

Public Document Pack



**Nottingham
City Council**

Additional / To Follow Agenda Items

This is a supplement to the original agenda and includes reports that are additional to the original agenda or which were marked 'to follow'.

Nottingham City Council City Council

Date: Monday, 27 January 2025

Time: 6.00 pm

Place: Council Chamber - at the Council House

Governance Officer: Jane Garrard, Senior Governance Officer **Direct Dial:** 0115 8764315

Agenda

Pages

- | | | |
|----------|---|---------------|
| 9 | Local Council Tax Support Scheme 2025/26
Report of the Executive Member for Finance and Resources | 3 - 56 |
|----------|---|---------------|

This page is intentionally left blank

City Council - 27 January 2025

Report of the Executive Member Finance and Resources

Corporate Director Stuart Fair – Corporate Director for Finance and Resources – S151 Officer

Report Author and Contact Details – Dom O’Melia – Head of Customer Access

Title – Local Council Tax Support Scheme 25/26

Does the report form part of the Budget or Policy Framework?

Yes No

Commissioner Consideration –

Has this report been shared with the Commissioners’ Office? Yes No

Any comments the Commissioners wish to provide are listed below.

Does this report contain any information that is exempt from publication?

No

Relevant Council Plan Key Outcome:

Green, Clean and Connected Communities	<input type="checkbox"/>
Keeping Nottingham Working	<input type="checkbox"/>
Carbon Neutral by 2028	<input type="checkbox"/>
Safer Nottingham	<input type="checkbox"/>
Child-Friendly Nottingham	<input type="checkbox"/>
Living Well in our Communities	<input type="checkbox"/>
Keeping Nottingham Moving	<input type="checkbox"/>
Improve the City Centre	<input type="checkbox"/>
Better Housing	<input type="checkbox"/>
Serving People Well	<input type="checkbox"/>

1. Summary

- 1.1 This report seeks approval of the recommendation of the Executive Board of 21 January 2025 in relation to proposed changes to the Council Tax Support scheme for 2025/26

2. Recommendations

- 2.1 To note and consider the consultation feedback attached to the report as Appendix 1.
- 2.2 To approve the proposed changes to the Council Tax Support scheme for 2025/2026 attached to the report as Appendix 2
- 2.3 Delegate approval for the Local Council Tax Support Scheme 2025/2026 Regulations to the Section 151 Officer in consultation with the Portfolio Holder for Finance

3. Reasons for recommendations

- 3.1 The Council Tax Support (CTS) scheme, which replaced the previous national Council Tax Benefit scheme from April 2013, provides financial assistance to households on low incomes or benefits through a reduction in Council Tax. Each year the Council is required to consider whether to revise its CTS scheme.
- 3.2 The Local Government Finance Act 1992 sets out the process by which Councils must approve a local CTS scheme. Regulations continue to prescribe the scheme for households who have reached state pension age (pensioners), allowing up to 100% support against Council Tax liability.
- 3.3 The current scheme provides a maximum amount of 80% support for working age claimants.
- 3.4 With the financial pressures to close the substantial budget gap, Nottingham City Council must look to all options, including reduced support for CTS.
- 3.5 Statutorily the scheme must be agreed by 11 March 2025 for the new scheme to take effect for the following year and to enable the Council to receive the additional Council Tax raised for the year 2025/26. If the Council does not meet this deadline and agree the changes to the scheme, the Council will be required to continue to deliver the current CTS scheme and will need to find an alternative way to manage the budget gap.

4. Other options considered in making recommendations

- 4.1 Not to revise the Council Tax Support Scheme. This option was rejected as an alternative way to manage the budget gap has not been identified.

5. Consideration of Risk

- 5.1 Any impact on collection rates due to the changes have been considered in the financial modelling of the scheme and will be continuously monitored.

6. Best Value Considerations

- 6.1 Changes to the minimum income floor and the increase in the de minimis setting to £5 will improve efficiency and reduce the administrative burden of the scheme

7. Background (including outcomes of consultation)

- 7.1 Council Tax Support is a discount which helps households on low incomes with their Council Tax bill. Around 19% of households in Nottingham are in receipt of Council Tax Support and the scheme costs over £30 million a year to operate.

Applying the discount affects the amount of Council Tax the Council receives and has an impact on the amount of Council Tax that all households in the city pay.

The scheme has not been reviewed since it started in 2013, despite changes to Welfare Benefits and Council funding over this period.

Like all Local Authorities the Council has significant financial challenges. The proposals enable the Council to provide a scheme that is financially sustainable in future years which also reduces the administrative burden.

The aim is to have a scheme that continues to support those on the lowest incomes and is future proofed in terms of its cost.

The proposals do not affect the Council Tax Support Scheme for pensioner households, the rules for which are controlled by Central Government. The proposed changes to the Scheme will affect all working age (under state pension age) households.

The Council held a six-week consultation on the following summarised scheme modifications and has set out the recommended changes below: -

- i. **Reduce the maximum level of CTS for working age claimants to from the current 80% of their net Council Tax liability to either 30%, 40% 50%, 60% or 70% of their net Council Tax liability.**

After analysing the feedback from the consultation, it is recommended that the council maintains the maximum level of CTS for working age households at 80% of their net Council Tax liability

- ii. **Reduce the maximum level of CTS to the liability of a band B property**

Base the maximum level of CTS on the liability of a band B property. Households in band C-H properties would have their maximum level of CTS calculated at the rate of a band B property.

This is likely to impact 671 households.

Property Band	Number of households
C	490
D	138
E	28
F	10
G	5

After analysing feedback from the consultation, it is recommended that the maximum level of CTS is reduced to the liability of a band B property.

- iii. **Introduce a minimum threshold in respect of in year changes to entitlement**

Under the current scheme and changes to entitlement, no matter how small result in recalculation and issuing of a new council tax bill with reset instalment plans. This proposal introduces a threshold where reported changes resulting in a small change of entitlement either up or down do not change the level of award or issue a new bill.

After analysing the feedback from the consultation, it is recommended that a minimum threshold of **£5** per change is introduced.

iv. Continue to protect families by disregarding Child Benefit and Child Maintenance

In order to protect families Child Benefit and Child Maintenance are not counted when assessing a household's income.

After analysing feedback from the consultation, it is recommended to continue to protect families by disregarding child benefit.

v. Protect households of lone parents with children under the age of 5 by maintaining them at the current maximum support of 80%

As recommendation **i)** is to maintain the current maximum level of support at 80% it is no longer necessary to provide this protection.

vi. Continue to protect households with disabilities by disregarding certain disability benefits

This supports the most vulnerable by continuing to protect households with disabilities by disregarding the following disability benefits when assessing a household's income.

- Personal Independence Payments
- Armed Forces Independence Payments
- Disability Living Allowance
- Attendance Allowance

After analysing feedback from the consultation, it is recommended to continue to protect households with disabilities.

vii. Continue to protect War Pensioners by disregarding War Pensions and War Disablement Pensions in full

This protects certain war pensioners by disregarding War Pension and War Disablement Pensions when assessing a household's income.

viii. To protect full time carers from additional cuts by disregarding Carers Allowance

As recommendation **i** is to maintain the current maximum level of support at 80% it is not necessary to provide this protection.

ix. Reduce the capital threshold from £16,000 to £6,000

Currently households with less than £16,000 capital (e.g. savings, stocks, shares, property) are eligible for CTS. This limit will be reduced to £6,000 and where applicants have more than £6,000 in capital they will not be entitled to support.

This is likely to impact 199 households.

After feedback from the consultation, it is recommended to reduce the capital threshold from £16,000 to £6,000.

x. **Raise the minimum weekly award of Council Tax Support from £0.50 to £5.00**

Where an assessment results in a weekly award of less than £5 per week the applicant will not be entitled to support.

This is likely to impact 568 households.

After analysing feedback from the consultation, it is recommended to raise the minimum weekly award from £0.50 to £5.00

xi. **Introduce a Minimum Income Floor for Self Employed Applicants.**

In order to align CTS with Universal Credit a minimum level of income equivalent to 35 hours at minimum wage (16 hours for lone parents) will be assumed for self-employed applicants outside of an initial start-up period.

This is likely to impact 62 households.

After analysing feedback from the consultation it is recommended to introduce a minimum income floor for self-employed applicants.

7.2 The combined impact of the recommended changes is likely to impact 1158 households and reduce the gross cost of the scheme by c£0.477m, of which £0.419m relates to the Council.

7.3 The scheme modelling and associated indicative costs and/or savings do not include provision for 2025/26 Council Tax increases, for DWP up-ratings, or for any increase in CTS that may arise through additional take-up or increased entitlement, generated by the economy or by the governments 'Move to Universal Credit' and Pensions Credit take-up programmes.

Consultation Response

7.4 The consultation exercise took place between 6th November 2024 and 16th December 2024

7.5 The precept Police and Fire authorities were consulted and had no specific feedback on the proposals.

7.6 Wider public consultation throughout the 6 weeks, included publicity by press release, a direct email campaign to 45,000 residents, the website and social media. Direct mail to local partners and the voluntary sector.

7.7 Feedback from the public consultation is summarised below (note where these do not add up to 100% there were responses in the Neither agree nor disagree category which is not shown here but can be found in Appendix 1.

Proposal	Agree	Disagree
Review the level of CTS for working age claimants	44.4%	38%
Reduce the maximum amount of CTS to that of a band B property	58%	28%
Introduce a minimum threshold in respect of in year changes to entitlement	69%	12%
Protect families by disregarding Child Benefit and Child Maintenance	63%	21%
Protect lone parents with children under the age of 5 by maintaining maximum entitlement at 80%	66%	16%
Protect households with disabilities by disregarding disability benefits	73%	14%
Protect War Pensioners by disregarding War Pensions and War Disablement Pensions	71%	9%
Protect full time carers from additional cuts by disregarding Carers Allowance.	71%	17%
Reduce the capital limit to £6,000	51%	33%
Raise the minimum weekly award of CTS to £5.00	52%	26%
Introduce a Minimum Income Floor for Self Employed Applicants	48%	20%

The full consultation report is attached as Appendix 1.

8. **Commissioner comments**

8.1 The Commissioners note the consideration of the various aspects of the Council Tax support scheme following the recent consultation.

9. **Finance colleague comments (including implications and value for money)**

9.1 The Local Government Finance Act 1992 requires the billing authority to determine the tax base to be used in the calculation of the level of Council Tax. This tax base must be calculated in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 and be determined between 1 December and 31 January each year.

9.2 The CTS scheme forms a key component of this calculation and consequently any change to the scheme approved by Full Council on 27 January 2025 will need to be reflected in the final determination of the 2025/26 tax base.

9.3 Based on the current draft tax base projections underlying the Budget Strategy Update also reported to January Executive Board and an assumed 4.99% increase in 2025/26 Band D the increase in the authority's budgeted council tax requirement (CTR) from the recommended CTS scheme adjustments will likely be c£0.419m.

9.4 In addition to the council tax raised for the City Council the increased taxbase arising from the proposals is estimated to see additional funding for Nottinghamshire Police

& Crime Commissioner and Nottinghamshire Fire & Rescue. A total increase in additional council tax arising from the proposals of c£0.5m.

- 9.5 It should be noted the financial impact set out above is an estimate and is based on the CTS cohort at a point in time. The CTS cohort changes regularly in line with the individual circumstances of those eligible for the scheme. Therefore, the actual impact on the Council's collection fund will not be known until the end of the 2025/26 financial year. The position, including the collection rate – which is typically lower for the CTS cohort than the overall collection rate - will be regularly reviewed throughout the financial year.
- 9.6 It should be noted the estimated additional council tax raised arising from the proposals is based on total collection rates in accordance with the prescribed methodology for calculating the taxbase. The collection rate for the CTS cohort in the first year is likely to be lower than the total collection rate. Historic experience indicates a 74% collection rate in the first year for the CTS cohort.

Ian Fair, Senior Accountant MTFP – Corporate Funding
Glenn Hammons – Assistant Director (Technical Finance) 21 January 2025

10. **Legal colleague comments**

- 10.1 The Local Government Finance Act 1992 (as amended) and associated regulations made under the Act sets out the way in which a Billing Authority can produce a Local Council Tax Support Scheme. There are detailed provisions about the contents of such a scheme contained within the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012 and regulations as updated on an annual basis to reflect consistency with changes in social security legislation
- 10.2 Local Authorities are required to make any changes to their scheme by 11 March each year for the forthcoming financial year in which the changes will take effect. It is of note that the Council have not reviewed its Council Tax Support Scheme since it was introduced in 2013.
- 10.3 There is a requirement within the legislation to consult on the proposed Council Tax Support Scheme and in accordance with consultation principles the responses to the consultation must be considered and taken into account by the decision maker. This paper sets out the consultation that was undertaken and the responses.

Beth Brown, Director of Legal and Governance, 13 January 2025

11. **Other relevant comments**

11.1 N/A

12. **Crime and Disorder Implications (If Applicable)**

12.1 N/A

13. **Social value considerations (If Applicable)**

13.1 N/A

14. Regard to the NHS Constitution (If Applicable)

14.1 N/A

15. Equality Impact Assessment (EIA)

15.1 Has the equality impact of the proposals in this report been assessed?

Yes

Attached as Appendix 3, and due regard will be given to any implications identified in it.

16. Data Protection Impact Assessment (DPIA)

16.1 Has the data protection impact of the proposals in this report been assessed?

No

A DPIA is not required because this does not include any personal information.

17. Carbon Impact Assessment (CIA)

17.1 Has the carbon impact of the proposals in this report been assessed?

No

A CIA is not required because this is in relation to an administrative process

18. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

18.1 None

19. Published documents referred to in this report

19.1 None

**Councillor Linda Woodings
Executive Member Finance and Resources**

Appendix 1

Council Tax Support Scheme – Consultation

Report detailing the outcome of the consultation survey regarding the review of The Council Tax Support Scheme.

Length of Consultation 6 weeks

Start date: 8th October 2024

Close date: 16th December 2025

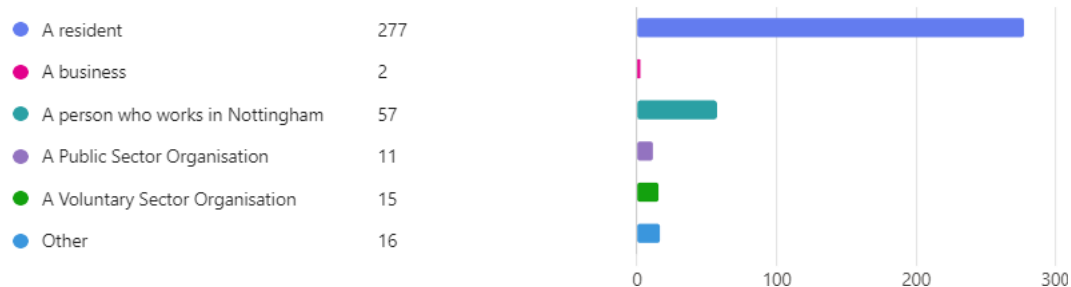
Number of responses: 383

This survey is anonymous. The only information collected is the persons relationship with Nottingham City Council and, whether the person was currently in receipt of council tax support. Feedback was received for 11 proposals based around the review for those who are working age and currently in receipt of council tax support. Written comments were only taken from those who disagreed with the proposal. Due to this a large majority of open text feedback received is negative.

The graph below represents those who participated in the survey and are in receipt of council tax support.



The graph below represents the persons relationship with Nottingham city council.



Of those who responded they are currently in receipt of council tax support, 106 are currently residents of Nottingham city. 3 of them are people who work in Nottingham, 2 identified as 'other' .

The respondents who stated they are businesses (2), public sector organisation (1) and a voluntary sector organisation (1) should be disregarded for the purposes of this question as it is not possible for them to receive Council Tax Support.

Proposal 1:

below is the way the question was formatted on the survey.

Review the level of Council Tax Support for working age claimants It is proposed to review the maximum level of support of 80% for working age claimants not in the proposed protected groups to ensure everyone contributes fairly towards their council tax.

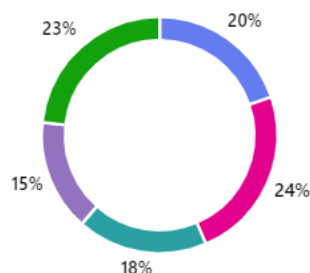
The positives are:

- A reduced level of support will reduce the cost of the scheme helping to maximise the funding available to support essential services.

The negatives are:

- All working age households not in a protected group could receive a reduced level of Council Tax Support.

● Strongly agree	74
● Agree	89
● Neither agree nor disagree	67
● Disagree	57
● Strongly disagree	87



The first proposal received the most varied and even level of responses out of all the questions asked. 144 people either disagree or strongly disagree with the proposal. However, we can see that more people agree with the proposal with 163 people either agreeing or strongly agreeing with the recommended proposal.

From the 144 people that disagreed with the proposal we received 118 comments detailing why. From this data we have received a series of common themes. These are as follows.

1. The proposed change to tax support will only affect those who are already vulnerable.

From those in disagreement there were concerns that by 'Lowering the level of support more people will be in increased poverty'. This is also followed by people concerned about their general wellbeing, many claimed that they are unlikely to survive without council tax support. From this we start to see the second theme arising.

2. Difficulties with benefits and Universal Credit reform.

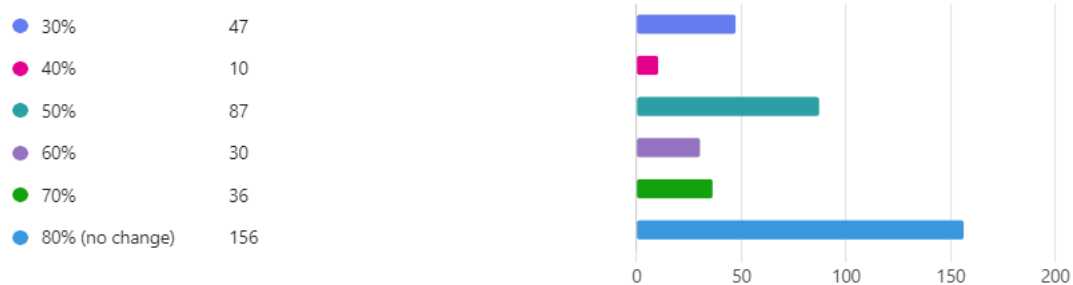
It has been pointed out that people on benefits and Universal Credit already struggle with council tax. With the rise of bills and change towards Universal Credit many people are finding themselves having less money than before the change to universal credit.

3. Largely going to affect those who are in single person households.

Currently due to the change towards universal credit those in single person households without children are struggling as they are on low incomes and cannot claim benefits from having children. There are calls to protect those who are under 25.

These 3 were the major themes seen throughout the responses that were collected however some other points came up. These being a lack of trust in the council as well as the fact the proposal will heavily effect those with disabilities and their carers.

Of those who disagreed with the proposal 40 were currently in receipt of council tax support. And 66 were not. When they were asked what they believe the level of council tax support should change to we received these results.



As can be seen above 43% of people don't believe there should be a change in the level of support received for council tax and that it should remain at 80%. This does however mean that the majority of people agree, that the level of support should be lowered. Of this group there was support for up to a 50 % reduction, however based on an average of the responses they supported an average level of support at circa 65-70%. The mean proposed level of support is 63% and the median proposed level of support is 70%.

Proposal 2

Below is how the proposal was presented to people on the survey.

Reducing the maximum amount to Council Tax Support to that of a band B property

It is proposed to base the maximum amount of Council Tax Support to the liability of a band B property. This is to target Council Tax Support to households living in smaller, less expensive property, so that those living in larger properties do not receive greater levels of support than

those occupying smaller properties.

The positives are:

- There will be no additional impact to the vast majority as 95% of current recipients are in band A & B.

The negatives are:

- Households living in larger/more expensive band C-H properties will only receive the same level of support as households living in smaller/less expensive band B properties.

This proposal received a majority of support with 58% of people agreeing with the policy. This can be seen within the graph below.



However we can still see that 28% of people disagree with the proposal. From this 28% we have received 83 comments over why they were in disagreement. From these comments we found that almost all comments have very similar concerns. There are two themes which especially stand out from the comments collected.

1. People may have larger houses as they may have larger families, this doesn't mean they have larger incomes.
2. The house does not represent the persons income and all circumstances should be considered.

These two themes follow very similar principles, a large number of people agree that just because they have a larger house does not mean they can afford an increase in council tax. The reasons for this are extensive. However, two main themes that occurred were people with larger families and people who have fallen into bad circumstances. People who live in larger houses still may be struggling to pay bills due to potentially reduced incomes. A group that was mentioned a few times were pensioners. As well as people who bought a larger house when it was cheaper and have now lost jobs, gained disabilities or retired. However, these proposals do not impact pensioners as they are covered by the government prescribed scheme.

A large number of these comments were over the fact this will negatively affect those with families as they are likely to have less disposable income to pay off an increased tax.

An issue raised a couple times were the classification of properties and how many new builds are classified as a band C as well as very small properties in the city centre being classified as a band D property. This is a national issue and not something that is in the control of the Council. Any banding review is the remit of central government.

Proposal 3

Below is how we worded the proposal in the survey.

Introducing minimum threshold of £2 in respect of in year changes to entitlement.

Following the move to Universal Credit, real time reporting of income means that some households Council Tax Support is calculated frequently, resulting in rebilling and resetting of their instalment plan.

At the moment any changes to entitlement no matter how small result in recalculation and re billing we propose to introduce a threshold of £2, where any reported changes that result in a change of entitlement of less than £2 per week do not change the level of award or issue a new bill.

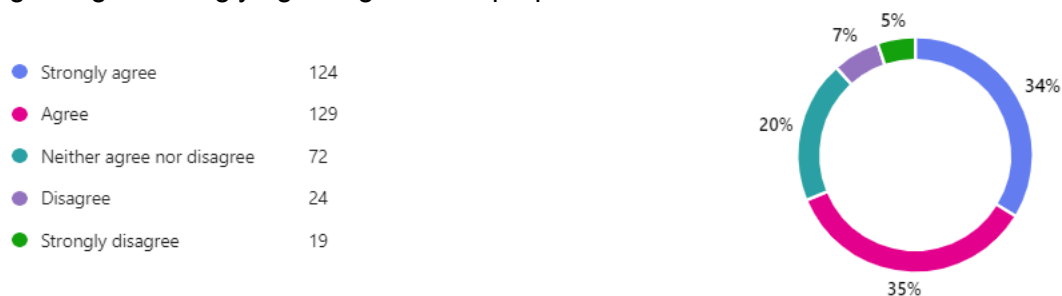
The positives are:

- It will reduce the administrative burden of making large numbers of low value changes to entitlement following small changes in a household's income.
- It will reduce the need to issue multiple council tax bills in year, so households have a clearer picture of their liability and instalments.

The negatives are:

- It is expected that overall, there will be as many households positively impacted by this proposal as negatively impacted.

This proposal received an overwhelming level of support with 253 respondents either agreeing or strongly agreeing with the proposal.



Although we see that many respondents agree with the proposal, 12% of the respondents either disagree or strongly disagree. From these 12% we have received 35 responses as to

why they disagree. From these responses there are two very clear themes.

1. £2 is too low of a threshold.

Many responses raised concerns over £2 being far too low. This mostly affecting those who are self-employed, as their income can change drastically monthly. This also affecting those who are contracted, as they do not want to be penalised for working overtime. From these comments many recommend that the threshold should be £5 instead of the proposed £2.

2. Will not aid the council.

The Second theme was concerns over how this will aid the council. Claiming that this was 'Too much Bureaucracy'. From this a few people would like to see how this would help contribute to the council.

From these comments further issues were raised over the stress of the system already. As seen with previous comments some seem to already have stressful times with Universal Credit. However, this proposal received an overwhelming level of support.

Proposal 4

Below is how the proposal was described within the survey.

Continuing to protect families by disregarding Child Benefit and Child Maintenance

In order to protect families, we propose that Child Benefit and Child Maintenance are not counted when assessing a person's income.

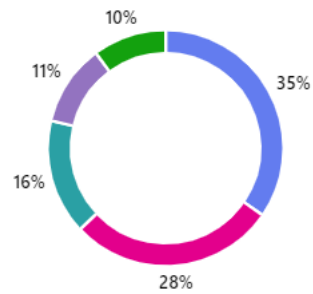
The positives are:

- It will continue to help and support families.

The negatives are:

- Although the proposal could increase the cost of the scheme, there are no negatives for people who qualify for the Council Tax Support Scheme.

● Strongly agree	127
● Agree	104
● Neither agree nor disagree	58
● Disagree	41
● Strongly disagree	37



The above proposal received large amounts of support with 63% of respondents agreeing with the proposal. However, the 21% of people who either disagreed or strongly disagreed all raised very similar concerns. These being:

1. Unfair for single person households and households without children.
2. All income should be taxed.

All comments raised from those who disagree follow the same ideas, that the proposal is unfair. Almost all of the comments are people stating that child maintenance should still be regarded as household income. Most of these arise from respondents complaining that single households don't receive this added income. This group of respondents find it unfair that families will receive this extra level of support. Similar responses were given from those who currently receive child maintenance, but do not receive council tax relief.

Another concern raised was how this could further promote people to have more children and work less. This comes with comments over how people who work do not get part of their income exempt from tax. This is followed with comments that people choose to have children.

However, some feedback would like further additions to be made. For example, people suggest that this shouldn't just apply for children under 18. This being as those who are already struggling still must support their children whilst they are at university. This proposal also raised issues over child maintenance declaration. It is suggested that some single mothers do not declare the child maintenance support to government as it is easier for them. Following on from this issue some separated families do not claim child support but are still on the poverty line.

Although the proposal is heavily supported, those who disagree all agree on a very similar issue. This being that all income should be accounted for. However, from those who disagree they do believe that child benefits should be kept as tax exempt.

Proposal 5

Below is how the proposal was worded to those who participated in the Survey.

Protecting lone parents with children under the age of 5 in order to further protect the families with the least opportunity of increasing their hours of work.

If the level of Council Tax Support for working age claimants reduces. The proposed scheme will protect lone parents with children under the age of 5 by having a maximum entitlement of 80% discount.

The positives are:

- It will continue to help and support families.

The negatives are:

- Although the proposal could increase the cost of the scheme, there are no negatives for people who qualify for the Council Tax Support Scheme.



As can be seen from the graph above, the proposal has received overwhelming support. 66% of respondents agree with the proposal. From the 16% that either disagreed or strongly disagreed we have seen varied responses. The main themes of these responses are as follows.

1. Incentives people to keep having children

This theme showed up a few times with some people concerned that this may act as an incentive for people to keep having children under the age of 5 whilst continuing to declare themselves as lone parents. Some suggesting that for this to work checks would have to be made on families declaring they are lone parents.

2. Unfair for childless people or families with both parents.

Very similar to proposal 4, several people disagreed as they felt it was unfair that only single parents with children under 5 would be receiving tax relief. As well as a number of people complaining that these families are likely to be receiving more income than single people.

After these two common themes we received a variety of other responses. With some disagreeing over the age this should be set too. One comment suggest that this should be lowered to ages of 3-4 as after this they have access to free childcare provisions. After the age of 4 children will have access to pre-school which will allow lone parents greater access to work.

We again received comments about the over complicated nature of this. And how people in these positions find it stressful with the change of circumstances that they have to deal with.

Proposal 6

Below is how we worded the proposal on the survey.

Continuing to protect households with disabilities, by disregarding disability benefits (Personal Independence Payments, Armed Forces Independence Payments, Disability Living Allowance, Attendance Allowance)

In order to continue to protect the most vulnerable, the proposed Council Tax Support scheme will disregard the following disability benefits:

- Personal Independence Payments
- Armed Forces Independence Payments
- Disability Living Allowance
- Attendance Allowance

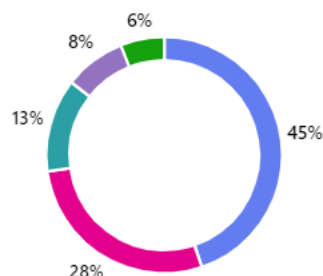
The positives are:

- It will help and support people with disabilities

The negatives are:

- Although the proposal could increase the cost of the scheme, there are no negatives for people who qualify for the Council Tax Support Scheme.

● Strongly agree	165
● Agree	103
● Neither agree nor disagree	47
● Disagree	31
● Strongly disagree	22



This proposal received the most amount of support than any of the other proposals suggested on the survey. This proposal received 73% support. From the 16% that disagreed with the proposal we received very familiar feedback.

1. This is still income.

Very similar to the responses received from proposal 4. A number of people believe it is unfair that they are not taxed as this still counts towards their income. With some saying that it is unfair and that everyone should contribute.

2. Disability does not mean they are unable to work.

14% disagreed with the proposal as they believe that despite being disabled they are still able to work. With some going further saying that in some cases people receive '2k a month' and it is unfair that someone who works and earns '2k a month' is not going to get taxed.

3. Should cover all disabilities

A few suggestions that were raised were over how it is unfair that not all disabilities would be covered under this proposal. Added on to this people suggesting that LCWRA (Limited capability for work related activities) should be added to the list.

Proposal 7

Below is how the proposal was worded within the survey.

Protecting War Pensioners by continuing to disregard War Pensions or War Disablement pensions in full.

The proposed scheme protects certain war pensioners by continuing to disregard the war pension or war disablement pension income in full. This is a continuation of the existing provisions.

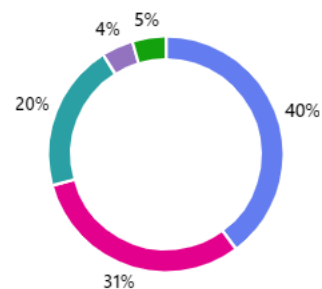
The positives are:

- It maintains the Council's commitment to the Armed Forces Covenant; and the change is easy to put in place.

The negatives are:

- Although the proposal could increase the cost of the scheme, there are no negatives for people who qualify for the Council Tax Support Scheme.

● Strongly agree	147
● Agree	114
● Neither agree nor disagree	75
● Disagree	16
● Strongly disagree	17



This proposal was another one that received huge levels of support with only 9% of people in disagreement. From these we received 22 comments as to why they disagreed with the proposal. These comments again follow similar themes as to ones previously mentioned.

1. All income should be taxed.
2. Discriminates against standard pensioners.

Similar to comments we have previously received, a number of people disagree as they would still declare this as income. They then go on to add that they do not find it fair that war pensioner get special treatment just because they fought in a war. Most comments follow along these lines. As seen previously peoples main concern is over income, as they do not find it fair that one group gets further support than another.

It is important to note that the pensioner scheme is not impacted by these proposals

Proposal 8

Due to a routing error we initially received a lower amount of answers to this question compared to others. Below is how we worded the proposal within the survey.

To protect full time carers from additional cuts by disregarding Carers Allowance.

In order to protect households including full time carers, we propose that Carers Allowance is not counted when assessing a person's income.



As can be seen above a large number of respondents (71%) did agree with the proposal. From those who aren't in favour we have received 17 comments as to why they disagree.

Almost all follow one very similar theme. This being that again, all income is income. People do not find it fair that a persons income is being disregarded. A number of comments that follow this say that carers still earn a fair amount of money and do not find it acceptable that this income is being made tax exempt.

Proposal 9

Below is how the proposal was worded within the survey.

Reducing the capital limit to £6,000

Currently, the capital (savings, stocks, shares, property) limit is £16,000. Only households with less that £16,000 are eligible for Council Tax Support. The Council is proposing to reduce the limit to £6,000. Where an applicant has more than £6,000 in capital they will not be entitled to support.

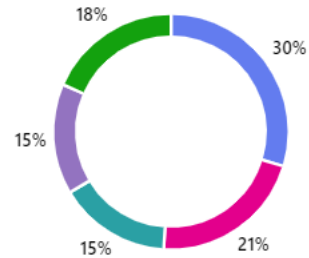
The positives are:

- The £6,000 limit still protects applicants with capital.
- Any savings generated by this change will be used to protect those with the lowest resources.

The negatives are:

- Where applicants have more than £6,000 in capital, no Council Tax Support will be given.

● Strongly agree	108
● Agree	77
● Neither agree nor disagree	56
● Disagree	55
● Strongly disagree	67



For this question we received a much more even level of approval. From those in disagreement we have 89 comments. These comments all follow a very similar issue.

1. The jump from £16k to £6K is too drastic.

A number of people agreed that the threshold potentially should be lowered however they believe that the jump from £16k to £6k to be far too drastic. From this we have seen that a large number of people suggest that this should instead be lowered to £10k. However only if this needs to be lowered, as a number of comments believe that the amount should not be lowered at all.

2. £6k is not a large enough safety barrier for savers.

A large number of comments we received were over the fact that if this is lowered to £6k a large number of people are likely to save less. With people stating that this is likely going to effect their savings. If this does affect their savings then it is likely that they will not have a safety net in times of emergency. A few comments speak about how they live in old buildings, and if they ever have any maintenance issues then it is likely to cost them a lot. This meaning they keep large savings but doesn't mean they have large incomes.

3. 16k in assets does not mean someone is rich

A few comments speak about how although people may have a large amount in assets they may still be relatively worse off. A number of people also make the point that the £16k threshold is too low as it is. With people adding that with the rise in cost of living a lot more people are in difficult positions and although their assets may be high this does not mean they are in stable positions.

A few people also bring to light how this is likely to effect pensioners more than most others. This due to pensioners having larger assets due to the rise in value of property and higher

savings levels. However, this does not mean that they have increased levels of income and are likely to be greatly effected if they are unable to receive Council Tax Support.

Again it is important to note that these proposals do not impact pensioners.

Proposal 10

Below is how we worded Proposal 10 to those who took the survey.

Raise the minimum weekly award of Council Tax Support.

Currently the minimum weekly award of Council Tax Support is £0.50. It is proposed to raise this level to £5 per week. Where an assessment results in a weekly award of less than £5 per week the applicant will not be entitled to support.

The positives are:

- Any savings generated by this change will be used to protect those with the lowest resources.

The negatives are:

- Where applicants would have previous have been entitled to a small award, now no Council Tax Support will be given.



As can be seen above, for this proposal we only have a slight majority of people agreeing with 52% of respondents in support. This proposal only received 80 people in disagreement. From this we have received 66 comments as to why they disagree.

1. 50p to £5 is too drastic a change.

A large number of comments suggest that the jump from 50p minimum to £5 is too drastic. With some raising the issue that with the rise in the cost of living some are unlikely to be able to afford the rise. They then add that if this minimum is raised it should be raised to lower amounts. With some suggesting it should be raised to £1 and others to £4 however a large group of responses agree the rise from 50p to £5 is far too drastic.

2. This will push people into poverty.

A large number of people agree that if people are currently receiving this support then the likelihood is they are receiving it for a reason. Those who are currently on the minimum amount of support are being saved £26 a year. Those who receive £4 support are being

saved £208 a year. With the rise in bills this £208 can mean the difference for someone being on or below the poverty line. For some this may mean whether people are able to buy food that month or not.

Proposal 11

Below is how the Proposal was worded on the survey.

Introducing a Minimum Income Floor for Self Employed Applicants

In order to align Council Tax Support with Universal Credit, the Council proposes to use a minimum level of income for those applicants who are self-employed when assessing entitlement to Council Tax Support. This would be in line with the National Living Wage for 35 hours worked per week (16 hours for lone parents).

The income would not apply for a designated start-up period of one year from the start of the business and the Council would have the discretion to vary or waive the use of this facility in exceptional circumstances or where the Council considers that the applicant is unable to work that number of hours.

Where the declared income is at or above the Minimum Income Floor, the declared income will be used in the calculation of Council Tax Support.

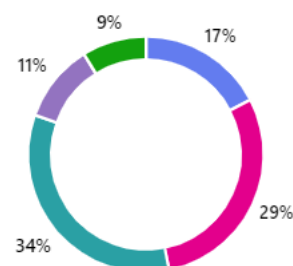
The positives are:

- The change is simple and administratively easy to incorporate within the scheme; and the treatment of income for self-employed claimants for Council Tax Support will be brought into line with those applicants who are self-employed and who are in receipt of Universal Credit.

The negatives are:

- Where a working age applicant is self-employed and continues to run a business where their income is below the national living wage level, the Council will assume they earn at least the minimum level.

● Strongly agree	63
● Agree	107
● Neither agree nor disagree	122
● Disagree	39
● Strongly disagree	32



Unlike for most other questions the largest group of people were people who had no opinion on the matter. This being presented under the group neither agree nor disagree. Due to this only 46% of people agree with the issue and 20% disagree. From this we have received 56 responses as to why people disagree.

1. The Minimum Income Floor already negatively impacts self employed people

A number of people have raised concerns that people struggle to meet the minimum income floor which leaves them to be penalised by Universal Credit. This being as 'Universal credit assumes you meet the minimum income floor.' If Council Tax Support is aligned with this then this will unfairly effect those who are self employed.

2. Many self-employed people with a small business will struggle to meet the minimum income floor.

A large number of people raised concerns over the statement under the negatives section of the proposal. Many people who are classed as self-employed find that they are constantly struggling to meet the minimum income floor. Some are concerned that they will now no longer be receiving Council Tax Support if the systems merge.

From both of these another common theme emerged. Those who are self-employed are already struggling to claim Universal Credit. There are concerns that if the two systems are merged together then they are likely to be put into a lot worse positions. Other issues that were raised were over peoples change in contract status as many people who are employed on short term work are employed on a contracting basis. Due to this they are often classified as self employed, this leads to them earning much lower incomes.

Appendix 2

Proposed Change to Nottingham City Councils Council Tax Support Scheme Effective April 2025

Contents

1.	Introduction to the Council Tax Support Scheme	3
2.	Glossary of terms	4
3.	Applications	7
4.	Evidence and Information	8
5.	Classes of persons within the Scheme	9
6.	Income	10
7.	Non-dependants	12
8.	Students	13
9.	Calculating Council Tax Support	13
10.	Minimum Council Tax Support	13
11.	Date on which awards begin and changes take effect	13
12.	Decisions	14
13.	Appeals	15
14.	Up-rating	15

1. Introduction to the Council Tax Support Scheme

Council Tax Benefit, a national scheme, was abolished by the Government in April 2013.

From this time, local authorities in England have been required to operate their own scheme, subject to the Council Tax Reduction Schemes (prescribed requirements) (England) Regulations 2012 (SI 2885) which prescribes elements that must be included within a local reduction scheme.

Persons of pension age must be protected by local Authorities and receive no less Benefit than they received under the Council Tax Benefit scheme.

[The Council Tax Reduction Schemes \(Prescribed Requirements\) \(England\) Regulations 2012](#) as amended prescribe a number of matters which must be included in a scheme and this scheme is to be interpreted and applied in accordance with those regulations. The council has based its Local Council Tax Reduction Scheme for working age persons on [The Council Tax reduction schemes \(Default scheme\) England regulations 2012 SI 2886](#) but has replaced the calculation methodology with one of its own.

The Nottingham City Council Tax Support scheme and amendments between 2013 and 2024 have been based around the original Council Tax Benefit regulations which duplicates much of the original Council Tax Benefit regulations.

As part of the process to amend the local scheme, a consultation exercise with citizens of Nottingham to place between 8 October 2024 to 16 December 2024.

We have taken on board the views and comments from the consultation exercise and this document outlines the scheme of Council Tax Support in Nottingham.

Revised features of the scheme after consultation

The following changes to the current scheme take effect from April 2025 for working age customers:

- the maximum level of Council Tax Support will be based on the liability of a band B property;
- people of working-age (unless specified) will have their Council Tax Support assessment based on **80%** of their net council tax liability;
- the capital limit will reduce to £6,000;
- the minimum weekly award will increase to £5.00 a week;
- a minimum income floor will be introduced for self employed applicants;
- a minimum threshold of **£5** will be introduced in respect of in year changes to entitlement.

2. Glossary of Terms

Term	Definition
1992 Act	The Local Government Finance Act 1992
AFIP	Armed Forces Independence Payment
All classes	Classes A to G pension and working age
Affected person	The applicant, official appointed to act for the applicant or person agreed to act for the applicant by the council
Applicant	A person applying for Council Tax Support (CTS)
Application	An application for CTS made in the approved manner
Assessment period	The applicant's income is assessed
Authority (local)	Nottingham City council
Backdating	Requests by a CTS applicant for the commencement of a claim to begin prior to the application date
Capital	Money or other assets singly or jointly held by a person
Child	A person under the age of 16
Circumstances in which a person is to be treated as responsible or not for another	As defined by regulation 7 of the prescribed scheme
Council	Nottingham City Council
Council Tax Payer	Person liable to pay Council Tax on a dwelling
Couple	As defined by regulation 4 of the prescribed scheme regulations
CTS	Nottingham City Council's Council Tax Support scheme
CTR	Nottingham City Council's Council Tax Reduction scheme
Default regulations	The Council Tax Reduction Schemes (Default scheme) England regulations 2012 SI 2886/2012 (as amended)
Designated office	Nottingham City Council may select one or more offices as its designated office for written Council Tax Support claims and notification of changes including but not limited to Nottingham City Councils Benefit office, offices of the DWP, or the office of a hostel or social landlord.

Term	Definition
Dispute	A state where a CTS applicant disagrees with the award of CTS or its refusal
Dwelling	As defined in Part 1 chapter 1 regulation 3 of the 1992 act
Earned income	As defined by schedule 1 of the prescribed scheme regulations for pensioners and chapter 5 paragraphs 51 and 53 of the default regulations
Family	As defined in Part 1 regulation 6 of the The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012
General interpretation of terms in the scheme	As described in The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012
Households	As defined in by Part 1 paragraph 8 of The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012
Income (taken into account)	The income used for the calculation of any award
Living expenses	Food, ordinary clothing and footwear, household fuel, rent or other housing costs including Council Tax
Lone Parent	A person without a partner who is also responsible for and a member of the same household as a child or young person.
Maximum Council Tax reduction	The amount determined by the application of this scheme.
Maximum liability	The band used for calculation entitlement to CTR after any Council Tax discounts or band reductions under the 1992 Act
Non-dependant	Any member of the applicant's household who is not the applicant's partner, dependent child or tenant
Non-dependant deduction	An amount deducted from any CTS award
Overpayment	Any amount of CTS to which there is no entitlement to under then scheme

Term	Definition
Passported Benefits	Income Support, Job Seekers Allowance (income based), Employment and Support Allowance (income related) and Pension Credit (guarantee credit)

Pension Age/ Pensioner	As defined by Part 1 regulation 3(a) The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 . Generally, someone who has reached the qualifying age for state pension credit
Prescribed requirements	CTR schemes (prescribed requirements) England) Regulations 2012 SI 2885 2012 (and as amended)
Qualifying person	As defined in regulation 2 of the prescribed scheme
Remunerative work	As defined by the The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012
Polygamous marriage	As defined in part 1 regulation 5 of The Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012
Single applicant	A person who does not have a partner nor is a lone parent
SSCBA	The Social Security Contributions and Benefits Act 1992
Universal Credit	As defined by section 1 of the welfare reform act
Week	A period of 7 days commencing on a Monday
Work	A person who is either employed or self employed
Working Age / Non-pensioner	As defined by Part 1 regulation 3(b) The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 . Generally, someone who has not reached the qualifying age for state pension credit.

Young Person	A person who falls within the definition of qualifying young person in section 142 of the SSCBA
--------------	---

3. Applications

The procedure for applications applies to all classes (pension and working age) and will follow the prescribed requirements

Who may claim

- (a) In the case of a single adult that person
- (b) In the case of a couple or polygamous marriage the person agreed between them or if no agreement has been reached the Council will determine who the applicant shall be.
- (c) Where a person is unable to act, and someone has officially been appointed to act on their behalf, that person can apply. Where there is no official appointment the Council may, upon written request, appoint that person who may then claim. The Council will advise the appointee of their responsibilities. Where the Council has made an appointment, it can revoke this at any time and will accept resignations by appointees after 4 weeks' notice.

Time and manner of claiming

Applications must be made either in writing to the Council's designated office(s), electronically (in accordance with schedule 7 part 4 of the prescribed regulations and the council's [electronic collection of data](#) process) through the Councils customer portal or by telephone to the telephone number published for the purpose.

Where a claim has been made for Housing Benefit and the person is also liable for Council Tax at the same address the Housing Benefit claim will be treated as a claim for Council Tax Support.

Universal Credit

Where a customer is in receipt of Universal Credit a claim may also be made by notification to the authority of an award of Universal Credit by the Secretary of State for Work and Pensions.

Defective claims

Where an application is considered defective by the Council because

- (a) The form is incorrectly completed
- (b) It is not on an approved form
- (c) Information and evidence requested on the form/at the time of the telephone claim has not been fully provided.

The Council will inform the applicant of the defect and allow them one calendar month of being asked to remedy the defect.

Withdrawal of claims

Where the applicant does not correct defects in the claim notified to them within the

designated timescales, and the Council has not agreed further time to remedy the defect, the Council will determine that the applicant no longer wishes to claim Council Tax Support.

Where a Housing Benefit claim has been treated as a claim for Council Tax Support the applicant may withdraw their claim within 14 days of receipt of their Council Tax Support decision.

Date of application

The date on which a claim is made at the Council or designated office will be taken in accordance with schedule 8, part 2 paragraph 5 of the prescribed requirements and the council's [electronic collection of data](#) process.

4. Evidence and Information

The requirements for evidence and information applies to pensioners and working age applicants.

National Insurance numbers

The applicant and partner (if present) are required to provide either

- (A) Their national insurance number(s)
- (B) Information to allow the Council to ascertain it
- (C) Proof that an application for a national insurance number has been made with evidence that would allow it to be allocated

This requirement shall not apply in the following circumstances:

- (a) in the case of a child or young person in respect of whom an application for a reduction is made;
- (b) to a person who:
 - (i) is a person treated as not being in Great Britain for the purposes of these Regulations;
 - (ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
 - (iii) has not previously been allocated a national insurance number.

Claims and questions arising

(A) Any person making an application or who is in receipt of a reduction under the CTS must provide any certificates, documents, information and evidence as the Council may require in order to determine initial or ongoing entitlement.

(B) Any requests made under (A) above must be fulfilled within one month of being asked to do so, unless the Council has agreed to an extension before the completion of the initial month.

Changes of circumstances

The applicant must, within one calendar month of a change they can reasonably expect to affect their entitlement, notify the Council in writing, electronically or to the published telephone number.

5. Classes of Persons within the Scheme

Classes of persons excluded from the scheme

The Government has prescribed those persons to be excluded from local schemes. This includes persons not treated as in Great Britain and persons subject to immigration control. These are defined within the prescribed requirements.

Any person falling within the definition are not eligible for a reduction under the Nottingham City CTS scheme.

Classes of persons entitled to a reduction under this scheme

Persons of pensionable age

The Government has described those persons considered to be of pensionable age within the prescribed requirements.

Any applicant falling under the definition within the prescribed requirements, classes A, B and C, will have any entitlement administered in accordance with the prescribed requirements.

Payments of war pensions, war disablement pensions, war widows' pensions, war widower's pensions and payments under the Armed Forces Compensation Scheme all payments will be disregarded.

Working age persons only

Classes D and E: Working age, non-protected persons

The applicant and or partner must:

- Be liable to pay Council Tax, in respect of a property within Nottingham, in which the person is solely or mainly resident.
- Be of working age who has not reached the qualifying age for state pension credit
- Have made a claim for Council Tax Support
- Not be in receipt of Pension Credit
- Not fall within a class of person not entitled to a reduction under this scheme or the prescribed regulations
- Not have capital equal to or in excess of £6,000

Classes F and G: Working age, protected persons

The applicant and or partner must:

- Be liable to pay Council Tax, in respect of a property within Nottingham, in which the person is solely or mainly resident.
- Be of working age who has not reached the qualifying age for state pension credit
- Have made a claim for Council Tax Support
- Not be in receipt of Pension Credit
- Not fall within a class of person not entitled to a reduction under this scheme or the prescribed regulations
- Not have capital equal to or in excess of £6,000

6. Income

For pensioners, income will be calculated in accordance with the prescribed requirements.

For working age customers, earned income will be calculated in accordance with the default regulations.

Where the applicant has unearned income, the following will be taken into account.

- (a) Retirement pension
- (b) Most other State benefits
- (c) Payments made towards the maintenance of the person by their spouse, civil partner, former partner, former civil partner under a court agreement.
- (d) A payment received under an insurance policy to insure against -
 - (1) The risk of losing income due to illness, accident or redundancy or
 - (2) The risk of being unable to make payments on a loan, but only to the extent that payment is in respect of owner occupier payments where an amount has been added for Housing Costs.
- (e) Income from an annuity (other than retirement pension income) unless disregarded for personal injury
- (f) Income from a trust unless disregarded for personal injury compensation or special schemes compensation
- (g) Capital deemed to be income
- (h) Income from subtenants and/or borders
- (i) Income not included above which is taxable under part 5 of the income tax act 2005.

The following incomes are disregarded in the assessment:

- (a) Child Benefit
- (b) Child maintenance
- (c) Disability Living Allowance
- (d) Personal Independence Payment

- (e) Attendance Allowance
- (f) Armed Forces Independence Payment
- (g) War Pension and War Disablement Pension

Earnings disregard

The default regulations on earnings disregards will not be applied to working age claims.

The highest of the following earnings disregards will apply instead.

A £5.00 per week deduction will be taken from earnings for single people

A £10.00 per week deduction will be taken from earnings for couples.

A £20.00 per week deduction will be taken from earnings for carers, people with certain disabilities or are in certain specialist groups'

A £25.00 per week deduction will be taken from earnings for lone parents.

In some circumstances, where at least 16 hours a week are worked, an additional £17.10 per week may be deducted.

No earnings disregards will be applied to Universal Credit cases as the earnings disregards would have already been applied by DWP.

Self-employed minimum income floor

For council tax reduction purposes once you have been self-employed for 12 months and your income is below the UK minimum hourly wage, your council tax reduction will be calculated in one of the following ways:

- for single people and members of couples – hourly minimum wage (25 years +) x 35 hours per week Page 12 of 17
- for lone parents – hourly minimum wage (25 years +) x 16 hours per week

Couples with dependent children where both are self-employed:

- hourly minimum wage (25 years +) x 35 hours per week for one member and hourly minimum wage (25 years +) x 16 hours per week for the other member.

The earnings figures resulting from these calculations will be reduced by the appropriate tax and national insurance amounts.

If your self-employed income is higher than the hourly minimum wage, then we will use your actual income to calculate your council tax reduction.

The self-employed minimum income floor figure will be aligned with the national Living wage on April 1st each year and the tax and National insurance rates used will be those current on the previous day -31st March in the same calendar year.

Start-up period

(A) A start-up period” is a period of 12 months during which the applicant first commenced gainful self-employment, in the 12 months preceding the beginning of the assessment period.

(B) No start-up period will be applied in relation to an applicant where a start-up period has previously been applied in the last five years, whether in relation to the current or previous award.

(C) A start-up period will be terminated if the person is no longer in gainful self-employment.

Universal Credit

Where the person is on Universal Credit the Council will take into account the income used in the Universal Credit calculation unless the Council has evidence that the person has income different to that used within the Universal Credit calculation in which case the Council may at its own discretion use that income in calculating any CTS.

Where DWP have calculated Universal Credit entitlement that includes earned income, no additional earnings disregard will be applied under the local scheme as the DWP would have already applied one.

Capital

Capital is to be calculated for pensioners under the prescribed requirements and for working age under the default regulations and in addition to include any charitable disregarded capital or compensation payments provided for under the prescribed pensioner regulations.

Capital limit

The capital limit for pensioners is as the prescribed requirements, £16,000

For classes D to G there will be no entitlement to Council Tax Reduction where the applicant(s) capital exceeds £6,000

7. Non-Dependants

Non-dependant deductions for Pensioners are as the prescribed requirements.

Non-dependant deductions for working age will match those for Pensioners.

Non-dependent deductions

Non-dependant deductions will not be taken where the customer or partner meet the criteria within the prescribed scheme. (e.g. customer/partner receives DLA or PIP then no non-dependant deduction will be made).

8. Students

Pensioner and Working age Students will be administered in accordance with the default regulations unless the contrary is indicated.

9. Calculating Council Tax Support

The maximum Council Tax Reduction for classes A to C (pension age) are set out in the prescribed scheme. It is 100% of their Council Tax liability after taking into account any discounts.

Reduction of the maximum level of Council Tax Support to the liability of a band B property for working age customers

The maximum level of Council Tax Support will be based on the liability of a band B property. This means that households in band C-H properties would have their maximum level of CTS calculated at the rate of a band B property.

The maximum level of Council Tax Support is **80%** of their net Council Tax liability.

When calculating Council Tax Support, deductions are made from the maximum level of support:

- (1) Where the person is not in receipt of a passported benefit, and their income is above the applicable amount, a deduction of 20% of the excess income is made from their net level of Council Tax liability as mentioned above,
- (2) Any non-dependant deductions then need to be made.

10. Minimum Council Tax Support

For non-pensioner claim no award will be made to an applicant if their entitlement is less than £5.00 per week.

11. Date on which awards begin and changes take effect

A person who makes a claim for CTR, and who is determined to be entitled, will be entitled from the Monday following the date on which their claim is made or treated as made unless their liability starts in the week the claim was made. In those cases the award will start from the date they moved in.

Backdating

Backdating for pensioners is applied under the rules of the prescribed scheme.

For working age persons CTS can be backdated for 6 months from the date the request is received.

Effective date of change of circumstances

The effective date of change of circumstances for pensioners will follow the

prescribed scheme.

The effective date of change of circumstances for working age will be from the date the change is effective.

Minimum threshold of £5.00 in respect of in year changes to entitlement

Under the prescribed scheme changes to entitlement, no matter how small, result in the recalculation and issuing of a new council tax bill with reset instalment plans. A change from April 2025 introduces a threshold where reported changes resulting in a small change of entitlement either up or down do not change the level of award or issue a new bill.

12. Decisions

The following applies to pensioners and working age

Decision

The Council will make a determination on properly completed applications within 14 days of proper completion or as soon as possible thereafter.

Notifications

Persons will be notified of the decision on a claim as soon as possible, in other cases the Council will aim to provide a decision within 14 days or as soon as possible thereafter.

CTS awards

Where the Council determines an award of CTS, the person affected will be advised of:

- (A) Their duty to report appropriate changes of circumstances, the consequences of failing to do so and guidance on changes likely to affect entitlement.
- (B) How the CTS will be paid.
- (C) All decisions will inform of the appeals process.
- (D) The right to request a written statement of reasons, within a month.

13. Appeals

The following applies to pensioners and working age

If a person disagrees with the Council's decision in relation to whether there is an entitlement to CTR or the amount of CTR the affected person must write to the Council stating why they believe the decision is wrong.

The Council will consider the appeal and notify the person as to why the appeal is considered unfounded or what steps are been taken to deal with the appeal.

- Where the person remains aggrieved the person may appeal to the Valuation Tribunal.

Information relating to how to appeal to the Valuation Tribunal will be posted on the Council's website.

14. Uprating

The following items will be increased by the September CPI (or equivalent replacement) each year and applied to CTR calculations the following April.

Earnings disregard

Non-Dependant deductions

Personal allowances

Appendix 3

Council Tax Support Scheme

Equality Impact Assessment

Equality Impact Assessment (EIA) Tool

Please ensure you have read the [guidance pages](#) prior to completing this tool

Document Control

Control Details:	
Title of EIA/ Decision (DDM):	Local Council Tax Support Scheme 25/26
Budget booklet code (if applicable):	
If this is a budget EIA, please ensure the title and budget booklet code is the same as the title used within the budget booklet	
Name of author (Assigned to Pentana):	Dom O'Melia
Department:	Finance and Resources
Director:	Stuart Fair
Division:	Transformation and Change
Contact details:	Dominic.omelia@nottinghamcity.gov.uk
Strategic Budget EIA:	No
Exempt from publication:	No
Date decision due to be taken:	27th January 2025

Document Amendment Record

Version	Author	Date
1.0	Dom O'Melia	8 January 2025
1.1	Dom O'Melia	23 January 2025

Contributors/Reviewers (Anyone who has contributed to this document to be named)

Name	Title role	Date
Nasreen Miah	Equality & Employability Consultant	16/01/2025

Glossary of Terms

Term	Description
CTS	Council Tax Support
EIA	Equality Impact Assessment

Section 1 – Equality Impact

(NCC staff/ Service users/ Citizen/ Community impact)

1. a. Brief description of proposal/ policy/ service to be assessed

Nottingham City Council is currently facing extreme financial pressures, and the council has discretion as to how Council Tax Support (CTS) applies for working age claimants. As such, following consideration of a variety of savings proposals, the Council consulted on proposed changes to the scheme during the period 6th November 2024 to 16th December 2024 and a full analysis of responses is available in the accompanying Appendix 1 to the report.

The proposed changes to the scheme are

1. Restricting the support to a maximum band B Council Tax liability for working age claimants. If you are in a band C to band H property, the maximum support will be based on band B Council Tax liability.
2. Reduce the capital threshold from £16,000 to £6,000 for working age claimants. Where an applicant has more than £6,000 in capital they will not be entitled to support.
3. Raise the minimum level of support from £0.50 to £5.00 per week. Where an assessment results in a weekly award of less than £5 per week the applicant will not be entitled to support
4. Introduce a minimum level of income for self-employed claimants outside of a designated start up period. The minimum level of income would be equivalent to minimum wage for 35 hours per week (16 hours per week for lone parents)
5. Introduce a minimum threshold of £5 in respect of in year changes to entitlement. Any reported changes that result in a change in entitlement of less than £5 per week either positive or negative do not change the level of award and do not issue a new bill.

The proposed changes to the scheme would reduce the gross cost of the scheme by £477,000 and would negatively impact 1158 households.

This EIA is to support the Executive Board report which sets out the proposed changes to the scheme before the scheme is approved by full council in January 2025 and all these savings to be achieved.

Council Tax Support is a local scheme for working age households. Households where either the claimant or partner of the claimant have reached state pension age are supported by a government prescribed scheme and are not impacted by this proposal.

Council Tax Support is a means tested benefit that supports low-income households to meet their Council Tax liability. Both eligibility and the level of support provided are based on the composition of the household and the household's income and savings. The composition of the households determines how much money the household needs for day to day living costs. This is compared to the household's income and a household is expected to contribute a percentage of their excess income to their weekly Council Tax liability.

1. b. Information used to analyse the equalities implications

Existing CTS claim data records of all impacted households

1. c. Who will be affected and how?

Equality group/ individual	Impact type	Positive	Negative	None
People from different ethnic groups	<input type="checkbox"/> NCC staff <input type="checkbox"/> Service users <input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reasons for your assessment (Including evidence)	Ethnicity is not relevant to the calculation of CTS and ethnicity data held for households in receipt of CTS is limited so it is not possible to give numbers of households that would be affected broken down by ethnicity. The proposals are expected to negatively financially impact working age households regardless of their ethnic group.			

Details of mitigation/ actions taken to advance equality	The Council has considered all responses to the formal consultation and a full analysis of responses is available in the accompanying Appendix 1 to the report and has taken account of the available demographic and caseload data relating to ethnicity			
Details of any arrangements for future monitoring of equality impact (Including any action plans)	The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.			
Equality group/ individual	Impact type	Positive	Negative	None
Men	<input type="checkbox"/> NCC staff <input type="checkbox"/> Service users <input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reasons for your assessment (Including evidence)	<p>Of the current 18348 working age claims, 5795 are from single male claimants and 2961 are from couples.</p> <p>The proposals negatively impact 238 (4.1%) of claims from single male claimants and 387 (13.0%) of claims from couples.</p> <p>The proposals are expected to negatively financially impact working age households regardless of their gender.</p>			
Details of mitigation/ actions taken to advance equality	The Council has considered all responses to the formal consultation and a full analysis of responses is available in the accompanying Appendix 1 to the report and has taken account of the available demographic and caseload data relating to gender			
Details of any arrangements for future monitoring of equality impact (Including any action plans)	The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.			
Equality group/ individual	Impact type	Positive	Negative	None
Women	<input type="checkbox"/> NCC staff <input type="checkbox"/> Service users	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	<input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community			
Reasons for your assessment (Including evidence)	<p>Of the current 18348 working age claims, 9592 are from single female claimants and 2961 are from couples.</p> <p>The proposals negatively impact 533 (5.5%) of claims from single female claimants and 387 (13.0%) of claims from couples.</p> <p>The proposals are expected to negatively financially impact working age households regardless of their gender.</p>			
Details of mitigation/ actions taken to advance equality	<p>The Council has considered all responses to the formal consultation and a full analysis of responses is available in the accompanying Appendix 1 to the report and has taken account of the available demographic and caseload data relating to gender</p>			
Details of any arrangements for future monitoring of equality impact (Including any action plans)	<p>The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.</p>			
Equality group/ individual	Impact type	Positive	Negative	None
Trans	<input type="checkbox"/> NCC staff <input type="checkbox"/> Service users <input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reasons for your assessment (Including evidence)	<p>No data is collected in respect of gender reassignment or transgender people as it is not relevant to the calculation of CTS</p> <p>The proposals are expected to negatively financially impact working age households regardless of their gender.</p>			
Details of mitigation/ actions taken to advance equality	<p>The Council has considered all responses to the formal consultation and a full analysis of responses is available in the accompanying Appendix 1 to the report and has taken account of the available demographic and caseload data relating to gender</p>			
Details of any arrangements for future monitoring of equality impact	<p>The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.</p>			

(Including any action plans)				
Equality group/ individual	Impact type	Positive	Negative	None
Disabled people/ Carers	<input type="checkbox"/> NCC staff <input type="checkbox"/> Service users <input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reasons for your assessment (Including evidence)	<p>Of the current 18348 working age claims, 9032 are from households where the claimant and/or their partner has a disability premium. The proposals negatively impact 302 (3.3%) of claims from households where the claimant and/or their partner has a disability premium.</p> <p>The proposals are expected to negatively financially impact working age households regardless of their disability status or caring responsibilities</p>			
Details of mitigation/ actions taken to advance equality	<p>The Council has considered all responses to the formal consultation and a full analysis of responses is available in the accompanying Appendix 1 to the report and has taken account of the available demographic and caseload data relating to gender</p>			
Details of any arrangements for future monitoring of equality impact (Including any action plans)	<p>The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.</p>			
Equality group/ individual	Impact type	Positive	Negative	None
Pregnancy and maternity	<input type="checkbox"/> NCC staff <input type="checkbox"/> Service users <input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reasons for your assessment (Including evidence)	<p>No data is collected in respect of whether claimants and/or their partners are pregnant.</p> <p>The proposals are expected to negatively impact working age households regardless of whether they are currently pregnant</p>			

<p>Details of mitigation/ actions taken to advance equality</p>	<p>The Council has considered all responses to the formal consultation and a full analysis of responses is available in the accompanying Appendix 1 to the report and has taken account of the available demographic and caseload data relating to gender</p>			
<p>Details of any arrangements for future monitoring of equality impact (Including any action plans)</p>	<p>The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.</p>			
<p>Equality group/ individual</p>	<p>Impact type</p>	<p>Positive</p>	<p>Negative</p>	<p>None</p>
<p>Marriage/ Civil Partnership</p>	<p><input type="checkbox"/> NCC staff <input type="checkbox"/> Service users <input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community</p>	<p><input type="checkbox"/></p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/></p>
<p>Reasons for your assessment (Including evidence)</p>	<p>No data is collected in respect of marital and civil partnership status as it is not relevant to the calculation of CTS. In the CTS scheme the term “couple” means two people who are married to, or civil partners of, each other and are members of the same household, or two people who are not married to, or civil partners of, each other but are living together as if they were a married couple or civil partners.</p> <p>Of the current 18348 working age claims 2961 are from couples.</p> <p>The proposals negatively impact 387 (13.0%) of claims from couples.</p> <p>The proposals are expected to negatively financially impact working age households regardless of their marital or civil partnership status..</p>			
<p>Details of mitigation/ actions taken to advance equality</p>	<p>The Council has considered all responses to the formal consultation and a full analysis of responses is available in the accompanying Appendix 1 to the report and has taken account of the available demographic and caseload data relating to gender</p>			
<p>Details of any arrangements for future monitoring of equality impact (Including any action plans)</p>	<p>The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.</p>			

Equality group/ individual	Impact type	Positive	Negative	None
People of different faiths/ beliefs and those with none	<input type="checkbox"/> NCC staff <input type="checkbox"/> Service users <input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reasons for your assessment (Including evidence)	No data is collected in respect of the faith of claimants as it is not relevant to the calculation of CTS The proposals are expected to negatively financially impact all working age households regardless of their faith.			
Details of mitigation/ actions taken to advance equality	The Council has considered all responses to the formal consultation and a full analysis of responses is available in the accompanying Appendix 1 to the report and has taken account of the available demographic and caseload data relating to gender			
Details of any arrangements for future monitoring of equality impact (Including any action plans)	The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.			
Equality group/ individual	Impact type	Positive	Negative	None
Lesbian/ Gay/ Bisexual people	<input type="checkbox"/> NCC staff <input type="checkbox"/> Service users <input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reasons for your assessment (Including evidence)	No data is collected in respect of the sexual orientation of claimants as it is not relevant to the calculation of CTS The proposals are expected to negatively financially impact all working age households regardless of their sexual orientation.			
Details of mitigation/ actions taken to advance equality	The Council has considered all responses to the formal consultation and a full analysis of responses is available in the accompanying Appendix 1 to the report and has taken account of the available demographic and caseload data relating to gender			

Details of any arrangements for future monitoring of equality impact (Including any action plans)	The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.			
Equality group/ individual	Impact type	Positive	Negative	None
Older	<input type="checkbox"/> NCC staff <input type="checkbox"/> Service users <input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reasons for your assessment (Including evidence)	Households where one or both of the claimant and the claimant's partner have reached state pension age are not impacted by the proposals.			
Details of mitigation/ actions taken to advance equality	Households where one or both of the claimant and the claimant's partner have reached state pension have their support calculated on a government prescribed and are not impacted by any changes to a local CTS scheme.			
Details of any arrangements for future monitoring of equality impact (Including any action plans)	The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.			
Equality group/ individual	Impact type	Positive	Negative	None
Younger	<input type="checkbox"/> NCC staff <input type="checkbox"/> Service users <input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reasons for your assessment (Including evidence)	The proposals are expected to negatively financially impact all working age households regardless of their age.			
Details of mitigation/ actions taken to advance equality	The Council has considered all responses to the formal consultation and a full analysis of responses is available in the accompanying Appendix 1 to the report and has taken account of the available demographic and caseload data relating to claimant age.			

Details of any arrangements for future monitoring of equality impact (Including any action plans)	The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.			
Equality group/ individual	Impact type	Positive	Negative	None
Care Experience (Please refer to the guidance notes for further information)	<input type="checkbox"/> NCC staff <input type="checkbox"/> Service users <input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reasons for your assessment (Including evidence)	The proposals are expected to negatively financially impact all working age households who are liable for Council Tax regardless of their care experience.			
Details of mitigation/ actions taken to advance equality	<p>Care leavers under the age of 21 currently are not liable for Council Tax and as such are not impacted by these proposals.</p> <p>The Council has considered all responses to the formal consultation and a full analysis of responses is available in the accompanying Appendix 1 to the report and has taken account of the available demographic and caseload data relating to claimant age.</p>			
Details of any arrangements for future monitoring of equality impact (Including any action plans)	The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.			
Equality group/ individual	Impact type	Positive	Negative	None
Other (E.g. Cohesion/ good relations, vulnerable children/ adults), socio-economic background (e.g. financial vulnerable)	<input type="checkbox"/> NCC staff <input type="checkbox"/> Service users <input checked="" type="checkbox"/> Citizens <input type="checkbox"/> Community	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reasons for your assessment (Including evidence)	Council Tax Support is a means tested scheme to support low income households. As such any reduction in support will adversely impact households who are financially vulnerable.			

<p>Details of mitigation/ actions taken to advance equality</p>	<p>The Council has considered all responses to the formal consultation and a full analysis of responses is available in the accompanying Appendix 1 to the report and has taken account of the available demographic and caseload data relating to claimant age.</p>
<p>Details of any arrangements for future monitoring of equality impact (Including any action plans)</p>	<p>The council has a statutory requirement to set a local council tax support scheme by 11 March each financial year and impacts will be monitored and considered in any future review of the scheme.</p>

1. d. Summary of any other potential impact
 (Including cumulative impact/ human rights implications):

Section 2 – Equality outcome

Please include summary of the actions identified to reduce disproportionate negative impact, advance equality of opportunity and foster good relations. Please pull out all the mitigations you have identified and summarise them in this action plan

<p>Equality Outcome</p>	<p>Adjustments to proposal and/or mitigating SMART actions</p>	<p>Lead Officer</p>	<p>Date for Review/ Completion</p>	<p>Update/ complete</p>
<p>Eliminate unlawful discrimination, harassment,</p>				

victimisation, and any other conduct prohibited by the Equality Act 2010.				
Advance equality of opportunity between those who share a protected characteristic and those who don't				
Foster good relations between those who share a protected characteristic and those who don't				
(Please add other equality outcomes as required – e.g., mitigate adverse impact identified for people with a disability)				

Outcome(s) of equality impact assessment:

<input type="checkbox"/>	No major change needed	<input type="checkbox"/>	Adjust the policy/proposal
<input checked="" type="checkbox"/>	Adverse impact but continue	<input type="checkbox"/>	Stop and remove the policy/proposal

Please note: All actions will need to be uploaded onto Pentana

Section 3 – Approval and publishing

<p>The assessment must be approved by the manager responsible for the service /proposal.</p> <p>Approving Director details Lucy Lee, Strategic Director of Transformation and Change, lucy.lee@nottinghamcity.gov.uk</p> <p>Approving Director Signature:</p>	<p>Date sent for advice:</p>
--	-------------------------------------

Author Signature 	
Equality Team Signature:	Date of final approval:

For further information and guidance, please visit the [Equality Impact Assessment Intranet Pages](#)

Alternatively, you can contact the Equality and Employability Team by telephone on 0115 876 2747

Send document or link for advice and/ or publishing to: edi@nottinghamcity.gov.uk

PLEASE NOTE: FINAL VERSION MUST BE SENT TO EQUALITIES OTHERWISE RECORDS WILL REMAIN INCOMPLETE.