

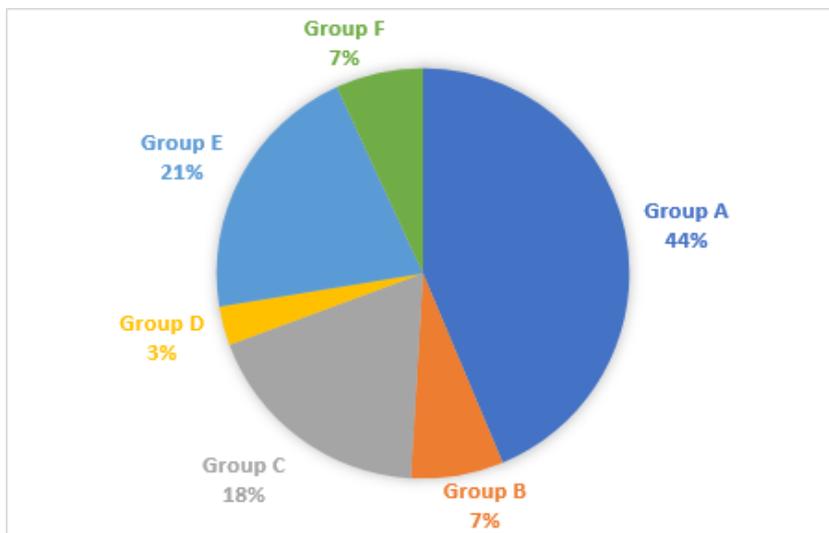
Appendix A

Working Age Council Tax Reduction - Caseload Review 2023-24

We are in the process of carrying out a review of our working age council tax reduction (WACTR) caseload to ensure the details we hold are correct and up to date. We have also analysed the council tax collection status of current claimants to assess how our scheme is performing compared to the fully-means tested scheme that existed prior to 1st April 2020. This review commenced in the Summer of 2023 and is ongoing. To date we have reviewed just under 70% of our caseload.

As at 1st October 2023, we had 4,791 Working Age Council Tax Reduction customers. These break down into the various household groups as follows:

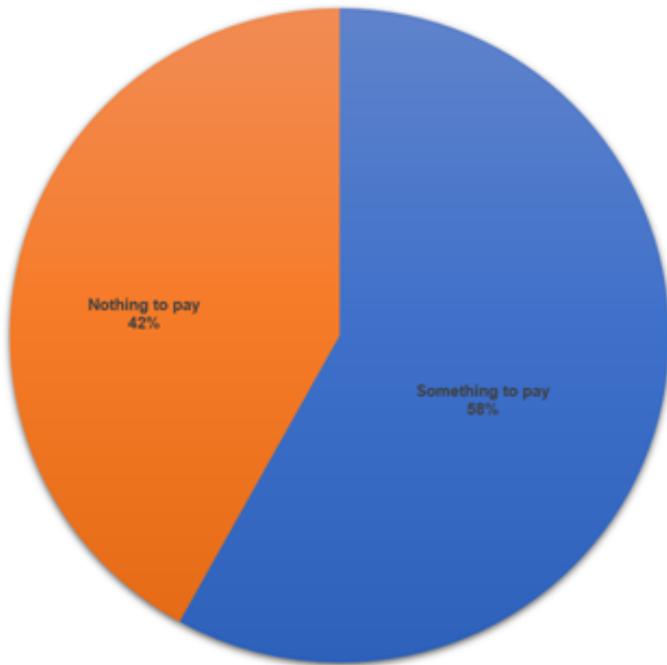
Total	Group A	Group B	Group C	Group D	Group E	Group F
4,791	2,093	348	881	147	994	328
%	44%	7%	18%	3%	21%	7%



In common with the original fully-means tested scheme, single person households receive the most support. Around 50% of households include children (groups C,D,E & F). This also mirrors the caseload allocation that existed in the original scheme.

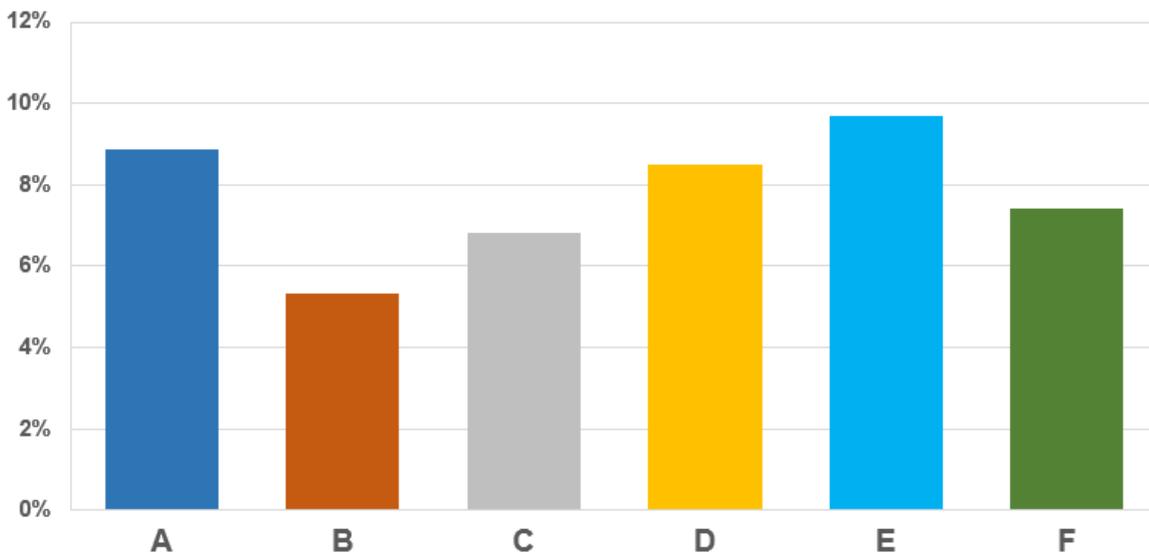
Our scheme offers 100% reduction for those on the lowest incomes, removing the burden of council tax payment from their household budgets. Whilst most households have something to pay a significant number (42%) have nothing to pay once Council Tax Reduction has been applied.

WACTR Caseload



Collection performance

One way of reviewing whether the level of support we are providing is enough is to look at how many of those who have something to pay, are keeping up with their Council Tax liabilities. We have looked at the percentage of households with something to pay who are behind with their council tax and subject to formal recovery action. See bar chart below:



Across the caseload, on average, 92% are keeping up with their council tax. This is a significant majority. The percentage of each household type that has experienced formal recovery action ranges between 5 and 10%, with single person, no children (group A) and lone parent with 2 or

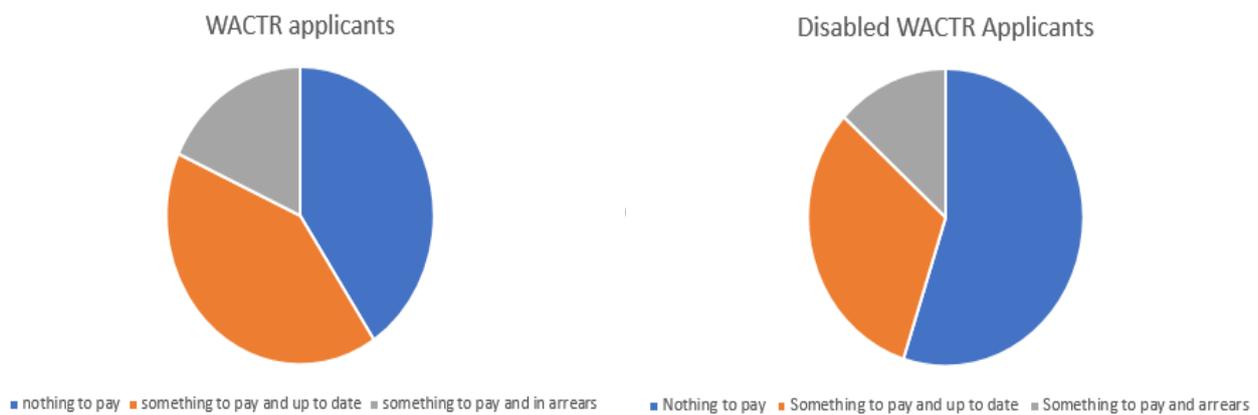
more children (group E), closely followed by couples with 1 child (Group D) being the groups closer to 9%.

The vast majority (92%) of all household categories are keeping up with their council tax and this suggests the scheme is largely meeting requirements. The minority can be supported by our exceptional hardship scheme where required. Analysis of our exceptional hardship awards later in this report demonstrates higher levels of support to single person and lone parent households.

Collection performance under the current income-banded scheme is marginally better than it was under the more complex, fully-means tested scheme which is a positive finding.

Disabled Working Age Council Tax Reduction (WACTR) Claimants

We have also reviewed the percentage of disabled claimants and compared the number of households in arrears with the general WACTR caseload. See charts below:



Looking at the whole Council Tax base, 94% of our payers have nothing to pay or are up to date. Of those in receipt of Working Age Council Tax Reduction (WACTR), 82% either have nothing to pay or are up to date with their Council Tax. Looking at the number of disabled WACTR claimants, 87% either have nothing to pay or are up to date with their Council Tax. A higher number of disabled WACTR applicants than non-disabled applicants have nothing at all to pay. This shows that disregarding various disability incomes in our WACTR scheme is helping our disabled applicants by either remitting their liability or providing appropriate support.

Following the move to our banded scheme in 2020, there were concerns expressed around the impact on couple households where one or potentially both parties had limited capability for work (LCW) and also households in receipt of the limited capability for work related activity (LCWRA) component within their Universal Credit award.

We have identified 255 cases with this element and compared their payment situation with those that don't. 67% of those with a Limited Capability for Work- and Work-Related Activity element, who have something to pay, are completely up to date with their payments. This compares to 69% of those who don't have the element and have something to pay. This suggests that our scheme is providing the same degree of support to those that do, and those who do not, have the element with both groups more able than not to pay their council tax liability on time (67/70%).

Households with 3 or more children

Our WACTR scheme was designed so that the household bands were increased up to a maximum of 2 children. This aligns with the calculation in Housing Benefit and Universal Credit which also limits financial uplift to a maximum of two children.

Across our total WACTR caseload, 82% have nothing to pay or are up to date with their Council Tax. Looking at our WACTR claimants with 3 or more children, it remains at 82%. This suggests that families with more than two children who have claimed WACTR are not being caused undue hardship by the financial limits set.

Exceptional Hardship Awards

When the banded scheme was introduced, our Discretionary Discount and Exceptional Hardship policy was designed to act as a safety net to the main scheme, providing extra support to Working Age Council Tax Reduction customers where required. The scheme can provide transitional support and/or provide a top up to households where the main scheme does not deliver the required amount of support. Customers struggling to pay their net liability are encouraged to apply for an Exceptional Hardship payment and a decision is made having carefully considered their unique circumstances.

Awards are categorised into 3 groups, however it's not uncommon for the customer's circumstances to fall into more than one. For recording purposes, we choose the most significant reason when making the award.

3 reasons for an award are:

1. Financial Reasons – when the customer's financial situation shows they could do with some extra help by making their Council Tax more affordable and provide support whilst they take steps to improve their financial situation.
2. Scheme change (transitional protection) – when something in our scheme reduces someone's Working Age Council Tax Reduction award (like the introduction to the banded scheme) and the applicant may need time to transition to a reduced level of support.
3. Vulnerability – when a customer's disability or other vulnerability is impacting on their ability to afford their liability.

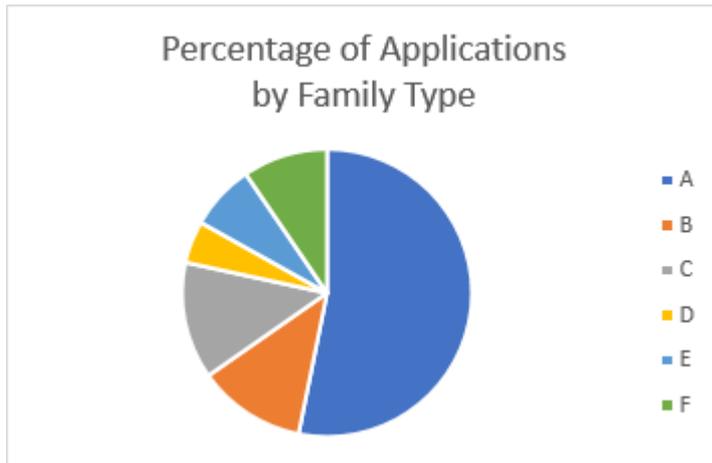
Below is a summary of Exceptional Hardship awards made since 1.4.22.

Financial Year	Total Spend	No. of Application	No. of Award	Reason for awards
2022/2023	£15.6k	133	48	19 for Financial reasons £5.9k 4 for Scheme changes £2k 25 for Vulnerability £7.7k
2023 at 1.10.23 (6 months)	£7.1k	60	18	7 for Financial reasons £2.3k 3 for Scheme changes £2k 8 for Vulnerability £2.8k

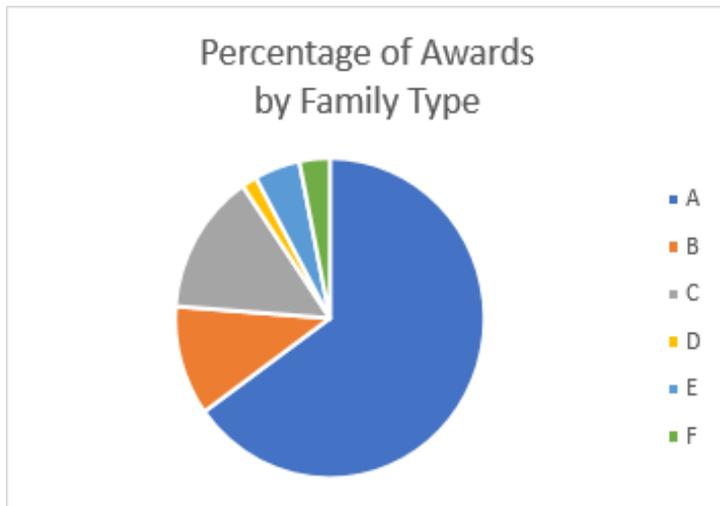
From the information we hold about these Exceptional Hardship applications we can see that

- About 50% have some form of disability payment or allowance
- About 60% have no earnings.
- 102 of the 193 applications or 53% are single people (in group A)
- 23 or 12% are couples (group B)
- 41 or 21.5% are lone parents (group C & E)
- 27 or 14% are couple families (group D and F)

Below is an illustration of the demographic of the applications:



The awards we make for each family groups are as follows:



This shows we make most of the awards to single people (group A). Couples with children (groups D and F) are the least likely to be successful, typically because they have enough available income to afford their liability.

A review of all applications for customers with a disability gives us the following information which confirms that around half of all applicants have a disability and of those, around a third have been awarded an Exceptional Hardship award. Two thirds of people with a disability can afford their Council Tax liabilities after allowing for all disability related spend and only a few of those, which

include people who have a history of not paying, fall behind with their instalments and experience formal recovery action.

1. How many total households who applied were in receipt of some form of disability benefit award like Disability Living Allowance or Personal Independence Payment – 102 (53%)
2. How many applicants with a disability received an award? - 32 (31%)
3. How many applicants had the limited capability work related activity (LCWRA) element in their Universal Credit award? - 84 (44%)
4. How many of these received an award? - 26 (31%)
5. Of the households with this element, how many were declined? - 58 (69%)
 - i. 51 because they could afford the liability (88%)
 - ii. 3 because they were prioritising non-priority debts over Council Tax (5%)
 - iii. 4 failed to supply enough information to make a decision. (7%)
6. Of the cases which were declined, how many have ended up with formal Council Tax recovery action?

10 cases have had formal recovery action (17%)
6 of these cases have a history of not paying towards their liabilities.
7. Of the households with a Carers Allowance or carers element, how many applied or were awarded EHF and how many were declined because they could afford to pay.

Total 33 applied and 9 (27%) were successful.
24 (73%) were declined because they could afford the liability.

As well as, or instead of, providing financial awards we continue to work with households struggling to pay their council tax to signpost them to sources of support including the Council's contracted Homemaker Service. We also offer flexible payment terms to support claimants through difficult periods including fluctuating incomes.