


Agenda Item No:	14	
Committee:	COUNCIL	
Date:	18 DECEMBER 2014	
Report Title:	COUNCIL TAX SUPPORT - 2015-16 SCHEME	

1 Purpose / Summary

Each year the Council is required to review its Council Tax Support (CTS) Scheme. This report advises Council about the 2014 review and asks it to consider the resultant proposals for the CTS scheme to take effect from 1 April 2015.

2 Key issues

- We are currently in the second year of CTS. This is a locally set scheme that replaced the nationally set Council Tax Benefits (CTB) scheme from April 2013.
- In 2013-14 we were able to take advantage of a one-off Government grant that compensated in part for the reduction in Government funding that year. This meant that the maximum CTS awarded was the amount calculated, less 8.5% (Pensioners are protected by legislation and still receive up to 100% CTS).
- In 2014-15, we initially proposed this reduction be increased to 20%. However a reduction in demand meant that we were able to revise this reduction to 14%.
- For 2015-16 we are proposing the same scheme as 2014-15, except that allowances and premiums (such as the amounts of income from state-administered benefits such as Jobseekers' Allowance) will be increased in line with other benefits such as Housing Benefit. This means that customers will be able to have a higher income before CTS is reduced. Not uprating allowances would mean customers would be worse off financially.

3 Recommendation

It is recommended by Cabinet that Council approve:

- The Council Tax Support Scheme to take effect from 1 April 2015 as set out in Section 13.5 and Annex B of this report.

Wards Affected	All
Forward Plan Reference	This report is included in the Forward Plan
Portfolio Holder(s)	Councillor John Clark, Leader of the Council Councillor Chris Seaton, Portfolio for Finance
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Background Paper(s)	N/a

4 Introduction

- 4.1 Before April 2013, Council Tax Benefit (CTB) was a nationally controlled scheme administered by District and Unitary Councils, which give reductions from Council Tax to people on low incomes according to set criteria specified by regulations. The maximum reduction was 100% of a person's Council Tax bill.
- 4.2 CTB was replaced by CTS in April 2013. At the same time, Government funding was reduced and CTS was localised, coming under the control of District and Unitary Councils. Whilst pensioners were protected and regulations specified that they must still receive up to 100% CTS, this protection did not apply to working age people.
- 4.3 The implementation of CTS left Fenland with a funding gap, which potentially saw working age customers only being entitled to maximum CTS of 80% of their Council Tax liability. This meant that we would calculate their entitlement to CTS, and then reduce the amount awarded by 20%.
- 4.4 However, Members considered the options available to help increase CTS and were able to implement a scheme in 2013-14 that saw working age customers be entitled to up to a maximum 91.5% CTS of their Council Tax liability (meaning that we would calculate their entitlement to CTS, then reduce the amount awarded by 8.5%); in two ways.
- 4.5 Members primarily met the funding shortfall by revising Council Tax exemptions on empty properties, permitted by regulations that changed in 2013. This meant that the Council would no longer give a Council Tax reduction for most empty domestic properties.
- 4.6 The funding shortfall was further closed by a one-off transitional Government grant that applied in 2013-14 only.

- 4.7 In 2014-15 this grant was not available. With demand for CTS not growing as much as was predicted for 2013-14, Members were able to revise the CTS scheme to feature a reduction of 14% CTS for working age customers. This meant that we would calculate their entitlement to CTS, and then reduce the amount awarded by 14%.
- 4.8 Councils are required to review the operation of their CTS schemes annually. They are required to make any revisions no later than 31 January in the financial year preceding that for which the scheme will be revised (i.e. 31 January 2015 for the 2015-16 scheme).
- 4.9 Regulations state that where authorities revise their CTS scheme, they must consult major precepting authorities (the bodies that it collects Council Tax on behalf of, i.e. the County Council), publish a draft scheme and also consult other persons likely to have an interest in the scheme.
- 4.10 Note that this is the last scheduled meeting of Cabinet before the statutory deadline of 31 January 2015. Failure to determine a CTS scheme by this deadline would mean that the Council would be required to implement the “default” CTS scheme, with serious financial consequences to both the Council and major precepting authorities.

5 The 2015-16 CTS scheme

- 5.1 The Council is not seeking to revise the CTS scheme in itself, proposing that the 14% reduction for working age customers remains. However it is proposing to “uprate” some allowances and premiums that are taken into effect when assessing applications for CTS.
- 5.2 Annexes C, D and E give further details of the principles of uprating, including showing an example of information we receive from the Government to uprate our allowances and a worked example of a CTS calculation that shows how allowances are used.
- 5.3 The exact amount we “uprate” allowances by is taken from a “Housing Benefit Circular”. This is a notice published by the Government that tells us what the allowances for the new financial year must be when we work out Housing Benefit. As CTS generally shares the same criteria and calculation process, we use these allowance figures for CTS as well.
- 5.4 The above circular is expected shortly (for 2014-15 it was published on 19 December 2013; for 2013-14 it was published on 6 February 2013 and for 2012-13 it was published on 6 January 2012).

6 Impact of CTS on Council Tax collection

- 6.1 2014-15 is the second year in the operation of a locally determined CTS scheme.
- 6.2 The table overleaf shows how the amount of CTS awarded and numbers of customers claiming it have changed since the last annual review of CTS in 2013:-

CTS cases and amount awarded			
Date	CTS awarded	Working age claims	Pensioner claims
1/11/13	£7.68 million	4,682	4,727
1/4/14	£7.71 million	4,681	4,674
1/11/14	£7.49 million	4,641	4,539
Change	-2%	-1%	-4%

- 6.3 With regards Council Tax collection, we have retained an overall annual collection rate target at 97.5% for 2014-15, the same as last year. To date, although collection rates have fluctuated during the year so far, they indicate that we will meet our target:-

Council Tax collection rates in-year comparison		
Date measured	2013-14 Collection rate at this point	2014-15 Collection rate at this point
5 May	17.4%	16.8%
5 June	28.0%	27.4%
5 July	37.2%	35.6%
5 August	45.2%	44.8%
5 September	55.7%	53.5%
5 October	65.4%	63.6%
5 November	73.5%	73.9%
In-year target	97.5%	97.5%
In-year actual	97.9%	tba

- 6.4 This year we formally introduced a weekly payment facility for the first time, allowing customers to spread their Council Tax over 52 weekly payments. In addition we introduced a 12 month instalment scheme. Both of these initiatives have complemented the statutory instalment scheme which spreads payments over 10 months.

Despite the reduction in maximum CTS payable to customers changing from 8.5% last year to 14% this year, recovery action cases have reduced, albeit that the value of arrears has slightly increased (by a similar rate to the overall Council Tax increase this year). The two tables below show comparative recovery totals for the last three years.

Effect on Council Tax recovery - Reminders						
Month	2012 Reminders	Value	2013 Reminders	Value	2014 Reminders	Value
Apr	3,002	£319k	4,453	£326k	4,147	£336k
May	828	£26k	2,306	£196k	2,007	£180k
Jun	1,413	£344k	2,009	£345k	2,114	£400k
Jul	194	£130k	1,695	£284k	1,531	£275k
Aug	1,228	£248k	1,714	£279k	1,256	£129k
Sep	1,042	£213k	1,275	£150k	1,271	£201k
Oct	1,109	£188k	1,142	£142k	1,081	£174k
Nov	847	£140k	1,182	£252k	1,356	£306k
(a)	9,663	£1.61m	15,776	£1.97m	14,763	£2.00m
Change			+63%	+22%	-6%	+1%

Note (a) These are totals for first eight months of financial year.

Effect on Council Tax recovery - Summonses						
Month	2012 Summonses	Value (b)	2013 Summonses	Value (b)	2014 Summonses	Value (b)
Apr	N/a	N/a	N/a	N/a	N/a	N/a
May	782	£749k	1,726	£1.1m	1,680	£1.1m
Jun	492	£394k	523	£290k	455	£264k
Jul	458	£300k	564	£306k	525	£319k
Aug	137	£88k	519	£264k	385	£220k
Sep	340	£194k	414	£197k	258	£138k
Oct	284	£132k	303	£137k	273	£120k
Nov	294	£118k	N/a	N/a	N/a	N/a
(a)	2,787	£1.97m	4,049	£2.29m	3,576	£2.16m
Change			+45%	+16%	-12%	-6%

Note (a) These are totals for first eight months of financial year.

Note (b) these values are much higher as when a summons is issued, the remainder of that years Council Tax becomes immediately due whereas for Reminders, they will normally relate to a single overdue instalment.

7 The proposed CTS scheme for 2015-16

7.1 The Council has undertaken an annual review of the CTS scheme.

7.2 This review has looked at the effects of the current scheme on Council Tax collection rates and also the number of customers that the Council has taken action against for non-payment of Council Tax, as detailed in the tables above.

7.3 We have also looked at the ongoing benefit trends. Although there has been a slight drop in both the value of CTS awarded and the numbers of customers claiming it, we should be cautious about future demand. The Department for Work and Pensions (DWP) published national state benefits caseload and expenditure data after the 2014 Budget that indicated that the numbers of state benefit cases will slowly decline over the next five years, albeit that the amount of benefit paid will increase. The table below shows this:-

DWP projections – state benefits caseload and expenditure					
	2014-15	2015-16	2016-17	2017-18	2018-19
Cases (a)	46.5m	46.4m	45.9m	45.4m	45.2m
Spend	£167.9b	£169.5b	£169.9b	£171.0b	£171.7b
Cases change		-0.24%	-0.98%	-1.06%	-0.46%
Spend change		+0.94%	+0.28%	+0.62%	+0.40%

Note (a) this is instances of benefit granted. Each customer could receive multiple benefits and DWP statistics do not show individual overall claimant numbers.

- 7.4 As the above data shows little change, it would be prudent for the Council not to make any major changes to its CTS scheme at present as the DWP statistics indicate demand for benefits will have minimal changes in the next five years.
- 7.5 The CTS scheme proposed for Fenland taking all of the afore-mentioned factors into account is proposed to remain as now, excepting the uprating in allowances and premiums used in calculating CTS.

8 Consulting for the CTS 2015 scheme

- 8.1 With a minor amendment to the scheme proposed, the public consultation this year was low key. We publicised the changes by:-
- Press releases,
 - Having an article on the front page of www.fenland.gov.uk with a link to an on-line survey form,
 - Writing to all 4,600 current working age recipients of CTS to explain the review and to invite them to comment using the on-line survey form.
- 8.2 There are no set legislative requirements for the type and duration of any public consultation that should accompany a minor amendment of a Council's CTS scheme. Fenland's consultation ran for five weeks from the start of October to 9 November 2014.
- 8.3 Information about the consultation was retained on the Council's website home page for a further week until 14 November 2014 to give customers who had received a letter explaining the review more time to comment.

9 The consultation results

- 9.1 17 responses have been received using the on-line survey, 3 of which were where customers without internet access contacted us and were guided through the survey verbally, with the answers noted and input into the on-line survey tool during the conversation.
- 9.2 The results of the survey follow.
- 9.3 Customers indicated broad support for the proposals.

Some questions about the proposals - Please tick one answer for each question below.

Answer Options	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree	Total
Do you agree that we should keep our scheme the same as this year, except for allowing for more income like the Government does for state benefits?	7	5	1	3	1	17
Do you agree that everyone (apart from Pensioners, who are protected by Government regulations) has to pay something towards their Council Tax?	6	2	0	5	2	15

9.4 The survey included a free-form comments facility. The table below indicates the comments received, with the mitigation that can be made as indicated. Where a number in brackets is shown, it shows the number of customers making very similar comments:-

What comments do you have about the scheme being proposed?		
	Customer comments	How we mitigate these
1	Peterborough City Council applies a reduction of 30% compared to Fenland's 14%. People need to be responsible. Everyone should pay except Pensioners.	Noted. (Peterborough City Council is now proposing a 40% cut for 2015-16)
2	Cuts to Benefits and the Benefits Cap mean less money for food.	Discretionary Housing Payment (DHP) is available to help customers affected by the Benefit cap and some other benefits changes. Unfortunately this customer did not leave their details so we are unable to contact them to offer DHP advice.
3	Fully agrees with proposals (2)	Noted.
4	People with only income from other Benefits can't afford to pay Council Tax.	CTS is already favourable with regards those on low income purely from state benefits and these are taken into account when it is calculated.
5	Rent increases when turns 35 next year so less money to pay Council Tax. Immigrants should not get CTS and those with children should pay the same as single people.	Courts have ruled that it is unlawful to exclude immigrants from receiving CTS as it is based on where a person lives (and their income and savings) on a daily basis linked to their Council Tax liability.
6	Disabled people should be exempt from the Council Tax.	The CTS scheme allows higher incomes from disabled people (the state benefits received to reflect their disability), which means that they are able to have higher incomes before their CTS entitlement reduces.
7	Worried there will be large increase in Council Tax next year that is unaffordable.	Noted.
8	Care worker needs as much CTS as possible to help them survive.	Those on the lowest incomes will gain the most from CTS but the 14% reduction will mean there is some Council Tax to pay.
9	As this is a Government scheme, Fenland is making the best of it possible.	Noted.

9.5 The survey asked which groups of people should be protected and why:-

Are there any other people we should protect from these changes and why?		
	Customer comments	How we mitigate these
1	The physically and mentally unwell and people with severe learning difficulties, all who find it almost impossible to get a job.	We work with other agencies to ensure that these customers receive the maximum benefit (not just CTS but state benefits) possible.
2	Everyone including pensioners who are not blind or seriously disabled should pay Council Tax. The disabledit's unfair to exempt the elderly yet penalise the disabled.	The CTS scheme allows higher incomes from disabled people (the state benefits received to reflect their disability), which means that they are able to have higher incomes before their CTS entitlement reduces.
3	Since a lot of people live below the poverty line, they really need your help.	All benefits schemes are designed to help the most vulnerable members of society and this includes CTS.
4	Single people under 35 who have no children	Families with children benefit more from all state benefits as well as CTS; this is a feature of these that allow families more income to take into account their greater financial needs.
5	Hard-working families will struggle if they are asked to pay the full Council Tax.	Families on low incomes are likely to receive CTS and may not be asked to pay the full Council Tax.
6	There are a variety of vulnerable groups who are on their own and unable to work who should be protected	Unfortunately this respondent did not expand their answer so we cannot comment on its meaning.

9.6 The survey asked whether customers think our CTS scheme will affect any specific groups more than others as shown overleaf:-

Will these proposals affect any individuals or groups more than others, and if so how can we deal with this?		
	Customer comments	How we mitigate these
1	Simple, everyone pays except elderly and severely disabled, no one can afford to keep all these workless people any more Those people who have to live in constant pain and who are unable to work to earn money to pay their way in society.	Working age people who are jobless do already pay something as their CTS is limited to a maximum of 86% of their bill. The CTS scheme allows higher incomes from disabled people (the state benefits received to reflect their disability), which means that they are able to have higher incomes before their CTS entitlement reduces.
2	People may go hungry in order to pay their Council Tax.	The central principle of our scheme is that everyone (except Pensioners, who are legally excluded) pays something towards their Council Tax.
3	I think yes.	Not enough detail to comment.
4	Pensioners are fine as it is. People's situation needs to be considered	CTS looks at people's circumstances on an individual basis.
5	Protect the vulnerable members of society by exemption.	It would be very difficult to conclude an overall conclusion as to what "vulnerable" would mean to allow us to do this fairly.
6	No Not that I can think of Try and help those if you still can like I say "every little helps"	Noted.

9.7 There was a mixture of different circumstances of those completing the survey, albeit that not everyone completed all the questions relating to this. It may be that where a person is receiving CTS now, they do not think that they pay Council Tax to us:-

Please tick the boxes that apply to you. This will help us understand about the range of people commenting on our proposals.		
Answer Options	Yes	No
Do you get a Council Tax Bill from Fenland District Council now?	14	0
Does the Bill mentioned above include a reduction called "Council Tax Support" shown on it?	9	3
Do you currently get Housing benefit from Fenland District Council?	9	5

9.8 In order to ensure that we took into account the views of different groups in the community, we asked if this was a factor in their answers as the table overleaf shows:-

Do you feel any of the following have been a factor in the issue you have raised? (Please tick the relevant boxes and include any extra information if necessary.)		
Answer Options	%	Number
Age	23.1%	3
Disability	30.8%	4
Gender Reassignment	0	0
Pregnancy and Maternity	0	0
Race	0	0
Religion or Belief	0	0
Gender	7.7%	1
Sexual Orientation	0	0
Marriage and Civil Partnerships	0	0
None of the above	38.4%	8

9.9 This table highlights the concerns they expressed:-

Are there any other people we should protect from these changes and why?		
	Customer comments	How we mitigate these
1	I feel I need a lot of support and encouragement to get through each day. Extra worry about and extra increase will increase my anxiety, possibly lead to more seizures and maybe more manic episodes.	These proposals will minimise the increase in Council Tax that we are asking people to pay next year.
2	When people are forced through age or disability to rely wholly on benefits there is nothing they can do to raise extra funds to pay towards their living expenses such as council tax and housing and the money used will come out of money given for food and utilities leaving them more vulnerable and at risk of illness adding to the pressure on the NHS and other services and/or into debt.	
3	Why do you have to be 35 before being you can receive full housing allowance? the housing benefit needs reviewing as you get £56 a week and they say you can get a room in shared accommodation which you can't as its at least £75.	These are comments about Housing Benefit. The factor mentioned is set by legislation.
4	My wife is disabled. I have worked all my life (and served in the army). When I had to give up work to care for her and look after the family it was a huge shock. We've lost everything we've worked for all those years but I am very grateful for the help we get from the government. My only gripe is that when people get exempt from things the disabled often seem to be an afterthought. Even if it was set at a lower % for the disabled it would be something. That way people are still contributing something.	The CTS scheme allows higher incomes from disabled people (the state benefits received to reflect their disability), which means that they are able to have higher incomes before their CTS entitlement reduces.
5	I think people whom has a disability and it's proved that it affects them day to day should only pay the same each year of council tax.	

- 9.10 The comments in this section of this report show the difficult balance that the Council needs to make, between taking into account the effects of CTS funding; and the need to reduce the financial burden placed on the most vulnerable members of the community.
- 9.11 Bearing the above in mind, Officers are proposing that the CTS scheme remains unchanged with the exception of increased allowances and premiums that will be uprated in 2015 using the same inflation principle as state-administered benefits. The exact uprating amount is expected to be notified by the Government in January 2015.
- 9.12 In 2014 the Government uprating was capped to 1% for working age benefits, and the Customer Price Index inflation (CPI) for disability related benefits which was 2.7% at that time. At this stage, we expect the uprating amounts to be similar in 2015.

10 Equalities Impact Assessment

- 10.1 The Equality Act 2010 obliges all public bodies to have "due regard" for the need to:-
- Eliminate unlawful discrimination,
 - Advance equality of opportunity,
 - Foster good relations.
- 10.2 The Act also identifies groups of people who share a common characteristic and must be "protected" under the terms of the Act. The characteristics are:-
- Age,
 - Disability,
 - Gender reassignment,
 - Pregnancy and maternity,
 - Race,
 - Religion or belief,
 - Gender,
 - Sexual orientation,
 - Marriage and civil partnerships.
- 10.3 Other legislation and best practice suggests that we should extend these groups to include these considerations as well:-
- Human Rights,
 - Socio-economic factors.
- 10.4 A full Equalities Impact Assessment for CTS is attached as **Annex A** to this report.

11 Risks

- 11.1 We have looked at the ongoing benefit trends. Although there has been a slight drop in both the value of CTS awarded and the numbers of customers claiming it, we should be cautious about future demand. The Department for Work and Pensions (DWP) published national state benefits caseload and expenditure data after the 2014 Budget (see section 7.3 of this report) that indicated that the numbers of state benefit cases will slowly decline over the next five years, albeit that the amount of benefit paid will increase.

11.2 Therefore, it is prudent to keep the CTS reduction at 14% as now.

12 Overview and Scrutiny

12.1 As part of the process of major change such as that in this report, the progress so far and proposals for consideration at subsequent Cabinet and Council meetings were scrutinised by the Overview and Scrutiny Panel at its meeting on 24 November 2014.

12.2 The Panel asked a number of questions at its meeting, as detailed in the Minutes of that meeting. It also noted progress of the annual review of Council Tax Support.

12.3 The Panel asked for a further detailed explanation of uprating with worked examples of how this will affect customers. These are shown in **Annexes C, D and E** of this report.

13 The final Council Tax Support Scheme for 2015-16

13.1 The Council is required under the Local Government Finance 2012 to make a Council Tax reduction scheme each year. The Council will refer to this scheme as a Council Tax Support Scheme.

13.2 The scheme for 1 April 2015 onwards for determination by Council is attached as **Annex B** to this report.

13.3 If the Council did not set its own scheme by 31 January 2015, the “default scheme” would be imposed upon it by the Government. This is, in effect a CTS scheme that has no reduction for working age people, which would therefore have significant cost to the Council, as well as precepting authorities.

13.4 The default scheme also forms the legal basis for pensioners to be protected in that their entitlement to CTS must be assessed in the same way as it was for CTB, meaning that we cannot apply a further cut to their CTS entitlement in the same way that we are proposing to do for working age people.

13.5 Fenland’s Council Tax Support scheme for 2015-16 is therefore proposed to be the default Council Tax Reduction scheme with these specific additions:-

- After calculation of the CTS amount, a deduction of 14% of the amount awarded will be made for working age people (as now).
- War Pensioners will have their pension disregarded (as now).

Allowances used in calculation of CTS will be uprated in accordance with the uprating to allowances used for Housing Benefit, that will be notified by Circular from the DWP before April 2015 (CTS allowances are uprated annually).

Annex C - Uprating

What is uprating?

We work out CTS based on allowances for people's income, savings and household. The allowance is the amount of income someone can have below which they qualify for full CTS.

An example of this is a single person, aged 16-24.

They can earn up to £57.35 per week and receive full CTS.

*The £57.35 a week is called their "allowance" for CTS purposes; See **①** in **Annex D**.*

In the above case, as they are "working age" (or not of state pensionable age), we work their CTS out then take 14% off – the new figure is then applied to their Council Tax account reducing their bill.

For pensioners, we do not take 14% off as pensioners are protected from this reduction by Government regulations.

Each year, the allowance is "uprated" – made higher to allow for inflation. This is designed to reflect bills going up each year so the Government pays more means-tested benefit (such as Income Support, Pension Credit).

The Government tells us how to uprate these figures for Housing Benefit each year. For 2015-16 we are awaiting notification of this.

We use this information for CTS calculations as well.

An example of the uprating information we get from the Government is attached as **Annex D**.

What happens if we don't uprate?

Customers' income is higher so they will lose CTS.

In effect they get more money in their pocket but we take that away by awarding less CTS.

Annex E shows an example of this.

Annex D - Uprating

These are examples of uprating amounts for allowances advised by the Government for Housing Benefit, which we also use for CTS. The figures below are for the 2014-15 uprating.

Housing Benefit rates for people who have not reached the qualifying age for State Pension Credit	April 2013 £ Weekly	April 2014 £ Weekly
Personal Allowances		
Single		
16 to 24	56.80	57.35
25 or over	71.70	72.40
Any age – entitled to main phase rate ESA	71.70	72.40
Lone parent		
Under 18	56.80	57.35
18 or over	71.70	72.40
Any age – entitled to main phase rate ESA	71.70	72.40
Couple		
Both under 18	85.80	86.65
One or both over 18	112.55	113.70
Any age – entitled to main phase rate ESA	112.55	113.70
Polygamous Marriages		
If the claimant is a member of a polygamous marriage and no members of the marriage have attained the age of 60		
For the claimant and the other party to the marriage	112.55	113.70
For each additional spouse who is a member of the same household as the claimant	40.85	41.30
Dependent children		
From birth to September following 16 th birthday	65.62	66.33
From September following 16 th birthday to day before 20 th birthday	65.62	66.33
Premiums		
Family Premium		
Family Premium	17.40	17.45
Family Premium (lone parent rate)	22.20	22.20
Disability Premium		
Single	31.00	31.85
Couple	44.20	45.40
Enhanced Disability Premium		
Single rate	15.15	15.55
Disabled child rate	23.45	24.08
Couple rate	21.75	22.35
Severe Disability Premium		
Single	59.50	61.10
Couple – one qualifies	59.50	61.10
Couple – both qualify	119.00	122.20
Disabled Child Premium		
Disabled Child Premium	57.89	59.50
Carer Premium		
Carer Premium	33.30	34.20

See ① in Annex C

See ③ in Annex E

Using the first figures shown, this means that for 2013-14 we would pay a single person full CTS if their weekly income was below £56.80. For 2014-15 this rose to £57.35.

Annex E – An example

An example of a CTS calculation

*This shows how we use allowances as part of our calculation of CTS.
The figures used are 2014-15 amounts.*

Couple, both aged 30.

No children or other people living with them.

Living in a Band A property in March.

Their Council Tax Bill is £912.72 or £17.55 per week **1**

Their total income is £150.00 per week **2**

Their allowance as a couple in 2014-15 for CTS is £113.70 per week **3**

The amount they earn over the allowance is **2** - **3** or £36.30 **4** per week

The maximum CTS for them is £912.72 or £17.55 per week **5**

They receive more than the allowance. Excess income above their allowance reduces their CTS by £0.20 for every £1.00 (or 20%) earned: the “taper”.

We reduce their CTS by 20% of their excess income **4** so the reduction is £7.26 **6** per week.

The maximum CTS for them is therefore now **5** - **6** or £10.29 per week **7**

As they are working age, we have to reduce the CTS awarded by 14% - so we take this off **7**, reducing it by £1.44 so it is now £8.85 per week (or £460.20 per year) **8**

So their Council Tax bill for the year is **1** less **8** = £452.52 per year or £8.70 a week.

An example of a CTS calculation – if we did not uprate allowances in 2015-16

*This shows how we use allowances as part of our calculation of CTS.
The figures used are 2014-15 amounts.*

Couple, both aged 30.

No children or other people living with them.

Living in a Band A property in March.

Their Council Tax Bill is £912.72 or £17.55 per week **⑤**

They have had a pay increase of 1% in 2015.

Their total income is now £151.50 per week **②**

Their allowance as a couple for CTS remains at £113.70 per week **③**

The amount they earn over the allowance is **②** - **③** or £37.80 **④** per week

The maximum CTS for them is £912.72 or £17.55 per week **⑤**

They receive more than the allowance. Excess income above their allowance reduces their CTS by £0.20 for every £1.00 (or 20%) earned: the “taper”.

We reduce their CTS by 20% of their excess income **④** so the reduction is £7.56 **⑥** per week.

The maximum CTS for them is therefore now **⑤** - **⑥** or £9.99 per week **⑦**

As they are working age, we have to reduce the CTS awarded by 14% - so we take this off **⑦**, reducing it by £1.40 so it is now £8.59 per week (or £446.68 per year) **⑧**

So their Council Tax bill for the year is **①** less **⑧** = £466.04 per year or £8.96 a week.

In 2014-15 their bill was a net £452.52 per year or £8.70 a week.

It is now £466.04 per year or £8.96 a week.

This means that they are worse off by £13.52 per year or £0.26 per week.

An example of a CTS calculation – if we did uprate allowances in 2015-16

*This shows how we use allowances as part of our calculation of CTS.
The figures used are 2014-15 amounts with an assumed uprating applied
(it is assumed as the final figures to use have not yet been published by the DWP)*

Couple, both aged 30.
No children or other people living with them.
Living in a Band A property in March.
Their Council Tax Bill is £912.72 or £17.55 per week ⑤

They have had a pay increase of 1% in 2015.
Their total income is now £151.50 per week ②
Their allowance as a couple for CTS is uprated by 1% so is now £114.84 per week ⑨

The amount they earn over the allowance is ② - ⑨ or £36.66 ④ per week

The maximum CTS for them is £912.72 or £17.55 per week ⑤

They receive more than the allowance. Excess income above their allowance reduces their CTS by £0.20 for every £1.00 (or 20%) earned: the “taper”.

We reduce their CTS by 20% of their excess income ④ so the reduction is £7.33 ⑥ per week.

The maximum CTS for them is therefore now ⑤ - ⑥ or £10.22 per week ⑦

As they are working age, we have to reduce the CTS awarded by 14% - so we take this off ⑦, reducing it by £1.43 so it is now £8.79 per week (or £457.08 per year) ⑧

So their Council Tax bill for the year is ① less ⑧ = £455.64 per year or £8.76 a week.

In 2014-15 their bill was a net £452.52 per year or £8.70 a week.
It is now £455.64 per year or £8.76 a week.

This means that they are better off by £3.12 per year or £0.06 per week.
Their Bill is £10.40 lower next year than it would have been had we not uprated the allowances.

ANNEX A EQUALITIES IMPACT ASSESSMENT FOR COUNCIL TAX SUPPORT SCHEME

INTRODUCTION

The Equality Act 2010 reminded all public authorities of their duty to have ‘due regard’ to the need to:

- **Eliminate unlawful discrimination**, harassment, victimisation and any other conduct prohibited by the Act:
- **Advance equality of opportunity** between people who share a protected characteristic and people who do not share it; and
- **Foster good relations** between people who share a protected characteristic and people who do not share it.

The protected groups (previously known as equality strands) are as follows:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Gender
- Sexual orientation
- Marriage and civil partnerships (eliminate unlawful discrimination only)

Other legislation and practice has determined that we extend this to cover:

- Human Rights
- Socio Economic factors

The duty reminds us of the need to analyse the effect of existing and new policies and practices on equality.

The equality analysis should be proportionate and relevant – not just a tick box exercise. In some cases the written record will be a quick set of bullet points or notes under each heading. Others will need a more detailed explanation.

However, legal case law makes it clear that we must carry out the analysis **before making the relevant policy decision**.

A meaningful equality analysis will help the Council make the best decisions or formulate a policy which best meets our customers needs.

Once a Customer Impact Assessment (replacing our existing Equality Impact Assessment) has been completed there is no need to automatically carry out a new assessment each year. A review assessment has been put in place, and can be completed if there has been no change to the original policy, the way it's implemented and its customer impact.

Assessing Equality – The Equality Act 2010

A SIMPLE GUIDE TO ASSESSING EQUALITY

What is Customer Impact Assessment (CIA)?

- CIA is the act of systematically assessing the likely (or actual) effects of policies or services on people based on the following:
 - Age
 - Disability
 - Gender reassignment
 - Pregnancy and maternity
 - Race
 - Religion or belief
 - Gender
 - Sexual orientation
 - Marriage and civil partnerships
 - Human Rights
 - Socio Economic factors

This means considering the above, as set out in the table below, in relation to a policy, practice or service, before a decision is made.

	Eliminating unlawful discrimination, harassment and victimisation	Advancing equality of opportunity between different groups	Fostering good relations between different groups
Disability			
Age			
Pregnancy and maternity			
Race			
Religion or belief			
Sex/ Gender			
Gender reassignment			
Sexual orientation			
Human Rights			
Socio Economic Factors			
Marriage and civil partnerships			

Assessing Equality – The Equality Act 2010

- You are looking for opportunities to promote equality, and good relations between all groups as well as removing or mitigating negative or adverse impacts.
- Remember it might not be possible to remove all barriers to service or your policy or practice may have a negative impact on certain groups ... please note anything of this nature

Why is it important?

- Assessing equality issues helps us understand the needs of our customers, ensures our decisions meet those needs, and are also cost effective, and demonstratable.
- As a public authority we also have a **legal** duty to show “*due regard*” for equality in decision making and the way services are provided
- To be able us to show “*due regard*”, we need to show that consideration of [possible impact to the groups mentioned have taken place **prior** to a decision being made; that equality issues were considered, and that this consideration was rigorous, open minded, and involved thinking about the three arms of the Equality Act as part of this process, and that potential adverse impacts were either removed or reduced, and that all our decisions can be defended if challenged.
- Documenting our equality analysis enables the Council show it has had “*due regard*” for equality if decisions are challenged. If “*due regard*” for equality can not be shown, decisions may be overturned at judicial review. This could result in lost time, money and negative publicity.
- The sooner equality is considered in a process; the more efficiently that process can be carried out.

Assessing Equality – The Equality Act 2010

How can equality be assessed?

1. Gather information This can be consulting with relevant groups, using a previous EqIA as a starting point, consultations carried out by other services, details of the service 'hard to reach groups', customer satisfaction surveys, MOASIC data, consider relevance to equality



2. Assess impact could different groups be affected differently? Is this difference positive or negative? Consider the three arms of the Equality Act in relation to all the protected groups as per the table. NOTE: The quality of the assessment will depend on the quality of the information gathered



3. Take action this could be to reduce negative or increase positive impact. Produce an action plan where appropriate; make actions SMART. Unlawful discrimination **MUST** be actioned immediately



4. Summarise your findings on the EqIA form. Where it is clear from initial information gathering that a policy will not have any effect on equality, this may simply be a sentence recording this; the greater the relevance to equality, the greater the level of detail required. Publish your findings



5. Monitor the on-going effects of the policy on equality. This is usually in the form of the annual review carried out in October of each year, to fit in with the service planning cycle. The Equality Act is a **continuing** duty!

Assessing Equality – The Equality Act 2010

Customer Impact Assessment

Name and brief description of policy being analysed

Briefly summarise the policy including any key information such as aims, context etc; note timescales and milestones for new policies; use plain language – NO JARGON; refer to other documents if required

This Customer Impact Assessment should be read in conjunction with the report “Council Tax Support - 2015-16 scheme” considered by Council at its meeting on 18 December 2014.

Council Tax Support (CTS) was introduced in April 2013, replacing Council Tax Benefit (CTB). For CTB, it was a nationally set scheme that ensured that the maximum entitlement was 100%, so that 3,500 households in Fenland received full CTB and did not have to pay any Council Tax. For CTS, for those of state pensionable age, it is still subject to national rules and up to 100% CTS can be granted. For working age, Councils can reduce the amount of CTS by any percentage they see as appropriate. At the same time, the Government has changed the funding mechanism for CTS. Under CTB it was demand-led, meaning that the Government would fund all CTB granted, including any increase in demand. Under CTS, the Government gives each Council a specific amount annually to fund CTS. This is lower than the actual CTS granted. Councils must decide either to cut budgets, or the amount of CTS awarded to meet this gap. Fenland District Council is choosing to do the latter.

In 2013-14 the Council reduced the amount of CTS awarded for working age customers by 8.5%. The original proposal was to reduce it by 20% but transitional funding from the Government allowed the Council to reduce this planned cut from 20% to 8.5%.

In 2014-15 transitional funding was no longer available. After modelling demand for CTS, a revised scheme was implemented with a 14% cut.

For the 2015-16 scheme the reduction is proposed to remain at 14% after taking into account a slight reduction in demand together with DWP long-term forecasts that indicate demand for welfare benefits after the 2014 Budget indicated that the numbers of state benefit cases will slowly decline over the next five years, albeit that the amount of benefit paid will increase.

Assessing Equality – The Equality Act 2010

Information used for customer analysis

Note relevant consultation; who took part and key findings; refer to, or attach other documents if needed; include dates where possible

The Council Tax Support scheme proposed for 2015-16 is the same as the 2014-15 scheme, except for the uprating of allowances used to determine entitlement. Allowances are the amount of income that a person can receive before we start reducing their CTS from full entitlement.

State benefits (those administered directly by the Government such as Child Benefit, Jobseekers' Allowance, Employment Support Allowance, etc.) are increased each April, generally in line with inflation (the "CPI" or Customer Price Index is used normally). This affects entitlement to CTS as a person receiving these state benefits will have a higher income and would therefore receive less CTS as a result, as eligibility for CTS is means-tested and dependent upon income as well as savings and household composition.

We publicised the proposed scheme by:-

- Press releases,
- Having an article on the front page of www.fenland.gov.uk with a link to an on-line survey form,
- Writing to all 4,600 current working age recipients of CTS to explain the review and to invite them to comment using the on-line survey form.

The consultation ran for five weeks from the start of October to conclude on 9 November 2014.

Information about the consultation was retained on the Council's website home page for a further week until 14 November 2014 to give customers who had received a letter explaining the review more time to comment.

The following pages show how the 2015 CTS scheme will affect key groups in the community.

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Explanations	Is action possible or required?	Details of actions or explanations if actions are not possible Please note details of any actions to be placed in your Service Plan
Race	N	Y	N	<p>The proposed scheme affects working age customers as those of state pensionable age are protected by regulations.</p> <p>Other groups are not discriminated against specifically for their characteristics.</p>	N	<p>CTS has an adverse effect on working age claimants, who represent 50% of CTS claims (about 4,600).</p> <p>Working age customers are generally able to increase their income through employment, which is not as achievable for a pensioner.</p> <p>Working age customers in work often receive other benefits such as Tax Credits that can help boost their income.</p> <p>No further action is required.</p>
Sex	N	Y	N		N	
Gender reassignment	N	Y	N		N	
Age	N	N	Y		N	
Sexual orientation	N	Y	N		N	
Religion or belief	N	Y	N		N	
Pregnancy & maternity	N	Y	N		N	
Marriage & civil partnership	N	Y	N		N	
Human Rights	N	Y	N	There are no effects.	N	No action required.

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Explanations	Is action possible or required?	Details of actions or explanations if actions are not possible Please note details of any actions to be placed in your Service Plan
Disability	N	N	Y	Disabled people are disadvantaged as they are likely to have fewer opportunities to access to work in order to be able to increase their wage income.	Y	<p>We disregard Disability Living Allowance and Attendance Allowance in CTS calculations.</p> <p>We disregard all Armed Forces compensation income from Veterans and Members of the Armed Forces.</p> <p>We increase premiums for severe disability, enhanced disability and a disabled child rate.</p> <p>Disabled people who are unable to work receive higher levels of state benefits, are likely to have a higher income than other unemployed, working age claimants whose CTS will also be reduced.</p>

Assessing Equality – The Equality Act 2010

	Could particularly benefit	Neutral	May adversely impact	Explanations	Is action possible or required?	<p>Details of actions or explanations if actions are not possible</p> <p>Please note details of any actions to be placed in your Service Plan</p>
Socio Economic and Multiple /cross-cutting	N	N	Y	<p>Working age households may have to pay more Council Tax after CTS is taken into account.</p> <p>This means that they may have less money to spend in the local economy as a result.</p>	Y	<p>As well as the statutory 10 instalments, we now offer 12 monthly and 52 weekly instalments to help customers better budget to pay their Council Tax. Weekly payments are particularly helpful for social housing tenants who pay their rent weekly.</p> <p>Our Council Tax Discretionary Relief scheme gives potential extra help to customers in exceptional circumstances who cannot pay their Council Tax.</p> <p>By keeping the reduction at 14% for a second year we are helping customers get used to CTS and help them prepare for next year.</p>

Assessing Equality – The Equality Act 2010

Outcome(s) of customer analysis

a) Will the policy/~~procedure~~ impact on ~~the whole population of Fenland and/~~ or identified groups within the population; negative neutral positive

No major change needed **N** Adjust the policy **N** Adverse impact but continue **Y** Stop and remove / reconsider policy **N**

Arrangements for future monitoring:

Note when analysis will be reviewed; include any equality indicators and performance against those indicators

This assessment will be regularly reviewed.

Details of any data/ Research used (both FDC & Partners):

Data from the customer survey conducted in autumn 2014 was used to complete this assessment.

Completed by:

Name: Geoff Kent

Position: Head of Customer Services

Date: 2/12/14

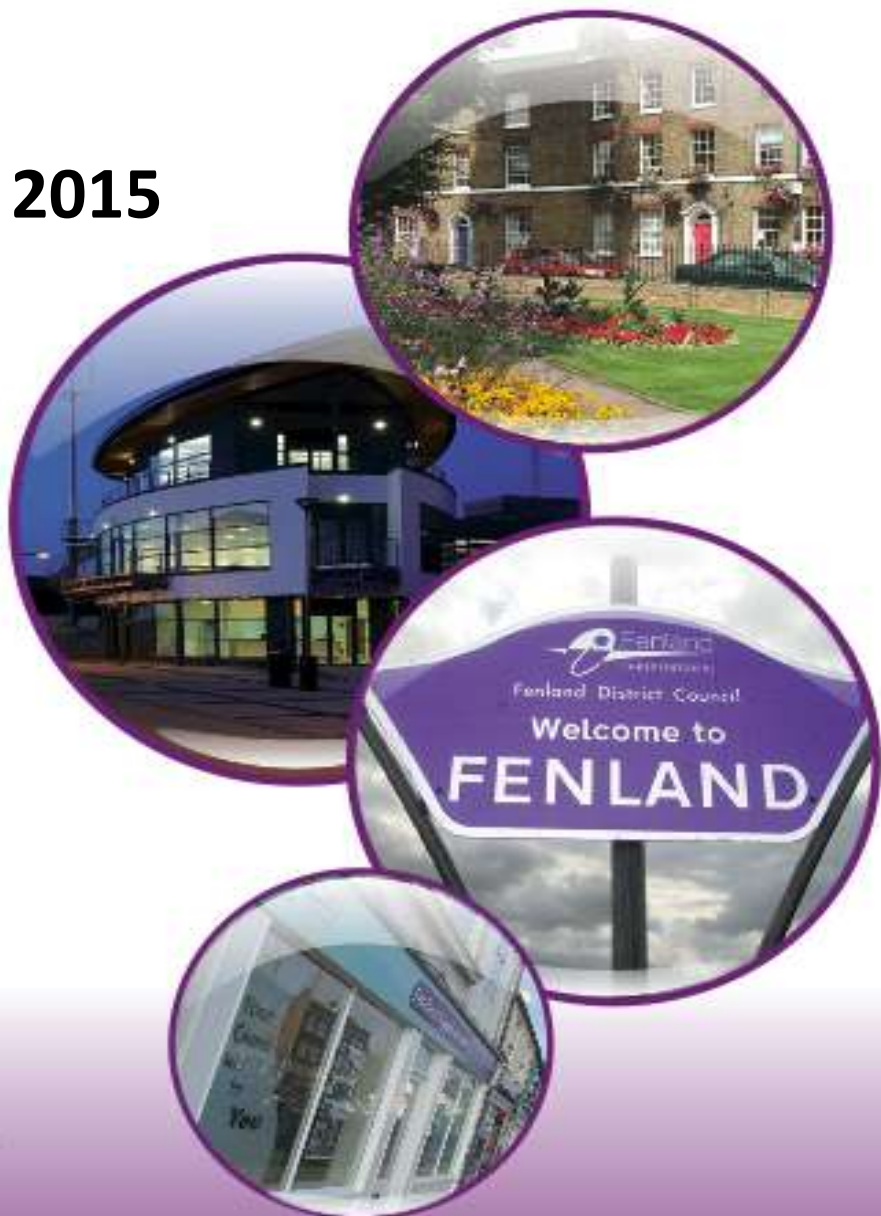
Details of any Committee approved by (if applicable):

This Customer Impact Assessment should be read in conjunction with the report “Council Tax Support - 2015-16 scheme” considered by Council at its meeting on 18 December 2014.

Council Tax Support Scheme

Effective 1 April 2015

Determined by Council
at its meeting on
18 December 2014



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Glossary of Terms

Definition of Pensionable Age

When we talk about pensionable age customers we mean someone who:

- Has reached the qualifying age for state pension credit, and
- They, or any partner, do not receive Income Support, Income Based Job Seekers Allowance or Income Related Employment Support Allowance.

Definition of Working Age

When we talk about working age customers we mean someone who:

- Has not yet reached the qualifying age for state pension credit, or
- Has reached the qualifying age for state pension credit but they, or any partner, receive Income Support, Income Based Job Seekers Allowance or Income Related Employment Support Allowance.

Definition of 'partner'

When we talk about a customer's partner we mean a person they are married to or a person they live with as if they were married to them, or a civil partner or a person they live with as if they were civil partners.

Applicable Amounts

When we talk about 'applicable amount' we mean a weekly figure that is used to calculate the basic living needs of a customer based on their household size and accounting for any disabilities or special circumstances. The elements and amounts of the applicable amount are decided by the Government and are made up of:

- personal allowances (for the claimant, partner and any children)
- premiums (based on certain qualifying conditions)

The applicable amount is used in a means tested calculation and compared to a customer's assessed income figure in order to work out how much benefit they may be entitled to.

The applicable amounts and associated premiums that we use will be updated using information published by the Department for Work and Pensions in a Housing Benefit Circular that is published annually before the financial year it relates to starts.

1. Introduction

1.1 From 1 April 2013, the Government abolished the national Council Tax Benefit scheme and required each council to introduce their own local Council Tax Reduction Scheme to replace it. The amount of money the Government now gives councils to fund a local scheme is less than the grant given for Council Tax Benefit. This means Fenland District Council will have less money to help low income households with their Council Tax.

1.2 Although the Council is required to design a local scheme the Government has placed a number of restrictions on what we can do. The council also has to consider how a local scheme would impact on the most vulnerable in society and should specifically consider its statutory duties under the following regulations:-

- The Equality Act 2010,
- The Child Poverty Act 2010,
- The Housing Act 1996,
- The Armed Forces Covenant 2011.

1.3 We have spent considerable time looking at various options and the effects each one would have on residents in Fenland. We believe we have identified a scheme that fairly distributes the funds available whilst protecting the most vulnerable members of our society. We have consulted on our draft proposals, have analysed the responses received and have now produced our Council Tax Support Scheme. We need to have an agreed scheme in place by 31 January 2015 for the financial year starting 1 April 2015.

1.4 People of pensionable age will be protected from the effects of the local scheme and will have any reduction in their Council Tax assessed only in accordance with the legislation referred to in section 2.1 of this Scheme document. They should therefore receive the same amount of reduction as they would have done under Council Tax Benefit had it still existed from 1 April 2015. However, working age households will not be protected as these will be assessed under the local scheme rules and will therefore always need to pay something towards their Council Tax.

1.5 Fenland District Council's scheme is based on the following principles:

- Everyone of working age should pay something towards their Council Tax,
- The scheme should provide protection for the most vulnerable in Society,
- The scheme should incentivise and support people moving into work, and help those in low paid work.

2. The legal basis for this scheme

2.1 This scheme is in accordance with this legislation and any subsequent legislation that amends it:

- Local Government Finance Act 2012
- Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012
- Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

2.2 The legislation states that Councils must create a Council Tax Reduction Scheme for their area to take effect from 1 April 2015. Fenland District Council's Council Tax Reduction Scheme is known as its 'Council Tax Support' scheme. Any reductions in Council Tax that are granted as a result of it will be called "Council Tax Support" and be shown on literature such as Council Tax Bills in this way.

3. Validity of this scheme

This scheme will apply to the financial year 1 April 2015 to 31 March 2016 inclusive. It will continue to apply thereafter until further notice unless amended by determination of Fenland District Council. Any amendments will apply only from a subsequent 1 April (i.e. if the Council revises the scheme in December 2015, the change will not apply until 1 April 2016).

4. Outline of this Scheme

4.1 Those people entitled to a reduction in their Council Tax under Fenland District Council's Council Tax Support scheme will be as follows:

4.2 People of Pensionable Age

The Government protects pensioners from the impact of Council Tax Support. Therefore, support for people of pensionable age will be provided through a means tested reduction which will be the same as what they would have been entitled to under the previous Council Tax Benefit system (assuming no other changes in their circumstances). The details for this scheme are set out in the legislation referred to in section 2.1 of this Scheme document.

4.3 People of Working Age

Support for people of working age will apply the rules as set out in the legislation referred to in section 2.1 of this Scheme document except for the provisions mentioned in this document.

4.4 The amount of help working age people will be entitled to will be means tested in a similar way to Council Tax Benefit in that a customer's income will be compared against an 'applicable amount'.

4.5 Fenland District Council's Council Tax Support scheme is based around the three principles as set out in paragraph 1.5 and contains the following features:

4.6 Reductions applied to the amount of Council Tax Support awarded

All working age customers will have their entitlement to Council Tax Support calculated on the applicable Council Tax charge. This award will then be reduced by 14% and applied to their Council Tax account. The actual amount someone has to pay will depend on the makeup of their household, their income, savings and any other discounts that may apply but this means that these customers will have to pay at least 14% of their gross Council Tax bill.

4.7 Applicable amounts

We will use the Applicable amounts as detailed out in the legislation referred to in section 2.1 of this Scheme document , any subsequent Government Regulations that expressly alter the amounts in the above-mentioned regulations and uprated amounts included in information published by the Department for Work and Pensions in the form of a Housing Benefit Circular annually.

4.8 **Incentivising work**

Council Tax Benefit allowed for customers to continue getting help at the level they did for four weeks after they got a full-time job, worked more hours or earned more money for at least five weeks after one of these changes. We will still make this extended payment for four weeks. It will be known as an “extended reduction”.

4.9 **War Pensions**

Under Council Tax Benefit rules, the first £10 of war pension income received each week was not included in the assessment of the customer’s income. However, Fenland District Council has always disregarded the remainder of war pension income under its discretionary powers. We will continue to disregard all war pensions in the assessment of a customer’s income for Council Tax Support.

4.10 **Universal Credit**

The Government has started phased process of merging payments of Income Support, Income Related Job Seekers Allowance, Income Based Employment Support Allowance, Child Tax Credit, Working Tax Credit and Housing Benefit into a single payment called ‘Universal Credit’.

We will treat Universal Credit with regards to our Council Tax Support Scheme in accordance with the legislation referred to in section 2.1 of this Scheme document and any subsequent Government Regulations that expressly alter provision for the treatment of Universal Credit in the above-mentioned regulations.

Note that if a customer applies for Universal Credit they will need to apply for Council Tax Support separately.

5. Vulnerable groups

- 5.1 One of the key principles of Fenland District Council's local Council Tax Support scheme is to provide support for the most vulnerable members of our society.
- 5.2 The Council believes that, by basing its scheme for local support on out in the legislation referred to in section 2.1 of this Scheme document, provision is already made for the most vulnerable customers. This is because the figure used to calculate the basic living needs of a customer (the 'applicable amount') includes extra amounts to cater for disabilities, children or other special circumstances as well as disregarding certain types of income.

6. Who can apply

- 6.1 Eligibility for Council Tax Support is set out in the legislation referred to in section 2.1 of this Scheme document which follows the same rules as set out in previous regulations for Council Tax Benefit. Claimants must be at least 18 years old, liable to pay Council Tax and the property must be their main or sole residence. Current arrangements allowing a person to act on behalf of another (for example, where a person has been granted power of attorney) will continue.
- 6.2 Those not eligible to claim will include those not liable to pay Council Tax, customers with savings of £16,000 or more, most students and persons from abroad who have no recourse to public funds.

7. How to make a claim and supporting evidence

- 7.1 Applications for Council Tax Support should be made by an electronic form which will be available from the council's website or via public access computers at the Council's Fenland @ Your Service Shops in March, Whittlesey and Wisbech as well as the Community Hubs in Chatteris and Whittlesey). Telephone applications are available for those customers who do not have access to complete the electronic version, by contacting the Council's Customer Services team on 01354-654321. The application form will also collect information regarding housing costs for those wishing to apply for Housing Benefit.
- 7.2 Some customers may complete an application form for Housing Benefit via Job Centre Plus and the Pension Service and these will also be acceptable to claim Council Tax Support.

7.3 Customers applying for Council Tax Support will be required to verify their identity, national insurance number, income, and capital. The Council may be able to use other sources to confirm some details but customers will be required to provide documentation to support their application. The Council may ask for further information to support an application as required. The Council may compare this information with other data held to help prevent fraud.

8. Date of claim

8.1 The start date of Council Tax Support for people of working age is set out in the legislation referred to in section 2.1 of this Scheme document which follow the same rules as set out in the previous regulations for Council Tax Benefit. In general, this means entitlement to Council Tax Support will be assessed from the Monday following the date a customer first contacts the Council to make an application, providing an application (using an on-line form or paper form) is received at Fenland District Council's offices within one calendar month of the date the Council were first contacted.

8.2 The scheme allows customers to apply for backdated awards of benefit up to 6 months in the past if they can prove 'good cause' as to why they had not made an application for benefit earlier as out in the legislation referred to in section 2.1 of this Scheme document.

8.3 The date of claim for pension age customers will be assessed under the national rules as set out in out in the legislation referred to in section 2.1 of this Scheme document.

9. Notification of entitlement

9.1 All customers will be notified of the outcome of their application. The notification will also explain their appeal rights if they are unhappy with the decision.

9.2 Where a customer is entitled to Council Tax Support a new bill showing the amount of the reduction awarded and the revised amount to pay will be issued. The reduction awarded will be shown as "COUNCIL TAX SUPPORT" on bills and other documents advising customers of their award of Council Tax Support.

10. Change of Circumstances

- 10.1 Once an application for Council Tax Support has been made customers will have a duty to notify Fenland District Council of changes in their circumstances. The rules for when changes of circumstances will take effect will be set out in out in the legislation referred to in section 2.1 of this Scheme document
- 10.2 Changes of circumstances should be notified as soon as possible in order to prevent overpayments and ensure the correct amount of Council Tax Support is being paid.

11. Overpayments

- 11.1 Council Tax Support will be paid in the form of a reduction against the Council Tax account and calculated up to the end of March in each financial year. However, where a customer's circumstances change in the year or the customer notifies the Council of a change which occurred in the past, an overpayment of Council Tax Support may be created.
- 11.2 Where overpayments do occur these will be posted to the Council Tax account and a new bill will be issued. Overpayments will always be recoverable from the customer.

12. Appeals

- 12.1 Customers will have the right to appeal against decisions made and must do so in writing within one month of notification.
- 12.2 The Council will review the original decision and notify the customer of the outcome. If the customer is still not satisfied with the outcome, or does not receive a reply within two months a further appeal may be made. This further appeal is to an independent body called the 'Valuation Tribunal'.

13. Claim Reviews

- 13.1 From time to time the Council may check the details of a claim for Council Tax Support to see if any of the details held on our records have changed. If we need to do this we may send a form or visit the customer in their home. The Council will review claims to ensure the correct Council Tax Support is being awarded and to protect public funds against fraud and error.

14. Fraud

- 14.1 A customer who makes a false claim for Council Tax Support or fails to tell us about changes in their circumstances when they occur, will not only have to repay any Council Tax Support incorrectly claimed but may also be liable to prosecution (which could potentially attract a custodial sentence if the customer is found guilty of fraud at Court) or a fine.