

Cabinet Supplementary Information



Date: Tuesday, 5 December 2023

Time: 4.00 pm

Venue: The Council Chamber - City Hall, College Green, Bristol, BS1 5TR

16. Council Tax Reduction scheme for 2024/25

Appendix A5 to follow

(Pages 2 - 74)

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Date: Thursday, 30 November 2023





Decision Pathway – Report

PURPOSE: Key decision

MEETING: Cabinet

DATE: 05 December 2023

TITLE	Council Tax Reduction (CTR) Scheme for 2024/25	
Ward(s)	All	
Author: Graham Clapp	Job title: Head of Service	
Cabinet lead: Deputy Mayor/Cabinet member for City Economy, Finance and Performance, Cllr Cheney	Executive Director lead: Stephen Peacock (Chief Executive)	
Proposal origin: Other		
Decision maker: Full Council Decision forum: Full Council		
Purpose of Report:		
<ol style="list-style-type: none"> To provide an update on the outcome on the 2024/25 CTR scheme public consultation results. To seek approval of the recommendation for no change to Bristol’s 2024/25 Council Tax Reduction (CTR) scheme. 		
Background		
<ol style="list-style-type: none"> Bristol currently provides a Council Tax Reduction scheme that helps people on a low income with up to 100% of their Council Tax costs. This has been done despite the reduction in government funding since the scheme was introduced in 2013 and wider financial challenges to the council since then. Bristol City Council has been one of the few authorities not to reduce support since then. In the February 2023 Full Council budget meeting, it was agreed that the Council Tax Reduction scheme would be reviewed for 2024/25 as part of the budget setting process. Changes can only be made to the scheme for working age people, with pensioners being protected from changes under government rules. The current scheme costs £43.4 million, which represents 8.9% of the council’s total annual revenue budget. Of this £43.4 million, working age households collectively receive £30 million of support each year, with pensioners £13.4m support. The overall scheme for 2024/25, without change, is estimated to cost between £43.7m and £46.8m dependent on caseload estimates and increases in Council Tax. The council continues to face a challenging financial position. The budget agreed in February 2023 was on the basis that the current Council Tax Reduction scheme would be reviewed, with an aim to achieve a saving of £3 million per annum, after collection rates and monies collected on behalf of Avon Fire Authority and the Police and Crime Commissioner for Avon and Somerset are considered. If the Council Tax Reduction scheme remains unchanged for 2024/25, this would mean further financial pressures on the council’s finances and those of the preceptors’ budgets, with other savings and efficiencies needed to enable the council to set a legally balanced budget for the next financial year. Cabinet agreed on 4 July 2023 that a public consultation process would take place, with ten options being 		

proposed, providing residents with the opportunity to shape the final proposals for Cabinet and Full Council to consider.

8. In addition, there were five further proposals, which would affect fewer working age CTR recipients and have less of a financial impact, but only considered, if there was a change to the existing scheme.
9. The main proposals included nine options that would see a reduction in a working age household's entitlement of between 10% to 41% (or £154.83 and £585.36 per year) dependent on any change approved, and one 'no change' option which would have no effect on existing entitlement but would not deliver the required savings.
10. Any change would affect between 12,000 to 22,800 households, dependent on which one was adopted and/or if any households were protected from that change.
11. The estimated net saving from any change, ranges from £1.9m to £3.9m per annum.
12. The potential impacts of any change to the CTR scheme on low-income households and the council are contained within Appendix A1 and its possible wider economic/advice service impacts in Appendix A2.
13. If the scheme were to change and a discretionary scheme made available, the value of any fund would differ dependent on the option selected.

Consultation process

14. The consultation process has been undertaken in two parts; 01 August until 25 September 2023 (with an extension to the 23 October 2023 for Easy Read respondents) and then Monday 30 October until 26 November 2023.
15. The consultation options, documents, and promotion of them have been developed and implemented with input from; service specialists, Consultation, Communication, Equalities and Design teams, plus approval from the Mayor's Office, EDM, Cabinet Member and Cabinet. They have also been developed with internal and external legal advice. Full documentation including scheme impacts and illustrative scenarios can be found in Appendix A3 a and b.
16. In addition, five sessions have taken place with Resources Scrutiny as part of a Council Tax Reduction Task and Finish group in April/May 2023 and again in November 2023. Their findings can be seen in Appendix A4.
17. Engagement with the precepting authorities, i.e. Avon and Somerset Police and Crime Commissioner and Avon Fire has also taken place in line with statutory requirements and, although feedback has been limited, there has been acknowledgment of satisfaction with the options, but with no preference for any single option.
18. The Consultation and Communications Teams have worked with the service to produce associated communication plans to maximise response rates, including from hard-to-reach areas and households within the city. This has included liaison with all relevant internal and external stakeholders, charities, third sector groups, councillors, and staff, via a variety of media, with alternative formats being available.
19. The consultation results to date are included in Appendix A5 with a decision needed on the 2024/25 working age scheme to be effective from 01 April 2024.
20. Any decision to not amend the scheme for 2024/25 can be made by Cabinet. If such a decision does not achieve the associated £3m savings target agreed in February 2023, then further decisions are required as to

how any additional savings may be made.

Consultation results

21. The consultation findings now fall in to two parts due to the reopening of phase one. For ease, results for the initial consultation from Tuesday 01 August until 25 September 2023 will be called 'phase one' and for 30 October until 26 November 2023, 'phase two'.
22. The main points from both phases are;
 - 40% chose the option to keep the existing CTR scheme.
 - 60% of responses in total selected an option to change in the existing CTR scheme.
 - For those that selected a 'change' option the single most popular response was for all households to pay at least 20% (with 15% of total responses).
 - There was little support for options (3a, b, c and 4a, b and c) that provided automatic protection for some households because of certain characteristics (2 – 10%)
 - There was minimal support for the additional proposals of; introducing a £3 per week minimum award, abolishing second adult rebate, and reducing capital cut off limits (42, 37 and 38% respectively)
 - There was majority support for the introduction of a discretionary fund and ignoring small income changes in Universal Credit (56 and 67% respectively)
 - 6,533 surveys were completed in total.
 - Overall responses to the main options did not vary by much between phase one and two and by no more than 4% for any single option, with the only exception being the 'no change' option, which reduced from 42% support to 34%.
23. The total number of surveys completed to date are 6,533 with 5,165 in phase one and 1,368 in phase two.
24. 1,857 (34%) were from households in receipt of CTR (1,340 in phase one and 517 in phase two), which is an over representation when compared to total number of households in Bristol.
25. 60% of the total responses, selected an option (2-10) to change the scheme, in both phases.
26. Of those that selected a change option, 55% of CTR recipients stated this preference compared to 74% of households not in receipt of CTR. The change option was also less popular with disabled households.
27. 40% of the total responses, was for no change to the current scheme (option 1).
28. Of those that selected the 'no change' option, 45% of CTR recipients stated a preference for this option compared to 26% of households not in receipt of CTR. This option was also more popular with disabled households.
29. A breakdown of the those who stated a change option preference in phase one and phase two is below.

Phase One Consultation

Percentage of all returns

	Total % By Savings	All households pay a fixed contribution	Some disabled households protected, but others pay a fixed amount	Households out of work with a child under five protected, but others pay a fixed amount
Options that make a £1.9m saving		All households would pay at least 10% of their Council Tax bills	Some disabled households protected; all others pay a minimum of 20% of their Council Tax bills	Households out of work with a child under five protected; all others pay a minimum of 13% of their Council Tax bills
Total savings option percentage	17.4%	6.5%	9.3%	1.6%
Options that make a £3m saving		All households pay at least 17% of their Council Tax bills	Some disabled households protected; all others pay a minimum of 36% of their Council Tax bills	Households out of work with a child under five protected; all others pay a minimum of 13% of their Council Tax bills
Total savings option percentage	15.2%	6.2%	6.6%	2.4%
Options exceed £3m saving target		All households pay at least 20% of their Council Tax bills	Some disabled households protected; all others pay a minimum of 41% of their Council Tax bills.	Households out of work with a child under five protected; all others pay a minimum of 25% of their Council Tax bills
Total savings option percentage	25.3 %	15.1%	6.5%	3.7%
Total percent by protection	57.9%	27.8%	22.4%	7.7%

Phase Two Consultation

Percentage of all returns

	Total % By Savings	All households pay a fixed contribution	Some disabled households protected, but others pay a fixed amount	Households out of work with a child under five protected, but others pay a fixed amount
Options that make a £1.9m saving		All households would pay at least 10% of their Council Tax bills	Some disabled households protected; all others pay a minimum of 20% of their Council Tax bills	Households out of work with a child under five protected; all others pay a minimum of 13% of their Council Tax bills
Total savings option percentage	27.3%	10.0%	13.4%	3.9%
Options that make a £3m saving		All households pay at least 17% of their Council Tax bills	Some disabled households protected; all others pay a minimum of 36% of their Council Tax bills	Households out of work with a child under five protected; all others pay a minimum of 13% of their Council Tax bills
Total savings option percentage	11.9%	5.4%	4.2%	2.3%
Options exceed £3m saving target		All households pay at least 20% of their Council Tax bills	Some disabled households protected; all others pay a minimum of 41% of their Council Tax bills.	Households out of work with a child under five protected; all others pay a minimum of 25% of their Council Tax bills
Total savings option percentage	26.3%	15.8%	7.2%	3.3%
Total percent by protection	65.5%	31.2%	24.8%	9.5%

30. The above shows that most respondents selected an option where all households face a reduction in current entitlement at 29% (with 28% in phase one and 32% in phase two). This is just ahead of the options which protect some disabled households at 23% (with 22% in phase one and 25% in phase two). There is lesser support for protecting out of work with a child under five households at 8% (with 8% in phase one and 10% in phase two).

31. In terms of overall savings, most selected an option to exceed the £3m savings target at 26% (with 25% in phase one and 26% in phase two), followed by a £1.9m saving target at 19% with (17% in phase one and 27% in phase two), and then a £3m saving target at 15% (with 15% in phase one and 12% in phase two).

32. If the scheme were to be changed, there were an additional five proposals.

33. A combined summary of the phase one and two consultation results is as below, but further detail is in Appendix A5.

		Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
Introduce a minimum award of £3.00 per week	All	26%	12%	20%	23%	19%
	CTR	22%	16%	25%	22%	14%

	Non CTR	15%	13%	20%	28%	24%
Abolish the Second Adult Rebate (Alternative Council Tax Reduction)	All	27%	16%	20%	19%	17%
	CTR	24%	20%	26%	18%	12%
	Non CTR	17%	17%	20%	23%	23%
Reduce the capital limit to £6,000	All	23%	18%	20%	20%	18%
	CTR	28%	19%	23%	18%	12%
	Non CTR	19%	18%	19%	22%	22%
Introduction of a discretionary fund	All	9%	8%	28%	35%	21%
	CTR	11%	9%	28%	32%	19%
	Non CTR	8%	6%	26%	38%	22%
Ignore small income changes for those receiving Universal Credit	All	6%	6%	21%	34%	33%
	CTR	8%	7%	24%	33%	27%
	Non CTR	4%	5%	18%	34%	38%

34. There was no strong preference overall to introduce an award of £3.00 per week (or less), with 42% agreeing/strongly agreeing and 38% disagreeing/strongly disagreeing, but greater support from non-CTR recipients, non-disabled households and to a lesser degree pension age households.
35. There was also no strong preference to abolish Second Adult Rebate (Alternative Council Tax Reduction), with 36% agreeing/strongly agreeing to this proposal and 43% either disagreeing/strongly disagreeing, but greater support from non-CTR recipients, non-disabled households and to a lesser degree pension age households.
36. Similarly, there was no strong preference to reduce the capital limit to £6,000 (currently £16,000) with 38% agreeing/strongly agreeing and 41% disagreeing/strongly disagreeing, but greater support from non-CTR recipients and non-disabled households.
37. There was a preference for the discretionary fund proposal, with 56% strongly agreeing/agreeing and greater support from non-CTR recipients, non-disabled households and to a lesser degree pension age households.
38. Finally, there was strong support for the proposal to ignore small income changes for those receiving Universal Credit with 67% agreeing/strongly agreeing, and greater support from non-CTR recipients, and non-disabled households.
39. The main differences between the two phases are as below.
- There was greater support to abolish the £3 per week award in phase two (up from 41 to 44%)
 - There was greater support to abolish Second Adult Rebate in phase two (up from 36 to 40%)
 - There was less support to introduce a discretionary fund in phase two (down from 58 to 48%)
 - There was less support for ignoring small changes in income for those on Universal Credit in either phase (down from 68 to 62%)
40. In response to the free text question as to how the council could potentially deliver £3m of savings from elsewhere the following themed responses are as below:
- Reduce spending (52%)
 - Increase revenue (35%)
 - Avoid increasing council tax payments (31%)
 - Other comments/suggestions (8%)
 - Other changes needed (4%)
 - Consultation feedback (3%)
41. From the 1,296 that responded in phase two, 81% stated there were completing this for the first time, with 19% saying they were re-responding.

42. Of the 19% above; 28% stated their response hadn't changed, 38% stated slightly different, 4% very different, with 31% saying they didn't know.
43. Overall responses were representative of the 10 bands areas of deprivation, known as deciles, with no particular groups being significantly over or underrepresented.
44. The highest number of respondents were in the 35 – 44-year-old age bracket, and with further age brackets of 25 – 74 being represented, but under representation from under 18s and those 85 and over.
45. The proportion of disabled respondents was significantly overrepresented, but there was broadly equal representation in the following equalities monitoring areas; gender, ethnicity, and faith/religion.
46. For phase one, 74% agreed/strongly agreed that there was enough information to answer the questions and 64% stated the questions made it easy for them to give their views. This reduced slightly to 72% and 61% respectively for phase two.
47. 35% of people who responded in phase two, believed this would have a very negative or slightly negative impact on households protected characteristic, with 53% believing it would have no impact.

Recommendation

48. The Council Tax Reduction consultation process took place over the Summer of 2023 and reopened in October/November 2023 in response to the Full Council's decision in February 2023 to review the council's scheme, with an associated £3m savings target.
49. Of the 6,533 respondents, 40% wanted no change (although this was higher amongst existing CTR receipts and disabled households) and 60% some change to the current scheme.
50. Taking into account the consultation responses and impacts on receipts and equalities groups, the recommendation by the council is to make no change to Bristol's 2024/25 Council Tax Reduction scheme.

Cabinet Member / Officer Recommendations:

That Cabinet:

1. Notes the outcomes of the Council Tax Reduction (CTR) 2024/25 scheme consultation as outlined in this report and appendix A5.
2. Approves no change to Bristol's 2024/25 Council Tax Reduction (CTR) scheme.

Corporate Strategy alignment:

Any saving will assist to provide a balanced budget in line with the agreed Full Council Budget meeting outcomes on 21 February 2023.

City Benefits:

Continues to support protect households on a low income who are being affected by the increased cost of living, whilst noting at potential lower levels of support for some working age households.

Consultation Details:

1. Public consultation has taken place between 01 August until 25 September 2023 and reopened between 30 October until 26 November 2023.
2. Five sessions have taken place with Resources Scrutiny as part of a CTR Task and Finish over April/May 2023, with a final session on 21 November 2023.
3. Engagement with the precepting authorities, i.e., Avon and Somerset Police and Avon Fire has taken place in line with the council's statutory duties.
4. The Consultation and Communications Teams have worked with the service to produce associated communication plans to maximum response rates, including from hard-to-reach households and areas.

Background Documents:

Budget Council, Full Council - Tuesday, 21 February 2023

[ModernGov - bristol.gov.uk](https://www.moderngov.com/d/4282667/page/council/2023/02/21/budget-council)

Council Tax Reduction (CTR) Scheme for 2024/25 (consultation decision)

[Cabinet Council Tax Reduction Scheme consultation Report AR format.pdf \(bristol.gov.uk\)](#)

Bristol City Council's Council Tax Reduction scheme 2023/24

[COUNCIL TAX REDUCTION SCHEME \(bristol.gov.uk\)](#)

Revenue Cost	£43.7 to £46.8m	Source of Revenue Funding	General Fund
Capital Cost		Source of Capital Funding	
One off cost <input type="checkbox"/>	Ongoing cost <input checked="" type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice: Bristol currently provides a Council Tax Reduction scheme that helps people on a low income with up to 100% of their Council Tax costs. This currently costs £43.4 million p.a. (working age households receive £30 million of support with pensioners £13.4m support).

The budget agreed in February 2023 was on the basis that the current Council Tax Reduction scheme would be reviewed, with an aim to achieve a saving of £3 million p.a, after collection rates and monies collected on behalf of Avon Fire Authority and the Police and Crime Commissioner for Avon and Somerset are considered. Changes can only be made to the scheme for working age people, with pensioners being protected from changes under government rules

The consultation proposals included one 'no change' option and nine options that would see a reduction in a working age household's entitlement of between 10% and 41% (or between £154.83 and £585.36 per year) dependent on the agreed option(s). Any change would affect between 12,000 and 22,800 households, dependent on the agreed option(s) and/or if any households were protected from that change.

The estimated net savings from any proposed changes to the scheme, range from £1.9m to £3.9m dependent on the agreed option(s). The net savings do not currently include any allocation for a Discretionary Fund, if required, as any changes to the current scheme have not yet been agreed.

Following consultation, the recommended decision would see no change to the current scheme. This would result in £3 million of cost being incurred annually that is not assumed in the current MTFP and financial projections for the council, as such there will be an additional £3 million pressure on the budget that will require further savings to be identified and delivered against. This is in addition to the current remaining MTFP budget gap and proposals outlined in the budget consultation.

Finance Business Partner: Alison Bennett, Finance Business Partner, 30 November 2023

2. Legal Advice: Section 13A of the Local Government Finance Act 'the Act' requires each billing authority to have a scheme specifying the reductions which are to apply to amounts of council tax payable by persons, or classes of person, whom the authority considers are in financial need. Schedule 1A of the Act requires each billing authority to consider whether to revise its scheme or to replace it with another scheme every financial year.

The consultation responses must be conscientiously taken into account in finalising the decision. The leading cases on consultation provide that consultation should occur when proposals are at a formative stage, should give sufficient reasons for any proposal to permit intelligent consideration and should allow adequate time for consideration and response. There must further be clear evidence that the decision maker has considered the consultation responses, or a summary of them, before taking its decision.

Legal Team Leader: Husinara Jones, Team Manager/Solicitor, 29 November 2023		
3. Implications on IT: IT are supportive and available to aid in progressing relevant work and can be engaged through the existing work request process.		
IT Team Leader: Alex Simpson – Lead Enterprise Architect, 21 November 2023		
4. HR Advice: No HR implications are evident within the report.		
HR Partner: Bryn Williams 20 November 2023		
EDM Sign-off	Stephen Peacock (Chief Executive)	29 November 2023
Cabinet Member sign-off	Deputy Mayor/Cabinet member for City Economy, Finance and Performance, Cllr Cheney	27 November 2023
For Key Decisions - Mayor's Office sign-off	Mayor's Office	30 November 2023

Appendix A1 - Consultation options: Household and council impact assessment	YES
Appendix A2 - Council Tax Reduction: Wider economic/advice service impacts	
Appendix A3a and 3b - Council Tax Reduction consultation survey and scenarios	
Appendix A4 - Report from the Finance Task Group - Council Tax Reduction Scheme for 2024/25	
Appendix A5 - Council Tax Reduction consultation survey results and analysis	
Appendix B – Details of consultation carried out - internal and external	YES
Appendix C – Summary of any engagement with scrutiny	YES
Appendix D – Risk assessment	YES
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	YES
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO

Appendix A1: Consultation options: Household and council impact assessment

Current scheme caseload

The CTR scheme currently supports almost 33,000 households with the cost of their council tax, of which almost 23,000 are working age. As support is for households who are on low income, the areas of the city with the highest numbers of households receiving CTR are also amongst the most deprived. These areas also have higher numbers of households receiving support from state benefits.

A full equalities impact assessment has been completed which illustrates those households that benefit from the current scheme and would be affected by any changes to it. Changes to the scheme would disproportionately affect households containing people with the following protected characteristics:

- Black, Asian, Minority Ethnic communities
- Disabled people
- Women
- Certain faith groups

Changes must have due regards to any impact on those with protected characteristics and vulnerable households. The council is also required to consider possible transitional protection if entitlement is reduced. Vulnerability is not defined but guidance suggests should local authorities consider the Equality Act 2010.

Proposed main scheme options

The options presented below show a range of savings against the forecast scheme cost in 2024/25. This would involve the withdrawal of support to working age households already on a low income. These are shown in the table below with the same trends and sensitivities as for the current (control) scheme.

The first four examples are for means tested schemes that replicate the allowances, premiums and treatment of capital and income that is used under Bristol's current CTR scheme. The only change is where there is an introduction of a minimum charge that is a percentage of net council tax liability that is taken off before any further assessment takes place.

Option 1: No change to the current scheme

	Static caseload (£m)	Current trend (£m)	2.5% increase	2.5% decrease
Current scheme cost	31.6	30.0	32.4	30.8
Gross saving	0	0	0	0
Gross saving (BCC)	0	0	0	0

This would mean 23,000 households would continue to get the same levels of support as they currently do, but other budgets/public services would be impacted, to find the agreed £3m saving elsewhere.

Option 2a). Standard means tested scheme – 10% minimum payment

	Static caseload (£m)	Current trend (£m)	2.5% increase	2.5% decrease
New scheme cost	28.1	26.7	28.8	27.4
As is scheme cost	31.6	30.0	32.4	30.8
Gross saving	3.5	3.3	3.6	3.4
Gross saving (BCC)	3.0	2.8	3.0	2.9
Net saving (BCC) 75%	2.2	2.1	2.3	2.2
Net saving (BCC) 65%	1.9	1.8	2.0	1.9

This would affect 22,628 households, paying an average of £154.83 in additional council tax per annum (£12.90 per month), with 119 households no longer entitled to CTR. A household currently receiving full CTR in a band B property would be expected to pay £191.51 per annum (£15.96 per month). Other budgets/public services would be impacted, to find the residue of the agreed £3m saving elsewhere.

Option 2b). Standard means tested scheme – 17% minimum payment

	Static caseload (£m)	Current trend (£m)	2.5% increase (£m)	2.5% decrease (£m)
New scheme cost	25.7	24.4	26.3	25.0
As is scheme cost	31.6	30.0	32.4	30.8
Gross saving	5.9	5.6	6.1	5.8
Gross saving (BCC)	5.0	4.8	5.2	4.9
Net saving (BCC) 75%	3.8	3.6	3.9	3.7
Net saving (BCC) 65%	3.2	3.1	3.4	3.2

This would affect 22,628 households, paying an average of £262.31 in additional council tax per annum (£12.90 per month), with 351 households no longer entitled to CTR. A household currently receiving full CTR in a band B property would be expected to pay £325.57 per annum (£27.13 per month)

Option 2c). Standard means tested scheme – 20% minimum payment

	Static caseload (£m)	Current trend (£m)	2.5% increase (£m)	2.5% decrease (£m)
New scheme cost	24.7	23.4	25.3	24.0
Control cost	31.6	30.0	32.4	30.8
Gross saving	6.9	6.6	7.1	6.8
Gross saving (BCC)	5.9	5.6	6.1	5.8
Net saving (BCC) 75%	4.4	4.2	4.6	4.3
Net saving (BCC) 65%	3.9	3.7	3.9	3.8

This would affect 22,628 households, paying an average of £307.98 in additional council tax per annum (£25.67 per month), with around 471 households no longer entitled to CTR. A household currently receiving full CTR in a band B property would be expected to pay £383.02 per annum (£31.92 per month).

Option 3a). Standard means tested scheme – 20% minimum payment with protection for those receiving disability benefits or war pensions

	Static caseload (£m)	Current trend (£m)	2.5% increase (£m)	2.5% decrease (£m)
New scheme cost	27.9	26.5	28.6	27.2
Control cost	31.6	30.0	32.4	30.8
Gross saving	3.7	3.5	3.8	3.6
Gross saving (BCC)	3.1	3.0	3.2	3.1
Net saving (BCC) 75%	2.4	2.2	2.4	2.3
Net saving (BCC) 65%	2.0	1.9	2.1	2.0

Those households where the following conditions apply will be protected from any reduction in support:

- Disability premium applies for the applicant, partner or a dependent child or young person
- Support component is in payment as part of an Employment and Support Allowance award
- Limited capability for work and work-related activity component is in payment as part of a Universal Credit award
- Disability Living Allowance, Personal Independence Payment, or Armed Forces Independence Payment is in payment for applicant, partner or a dependent child or young person
- A war pension or payment is in payment for the applicant or partner

Over 10,000 working age households would be protected from paying a minimum amount of Council Tax. Around 12,000 working age households would start paying at least 20% of their Council Tax bill.

The estimated average annual change for each of those 12,000 households would be £303.29 (£25.27 per month).

Option 3b). Standard means tested scheme – 34% minimum payment with protection for those receiving disability benefits or war pensions

	Static caseload (£m)	Current trend (£m)	2.5% increase (£m)	2.5% decrease (£m)
New scheme cost	25.5	24.2	26.1	24.9
Control cost	31.6	30.0	32.4	30.8
Gross saving	6.1	5.8	6.3	5.9
Gross saving (BCC)	5.2	4.9	5.3	5.1
Net saving (BCC) 75%	3.9	3.7	4.0	3.8
Net saving (BCC) 65%	3.4	3.2	3.5	3.3

Those households where the following conditions apply will be protected from any reduction in support:

- Disability premium applies for the applicant, partner or a dependent child or young person
- Support component is in payment as part of an Employment and Support Allowance award
- Limited capability for work and work-related activity component is in payment as part of a Universal Credit award
- Disability Living Allowance, Personal Independence Payment, or Armed Forces Independence Payment is in payment for applicant, partner or a dependent child or young person

- A war pension or payment is in payment for the applicant or partner

Over 10,000 working age households would be protected from paying a minimum amount of Council Tax. Around 12,000 working age households would start paying at least 34% of their Council Tax bill.

The estimated average annual change for each of those 12,000 households would be £503.47 (£41.96 per month).

Option 3c). Standard means tested scheme – 41% minimum payment with protection for those receiving disability benefits or war pensions

	Static caseload (£m)	Current trend (£m)	2.5% increase (£m)	2.5% decrease (£m)
New scheme cost	24.6	23.4	25.2	24.0
Control cost	31.6	30.0	32.4	30.8
Gross saving	7.0	6.7	7.2	6.8
Gross saving (BCC)	6.0	5.7	6.1	5.8
Net saving (BCC) 75%	4.5	4.2	4.6	4.4
Net saving (BCC) 65%	3.9	3.7	4.0	3.8

Those households where the following conditions apply will be protected from any reduction in support:

- Disability premium applies for the applicant, partner or a dependent child or young person
- Support component is in payment as part of an Employment and Support Allowance award
- Limited capability for work and work-related activity component is in payment as part of a Universal Credit award
- Disability Living Allowance, Personal Independence Payment, or Armed Forces Independence Payment is in payment for applicant, partner or a dependent child or young person
- A war pension or payment is in payment for the applicant or partner

Over 10,000 working age households will be protected from paying a minimum amount of Council Tax. Around 12,000 working age households would start paying at least 41% of their Council Tax bills.

The estimated average annual change for each of those 12,000 households would be £585.36 (£48.78 per month).

Option 4a). Standard means tested scheme – 13% minimum payment with protection for those we are not working and have a child under 5 years of age

	Static caseload (£m)	Current trend (£m)	2.5% increase (£m)	2.5% decrease (£m)
New scheme cost	28.1	26.7	28.8	27.4
Control cost	31.6	30.0	32.4	30.8
Gross saving	3.5	3.3	3.6	3.4
Gross saving (BCC)	3.0	2.8	3.0	2.9
Net saving (BCC) 75%	2.2	2.1	2.3	2.2
Net saving (BCC) 65%	1.9	1.8	2.0	1.9

Automatic protection from a reduction in support would be introduced for households where there is a child under five years old and both the applicant and cohabiting partner (registered as living at the same address) are not working.

Over 2,500 working age households would be protected from paying a minimum amount of Council Tax. Around 20,000 working age households would start paying at least 13% of their Council Tax bill.

The estimated average annual change per household affected would be £174.81 (£14.32 per month).

Option 4b). Standard means tested scheme – 19% minimum payment with protection for those we are not working and have a child under 5 years of age

	Static caseload (£m)	Current trend (£m)	2.5% increase (£m)	2.5% decrease (£m)
New scheme cost	25.7	24.4	26.3	25.1
Control cost	31.6	30.0	32.4	30.8
Gross saving	5.9	5.6	6.0	5.8
Gross saving (BCC)	5.0	4.8	5.1	4.9
Net saving (BCC) 75%	3.8	3.6	3.9	3.7
Net saving (BCC) 65%	3.3	3.1	3.3	3.2

Automatic protection from a reduction in support would be introduced for households where there is a child under five years old and both the applicant and cohabiting partner (registered as living at the same address) are not working.

Over 2,500 working age households would be protected from paying a minimum amount of Council Tax. Around 20,000 working age households would start paying at least 19% of their Council Tax bills.

The estimated average annual change for each of those 20,000 households would be £294.68 (£24.56 per month).

Option 4c). Standard means tested scheme – 25% minimum payment with protection for those we are not working and have a child under 5 years of age

	Static caseload (£m)	Current trend (£m)	2.5% increase (£m)	2.5% decrease (£m)
New scheme cost	24.7	23.5	25.3	24.1
Control cost	31.6	30.0	32.4	30.8
Gross saving	6.9	6.6	7.1	6.7
Gross saving (BCC)	5.9	5.6	6.0	5.7
Net saving (BCC) 75%	4.4	4.2	4.5	4.3
Net saving (BCC) 65%	3.9	3.6	3.9	3.7

Automatic protection from a reduction in support would be introduced for households where there is a child under five years old and both the applicant and cohabiting partner (registered as living at the same address) are not working.

Over 2,500 working age households would be protected from paying a minimum amount of Council Tax. Around 20,000 working age households would start paying at least 25% of their Council Tax

bills.

The estimated average annual change for each of those 20,000 households would be £344.62 (£28.72 per month).

Additional features/options

These options are in addition to the large-scale scheme changes shown above.

a) Minimum payment of £3 per week

All households receiving less than £3 per week will no longer be entitled to CTR, resulting in their awards being reduced to zero. This means these households will receive a full council tax bill. The gross saving from this measure would be £42k per annum.

This would affect 503 households based on a 17% minimum payment scheme. The average annual loss per household would be £83.72 (£6.98 per month), plus the minimum payment levied as a percentage of net council tax liability.

b) Abolishing 2nd Adult Discounts

2nd Adult Discounts are paid in respect of low income second adults who live with an applicant who has an income that is otherwise too high to qualify for the main CTR scheme. It effectively acts as a replacement for a Single Adult Discount for the applicant. A percentage discount is applied according to the income of the second adult in bands from 25% to 5%. This provision could be removed from the working age CTR scheme with a gross saving of £58k per annum.

This would affect 200 households. The average annual loss per household would be £289.64 (£24.14 per month).

c) Reducing the capital limit to £6,000

The current CTR scheme has a capital limit of £16,000. This allows households to hold capital up to this value and retain entitlement to CTR (with a small weekly income included in respect of this capital for households who have between £6,000 and £16,000). This limit could be reduced to £6,000 (the point at which capital affected entitlement under the current scheme).

This would affect 171 households if applied to all working age households who are not receiving income replacement benefits (not including UC). The average annual loss would be £1,287.00 (£107.25 per month). A high proportion of these households are in receipt of a disability benefit, premium or band reduction.

d) Tolerances (standard means tested scheme only)

A tolerance that ignores small changes in income can be introduced to the standard means tested scheme. This would reduce the requirement to recalculate entitlement on a regular basis and rebill. This would reduce the administrative burden on revenues teams and provide some stability to applicants receiving CTR, as they will not pay a differing amount every time their income changes slightly. This is most applied to UC as this is where fluctuating income is a more common issue.

This measure replicates the main administrative advantage of introducing a banded scheme whilst retaining the advantage of a means tested assessment at the outset of a CTR award. The most

common tolerance used in authorities that have introduced this is +/- £15.00 change in income per week (the equivalent of a £3 change in CTR entitlement). It is anticipated that this would reduce working age changes in circumstances by around 30%.

e) Discretionary Fund

All authorities must consider requests to reduce a council tax liability under section 13A(1)(c) of the Local Government Finance Act 1992 (as amended). There is a requirement to advertise this and outline the procedure for application within the CTR scheme under the prescribed requirements regulations.

As a separate fund could be set aside to make such awards as well as staff to administer this and could be used to target support to households who are unable to pay the additional charge, based on their household income and expenditure. This would come at an additional cost/reduce saving.

Appendix A2: Council Tax Reduction: Wider economic/advice service impacts

Gross Income and Disposable Income

- According to the [latest data](#) (from 2018), the average gross income (after housing costs) for a person in Withywood was £18,500¹. This is compared to the highest MSOA of Clifton where income was £39,700.
- [Research underlines](#) that lower income households currently spend a higher proportion of their income on council tax. See Appendix A for the proportion of household expenditure per income quartile.
- In the FYE 2022, [median disposable income](#) for the lowest fifth incomes of the UK population decreased by 3.8% to £14,500 (following a decrease of 2% between 2020 and 2021). An average loss of £293.45 in Council Tax Reduction would represent a further 2% loss in this disposable income.
- Households from the lowest fifth incomes with children have a median disposable income of only £12,445.
- The initial loss in disposable income was mainly driven by real-terms salary and benefit value. If [relative earnings](#) continue to decline as expected, then lower income households' spending power will be further reduced.
- **Risk** – Significant reductions in disposable income for the lowest income households (those who benefit from CTR) will drive diminished economic activity.

Non-essential spending

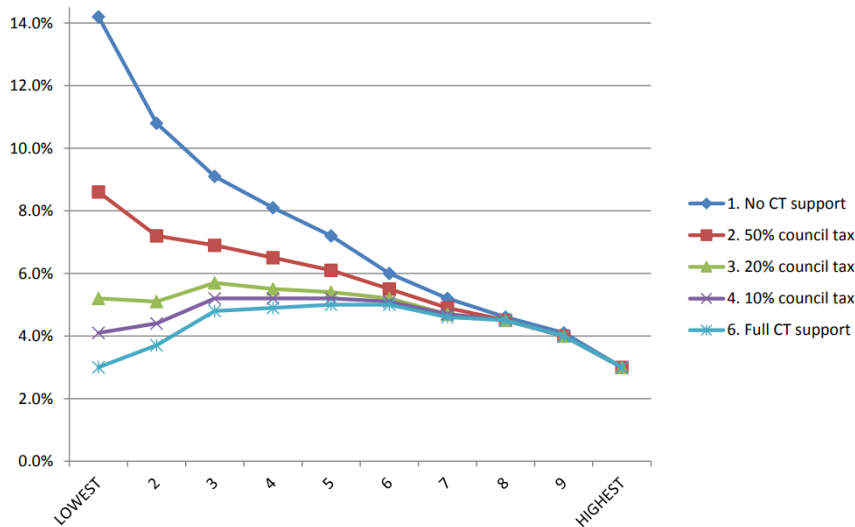
- Overall, the [OBR predict](#) that economic consumption will fall by 2.7% between Q2 of 2022 and Q3 of 2023. A reduction in CTR support would likely lead to less consumption.
- During the first [full year of pandemic](#) (March 2020 – March 2021), average weekly household spending fell by more than £100. For the lowest income households, spending fell by 12.5% in this period.
- For obvious reasons, the greatest reductions in expenditure were on recreation and culture, and restaurants and hotels. It is conceivable that these areas could be hardest hit by household's limited spending power.
- It should be noted that lower income households spend less in these areas, but the [latest data](#) shows that the average two-person household in the lowest income quartile spends 12.7% of their income on recreation.
- According to [latest data available](#), working age adults were responsible for the majority of spending on clothing and footwear (64%), recreation and cultural services (56%) and restaurants and hotels (56.6%).
- While far from a perfect comparison; the reduction in income for lower income households during the pandemic is a demonstrator of the potential impact of increased council tax liability on spending power.

Other economic impacts

- Between 2017 and 2023, the rateable value of retail sector properties in Bristol [fell by 9%](#).
- Business rates currently account for approximately a quarter of council spending power. With decreasing expenditure on retail in Bristol, there are risks of business closures and – with potential decreases in rateable value of retail businesses – diminished income for Bristol City Council.
- In the year up to May 2023, non-domestic vacancy rates in Filwood Broadway rose from 3.7% to 7.4% (note small sample size).

¹ Measured by Medium Super Output Area

Council tax as a proportion of net household income after housing costs by income decile, under different council tax support schemes



Impact on debt levels

The Institute for Fiscal Studies published research in 2019 examining the impact of CTR schemes which introduced a minimum payment. This found reducing a household's CTR entitlement significantly increases the probability that it reports being in arrears on its council tax:

- There is no significant effect on the arrears rates of those already paying Council Tax being required to pay more
- This is entirely driven by households that would, in the absence of cuts, have been entitled to maximum CTS and hence would have had no council tax bill to pay at all

[The impacts of localised council tax support schemes | Institute for Fiscal Studies \(ifs.org.uk\)](https://www.ifs.org.uk/publications/1044)

In September 2022, the Money Advice Trust published a report finding that 21% of all UK adults were behind on at least one household bill, however this rises to 45% of people who are claiming a means tested benefit being behind on at least one household bill.

[Impossible choices Cost of Living briefing Money Advice Trust.pdf \(moneyadvicetrust.org\)](https://www.moneyadvicetrust.org/wp-content/uploads/2022/09/Impossible-choices-Cost-of-Living-briefing-Money-Advice-Trust.pdf)

Impact on advice services

Institute for Fiscal Studies research suggests that “reductions in scheme generosity via minimum payments” are associated with enquiries to advice agencies increasing by 19-20% (relative to having no minimum payment). Data from Citizens Advice showed that ‘these effects are driven primarily by council tax debt queries, which account for the majority of council-tax-related queries’.

This research does also provide ‘evidence that, around two years after introduction, impacts on queries begin to fade. This would be consistent, for example, with people making an enquiry to Citizens Advice when initially affected by the changes but not indefinitely making repeat enquiries thereafter’.

[The impacts of localised council tax support schemes | Institute for Fiscal Studies \(ifs.org.uk\)](https://www.ifs.org.uk/publications/1044)

The Money and Pensions Service (MaPS) has a statutory duty to provide debt advice in England and is the largest single funder of debt advice services. MaPS grant funding for debt advice has reduced.

In March the Centre for Responsible Credit reported that 'despite the cost-of-living crisis having led to rising demand and increasingly complex casework, MaPS funding for local services has been cut by 9% for the next financial year. In real terms, with the costs of service delivery rising significantly, it is closer to 20%.'

[Citizens Advice reveals debt adviser redundancies are now 'increasingly likely' \(responsible-credit.org.uk\)](https://responsible-credit.org.uk)

Council Tax Reduction scheme 2024/25



You can complete this survey online at:

www.ask.bristol.gov.uk/council-tax-reduction-scheme-2024-25

Or return this paper version of the survey using the Freepost envelope supplied.

Please give us your views by **26 November 2023**.

Introduction

Bristol City Council currently provides a Council Tax Reduction scheme that helps people on a low income with up to 100% of their Council Tax costs. This has been done despite the reduction in government funding since the scheme was introduced in 2013 and wider financial challenges to the council since then. Bristol City Council has been one of the few authorities not to reduce support since 2013.

Councillors agreed that the Council Tax Reduction scheme would be reviewed for 2024/25 as part of the council's budget setting process. Changes can only be made to the scheme for working aged people. Pensioners are protected from changes under government rules.

The current scheme costs £43.4 million. This represents 8.9% of the council's total annual revenue budget, which covers day-to-day spending on council services. Of this £43.4 million, working age households collectively receive £30 million of support each year.

What is Council Tax?

Council Tax is a local tax set by the council based on the valuation of a property as of April 1991. Each council is responsible for collecting this tax, which is used to fund local public services such as refuse collection, social services, environmental health, and education. Some of the money, around 15%, is collected on behalf of Avon Fire Authority and the Police and Crime Commissioner for Avon and Somerset.

What is Council Tax Reduction?

Council Tax Reduction helps people on low incomes to pay their Council Tax. The council decides how much households are entitled to for the working age scheme, with central government setting the rules on who can claim and how, as well as protecting all pension aged households.

The current working age scheme provides full support for those who receive Universal Credit but are not working, Income Support, Income Based Jobseeker's Allowance, and Income Related Employment Support Allowance.

It also provides full support for those with income less than the amount the scheme says that they need to live on each week. These amounts vary according to the household's circumstances, whether they have dependent children and young people or get certain disability benefits.

Partial support is provided to households who have more money than the scheme says they need to live on, but not enough money to stop being entitled altogether. The amount of support provided is reduced by 20p for each pound of income that a household has over the amount that the scheme says they need to live on.

The scheme also takes a deduction for other adults who live in the household (who are not the person claiming Council Tax Reduction or their partner). This depends on that person's weekly income and can apply to households who would otherwise get full support. The higher the weekly income that person has, the higher the weekly deduction is that is taken from their support.

You can find a copy of our current Council Tax Reduction scheme on our website at:

www.bristol.gov.uk/residents/benefits-and-financial-help/council-tax-reduction/council-tax-reduction-scheme

You can request a paper copy by emailing **consultation@bristol.gov.uk** or calling **0117 922 2848**.

If you already receive Council Tax Reduction, you can check your entitlement and how it has been worked out by using our online benefit calculator. This is available on our website at:

www.bristol.entitledto.co.uk/home/start or by calling **0117 922 2300**.

Why are we reviewing the scheme?

Every year, all councils must agree an annual budget which balances the money we spend with the money we are expecting to receive. Councils across the country are facing financial challenges and based on our current forecasts, we face a funding gap over the next five years (to 2027/28) of up to £87.6 million dependent on the severity of factors such as rising costs of fuel, energy, and inflation.

This is in addition to the £34.3 million of savings and efficiencies proposals for 2022-2027 outlined in the 2022/23 budget. You can see the 2022/23 budget on our website:

www.bristol.gov.uk/files/documents/1410-2022-2023-budget-report/file

You can request a paper copy by emailing **consultation@bristol.gov.uk** or calling **0117 922 2848**.

The Council has defined statutory responsibilities, such as homelessness and social services but delivers a far broader range of discretionary services. It is our duty to provide universal services benefiting the whole city, and targeted services aimed at individuals, communities with particular needs, and businesses – administered by our workforce, city partners, stakeholder organisations, and commissioned services. To address the current financial challenges, we must review all our services to find where we can do things differently to reduce costs and be more efficient in how we do things.

Within this context, the budget for 2023/24, agreed by Full Council in February 2023, was on the basis that the current Council Tax Reduction scheme would be reviewed to see if it should be changed or not. It was thought that if any changes were made, it might be possible to save around £3 million, after collection rates and monies collected on behalf of Avon Fire Authority and the Police and Crime Commissioner for Avon and Somerset are considered.

The table overleaf shows a comparison of the forecast costs and savings of each option.

Scheme comparison (annual) (working aged only)

Scheme	Scheme cost (£m)	Net saving (£m)	Working age households affected	Average change (£)
Current scheme 2023/24	30.00	Not applicable	0	0.00
Current scheme 2024/25	31.60	0.00	0	0.00
Option 2a 10% (means tested)	28.10	1.90	22,628	154.83
Option 2b 17% (means tested)	25.70	3.20	22,628	262.31
Option 2c 20% (means tested)	24.70	3.90	22,628	307.98
Option 3a 20% (income protected)	27.90	2.00	11,931	303.29
Option 3b 34% (income protected)	25.50	3.30	11,931	503.47
Option 3c 41% (income protected)	24.60	3.90	11,931	585.36
Option 4a 13% (household protected)	28.10	1.90	20,022	174.81
Option 4b 19% (household protected)	25.70	3.20	20,022	294.68
Option 4c 25% (household protected)	24.70	3.90	20,022	344.62
Proposal 1 (£3.00 minimum award)		0.04	503	83.72
Proposal 2 (Abolish 2AR)		0.06	200	289.64
Proposal 3 (Capital cut-off £6k)		0.22	171	1,287.00
Discretionary Fund (depends on scheme chosen)		(Negative value, dependent upon scheme chose)	Not known	Not applicable

We have also provided example scenarios in the Scenarios document so you can see how the options would affect people with different incomes and household circumstances. If you have completed the consultation previously between 1 August - 25 September 2023, you can submit a new response. Please let us know whether you have responded before in the question below.

Have you responded to the Council Tax Reduction consultation previously?*

Yes

No

There will be a question at the end of the survey where you can indicate whether your new response is different from your previous response.

Proposed options

Option 1 – The current Council Tax Reduction scheme is retained

The council continues to fully fund the Council Tax Reduction scheme. This means almost 23,000 working aged, low-income households would continue to receive the same levels of support as now.

This option would not make any saving. Further funding of £3 million per year would be needed, which would need to be funded by reducing spending on other council services and/or by increasing Council Tax.

Option 2a – All households would pay at least 10% of their Council Tax bills

Every household would pay at least 10% of their council tax bill. This would apply to the 23,000 working aged households who do not need to pay under the current scheme.

The estimated average annual change for each of those 23,000 households would be £154.83 (£12.90 per month).

This option would make a saving of £1.9 million per year. Further funding of £1.1 million would be needed, which would need to be funded by reducing spending on other council services and/or by increasing Council Tax.

Option 2b – All households would pay at least 17% of their Council Tax bills

Every household would pay at least 17% of their council tax bill. This would apply to the 23,000 working aged households who do not need to pay under the current scheme.

The estimated average annual change for each of those 23,000 households would be £262.31 (£21.86 per month).

This option would make a saving of £3 million per year assuming that Council Tax is paid at the expected rate. The council would not need to find additional funding for the scheme from elsewhere.

Option 2c – All households would pay at least 20% of their Council Tax bills

Every household would pay at least 20% of their council tax bill. This would apply to the 23,000 working age households who do not need to pay under the current scheme.

The estimated average annual change for each of those 23,000 households would be £307.98 (£25.67 per month).

This option would make a saving of £3 million per year assuming that Council Tax is paid at the expected rate. The council would not need to fund additional funding for the scheme from elsewhere.

It would also raise a further £900,000 that would be used to provide more targeted support through the discretionary fund.

You can read the full scheme document for further details on schemes 2a, 2b and 2c at bit.ly/CTROption2 or you can request a paper copy by emailing consultation@bristol.gov.uk or calling **0117 922 2848**.

Option 3a – Households receiving certain benefits or payments would be protected from paying a minimum amount of Council Tax. All other households would pay at least 20% of their Council Tax bills

Automatic protection from a reduction in support would be introduced for those receiving certain types of benefits paid for disability or payments to veterans.

The following households would be protected where:

- disability premium applies for the applicant, partner or a dependent child or young person
- support component is in payment as part of an Employment and Support Allowance award
- limited capability for work and work-related activity component is in payment as part of a Universal Credit award
- Disability Living Allowance, Personal Independence Payment, or Armed Forces Independence Payment is in payment for applicant, partner or a dependent child or young person
- a war pension or payment is in payment for the applicant or partner

Over 10,000 working age households would be protected from paying a minimum amount of Council Tax. Around 12,000 working age households would start paying at least 20% of their Council Tax bill.

The estimated average annual change for each of those 12,000 households would be £303.29 (£25.27 per month).

This option would make a saving of £2 million per year. Further funding of £1 million would be needed, which would need to be funded by reducing spending on other council services and/or by further increasing Council Tax.

Option 3b – Households receiving certain benefits or payments would be protected from paying a minimum amount of Council Tax. All other households would pay at least 34% of their Council Tax bills

Automatic protection from a reduction in support would be introduced for those receiving certain types of benefits paid for disability or payments to veterans.

The following households would be protected where:

- disability premium applies for the applicant, partner or a dependent child or young person
- support component is in payment as part of an Employment and Support Allowance award
- limited capability for work and work-related activity component is in payment as part of a Universal Credit award
- Disability Living Allowance, Personal Independence Payment, or Armed Forces Independence Payment is in payment for applicant, partner or a dependent child or young person
- a war pension or payment is in payment for the applicant or partner

Over 10,000 working age households would be protected from paying a minimum amount of Council Tax. Around 12,000 working age households would start paying at least 34% of their Council Tax bill.

The estimated average annual change for each of those 12,000 households would be £503.47 (£41.96 per month).

This option would make a saving of £3 million per year assuming that Council Tax is paid at the expected rate. The Council would not need to find additional funding for the scheme from elsewhere.

Option 3c – Households receiving certain benefits or payments are protected from paying a minimum amount of Council Tax. All other households would pay at least 41% of their Council Tax bills

Automatic protection from a reduction in support would be introduced for those receiving certain types of benefits paid for disability or payments to veterans.

The following households would be protected where:

- disability premium applies for the applicant, partner or a dependent child or young person
- support component is in payment as part of an Employment and Support Allowance award
- limited capability for work and work-related activity component is in payment as part of a Universal Credit award
- Disability Living Allowance, Personal Independence Payment, or Armed Forces Independence Payment is in payment for applicant, partner or a dependent child or young person
- a war pension or payment is in payment for the applicant or partner

Over 10,000 working age households will be protected from paying a minimum amount of Council Tax. Around 12,000 working age households would start paying at least 41% of their Council Tax bills.

The estimated average annual change for each of those 12,000 households would be £585.36 (£48.78 per month).

This option would make a saving of £3 million per year assuming that Council Tax is paid at the expected rate. The Council would not need to find additional funding for the scheme from elsewhere.

It would also raise a further £900,000 that would be used to provide more targeted support through the discretionary fund. An option on discretionary funding and how this might work is later in this survey.

You can read the full scheme document for further details on schemes 3a, 3b and 3c at bit.ly/CTROption3 or you can request a paper copy by emailing consultation@bristol.gov.uk or calling **0117 922 2848**.

Option 4a – Households who are not in work and have a child under five years old would be protected from paying a minimum amount of Council Tax. All other households would pay at least 13% of their Council Tax bills

Automatic protection from a reduction in support would be introduced for households where there is a child under five years old and both the applicant and cohabiting partner (registered as living at the same address) are not working.

Over 2,500 working age households would be protected from paying a minimum amount of Council Tax. Around 20,000 working age households would start paying at least 13% of their Council Tax bill.

The estimated average annual change per household affected would be £174.81 (£14.32 per month).

This option would make a saving of £1.9 million per year. Further funding of £1.1 million would be needed, which would need to be funded by reducing spending on other council services and/or by further increasing Council Tax.

Option 4b – Households who are not in work and have a child under five years old would be protected from paying a minimum amount of Council Tax. All other households would pay at least 19% of their Council Tax bills

Automatic protection from a reduction in support would be introduced for households where there is a child under five years old and both the applicant and cohabiting partner (registered as living at the same address) are not working.

Over 2,500 working age households would be protected from paying a minimum amount of Council Tax. Around 20,000 working age households would start paying at least 19% of their Council Tax bill.

The estimated average annual change for each of those 20,000 households would be £294.68 (£24.56 per month).

This option would make a saving of £3 million per year assuming that Council Tax was paid at the expected rate. The Council would not need to find additional funding for the scheme from elsewhere.

Option 4c – Households who are not in work and have a child under five years old would be protected from paying a minimum amount of Council Tax. All other households would pay at least 25% of their Council Tax bills

Automatic protection from a reduction in support would be introduced for households where there is a child under five years old and both the applicant and cohabiting partner (registered as living at the same address) are not working.

Over 2,500 working age households would be protected from paying a minimum amount of Council Tax. Around 20,000 working age households would start paying at least 25% of their Council Tax bill.

The estimated average annual change for each of those 20,000 households would be £344.62 (£28.72 per month).

This option would make a saving of £3 million per year assuming that Council Tax was paid at the expected rate. The Council would not need to find additional funding for the scheme from elsewhere.

It would also raise a further £900,000 that would be used to provide more targeted support through the Discretionary Fund. An option on discretionary funding and how this might work is later in this survey.

You can read the full scheme document for further details on schemes 4a, 4b and 4c at bit.ly/CTROption4 or you can request a paper copy by emailing consultation@bristol.gov.uk or calling **0117 922 2848**.

1. Which of the following proposed options do you prefer?

- Option 1** – The current Council Tax Reduction scheme is retained
- Option 2a** – All households pay at least 10% of their Council Tax bills
- Option 2b** – All households pay at least 17% of their Council Tax bills
- Option 2c** – All households pay at least 20% of their Council Tax bills
- Option 3a** – Households receiving certain benefits or payments are protected from paying a minimum amount of Council Tax. All other households pay a minimum of 20% of their Council Tax bills.
- Option 3b** – Households receiving certain benefits or payments are protected from paying a minimum amount of Council Tax. All other households pay a minimum of 34% of their Council Tax bills.
- Option 3c** – Households receiving certain benefits or payments are protected from paying a minimum amount of Council Tax. All other households pay a minimum of 41% of their Council Tax bills.
- Option 4a** – Households who are not in work and have a child under five years old are protected from paying a minimum amount of Council Tax. All other households pay a minimum of 13% of their Council Tax bills.
- Option 4b** – Households who are not in work and have a child under five years old are protected from paying a minimum amount of Council Tax. All other households pay a minimum of 19% of their Council Tax bills.
- Option 4c** – Households who are not in work and have a child under five years old are protected from paying a minimum amount of Council Tax. All other households pay a minimum of 25% of their Council Tax bills.

2. Do you have any ideas or suggestions or comments on savings and/or income generation that could help to deliver savings and/or income generation to balance the Council's budget from 2024/25?

The council's approved budget for the coming financial year can be found at bit.ly/BCCbudget2023

Additional proposals

The following options will only be considered if a decision is taken to make changes to the working aged Council Tax Reduction scheme. These are smaller changes to the scheme that would deliver further savings and efficiency. These proposals can be carried out alongside any of the options in the previous question other than option 1, where the current Council Tax Reduction scheme is retained.

However, in isolation, these efficiencies and savings are negligible and a decision resulting in no change to the scheme would not require a decision by Full Council to approve it.

Additional proposal 1 – Minimum award of £3.00 per week

All households receiving a discount of less than £3.00 per week will no longer be entitled to Council Tax Reduction, resulting in their awards being reduced to zero. This means these households will start receiving a full Council Tax bill.

This would affect 500 households based on the 17% minimum payment scheme, with an average change per household of £83.72 per year.

3. Do you agree or disagree with the proposal for a minimum award of £3.00 per week?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Additional proposal 2 – Removing the Second Adult Rebate (Alternative Council Tax Reduction)

Second Adult Rebates are discounts currently given where low income second adults live with an applicant whose income is too high for them to qualify for the main, means tested Council Tax Reduction scheme. It effectively acts as a replacement for the Single Adult Discount for the applicant. A percentage discount is applied according to the income of the second adult in bands from 25% to 7.5%.

200 households would be affected if this part of the scheme was removed. The average change per household would be £289.64 per year.

4. Do you agree or disagree with the proposal to abolish the Second Adult Rebate (Alternative Council Tax Reduction)?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Additional proposal 3 – Reducing the capital limit to £6,000

The current scheme has a capital limit of £16,000. This allows households to hold capital up to this value and retain entitlement to the Council Tax Reduction. This limit could be reduced to £6,000 (the point at which capital affects entitlement under the current scheme).

This would affect 170 households if applied to all working age households who are not receiving income replacement benefits (not including Universal Credit). The average change would be £1,287.00 per year.

5. Do you agree or disagree with the proposal to reduce the capital limit to £6,000?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Discretionary Fund

All authorities must consider requests to reduce a Council Tax liability under Section 13A(1)(c) of the Local Government Finance Act 1992 (as amended) you can view this legislation on the gov.uk website:

www.legislation.gov.uk/ukpga/1992/14

There is a requirement to advise applicants to the Council Tax Reduction scheme of this and how to make an application.

If changes are made to the existing scheme that means households must pay a minimum amount of Council Tax, a separate amount of funding may be set aside to assist households who are unable to pay their Council Tax bills.

The amount of funding that will be set aside to fund a Discretionary Fund will depend on the overall scheme. The larger the minimum payment is, the larger the amount of funding that will be made available, but also noting that some of the suggested schemes, if introduced, protects some households automatically (options 3a to 4c).

Applicants would need to demonstrate that they are unable to pay their Council Tax bills, based on their individual household circumstances.

Applicants would need to apply to a Discretionary Fund and provide evidence of their financial circumstances (income and expenditure) and demonstrate that all appropriate steps to claim all applicable discounts and benefits had been taken and ways to pay their Council Tax had been explored (including making an arrangements to pay any debt with the council).

Awards from a Discretionary Fund would be made for limited periods and only up to the

end of each current financial year. Awards for future years would need to be applied for separately and any changes in financial circumstances would result in the funding awarded being reviewed.

A Discretionary Fund does not form part of the Council Tax Reduction scheme but any decisions that are made either to award or refuse additional support are subject to an independent appeals process.

You can read about how a fund would look like in practice and its associated policy at: www.bristol.gov.uk/residents/benefits-and-financial-help/housing-benefit/discretionary-housing-payments

You can request a paper copy of the policy by emailing consultation@bristol.gov.uk or calling 0117 922 2848.

6. Do you agree or disagree with the Discretionary Fund proposal?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Small income changes for those receiving Universal Credit (applies to options 2a to 4c)

In addition, small changes in income for households who are receiving Universal Credit would not be considered. This is to reduce the number of reassessments for these households and provide some stability for them. It is proposed that weekly changes in income of less than £15.00 are ignored.

7. Do you agree or disagree with the small income changes for those receiving Universal Credit proposal? (please tick one box only)

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Further comments or suggestions

8. If you have any further comments or suggestions, please provide them below:

About you

We want to hear from as many people as possible from all parts of Bristol, so we can understand all viewpoints.

It would be very helpful if you could complete the following 'About You' questions. This will help us ensure that no-one is discriminated against unlawfully and will help us see if people in different parts of Bristol and different circumstances have different views. The questions include each of the protected characteristics in the Equality Act 2010.

All questions are optional. You can skip any questions you do not wish to answer.

Information provided will be treated in the strictest confidence and in accordance with the UK General Data Protection Regulation (UK GDPR). Personal and sensitive information will be used solely for the purpose of equalities monitoring to ensure that everyone is treated fairly.

Our privacy policy, which explains how we will process your personal information, how long we will retain it and your rights as a data subject is available at bit.ly/BCCprivacynotice

Please answer the questions below by ticking the boxes that you feel most describes you.

9. What is your full postcode, e.g. BS13 9BC

We are asking this to understand if citizens have different views in different parts of the city and to be sure we have heard from people in all areas of Bristol.

If you are responding on behalf of a business or other organisation, please provide the postcode of the organisation's premises in Bristol.

10. Do you currently receive Council Tax Reduction?

Yes

No

11. What is your age?

0-10

11-15

16-17

18-24

25-34

35-44

45-54

55-64

65-74

75-84

85 +

Prefer not to say

12. Do you consider yourself to be a disabled person?

Yes

No

Prefer not to say

13. What is your sex?

Female

Male

Prefer not to say

Other (please describe):

14. Have you gone through any part of a gender reassignment process or do you intend to?

Yes

No

Prefer not to say

15. What is your ethnic group?

- Asian / Asian British
- Black / African / Caribbean / Black British
- Gypsy / Roma / Irish Traveller
- Mixed / Multi ethnic group
- White British
- White Irish
- White Other
- Prefer not to say
- Any other ethnic background (please describe):

16. What is your religion/faith?

- No Religion
- Muslim
- Buddhist
- Pagan
- Christian
- Sikh
- Hindu
- Prefer not to say
- Jewish
- Other (please describe):

17. What is your sexual orientation?

- Bisexual
- Gay Man
- Gay Woman / Lesbian
- Heterosexual / Straight
- Prefer not to say
- Other (please describe):

18. Are you pregnant or have you given birth in the last 26 weeks?

- Yes
- No
- Prefer not to say

19. Are you a refugee or asylum seeker?

- Yes
- No
- Prefer not to say

Protected characteristics

The protected characteristics defined in the Equality Act 2010 are:

- age
- gender reassignment
- being married or in a civil partnership
- being pregnant or on maternity leave
- disability
- race including colour, nationality, ethnic or national origin
- religion or belief
- sex
- sexual orientation

20. Do you think any of the proposals would have any impact on you or others with a protected characteristic?

- Very negative effect No effect Very positive effect
- Slightly negative effect Slightly positive effect

If you think the proposals would affect you because of your protected characteristics, please say how:

21. We want to make sure our surveys are as good as possible.

Please tell us if you agree or disagree with the following statements:

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
There is enough information for me to answer the questions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The questions make it easy for me to give my views	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The survey meets my accessibility needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you disagree or strongly disagree with any of these three statements, please tell us why:

22. If you have responded to the consultation previously, is your response now different from your previous response?

- Not at all
- Slightly Different
- Very Different
- Don't know



If you would like this information in another language, Braille, audio tape, large print, easy read, BSL video or CD-ROM or plain text please contact us by emailing consultation@bristol.gov.uk or calling **0117 922 2848**.

Council Tax Reduction Scheme Scenarios



Council Tax Reduction Scheme Scenarios

The following scenarios are designed to show how the presented options for the future of Bristol's working age Council Tax Reduction scheme would affect the budgets of citizens receiving this support with a range of different household circumstances.

Please read these examples in conjunction with the background information document that details the individual scheme options.

Please note the Council Tax charges, benefit rates, and allowances for the financial year 2024/25 are not yet known and the figures in the scenarios are presented for illustrative purposes only.

Scenario 1

John is a single person, not working, in receipt of Universal Credit. He lives in a privately rented one bedroom flat, assessed as liable for Council Tax (band A). He has a 25% single adult discount on his Council Tax. He currently gets full Council Tax Reduction.

John's monthly finances:

Universal Credit income **£1,063.76**

Rent **£850.00**

Income after rent costs paid **£213.76**

Council Tax per month **£102.59** (currently met in full by Council Tax Reduction)

Effect of options on Council Tax that John is billed for:

Scheme Option	Amount of Council Tax to pay	Additional amount of Council Tax to pay	Percentage increase in Council Tax payment	Percentage of income paid in Council Tax after rent has been paid
Option 1 Fully funded scheme retained	Nil	Nil	N/A	Nil
Schemes with minimum charge only				
Option 2a 10% minimum charge	£10.26	£10.26	N/A	5%
Option 2b 17% minimum charge	£17.44	£17.44	N/A	8%
Option 2c 20% minimum charge	£20.52	£20.52	N/A	10%
Schemes with minimum charge protecting certain groups				
Option 3a 20% minimum charge	£20.52	£20.52	N/A	10%
Option 3b 34% minimum charge	£34.88	£34.88	N/A	16%
Option 3c 41% minimum charge	£42.06	£42.06	N/A	20%
Option 4a 13% minimum charge	£13.34	£13.34	N/A	6%
Option 4b 19% minimum charge	£19.49	£19.49	N/A	9%
Option 4c 25% minimum charge	£25.65	£25.65	N/A	12%

Scenario 2

Hani is a single parent of a two-year-old child. She works 16 hours per week and is in receipt of legacy benefits. Hani and her child live in a two bedroom socially rented property, assessed as liable for Council Tax (band B). She has a 25% single adult discount on her Council Tax.

Hani's monthly finances:

Income from earnings	£722.45
Tax Credits Income	£613.34
Child Benefit	£104.00
Housing Benefit	£189.24
Rent	£481.00
Income after rent costs paid	£1,148.03
Council Tax per month	£119.69 (she currently receives a £29.90 Council Tax Reduction, so pays £89.79)

Effect of options on Council Tax that Hani is billed for:

Scheme Option	Amount of Council Tax to pay	Additional amount of Council Tax to pay	Percentage increase in Council Tax payment	Percentage of income paid in Council Tax after rent has been paid
Option 1 Fully funded scheme retained	£89.79	Nil	Nil	8%
Schemes with minimum charge only				
Option 2a 10% minimum charge	£101.76	£11.97	13%	9%
Option 2b 17% minimum charge	£110.14	£20.35	23%	10%
Option 2c 20% minimum charge	£113.73	£23.94	27%	10%
Schemes with minimum charge protecting certain groups				
Option 3a 20% minimum charge	£113.73	£23.94	27%	10%
Option 3b 34% minimum charge	£119.69	£29.90	33%	10%
Option 3c 41% minimum charge	£119.69	£29.90	33%	10%
Option 4a 13% minimum charge	£105.35	£15.56	17%	9%
Option 4b 19% minimum charge	£112.53	£22.74	25%	10%
Option 4c 25% minimum charge	£119.69	£29.90	33%	10%

Scenario 3

Jasmine is a single parent of a three-year-old child, not working, and in receipt of Universal Credit. Jasmine and her child live in a socially rented two bedroom property, assessed as liable for Council Tax (band B). She has a 25% single adult discount on her Council Tax. She currently gets full Council Tax Reduction.

Jasmine's monthly finances:

Universal Credit income	£1,104.15
Child Benefit	£104.00
Rent	£465.83
Income after rent costs paid	£742.32
Council Tax per month	£119.69 (currently met in full by Council Tax Reduction)

Effect of options on Council Tax that Jasmine is billed for:

Scheme Option	Amount of Council Tax to pay	Additional amount of Council Tax to pay	Percentage increase in Council Tax payment	Percentage of income paid in Council Tax after rent has been paid
Option 1 Fully funded scheme retained	Nil	Nil	N/A	Nil
Schemes with minimum charge only				
Option 2a 10% minimum charge	£11.97	£11.97	N/A	2%
Option 2b 17% minimum charge	£20.35	£20.35	N/A	3%
Option 2c 20% minimum charge	£23.94	£23.94	N/A	3%
Schemes with minimum charge protecting certain groups				
Option 3a 20% minimum charge	£23.94	£23.94	N/A	3%
Option 3b 34% minimum charge	£40.70	£40.70	N/A	5%
Option 3c 41% minimum charge	£49.07	£49.07	N/A	7%
Option 4a 13% minimum charge	Nil	Nil	N/A	Nil
Option 4b 19% minimum charge	Nil	Nil	N/A	Nil
Option 4c 25% minimum charge	Nil	Nil	N/A	Nil

Note that Jasmine would be protected from a reduction in support under options 4a to 4c because she is not in work and has a child under five years of age.

Scenario 4

Geoffrey is a single person. He receives Employment and Support Allowance with the support component and Personal Independence Payments. He rents a one bedroom flat, assessed as liable for Council Tax (band A). He has a 25% single adult discount on his Council Tax and gets full Council Tax Reduction.

Geoffrey's monthly finances:

Employment and Support Allowance	£976.95
Personal Independence Payments	£411.67
Housing Benefit	£458.47
Rent	£458.47
Income after rent costs paid	£1,388.62
Council Tax per month	£102.59 (currently met in full by Council Tax Reduction)

Effect of options on Council Tax that Geoffrey is billed for:

Scheme Option	Amount of Council Tax to pay	Additional amount of Council Tax to pay	Percentage increase in Council Tax payment	Percentage of income paid in Council Tax after rent has been paid
Option 1 Fully funded scheme retained	Nil	Nil	N/A	Nil
Schemes with minimum charge only				
Option 2a 10% minimum charge	£10.26	£10.26	N/A	1%
Option 2b 17% minimum charge	£17.44	£17.44	N/A	1%
Option 2c 20% minimum charge	£20.52	£20.52	N/A	1%
Schemes with minimum charge protecting certain groups				
Option 3a 20% minimum charge	Nil	Nil	N/A	Nil
Option 3b 34% minimum charge	Nil	Nil	N/A	Nil
Option 3c 41% minimum charge	Nil	Nil	N/A	Nil
Option 4a 13% minimum charge	£13.34	£13.34	N/A	1%
Option 4b 19% minimum charge	£19.49	£19.49	N/A	1%
Option 4c 25% minimum charge	£25.65	£25.65	N/A	2%

Note that Geoffrey would be protected from a reduction in support under options 3a to 3c because he is receiving disability related benefits.

Scenario 5

James is a single parent of a four-year-old child. He works 12 hours per week and is in receipt of Universal Credit. He lives with his child in a privately rented two bedroom property, assessed as liable for Council Tax (band B). He has a 25% single adult discount on his Council Tax.

James' monthly finances:

Income from earnings	£572.00
Universal Credit income	£1,357.16
Child Benefit	£104.00
Rent	£1,095.00
Income after rent costs paid	£938.16
Council Tax per month	£119.69 (he currently receives a £26.52 Council Tax Reduction, so pays £93.17)

Effect of options on Council Tax that James is billed for:

Scheme Option	Amount of Council Tax to pay	Additional amount of Council Tax to pay	Percentage increase in Council Tax payment	Percentage of income paid in Council Tax after rent has been paid
Option 1 Fully funded scheme retained	£93.17	Nil	Nil	10%
Schemes with minimum charge only				
Option 2a 10% minimum charge	£105.14	£11.97	13%	11%
Option 2b 17% minimum charge	£113.52	£20.35	22%	12%
Option 2c 20% minimum charge	£117.11	£23.94	26%	12%
Schemes with minimum charge protecting certain groups				
Option 3a 20% minimum charge	£117.11	£23.94	26%	12%
Option 3b 34% minimum charge	£119.69	£26.52	28%	13%
Option 3c 41% minimum charge	£119.69	£26.52	28%	13%
Option 4a 13% minimum charge	£108.73	£15.56	17%	12%
Option 4b 19% minimum charge	£115.91	£22.74	24%	12%
Option 4c 25% minimum charge	£119.69	£26.52	28%	13%

Scenario 6

Aleksy and Katarzyna are a couple. They have three children, one of whom receives Disability Living Allowance. Aleksy works full time. They also receive some Universal Credit. They live in a privately rented three bedroomed property, assessed as liable for Council Tax (band C).

Aleksy and Katarzyna's monthly finances:

Income from earnings	£1,396.00
Universal Credit income	£1,700.36
Disability Living Allowance	£295.10 (this is paid in respect of their child)
Child Benefit	£241.80
Rent	£1,400.00
Income after rent costs paid	£2,233.26
Council Tax per month	£182.39 (they currently receive a £15.04 Council Tax Reduction, so pay £167.35)

Effect of options on Council Tax that Aleksy and Katarzyna are billed for:

Scheme Option	Amount of Council Tax to pay	Additional amount of Council Tax to pay	Percentage increase in Council Tax payment	Percentage of income paid in Council Tax after rent has been paid
Option 1 Fully funded scheme retained	£167.35	Nil	Nil	7%
Schemes with minimum charge only				
Option 2a 10% minimum charge	£182.39	£15.04	9%	8%
Option 2b 17% minimum charge	£182.39	£15.04	9%	8%
Option 2c 20% minimum charge	£182.39	£15.04	9%	8%
Schemes with minimum charge protecting certain groups				
Option 3a 20% minimum charge	£167.35	Nil	Nil	7%
Option 3b 34% minimum charge	£167.35	Nil	Nil	7%
Option 3c 41% minimum charge	£167.35	Nil	Nil	7%
Option 4a 13% minimum charge	£182.39	£15.04	9%	8%
Option 4b 19% minimum charge	£182.39	£15.04	9%	8%
Option 4c 25% minimum charge	£182.39	£15.04	9%	8%

Note that Aleksy and Katarzyna would be protected from a reduction in support under options 3a to 3c because their child is receiving disability related benefits.

Scenario 7

David and Elaine are a couple. David is self-employed. Elaine works part-time and receives disability benefits. They own their home, so have no rent costs. Their four bedroomed property is assessed as liable for Council Tax (band D).

David and Elaine's monthly finances:

Income from earnings	£1,157.00
Working Tax Credits	£544.96
Employment and Support Allowance	£561.17
Disability Living Allowance	£423.37
Total income	£2,686.50
Council Tax per month	£205.19 (they currently receive a £61.71 Council Tax Reduction, so pay £143.48)

Effect of options on Council Tax that David and Elaine are billed for:

Scheme Option	Amount of Council Tax to pay	Additional amount of Council Tax to pay	Percentage increase in Council Tax payment	Percentage of income paid in Council Tax after rent has been paid
Option 1 Fully funded scheme retained	£143.48	Nil	Nil	5.34%
Schemes with minimum charge only				
Option 2a 10% minimum charge	£164.00	£20.52	14%	6%
Option 2b 17% minimum charge	£178.37	£34.89	24%	7%
Option 2c 20% minimum charge	£184.59	£41.11	29%	7%
Schemes with minimum charge protecting certain groups				
Option 3a 20% minimum charge	£143.48	Nil	Nil	5%
Option 3b 34% minimum charge	£143.48	Nil	Nil	5%
Option 3c 41% minimum charge	£143.48	Nil	Nil	5%
Option 4a 13% minimum charge	£170.16	£26.68	19%	6%
Option 4b 19% minimum charge	£182.47	£38.99	27%	7%
Option 4c 25% minimum charge	£194.78	£51.30	36%	7%

Note that David and Elaine would be protected from a reduction in support under options 3a to 3c because Elaine is receiving disability related benefits

Scenario 8

Hamza and Samira are a couple. They have two children over five years old. Both Hamza and Samira work 16 hours per week. They also receive Universal Credit. They live in three bedroom privately rented property, assessed as liable for Council Tax (band C).

Hamza and Samira's monthly finances:

Income from earnings	£1,478.19
Universal Credit	£1,383.84
Child Benefit	£172.90
Rent	£1,350.00
Income after rent costs paid	£1,684.93
Council Tax per month	£182.39 (they currently receive a £7.67 Council Tax Reduction, so pay £174.72)

Effect of options on Council Tax that Hamza and Samira are billed for:

Scheme Option	Amount of Council Tax to pay	Additional amount of Council Tax to pay	Percentage increase in Council Tax payment	Percentage of income paid in Council Tax after rent has been paid
Option 1 Fully funded scheme retained	£174.72	Nil	Nil	10%
Schemes with minimum charge only				
Option 2a 10% minimum charge	£182.39	£7.67	4%	11%
Option 2b 17% minimum charge	£182.39	£7.67	4%	11%
Option 2c 20% minimum charge	£182.39	£7.67	4%	11%
Schemes with minimum charge protecting certain groups				
Option 3a 20% minimum charge	£182.39	£7.67	4%	11%
Option 3b 34% minimum charge	£182.39	£7.67	4%	11%
Option 3c 41% minimum charge	£182.39	£7.67	4%	11%
Option 4a 13% minimum charge	£182.39	£7.67	4%	11%
Option 4b 19% minimum charge	£182.39	£7.67	4%	11%
Option 4c 25% minimum charge	£182.39	£7.67	4%	11%



If you would like this information in another language, Braille, audio tape, large print, easy read, BSL video or CD-ROM or plain text please contact us by emailing consultation@bristol.gov.uk or calling **0117 922 2848**.

Appendix A4: Report from the Finance Task Group - Council Tax Reduction Scheme for 2024/25

Introduction

1. The cross-party Finance Task Group has met on four occasions between April and June 2023. Members have been briefed in detail on the options under consideration by the administration for reviewing the Council Tax Reduction Scheme (CTRS) for 2024/25 and on the proposals for the required public consultation that will take place over the summer. The detailed notes of our discussions are enclosed as an appendix.

2. We would particularly like to thank Finance officers for the time they have taken in preparing briefing material and attending our meetings, and for their efforts and openness in responding to our questions and requests for further detail. Members are also grateful that the draft Cabinet report was shared at a point that has allowed appropriate time for the preparation of this scrutiny report in advance of the decision to be considered by the Cabinet on 4 July.

Context and general comments about the CTRS review

3. The comments set out in this report are the collective views of the Finance Task Group. Our comments take account of the background and context to this Cabinet report. Members recognise that there were and remain varied views across the Council's political groups about the proposal to save at least £3m through this review of the CTRS. The Finance Task Group does not collectively 'support' the proposal to review the CTRS for 2024/25; however, it is recognised that through the agreement of the Council's budget at the Full Council meeting in February 2023, the proposal effectively became Council policy, which is now being taken forward by the administration. We have been consulted and accordingly our role has specifically been to interrogate and formulate comments on the administration's detailed proposals.

4. The Group is very mindful of the importance of minimising impacts of any scheme changes on the city's most vulnerable residents and on those low-income households who are most likely to be disadvantaged financially by changes to the scheme.

5. We also recognise, as highlighted in the Cabinet report, the context of the budgetary pressures faced as a result of the reduction of funding being made available to local authorities by the government (which has been highlighted and raised with the government on a cross-party basis via the Local Government Association). We also note that Bristol has, until now, remained one of a few local authorities to have kept its level of support through the CTRS at the pre-2013 levels.

6. We particularly highlight our concern that whilst the proposals aim to deliver a significant saving of at least £3m, significant additional costs will be incurred in delivering this saving. At this point, there are a number of areas of uncertainty in terms of the scale of the

additional administrative costs involved, the impact any scheme changes may have and in mitigating the risks around additional costs. In particular, there can be no certainty around the future Council Tax collection rate that will be achievable in practice given that the proposals will inevitably impact on low-income households, many of whom may struggle with the additional financial burden of meeting their Council Tax obligations following this review. We feel it is inevitable, also taking account of the experience of other local authorities, that the future collection rate will represent a very significant challenge for the Council. Once a revised CTRS scheme is in place, it will be crucial to track the delivery of savings and to closely monitor additional costs and the collection rate, bearing in mind that this will be an ongoing key issue for members who will form the new Council governance that will take effect from May 2024.

7. The timing of the review is also concerning; it is important to be mindful of the context of the ongoing impact on residents, particularly for low-income households, of the national economic situation, as shown for example by continued high inflation and rent levels, and recent increases in interest rates that have taken place since the setting of the Council budget in February.

8. Another important issue to consider is the local economic impact/multiplier effect that is likely to be felt, especially in the most economically deprived wards of the city through the diversion of household funds from those with low disposable incomes from the local economy into Council Tax contributions as a result of scheme changes.

Specific comments on the consultation

9. As indicated above, as our briefings have progressed, members have appreciated the open approach taken by officers in responding to our questions and requests for further detail. We feel that our views have been listened to and taken into account. For example, we note that the consultation will now seek views about a range of particular scheme features as well as the main scheme options and therefore seems to be a wider consultation than was initially envisaged.

10. It will be essential for the administration to seek as many consultation responses as possible from those vulnerable people and low-income households most likely to be impacted by the proposals. This will require targeted communications to try to reach and engage people across the city's communities to maximise feedback from those most likely to be adversely affected.

11. The detail around the scheme options and features that are being consulted on is necessarily complex. This is likely to present real challenges to engaging with those most likely to be impacted by scheme changes. As part of the consultation, it will be essential to present information from the perspective/lens of those who will be affected directly by the proposals. This could include illustrative examples of what options will mean to individuals in terms of 'personal cash'/ weekly income and the use of example case studies/scenarios as this may help to guide individuals in assessing options (and in responding to the consultation) from their perspective.

12. We welcome an assurance from officers that the specific consultation materials will be shared and reviewed with the Finance Task Group so that we have a full opportunity to 'sense check' the detail before the consultation goes live. We intend to report back further following this further work.

Concluding comment

13. As indicated above, Finance Task Group members are grateful that the draft Cabinet report was shared with us to allow appropriate time for the preparation of this scrutiny report in advance of the publication of the 4 July Cabinet agenda papers. In addition to reviewing the consultation materials prior to the consultation launch, Members are very keen to be kept fully informed about consultation responses and related analysis. The Resources Scrutiny Commission will meet in public in the early autumn to review the consultation outcomes and to formulate a further detailed scrutiny submission ahead of the administration's consideration of a final decision on a revised scheme.

Councillor Geoff Gollop

Chair (and on behalf of) Finance Task Group
23 June 2023

Council Tax Reduction scheme 2024/25

Negative Risks that offer a threat to the Council Tax Reduction scheme review and its Aims (Aim - Reduce Level of Risk)

Ref	Risk Description	Key Causes	Key Consequence	Status Open / Closed	Strategic Theme	Risk Category	Risk Owner	Key Mitigations	Direction of travel	Current Risk Level			Monetary Impact of Risk £k	Risk Tolerance			
										Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating	Date
1	Poor quality data/modelling of impact on working age households	Poor quality data/issue with data sources/models	The CTR scheme is less generous than it could have been, thus not minimising impact on low income households or does not achieve the required saving	Open		Legal Service Provision Communities Financial Reputational	Graham Clapp	Modelling checked against current expenditure and caseload level data. Use of NEC's caseload CTR modeller. Use of value ranges to reflect what may happen to the caseload over time	➔	1	3	3	NK			0	
2	Collection rates and associated costs assumed are an over or underestimate	Lack of usable intelligence from other local authorities	As above	Open		Service Provision Communities Financial Reputational	Graham Clapp	Use of a range of feasible collection rates based on other authorities that have already made changes to their CTR schemes	➔	1	3	3	NK			0	
3	The scheme and/or consultation are subject to further legal challenge	Poor quality public consultation, requirements under the Local Government Finance Act 1992 not followed. Response to initial legal challenge is not robust enough.	Potential changes to the scheme are delayed so that they cannot be implemented for 2024/25	Open		Legal Financial Reputational	Graham Clapp	Continued engagement with legal services and communications teams to provide advice on legal and consultation requirements. Re-opening of consultation containing additional information.	➔	3	3	9	NK			0	
4	Proposals are not technically feasible using current software solutions	Novel approaches that have not been accounted for by software suppliers	The working age CTR scheme is not deliverable without expensive changes to software	Open		Service Provision Communities Financial Reputational	Graham Clapp	Engage with suppliers whilst developing options, gather intelligence from other authorities using the same software that have already changed their schemes	➔	1	1	1	NK			0	
												0				0	

Equality Impact Assessment [version 2.12]



Title: Council Tax Reduction scheme 2024/25	
<input checked="" type="checkbox"/> Policy <input type="checkbox"/> Strategy <input type="checkbox"/> Function <input type="checkbox"/> Service <input type="checkbox"/> Other [please state]	<input type="checkbox"/> New <input type="checkbox"/> Already exists / review <input checked="" type="checkbox"/> Changing
Directorate: Finance	Lead Officer name: Denise Murray
Service Area: Revenues and Benefits	Lead Officer role: Director – Finance

Step 1: What do we want to do?

The purpose of an Equality Impact Assessment is to assist decision makers in understanding the impact of proposals as part of their duties under the Equality Act 2010. Detailed guidance to support completion can be found here [Equality Impact Assessments \(EqIA\) \(sharepoint.com\)](#).

This assessment should be started at the beginning of the process by someone with a good knowledge of the proposal and service area, and sufficient influence over the proposal. It is good practice to take a team approach to completing the equality impact assessment. Please contact the [Equality and Inclusion Team](#) early for advice and feedback.

1.1 What are the aims and objectives/purpose of this proposal?

Briefly explain the purpose of the proposal and why it is needed. Describe who it is aimed at and the intended aims / outcomes. Where known also summarise the key actions you plan to undertake. Please use plain English, avoiding jargon and acronyms. Equality Impact Assessments are viewed by a wide range of people including decision-makers and the wider public.

The council is reviewing its Council Tax Reduction (CTR) scheme that currently supports 33,000 households who are on a low income with the cost of their council tax. Almost 23,000 are of working age and the remainder are pension age. The current scheme is a means tested discount and pension age recipients are protected from any reduction in support under a scheme that is set out in national regulations. We have fully funded our working age scheme since CTR was introduced in 2013 and this has resulted in working age recipients getting similar levels of support to pension age recipients (up to 100% of their council tax liability).

We currently spend £43.4million on the scheme (£30.0million working age, £13.4million pension age). The forecast cost of the scheme in 2024/25 is £45.7million if there is no change in caseload, or £43.7million if the caseload follows its current downward trend.

The council can make changes to its working age scheme that may reduce the level of discount that is paid (such as introducing a minimum charge for all working age households). This is subject to the recent consultation process and any changes to the scheme must be agreed by Full Council.

This impact assessment has been updated since its original version, following additional legal input and based on ongoing feedback following the consultation process. The specific changes to the consultation documentation are;

- Further information on what the Council Tax Reduction Scheme is, and who it provides support to,
- Further information on the financial challenges that have led to us reviewing the scheme,
- Further information on the proposal for a Discretionary Fund to assist households who are unable to pay their Council Tax bills, and
- Additional question asking what effect the proposals would have on people because of their protected characteristics.

The Cabinet and Full Council report provides feedback following an extended period of consultation on a variety of options and possible additional proposals, each having potential impacts on low income working age households and the council's finances. Any final decision on next year's scheme needs to be made by Full Council, noting the results from the consultation process.

This EqIA has been updated to reflect the results from the consultation process.

1.2 Who will the proposal have the potential to affect?

<input type="checkbox"/> Bristol City Council workforce	<input checked="" type="checkbox"/> Service users	<input checked="" type="checkbox"/> The wider community
<input type="checkbox"/> Commissioned services	<input checked="" type="checkbox"/> City partners / Stakeholder organisations	
Additional comments:		

1.3 Will the proposal have an equality impact?

Could the proposal affect access levels of representation or participation in a service, or does it have the potential to change e.g. quality of life: health, education, or standard of living etc.?

If 'No' explain why you are sure there will be no equality impact, then skip steps 2-4 and request review by Equality and Inclusion Team.

If 'Yes' complete the rest of this assessment, or if you plan to complete the assessment at a later stage please state this clearly here and request review by the Equality and Inclusion Team.

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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Step 2: What information do we have?

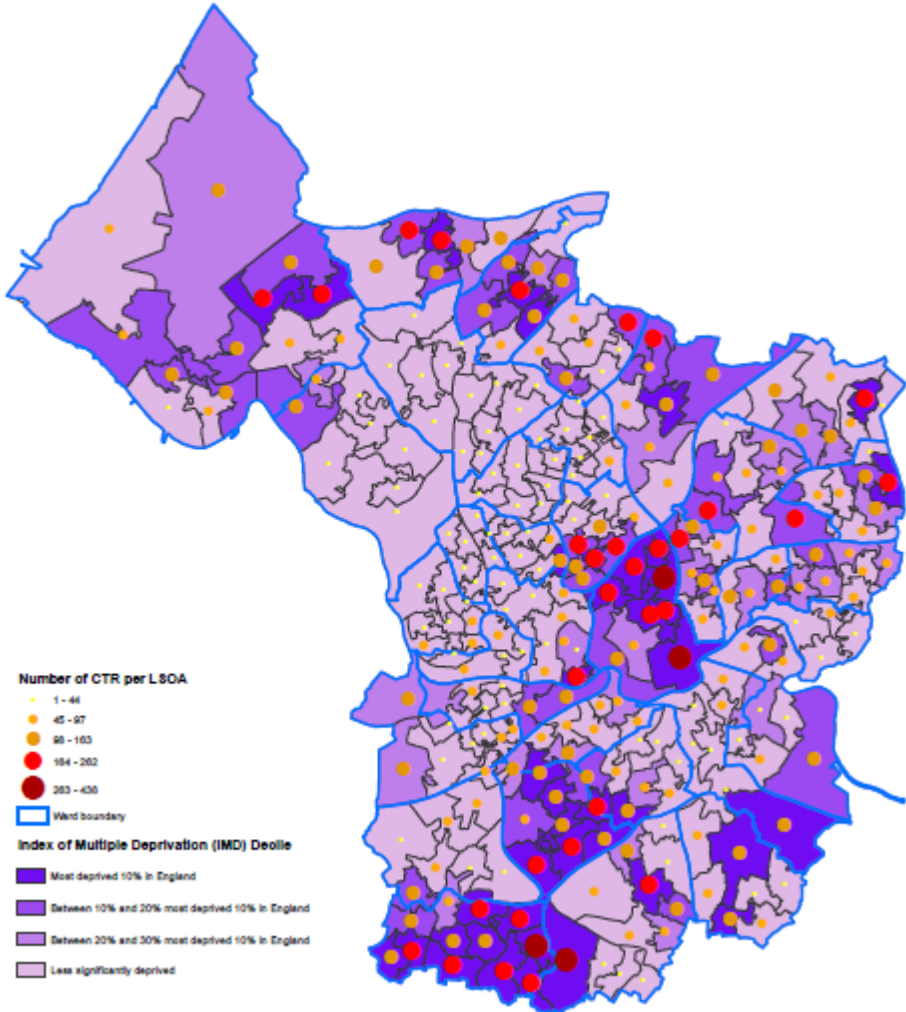
2.1 What data or evidence is there which tells us who is, or could be affected?

Please use this section to demonstrate an understanding of who could be affected by the proposal. Include general population data where appropriate, and information about people who will be affected with particular reference to protected and other relevant characteristics: [How we measure equality and diversity \(bristol.gov.uk\)](http://bristol.gov.uk)

Use one row for each evidence source and say which characteristic(s) it relates to. You can include a mix of qualitative and quantitative data e.g. from national or local research, available data or previous consultations and engagement activities.

Outline whether there is any over or under representation of equality groups within relevant services - don't forget to benchmark to the local population where appropriate. Links to available data and reports are here [Data, statistics and intelligence \(sharepoint.com\)](#). See also: [Bristol Open Data \(Quality of Life, Census etc.\)](#); [Joint Strategic Needs Assessment \(JSNA\)](#); [Ward Statistical Profiles](#).

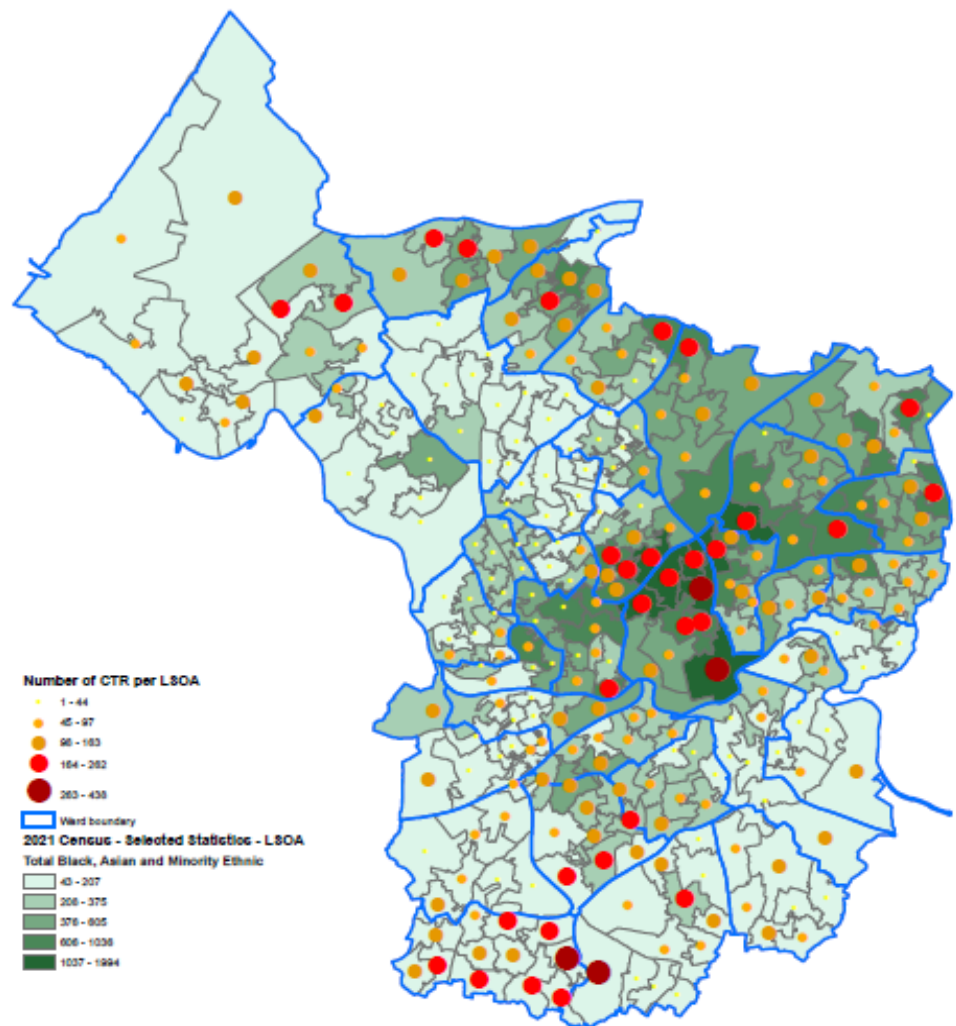
For workforce / management of change proposals you will need to look at the diversity of the affected teams using available evidence such as [HR Analytics: Power BI Reports \(sharepoint.com\)](#) which shows the diversity profile of council teams and service areas. Identify any over or under-representation compared with Bristol economically active citizens for different characteristics. Additional sources of useful workforce evidence include the [Employee Staff Survey Report](#) and [Stress Risk Assessment](#)

Data / Evidence Source	Summary of what this tells us
CTR caseload data and indices of deprivation 2019	<p>All the LSOAs in Bristol that are in the most deprived 10% in England also have above average numbers of households who are receiving CTR. 8,438 CTR awards have been made to working age households in these areas. This represents 37% of the working age scheme caseload. By contrast, the least deprived LSOAs (IMD decile 10) have 16 active working age CTR awards. The map below shows active CTR awards against Indices of Multiple Deprivation.</p>  <p>Number of CTR per LSOA</p> <ul style="list-style-type: none"> ● 1 - 44 ● 45 - 97 ● 98 - 163 ● 164 - 262 ● 263 - 436 <p>□ Ward boundary</p> <p>Index of Multiple Deprivation (IMD) Decile</p> <ul style="list-style-type: none"> ■ Most deprived 10% in England ■ Between 10% and 20% most deprived 10% in England ■ Between 20% and 30% most deprived 10% in England ■ Less significantly deprived

CTR working age caseload and Black, Asian, and Minority Ethnic data 2021 census

There are 88 LSOAs (33% of all areas in Bristol) where there is an above average number of households with people from non-White ethnic communities. Within these areas, there are 10,377 working age households who receive CTR. This equates to 45% of all working age households receiving CTR. The map below shows active working age CTR awards against 2021 census ethnicity data for Black, Asian and other minoritised ethnic groups (excluding 'White Other' and 'White British').

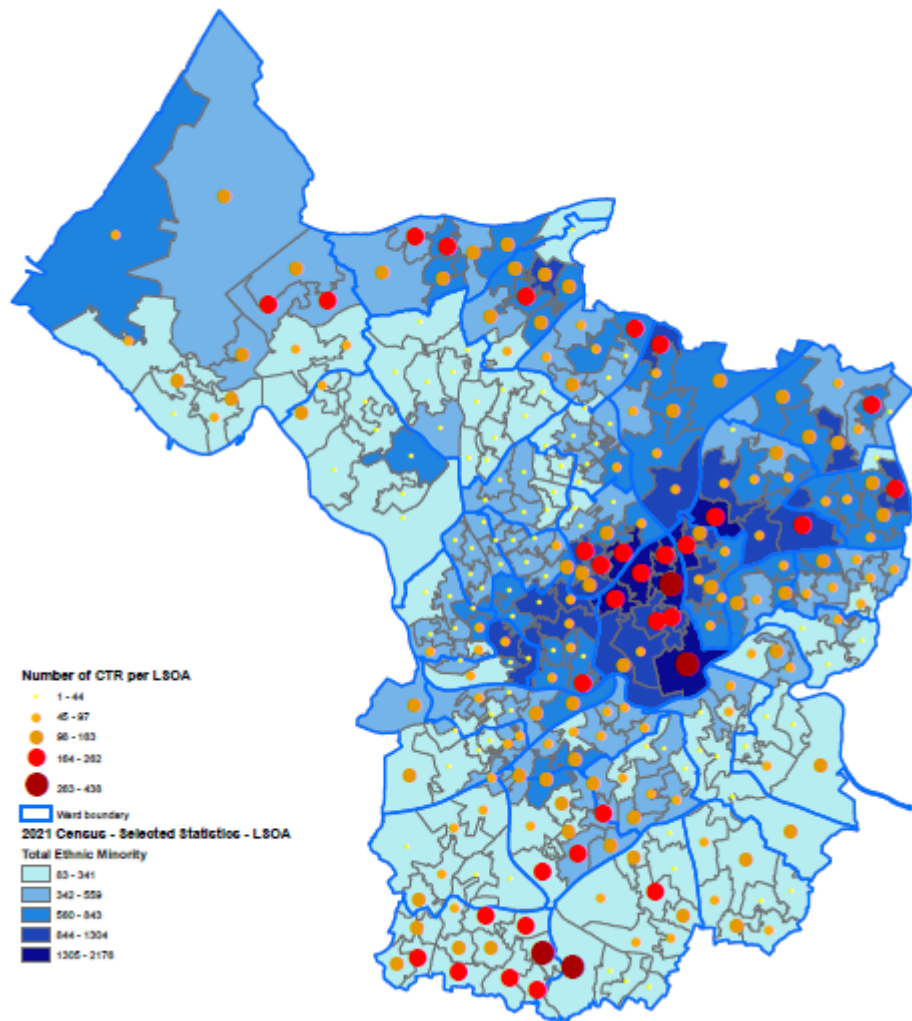
Central, eastern, and northern areas of the city have higher numbers of people from non-White ethnic groups as well as high numbers of working age households receiving CTR. The southernmost areas of the city have low numbers of people from non-White ethnic groups and high numbers of working age households receiving CTR.



CTR working age caseload and Ethnic Minority (excludes all 'white British') data 2021 census

There are 100 LSOAs (37% of all areas in Bristol) where there is an above average number households with people whose ethnicity is other than 'White British' (i.e. all minoritised ethnic groups including White Other). Within these areas, there are 11,260 working age households who receive CTR. This equates to 49% of all working age households receiving CTR. The map below shows active working age CTR awards against 2021 census ethnicity data for all minoritised ethnic groups (non 'White British').

Central, eastern, and northern areas of the city have higher numbers of people from minoritised ethnic groups as well as high numbers of working age households receiving CTR. The southernmost areas of the city have low numbers of people from minoritised ethnic groups and high numbers of working age households receiving CTR.



CTR caseload data by sex

Sex by lead working age claimant:

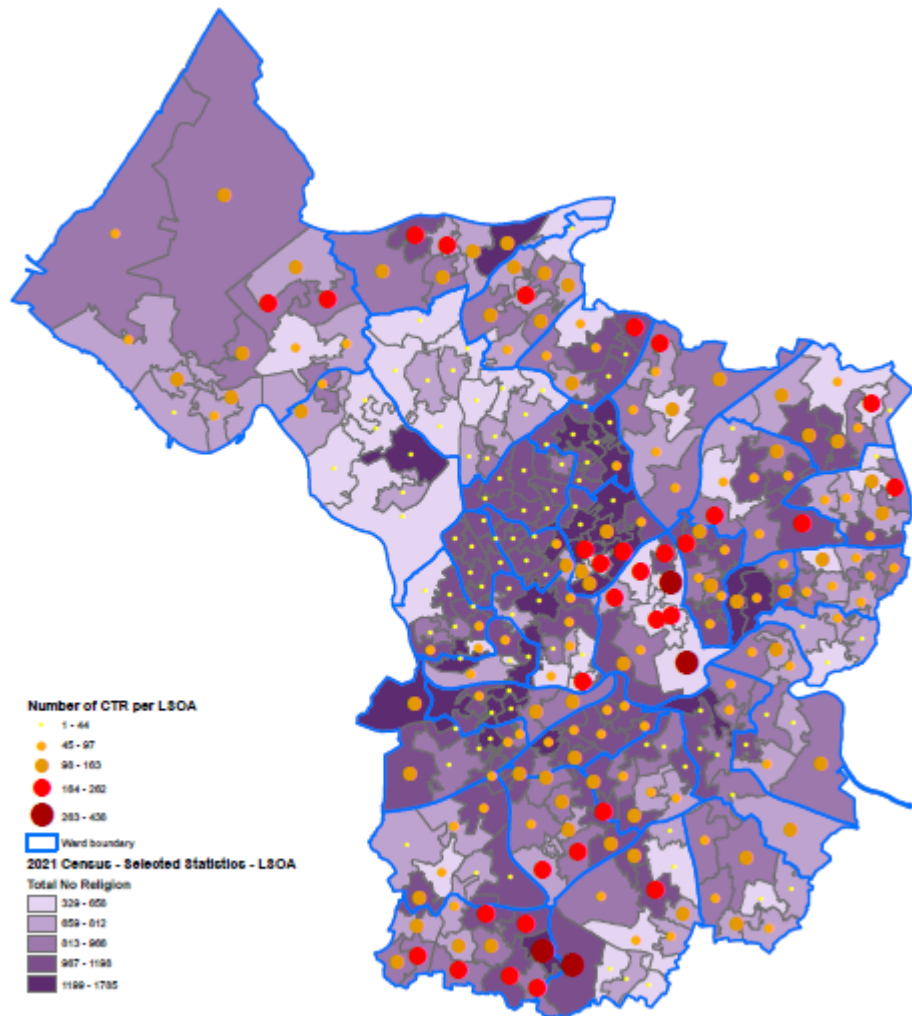
- 14,051 females (61%)
- 12,369 single females (54%)
- 8,441 males (37%)
- 6,677 single males (29%)
- 365 disclosed/known (2%)

Females are likely to be disproportionately affected by any proposed changes to the scheme as they are overrepresented in the CTR caseload when compared to Bristol as a whole.

CTR caseload data by age	<ul style="list-style-type: none"> • 10,102 pension age • 22,857 working age • 19,729 children living in 9,266 working age households <p>People who are pension aged are protected from reductions in support under a nationally prescribed scheme. It is possible for those between 50 and 66 to be affected by changes to the working age scheme.</p> <p>Working aged people could be affected by the proposal and make up the majority of the CTR caseload. Additionally, 40% of the working age households contain at least one child or young person.</p>																																	
CTR caseload data by receipt of disability benefit and census disability data 2011	<p>10,245 working age households with applicant or partner receiving at least one form of Personal Independence Payment (45%)</p> <p>Disabled working aged people are likely to be disproportionately affected by any proposed changes to the scheme as they are overrepresented in the CTR caseload when compared to Bristol as a whole (5.4% working age people where day to day activities are limited a lot).</p>																																	
CTR caseload data and census religion/faith data 2021	<p>2021 census data from the Office for National Statistics shows the three largest groups in Bristol to be no religion (51.4%), Christian (32.2%) and Muslim (6.7%).</p> <table border="1" data-bbox="491 857 1094 1294"> <thead> <tr> <th></th> <th>Number</th> <th>percentage</th> </tr> </thead> <tbody> <tr> <td>All Usual Residents</td> <td>472,465</td> <td></td> </tr> <tr> <td>Christian</td> <td>152,126</td> <td>32.2</td> </tr> <tr> <td>Buddhist</td> <td>2,710</td> <td><1</td> </tr> <tr> <td>Hindu</td> <td>3,545</td> <td><1</td> </tr> <tr> <td>Jewish</td> <td>1,228</td> <td><1</td> </tr> <tr> <td>Muslim</td> <td>31,776</td> <td>6.7</td> </tr> <tr> <td>Sikh</td> <td>2,247</td> <td><1</td> </tr> <tr> <td>Other Religion</td> <td>3,546</td> <td><1</td> </tr> <tr> <td>No Religion</td> <td>242,864</td> <td>51.4</td> </tr> <tr> <td>Religion Not Stated</td> <td>32,423</td> <td>6.9</td> </tr> </tbody> </table> <p>The three maps that follow show the distribution within Bristol of these three largest groups within the protected characteristic of 'religion and belief' and the number of working age households receiving CTR.</p>		Number	percentage	All Usual Residents	472,465		Christian	152,126	32.2	Buddhist	2,710	<1	Hindu	3,545	<1	Jewish	1,228	<1	Muslim	31,776	6.7	Sikh	2,247	<1	Other Religion	3,546	<1	No Religion	242,864	51.4	Religion Not Stated	32,423	6.9
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CTR caseload data and census no religion data 2021

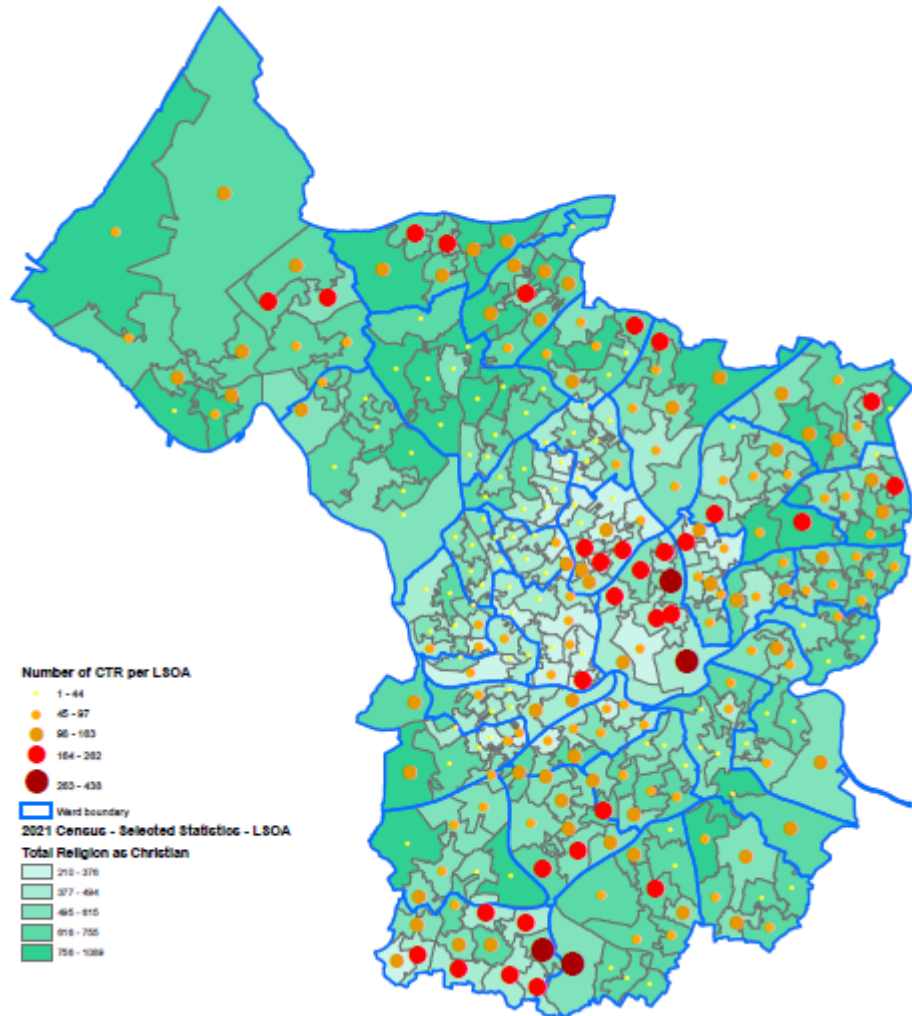
137 LSOAs (51% of all areas in Bristol) have above average numbers of people who state that they have no religion. In these areas, 10,806 working age households are receiving CTR. This equates to 47% of all working age households receiving CTR. Some areas in the south of the city have high numbers of people with no religion and working age households receiving CTR.



CTR caseload data and census Christianity belief data 2021

134 LSOAs (50% of all areas in Bristol) have above average numbers of people who state that have Christianity as a belief. In these areas, 10,458 working age households are receiving CTR. This equates to 46% of all working age households receiving CTR.

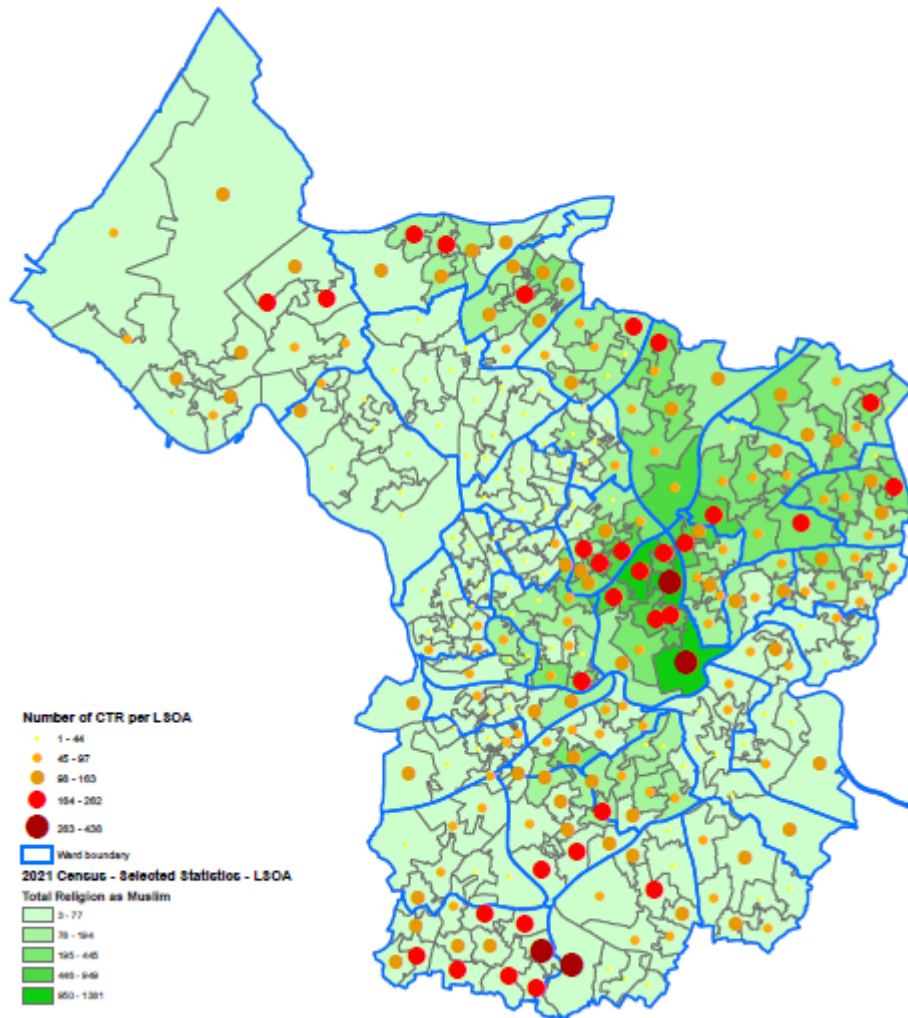
Areas with higher numbers of people declaring a Christian belief in the north of the city do not tend to have high numbers of working age households receiving CTR. This is likely to be a result of older populations living in those areas, which tend to be more affluent. Poorer pensioners are supported under the centrally prescribed scheme so would not be included in the working age CTR caseload figures.



CTR caseload data and census Muslim belief data 2021

68 LSOAs (25% of all areas in Bristol) have above average numbers of people who state that they are Muslim. In these areas, 8,981 working age households are receiving CTR. This equates to 39% of all working age households receiving CTR.

The map below shows a strong correlation between the number of working age households receiving CTR and areas where there are above average numbers of people who are Muslim.



Ethnicity facts and figures – State support¹

The family resources survey estimated that out of all families in the UK, 12% receive CTR and 10% receive HB. However, this varies according to ethnicity and within particular ethnic groups. Households who are from Bangladeshi and Black backgrounds were most likely to received CTR (19% and 18%) and HB (20% and 17%), as well as income related benefits more generally (26% and 23%). Households with people from an Indian background were least likely to receive either CTR or HB (6% and 4% respectively). Although this is a national study, it would suggest that any changes to the scheme will have a disproportionate impact on those from Bangladeshi and Black backgrounds.

Consultation Feedback

Phase two of the consultation asked the following question: Do you think any of the proposals would have any impact on you or others with a protected characteristic?

The results of which were: Very negative effect (16%), Slightly negative effect (19%), No effect (53%), Slightly positive effect (7%) and Very positive effect (5%).

<p>Quality of life survey 2021/22²</p>	<p>The percentage of those who find it difficult to manage financially differs according to various demographic groups. On average 8.7% of respondents to the quality-of-life survey found it difficult to manage. The following groups were more likely to be struggling:</p> <table border="1" data-bbox="491 315 1147 645"> <thead> <tr> <th>Group</th> <th>% finding it difficult to manage</th> </tr> </thead> <tbody> <tr> <td>Black, Asian minoritised ethnic background</td> <td>14.9</td> </tr> <tr> <td>Other religion (not Christian or no religion)</td> <td>18.2</td> </tr> <tr> <td>Parents</td> <td>12.0</td> </tr> <tr> <td>Single parents</td> <td>28.6</td> </tr> <tr> <td>Disabled</td> <td>21.6</td> </tr> </tbody> </table> <p>Those who are struggling financially are more likely to be on a low income and be in receipt of benefits and CTR.</p>	Group	% finding it difficult to manage	Black, Asian minoritised ethnic background	14.9	Other religion (not Christian or no religion)	18.2	Parents	12.0	Single parents	28.6	Disabled	21.6
Group	% finding it difficult to manage												
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Disabled	21.6												
<p>Bristol One City – Cost of living crisis³</p>	<p>The rising cost of living is not impacting on everyone equally. People who are already experiencing inequity and poverty will be disproportionately impacted:</p> <ul style="list-style-type: none"> • People on the lowest incomes - will have less available income but also pay more for the same services. For example, people unable to pay their bills by Direct Debit and those borrowing money are subject to higher costs and interest rates. This is what anti-poverty campaign group Fair by Design has referred to as a Poverty Premium • Households with pre-payment energy meters - households with pre-payment meters often pay above-average costs for their fuel. They will face a significant rise in their monthly bills in autumn and winter with increased energy usage as they do not benefit from the “smoothing” effect of Direct Debits, which spread usage costs evenly across the year • Parents and young families – parents of young children are more likely to seek credit and alternative support as they are less able, on average, to afford an unexpected expense. Single parents will be disproportionately affected; and one in four single parents find it difficult to manage financially (28.6%). • Disabled people – just under half of all people in poverty in the UK are Disabled people or someone living with a Disabled person. Disabled people have higher living costs, and tend to pay more for their heating, travel, food/diet, prescription payments, and specialist equipment. It is estimated that UK households that include Disabled children pay on average £600 more for their energy bills than an average household • Black and minoritised ethnic people – A higher proportion of Black and minoritised ethnic groups reported finding it difficult to manage financially (14.9%) in 2021. In 2020 the Social Metrics Commission found that almost half of people living in a family in the UK where the head of the household is Black are in poverty. Age UK report that poverty among older Black and minoritised ethnic groups is twice as high as for white pensioners • People in rented accommodation – it is estimated that 69% of low-income private renters in England will be forced to go without food and heating at least one day per week to meet rising housing and living cost. Almost three in ten homes in Bristol are privately rented • Underserved populations – It is likely that populations that are not typically well represented in data and research are likely to also face increased risk from rising cost of living. For example, refugees and asylum seekers, people experiencing homelessness, and Gypsy/Roma/Traveller groups. 												

³ [file \(bristol.gov.uk\)](https://file.bristol.gov.uk)

	<ul style="list-style-type: none"> Cost of Living Risk Index (October 2022) identified Lawrence Hill, Hartcliffe & Withywood, Filwood, Lockleaze, Ashley, Southmead, Easton, Avonmouth & Lawrence Weston, Hillfields and Eastville as neighbourhoods in Bristol more at risk of the impact of the cost-of-living crisis.
Additional comments:	<p>Consultation Feedback.</p> <p>Phase two of the consultation asked the following question: Do you think any of the proposals would have any impact on you or others with a protected characteristic?</p> <p>The results of which were: Very negative effect (16%), Slightly negative effect (19%), No effect (53%), Slightly positive effect (7%) and Very positive effect (5%).</p>

2.2 Do you currently monitor relevant activity by the following protected characteristics?

<input checked="" type="checkbox"/> Age	<input checked="" type="checkbox"/> Disability	<input type="checkbox"/> Gender Reassignment
<input type="checkbox"/> Marriage and Civil Partnership	<input type="checkbox"/> Pregnancy/Maternity	<input type="checkbox"/> Race
<input type="checkbox"/> Religion or Belief	<input checked="" type="checkbox"/> Sex	<input type="checkbox"/> Sexual Orientation

2.3 Are there any gaps in the evidence base?

Where there are gaps in the evidence, or you don't have enough information about some equality groups, include an equality action to find out in section 4.2 below. This doesn't mean that you can't complete the assessment without the information, but you need to follow up the action and if necessary, review the assessment later. If you are unable to fill in the gaps, then state this clearly with a justification.

For workforce related proposals all relevant characteristics may not be included in HR diversity reporting (e.g. pregnancy/maternity). For smaller teams diversity data may be redacted. A high proportion of not known/not disclosed may require an action to address under-reporting.

<ul style="list-style-type: none"> • Marriage and civil partnership • Pregnancy/Maternity • Gender reassignment • Sexual orientation <p>We will attempt to address these gaps in the evidence base through consultation.</p>
--

2.4 How have you involved communities and groups that could be affected?

You will nearly always need to involve and consult with internal and external stakeholders during your assessment. The extent of the engagement will depend on the nature of the proposal or change. This should usually include individuals and groups representing different relevant protected characteristics. Please include details of any completed engagement and consultation and how representative this had been of Bristol's diverse communities.

Include the main findings of any engagement and consultation in Section 2.1 above.

If you are managing a workforce change process or restructure please refer to [Managing a change process or restructure \(sharepoint.com\)](#) for advice on consulting with employees etc. Relevant stakeholders for engagement about workforce changes may include e.g. staff-led groups and trades unions as well as affected staff.

<ol style="list-style-type: none"> 1. Full public consultation has taken place between Tuesday 01 August until midnight Monday 25 September 2023 and reopened between Monday 30 October until midnight 26 November 2023. 2. Four sessions have taken place with Resources Scrutiny as part of a CTR Task and Finish over April/May 2023, with a final session with further feedback due to take place 21 November 2023. 3. Engagement with the precepting authorities, i.e. Avon and Somerset Police and Avon Fire has taken place in line with the council's statutory duties. 4. The Consultation and Communications Teams have worked with the service to produce an associated communication plans to maximum response rates, including from hard-to-reach households and areas. This included all relevant internal and external stakeholders, charities, third sector groups, councillors, and staff, via a variety of media and alternative formats being used.
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It is acknowledged that this proposal may have a disproportionate impact on Disabled people and so the consultation is provided in Easy Read and has been extended to allow for all to have sufficient time to engage.

2.5 How will engagement with stakeholders continue?

Explain how you will continue to engage with stakeholders throughout the course of planning and delivery. Please describe where more engagement and consultation is required and set out how you intend to undertake it. Include any targeted work to seek the views of under-represented groups. If you do not intend to undertake it, please set out your justification. You can ask the Equality and Inclusion Team for help in targeting particular groups.

This will be dependent upon the decision reached by Cabinet/Full Council on any proposed changes to the CTR scheme. However, any change will be advertised in conjunction with the council's Communications Team and use contacts within Equalities Team to target specific groups that may be adversely affected and contain protected characteristics.

Step 3: Who might the proposal impact?

Analysis of impacts must be rigorous. Please demonstrate your analysis of any impacts of the proposal in this section, referring to evidence you have gathered above and the characteristics protected by the Equality Act 2010. Also include details of existing issues for particular groups that you are aware of and are seeking to address or mitigate through this proposal. See detailed guidance documents for advice on identifying potential impacts etc. [Equality Impact Assessments \(EqIA\) \(sharepoint.com\)](#)

3.1 Does the proposal have any potentially adverse impacts on people based on their protected or other relevant characteristics?

Consider sub-categories and how people with combined characteristics (e.g. young women) might have particular needs or experience particular kinds of disadvantage.

Where mitigations indicate a follow-on action, include this in the 'Action Plan' Section 4.2 below.

GENERAL COMMENTS (highlight any potential issues that might impact all or many groups)	
Any changes that reduce entitlement to people receiving support under the scheme will have a financial impact on those who are, by definition, already on a low income. Evidence of local economic disparity for equalities communities and overrepresentation within the current CTR caseload indicates that any scheme reductions would have a disproportionately negative impact for people based on their protected and other relevant characteristics (see evidence section 2.1 and below).	
The likely result would be increased indebtedness with the council through non-payment of council tax or households reducing other forms of expenditure to meet this new expense or becoming indebted to other creditors (e.g. landlords, utilities). This comes at a time when households are already experiencing an increase in the overall cost of living.	
PROTECTED CHARACTERISTICS	
Age: Young People	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	Changes to the CTR scheme will only affect working age people and will result in a financial impact on households who already have a low income. Almost half of the households potentially affected have at least one child or young person living with them.
Mitigations:	The council is required to consider transitional protection for those affected by any changes to the scheme and it will also consider protecting more vulnerable households either automatically or through discretionary support under section 13A(1)(c) of the Local Government Finance Act 2012 (as amended).
Age: Older People	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	Older people (over pension age) are protected from any changes to the CTR scheme by national regulations.

Mitigations:	None.
Disability	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	Disabled people are overrepresented within the CTR caseload, and any changes will result in a financial loss for working age households. The quality-of-life survey has identified that Disabled people are also represented in the group that are finding it difficult to manage financially.
Mitigations:	The council is required to consider transitional protection for those affected by any changes to the scheme and it will also consider protecting more vulnerable households either automatically or through discretionary support under section 13A(1)(c) of the Local Government Finance Act 2012 (as amended).
Sex	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	Females are more likely to be affected by proposed changes because they are overrepresented within the CTR caseload. They are also more likely to be single parents than males and already likely find it difficult to manage financially.
Mitigations:	The council is required to consider transitional protection for those affected by any changes to the scheme and it will also consider protecting more vulnerable households either automatically or through discretionary support under section 13A(1)(c) of the Local Government Finance Act 2012 (as amended).
Sexual orientation	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	We do not have evidence that changes to the CTR scheme will have a disproportionate of people because of their sexual orientation but more needs to be done to understand this through public consultation.
Mitigations:	None.
Pregnancy / Maternity	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	We do not have sufficient evidence at this stage, but females are disproportionality affected and are more likely to be single parents, both groups are overrepresented in the CTR caseload. More needs to be done to understand this through public consultation.
Mitigations:	None at present.
Gender reassignment	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	We do not have evidence that changes to the CTR scheme will have a disproportionate impact for trans people.
Mitigations:	None.
Race	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	Based on the information that we hold regarding where CTR recipients live, CTR awards are concentrated in areas with higher numbers of people from Black, Asian and minoritised ethnic communities. Nationally, people from Bangladeshi and Black/Black British backgrounds are overrepresented within the CTR caseload. There is no reason to suggest that this is not the case in Bristol as well. If the scheme is changed, this working age households within this group are likely to experience a financial loss. Minoritised ethnic communities are also overrepresented in the group that are finding it difficult to manage financially according to the quality-of-life survey.
Mitigations:	The council is required to consider transitional protection for those affected by any changes to the scheme and it will also consider protecting more vulnerable households either automatically or through discretionary support under section 13A(1)(c) of the Local Government Finance Act 2012 (as amended).
Religion or Belief	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	The information that we hold suggests that Muslims living within central and Eastern parts of the city are overrepresented within the CTR caseload and those declaring a Christian or no religion on the outskirts of the city. If the scheme is changed, working age households in these groups are likely to experience a financial loss.
Mitigations:	The council is required to consider transitional protection for those affected by any changes to the scheme and it will also consider protecting more vulnerable households either automatically or through discretionary support under section 13A(1)(c) of the Local Government Finance Act 2012 (as amended).

Marriage & civil partnership	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	We do not have evidence that changes to the CTR scheme will have a disproportionate of people based on Marriage and Civil Partnership.
Mitigations:	None.
OTHER RELEVANT CHARACTERISTICS	
Socio-Economic (deprivation)	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	The CTR scheme supports households who are on a low income and awards are most highly concentrated in those areas that are in the most deprived. Therefore, those working age households living in already deprived areas will experience a further reduction in income and living standards if funding for the scheme is reduced.
Mitigations:	The council is required to consider transitional protection for those affected by any changes to the scheme and it will also consider protecting more vulnerable households either automatically or through discretionary support under section 13A(1)(c) of the Local Government Finance Act 2012 (as amended).
Carers	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	There are around 3,000 households receiving CTR where carer's allowance is in payment (13% of working age CTR caseload). It is anticipated that there are many more carers within the working age caseload who do not get this benefit and that carers are overrepresented in the CTR caseload. In the 2021 census, 8.7% of Bristol's population stated that they are carers (not as employment).
Mitigations:	The council is required to consider transitional protection for those affected by any changes to the scheme and it will also consider protecting more vulnerable households either automatically or through discretionary support under section 13A(1)(c) of the Local Government Finance Act 2012 (as amended).
OTHER GROUPS	
Care experienced people	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	Care leavers are exempt from paying council tax under a separate scheme until they are 25 years old.
Mitigations:	None.
Armed forces personnel and veterans	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	There is potential for impact as, although we disregard many veteran related incomes under a local scheme for calculating CTR, a decision has not been made on whether to protect them from a minimum payment under the proposals. There is no evidence to suggest a disproportionate impact on current armed forces personnel.
Mitigations:	The council is required to consider transitional protection for those affected by any changes to the scheme and it will also consider protecting more vulnerable households either automatically or through discretionary support under section 13A(1)(c) of the Local Government Finance Act 2012 (as amended).

3.2 Does the proposal create any benefits for people based on their protected or other relevant characteristics?

Outline any potential benefits of the proposal and how they can be maximised. Identify how the proposal will support our [Public Sector Equality Duty](#) to:

- ✓ Eliminate unlawful discrimination for a protected group
- ✓ Advance equality of opportunity between people who share a protected characteristic and those who don't
- ✓ Foster good relations between people who share a protected characteristic and those who don't

None identified.

Step 4: Impact

4.1 How has the equality impact assessment informed or changed the proposal?

What are the main conclusions of this assessment? Use this section to provide an overview of your findings. This summary can be included in decision pathway reports etc.

If you have identified any significant negative impacts which cannot be mitigated, provide a justification showing how the proposal is proportionate, necessary, and appropriate despite this.

Summary of significant negative impacts and how they can be mitigated or justified:
Potential financial losses for working age households who are in receipt of CTR if the scheme is changed, which is likely to have a disproportionate impact on protected some groups with protected characteristics where there is already evidence of disproportionate hardship.
There is potential to mitigate some of the impact through a discretionary fund for affected households or if a decision is made to financially protect some 'vulnerable' groups automatically (e.g. based on receiving a Disability benefit or household composition).
Summary of positive impacts / opportunities to promote the Public Sector Equality Duty:
None identified.

4.2 Action Plan

Use this section to set out any actions you have identified to improve data, mitigate issues, or maximise opportunities etc. If an action is to meet the needs of a particular protected group please specify this.

Improvement / action required	Responsible Officer	Timescale
Consultation responses in conjunction with equality groups where data is not hold	Ian McIntyre /Matt Kendall	Summer and October/November 2023
Use of discretionary fund to support households affected	Ian McIntyre /Matt Kendall	Dependent on scheme option approved by Cabinet/Full Council in December 2023, but will be in place and advertised by April 2024.
Look to work with Equalities and Communications Team to target any protected groups adversely affected by any chance and any possible mitigations.	Ian McIntyre /Matt Kendall	Dependent on scheme option approved by Cabinet/Full Council in December 2023, but will be in place and advertised by April 2024.

4.3 How will the impact of your proposal and actions be measured?

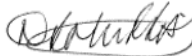
How will you know if you have been successful? Once the activity has been implemented this equality impact assessment should be periodically reviewed to make sure your changes have been effective your approach is still appropriate.

- Council tax collection rates
- Council tax disputes and grievances
- Complaints
- Stakeholder, community group and voluntary sector organisation feedback
- Member contact and enquiries

Step 5: Review

The Equality and Inclusion Team need at least five working days to comment and feedback on your EqIA. EqIAs should only be marked as reviewed when they provide sufficient information for decision-makers on the equalities

impact of the proposal. Please seek feedback and review from the [Equality and Inclusion Team](#) before requesting sign off from your Director⁴.

Equality and Inclusion Team Review: <i>Reviewed by Equality and Inclusion Team</i>	Director Sign-Off: 
Date: 27/11/2023	Date: 29/11/2023

⁴ Review by the Equality and Inclusion Team confirms there is sufficient analysis for decision makers to consider the likely equality impacts at this stage. This is not an endorsement or approval of the proposal.



Environmental Impact Assessment [version 1.0]

Proposal title: Council Tax Reduction		
Project stage and type: <input type="checkbox"/> Initial Idea Mandate <input type="checkbox"/> Outline Business Case <input type="checkbox"/> Full Business Case		
<input checked="" type="checkbox"/> Policy <input type="checkbox"/> Strategy <input type="checkbox"/> Function <input type="checkbox"/> Service <input type="checkbox"/> Other [please state]	<input type="checkbox"/> New <input type="checkbox"/> Already exists / review	<input checked="" type="checkbox"/> Changing
Directorate: Finance	Lead Officer name: Denise Murray	
Service Area: Revenues and Benefits	Lead Officer role: Director – Finance	

Step 1: What do we want to do?

The purpose of this Environmental Impact Assessment is to help you develop your proposal in a way that is compliant with the council’s policies and supports the council’s strategic objectives under the [One City Climate Strategy](#), the [One City Ecological Emergency Strategy](#) and the latest [Corporate Strategy](#).

This assessment should be started at the beginning of the project proposal process by someone with a good knowledge of the project, the service area that will deliver it, and sufficient influence over the proposal to make changes as needed.

It is good practice to take a team approach to completing the Environmental Impact Assessment. See further [guidance](#) on completing this document. Please email environmental.performance@bristol.gov.uk early for advice and feedback.

1.1 What are the aims and objectives/purpose of this proposal?

Briefly explain the purpose of the proposal and why it is needed. Please use plain English, avoiding jargon and acronyms.

The council is reviewing its Council Tax Reduction (CTR) scheme that currently supports 33,000 households who are on a low income with the cost of their council tax. Almost 23,000 are of working age and the remainder are pension age. The current scheme is a means tested discount and pension age recipients are protected from any reduction in support under a scheme that is set out in national regulations. We have fully funded our working age scheme since CTR was introduced in 2013 and this has resulted in working age recipients getting similar levels of support to pension age recipients (up to 100% of their council tax liability).

We currently spend £43.4million on the scheme (£30.0million working age, £13.4million pension age). The forecast cost of the scheme in 2024/25 is £45.7million if there is no change in caseload, or £43.7million if the caseload follows its current downward trend.

The council can make changes to its working age scheme that may reduce the level of discount that is paid (such as introducing a minimum charge for all working age households). This is subject to the recent consultation process and any changes to the scheme must be agreed by Full Council.

The Cabinet and Full Council report provides feedback following an extended period of consultation on a variety of options and possible additional proposals, each having potential impacts on low income working age households and the council’s finances. Any final decision on next years scheme needs to be made by Full Council, noting the results from the consultation process.

1.2 Will the proposal have an environmental impact?

Could the proposal have either a positive or negative effects for the environment now or in the future? If ‘No’ explain why you are sure there will be no environmental impact, then skip steps 2-3 and request review by sending this form to environmental.performance@bristol.gov.uk

If ‘Yes’ complete the rest of this assessment.

Yes No [please select]

There are no known impacts on the environment, or that do not support the council’s One City Climate Strategy, One City Ecological Emergency Strategy, and Corporate Strategy.

1.3 If the proposal is part of an options appraisal, has the environmental impact of each option been assessed and included in the recommendation-making process?

If ‘Yes’ please ensure that the details of the environmental impacts of each option are made clear in the pros and cons section of the [project management options appraisal document](#).

Yes No Not applicable [please select]

If ‘No’ explain why environmental impacts have not been considered as part of the options appraisal process.

Step 2: What kinds of environmental impacts might the project have?

Analysis of impacts must be rigorous. Please demonstrate your analysis of any impacts of the proposal in this section, referring to evidence you have gathered. See detailed [guidance documents](#) for advice on identifying potential impacts.

Does the proposal create any benefits for the environment, or have any adverse impacts?

Outline any potential benefits of the proposal and how they can be maximised. Identify how the proposal will support our corporate environmental objectives and the wider [One City Climate and Ecological Emergency strategies](#).

Consider how the proposal creates environmental impacts in the following categories, both now and in the future. **Reasonable efforts should be made to quantify stated benefit or adverse impacts wherever possible.**

Where the proposal is likely to have a beneficial impact, consider what actions would enhance those impacts. Where the proposal is likely to have a harmful impact, consider whether actions would mitigate these impacts.

Enhancements or mitigation actions are only required when there is a likely impact identified. Remember that where enhancements or mitigation actions are listed, they should be assigned to staff and appropriately resourced.

GENERAL COMMENTS (highlight any potential issues that might impact all or many categories)		
ENV1 Carbon neutral: Emissions of climate changing gases	Benefits	
BCC has committed to achieving net zero emissions for its direct activities by 2025, and to support the city		

<p>in achieving net zero by 2030.</p> <p>Will the proposal involve transport, or the use of energy in buildings? Will the proposal involve the purchase of goods or services? If the answer is yes to either of these questions, there will be a carbon impact.</p> <p>Consider the scale and timeframe of the impact, particularly if the proposal will lead to ongoing emissions beyond the 2025 and 2030 target dates.</p> <p>Further guidance</p> <p><input type="checkbox"/> No impact</p>	<p>Enhancing actions</p>	
	<p>Persistence of effects: <input type="checkbox"/> 1 year or less <input type="checkbox"/> 1 – 5 years <input type="checkbox"/> 5+ years</p>	
	<p>Adverse impacts</p>	
	<p>Mitigating actions</p>	
<p>Persistence of effects: <input type="checkbox"/> 1 year or less <input type="checkbox"/> 1 – 5 years <input type="checkbox"/> 5+ years</p>		
<p>ENV2 Ecological recovery: Wildlife and habitats</p> <p>BCC has committed to 30% of its land being managed for nature and to halve its use of pesticides by 2030.</p> <p>Consider how your proposal can support increased space for nature, reduced use of pesticides, reduce pollution to waterways, and reduce consumption of products that undermine ecosystems around the world.</p> <p>If your proposal will directly lead to a reduction in habitat within Bristol, then consider how your proposed mitigation can lead to a biodiversity net gain. Be sure to refer to quantifiable changes wherever possible.</p> <p>Further guidance</p> <p><input type="checkbox"/> No impact</p>	<p>Benefits</p>	
	<p>Enhancing actions</p>	
	<p>Persistence of effects: <input type="checkbox"/> 1 year or less <input type="checkbox"/> 1 – 5 years <input type="checkbox"/> 5+ years</p>	
	<p>Adverse impacts</p>	
<p>Mitigating actions</p>		
<p>Persistence of effects: <input type="checkbox"/> 1 year or less <input type="checkbox"/> 1 – 5 years <input type="checkbox"/> 5+ years</p>		

<p>ENV3 A cleaner, low-waste city: Consumption of resources and generation of waste</p> <p>Consider what resources will be used as a result of the proposal, how they can be minimised or swapped for less impactful ones, where they will be sourced from, and what will happen to any waste generated</p> <p>Further guidance</p> <p><input type="checkbox"/> No impact</p>	Benefits	
	Enhancing actions	
	Persistence of effects: <input type="checkbox"/> 1 year or less <input type="checkbox"/> 1 – 5 years <input type="checkbox"/> 5+ years	
	Adverse impacts	
	Mitigating actions	
Persistence of effects: <input type="checkbox"/> 1 year or less <input type="checkbox"/> 1 – 5 years <input type="checkbox"/> 5+ years		
<p>ENV4 Climate resilience: Bristol's resilience to the effects of climate change</p> <p>Bristol's climate is already changing, and increasingly frequent instances of extreme weather will become more likely over time.</p> <p>Consider how the proposal will perform during periods of extreme weather (particularly heat and flooding).</p> <p>Consider if the proposal will reduce or increase risk to people and assets during extreme weather events.</p> <p>Further guidance</p> <p><input type="checkbox"/> No impact</p>	Benefits	
	Enhancing actions	
	Persistence of effects: <input type="checkbox"/> 1 year or less <input type="checkbox"/> 1 – 5 years <input type="checkbox"/> 5+ years	
	Adverse impacts	
	Mitigating actions	
Persistence of effects: <input type="checkbox"/> 1 year or less <input type="checkbox"/> 1 – 5 years <input type="checkbox"/> 5+ years		

<p>Statutory duty: Prevention of Pollution to air, water, or land</p> <p>Consider how the proposal will change the likelihood of pollution occurring to air, water, or land and what steps will be taken to prevent pollution occurring.</p> <p>Further guidance</p> <p><input type="checkbox"/> No impact</p>	Benefits	
	Enhancing actions	
	Persistence of effects: <input type="checkbox"/> 1 year or less <input type="checkbox"/> 1 – 5 years <input type="checkbox"/> 5+ years	
	Adverse impacts	
	Mitigating actions	
Persistence of effects: <input type="checkbox"/> 1 year or less <input type="checkbox"/> 1 – 5 years <input type="checkbox"/> 5+ years		

Step 3: Action Plan

Use this section summarise and assign responsibility for any actions you have identified to improve data, enhance beneficial, or mitigate negative impacts. Actions identified in section two can be grouped together if named responsibility is under the same person.

This action plan should be updated at each stage of the project. Please be aware that the Sustainable City and Climate Change Service may use this action plan as an audit checklist during the project’s implementation or operation.

Enhancing / mitigating action required	Responsible Officer	Timescale

Step 4: Review

The Sustainable City and Climate Change Service need at least five working days to comment and feedback on your impact assessment. Assessments should only be marked as reviewed when they provide sufficient information for decision-makers on the environmental impact of the proposal.

Please seek feedback and review by emailing environmental.performance@bristol.gov.uk before final submission of your decision pathway documentation¹.

Where impacts identified in this assessment are deemed significant, they will be summarised here by the Sustainable City and Climate Change Service and must be included on the cover sheet of the decision pathway documentation.

¹ Review by the Sustainable City and Climate Change Service confirms there is sufficient analysis for decision makers to consider the likely environmental impacts at this stage. This is not an endorsement or approval of the proposal.

Summary of significant beneficial impacts and opportunities to support the Climate, Ecological and Corporate Strategies (ENV1,2,3,4):
NA
Summary of significant adverse impacts and how they can be mitigated:
NA

Environmental Performance Team Reviewer: Daniel Shelton	Submitting author: Matt Kendall
Date: 07/11/23	Date: 02/11/2023