

ISLE OF ANGLESEY COUNTY COUNCIL

REPORT TO:	THE EXECUTIVE
DATE:	27 NOVEMBER 2017
SUBJECT:	COUNCIL TAX REDUCTION SCHEME 2018/19
PORTFOLIO HOLDER(S):	COUNCILLOR JOHN GRIFFITH (PORTFOLIO HOLDER – FINANCE)
HEAD OF SERVICE:	MARC JONES HEAD OF FUNCTION (RESOURCES) (SECTION 151 OFFICER)
REPORT AUTHOR:	GERAINT H. JONES (REVENUES AND BENEFITS SERVICE MANAGER)
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LOCAL MEMBERS:	NOT APPLICABLE

A - Recommendation/s and reason/s

RECOMMENDATIONS

- The Executive recommends to the Isle of Anglesey County Council (full Council) in its meeting on 12 December 2017 that its current local Council Tax Reduction Scheme should not be revised or replaced with another scheme, apart for the full Council using its discretion under section 13A of the Local Government Finance Act 1992 that the Council Tax Reduction Scheme for 2018/19 onwards disregards all payments made under the Wales Infected Blood Support Scheme (WIBSS) – see **Appendix A**.
- The Executive recommends to the full Council in its meeting on 12 December 2017 to formally adopt the current Council Tax Reduction Scheme (with the change recommended above by the Executive) for the financial year 2018/19.
- The Executive recommends to the full Council in its meeting on 12 December 2017 that it provides authority to the Head of Function (Resources) (Section 151 Officer) to make administrative arrangements so that all annual changes for uprating of financial figures or technical revisions in any amending regulation or regulations are reflected in the Council's Council Tax Reduction Scheme and for each subsequent year as well as taking into account the necessary amendments to the council tax reduction scheme regulations when using the additional disregard of payments made under WIBSS.

REASONS AND BACKGROUND

See attached report - **Appendix B**

B - What other options did you consider and why did you reject them and/or opt for this option?

See attached report – **Appendix B**

C - Why is this a decision for the Executive?

Regulations state that this is a decision for the full Council. The Executive is asked to endorse a Council Tax Reduction Scheme for approval by the full Council.

Further, decisions made under section 13A of the Local Government Finance Act 1992 have not been delegated by the full Council to the Executive or to officers.

CH - Is this decision consistent with policy approved by the full Council?

The Council Tax Reduction Scheme for 2018/19 which the Executive is asked to endorse is consistent with the schemes approved annually by full Council with regard to the Council Tax Reduction which have been in force since the financial year 2014/15 – apart than for the recommended change.

D - Is this decision within the budget approved by the Council?

The Welsh Government's Draft Provisional Local Government Revenue and Capital Settlement for 2018/19 was received on 10 October 2017 and the Draft Settlement has awarded to the Council a Council Tax Reduction Scheme Grant to meet the cost of its local Council Tax Reduction Scheme for 2018/19 of £5,187,000 (which compares with £5,165,000 for 2017/18). The projections below are made based on the grant under the Draft Settlement for 2018/19.

Current projected expenditure for 2017/18 (end of Quarter 2) is £5,367,807 against a budget of £5,600,000 for 2017/18. The cost of the Council Tax Reduction Scheme for 2017/18 is offset by a Welsh Government Council Tax Reduction Scheme Grant of £5,165,000. This gives a projected shortfall between expenditure and grant of approximately £203k to be borne by the Authority for 2017/18. This shortfall can be met from within the current budget for 2017/18.

In the Council's Draft Budget for 2018/19 £5,524,000 has been allocated to meet the cost of the Council Tax Reduction Scheme cost and also the cost of an additional bad debt provision for overpaid benefits.

Two factors for 2018/19 will affect the expenditure on the scheme:-

- Between April 2017 and September 2017 there has been a caseload reduction of 1%, which compares with (from April to April) a 2.1% reduction during 2016/17, 2.5% reduction during 2015/16 and 1.8% reduction during 2014/15;
- Planned increase in Council Tax of 4.0% for 2018/19 in accordance with Medium Term Financial Plan 2018/19 – 2020/21.

An uncertain factor, during 2018/19, affecting expenditure on the scheme will be the impact of Chancellor of Exchequer's Autumn Budget on 22 November 2017 and also, as a consequence of the Budget, whether the Welsh Government will update or not the financial figures in respect of the amending regulations in respect of the scheme for 2018/19.

Having regard to the above, at best, the estimated expenditure on the scheme will be £5,470,870 (assuming a 4.0% increase in Council Tax and a 2% reduction in caseload) and, at worst, estimated expenditure at £5,636,200 (assuming no caseload reduction with a 5.0% increase in Council Tax).

There is, therefore, an estimated expected shortfall of between £284k and £450k in grant funding which will have to be met by the Council. This is based on the full Council readopting the current scheme unchanged. However, the extent of the shortfall will become clearer during the budget setting process.

D - Who did you consult?**What did they say?**

D - Who did you consult?		What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	
2	Finance / Section 151 (mandatory)	Author of report
3	Legal / Monitoring Officer (mandatory)	
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Scrutiny	
8	Local Members	
9	Any external bodies / other/s	

E - Risks and any mitigation (if relevant)		
1	Economic	
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	<p>The main risk to the Council is additional costs of its Council Tax Reduction Scheme above the Welsh Government's Grant for 2018/19. The Council has no control on fluctuations in caseload and should caseload increase, the costs borne by the Council will consequently increase. A 1% increase in caseload will be an additional burden on the Authority of approximately £55,000.</p> <p>The impact of the Chancellor of the Exchequer's Autumn Budget is uncertain at present.</p>

F - Appendices:

Appendix A - Letter dated 27 October 2017 Welsh Government
Appendix B - Report to full Council to consider 12 December 2017

FF - Background papers (please contact the author of the Report for any further information):

Reforming Local Government Finance in Wales: an update – October 2017

Ministerial Written Statement: Arrangements of Council Tax Reduction Scheme in Wales 2018/19 – Mark Drakeford AM 9.10.17.

Section 13A Local Government Finance Act 1992 as amended by Section 10 of the Local Government Finance Act 2012

ISLE OF ANGLESEY COUNTY COUNCIL	
REPORT TO:	COUNTY COUNCIL
DATE:	12 DECEMBER 2017
SUBJECT:	COUNCIL TAX REDUCTION SCHEME
LEAD OFFICER(S)	MARC JONES HEAD OF FUNCTION (RESOURCES) (SECTION 151 OFFICER)
CONTACT OFFICER	GERAINT JONES - REVENUES AND BENEFITS SERVICES MANAGER (EXT. 2651)
ACTION :	TO ADOPT THE COUNCIL TAX REDUCTION SCHEME FOR 2018/19

1. PURPOSE OF THE REPORT

- 1.1 The report explains the requirement to adopt a scheme by 31 January 2018 with regard to 2018/19.

2. BACKGROUND INFORMATION

- 2.1 The full Council on 15 December 2016 adopted its Council Tax Reduction Scheme for the financial year 2017/18. The full Council is required to consider under Part 2, Regulation 18 of "The Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013 No. 3029 (W.301) (the Regulations) for each financial year whether to revise its scheme or replace it with another Council Tax Reduction Scheme. The full Council must make any revision to its scheme, or any replacement scheme, no later than 31 January in the financial year preceding that for which the revision or replacement comes into effect.
- 2.2 The full Council under the current scheme formally adopted the Regulations as its scheme and using discretionary powers decided to use local discretion to adopt a Local War Disablement Pension and War Widows or Widowers Pension Discretionary Scheme in accordance with the Regulations. The elements disregarded as income are detailed in the current scheme for the purpose of this local discretion. This provides additional Council Tax support to that statutorily required to pay under the Regulations. This is the only local discretion currently awarded by the full Council under its Local Council Tax Reduction Scheme.
- 2.3 The full Council must also have regard to Regulation 17 of the Regulations when revising or replacing a scheme. If the full Council decides to revise or replace its scheme, it must publish a draft revised scheme in such a manner it think fits and must consult with any persons it considers likely to have an interest in the operation of its Council Tax Reduction Scheme. There is, however, no expressed requirement to consult annually, it is only if a scheme is revised or replaced when consultation has to take place.
- 2.4 For 2018/19, the Welsh Government has advised (see **Appendix A**) that it will be making necessary changes to the following regulations to ensure that council tax reductions schemes are able to disregard payments made under the Wales Infected Blood Support Scheme (WIBSS):-

- The Council Tax Reduction Scheme and Prescribed Requirements (Wales) Regulations 2013; and
- The Council Tax Reduction Scheme (Default Scheme)(Wales) Regulations 2013.

The Welsh Government is encouraging authorities to use such powers to disregard in full any payments made by WIBSS.

Apart for the above change and as for 2017/18, the Welsh Government will be making amending regulations to uprate the financial figures used in the Regulations and to reflect any other technical amendments required as a result of changes to underlying benefits. Again, as for 2017/18, the timing of these amending regulations is dependent on the Chancellor of Exchequer's Autumn Budget (22 November 2017) and the subsequent uprating schedule published by the Department for Work and Pensions a few days after the Autumn Budget. The earliest date the Welsh Government will be able to lay the new draft Regulations reflecting the uprate to financial figures or any other technical amendment before the National Assembly for Wales, is early December 2017. These regulations must be laid in draft for 20 working days with recess dates not being counted and a plenary debate held before they come into effect. For 2017/18 these amending regulations did not come into effect until 18 January 2017 and it is expected a similar timetable will apply for 2018/19.

- 2.5** As the full Council is meeting on 12 December 2017 to determine its local Council Tax Reduction Scheme for 2018/19, it is proposed that the Head of Function (Resources) (Section 151 Officer) is given the authority to make administrative arrangements so that all annual changes for uprating of financial figures or technical revisions and the decision of the full Council (if that is the wish of the full Council) to disregard in full any payments made by WIBSS are reflected in the Council's Council Tax Reduction Scheme and for each subsequent year.

3. REVIEW OF CURRENT COUNCIL TAX REDUCTION SCHEME

- 3.1** In **Appendix B** the full Council is provided with information, statistics and values concerning the impact of its Council Tax Reduction Scheme for 2017/18. This information will be useful in future to the full Council in its consideration whether to revise or replace its current scheme, in that:-

- It can use this data to measure trends (currently accurate at 30 September 2017) against the effective baseline (accurate at December 2012) when the Equality Impact Assessment was undertaken of protected characteristics and incidence of vulnerability. These trends are measured annually in September (similar data was provided to the full Council when it considered its scheme for 2017/18);
- To begin to understand the impact of the scheme upon the inhabitants of the Island with reference to age, disabled people, gender and race;
- For the future, to potentially inform the full Council's understanding of the potential costs of different potential schemes and of the potential costs of full or partial protection of particular client groups and vulnerable people. At present, up to 100% reduction must be provided under the Regulations (if eligible) and the Welsh Government in a ministerial statement on 9 October 2017 has confirmed that these arrangements will continue for 2018/19 but a review of these arrangements from April 2019 onwards will apply, as "part of wider considerations about how to make Council Tax fairer".

- 3.2** Since the baseline data established in December 2012, the following trends can be identified for the Island with regard to its Council Tax Reduction Scheme:-

- **Caseload:** the reduction in the caseload continues and recently at a slightly slower rate than for the same period last year. From December 2012 to September 2014, there was an overall reduction in the caseload of 6.3% (6,960 down to 6,525). During the annual period from September 2014 up to September 2015, the caseload was reduced by 1.8% to 6,410 and from September 2015 to September 2016, the caseload fell by 2.5% down to 6,252. In the last 12 month period from September 2016 to September 2017, the caseload has fallen again by 2.1% down to 6,117;
- **Caseload:** the number of passported claimants i.e. passported claimants are claimants on Job Seekers Allowance (Income Based), Income Support, Employment Support Allowance (Income Related) and Pension Credit Guarantee where the Department for Work and Pensions have already verified income, has declined from 69.5% to 65.8% of the caseload during the 12 months prior to September 2017. Non-passported claimants i.e. standard claimants has increased from 30.5% to 34.2%. This is a significant change in the last 12 months. For standard claimants, the local authority has to verify income details. These claimants are usually in work but income is at a level where they are eligible for a full or partial Council Tax Reduction or are pensioners with savings and other income;
- **Age:** the analysis at December 2012 suggested a slightly higher incidence of Working Age over Pensioner Age claims by number (51.5%/48.5%). By September 2014, this had increased very slightly (51.7%/48.3%) with the same pattern up to September 2015 (52.7%/47.3%). Up to September 2016, the pattern has stabilised showing a 51.9%/48.1% split and by September 2017, there has been a slight increase in Working Age (52.4%/47.6%);
- **Age:** the analysis of households with children claiming a Council Tax Reduction in December 2012 was 21.9% of caseload. By September 2014, this had increased to 24.2% and, by September 2015, this remained relatively static at 24.1% but, by September 2016, this had fallen to 23.2%. By September 2017, this remains static at 23.3%;
- **Disability:** the analysis of households who received a Council Tax Reduction where specified disability payments were received (these being – Care Component of a Disability Living Allowance (Low, Middle or High), Attendance Allowance, Support Component of Employment Support Allowance, Incapacity Benefit and Personal Independence Payments) in December 2012 was 39.3% of caseload. By September 2014, this had decreased to 34.8%. This trend was reversed by September 2015 with 37.0% of households receiving a reduction and this pattern, where specified disability payments were received, continued to increase up to 39.8% of the caseload by September 2016. By September 2017, there has been a significant increase to 45.7% of the caseload;
- **Gender:** the incidence of female single parents as at December 2012 was 92.5% (13.3% of caseload). By September 2014, this was 92.3% (14.3% of caseload) and by September 2015 it was 92.1% (13.2% of the caseload). In September 2016, the figure stood at 91.1% (14.2% of the caseload). As at September 2017 the incidence of female single parents is 93.5% (14.4% of the caseload);
- **Race:** the Office of National Statistics in December 2012 published its March 2011 Census relating to diversity for the Isle of Anglesey. All claimants completing a Council Tax Reduction application form are asked to complete a voluntary ethnic survey. (See Table 6 in Appendix B for a breakdown based on the voluntary survey which is compared to the March 2011 Census figures).

3.3 For the first 6 months of 2017/18, 657 new Council Tax Reduction Scheme claimants have been processed (compared with 693 for the same period last year) with 7,820 changes in circumstances processed (compared to 11,006 for the same period last year). The average time taken to process new claims and changes in circumstances is 6.9 days in this period (for the same period last year the average time was 6.2 days).

4. REVIEW OF THE CURRENT SCHEME – LOCAL DISCRETIONS

4.1 As mentioned in paragraph 2.4, the Welsh Government is proposing to amend the Regulations enabling authorities to disregard payments made under WIBSS. The regulations will also be amended to take into account the normal financial upratings and technical amendments that are used in the Regulations. For 2018/19 therefore, the only considerations available to the full Council to review and decide is in the area of local discretions allowed by the Regulations, including consideration of the additional discretion to disregard payments made under WIBSS. Under the Regulations (to remind the full Council), the Council has local discretion in these areas only:-

- The ability to increase the standard extended reduction period of 4 weeks given to persons after they return to work where they have previously been receiving a council tax reduction that is to end as a result of their return to work i.e. **“Extended Payment Period”**;

Estimated increased costs for 2018/19 associated with extending the statutory extended period ranges between £8,060 for two weeks up to £23,680 for 6 weeks beyond the standard 4 weeks. Under the previous Council Tax Benefits rules, no special provision existed to allow this and the full Council did not apply this when Council Tax Reduction Scheme was introduced. It is recommended, therefore, not to revise the scheme and extend the payment period for 2018/19;

- Discretion to increase the amount of War Disablement Pensions and War Widows or Widowers Pensions which is to be disregarded when calculating income of the claimant i.e. **“War Widows/Widowers”**;

The full Council already has a local scheme allowing additional disregards in this area. It is recommended that this should continue. The cost to the Council is estimated to be £22,795 in 2017/18. It is recommended, therefore, that the additional disregards applied under the current local scheme will continue unrevised for 2018/19;

- The ability to backdate the application of Council Tax Reduction with regard to late claims prior to the standard period of three months before the claim i.e. **“Backdating of Claims”**;

The full Council has always held the view that 3 months is an adequate time period to allow backdating of Council Tax Reduction for both pensioner and working age claims. The full Council is of the view that there are sufficient support networks available to advise claimants. There is a great deal of uncertainty about the likely cost if such a local scheme was applied and it is recommended, therefore, not to revise the scheme by extending the back-dating period beyond 3 months during 2018/19;

- The additional ability in the amending regulations for 2018/19 to disregard in full any payments made under WIBSS. As mentioned in the Welsh Government’s letter, dated 27 October 2017 (**Appendix A**), present payments are being made by five bodies on behalf of the Department of Health. The Council’s current records in respect of Council Tax Reductions show no payments of this type presently being made on behalf of the Department of Health by the five bodies to claimants under the current Scheme. It is therefore recommended, that the full Council uses its discretion under section 13A of the Local Government Finance Act 1992 to disregard in full any payments made by WIBSS and that the Council Tax Reduction Scheme for 2018/19 onwards reflects this discretion.

4.2 It should be noted that there is no additional money available from the Welsh Government to fund these discretionary elements – the cost falling on local taxpayers.

4.3 Under Appendix 1 of the proposed Council Tax Reduction Scheme for 2018/19 the full Council details the procedure by which a new claimant can apply for a reduction under the scheme. Below is provided an analysis of the method of application used by claimants for the Council Tax Reduction Scheme between 1 April 2017 and 30 September 2017:-

Method of application	Number	Percentage (%)
A. Electronic based application		
i. By appointment over the telephone to Revenues & Benefits Office, Llangefni	60	9.1
ii. By appointment with approved and suitably trained partners – Connect Môn, J E O’Toole Centre, Housing Services etc.	68	10.4
iii. On-line application via web site – self help	443	67.4
iv. Department for Work and Pensions input documents	61	9.3
B. Paper based application	4	0.6
C. Method of application not known as not properly recorded	21	3.2
TOTAL	657	100

It is also recommended that these procedures remain the same and are not revised for 2018/19, apart for required procedural changes that must be made as full service Universal Credit roll out commences in March 2018. From December 2016, acceptance of “electronic signatures” when claiming by electronic means was introduced and by December 2017, automatic calculation and integration of completed on-line application forms to the back office software will have been achieved.

5. FINANCIAL AND RISK IMPLICATIONS

5.1 The Welsh Government’s Local Government Revenue and Capital Settlement 2018/19 is not expected until week commencing 18 December 2017 and, therefore, the Council Tax Reduction Scheme Grant to be awarded to the Council to meet the cost of its local Council Tax Reduction Scheme for 2018/19 is not yet known (at the time of writing this report). The projections below are made based on the Draft Settlement for 2018/19 which was published on 10 October 2017. Current expenditure (end of Quarter 2, 2017/18 is £5,367,807, offset by a Welsh Government Council Tax Reduction Scheme Grant of £5,165,000 for 2017/18. This gives a projected shortfall of £203k to be borne by the Authority for 2017/18. The proposed Council Tax Reduction Grant under the Draft Settlement for 2018/19 is £5,187,000. In the Council’s Draft Budget for 2018/19, £337k has been allocated to meet the cost of the shortfall and also additional provision costs with regard to bad debt in respect of overpaid benefits.

5.2 Two factors for 2018/19 will affect the expenditure on the scheme:-

- Between April 2017 and September 2017 there has been a caseload reduction of 1%, compared with (from April to April) a 2.1% reduction during 2016/17, 2.5% reduction during 2015/16 and 1.8% reduction during 2014/15;
- Planned increase in Council Tax of 4.0% for 2018/19, in accordance with the Medium Term Financial Plan 2018/19 – 2020/21.

An uncertain factor, during 2018/19, affecting expenditure on the scheme will be the impact of Chancellor of Exchequer’s Autumn Budget on 22 November 2017 and also, as a consequence of the Budget, whether the Welsh Government will upgrade or not financial figures with regard to their amending regulations with regard to the scheme for 2018/19.

5.3 Having regard to the above, at best the estimated expenditure on the scheme will be £5,470,870 (assuming a 4% increase in Council Tax and a 2% reduction in caseload) and at worst an estimated expenditure at £5,636,200 (assuming no caseload reduction with a 5.0% increase in Council Tax).

5.4 There is, therefore, an estimated expected shortfall of between £284k and £450k in grant funding which will have to be met by the Council. This is based on the full Council re-adopting the current scheme unchanged. However, the extent of the shortfall will become clearer during the budget setting process.

6. LEGAL IMPLICATIONS

6.1 The Council is obliged to make a Council Tax Reduction Scheme under the Prescribed Requirements Regulations. Although the legislation provides for a default scheme to apply in the absence of the Council making a scheme, the Council is, nevertheless, under a statutory duty to adopt its own scheme, even if it chooses not to apply any of the discretionary elements.

7. EQUALITIES IMPLICATIONS

7.1 The Welsh Government has compiled an equalities impact assessment following its consultation for the original 2012 Regulations. A local equalities impact assessment has been carried out on behalf of the Council in joint arrangements across Wales also with regard to the 2012 Regulations (December 2012, published March 2013) and this was updated as at September 2014, September 2015, September 2016 and is further updated as at September 2017 as detailed in **Appendix B**.

8. WELSH LANGUAGE IMPLICATIONS

8.1 The Welsh Assembly's main regulations and amending regulations are bilingual. The Council's own Scheme is bilingual and the claiming form, whether by electronic means or by using paper, is also bilingual. Our approved partners are encouraged to provide a bilingual service and our claimant self-service is fully bilingual. The over the telephone claiming service or by appointment with staff is also fully bilingual.

8.2 All Council Tax Award Notices are bilingual and the service can speak and communicate with customers in the language of their choice. Despite this, the software administering the Scheme is only in English (there is no other market choice). The correspondence and communication between the Council and the Department for Work and Pensions is, normally, in English only but application forms through the medium of Welsh are available from the Department for Work and Pensions.

9. WELL-BEING OF FUTURE GENERATIONS (WALES) ACT 2015

9.1 In the drafting of the Council Tax Reduction Scheme for 2018/19, the Well-being of Future Generations (Wales) Act 2015 was taken into consideration and how the Scheme supports the well-being goals. The purpose of the Council Tax Reduction Scheme is to give the ability for working age people and pensioners on low income to meet their Council Tax costs. Under the Scheme additional help is provided to pensioners and disabled people by disregarding a higher level of income and also, setting the level of income upon which pensioners and disabled people are to live on, before reduced amounts are paid in the form of reductions, at a higher level than for working age people. This aligns with one of the main aims of welfare reform, it is more advantageous to be in work than out of work.

9.2 The Scheme also gives an additional reduction with regard to customers who receive war disablement pension and war widows/er pension.

9.3 The Scheme contributes to the well-being goals of a prosperous Wales, a healthier Wales, a more equal Wales and a Wales of cohesive communities.

10. BACKGROUND DOCUMENTS

The Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013 No. 3029 (W.301)

The Council Tax Reduction Schemes (Prescribed Requirements and Default Schemes) (Wales) (Amendment) Regulations 2018 **No ????** (W???)

11. RECOMMENDATION

- That the full Council does not revise or replace its current Council Tax Reduction Scheme with another scheme apart for the full Council using its discretion under section 13A of the Local Government Finance Act 1992 that the Council Tax Reduction Scheme for 2018/19 onwards disregards all payments made under the Wales Infected Blood Support Scheme (WIBSS);
- That the full Council formally adopts the current Council Tax Reduction Scheme (including the above recommended change) for the financial year 2018/19 (**see Appendix C**);
- That the full Council in its meeting provides authority to the Head of Function (Resources) (Section 151 Officer) to make administrative arrangements so that all annual changes for uprating of financial figures or technical revisions in any amending regulation or regulations are reflected in the Council's Council Tax Reduction Scheme and for each subsequent year as well as taking into account the necessary amendments to the council tax reduction scheme regulations when using the additional disregard of payments made under WIBSS.

Table 1: Caseload 30 September 2017

Description	Number	Percentage	Value	Percentage
Total Council Tax Reduction awarded	6,117	100%	£5,367,807	100%
Percentage Awarded				
Council Tax Reduction full awards i.e. 100%	4,758	77.8%	£4,478,194	83.4%
Council Tax Reduction partial awards i.e. less than 100%	1,359	22.2%	£889,613	16.6%
Claim Type				
Passported* claims	4,023	65.8%	£3,785,886	70.5%
Non passported claims i.e. Standard Claims	2,094	34.2%	£1,581,921	29.5%
Council Tax Bands				
Band A (Disabled reduction)	9	0.1%	£6,380	0.1%
Band A	1,985	32.5%	£1,446,749	27.0%
Band B	1,963	32.1%	£1,615,006	30.1%
Band C	1,086	17.8%	£1,021,252	19.0%
Band D	645	10.5%	£679,542	12.7%
Band E	315	5.2%	£410,635	7.6%
Band F	92	1.5%	£149,952	2.8%
Band G	20	0.3%	£33,949	0.6%
Band H	2	0.0%	£4,342	0.1%
Band I	0	0.0%	£0	0.0%
Local town and community areas				
Holyhead	1,709	28.0%	£1,382,176	25.7%
Llangefni	519	8.5%	£426,531	7.9%
Amlwch	458	7.5%	£400,456	7.5%
Menai Bridge	223	3.6%	£205,422	3.8%
Rhosyr	206	3.4%	£185,486	3.5%
Llanfair Mathafarn Eithaf	201	3.3%	£201,772	3.8%
Valley	173	2.8%	£143,945	2.7%
Beaumaris	168	2.7%	£157,370	2.9%
Llanfairpwll	142	2.3%	£130,901	2.4%
Llanfaelog	140	2.3%	£125,868	2.3%
Llanerchymedd	134	2.2%	£118,943	2.2%
Llanfair yn Neubwll	128	2.1%	£108,129	2.0%
Llanbadrig	119	1.9%	£109,020	2.0%
Llanfihangel Esceifiog	109	1.8%	£100,731	1.9%
Bodedern	99	1.7%	£86,812	1.6%
Llangoed	98	1.6%	£87,934	1.6%
Pentraeth	97	1.6%	£88,770	1.7%
Llanidan	94	1.5%	£80,798	1.5%
Mechell	92	1.5%	£84,944	1.6%
Trewalchmai	91	1.5%	£82,012	1.5%
Bodorgan	91	1.5%	£79,885	1.5%
Llaneilian	91	1.5%	£90,960	1.7%
Moelfre	84	1.3%	£70,794	1.3%
Rhosybol	80	1.3%	£75,922	1.4%
Bryngwran	74	1.2%	£62,544	1.2%
Bodffordd	70	1.1%	£59,522	1.1%
Cwm Cadnant	69	1.1%	£66,951	1.2%
Aberffraw	68	1.1%	£55,197	1.0%
Llangristiolus and Cerrigceinwen	61	1.0%	£68,778	1.3%
Llanddaniel	53	0.9%	£49,006	0.9%
Cylch y Garn	52	0.9%	£53,587	1.0%

Description	Number	Percentage	Value	Percentage
Local precepting areas (continued)				
Trearddur	51	0.8%	£55,328	1.0%
Llanddona	50	0.8%	£48,705	0.9%
Tref Alaw	48	0.8%	£51,241	1.0%
Llanfaethlu	47	0.8%	£44,414	0.8%
Llanfachraeth	44	0.7%	£39,735	0.5%
Llanddyfnan	37	0.6%	£40,531	0.8%
Rhoscolyn	17	0.3%	£18,917	0.4%
Penmynydd	16	0.3%	£15,510	0.3%
Llaneugrad	14	0.2%	£12,259	0.2%

- * Passported claims are Job Seekers Allowance (Income Based), Income Support, Employment Support Allowance (Income Related) and Pension Credit Guarantee where the Department for Work and Pensions have already verified income.

Table 2: Age - Working and Pension Claims 30 September 2017

Description	Number	Percentage	Value	Percentage
Total Council Tax Reduction awarded	6,117	100%	£5,367,807	100%
Age Group				
Working Age	3,206	52.4%	£2,689,142	50.1%
Pensioner Age	2,911	47.6%	£2,678,665	49.9%
Passported claims* by Age Group				
Working Age	2,186	35.7%	£1,965,691	36.6%
Pensioner Age	1,839	30.1%	£1,820,257	33.9%
Non Passported i.e. standard claims by Age Group				
Working Age	1,020	16.7%	£723,451	13.5%
Pensioner Age	1,072	17.5%	£858,408	16.0%
Household Composition by Age Group - Couple				
Working Age	743	12.1%	£767,695	14.3%
Pensioner Age	801	13.1%	£875,589	16.3%
Household Composition by Age Group - Single				
Working Age	2,463	40.3%	£1,921,447	35.8%
Pensioner Age	2,110	34.5%	£1,803,076	33.6%

- * Passported claims are Job Seekers Allowance (Income Based), Income Support, Employment support Allowance (Income Related) and Pension Credit Guarantee where the Department for Work and Pensions have already verified income.

Table 3: Age – Households with responsibility for Children 30 September 2017

Description	Number	Percentage	Value	Percentage
Total Council Tax Reduction awarded	6,117	100%	£5,367,807	100%
Household Composition - status				
Couple	1,543	25.2%	£1,642,917	30.6%
Single	4,574	74.8%	£3,724,890	69.4%
Household Composition - children				
No children	4,691	76.7%	£4,164,994	77.6%
1 child	610	10.0%	£491,005	9.1%
2 children	443	7.3%	£371,157	6.9%
3 children	234	3.8%	£205,613	3.8%
4 children	101	1.7%	£93,956	1.8%
5 children	21	0.3%	£21,798	0.4%
6 children	9	0.1%	£10,026	0.2%
7 children	4	0.1%	£4,967	0.1%
8 children	1	0.0%	£1,226	0.0%
9 children	3	0.0%	£3,065	0.1%
Couples with children				
Working Age	457	7.5%	£448,220	8.4%
Pensioner Age	17	0.3%	£19,523	0.4%
Single with children				
Working Age	942	15.4%	£700,072	13.0%
Pensioner Age	16	0.3%	£16,866	0.3%
Couples with children under 5 years old				
Working Age	231	3.8%	£215,742	4.0%
Pensioner Age	1	0.0%	£1,054	0.0%
Single with children under 5 years old				
Working Age	358	5.9%	£264,035	4.9%
Pensioner Age	1	0.0%	£1,097	0.0%

Table 4: Households in which specified disability payments* received 30 September 2017

Description	Number	Percentage	Value	Percentage
Total Council Tax Reduction awarded	6,117	100%	£5,367,807	100%
Household Composition by age group				
Working Age	1,384	22.6%	£1,249,482	23.3%
Pensioner Age	1,414	23.1%	£1,337,457	24.9%

* Care Component of a Disability Living Allowance (Low, Middle or High), Attendance Allowance, Support Component of Employment Support Allowance, Incapacity Benefit and Personal Independence Payments

Table 5: Analysis of protected characteristics: Gender, Single Parents 30 September 2017

Description	Number	Percentage	Value	Percentage
Total Council Tax Reduction awarded	6,117	100%	£5,367,807	100%
Single Parents Household - Female				
Working Age	873	14.3%	£645,120	12.0%
Pensioner Age	9	0.1%	£9,371	0.2%
Single Parents Household - Male				
Working Age	54	0.9%	£44,799	0.8%
Pensioner Age	7	0.1%	£7,495	0.1%

Table 6: Ethnic Background Isle of Anglesey 30 September 2017

Ethnic Origin	March 2011 Census	Council Tax Reduction Scheme September 2017
White British	96.6%	84.4%
White other	1.7%	15.3%
Mixed heritage	0.8%	0.0%
Asian (All)	0.7%	0.0%
Black (All)	0.1%	0.3%
Other (All)	0.3%	0.0%

Table 7: Additional Council Tax Reduction Awarded under local discretionary scheme 30 September 2017

Description	Number	Percentage	Value	Percentage
Total Council Tax Reduction awarded	6,117	100%	£5,367,807	100%
War Widows (Pre 1973)	3	0.1%	£2,535	0.1%
War Disablement Pension	23	0.4%	£20,260	0.4%



Isle of Anglesey County Council

Council Tax Reduction Scheme 2018/19

Prescribed Scheme for Pensioner and Non Pensioner Claimants

Introduction

Since 1 April 2013, Council Tax Benefit as a method of supporting low income households with their Council Tax, was abolished. It was replaced by a Council Tax Reduction Scheme.

On 19 December 2012, the Welsh Government made regulations to introduce a national scheme for Wales, “The Council Tax Reduction Scheme and Prescribed Requirements (Wales) Regulations 2012 No. 3144 (W.316)” (**Prescribed Regulations**) and “The Council Tax Reduction Schemes (Default Scheme) (Wales) Regulations 2012 No. 3145 (W.317)” (**Default Regulations**). Further amending regulations were passed by the Welsh Government on 22 January 2013 “The Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2013” (**Amending Regulations**).

The Prescribed Regulations contained a sunset clause. As a result of this clause, the above mentioned regulations only applied to the 2013/2014 financial year. This clause required the regulations to be reviewed and a new set brought forward by 1 January 2014 by Welsh Ministers. If new regulations were not brought forward by this date, there would be no provision for Council Tax Reduction Schemes to be implemented in Wales after 31 March 2014.

On 26 November 2013, the Welsh Assembly approved two new sets of regulations: “The Council Tax Reduction Schemes (Default Schemes) (Wales) Regulations 2013 (“**the Default Scheme Regulations**)” and “The Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013 (**the Prescribed Requirements Regulations**)” – these can be accessed:

Default Scheme Regulations

<http://www.legislation.gov.uk/wsi/2013/3035/contents/made>

Prescribed Requirements Regulations

<http://www.legislation.gov.uk/wsi/2013/3029/contents/made>

Amending Regulations

On **?? January 2018** a further set of amending regulations to mainly uprate the financial figures in line with the cost of living increases and address a number of minor technical points were approved by the National Assembly for Wales – “The Council Tax Reduction Schemes (Prescribed Requirements and Default Schemes) (Wales) (Amendment) Regulations 2018” (**Amending Regulations**). These can be accessed:

<http://www.legislation.gov.uk/wsi/2018/??/contents/made>

These regulations, therefore, prescribe the main features of the scheme to be adopted by all Councils in Wales. An obligation, therefore, remains upon the Isle of Anglesey County Council to adopt a scheme. The Isle of Anglesey County Council is required to adopt a Council Tax Reduction Scheme by 31 January 2018 for 2018/19 onwards.

The Isle of Anglesey County Council’s Local Council Tax Reduction Scheme will be based on the Welsh Government’s Prescribed Requirements Regulations (as amended). These Prescribed Requirements Regulations also permit the Isle of Anglesey County Council to adopt a scheme which incorporates a limited range of discretionary elements to provide further support for Council Tax. Where the Isle of Anglesey County Council has adopted additional discretionary elements, these discretionary elements are set out within this document.

If the Isle of Anglesey County Council fails to make a scheme by 31 January 2018, then the default scheme shall apply under the provisions of the Default Scheme Regulations. The Isle of Anglesey County Council can, however, only apply discretion if it adopts its own scheme under the Prescribed Requirements Regulations.

Local Council Tax Reduction Scheme Requirements

The full Council of the Isle of Anglesey County Council approved its Local Council Tax Reduction Scheme on 12 December 2017 relating to the year beginning 1 April 2018. It specifies, in accordance with the Prescribed Requirements Regulations:–

- Classes of persons who are entitled or not entitled to a reduction;
- The reductions which persons in each class are to be entitled;
- Scheme procedural requirements:-
 1. The procedure by which a person may apply for a reduction under the scheme.
 2. The procedure by which a person may appeal against a decision of an authority with respect to a person's entitlement to a reduction under the scheme or the amount of any reduction to which the person is entitled.
 3. The procedure by which a person may apply to an authority for a reduction under section 13A(1)(c) of the Local Government Finance Act 1992.

The Isle of Anglesey County Council's Local Council Tax Reduction Scheme

The Isle of Anglesey County Council formally adopted its Local Council Tax Reduction Scheme based on requirements as detailed in the Welsh Government's "The Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013 No.3029 (W.301) (Prescribed Requirements Regulations)" and "The Council Tax Reduction Schemes (Prescribed Requirements and Default Schemes) (Wales) (Amendment) Regulations 2018 No.?? (W.??) (Amending Regulations)". The Prescribed Requirements Regulations and amending regulation can be accessed at:-

<http://www.legislation.gov.uk/wsi/2013/3029/contents/made>

<http://www.legislation.gov.uk/wsi/2018/??/contents/made>

In summary:-

Part 1 of the Prescribed Requirements Regulations:

Contain introductory provisions and definitions of key words and phrases used in this scheme.

Part 2 of the Prescribed Requirements Regulations: scheme requirements in relation to billing authorities in Wales (as amended by Amending Regulations)

What the scheme adopted by the Isle of Anglesey County Council must include – classes of persons, reductions and scheme procedural requirements.

Part 3 of the Prescribed Requirements Regulations: Classes of persons entitled to a reduction under this scheme (as amended by Amending Regulations)

Pensioners who fall within Classes A to B.

Non-pensioners who fall within Classes C to D.

Part 4 of the Prescribed Requirements Regulations: Classes of persons who must not be included under this scheme (as amended by Amending Regulations)

Classes of persons prescribed to be excluded from this scheme, including persons treated as not being in Great Britain and persons subject to immigration control.

Persons whose capital exceeds £16,000.

Persons who are absent for a period from a dwelling.

Persons who are students.

Part 5 and Schedules 1 to 5 of the Prescribed Requirements Regulations: matters that must be included in this scheme in relation to pensioners (as amended by Amending Regulations)

Schedules 1 to 5 set out the rules relevant to determine the eligibility of pensioners for a reduction and the amount of reduction under this scheme and the amount of maximum Council Tax Reduction under this scheme. They also set out how income and capital for pensioners is treated in calculating eligibility for a reduction under this scheme.

Part 5 and Schedules 6 to 10 of the Prescribed Requirements Regulations: matters that must be included in this scheme in relation to non-pensioners (as amended by Amending Regulations)

Schedules 6 to 10 set out the rules relevant to determine the eligibility of non-pensioners for a reduction and the amount of reduction under this scheme and the amount of maximum Council Tax Reduction under this scheme. They also set out how income and capital for non-pensioners is treated in calculating eligibility for a reduction under this scheme, including in cases where a non-pensioner or partner has been awarded universal credit.

Schedule 11 of the Prescribed Requirements Regulations (as amended by Amending Regulations)

This provides for the application of this scheme to students.

Part 5 and Schedules 12 to 14 of the Prescribed Requirements Regulations: matters that must be included in this scheme in respect of all applicants i.e. pensioner and non-pensioner (as amended by Amending Regulations)

Schedule 12 concerns procedural matters that must be included in this scheme. It describes the procedure by which a person can apply for a reduction in Council Tax under this scheme. Appendix 1 of this scheme provides details of how a person can apply to the Isle of Anglesey County Council for a reduction in Council Tax.

Schedule 12 also describes how a person may make an appeal against certain decisions of the Isle of Anglesey County Council under this scheme.

As the Isle of Anglesey County Council uses electronic communication in connection with making an application and award of a reduction, Schedule 12 details matters that must be included under this scheme.

Schedules 13 and 14 describes who may make an application under this scheme, the date on which an application is made, backdating of applications for pensioners and non-pensioners, amendment and withdrawal of applications and evidence and information required with the application. Schedules 13 and 14 also provide the requirements under this scheme for the information required to be provided by the Isle of Anglesey County Council when notifying the applicant of the decision and what must be included in the decision notice.

Part 6 of the Prescribed Requirements Regulations (as amended by Amending Regulations)

Set out the transitional provisions that will apply to persons who are in receipt of, or who have made an application for, a reduction under existing reduction schemes, when the new schemes come into operation.

Discretionary elements agreed by the Isle of Anglesey County Council to provide Council Tax support in addition to the statutory requirements detailed in the Prescribed Requirements Regulations adopted by the Council

The Isle of Anglesey County Council has decided to adopt a Local War Disablement Pension and War Widows or Widowers Pension Discretionary Scheme. This is detailed in Appendix 2 which provides the elements of such pensions that will be disregarded as income. This is additional Council Tax support to that statutorily required in the Prescribed Regulations.

This will be the only local discretion applied by the Isle of Anglesey under its Local Council Tax Reduction Scheme.

Details the following procedure by which a person can apply for a reduction under the scheme

All persons must apply for a Council Tax Reduction, unless further Welsh Government regulations state otherwise. This will be an electronic or a paper Council Tax Reduction Application Form delivered to the following designated offices:-

A. An electronic application can be made by the following methods:-

- i. By appointment to attend to complete the form at Connect Môn, Council Offices, Llangefni, LL77 7TW (Telephone 01248 755869/70/72/73/74/75/76/77/78/79) or for vulnerable clients to attend at their home to complete the application form (Telephone 01248 752658/752226);
- ii. By appointment to complete the form over the telephone to the Revenues and Benefits Section Offices, Resources Function, Council Offices, Llangefni, LL77 7TW (Telephone 01248 752658/752226);
- iii. By appointment to complete the form by approved and suitably trained “partner” organisations. These are currently –
 - J E O’Toole Centre, Trearddur Square, Holyhead, LL65 1NB (Telephone 01407 760208);
 - any Citizens Advice Bureaux office on the Island (Telephone 01248 722652);
 - Isle of Anglesey County Council Housing Support at Trearddur Square, Holyhead, LL65 1NB (Telephone 01407 765912) and Housing Customer Services, Llangefni (Telephone 01248 752200); and
 - Digartref Ynys Môn offices, Holyhead (Telephone 01407 765557).

The Authority during the year may add to its list of approved and suitably trained “partners”.

- iv. Electronically via the Isle of Anglesey County Council’s web site - <http://www.anglesey.gov.uk/advice-and-benefits/benefits-and-welfare-rights/housing-benefit-and-council-tax-reduction-online-application/> or at the self – service point within;
 - Connect Môn, Council Offices, Llangefni, (Telephone 01248 755869/70/72/73/74/75/76/77/ 78/79) ;
 - Stesion y Llan Café, Station House, Bridge Street, Llanerchymedd, LL71 8EU (Telephone 01248 470481);
 - Iorwerth Rowlands Centre, Steeple Lane, Beaumares, LL58 8AE (Telephone 01248 811508);
 - Amlwch Library, Lôn Parys, Amlwch, LL68 9EA (Telephone 01407 830145);
 - Newborough Library, Prichard Jones Hall, Newborough, Llanfaipwllgwyngyll LL61 6SY (Telephone 01248 440770);
 - J E O’Toole Centre, Trearddur Square, Holyhead, LL65 1NB (Telephone 01407 760208);
 - Gwelfor Community Centre, Ffordd Tudur, Morawelon, Holyhead, LL65 2DH (Telephone 01407 763518);
- v. Department of Work and Pension Local Authority Input Document (LAID) and Local Authority Customer Information (LACI) where they declare an intention to claim a Council Tax Reduction;
- vi. the following Universal Credit forms in electronic format from the Department for Work and Pensions where they declare an intention to claim a Council Tax Reduction:-
 - LCTR2 – Local Council Tax Reduction Proforma;
 - LCTR3 – Local Council Tax Reduction Proforma;
- vii. Electronically in some other format as the Isle of Anglesey County Council may decide in the future.

B. A paper application can be made by the following methods:-

- i. By approved application form received by the Isle of Anglesey County Council, Resources Function, Revenues and Benefits Section at its designated offices at Council Offices, Llangefni, LL77 7TW or the Benefits Office, J E O'Toole Centre, Trearddur Square, Holyhead, LL65 1NB;
- ii. The following Universal Credit forms from the Department for Work and Pensions where they declare an intention to claim a Council Tax Reduction:-
 - LCTR2 – Local Council Tax Reduction Proforma;
 - LCTR3 – Local Council Tax Reduction Proforma.

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LOCAL SCHEME – WAR PENSION DISREGARDS
Schedule 4, Regulation 30 – Pensioners
Schedule 9, Regulation 31 – Non Pensioners

INDIVIDUAL ELEMENTS	INCOME DISREGARDED
War Disablement Pension	Yes (£10 statutory, 100% Local)
War Widows or War Widowers Pension	Yes (£10 statutory, 100% Local)
War Widow Pension (Pre 1973 – SPAL)	Yes (2018/19) 100% statutory, £???.?? subject to annual uprating*)
Unemployability Supplement	No
Additional Allowance for Wife (paid with Unemployability Supplement)	No
Constant Attendance Allowance	Yes (statutory)
Invalidity Allowance	No
Comforts Allowance	No
Age Allowance	No
Allowance for Lower Standard of Occupation	No
War Pensioners Mobility Supplement	Yes (statutory)
Exceptionally Severe Disablement Allowance	Yes (statutory)
Severe Disablement Occupational Allowance	Yes (statutory)
Child Allowance	No

* this is set by the Naval, Military and Air forces etc. “Disablement and Death” Service Pension Order 2006. Uprating for 2018/19 has not yet been received.

**LOCAL SCHEME – DISREGARDING PAYMENTS MADE UNDER THE WALES INFECTED BLOOD
SUPPORT SCHEME**

Schedule ?, Regulation ?? – Pensioners*

Schedule ?, Regulation ?? – Non Pensioners*

That the payments made under the scheme are fully disregarded (i.e. 100%).

* this is set by the Welsh Government under council tax reduction regulations 2013 (that have not as yet been amended for 2018/19)

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Ein Cyf / Our Ref: A19640021

To:
Directors of Finance
County and County Borough Councils in Wales

Copied to:
Chief Executives, County and County Borough Councils in Wales
Chief Executive, Welsh Local Government Association
Director of Resources, Welsh Local Government Association

27 October 2017

Dear Colleague

Council Tax Reduction Schemes and the Wales Infected Blood Support Scheme

This letter provides guidance on the treatment of payments made under the Wales Infected Blood Support Scheme (WIBSS) for the purposes of local council tax reduction schemes. The scheme will be providing support from 1 November 2017 to people who were infected with hepatitis C and/or HIV through NHS supplied blood or blood products.

The new Wales scheme replaces the current UK-wide schemes administered by five individual bodies contracted by the Department of Health (Skipton Fund, Caxton Foundation, Macfarlane Trust, Eileen Trust and MFET Ltd). The help and support for recipients includes the provision of ex gratia payments. These payments are exempt from tax and are not included in HMRC or Department for Work and Pensions calculations for tax liability or benefits purposes. The Welsh Government has liaised with HMRC and DWP to make the necessary changes to statutory regulations to allow these arrangements to continue after 1 November 2017.

Under section 13A of the Local Government Finance Act 1992, local billing authorities have the flexibility to grant reductions or exemptions on an individual basis or for a class of council tax payers. The Welsh Government would not wish to see beneficiaries disadvantaged by the change to the new scheme. We will be making the necessary amendments to the following regulations to ensure that the same disregard is applied in respect of local council tax reduction schemes for 2018-19 onwards.

- The Council Tax Reduction Scheme and Prescribed Requirements (Wales) Regulations 2013; and

- The Council Tax Reduction Scheme (Default Scheme) (Wales) Regulations 2013.

We therefore encourage authorities to use these powers to disregard fully any payments awarded from WIBSS when reviewing existing cases or assessing eligibility for their local council tax reduction schemes.

If you have any questions about the above, please email:

lgsf.ministerialcorrespondence@gov.wales

Yours sincerely

DEBRA CARTER

Local Government Strategic Finance / Cyllid Strategol Llywodraeth Leol