

APPENDIX A

Lewes District Council

**Council Tax Reduction Scheme
Exceptional Hardship Policy**

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1.0 Background

1.1 An Exceptional Hardship Fund (EHF) has been set up by the Council as part of the Council Tax Reduction Scheme to assist applicants for Council Tax Reduction who are facing 'exceptional hardship'. The fund has been created to provide further assistance where an applicant is in receipt of Council Tax Reduction but the level of support being paid by the Council does not meet their full Council Tax liability.

1.2 The EHF will be available to any applicant where their daily award of Council Tax Reduction does not meet 100% of their Council Tax liability (less any appropriate discounts and non dependant deductions).

1.3 The main features of the fund are as follows:

- The operation of the Fund will be at the total discretion of the Council;
- The Fund will be operated by the Revenues and Benefits section on behalf of the Council;
- There is no statutory right to payments from the fund although the Council will consider all applications received;
- Exceptional Hardship Fund payments will only be available from 1st April 2016 and **will not be available for any other debt other than outstanding Council Tax;**
- A pre-requisite to receive a payment from the Fund is that an amount of Council Tax Reduction **must be in payment** for any day that an EHF payment is requested;
- Where an Exceptional Hardship Payment is requested for a previous period, Exceptional Hardship must have been proven to have existed throughout the whole of the period requested;
- Exceptional Hardship Payments are designed as a short-term help to the applicant only and it is expected that payments will be made for a short term only; and
- All applicants will be expected to engage with the Council and undertake the full application process. Failure to do so will inevitably mean that no payment will be made.

2.0 Exceptional Hardship Fund and Equalities

2.1 This policy has been created to ensure that a level of protection and support is available to those applicants most in need. It should be noted that the Exceptional Hardship Fund is intended to help in cases of **extreme** financial hardship and not support a lifestyle or lifestyle choice. Whilst the definition 'Exceptional Hardship' is not defined by this policy, it is accepted that changes to the level of support generally will cause financial hardship and any payment made will be at the total discretion of the Council. Exceptional Hardship should be considered as 'hardship beyond that which would normally be suffered'

3.0 Purpose of this policy

3.1 The purpose of this policy is to specify how the Council will operate the scheme, to detail the application process and indicate a number of factors, which will be considered when deciding if an Exceptional Hardship Fund payment can be made.

3.2 Each case will be treated on its own merits and all applicants will be treated fairly and equally in the accessibility to the Fund and also the decisions made with applications.

4.0 The Exceptional Hardship Fund Process

- 4.1 As part of the process of applying for additional support from the Exceptional Hardship Fund, all applicants must be willing to undertake **all** of the following:
- a. Make a separate application for assistance;
 - b. Provide full details of their income and expenditure;
 - c. Accept assistance from either the Council or third parties such as the CAB or similar organisations to enable them to manage their finances more effectively including the termination of non essential expenditure;
 - d. Accept potential changes in payment methods and arrangements to assist the applicant;
 - e. Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted; and
 - f. Maximise their income through the application for other welfare benefits, cancellation of non-essential contracts and outgoings and identifying the most economical tariffs for the supply of utilities and services generally.

- 4.2 Through the operation of this policy the Council will look to:
- Allow a short period of time for someone to adjust to unforeseen short-term circumstances and to enable them to “bridge the gap” during this time, whilst the applicant seeks alternative solutions;
 - Establish long term support to households in managing their finances;
 - Assist applicants through personal crises and difficult events that affect their finances;
 - Prevent exceptional hardship; and
 - Help those applicants who are trying to help themselves financially.

- 4.3 It cannot be awarded for the following circumstances:
- Where full Council Tax liability is being met by Council Tax Reduction;
 - For any other reason, other than to reduce Council Tax liability;
 - Where the Council considers that there are unnecessary expenses/debts etc and that the applicant has not taken reasonable steps to reduce these;
 - To pay for any overpayment of Council Tax Reduction caused through the failure of the applicant to notify changes in circumstances in a timely manner or where the applicant has failed to act correctly or honestly; or
 - To cover previous years Council Tax arrears

5.0 Awarding an Exceptional Hardship Fund Payment

5.1 The Council will decide whether or not to make an Exceptional Hardship Fund award, and how much any award might be.

- 5.2 When making this decision the Council will consider:
- The shortfall between Council Tax Reduction and Council Tax liability;
 - Whether the applicant has engaged with the Exceptional Hardship Payment process;
 - The personal circumstances, age and medical circumstances (including ill health and disabilities) of the applicant, their partner any dependants and any other occupants of the applicant’s home;

- The difficulty experienced by the applicant, which prohibits them from being able to meet their Council Tax liability, and the length of time this difficulty will exist;
- Shortfalls due to non-dependant deductions;
- The income and reasonable expenditure of the applicant, their partner and any dependants or other occupants of the applicant's home, whether the income may fall to be disregarded under the Council Tax Reduction scheme;
- Any savings or capital that might be held by the applicant, their partner and any member of their household irrespective of whether the capital may fall to be disregarded under the Council Tax Reduction scheme;
- Other debts outstanding for the applicant and their partner; and
- The exceptional nature of the applicant and/or their family's circumstances that impact on finances.

5.3 The above list is not exhaustive and other relevant factors and special circumstances will be considered.

5.4 An award from the Exceptional Hardship Fund does not guarantee that a further award will be made at a later date, even if the applicant's circumstances have not changed.

5.5 An Exceptional Hardship Fund payment may be less than the difference between the Council Tax liability and the amount of Council Tax Reduction paid. The level of payment may be nil if the authority feels that, in its opinion, the applicant is not suffering 'exceptional hardship' or where the applicant has failed to comply with the Exceptional Hardship process.

6.0 Publicity

6.1 The Council will make a copy of this policy available for inspection and will be published on the Council's website.

7.0 Claiming an Exceptional Hardship Fund payment

7.1 An applicant must make a claim for an Exceptional Hardship Fund award by submitting an application to the Council. The application form can be obtained via the telephone, in person at one of the Council offices and/or via the Council's website.

7.2 Applicants can get assistance with the completion of the form from the Revenues and Benefits Service or Customer Services at the Council.

7.3 The application form must be fully completed and supporting information or evidence provided, as reasonably requested by the Council.

7.4 In most cases the person who claims the Exceptional Hardship Fund award will be the person entitled to Council Tax Reduction. However, a claim can be accepted from someone acting on another's behalf, such as an appointee, if it is considered reasonable.

8.0 Changes in circumstances

8.1 The Council may revise an award from the Exceptional Hardship Fund where the applicant's circumstances have changed which either increases or reduces their Council Tax Reduction entitlement.

9.0 Duties of the applicant and the applicant's household

9.1 A person claiming an Exceptional Hardship Fund payment is required to:

- Provide the Council with such information as it may require to make a decision;
- Tell the Council of any changes in circumstances (e.g. a change in income) that may be relevant to their ongoing claim; and
- Provide the Council with such other information as it may require in connection with their claim.

10.0 The award and duration of an Exceptional Hardship Payment

10.1 Both the amount and the duration of the award are determined at the discretion of the Council, and will be done so on the basis of the evidence supplied and the circumstances of the claim.

10.2 The start date of such a payment and the duration of any payment will be determined by the Council. In any event, the maximum length of the award will not exceed the end of the financial year in which the award is given.

11.0 Award of the Exceptional Hardship Fund payment

11.0 Any Exceptional Hardship Fund payment will be made direct onto the customer's Council Tax account, thereby reducing the amount of Council Tax payable.

12.0 Overpaid Exceptional Hardship Fund Payments

12.1 Overpaid Exceptional Hardship Fund payments will be recovered directly from the applicant's council tax account, thus increasing the amount of council tax due and payable.

13.0 Notification of an award

13.1 The Council will notify the outcome of each application for Exceptional Hardship Fund payments in writing. The notification will include the reason for the decision and advise the applicant of their appeal rights.

14.0 Appeals

14.1 Exceptional Hardship Fund payments are subject to the statutory appeal process. However the authority will look to review any decision where requested by the applicant as detailed in the following paragraphs

14.2 If the applicant is not satisfied with the decision in respect of an application for an Exceptional Hardship Fund payment, a decision to reduce an amount of Exceptional Hardship Fund payment, a decision not to backdate an Exceptional Hardship Fund payment or a decision that there has been an overpayment of an Exceptional Hardship Fund payment, the Council will look at the decision again.

14.3 An officer, other than the original decision maker, will consider the appeal by reviewing the original application and any other additional information and/or representation made, and will make a decision within 14 days of referral or as soon as practicable.

14.4 Where the applicant is still dissatisfied with the outcome of the review they will be able to appeal to the Valuation Tribunal. An appeal to the Valuation Tribunal can be made at any time.

15.0 Fraud

15.1 The Council is committed to protect public funds and ensure funds are awarded to the people who are rightfully eligible to them.

15.2 An applicant who tries to fraudulently claim an Exceptional Hardship Fund payment by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

15.3 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

16.0 Complaints

16.1 The Council's 'Compliments and Complaints Procedure' (available on the Council's website) will be applied in the event of any complaint received about this policy.

17.0 Policy Review

17.1 This policy will be reviewed at least every year and updated as appropriate to ensure it remains fit for purpose. However, the review may take place sooner should there be any significant changes in legislation.

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Our Ref
BS/vf/CTR

Your Ref
SEP

Date
14 September 2015

Dear Jenny ,

2016/17 Council Tax Reduction Scheme Consultation response

The County Council fully supports the recommendations of the East Sussex Joint Leaders and Chief Executive Group for significant change to Council Tax Reduction (CTR) schemes from April 2016 onwards. The purpose of this response is to reaffirm the County Council's support for our Partnership approach, to provide a formal County Council response within the District and Borough consultation process, and also to enable appropriate consideration to be given when Districts and Boroughs approve their 2016/17 Council Tax Reduction schemes.

The Partnership approach is important, because, if one authority has a different council tax policy to the others (proportionately) within the County area, then council tax payers over the rest of the County are likely to be financially disadvantaged, and an important revenue stream would be lost that can provide improved local services, including to vulnerable persons across the East Sussex area.

Scheme cost and funding

As you know since 1 April 2013, local billing authorities have been responsible for running their own local schemes for council tax support. These Council Tax Reduction schemes replaced the national Council Tax Benefit scheme. It was a new financial burden to local authorities, with financial responsibility transferring from Central Government, but the grant which once fully (100%) financed the national scheme was reduced to 90%, and the County Council received initial "non-ringfenced" funding assessed on this 90% basis.

The "cost" of Council Tax Reduction Schemes is by reduction of the council tax base of Districts and Boroughs, within their council tax Collection Fund Accounts. Receiving the major share (approximately 70+%) of council tax collected by billing authorities, the County Council is therefore caused to forego the difference in council tax revenues that would be otherwise locally due/collectable by District and Borough authorities.

The 2013/14 cost of the scheme was £45.9m (CTR Group Report v2.11 p12). The County Council received new burdens funding from the Government of £30.2m (£45.9m x 90% x 73%), which became part of the County Council's general Settlement funding. However, general Settlement funding from Government of this sum has since progressively and significantly reduced (-28% or -£9.4m, ESCC share) due to the Government's austerity programme (-10% 2013/14, -8.5% 2014/15, -13.3% 2015/16).

CTR schemes protected

From 2013/14 to 2015/16, the County Council has had to reduce the funding of its services by £64million. In broad terms, we have absorbed our annual cost pressures, as well as incurring 15% cuts in (essential) frontline services, inevitably affecting (directly or indirectly) services to vulnerable people. The cost of County Council back office functions has been reduced by 20%. During this same period, the cost of local CTR schemes has been locally protected from savings programmes.

From 2015/16, according to a national survey by the New Policy Institute, some 250 of the 326 local schemes require all working age residents to pay some council tax regardless of income. At the same time, the number of local authorities requiring minimum payments to their council tax levies has been increasing year on year and by 2015/16, 129 councils (more than half of the schemes) require a minimum payment of at least 20% of their liability.

According to a recent Joseph Rowntree review, a 20% liability is the most common. Authorities are also introducing further ways to reduce the cost of their Council Tax Reduction schemes, including changing their means-test components to assume self-employed people earn at least the minimum-wage and reducing the capital savings limit. Each of these proposals is identified in the supported recommendations of the East Sussex Joint Leaders and Chief Executive Group for significant change to their Council Tax Reduction schemes from April 2016 onwards.

Continuing savings requirements

For 2016/17, the County's currently reported saving requirement is a further £20m - £25m (State of County report July 2015). At the same time, the County's total funding challenge (2016/17 to 2018/19) is projected to be £70m-£90m. This will be reviewed post the deferral of some of the Care Act new responsibilities and the outcome of the Government's Spending Review, and also, the County's annual financial Settlement. Notwithstanding these, the funding priorities of the County Council continue to be driving economic growth, keeping vulnerable people safe and helping people to help themselves, whilst making the best use of its resources. It is inevitable that savings programmes will have already impacted upon all County Council services and its core priorities.

Services across the whole budget of the County Council have been required to make a contribution toward ongoing savings requirements and appropriate savings have become more difficult to find. The County Council believes that previously protected Council Tax Reduction schemes should now be properly encompassed in local savings proposals. If fully adopted, the CTR consultation proposals for 2016/17 will be consistent with reductions in Government funding and reductions in County Council frontline services. They will reflect the way that many other authorities have already progressed.

County Council financial impact of proposals

The County Council assesses its increased revenues from these 2016/17 consultations potentially as follows:

(say 70% share)	10% min charge	15% min charge	20% min charge	Capital savings limit	Min income level
	£m	£m	£m	£m	£m
Eastbourne	0.42	0.63	0.85	0.04	0.26
Hastings	0.41	0.62	0.83	0.03	0.28
Lewes	0.32	0.47	0.64	0.03	0.19
Rother	0.28	0.42	0.55	-	0.25
Wealden	0.34	0.50	0.67	0.04	0.29
Countywide	1.77	2.64	3.54	0.14	1.27

As a result, the total additional revenues available to the County Council would be £4.95m if the 20% minimum charge, capital savings limit and minimum income level recommendations were each incorporated into the 2016/17 CTR schemes, which incidentally appears to be an overall saving of approximately 15% of the original scheme cost (£45.9m x 73%x15%).

The County Council recognises an additional cost of collection will be associated with this increase in revenue, if collection rates are to be maintained. This is because householders who have not paid council tax before (including low income applicants) do not easily fall into normal recovery processes. It will be essential to engage with these council tax support applicants at the earliest opportunity and the County Council will accept a fair share of the cost of the additional resources if consultation proposals are fully implemented.


Exceptional Hardship Funding

The County Council also wishes to participate in funding for Exceptional Hardship to mitigate the negative impacts resulting from these proposals. The County Council notes a percentage (0.5%) on the current level of CTR expenditure (total say £0.22m), for the Exceptional Hardship funding, and if consultation proposals are fully implemented, the County Council will participate in proportion to its share of the collection fund and are open to support some staffing costs to administer the fund.

Conclusion

In conclusion, the County Council welcomes the progress made with the consultation proposals for 2016/17 CTR schemes across East Sussex, and unreservedly looks forward to their successful implementation.

Yours sincerely



Becky Shaw
Chief Executive

Lewes - Council Tax Reduction Scheme Consultation

This report was generated on 17/09/15, giving the results for 103 respondents. A filter of 'All Respondents' has been applied to the data.

The following charts are restricted to the top 12 codes.

I have read the background information about the Council Tax Reduction Scheme



Are you responding on behalf of yourself or an organisation?

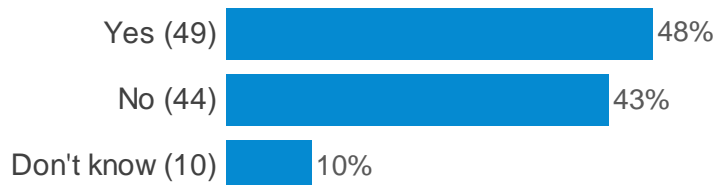


If responding on behalf of an organisation please provide the name and type of organisation in the space below:

If you are responding on behalf of yourself, are you a Lewes District Council resident?



Do you agree that the Council should continue with a scheme which provides the same level of financial support as the current scheme?



Please use the space below to make any comments you have on Question 4:

Please use the space below to make any comments you have ...

I do not support the scheme

I feel that if a disabled person of working age is not able to work, they are going to find it hard to have a reduction in their money, with no way of making it up.

Please use the space below to make any comments you have on Question 4:

Please use the space below to make any comments you have ...

I Believe that the scheme should remain but the levels be reviewed so as not to impact on other Council Tax payers

I consider that people on lower income should be helped and perhaps encouraged to go for higher job prospects which would take them out of the need for financial support.

I think everyone should pay some contribution to council tax, but not necessarily the full charge

Alternative corporate cost savings are not exemplified, therefore it is not possible to respond positively.

We are all having to manage on less pensioners are extremely vulnerable we should all make economies

financial support should align to welfare reduction

Some small changes will help

there are some people who cannot work at all like myself and there are others that work and could probably pay more. some people on benefit also do some part time work so they could pay a bit extra to compensate for the people who are in hardship

All households should contribute. I is a sad fact that substance misuse clusters around many families in the lower income group. While people can afford tobacco and alcohol they can afford services like bin collection, street lights and policing.

We all have difficult financial decisions to make and asking other people to pay for yours is not correct.

The scheme should be means tested and if you have say more than £6,000 in savings the it should be nil irrespective of income.

It's hard to say how much the current system can be abused, some families with two adults have more children and therefore less money but have to pay full council tax, some homes have only one person in them, but that one person uses facilities more than a young couple...it doesn't always seem fair but I'm not sure how to look at changing it

We understand the need for savings, but feel strongly that they should be no greater than the 10% set by government.

It is important to continue support for those least able to pay.

Those who need help with council tax qualify based on the fact that they have low incomes. Suddenly demanding money from some or all of these people will not make these people have any more money than they are already struggling to survive on. The withdrawal of help from these households will only serve to plunge people further into destitution, adding stress and anxiety, particularly for those with small children and illnesses.

I have had five housing benefit tenants in this area and have given up. Only one of the five was in true financial need and even then the property was too big for her. You do notice their standard of living and compare it to your own. Who is the mug?

Further savings will need to be made

the Council should take all necessary steps to keep Council tax to an absolute minimum

The elephant in the room is the unwarranted continued austerity cuts by the Tory Government. How about Lewes District Council refusing to play along with them? So many sensible economists declare that there is not only no need for Mr Osborne's draconian cuts, but that they are positively harmful to the economic health of the UK.

I would also like to say that none of the options you have come up with are viable options. They will not save money as the cost involved in the collections of this money would wipe out any savings! You cant collect from people that don't have any money which would be 90% of the people you are targeting! I would also add that I pay full council tax!

People who get you assistance still need that assistance tell national government that you cannot find further savings/cuts without causing severe hardship to people already having assistance

Please use the space below to make any comments you have on Question 4:

Please use the space below to make any comments you have ...

This proposal will hit those on low incomes particularly hard - and probably become uncollectable, and therefore more expensive in the long run.

the rich should help out more in this time of need. there are plenty of very well of people in lewes ... how much dose a new 4x4 range rover cost ?

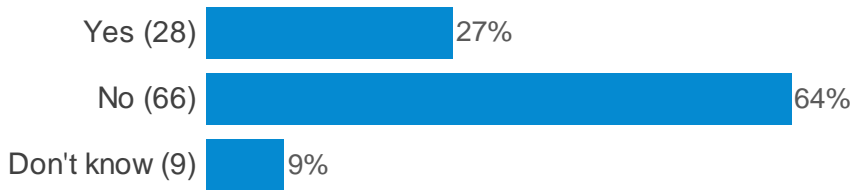
Having read the background informations there are areas that should be continued and areas that should not, therefore the answer of 'don't know' to be justified fully within the further questions of the survey.

This response assumes that the Conservative Government's cuts should just be accepted, rather than resisted.

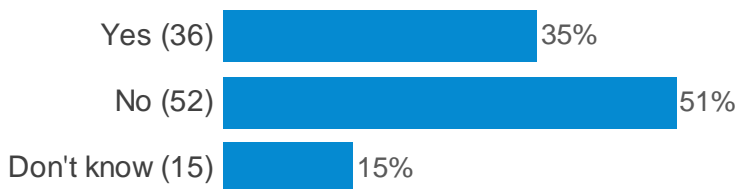
**Do you think the Council should choose any of the following options to help pay for the scheme? Please select one answer for each option.
(Increase Council Tax by 4.7%)**



**Do you think the Council should choose any of the following options to help pay for the scheme? Please select one answer for each option.
(Reduce the funding available for other Council Services)**



**Do you think the Council should choose any of the following options to help pay for the scheme? Please select one answer for each option.
(Use the Council's reserves)**



Please use the space below to make any other comments you have on Question 5:**Please use the space below to make any other comments you...**

review the amount paid out to householders and be stricter in qualifications

use part tax increase and part reserves

Reserves are for emergencies and not to be used for other funding on a short term basis.

Council Tax is already too high, further economies are required.

I am sure the Council could make savings that would not mean reducing services or using reserves. Sharper management and leaner staff numbers is what should be done. In a competitive what business could survive just deciding to raise prices by 4.7 percent in a time of low inflation. A 10 percent reduction in staff numbers could most likely be achieved without a reduction in services.

as question 4

Can they not use money from the sale of land, after all if land is sold locally surely the money should be put back into the town

it would depend on which services the council would have to reduce to pay to keep the options as they are now. and as it says if we use the reserves we will probably be doing this survey again in a year or two so that one should be ruled out i think. we all hate things being increased as the cost of living is rising very month/year so to find extra money to pay the council tax will be hard too

There are services that are not mandatory. Cut some of these.

If Council tax went up as much as 4.7% then we, as pensioners with a disabled daughter living with us, would not be able to pay our Council tax bill.

Council Tax should not be increased because people who manage their money in difficult circumstances should not be asked to pay for other peoples finances. If the council wish to continue with this scheme then they should fund it with cuts to other services. Reserves should not be used for this scheme, much better to use reserves for local residence housing.

In Oder to sister in costs by the council, as a pensioner and bus pass holder why not charge the bus pass holders £1 per ride surely we would not decry this small amount each time we use the bus.

It's time to stand up to the Govt's austerity program. Local Authorities should unite in opposing the stringent and excessive cuts proposed.

Reduce the level of support.

I don't mind a rise in council tax personally, the amount 4.7% would be a month is affordable, but I'd be worried it would then become a 4.7% rise every year and my wages wouldn't be going up in line

LDC should press to government to increase the upper levels of council tax. the range of house values in the top band is so wide. there should be extra bands to reflect the higher levels of house values so that those with more can contribute more.

Some reserve is obviously required but using a proportion of existing reserves to cushion the blow of an increase (if only in the short term) would seem a sensible option to consider.

Increase Council tax by 2.5% & balance other options

I think that current council tax is actually already very high if you are one of the people paying it. There is a real argument for increasing council tax on the higher band properties who seem to get away with a lot. It is disproportionately loaded on the lower bands.

If people want levels of service to be maintained they need to pay for them

Really need to know how big those reserves are to answer this but given the economy is growing, the subsidy from the reserves may only be necessary in the short term. I have not had a pay rise for 7 years so an increase to me is not acceptable

If there is still some shortfall after the adjustment to benefits, this could be covered by reserves. However this is not a long term solution.

the Council must not increase Tax. Every possible step must be taken to reduce it to an absolute minimum

Please use the space below to make any other comments you have on Question 5:

Please use the space below to make any other comments you...

These choices are invidious. Confront the Government. The least worst choice is to raise the Council tax for those who can afford it, but that is very difficult to determine, and expensive to put into action.

Whether or not reducing funding for other Council Services is acceptable depends on what those services are. As no details have been provided, the option is meretricious.

I and other relatively affluent people should pay more to enable the poorest residents to be exempt from Council tax

It could be raised but not the amount you are proposing. There is huge waste within the council that is a disgrace. I have also been an employee of LDC and now as a council tax payer, can see mass wastage even as a lay person!with this in mind there should be a time in motion survey and a small increase which after saving from waste would be possible.

Why not increase the tax by a lower amount? e.g. 2.5 %

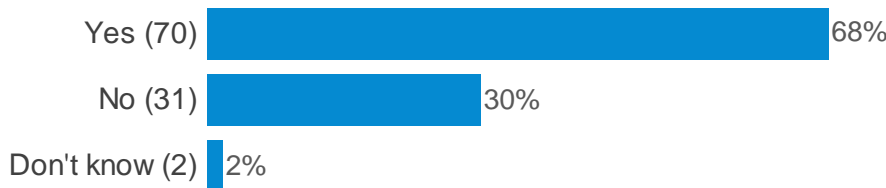
Please shift the cost from the poorest to the better off, who can afford it. (That includes me)

how much have they got.

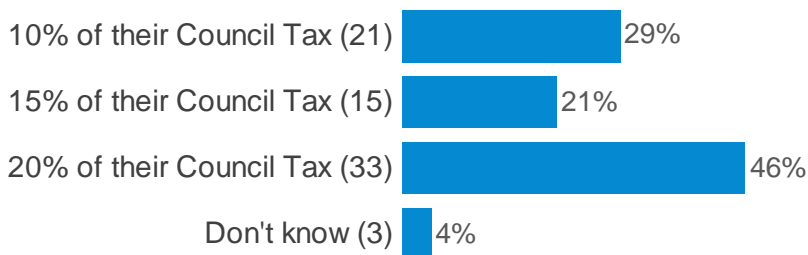
So far I cannot find details of how much are in the Council's reserves, what the Council expects to use these reserves for, nor if reserves will be able to be replaced in the future, therefore I am unable to comment on this.

see response to question 4.

Do you agree that every working age applicant for Council Tax Reduction should have to make a minimum payment towards their Council Tax?



If 'Yes', what level of minimum payment do you think should be applied?



Please use the space below to make any comments about Option 1:

Please use the space below to make any comments about Opt...

Everyone should contribute to the cost of local services

Not if they are disabled and cannot make up the money by working.

I think there should be a maximum cap of say £3 a week. People on lower fixed incomes would find it very difficult to find any additional monies.

Please use the space below to make any comments about Option 1:**Please use the space below to make any comments about Opt...**

Ownership of the services provided is a good thing. I hope you are not thinking of removing the 25% reduction for single households as even on a working income I find this invaluable, I know that retirement will make it essential.

'Working age' says it all, coupled with other benefits in the pipeline, such as the national Living Wage programme.

All those using services should make some contribution I believe an 80 percent reduction is fair

some people who are of working age cannot work because of their health/disabilities so wouldn't be able to pay any extra as they are already paying pit extra for heating water ect and in my case fresh food as i cannot eat processed food so my food bill eat week is probably higher than most peoples

People do not value what they do not pay for, and this is a disenfranchisement in itself.

save as much as possible

They will have to reduce some other costs as they benefit from services.

I think AT LEAST 10%, 20% would be great but I can see may be hard, so maybe 15% is a compromise

In proportion with government reduction to council.

The issue here is the ability to pay - a charge of even a few hundred pounds may well prove an intolerable burden to working families on low pay (especially give current reforms to welfare payments and the possibility of interest rate rises that may impact on mortgage/rent payments).

Yes, if feasible for certain individuals, but not as a blanket statement

The fact that council tax is something that affects them may make them less likely to abuse those services i.e. refuse collection, police, schools. It gives them some form of ownership

It is unfair to make the most vulnerable in society pay for services they often need, rather than want.

Additional council tax bands should be brought in on largest most expensive properties.

The cost of billing and collecting small amounts outweighs the amount that could potentially be collected

I doubt (but don't know) that those eligible for ctb are receiving less than 20% (in benefits) of an average workers income so this seems fair.

It is fairer to make those who do not qualify for and need CTR pay more than to increase the cost to those on benefits

A small contribution only if this applies to people on job seekers as the amount they receive barely covers the cost of living as it is. To expect a larger contribution would cause hardship.

Everyone should pay so they are part of the democratic process. The key issue is to reduce the total as far as possible, therefore the 20% will be less

This proposal would cause hardship to some of the most vulnerable people in the district, possibly plunging them into debt. It would be difficult, expensive and, in many cases impossible, to collect, reducing any savings made

The Council Tax system is outdated, with calculations of Bands being well out of date. Would you please agitate to have the system updated to take account of huge rises in property prices. This in turn would help to bring in more income, and to penalise the poorer people less.

Adopting a blanket approach like this is absurd. It must depend on the particular circumstances of each individual. Some people may be able to make a minimum payment; many others will not. Those applying for Council Tax Reduction are by definition amongst the poorest. The proposed measure will hit the poorest hardest.

Some people cannot afford it and should be exempt

You are hitting the poorest in society it is appalling that people who work need to claim benefits they should be paid a living wage

Please use the space below to make any comments about Option 1:

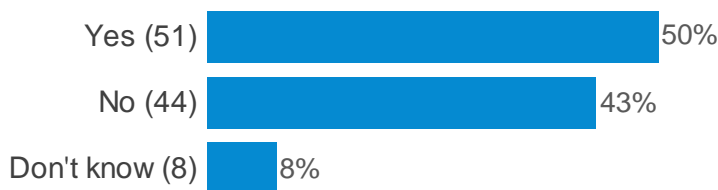
Please use the space below to make any comments about Opt...

Some people are stretched to the limit and beyond already.

In circumstances where the claimant is vulnerable (ill/disabled) and solely reliable on benefits I think it would be wrong for the Council to expect payment. Ultimately this will just lead to arrears, debt, additional stress, anxiety and depression. In other areas which have adopted schemes like this huge arrears of uncollectible council tax have been built up and people have been dragged through the courts at great expense to get them to pay money they have not got.

10% for the first year with the possibility of increasing it in future years

Do you agree that the maximum amount of savings and investments someone can have and still qualify for support should be reduced from £16,000 to £6,000?



Please use the space below to make any comments about Option 2:

Please use the space below to make any comments about Opt...

But this would depend if they are disabled and need certain paid for help where their money will be reducing very quickly.

It would be quite simple to implement this option and a minimum % contribution without unduly complicating the administration of the scheme.

I think if you are going to reduce the maximum amount of savings someone can have it should be £8,000.

This is a disincentive to thrift.

£10000 would appear about right..

Reduce limit to £10000

People stay just under the limit in order to qualify, this will make it just that bit harder to do this.

Save as much as possible

£6000 is a lot to have managed to save for some people, perhaps they have a lot of spare money they could put towards helping the council?

A reduction from £16,000 may be a sensible option but the proposed reduction is too draconian.

If you have savings, you have a pot to dip in to for survival. Those who qualify for support and have no form of safety net need to be allowed to find their feet without further monetary stress.

It is mean & saves very little money

I think that £6,000 is a bit low. Should be more like £10,000. People who have saved up something are at least not being feckless and in a financial crisis £6,000 would disappear very quickly.

all claims including passported ones where we do not have capital details would need to be checked and the administration involved would be significant

I would have to use my savings if i couldn't pay my council tax

Savings of £16k provide a very modest cushion for a rainy day. We should encourage savings of this type and respect it.

Please use the space below to make any comments about Option 2:

Please use the space below to make any comments about Opt...

I don't consider someone with £16,000 savings hardup. That is more than I earn in a year and I have to pay full council tax. I think savings of £6,000 to 10,000 is adequate

The gain may not be worth the admin and people could simply move their savings into another persons name eg: Children's savings account

again the total size of the Council tax bill for residents must be reduced

This is a disincentive to save and encourages fecklessness

The proposed measure disincentivises any attempt to make savings.

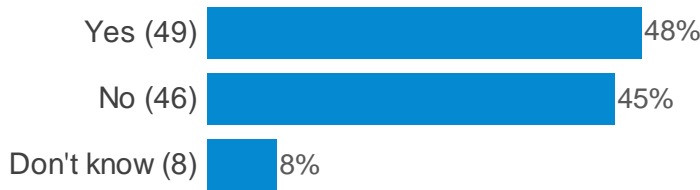
There are many situations where people have these levels of money in their account but that can be misleading and as a result of a reduction could push many in to poverty!

I think elderly people need some savings to cover carers or moving to sheltered accommodation

In fact even £6,000 seems a lot to me. Most people I know who are low earners or on benefits don't even have £1,000 in savings because every single penny is required to pay bills and live.

The £16,000 limit has been in place for years, is it worth the extra administration costs for a small saving?

Do you agree that the Council should use a minimum earned income figure, which would be the national minimum wage for a 35 hour week (currently £234.50 a week), for self-employed residents who have been in business for more than 12 months?



Please use the space below to make any comments about Option 3:

Please use the space below to make any comments about Opt...

Assuming a minimum income for self-employed people after they have been in business for 12 months may discourage people from becoming, or staying self-employed. Many self-employed people have very low incomes. Growing a small business should be a business decision not based on whether or not it would affect Council Tax contributions.

This will deter people from starting a business and being self employed is already difficult enough, i would have no problem with being means tested if i were self employed but to have you make assumptions is unfair and unjust.

Many self-employed earn below min wage, even though longer term established (NB I'm not and never have been self-employed)

I think after 12 months a check should be done to confirm the minimum wage. It could be less.

Self employed can mean anything. These people should perhaps pay a min amount is 15% if that is the min agreed for others of working age. More if income is higher as with employed people. It is not always possible to grow a business.

most self employed accept cash payment as a preferred payment option, leave it up yo individuals to appeal

Please use the space below to make any comments about Option 3:

Please use the space below to make any comments about Opt...

This would cause great hardship. I have known self-employed people who work 40 hour weeks for less than the minimum wage. Also disabled people and older people work many hours self-employed but do not achieve the minimum wage. There is no legislation on what clients pay self-employed people. Pressure to quote before doing a job and finding the work goes over quoted time by several weeks is common.

It would act as an incentive and legitimise the status.

Even self-employed need to pay their fair share.

I know this sounds mean to some people, but we'd all love to be self employed. Most self employed people work all hours under the sun and only just scrape a living, but some people are 'self-employed' and working minimal times but getting benefits. As harsh as it is, they all equally use the facilities council tax pays for

Assumed minimum incomes are likely to be unrealistic in the present economic climate - many small businesses exist on marginal levels of income that may well fall below the national minimum wage).

Not all self employed people will meet the minimum wage, even if their business is over a year old. This scheme will threaten to sink small businesses/traders, or deter people from becoming self employed at all.

I have been self-employed for the last 7 years and have yet to make the national minimum wage (not that I claim benefits as my wife works). Very unfair to make such an assumption and would stop a number of people from starting & running businesses

It sounds a reasonable idea but I am in mind of people who are older, whose bodies are worn out and in bad health. Maybe for those under 40.

If someone says they're earning £100, then that should be the amount they are assessed on, otherwise you are assuming they're lying. What would happen if someone was self employed for 6hrs a day (whilst children were at school etc), but a full time carer/parent for them after that? 35hrs a week doesn't account for all of this and I would suggest that many people receiving a reduction but who are self employed probably can't work 35hrs a week for a variety of reasons (care obligations, disability etc.). Just because Universal Credit uses something, doesn't mean everything else should copy it.

Assumptions are dangerous. Council needs to only deal in facts.

Could they not just use the last 12 months income, like they do with Tax Credits payment?

Or if the customer can provide evidence that they are doing less hours then use the amount of hours multiplied by the NMW

They should be able to demonstrate their exact income, as they have to for HMRC so what is the point of this assumed minimum.

Having been self employed myself, I know how precarious it can be. Cash flow is a continuous problem even when things are going well. Making assumptions about income that turn out not to be true is grossly unfair.

If this brings the benefit in line with universal credit then it is fair. It would also penalise people underestimating or underdeclaring their income

This penalises business people just at the stage when their business may be going through a bad time.

It is not fair to assume a level of income and penalise the self-employed for doing something to help themselves.

This proposed measure attacks the self-employed and small businesses just at the point at which they are in need of assistance. Many self-employed people and small businesses struggle hard to keep themselves above water (and off benefits). This measure is just kicking them when they're down.

Please use the space below to make any comments about Option 3:

Please use the space below to make any comments about Opt...

Most definitely not my son in law is a self-employed window cleaner working for some one if he can work he gets £60 but only if weather allows. So it doesn't take much to work out that most years he is lucky if he makes minimum wage! Just because someone is self-employed doesn't mean they earn minimum wage!

You should find out what their actual income is they could be building a business up in the first few years

Income should be based on actual earnings, many self-employed people earn less than the minimum wage.

work is still very hard to find on a permanent basis.

This assumption could lead to people who would have considered self-employment as an option, in to rethinking. Thus reducing enterprise within the county, which is needed for future prosperity. Personally I think using an assumption of this kind is dangerous ground.

Do you agree with the principle of maintaining an Exceptional Hardship Fund?



Please use the space below to make any comments about the Exceptional Hardship Fund:

Please use the space below to make any comments about the...

Very necessary for some disabled people.

It should be available to any resident, including single people, not just to families. Council Tax is a heavy burden for young single people on low wages.

It seems to be changing from 'personal income' to household income'. This seems not quite right as there could be several working people in a household but more money obtained from individual people. Bit complicated.

But these people should probably still pay something as a contribution

Using Council reserves to finance it.

as long as the qualifying criteria was strictly adhered to

I think the current system of housing benefit and council tax reduction should be maintained.

for the disabled and elderly

There should always be compassion in the system as long as it is rigourosly tested.

There are always exceptional cases and as long as the council apply proper controls (this is public money).

Yes, for example, anyone suddenly finding themselves unable to pay (self employed person who is ill and cannot work) can apply for support while they get back on their feet

everyone who applies to this fund should be given info on national and local servcies where they can get help in managing their finances and other aspects of their life that mean they are struggling to pay

Essential if even some of the proposed changes are implemented.

Personally I think all council tax expemptions should be assessed in this way.

Please use the space below to make any comments about the Exceptional Hardship Fund:

Please use the space below to make any comments about the...

Yes definitely but, as there are quite a few charlatans out there, they should expect to loose some of their privacy in order for the council to check out their claims.

However, if people are not having to pay council tax anyway it shouldn't be necessary.

If claimants of housing benefit are entitled to a type of hardship fund then this should be available to everyone. Whilst rents are high so are most mortgages, help should be available to everyone.

in VERY exceptional circumstances. the key goal is to reduce the amount that ALL residents are forced to pay in tax, making whatever cuts are necessary to achieve that

The scheme should be maintained as it is. A hardship fund is arbitrary and expensive to administer

Most definitely not! This is no guarantee of help and again many would be pushed in to poverty and dare I say make people them depressed and suicidal!

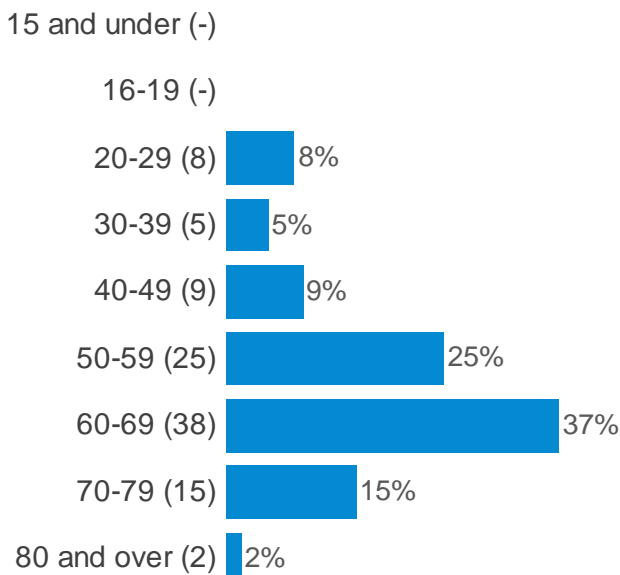
if I say yes that means I support your whole case and I don't. It is already hard to fill in any type of claim from Lewes DC you would have to employ more staff so no savings

In principle yes, however considering each application on merit is surely just adding to costs. Would it not be a less expensive approach to just ring fence a basic criteria for 100% council tax reduction? For example someone vulnerable (on DLA/PIP) who is solely in receipt of benefit to live and receives full Housing Benefit. Or a family with a disabled child in receipt of DLA, in receipt of Housing Benefit and not subject to Bedroom Tax. This sector of the community are unable enough pressure, with enough forms to fill in, without yet another and the stress of waiting for a decision.

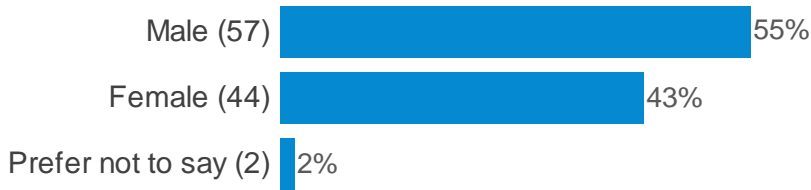
Yes in theory but it seems strange to cut someone's entitlement and then offer them more money, however this is available to Housing Benefit customers

This should not be reliant upon a separate fund.

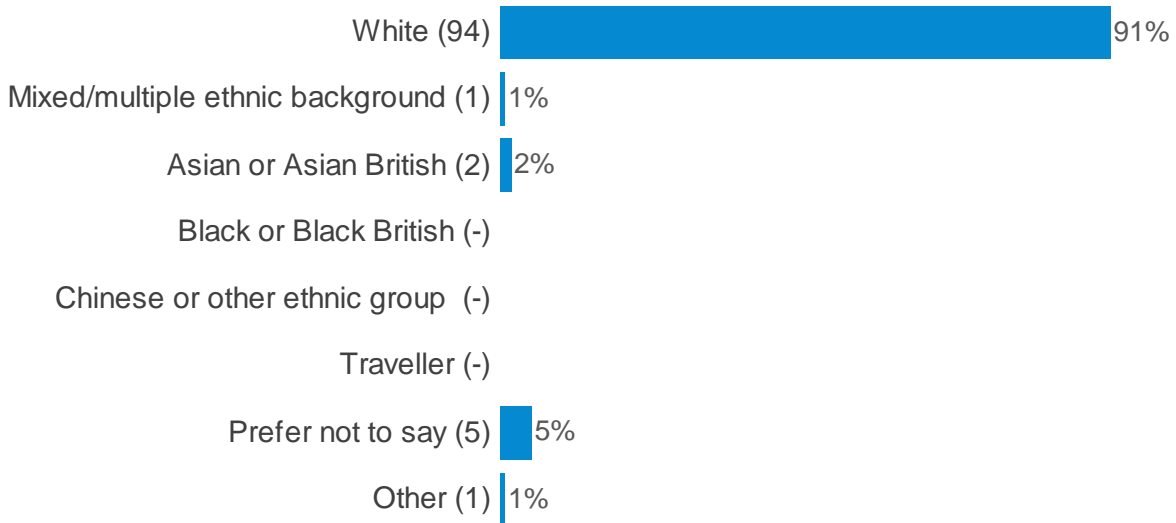
Which of these age groups do you belong to?



Gender:



What do you consider your ethnic origin to be?



If other, please specify:

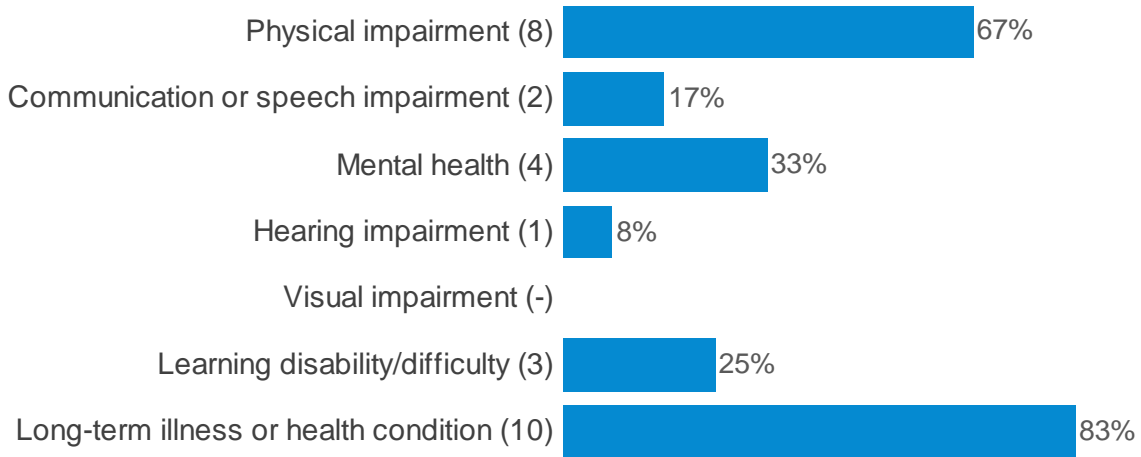
If other, please specify:

Mainly Anglo-Saxon, but with some Scottish

Do you consider yourself to be disabled?



Please provide details of your disability or disabilities (please tick all that apply)



Appendix D: Equality Analysis Report

Title:	Local Council Tax Reduction Scheme 2016/17
EA Lead :	Ian Morris
EA Team:	
Date Commenced:	18 September 2015
Target Completion Date:	16 October 2015
Reason for assessment:	To support key decision

Context and Scope

1. What are the main purposes and aims of the decision?

The main purpose of the decision is to develop a Council Tax Reduction (CTR) scheme which is fit for purpose in the provision of financial support for Council Tax to working age households in the district for the 2016/17 financial year.

The Local Government Finance Act (the "Act") imposes a duty on council tax billing authorities (Lewes DC) to make a CTR scheme by 31st January preceding the financial year to which it relates and to consult with major precepting authorities and other such persons as it considers likely to have an interest in the scheme, about the scheme. Major precepting authorities in East Sussex are

East Sussex County Council, Sussex Police and Crime Commissioner and East Sussex Fire Authority. Other interested parties, for example are benefit claimants, special interest groups, voluntary organisations and support groups.

The Act specifies that before amending a scheme, the billing authority must, in the following order:

- a. Consult any major precepting authority
- b. Publish a draft scheme
- c. Consult other persons as it considers are likely to have an interest in the operation of the scheme

2. What effect does it have on how other organisations operate and what commitments of resources are involved?

Council Tax is collected by the Council on behalf of East Sussex County Council, East Sussex Fire Authority, Sussex Police and Crime Commissioner and Town and Parish councils throughout the district. It is an important source of income to all of them.

3. How does it relate to the demographics and needs of the local community?

Financial support for Council Tax is currently given to just under 3,500 working age households across the district

4. How does it relate to the local and national political context?

Central Government grants are continually reducing. This decision is one of many responses to the reduction in income..

5. Is there any obvious impact on particular equality groups?

	Race (includes ethnic or national origins, colour, & nationality)			Disability (includes mental & physical)			Gender (includes gender reassignment)			Pregnancy (includes maternity & paternity)			Sexual Orientation (includes heterosexual, homosexual & bisexual)			Religion & Belief (includes all faiths, beliefs & agnostic)			Age (includes all age groups)		
Impact	Positive	Negative	None	Positive	Negative	None	Positive	Negative	None	Positive	Negative	None	Positive	Negative	None	Positive	Negative	None	Positive	Negative	None
Tick if relevant																				X	

6. How does it help to us meet our general duties under the Equality Act 2010?

The proposed scheme maintains the protection inbuilt in the former Council Tax benefit scheme for families with Children, elderly households and households with disabled residents who are in receipt of financial support for Council Tax

7. What is the scope of this analysis?

The groups affected by the proposed decision are low income, working age households across the district. This will result in a reduction in their disposable income.

Information gathering and research

8. What existing information and data was obtained and considered in the assessment?

We have considered:

1. The information held in our benefits databases using modelling tools to evaluate the impact of the proposed changes on households within the district. The attributes of the affected households which are held within the benefits system, i.e. gender, age, disabilities, but do not include ethnicity, sexual orientation or religion.
2. Comments and feedback from our public consultation process. The questionnaire ran from 27 July 2015 to 17 September 2015. A total of 103 responses were received and analysed.
3. Comments from various local and national stakeholder groups, including voluntary sector, landlords, The Department for Communities and Local Government, the Department for Work and Pensions and the Institute for Revenues Rating and Valuation either through formal workshops or focused meetings.
4. The views of the major preceptors were also considered throughout the process of scheme design. There are 45,341 occupied dwellings in the Lewes District. The total number of benefit claimants in July 12 was 7,247 of which 3,685 are of working age and 3,562 are pensioners. In percentage terms, 16% of households in Lewes District Council are claiming council tax benefit and, of these claimants, 51% are of working age.

9. What gaps in information were identified and what action was undertaken/is planned to address them?

The impacts of the welfare reform changes announced in the summer budget could not be fully factored into the impacts of the proposed scheme as there is insufficient detail available. Once the information is gained, after April 2016, this will be used to inform any changes to the scheme for 2017/18. The scheme cannot be changed in law part way through a financial year.

For the attributes of the affected households which are not within the benefits system, i.e., sexual orientation or religion, district wide figures have been assumed.

The gender of the claimant is irrelevant when deciding a claim for and making an award of CTR.

The CTR scheme does not exclude claimants on the basis of their sexual orientation. The Council's CTR scheme does not preclude people from receiving support based on their religious belief.

Under the scheme, entitlement is solely based on the claimant's income, household composition and liability to pay council tax. However, claims from large or multigenerational households could be affected by a maximum award (or a restriction to the closest council tax band) as they are more likely to be living in large properties which have a higher council tax.

The Council's CTR scheme does not preclude transgendered or transsexual claimants from receiving help towards paying their council tax.

10. What communities and groups have been involved and what consultation has taken place as part of this assessment?

A full Public consultation was open to all households and organisations in the district. It was run in conjunction with the other district and borough Councils in East Sussex.

Analysis and assessment

11. What were the main findings, trends and themes from the research and consultation undertaken?

Many working age households in the district will have less disposable income as a consequence of the proposed decision and some will face having to pay some Council Tax for the first time. Additional resources will be required by the Council in order to promote the revised scheme and to provide support and guidance for those adversely affected.

12. What positive outcomes were identified?

An Exceptional Hardship scheme is proposed to act as a safety net for those households that are in exceptional circumstances that means that are unable to pay their Council Tax bill as a result of the implementation of this decision.

13. What negative outcomes were identified?

Many working age households in the district will have less disposable income as a consequence of the proposed decision and some will face having to pay some Council Tax for the first time.

Action planning

14. The following specific actions have been identified: *(see paragraph 25 of the guidance)*

Issue Identified	Action Required	Lead Officer	Required Resources	Target Date	Measure of Success
Support required for those who will be required to pay Council Tax for the first time	Employ and train support and recovery staff	Ian Morris	2 * FTE funded by major preceptors	01/02/16	Sustain Collection rates
Implement Exceptional Hardship scheme	Employ and train fund administration staff	Ian Morris	0.5 * FTE funded by major preceptors	01/04/16	Sustain Collection rates and receipt of applications to EH fund

Summary Statement

Between 18 September 2015 and 16 October 2015 Equality Analysis was undertaken by Ian Morris on the decision to revise the Council Tax Reduction Scheme for working age households.

Due regard was given to the general equalities duties and to the likely impact of the decision on people with protected characteristics, as set out in the Equality Act 2010.

The assessment identified:

Minor adjustment is required. There are potential problems or missed opportunities, and so actions have been identified to remove barriers and better promote equality. The EA Action Plan will be incorporated and monitored within the service/project plan.

The EA Action Plan will be incorporated and monitored within the service/project plan. Once actions have been undertaken, the position will be reassessed.

Approval

Director/Head of Service	Gillian Marston
Signed	
Dated	23 October 2015