

ISLE OF ANGLESEY COUNTY COUNCIL

REPORT TO:	COUNTY COUNCIL
DATE:	11 DECEMBER 2018
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 2019/20

1. PURPOSE OF THE REPORT

- 1.1 The report explains the requirement to adopt a scheme by 31 January 2019 with regard to 2019/20.
- 1.2 The Executive, in its meeting on 26 November 2018, recommended that the full Council accepted the recommendations below as regards its proposed Council Tax Reduction Scheme for 2019/20:-
- “The Executive recommends to the Isle of Anglesey County Council (full Council) in its meeting on 11 December 2018 that its current local Council Tax Reduction Scheme should not be revised or replaced with another scheme.
 - The Executive recommends to the full Council in its meeting on 11 December 2018 to formally adopt the current Council Tax Reduction Scheme for the financial year 2019/20.
 - The Executive recommends to the full Council in its meeting on 11 December 2018 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 along with any required procedural changes as regards the scheme that may be required after the Full Digital Service for Universal Credit has been introduced in the Authority’s area from 4 December 2018.”

2. BACKGROUND INFORMATION

- 2.1 The full Council on 12 December 2017 adopted its Council Tax Reduction Scheme for the financial year 2018/19. 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 As for 2018/19, the Welsh Government will be making amending regulations to uprate the financial figures used in the Regulations and to reflect any other technical or consequential amendments required as a result of changes to underlying welfare related benefits. Again, as for 2018/19, the timing of these amending regulations is dependent on the Chancellor of Exchequer's Autumn Budget (29 October 2018) and the subsequent uprating schedule published by the Department for Work and Pensions usually a few days after the Autumn Budget. The Welsh Government laid the new draft Regulations reflecting the uprate to financial figures or any other technical amendment before the National Assembly for Wales, on 27 November 2018.

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 2018/19 these amending regulations did not come into effect until 9 January 2018 and it is expected a similar timetable will apply for 2019/20.

The following is a summary of the changes proposed by the Welsh Government:-

- **Uprating figures** for 2019/20 in respect of personal allowances in relation to working age and carer and disabled premiums; and in relation to pensioners and non-dependent deductions.
- **Bereavement Support Payments** – various payments are disregarded in the calculation of income.
- **Consequential Amendments** – reflecting change of central government department names and transfer of functions, reflecting income-based Employment Support Allowance (ESA) being replaced by Universal Credit, reflecting that some ESA cases will continue to Access the Work-Related Activity Component even though it was announced it would be abolished from 3 April 2017 along with its Universal Credit equivalent, clarification of qualifying conditions for disregards when calculating income and/or capital for a working age claimant who is a member of a couple and clarification for working age claimants that no non-dependent deductions will occur where the non-dependent is not in the work related activity group and is in receipt of income support, state pension credit, income-based JobSeekers Allowance or income related ESA.
- **Foster Parents** approved under the Fostering Services (Wales) Regulations 2003 will now be subject to the same treatment of childcare charges which will be deducted from earnings.

2.5 As the full Council is meeting on 11 December 2018 to determine its local Council Tax Reduction Scheme for 2019/20, 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 or consequential revisions are reflected in the Council's Council Tax Reduction Scheme along with procedural changes that may be required to the scheme following the introduction of Full Digital Service for Universal Credit in the Authority's area from 4 December 2018.

3. REVIEW OF CURRENT COUNCIL TAX REDUCTION SCHEME

3.1 In **Appendix A** the full Council is provided with information, statistics and values concerning the impact of its Council Tax Reduction Scheme for 2018/19. 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 31 October 2018) 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 usually measured annually in September (similar data was provided to the full Council when it considered its scheme for 2018/19) but, for the purposes of this report, due to software upgrades by the software supplier, this could not be done as at 30 September 2018. At present, software problems following the upgrade do not allow reports to be produced for income types and gender and these have not been updated.
- 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).

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 has accelerated over the last 12 months. 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 12 month period from September 2016 to September 2017, the caseload fell by 2.1% down to 6,117. Between September 2017 to October 2018 the caseload fell to 5,807, a reduction of 5.1%;
- **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 increased from 65.8% to 68.6% of the caseload during the period from September 2017 to October 2018. Non-passported claimants i.e. standard claimants, has decreased from 34.2% to 31.4%. This reverses the trend identified last year. 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%). By October 2018, the incidence of Working Age to Pensioner Age claims was 52.0%/48.0%;
- **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, there was little change at 23.3%. As at October 2018, households with children were 22.8% of the caseload;
- **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 was a significant increase to 45.7% of the caseload. No figures can be produced for October 2018 at present;
- **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 was 93.5% (14.4% of the caseload). No figures can be produced for October 2018 at present.
- **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 A 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 2018/19, 802 new Council Tax Reduction Scheme claimants have been processed (compared with 657 for the same period last year) with 7,531 changes in circumstances processed (compared to 7,820 for the same period last year). The average time taken to process new claims and changes in circumstances is 9.9 days in this period (for the same period last year the average time was 6.9 days).

4. REVIEW OF THE CURRENT SCHEME – LOCAL DISCRETIONS

4.1 The regulations will also be amended to take into account the normal financial upratings and technical amendments that are used in the Regulations. For 2019/20, therefore, the only considerations available to the full Council to review and decide is in the area of local discretions allowed by the Regulations. 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 2019/20 associated with extending the statutory extended period ranges between £8,563 for two weeks up to £24,864 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 2019/20;

- 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 £4,907 in 2018/19. It is recommended, therefore, that the additional disregards applied under the current local scheme will continue unrevised for 2019/20;

- 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 2019/20.

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 2019/20, 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 2018 and 30 September 2018:-

Method of Application	Number	Percentage (%)
A. Electronic based application		
i. By appointment over the telephone to Revenues & Benefits Office, Llangefni	35	4.4
ii. By appointment with approved and suitably trained partners – Connect Môn, J E O’Toole Centre, Housing Services etc.	95	11.8
iii. On-line application via website – self help	574	71.6
iv. Department for Work and Pensions input documents	96	11.9
B. Paper based application	2	0.3
Total	802	100

BUT, with Full Digital Service for Universal Credit being introduced within the Authority’s area from 4 December 2018 for WORKING AGE claimants, how will this affect new Universal Credit claimants applying for a Council Tax Reduction and how will this affect billing and recovery of Council Tax for such claimants?

It is, therefore, an opportune moment to review these application methods, especially as the number of dual applications i.e. Housing Benefit and Council Tax Reduction will reduce as Full Digital Service Universal Credit is rolled out but also recognising that two different systems will be running alongside each other for those of working age (pensioner age will remain on housing benefit for the foreseeable future until 2023 at the earliest). Members should note that there are currently 90 working age claimants in receipt of a Council Tax Reduction and are also in receipt of Universal Credit. This is before Full Digital Service for Universal Credit applies to the Authority area from 4 December 2018.

The following statistics also show the number of working age claimants who currently have dual applications i.e. Housing Benefits and Council Tax Reduction and those working age claimants who claim a Council Tax Reduction only e.g. home owners.

Housing Benefit and Council Tax Reduction (Dual) Working Age Claimants – 2,460
Council Tax Reduction only Working Age Claimants – 507

During the last 12 months it should also be noted that the percentage of Council Tax Reduction claimants not in receipt of the full 100% reduction has increased from 22.2% (1,359) (as at 30 September 2017) to 31.4% (1,825) (as 31 October 2018) of the caseload i.e. more claimants in receipt of a reduction will have a balance to pay in Council Tax.

The UK Government expects the national roll-out of the Full Digital Service for new claimants to be completed by December 2018 and the UK Government is planning to start transferring claimants on existing benefits or tax credits to Universal Credit from July 2019 with the process completed by March 2023 - **for working age claimants**. There will be exceptions to this – pensioner age claimants, anyone with 3 or more children (will start Universal Credit Claims from 1 February 2019 onwards) and claimants in designated supported accommodation, who will remain on housing benefit and not have their housing costs met from Universal Credit. Therefore, for the next 3 to 4 years the picture will be complex with different application methods to apply for a Council Tax Reduction dependant on whether you are on housing benefit or Universal Credit. Appendix 1 of the proposed Council Tax Reduction Scheme for 2019/20 reflects these different methods but in summary – Universal Credits claimants will have to complete this Authority's Council Tax Reduction application form to obtain a reduction. Department for Work and Pension input documents will not apply for Universal Credit.

It should also be noted that, following the Department for Work and Pension's announcement on 1 October 2018, the Citizen's Advice Bureau will be funded to deliver Universal Support for the Universal Credit nationally but little information is currently available on how the Citizen's Advice Bureau intend to operate this support service at a local level.

It is, therefore, recommended that these procedures for claiming the Council Tax Reduction remain the same and are not revised for 2019/20, apart for required procedural changes that must be made after the Full Digital Service for Universal Credit has commenced on 4 December 2018 – these are detailed in Appendix 1 of the proposed policy. Under new arrangements it may be that a greater number of claim forms will be completed with assistance from approved partners – Citizen's Advice Bureau and Housing Services (O'Toole Centre) as lead service on Universal Credit in the Authority . However, the main aim of the Revenue and Benefit service is that most of the Council Tax Reduction application forms will be completed on-line by the claimant as at present.

How will the Full Digital Service for Universal Credit affect the billing and collection of the Council Tax?

As Universal Credit is a single monthly payment, for the calculation of the Council Tax Reduction it is treated as income. Any changes to Universal Credit entitlement for a claimant, under the scheme to be adopted by this Authority (the all Wales scheme) can lead to revisions in Council Tax Reduction entitlement. Revised Council Tax bills with amended payment schedules will be produced, if the amendment means that the full cost of the Council Tax is not met. This could happen several times during the year as Universal Credit entitlement may vary from month to month. (In England many local authority schemes avoid this as income levels have been banded and a change of income does not necessarily mean a change in entitlement to a Council Tax reduction and the need for a new bill).

The delays in the processing of the Universal Credit may lead to the production of full bills, reminders, final notices and summonses for non payment. The Authority will consider making provisional reductions to the Council Tax whilst the claim is being processed by Job CentrePlus but only if the claimant has requested an advance payment of Universal Credit by Job CentrePlus and provided to the Job CentrePlus the required details allowing such a payment. The Authority can access this information using the DWP gateway allowing it to make a provisional Council Tax reduction.

5. FINANCIAL AND RISK IMPLICATIONS

5.1 The Welsh Government's Local Government Revenue and Capital Settlement 2019/20 is not expected until week commencing 17 December 2018 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 2019/20 is not yet known (at the time of writing this report). The projections below are made based on the Draft Settlement for 2019/20 which was published on 9 October 2018. Current expenditure (end of October 2018 is £5,289,851 offset by a Welsh Government Council Tax Reduction Scheme Grant of £5,187,000 for 2018/19). This gives a projected shortfall of £102k to be borne by the Authority for 2018/19. The proposed Council Tax Reduction Grant under the Draft Settlement for 2019/20 is £5,131,000. In the Council's Draft Budget for 2019/20, £33k 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 A number of factors for 2019/20 will affect the expenditure on the scheme:-

- Between April 2018 and September 2018 there has been a caseload reduction of 2.9% and it is assumed that this trend will continue for the remainder of the current financial year i.e. a 4% reduction by March 2019. This compares with (from April to April) a 3.8% reduction during 2017/18, 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 5.0% for 2019/20, in accordance with the Medium Term Financial Plan 2019/20 – 2021/22.
- The Authority is also, yet to be advised what the precise impact of the Chancellor of Exchequer's Autumn Budget on 29 October 2018 will be as to whether the Welsh Government will update or not the financial figures in respect of the amending regulations in respect of the scheme for 2019/20.
- In its review of local government Finance in Wales (update October 2018), the Welsh Government has not only given an indicative timetable (from 2019) to improve the Council Tax Reduction Scheme taking account of UK welfare reforms but it also confirmed that in 2019/20 it would maintain full entitlements to the scheme.

- It should be noted that the take up of the Council Tax Reduction Scheme within Wales for all local authority areas since its introduction in 2013 has fallen. The Welsh Government will be commissioning a detailed assessment of the impact of Universal Credit on the Council Tax Reduction Scheme which will inform their development of the scheme from 2020/21 onwards to ensure parity of treatment between Universal Credit and non Universal Credit households.
- With full digital migration to Universal Credit commencing on 4 December 2018 in the Authority's area, dual applications i.e. for Housing Benefit and Council Tax Reduction are expected to diminish further which will impact on take up.

5.3 Having regard to the above, at best the estimated expenditure on the scheme will be £5,341,098 (assuming a 5% increase in Council Tax and a further 5% reduction in caseload) and at worst an estimated expenditure at £5,802,967 (assuming no caseload reduction with a 9.7% increase in Council Tax).

5.4 There is, therefore, an estimated expected shortfall of between £210k and £672k 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.

6.2 The proposed Council Tax Reduction Scheme is to be approved under Section 13A (1) (b) of the Local Government Finance Act 1992.

6.3 On the 28 February 2018 the Full Council approved a Council Tax Discretionary Relief Policy under Section 13A (1) (c) of the Local Government Finance Act 1992 and it delegated to the Executive the power to revoke, re-enact and/or amend this policy. The Head of Function (Resources)/Section 151 Officer was given delegated powers to determine applications made under Section 13A (1) (c) taking account of any relevant policy guidelines.

6.4 The Council Tax Reduction Scheme 2019/20 that is being proposed for approval is separate and independent of the Council's Council Tax Discretionary Relief Policy. Applicants who qualify for support under the Council Tax Reduction Scheme can apply for additional relief under the Council's Council Tax Discretionary Relief Policy.

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, for this Authority, it has been updated as at September 2014, September 2015, September 2016, September 2017 and is further updated (where currently possible) as at October 2018 as detailed in **Appendix A**.

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 2019/20, 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 2019

The Wales Council Tax Reduction Scheme: Comparisons within Wales of Protected Characteristics and incidence of Vulnerability March 2013 – Simon Horsington and Associates Ltd, 2013 (and as updated locally September 2014, September 2015, September 2016, September 2017 and October 2018)

Reforming Local Government Finance in Wales: an update – October 2017 & October 2018

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

11. RECOMMENDATIONS

- That the full Council does not revise or replace its current Council Tax Reduction Scheme with another scheme;
- That the full Council formally adopts the current Council Tax Reduction Scheme for the financial year 2019/20 (**see Appendix B**);

- 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 or consequential revisions in any amending regulation or regulations are reflected in the Council's Council Tax Reduction Scheme along with any required procedural changes as regards the scheme that may be required after the Full Digital Service for Universal Credit has been introduced in the Authority's area from 4 December 2018.

12. APPENDICES

- Appendix A – Impact of current scheme
- Appendix B – Proposed Council Tax Reduction Scheme for 2019/20

Table 1: Caseload 31 October 2018

Description	Number	Percentage	Value	Percentage
Total Council Tax Reduction awarded	5,807	100%	£5,289,851	100%
Percentage Awarded				
Council Tax Reduction full awards i.e. 100%	3,966	68.3%	£3,543,547	67.0%
Council Tax Reduction partial awards i.e. less than 100%	1,841	31.7%	£1,746,302	33.0%
Claim Type				
Passported* claims	3,982	68.6%	£3,847,283	72.7%
Non passported claims i.e. Standard Claims	1,825	31.4%	£1,442,568	27.3%
Council Tax Bands				
Band A (Disabled reduction)	8	0.1%	£5,976	0.1%
Band A	1,900	32.7%	£1,445,781	27.3%
Band B	1,850	31.9%	£1,586,931	30.1%
Band C	1,033	17.8%	£1,005,570	19.0%
Band D	604	10.4%	£650,832	12.3%
Band E	301	5.2%	£407,788	7.7%
Band F	91	1.6%	£149,367	2.8%
Band G	18	0.3%	£33,120	0.6%
Band H	2	0.0%	£4,486	0.1%
Band I	0	0.0%	£0	0.0%
Local Town and Community Areas				
Holyhead	1,625	28.0%	£1,367,632	25.9%
Llangefni	501	8.6%	£424,538	8.0%
Amlwch	442	7.6%	£399,806	7.6%
Menai Bridge	203	3.5%	£193,909	3.7%
Rhosyr	194	3.3%	£181,167	3.4%
Llanfair Mathafarn Eithaf	193	3.3%	£197,302	3.7%
Valley	156	2.7%	£134,019	2.5%
Beaumaris	167	2.9%	£163,699	3.1%
Llanfairpwll	141	2.4%	£137,810	2.6%
Llanfaelog	128	2.2%	£115,391	2.2%
Llanerchymedd	130	2.2%	£118,943	2.2%
Llanfair yn Neubwll	113	2.0%	£101,222	1.9%
Llanbadrig	121	2.1%	£112,439	2.1%
Llanfihangel Esceifiog	109	1.9%	£104,125	2.0%
Bodedern	93	1.6%	£87,832	1.7%
Llangoed	92	1.6%	£87,347	1.7%
Pentraeth	83	1.4%	£79,936	1.5%
Llanidan	89	1.5%	£76,096	1.4%
Mechell	91	1.6%	£86,763	1.6%
Trewalchmai	83	1.4%	£77,776	1.5%
Bodorgan	91	1.6%	£83,023	1.6%
Llaneilian	84	1.4%	£86,464	1.6%
Moelfre	73	1.3%	£63,370	1.2%
Rhosybol	68	1.2%	£66,191	1.3%
Bryngwran	68	1.2%	£60,529	1.1%
Bodffordd	70	1.2%	£59,522	1.1%
Cwm Cadnant	71	1.2%	£74,441	1.4%
Aberffraw	64	1.1%	£54,259	1.0%
Llangristiolus and Cerrigceinwen	60	1.0%	£67,974	1.3%
Llanddaniel	49	0.8%	£48,921	0.9%
Cylch y Garn	46	0.8%	£48,739	0.9%

Description	Number	Percentage	Value	Percentage
Local Town and Community Areas				
Trearddur	51	0.9%	£58,995	1.1%
Llanddona	46	0.8%	£46,025	0.9%
Tref Alaw	44	0.8%	£51,167	1.0%
Llanfaethlu	48	0.8%	£48,784	0.9%
Llanfachraeth	44	0.8%	£41,774	0.8%
Llanddyfnan	34	0.6%	£36,110	0.7%
Rhoscolyn	19	0.3%	£20,294	0.4%
Penmynydd	15	0.3%	£14,236	0.3%
Llaneugrad	10	0.2%	£10,718	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 31 October 2018

Description	Number	Percentage	Value	Percentage
Total Council Tax Reduction awarded	5,807	100%	£5,289,851	100%
Age Group				
Working Age	2,967	51.1%	£2,610,229	49.3%
Pensioner Age	2,840	48.9%	£2,679,622	50.7%
Passported claims* by Age Group				
Working Age	2,094	36.1%	£1,934,622	36.6%
Pensioner Age	1,888	32.5%	£1,912,661	36.2%
Non Passported i.e. standard claims by Age Group				
Working Age	873	15.0%	£675,607	12.7%
Pensioner Age	952	16.4%	£766,961	14.5%
Household Composition by Age Group - Couple				
Working Age	658	11.3%	£719,635	13.6%
Pensioner Age	763	13.1%	£860,804	16.3%
Household Composition by Age Group - Single				
Working Age	2,309	39.8%	£1,890,594	35.7%
Pensioner Age	2,077	35.8%	£1,818,818	34.4%

* 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 31 October 2018

Description	Number	Percentage	Value	Percentage
Total Council Tax Reduction awarded	5,807	100%	£5,289,851	100%
Household Composition - status				
Couple	1,421	24.5%	£1,580,441	29.9%
Single	4,386	75.5%	£3,709,410	70.1%
Household Composition - children				
No children	4,484	77.1%	£4,092,261	77.4%
1 child	566	9.7%	£494,035	9.3%
2 children	421	7.3%	£374,120	7.0%
3 children	208	3.6%	£196,722	3.7%
4 children	92	1.6%	£92,758	1.8%
5 children	19	0.3%	£18,819	0.4%
6 children	10	0.2%	£12,492	0.2%
7 children	3	0.1%	£3,578	0.1%
8 children	1	0.0%	£1,744	0.0%
9 children	3	0.1%	£3,322	0.1%

Description	Number	Percentage	Value	Percentage
Couples with children				
Working Age	391	6.7%	£422,224	8.0%
Pensioner Age	19	0.4%	£23,304	0.4%
Single with children				
Working Age	181	15.4%	£183,310	13.8%
Pensioner Age	2	0.4%	£1,949	0.4%
Couples with children under 5 years old				
Working Age	181	3.1%	£183,310	3.5%
Pensioner Age	2	0.0%	£1,949	0.0%
Single with children under 5 years old				
Working Age	346	6.0%	£276,582	5.2%
Pensioner Age	0	0.0%	£0	0.0%

Table 4: Households in which specified disability payments* cannot be produced at present for 2018

Description	Number	Percentage	Value	Percentage
Total Council Tax Reduction awarded				
Household Composition by age group				
Working Age				
Pensioner Age				

* 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 cannot be produced at present for 2018

Description	Number	Percentage	Value	Percentage
Total Council Tax Reduction awarded				
Single Parents Household - Female				
Working Age				
Pensioner Age				
Single Parents Household - Male				
Working Age				
Pensioner Age				

Table 6: Ethnic Background Isle of Anglesey 31 October 2018

Ethnic Origin	March 2011 Census	Council Tax Reduction Scheme October 2018
White British	96.6%	81.0%
White other	1.7%	18.4%
Mixed heritage	0.8%	0.3%
Asian (All)	0.7%	0.3%
Black (All)	0.1%	0.0%
Other (All)	0.3%	0.0%

Table 7: Additional Council Tax Reduction Awarded under local discretionary scheme 31 October 2018. Cannot provide split at present for 31 October 2018.

Description	Number	Percentage	Value	Percentage
Total Council Tax Reduction awarded				
War Widows (Pre 1973)				
War Disablement Pension				



Isle of Anglesey County Council

Council Tax Reduction Scheme 2019/20

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 2013/14 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 2019, 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/2019/??/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 2019 for 2019/20 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 2019, 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 11 December 2018 relating to the year beginning 1 April 2019. 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. See Council Tax Discretionary Relief Policy, the link is given below –

<http://www.anglesey.gov.uk/advice-and-benefits/council-tax/reduce-your-council-tax/council-tax-discretionary-relief-policy/>

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 2019 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/2019/??/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, LL77 7TW (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) (**for Housing Benefit claimants only. DOES NOT APPLY TO UNIVERSAL CREDIT WORKING AGE CLAIMANTS**);
- vi. 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.

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 (2019/20) 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 2019/20 has not yet been received.

