scheme is continued for 2020/21
2. Note the deliberations and considerations of the Council Tax Support Task and Finish Group in arriving at recommendation 1 above
3. Note that the group have recommended a review of the current CTSS starting in 2020 as a result of the following factors:
 - As Universal Credit (UC) continues to roll out in Rushmoor there are emerging issues which show that the current CTS scheme is moving away from being compatible with the new benefit
 - Long Term affordability issues
 - The current scheme is complex and needs to be easier to administer and easier to understand for residents.

1. BACKGROUND

- 1.1. Since 1st April 2013 local authorities have been providing their own CTSS to replace the previous national Council Tax Benefit Regulations, which had supported residents with their Council Tax costs.
- 1.2. Whilst local authorities have the freedom to set their own local schemes, based on local circumstances and needs, local authorities are required to provide pensioners with the same level of support received under the previous national Council Tax Benefit arrangements.

- 1.3. Accordingly, most local authorities have devised hybrid schemes, whereby those of pensionable age receive up to 100% of their Council Tax bill in support, whilst the maximum level of support for working age customers is typically lower and a range of other local adjustments have been made.
- 1.4. In Rushmoor we are in our seventh year of operating our local scheme, which has been overseen by a cross-party Member Welfare Group, superseded in 2018 by the Council Tax Support Task and Finish Group convened by the Overview and Scrutiny Committee.
- 1.5. Rushmoor's local scheme has proved effective and Council Tax collections rates remain high at 97.9% for 18/19, marginally down from 98% in 17/18. A change to the maximum support someone can receive if they are of working age was reduced from April 18 to 88% from 90%. Early indications show that the collection rate is still on track to be around the same level as 18/19, however the situation is being closely monitored to understand the impact. The Group are keen to continue to oversee the impact of this change on our resident's ability to pay their council tax. However, those in receipt of CTS are generally continuing to meet their Council Tax liabilities; however, the collection rate within the CTS group is lower than across the whole of the Borough. Current payment rates for those of working age in receipt of CTS are running at around 97.8%.

2. WORK OF THE COUNCIL TAX SUPPORT TASK AND FINISH GROUP

- 2.1. A Council Tax Support Task and Finish Group was established last year, as a sub-group of the Overview and Scrutiny Committee (OSC) and has been working to the previously agreed terms of reference.
- 2.2. The Group met on 1st August 2019 and 8th October 2019 to make their recommendation.
- 2.3. The Group considered a range of issues and associated data regarding the CTSS. The full presentational data is attached as Appendix 1.
- 2.4. The Group had requested at the June meeting that we ask Alex Hughes from Citizens Advice to come along to the August meeting to update the group on the current money challenges their clients are experiencing. The full presentation is attached in Appendix 1.
- 2.5. The Group weighed up several factors and paid specific attention to the following matters during their deliberations:
 - Current collection rate for Council Tax payments in Rushmoor amongst CTS recipients
 - How collection rate last year compares in Rushmoor this year, as opposed to previous years
 - Early collection rate data following the change in support from April 18
 - How collection rate compares in Rushmoor to other similar local authorities
 - How Rushmoor's current CTSS compares to other similar authorities

- How customers are being affected by changes to other welfare arrangements, particularly UC
- Whether other changes within the broader welfare system require reflection within Rushmoor's CTSS, particularly the fact that the current scheme is moving away from the traditional link with Housing Benefit
- Administrative issues and payment difficulties around the collection of Council Tax, caused by multiple changes to UC for people of working age
- Other broader general economic indicators

2.6 Having considered all the data available to answer the lines of enquiry set out in 2.5, the Group considered that there was only one potential option to recommend to Cabinet for consideration.

Option put forward by the Group

To maintain the CTSS for 2020/21, as an identical scheme to the current year, whilst the Council Tax Support and Finish Group continue to monitor the impact of the changes introduced in 2018. In addition to undertake a fundamental review of the Scheme starting in 2020. Specifically, to consider the impact of UC on the customers and the Council; to look at changes to reduce the administrative burdens on the Council as the Scheme moves away from Housing Benefit; and to make the scheme simpler to administer and easier to understand for the customer. The intention would be to recommend changes based on significant evidence and data for future consultation with the public and the major preceptors.

2.7 The Group developed the following rationale in respect of the option set out in 2.6 above.

In support of the Option put forward:

- Table 1 in this report shows that Rushmoor continues to enjoy a robust collection rate for Council Tax and Table 2 confirms that other local authorities, with higher minimum contribution schemes, continue to enjoy robust collection rates
- Table 2 in this report shows that Rushmoor's current scheme continues to be at the lower end of similar authorities CTSS, where a minimum contribution is required (others in the Audit Family seek minimum contributions of between 15% and 45%)

2.8 The Group recognises that the emerging data around UC shows an impact on both the customer and the Council. However, at this time the Group felt the data was still emerging slowly and that they would not be in the best position to recommend the final scheme until they have had details of extensive modelling of changes on our data to see what the potential impacts are on our residents.

TABLE 1: Table of Council Tax collection rates within Rushmoor, for those receiving CTS

CTS collection Rates at date stated	Collection rate for those of Working age	Collection Rate for Pensioners
September 18	83.4%	91.9%
2 March 19	90.2%	95.8%
July 19	92.2%	95.7%
September 19	92.3%	95.8%

Table 2: List of Local Authorities within the same Audit Family demographic as Rushmoor, showing Council Tax collection rates and details of respective CTSS.

Local Authority	Collection rate 17/18	Collection rate 18/19	Minimum Contribution 18/19	Band Cap
North Hertfordshire	99.2	98.4%	25%	N/A
Rugby	98.5	98.1%	15%	N/A
High Peak	98.4	98.4%	0	N/A
Wellingborough	98.1	98.2%	20%	N/A
Worcester	98.1	98.1%	0	D
Rushmoor	98	97.8%	12%	D
Cherwell	97.9	98.3%	0	N/A
East Staffordshire	97.8	97.8%	25%	D
Colchester	97.8	97.9%	20%	D
Kettering	97.8	97.9%	45%	N/A
South Ribble	97.5	97.4%	17%	N/A
Broxbourne	97.4	97.6%	25%	E
Gloucester	97.1	96.7%	0	N/A
Gravesham	97	96.9%	20%	N/A
Dartford	97	96.9%	19%	N/A

3. LEGAL IMPLICATIONS

- 3.1 There are no specific legal implications resulting from this report. The Council has already had an established CTSS and if it wishes to amend the scheme, is legally required to consult on scheme changes and consider the result of such consultation.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications for carrying out the review, which will be managed within existing resources and budgets.

5. CONCLUSIONS

- 5.1 Cabinet are asked to consider the issues raised in this report and to follow the Group's recommendation, that the Option as described in 2.5 above, be adopted.

Councillor Diane Bedford
Chairman of Council Tax Support Task and Finish Group

BACKGROUND DOCUMENTS:

Appendix 1

- 1st August 2019 Presentation to CTS Task and Finish Group
- 1st August 2019 Presentation to CTS Task and Finish Group 'Money Challenges for Citizens Advice Clients' Alex Hughes
- 8th October 2019 Presentation to CTS Task and Finish Group

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Council Tax Support Task and Finish Group

Thursday 1st August 2019

Agenda

- To review the information asked for at the last meeting:
 - Presentation from Alex Hughes Citizens Advice – impact of Welfare Reform and CTS locally
 - Numbers in receipt of Welfare Benefits locally
 - Council Tax Support caseloads in Hampshire
 - Hampshire authorities schemes
- Members to agree way forward for the 2020/21 CTS scheme

Money Challenges for Citizens Advice Clients



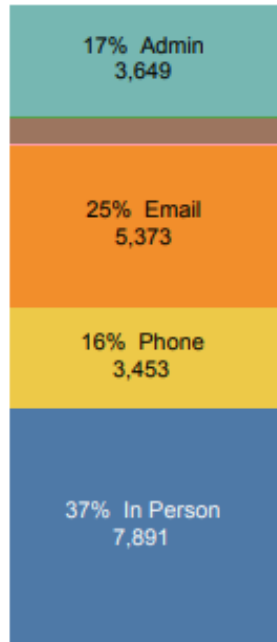
Rushmoor



Our data and insight

Our service delivery for 2018/19 covered:

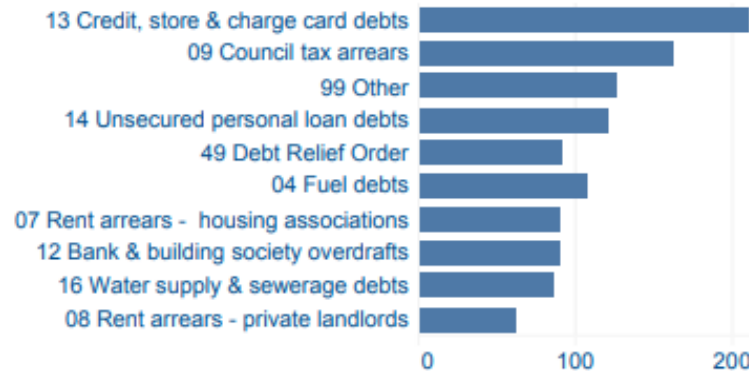
Channel



Top benefit issues



Top debt issues



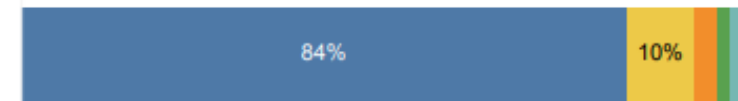
Gender



Disability / Long-term health



Ethnicity



Our Value to Society in 2018/19



906 clients gain a new award or an increase to their benefit worth a total of **£5,611,819** an average of **£6,197** per client



612 clients with debt issues 81% of which were resolved including **£1,513,675** written off, an average of **£12,263** per client



293 clients successfully claim one-off awards or other outcomes, worth **£802,175**, an average of **£2,430** each



£8,327,370 of improvement in health, well-being, participation and productivity for the **8936** clients we helped in 2018-19



£460,249 in savings to our local authority and local housing providers by preventing evictions & homelessness



£303,880 total savings to the NHS, and **£869,383** saving to the Department for Work and Pensions by keeping people in work

Focus on Debt and Money

Our approach

- Light touch support (including online help)

<https://www.citizensadvice.org.uk/debt-and-money/>

- Assessment and relevant tools shared – “supported self help”
- Detailed advice and support to use the tools available
- In depth casework, including Debt Relief Orders and Bankruptcy
- Our staff and volunteers bring, expertise, alongside up to date training and information

The screenshot shows the Citizens Advice website interface. At the top left is the 'citizens advice' logo. To the right are links for 'Public site', 'AdviserNet', 'CABlink', 'BMIS', 'Cymraeg', and 'Sign out'. Below this is a search bar. A dark blue navigation bar contains links for 'Benefits', 'Work', 'Debt and money', 'Consumer', 'Housing', 'Family', 'Law and courts', 'Immigration', 'Health', and 'More from us'. Below the navigation bar, the page is titled 'England > Debt and money'. The main heading is 'Debt and money'. A paragraph explains that dealing with money issues can be off-putting and offers information on credit, mortgages, debt problems, and financial recovery. Below this are six content boxes: 'Help with debt' (with a description of getting help to work out money owed), 'Debt solutions' (with links for Bankruptcy, Debt management plans, Debt relief orders, Individual voluntary arrangements, Administration orders, and Debt remedy tool), 'Debt and money search' (with a search bar and 'Search' button), 'Budgeting' (with a description of using a budgeting tool), 'Mortgage problems' (with links for Managing your mortgage and How to sort out your mortgage problems), and 'Rent arrears' (with links for Dealing with rent arrears, Paying off your rent arrears - overview, and Paying off your rent arrears).

Welfare Reform Context



Most debt and money problems we see have a close link with welfare benefits challenges

- Ongoing welfare reform programme
- Reductions in overall income for families (including working families)
- Changes to disability benefits (Employment Support Allowance and Personal Independence Payments)
- Introduction of Universal Credit – payment delays, digital access, budgeting challenges

Debt and Money Clients

Gender



Disability / Long-term health



Ethnicity



We're here for **everyone**

- Some just need pointing in the right direction, whilst others need more reassurance and support
- Many people we see face severe personal challenges – poor mental or physical health, relationship or domestic abuse issues
- Where there are literacy, numeracy and language barriers, a lot of ongoing support is needed
- Most debt clients are past the “just about managing” stage – precarious with little or nothing to spare
- Sometimes our help is just about “holding” action to give some breathing space ...

Household 1 - Shirley

Shirley has been borrowing to make ends meet, with 3 unsecured debts amounting to just under £4,000

Gaps in her budget include insurance with, very little allowed for other expenses.

She gets full CTS currently. But if she had to pay 20% it would push her already precarious budget into deficit.

What would you cut back on?
What should she do?

Household 1				
1 adult and 2 children under 16				
<i>Social housing tenant with rent arrears and credit card debts</i>				
Weekly Income	Current	Less 20% CTS	Weekly Expenses	Current
				Weekly
Wages/salary			Rent Arrears (otherwise covered by HB)	£30.00
Wages/salary - partner			Council Tax Arrears (otherwise CTS)	£14.50
Job Seekers Allowance			Water Rates	£8.30
Income Support	£73.10	£73.10	Building /Contents Insurance	
Working Tax Credit			Life Insurance /Pension	
Child Tax Credit	£117.48	£117.48	Gas	£2.65
Child Benefit	£34.40	£34.40	Electricity	£8.15
Housing Benefit (full rent covered)			Food / Household items	£129.66
Council Tax Support	£16.89	£13.51	TV Licence	£3.86
Maintenance/Child Support	£7.02	£7.02	TV Rental / Cable / Satellite	£4.32
			Travelling Expenses	£20.00
TOTAL INCOME	£248.89	£245.51	Car Tax / Insurance	
			School Meals / Meals at work	
			Clothing	£15.48
TOTAL INCOME	£248.89	£245.51	Telephone / Mobile	£6.97
TOTAL EXPENSES	£248.89	£248.89	Prescriptions /Dentist /Optician	
			Pocket Money	£5.00
BALANCE	£0.00	-£3.38	TOTAL EXPENSES	£248.89

Household 2 - Tom

Household 2

2 adults; 3 children under 16 - one adult works part time, owns 1 car
Private tenant, total credit debts of £4k

Weekly Income			Weekly Expenses	
	Current	Less 20% CTS		Current
				Weekly
Wages/salary			Rent	£223.75
Wages/salary - partner	£90.51	£90.51	Council Tax	£29.24
Job Seekers Allowance			Water Rates	£9.23
Income Support			Building /Contents Insurance	
Working Tax Credit	£76.83	£76.83	Life Insurance /Pension	
Child Tax Credit	£171.18	£171.18	Gas	£13.85
Child Benefit	£48.10	£48.10	Electricity	£13.85
Housing Benefit (LHA)	£223.75	£223.75	Food / Household items	£137.31
Council Tax Support	£16.88	£13.50	Other Fuel	
			TV Licence	£7.22
TOTAL INCOME	£627.25	£623.87	Travelling Expenses	£12.46
			Car Tax / Insurance	£32.35
			School Meals / Meals at work	
			School Uniform / School costs	£35.46
TOTAL INCOME	£627.25	£623.87	Telephone / Mobile	£29.15
TOTAL EXPENSES	£543.87	£543.87	Prescriptions /Dentist /Optician	
BALANCE	£83.38	£80.00	TOTAL EXPENSES	£543.87

In addition to significant rent arrears, Tom has over 9 other creditors, owing nearly £5,000 in total

Although Tom's budget shows he has funds to spare, he clearly has not been managing, so more work is needed to establish where his funds are going

Although the changes in CTS won't make a significant impact on his budget, it will be one more thing that limits his options as he tries to reach affordable payment plans.

Household 4 - Cara

Household 4

2 adults (one is a carer) and 1 child under the age of 16

Social housing tenant

Priority Debts for Rent, Gas, Electric, as well as other non priority debts

	Current	less 20% CTS		Weekly Expenses	Current
					Weekly
Wages/salary				Rent	£134.13
Wages/salary - partner				Council Tax	£25.58
Universal Credit				Water Rates	£8.77
Disability benefits	£81.90	£81.90		Building /Contents Insurance	
Carers Allowance	£66.15	£66.15		Life Insurance /Pension	
Child Tax Credit				Gas	£11.54
Child Benefit	£20.35	£20.35		Electricity	£11.54
Housing Benefit				Food / Household items	£100.00
Council Tax Support	£12.72	£10.18		Other Fuel	
Universal Credit	£181.85	£181.85		TV Licence	£3.05
TOTAL INCOME	£362.97	£360.43		Phone/ TV package	£11.54
				Car Tax / Insurance	
				School Meals / Meals at work	
				Clothing	£12.98
TOTAL INCOME	£362.97	£360.43		Telephone / Mobile	£20.54
TOTAL EXPENSES	£339.67	£339.67		Prescriptions /Dentist /Optician	
BALANCE	£23.30	£20.76		TOTAL EXPENSES	£339.67

Cara is increasingly worried about her priority debts for her rent, water and gas arrears.

She is a full time carer for her mother, as well as having a young child at home.

Her surplus of £23.30 per week is barely enough to cover the minimum needed for her rent arrears, let alone her other debts.

A further reduction in her CTS would increase her stress and ability to continue to look after her family.

Household 5 - Brian

Brian has had to reduce his working hours as he is on a zero hours contract, meaning his income has reduced significantly.

He has built up a lot of priority debts due to his irregular income, including over £3,000 of Council Tax arrears, and significant rent, fuel and water arrears.

The impact of a further reduction on Brian's income would be a final straw for him.

Household 5					
Single person working under 16 hours pw					
Social tenant					
Weekly Income	Current	CTS - 20%	Weekly Expenses	Current	CTS - 20%
				Weekly	Weekly
Wages/salary	£33.80	£33.80	Rent	£114.23	£114.23
Wages/salary - partner			Council Tax	£29.23	£34.41
Universal Credit			Water Rates	£6.92	£6.92
Employment Support Allowance			Building /Contents Insurance	£3.00	£3.00
Carers Allowance			Life Insurance /Pension		
Child Tax Credit			Gas	£13.85	£13.85
Child Benefit			Electricity	£9.23	£9.23
Housing Benefit			Food / Household items	£23.08	£23.08
Council Tax Support	£25.92	£20.74	Other Fuel		
Universal Credit	£171.69	£171.69	TV Licence	£2.97	£2.97
TOTAL INCOME	£231.41	£226.23	Travelling Expenses		
			Phone/ TV package	£6.92	£6.92
			School Meals / Meals at work		
			Clothing	£2.31	£2.31
TOTAL INCOME	£231.41	£226.23	Telephone / Mobile	£5.31	£5.31
TOTAL EXPENSES	£229.28	£234.46	Prescriptions /Dentist /Optician	£3.46	£3.46
			Benefit advance recovery	£8.77	£8.77
BALANCE	£2.13	-£8.23	TOTAL EXPENSES	£229.28	£234.46

Our advice is effective.

Citizens Advice Rushmoor is committed to helping our clients to resolve their issues – often in circumstances when they would be unable to help themselves, due to illness or other challenges in their lives.

Problems don't happen in isolation and can have a severe consequences, especially with debt and housing. Solving those core issues stops other problems from escalating; and stops deterioration in mental health.

77% say that they couldn't have done it without us.



7 in 10 people
are helped to solve
their problem

Evidence shows there are systemic barriers or failures which stop people's problems from being solved.

2 in 5 people whose problems are not solved say it's because of another organisation or system.

Our advocacy work aims to remove these.

Our impact



7 in 10 people
felt less stressed,
depressed or anxious



Nearly 1 in 2
had more money or
control of their finances



2 in 5
had a more secure
housing situation



Nearly 1 in 2
felt their physical health
had improved



3 in 10
found it easier to do their
job or find a job



Nearly 1 in 2
felt they had better
relationships with others



3 in 5
found it easier to manage
day-to-day



**citizens
advice**

Rushmoor

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Updated 26/7/19



Local Welfare Benefits

Latest government data
Data Source: Stat-Xplore

Type of Benefit	Number
Personal Independence Payment (PIP) *	2016
Employment Support Allowance (ESA) *	2616
Disability Living Allowance (DLA) *	2006
Job Seekers Allowance (JSA)	299
Income Support (IS)	552
Universal Credit (UC)	1541

* People in receipt of ESA above can be getting DLA and PIP as well so there is double counting and not single claims in all case

Not in employment – Universal Credit	In employment – Universal Credit	Total in receipt of Universal Credit
907	637	1541



Hampshire Authority Caseload

Local Authority	Council Tax Support Caseload (includes joint claims and CTS only) end of 19/20
Basingstoke and Deane	7,743
East Hampshire	4,283
Eastleigh	5,051
Fareham	4,047
Gosport	4,926
Hart	2,652
Havant	9,560
New Forest	8,407
Rushmoor	4,663
Test Valley	5,040
Winchester	5,270

Council Tax Support Schemes

Councils' schemes differ substantially, which means that similar families can have very different council tax bills depending on where they live.

The most common level of minimum payment is 20% – adopted by 78 councils (almost a quarter) in 2018–19. But a fifth of councils have no minimum payment, and another fifth have minimum payments of over 20%, with the highest being 50% in North Lincolnshire.

LAs with higher minimum payments are more likely to have cut CTS in other ways as well.

Hampshire Authority Schemes

- 5 Authorities have no minimum contribution
- Remaining 6 Authorities have Minimum contributions vary between 8.5% – 30%
- Only 1 has a minimum award (Test Valley - £1)
- 5 Authorities have a band cap
- 1 Authority has an earning disregard (New Forest – first £25)

Authority	Min. contribution	Min award	Band restriction	Capital amount	Back dating	Child Benefit x disregarded	Child Maintenance x disregarded	War Pension	DLA / PIP	Second Adult Rebate	Any earning disregards	Any groups exempt
Basingstoke and Dene	0%	-	-	£16,000	1 Month	X	X	X	X	No	As HB £5 single, £10 couple, £25 lone parent or in receipt of disability premium	
Eastleigh	0%	-	D	£6,000	1 Month	X		X	X	No		
East Hampshire	0%	-	-	£16,000	6 Months	X	X	X	X	Yes		
Fareham	20%	-	C	£16,000	1 Month	X	X	X	X	No		Certain disabled groups support based on 100% and no band cap
Gosport	30%	-	C	£16,000	1 Month	X	X	X	X	No		
Hart	0%	-	-	£16,000	6 Months	X	X	X	X	Yes		
Havant	8.5%	-	-	£16,000	6 Months	X	X	X	X	Yes		Certain disabled groups support based on pensioners scheme.
Isle of Wight	30%		C	£6,000	1 Month	X	X	X	X	Yes		
New Forest	10%	-	D	£6,000	1 Month	X	X	X	X	Yes	First £25 of earnings	Applicant in receipt of DLA, PIP, Severe Disabled allowance labelled vulnerable and capital limit is £16,000
Portsmouth	20%	£2	C	£6,000	1 Month	X	X	X	X	Yes	As HB £5 single, £10 couple, £25 lone parent or in receipt of disability premium	Certain Disabled groups get a preferential percentage used for income over the applicable amount
Rushmoor	12%	-	D	£6,000	1 Month			X	X	Yes		
Southampton	25%			£16,000	4 Weeks	X	X	X	X	Yes		
Test Valley	10%	£1	-	£16,000	6 Months	X	X	X	X	Yes		
Winchester	0%	-	-	£16,000	1 Month	X	X	X	X	Yes		

*** % of CTS
claims per
population**

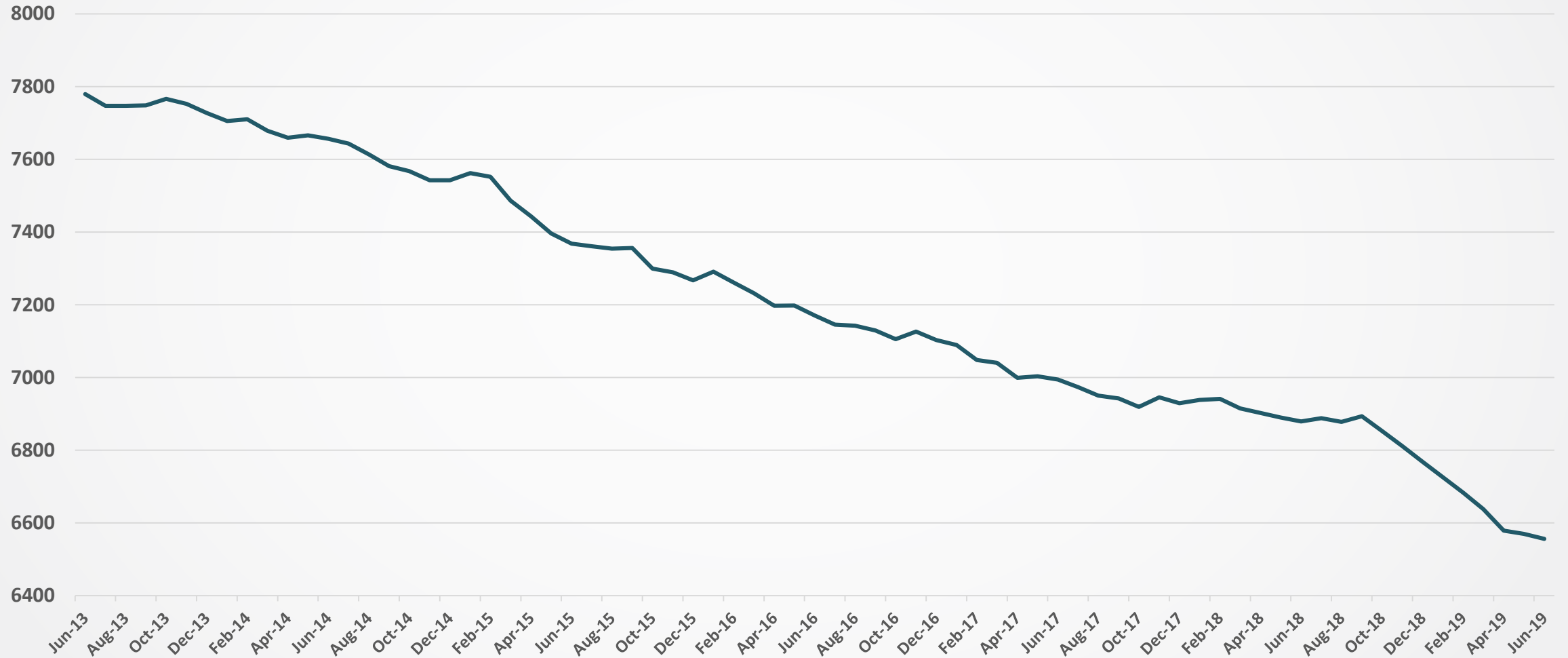
Local Authority	Collection Rate 2017/2018	Collection Rate 2018/2019	+ or -	Minimum Contribution 18/19	Council Tax Base * %
East Hampshire	98.9%	98.8%	- 0.01	0	8.10
New Forest	98.8%	98.8%	0	10	10.92
Winchester	98.7%	98.7%	0	10	10.03
Fareham	99.1%	98.7%	- 0.4	20	8.96
Basingstoke and Dene	98.6%	98.6%	0	0	11.05
Test Valley	98.4%	98.3%	- 0.1	10	9.66
Rushmoor	98%	97.8%	- 0.2	12%	13
Eastleigh	97.9%	97.7%	- 0.2	0	10.28
Hart	98.1%	97.7%	- 0.4	0	6.31
Havant	96.8%	96.8%	0	8.5%	20.71
Gosport	96.2%	96%	- 0.2	30%	16.77

Conclusions

- Members views for 20/21 CTS scheme
- More information
- More data
- Next actions



Benefit Caseload



Benefit caseload

	Total Caseload	Type of Benefit	Caseload	% Change
July 2017	6973	Housing Benefit Only	2178	
		Housing Benefit & Council Tax Support	4023	
		Council Tax Support	772	
July 2018	6888 (-1.2%)	Housing Benefit Only	2162	-0.7%
		Housing Benefit & Council Tax Support	4002	-0.5%
		Council Tax Support	724	-6.2%
July 2019	6552 (-4.9%)	Housing Benefit Only	1889	-12.6%
		Housing Benefit & Council Tax Support	3535	-11.7%
		Council Tax Support	1128	55.8%



Discretionary Housing Payments

		19/20	18/19	17/18	16/17	15/16	14/15	13/14
Number of DHP app's	Approved	90	351	255	352	414	607	576
	Refused	1	40	43	83	45	65	59
Reason for DHP	Benefit cap	10	47	39	35	61	36	21
	Social sector size criteria	12	65	78	117	214	437	385
	Local housing allowance reform	8	31	43	55	15	12	3
	Not related to welfare reform	26	163	199	140	124	122	128
	No recorded		0	0	0	0	0	39
	Universal Credit	34	45	15	5			
Average spend		£612	£728	£617	£467	£288	£237	£235

❑ Allocation for 19/20: £214,996.00

❑ £55,084.64 allocated or paid

Latest Council Tax Support Caseload

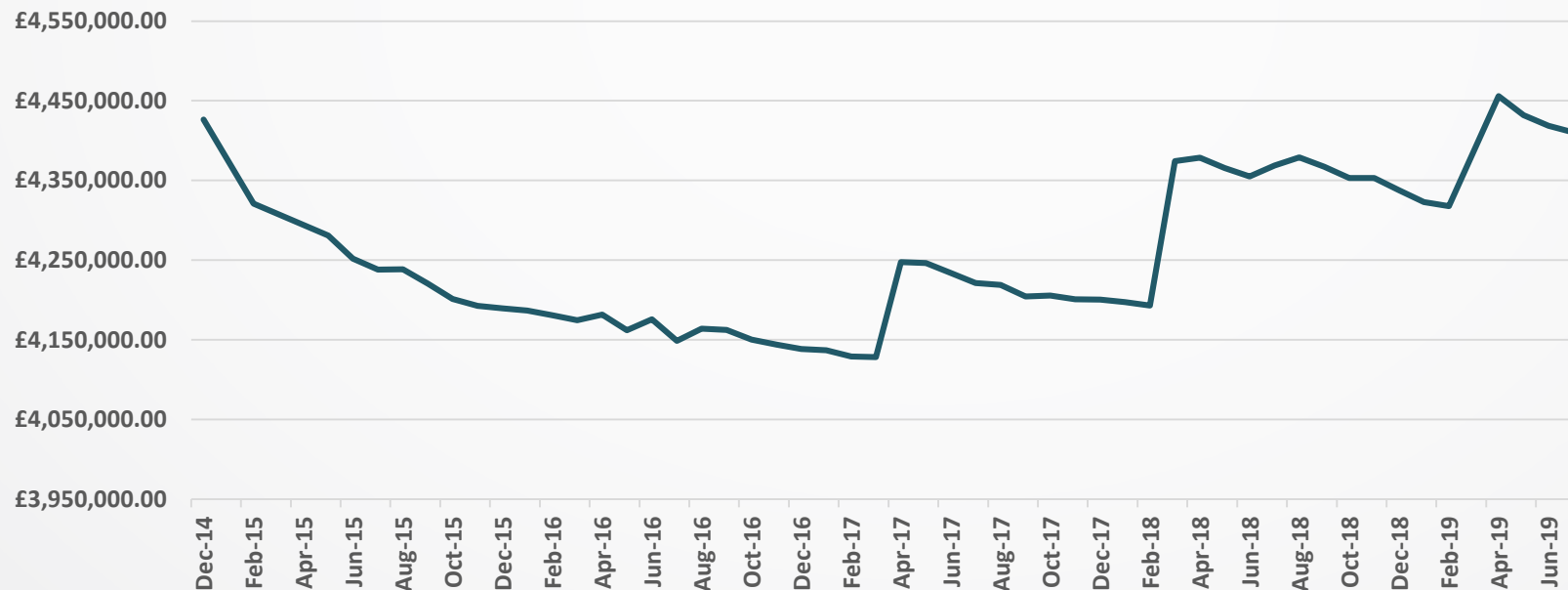
	July 2017	July 2018	July 2019	Change in Caseload (July 18 - July 19)
Pensioner	2210	2120	2112	-0.37%
Working Age - Other	944	997	981	-1.60%
Working Age - Vulnerable	1003	1041	1038	-0.28%
Working Age - Employed	262	252	241	-4.36%
Working Age - Vulnerable Household	307	300	291	-3%
CTS Total	4736	4710	4663	-0.99%

CTS 2019-2020 Current Scheme

- Minimum contribution of 12%
- Savings threshold £6k
- Maximum support at a Band D level for Bands E and above
- Treating Child Benefit and Maintenance as income
- Disregarding War Widow Pensions as income

2.99% increase in Council Tax going into 2019/20

Band D Property	Annual Bill
18/19	£1,642.65
19/20	£1,710.46



Collection Rates - CTS

Update – Mid July

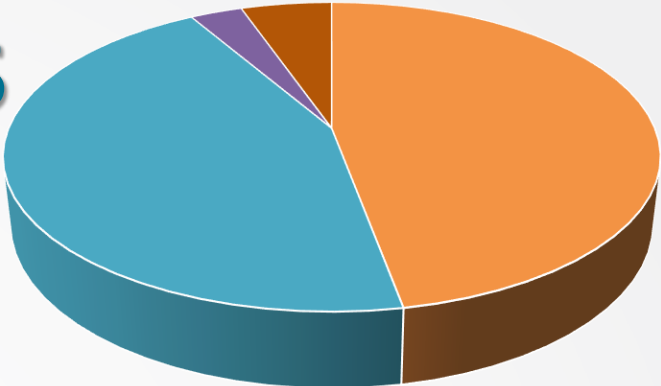
Including pensioners, there are 4572 accounts on the Council Tax support scheme.

Of these:

- 2035 are of pensionable age.

Of the remaining 2537 working age claimants

- 140 have paid in full (5.5%)
- 2153 are paying instalments (84.8%)
- 244 have not paid anything this financial Year (9.6%).



■ Paying instalments ■ Pensioners
■ Paid in full ■ Not paid this financial year

CTS Collection Rates	Including Pensioners	Excluding Pensioners
April 2017	82.8%	69.2%
June 2017	91.1%	84.5%
Jan 2018	97%	94.6%
Sept 2018	90.7%	83.4%
March 2019	94.6%	90.1%
July	94.6%	90.3%



Council Tax Support – award data

CTS paid by group	Total End of March 2013	July 2018	July 2019
Pensioner		£2,081,515.02	£2,106,532.52
Working Age		£2,269,475.60	£2,303,915.37
Total	£5,222,285.88	£4,368,666.18	£4,410,193.99

Council Tax Collection Rates - Neighbours

	2017/2018			2018/2019			2019/2020	
Local Authority	Minimum Contribution	Band Cap	Collection Rate	Minimum Contribution	Band Cap	Collection Rate	Minimum Contribution	Band Cap
Surrey Heath	30%	D	99.2%	30%	D	99.2%	30%	D
Guildford	0	D	99.1%	0	D	98.9%	0	D
Waverley	0	D	99%	0	N/A	98.7%	0	N/A
East Hampshire	0	N/A	98.9%	0	N/A	98.8%	0	N/A
Bracknell Forest	20%	N/A	98.5%	20%	N/A	98.4%	20%	N/A
Hart	0	N/A	98%	0	N/A	98.7%	0	N/A
Rushmoor	10%	D	98%	12%	D	97.8%	12%	D

Council Tax Collection Rates - Audit Family

	2017/2018			2018/2019			2019/20	
Local Authority	Minimum Contribution	Band Cap	Collection rate	Minimum Contribution	Band Cap	Collection Rate	Minimum Contribution	Band Cap
North Hertfordshire	25%	N/A	99.2%	25%	N/A	98.4%	25%	N/A
Rugby	15%	N/A	98.5%	15%	N/A	98.1%	15%	N/A
High Peak	0	N/A	98.4%	0	N/A	98.4%	0	N/A
Wellingborough	20%	N/A	98.1%	20%	N/A	98.2%	20%	N/A
Worcester	0	D	98.1%	0	D	98.1%	0	D
Rushmoor	10%	D	98%	12%	D	97.8%	12%	D
Cherwell	0	N/A	97.9%	0	N/A	98.3%	0	N/A
East Staffordshire	25%	D	97.8%	25%	D	97.8%	25%	D
Colchester	20%	N/A	97.8%	20%	D	97.9%	20%	D
Kettering	45%	N/A	97.8%	45%	N/A	97.9%	45%	N/A
South Ribble	17%	N/A	97.5%	17%	N/A	97.4%	17%	N/A
Broxbourne	20%	E	97.4%	25%	E	97.6%	25%	E
Gloucester	0	N/A	97.1%	0	N/A	96.7%	0	N/A
Gravesham	20%	N/A	97%	20%	N/A	96.9%	20%	N/A
Dartford	18.5%	N/A	97%	19%	N/A	96.9%	20%	N/A

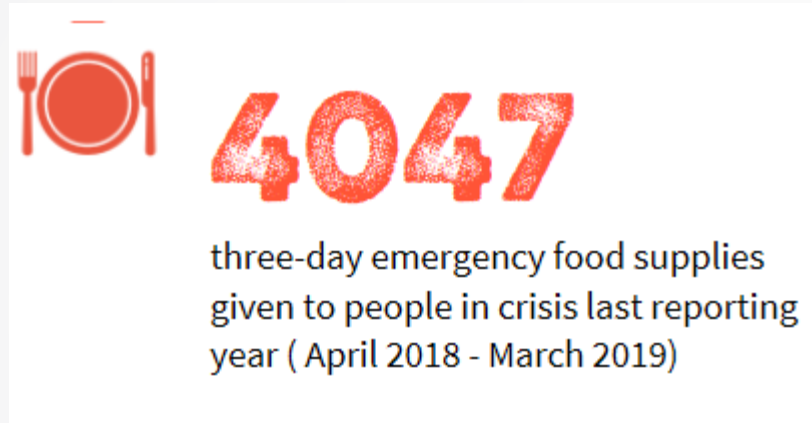
Exceptional Hardship Fund

- Allocated funds for 18/19 = £10,000
 - We received 59 applications for assistance from the Exceptional Hardship Fund
 - 11 were refused
 - Overspent by £2,490.96
- Allocated funds 19/20 = £12,000
 - We have received 12 applications for assistance from the Exceptional Hardship Fund
 - 3 have been refused
 - Spent so far £2,133.09



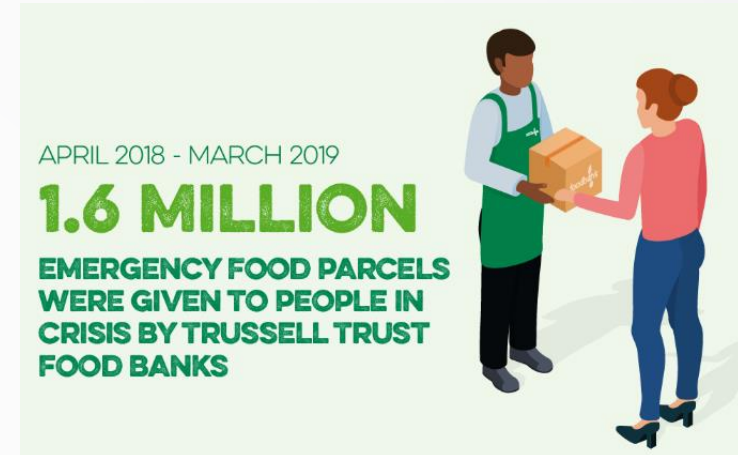


Rushmoor Foodbank



- Between April 2018 - March 2019 the foodbank experienced a 19% increase in food parcel distribution
- Experienced a drop in donated volumes of 4%

National Picture



- Trussell Trust reports 2018-2019 to have been the busiest since the charity opened.
- 18.8% Increase in food parcel distribution.

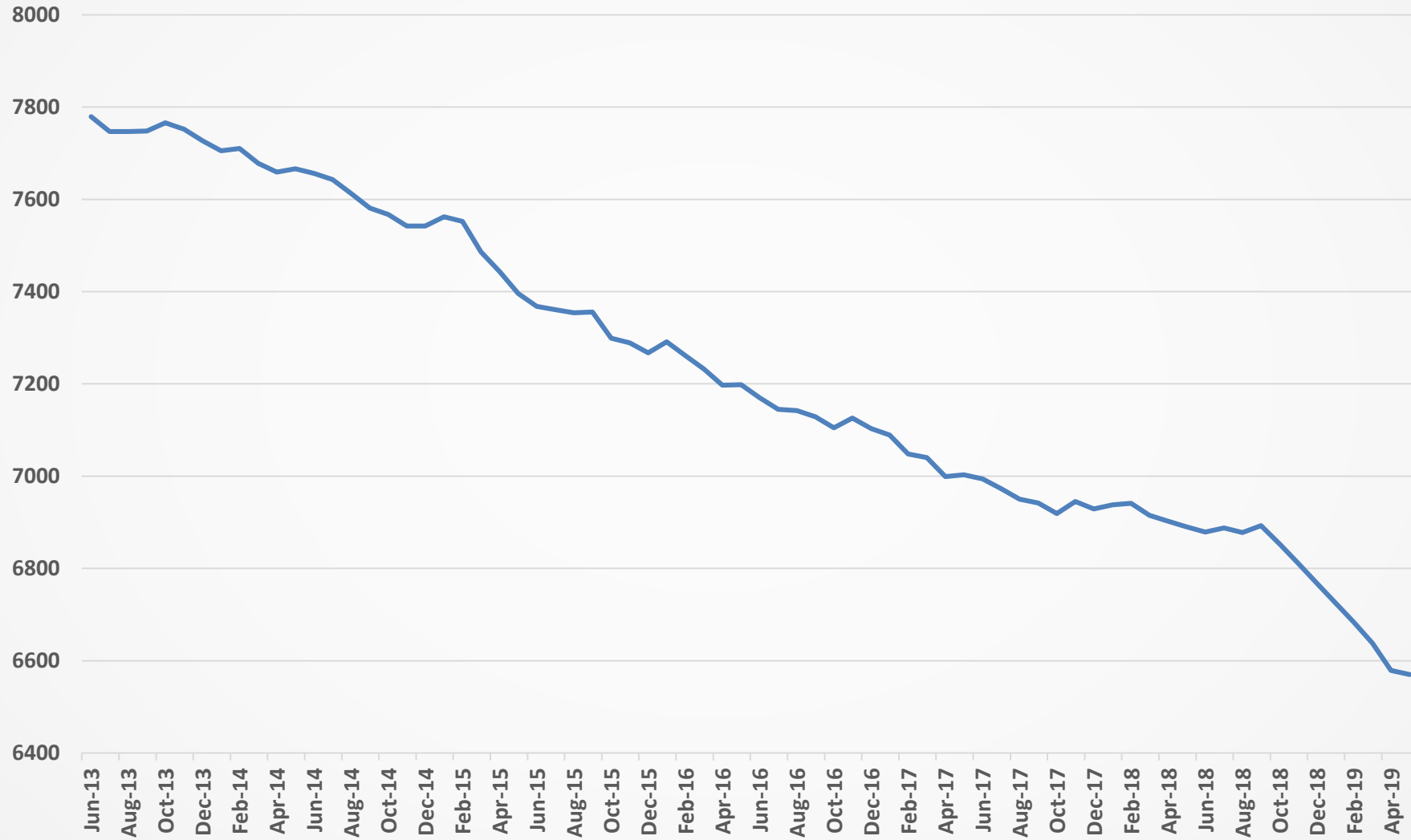
Council Tax Support Task and Finish Group

Tuesday 18th June 2019

Agenda

- 1. Apologies**
- 2. Welcome to new Members and the role of the group**
- 3. Update on the Council Tax Support Scheme 2018/19**
 - Payments
 - Collection rate – RBC
- 4. CTSS 2020/21**
 - To discuss options for any changes to the scheme
- 5. Any other business**

Benefit Caseload



Benefit caseload

	Total Caseload	Type of Benefit	Caseload	% Change
May 2017	7003	Housing Benefit Only	2235	
		Housing Benefit & Council Tax Support	4002	
		Council Tax Support	766	
May 2018	6890	Housing Benefit Only	2179	2.5% decrease
		Housing Benefit & Council Tax Support	3985	0.4% decrease
		Council Tax Support	726	5.2% decrease
May 2019	6570	Housing Benefit Only	1942	10.8% decrease
		Housing Benefit & Council Tax Support	3587	10% decrease
		Council Tax Support	1041	43.4% increase



Discretionary Housing Payments

		18/19	17/18	16/17	15/16	14/15	13/14
Number of DHP app's	Approved	351	255	352	414	607	576
	Refused	40	43	83	45	65	59
Reason for DHP	Benefit cap	47	39	35	61	36	21
	Social sector size criteria	65	78	117	214	437	385
	Local housing allowance reform	31	43	55	15	12	3
	Not related to welfare reform	163	199	140	124	122	128
	No recorded	0	0	0	0	0	39
	Universal Credit	45	15	5			
Average spend		£728	£617	£467	£288	£237	£235

- ❑ Allocation for 19/20: £214,996.00
- ❑ As of 6th June: £34,906.80 allocated or paid



Latest Council Tax Support Caseload

	End of March 2013	May 2018	May 2019	Change in Caseload (May - May)
Pensioner		2130	2085	2% decrease
Working Age - Other		978	1009	3% increase
Working Age - Vulnerable		1036	1025	1% decrease
Working Age - Employed		264	197	25% decrease
Working Age - Vulnerable Household		301	293	2% decrease
CTS Total	6,177 (CTB)	4709	4609	2% decrease

CTS 2019-2020 Current Scheme

- Minimum contribution of 12%
- Savings threshold £6k
- Maximum support at a Band D level for Bands E and above
- Treating Child Benefit and Maintenance as income
- Disregarding War Widow Pensions as income



2.99% increase in Council Tax going into 2019/20

Band D Property	Annual Bill
18/19	£1,642.65
19/20	£1,710.46

Council Tax Support – award data

CTS paid by group	Total End of March 2013	May 2018	May 2019
Pensioner		£2,094,280.47	£2,111,984.54
Working Age		£2,271,233.56	£2,320,063.29
Total	£5,222,285.88	£4,365,514.03	£4,432,047.83

Collection Rates - CTS

As of the end of May 2019

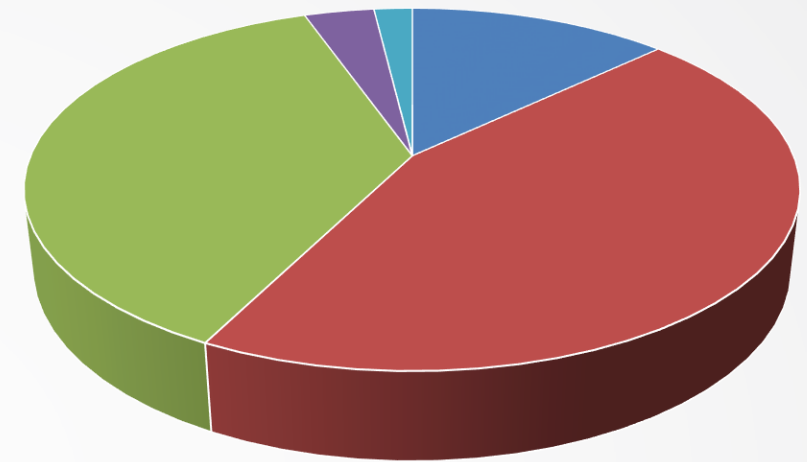
Including pensioners, there are 4,609 accounts on the Council Tax Support Scheme.

Of these:

- 2,053 are of pensionable age.

Of the remaining 2556 working age claimants

- 1712 have paid in full (66.9%)
- 596 are paying instalments (47.0%)
- 88 have not paid anything this financial Year (4.3%).
- 160 have not paid anything for 3 months or over (6.3%)



- Paying instalments
- Paid in full
- Not paid this financial year
- Pensioners
- Not paid for 3 months

CTS Collection Rates	Including Pensioners	Excluding Pensioners
April 2017	82.8%	69.2%
June 2017	91.1%	84.5%
Jan 2018	97%	94.6%
Sept 2018	90.7%	83.4%
March 2019	94.6%	90.1%

Council Tax Collection Rates

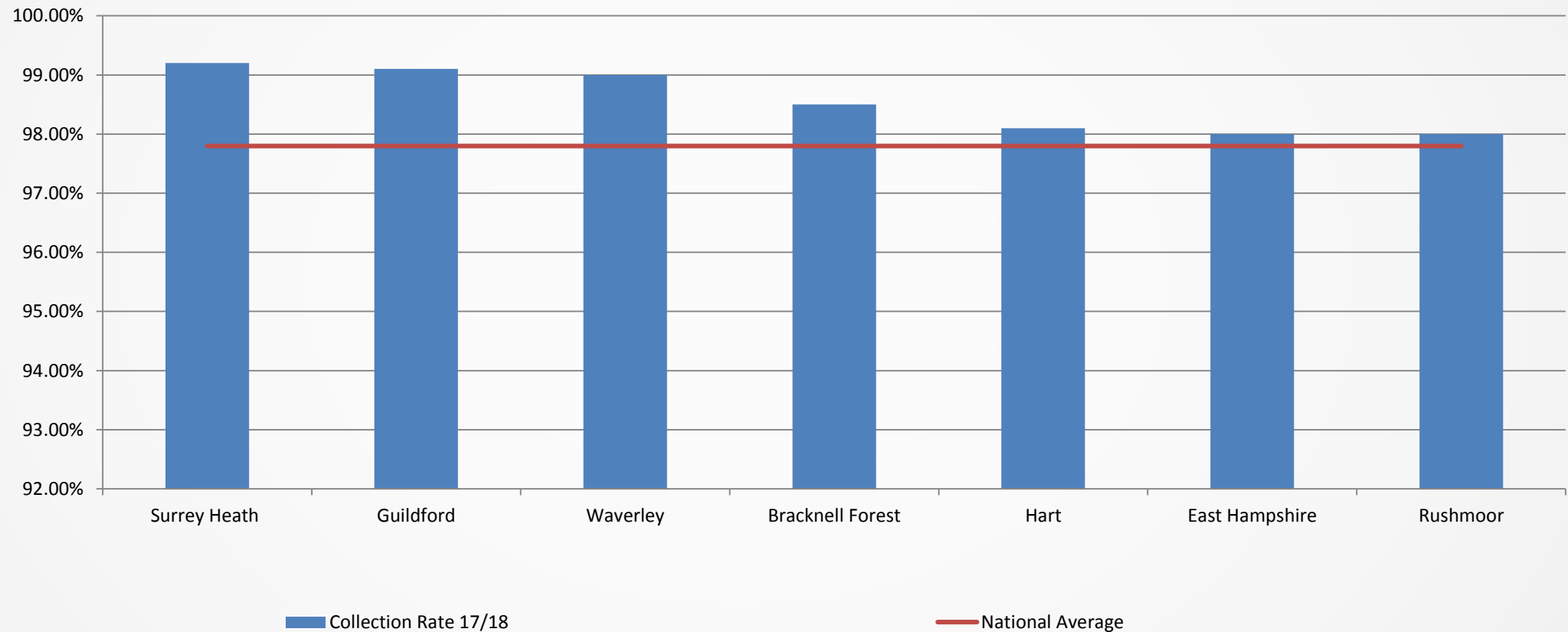
Year	Collection Rate	National Average
2014/15	98.2%	97%
2015/16	97.9%	97.1%
2016/17	98.1%	97.2%
2017/18	98%	97.11%
2018/19	97.8%	

Council Tax Collection Rates - Neighbours

	2017/2018			2018/2019			2019/2020	
Local Authority	Minimum Contribution	Band Cap	Collection Rate	Minimum Contribution	Band Cap	Collection Rate*	Minimum Contribution	Band Cap
Surrey Heath	30%	D	99.2%	30%	D		30%	D
Guildford	0	D	99.1%	0	D		0	D
Waverley	0	D	99%	0	N/A		0	N/A
East Hampshire	0	N/A	98.5%	0	N/A		0	N/A
Bracknell Forest	20%	N/A	98.1%	20%	N/A		20%	N/A
Hart	0	N/A	98%	0	N/A		0	N/A
Rushmoor	10%	D	98%	12%	D	97.8%	12%	D

*Collection rate data is released 26th June 2019

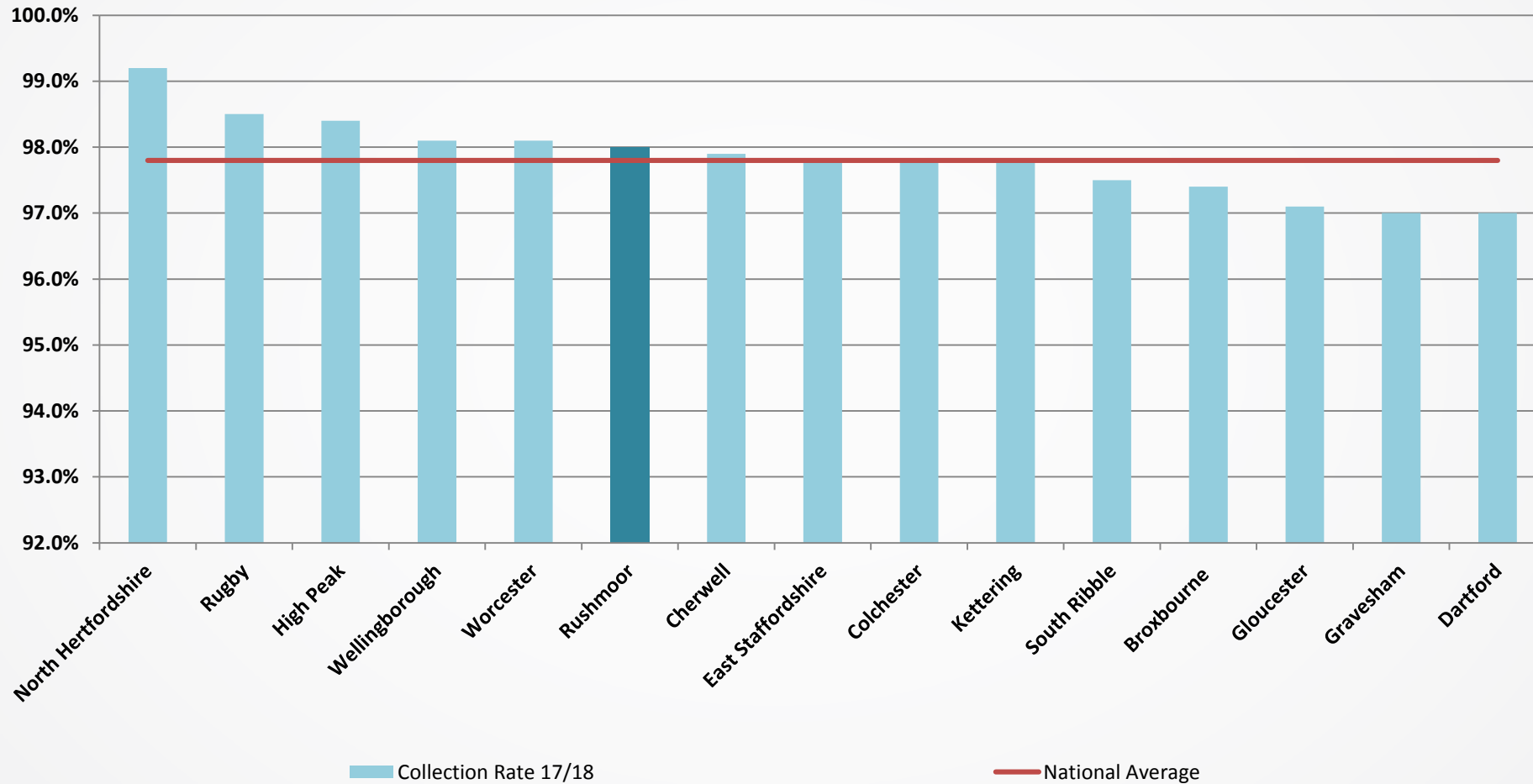
Council Tax Collection Rates - Neighbours



Council Tax Collection Rates - Audit Family

	2017/2018			2018/2019			2019/20	
Local Authority	Minimum Contribution	Band Cap	Collection rate	Minimum Contribution	Band Cap	Collection Rate	Minimum Contribution	Band Cap
North Hertfordshire	25%	N/A	99.2%	25%	N/A		25%	N/A
Rugby	15%	N/A	98.5%	15%	N/A		15%	N/A
High Peak	0	N/A	98.4%	0	N/A		0	N/A
Wellingborough	20%	N/A	98.1%	20%	N/A		20%	N/A
Worcester	0	D	98.1%	0	D		0	D
Rushmoor	10%	D	98%	12%	D	97.8%	12%	D
Cherwell	0	N/A	97.9%	0	N/A		0	N/A
East Staffordshire	25%	D	97.8%	25%	D		25%	D
Colchester	20%	N/A	97.8%	20%	D		20%	D
Kettering	45%	N/A	97.8%	45%	N/A		45%	N/A
South Ribble	17%	N/A	97.5%	17%	N/A		17%	N/A
Broxbourne	20%	E	97.4%	25%	E		25%	E
Gloucester	0	N/A	97.1%	0	N/A		0	N/A
Gravesham	20%	N/A	97%	20%	N/A		20%	N/A
Dartford	18.5%	N/A	97%	19%	N/A		20%	N/A

Council Tax Collection Rates - Audit Family



Exceptional Hardship Fund

Allocated funds for 18/19 = £10,000

- We received 59 applications for assistance from the Exceptional Hardship Fund.
- 11 were refused
- Overspent by £2,490.96

Allocated funds 19/20 = £12,000

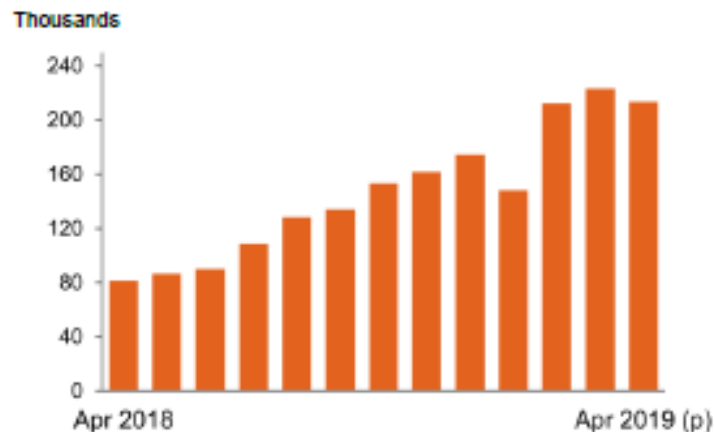
- We've received 5 applications as of 6TH June
- 4 agreed, 1 on hold as we have sent of an Attachment of Benefits
- Spent £878.81 to date

Universal Credit

Main story

The number of people on Universal Credit as at 11 April 2019 was just under 2.0 million. Of these people 650 thousand (33 per cent) were in employment. In February 2019, 1.6 million households were on Universal Credit. The average amount of Universal Credit paid to households on Universal Credit was £660 per month.

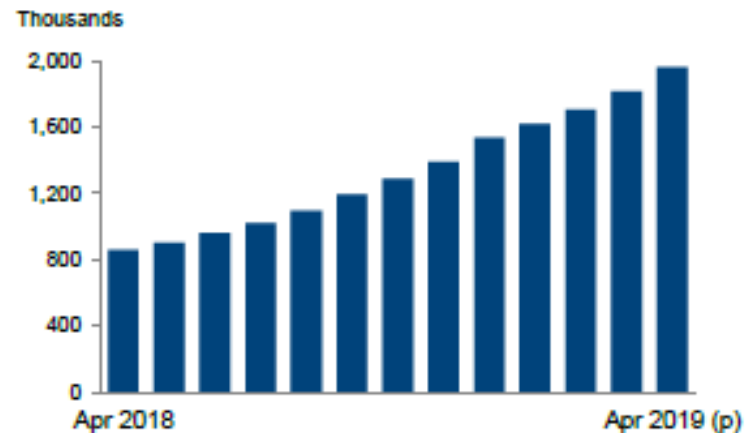
200 thousand people started UC In the month up to 11 April 2019



The total number of starts that have been made since Universal Credit began is 3.4 million. The number of starts made to Universal Credit was 200 thousand in the month up to 11 April 2019.

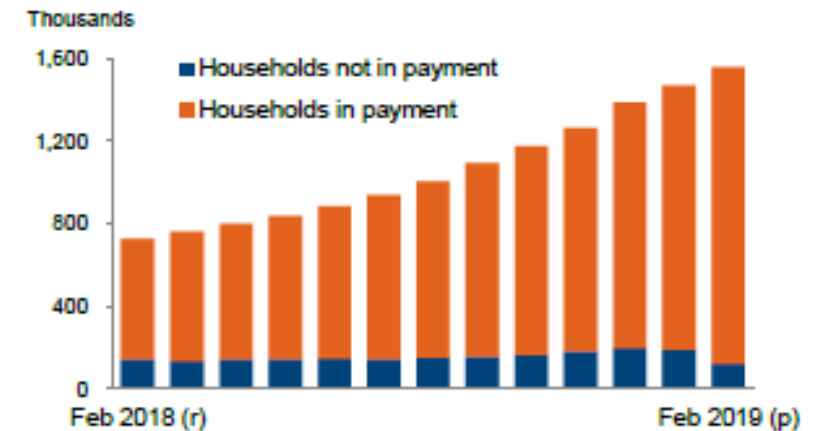
The figures in this chart have been standardised, so may not match figures in the document. Please see the [Background Information and Methodology](#) document for more detail.

2 million claimants At 11 April 2019



The number of people on Universal Credit rose to just under 2.0 million in April 2019. This is a 8 per cent increase from March 2019.

1.6 million households At 14 February 2019



In February 2019, 1.6 million households were on Universal Credit. Of these households, 1.4 million (92 per cent) were receiving a Universal Credit payment.

There are a number of reasons why a household may not be in receipt of a payment, one being when someone moves into work and their level of earnings increases to a level where they no longer receive a payment.



Universal Credit - Local picture

- Universal Credit full service began on 24th October 2018
- As of May 2019 there are 1,541 residents on universal credit, 907 are not in employment and 637 are employed.
- Received 1181 claim stops from 24th October 2018 – 10th June 2019. Where a customer has had a change in their circumstances which has triggered a requirement for them to claim Universal Credit. The Council will pay the additional two weeks Housing Benefit to help with the fact that UC isn't paid for 5 to 6 weeks. Effectively the customer is paid twice for the same period as UC will cover the same two weeks of the extended payment.

Universal Credit - Local picture

	New Claims for Housing Benefit	Housing Benefit Change of Circumstances
April	100	1,836
May	126	2,512
June	106	978
July	121	1,175
August	154	1,373
September	132	1,117
October	108	872
November	99	1,149
December	61	1,122
January	64	1,216
February	41	1,142
TOTAL	1,189	20,762

From November 18 – March 2019 there was a decrease in New Claims of 48.87% (325) and a decrease in change of circumstances of 4.11% (467) compared with the same period the previous year.



Discussion points for CTS 20/21

- The need for change
 - As Universal Credit continues to roll out and the traditional link between Housing Benefit and CTS no longer exists
 - Following the increased roll out of UC there is a potential for a more fundamental review of CTS
- Cost of the scheme
 - The cost of the scheme is borne largely by the precepting authorities
 - Comparison of scheme costs with other discounts etc
 - Are we spending more on CTR than other discounts/exemptions?
 - Government funding for Housing Benefit has so far contributed to the cost of the administration of CTS but that is now reducing and will eventually disappear
 - 100% of the cost of administering the scheme is met by the districts
 - High software costs

Changes for 20/21

- **Unintended consequences**
- Out of work and on Universal Credit should get maximum CTS but the way the scheme is worded they don't if they get Child Benefit/Maintenance or Carers Allowance
- **Making it simpler**
- We could make some simple changes to begin to reduce the complexity in the way the scheme works and is administered.

Discussion Points for 20/21

- Administration
 - The design of the scheme since 2013 for working age people has mirrored the HB scheme.
 - The need for simplicity and a change from a means tested scheme which makes it reactive and complex with difficult claiming rules and significant verification
 - The scheme was not designed to work with Universal Credit
 - As of today there are two minor changes we could do to next years scheme that would harmonise with Housing Benefit and the CTS Pension scheme: Thalidomide payments and infected blood schemes. (We could deal with these issues without a consultation or scheme change via Exceptional Hardship Fund)
- Council Tax impact
 - Current data shows that the collection rate from CTS recipients remains at a high level with no significant issues.
 - Higher admin costs with monthly UC changes due to earnings. Impacts on collection rates and ability to recover the debts. Also affects instalments and ability to budget

Discussion points for 20/21

- Up to 100 Local Authority schemes will be simpler, less costly income banded schemes by 2021
- Timescale for a fundamental review – work would start late 2019
- Political agreement
- Consultation
- Software – will we continue to use the benefits system
- Protections and transitions
- Short term solutions for next year
- Future proofing