



Purpose: For Decision

# Committee report

Committee	<b>FULL COUNCIL</b>
Date	<b>20 JANUARY 2021</b>
Title	<b>LOCAL COUNCIL TAX REDUCTION SCHEME 2021/22</b>
Report of / to	<b>BRIAN TYNDALL, CABINET MEMBER FOR CORPORATE RESOURCES</b>

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## EXECUTIVE SUMMARY

1. Each year the council is required to review its local Council Tax Support (CTS) scheme in accordance with the requirements of the schedule 1A of the Local Government Finance Act 1992 and to either maintain the scheme or replace it
2. Council tax reduction was introduced from 1 April 2013 when it replaced the central government funded council tax benefit regime. From its inception, the funding available to the council from government has reduced year on year.
3. As with the majority of authorities within England, the council has changed its scheme each year for a number of reasons including:
  - adjusting the level of support in line with the funding available from central government; and
  - to aid administration
4. This report details the proposed changes and makes recommendation to members for the 2021/22 scheme effective from 1 April 2021.

## BACKGROUND

5. The national Council Tax Benefit Scheme was abolished by central government on 31 March 2013. Under that scheme claimants on very low incomes could get 100 per cent of their council tax paid. The government paid a grant in respect of the benefit given which meant that there was no cost falling on the council.
6. Council Tax Support (CTS) was introduced by central government as a replacement for the Council Tax Benefit Scheme administered on behalf of the Department for Work and Pensions (DWP). As part of its introduction, the government in transferring the responsibility to individual councils set requirements, namely:

- the duty to create a local scheme for working age applicants with billing authorities;
  - funding was initially reduced by the equivalent of ten per cent from the levels paid through benefit subsidy to authorities under the previous council tax benefit scheme; and
  - persons of pension age, although allowed to apply for council tax reduction, would be dealt with under regulations prescribed by central government and not the authorities' local scheme.
7. Since that time, funding for the CTS has been amalgamated into the settlement funding assessment (SFA) for each local authority as determined by central government. The council's SFA has reduced significantly each year since 2013 and it is no longer possible to identify the amount of funding that specifically relates to CTS.
  8. There is no budget for the cost of CTS as CTS is not actually paid to claimants but instead shown as a discount on their council tax bill. This reduces the council tax base and so the cost is not expenditure as such but instead a reduction in income raising ability.
  9. Under the local scheme, the cost of CTS is expressed as a discount and results in a reduction in the council tax base. This has a financial impact on the Isle of Wight Council, as well as the police and crime commissioner for Hampshire and the Isle of Wight, the Hampshire and Isle of Wight Fire and Rescue Service and local preceptors. For local town and parish council preceptors the funding relating to them has been included with the Isle of Wight Council's funding which is then apportioned and passed on to individual town and parish councils.
  10. The current support scheme created by the council is divided into two schemes, with pension age applicants receiving support under the rules prescribed by central government, and the scheme for working age applicants being determined solely by the local authority.
  11. Pensioners, subject to their income, can receive up to 100 per cent support towards their council tax. The council has no powers to change the level of support provided to pensioners and therefore any changes to the level of CTS can only be made to the working age scheme.
  12. In 2013, the council broadly adopted the previous means tested council tax benefit scheme as the basis of awarding support. However, due to the reduction in funding, a number of changes have been made over the years to the working age scheme.
  13. A CTS exceptional hardship fund was introduced during 2016/17 to recognise the potential impacts to some low-income households that might be faced with genuine hardship as a result of the local CTS 2016/17 scheme changes agreed by Full Council on 20 January 2016. This provision was reviewed again by Full Council on 20 November 2019 and continues to provide support for those in genuine hardship. This requires individual applications and takes into account individual circumstances including the claimant's income and essential outgoings.

## STRATEGIC CONTEXT

14. Each year the council is required to review its Council Tax Reduction Scheme in accordance with the requirements of Schedule 1A of the Local Government Finance Act 1992 and to either maintain the scheme or replace it. The Isle of Wight council tax reduction scheme is known as the Local Council Tax Support (LCTS) scheme.
15. The Local Council Tax Support scheme needs to be considered in the context of the council's overall budget strategy and the financial impact on the ability to deliver services. It also needs to be consistent with the Corporate Plan priorities that seek to ensure the following:
  - A financially balanced and sustainable council.
  - Vulnerable people are supported and protected.
  - People have a place to call home and can live with independence.
  - People take responsibility for their own health and wellbeing.
  - All young people will have the best start in life so that they can fulfil their potential.
  - Community needs are met by the best public services possible.

## CONSULTATION

### Public consultation

16. A full and comprehensive consultation exercise was undertaken from August 2020 to September 2020 as follows:

Stakeholders	Methodology
1. Existing claimants (both working age and pensionable age, approximately 10,800).	Individual postcards to inform of the LCTS potential changes wording "From April 2021, the Isle of Wight Council may have to change the amount it awards in local council tax support. There are a number of options being considered which could affect the discount offered to some people. This is being influenced by financial factors including the effects of the Covid-19 pandemic. The council is asking for your input to help shape this decision."  Online survey via questionnaire explaining proposals and likely impact. Paper survey if requested.
2. Council taxpayers and service users generally	Online survey via questionnaire explaining proposals and likely impact. Paper survey if requested.
3. Interested organisations and groups.	Workshops were held with partners as well as the Anti-Poverty Group to ensure that as many organisations and communities as possible were aware of the proposed change to gather their

	<p>comments. In addition, the Anti-Poverty Group partners were emailed detailing the consultation on two occasions to circulate and raise awareness with their customers.</p> <p>People Matter consulted and agreed a simplified consultation document.</p> <p>Age Friendly Group provided with details of the consultation.</p> <p>Internal council services provided with details of the consultation</p> <p>Email to all parish and town council clerks to raise awareness and seek their views</p> <p>Letter sent to the police and crime commissioner seeking views.</p> <p>Letter sent to the Hampshire and the Isle of Wight Fire authority</p> <p>A total of 286 responses to the consultation were received.</p>
<p><b><u>General Awareness</u></b></p>	
<p>Provision of information and awareness raising of changes and proposals</p>	<p><a href="http://www.iwight.com">www.iwight.com</a>  Press releases.  Face to face communication at customer service points.  The council's Facebook and Twitter sites (weekly promotions).  Information on the front page of iwight.com.</p>

17. Details of the consultation response analysis are set out in Appendix 1. The consultation was responded to by 286 residents (which for validation purposes provides confidence in the outcome of the consultation) of who 44 per cent stated they were currently receiving LCTS. Respondents were also given the opportunity to provide additional comments when asked why they disagreed with an option and what alternatives they would like to see considered, which are set out in Appendix 1a.
18. The consultation explored options for funding the shortfall that the council has in its expected budget deficit and the shortfall specifically between the CTS costs of the scheme and funding available towards the scheme and the effects of Covid-19 on the scheme with 435 additional cases to date claiming LCTS at a cost of £201,000.

19. The consultation explored options for funding the shortfall that the council has in its expected budget deficit and the shortfall specifically between the CTS costs of the scheme and funding available towards the scheme. The majority of respondents:

- agreed increasing the non-dependant deduction;
- agreed with disregarding the housing element of universal credit;
- agreeing with keeping the scheme the same;
- disagreed to the maximum level of CTS being reduced from 70 per cent to either 65 per cent or 60 per cent of a person's council tax liability;
- disagreed to removing the blanket protection;
- disagreed with removing the carers disregard;
- disagreed with reducing the earning disregard level;
- disagreeing with increasing council tax levels;
- disagreeing with finding savings from reducing or cutting other council services.

The full details of the consultation analysis are set out in appendices 1 and 1a.

20. Appendix 1b provides a summary of the responses received from town and parish council's in terms of their views on the options to change the LCTS scheme. There were nine responses received from the town and parish councils with the majority of these disagreeing to proposed options to change to the LCTS scheme.

21. The latest position on claimants and cost of support between the different categories is set out in the table below:

	Average number of claimants 2013/14	Average number of claimants 2015/16	Average number of claimants 2018/19	Average number of claimants 2019/20	Cost of support 2013/14 £M	Cost of support 2015/16 £M	Cost of support 2018/19 £M	Cost of support 2019/20 £M
Pensioner	6,907	6,341	5,385	5,214	£6.28	£5.93	£5.99	£6.14
Working age enhanced premiums (disabled)	2,754	3,320	3,441	3,508	£2.58	£3.46	£2.73	£2.78
Other working age	4,943	3,675	1,915	1,838	£3.67	£2.19	£1.32	£1.33
Totals	14,604	13,336	10,741	10,560	£12.5	£11.6	£10.0	£10.3

22. It can be seen from the above table that there is a dramatic reduction in the number of other working age LCTS claimants but the cost of claims for both pensionable age and working age disabled have remained static. The council tax for 2020/21 saw an increase of 4.06 per cent compared to the previous year including the police and town and parish councils' precepts. The reason the wording 'average' is used in the above table is due to the town and parish council precepts not having a standard rate set for their precepts which vary across the whole area.

23. The projected outturn cost of CTS for 2020/21 is £10.4 million. This represents the overall reduction in council tax by way of council tax support given under the current

scheme. This relates to the reduction in the Isle of Wight Council tax income but also to the police and town and parish council precepts. The grant related to the police service precept is paid directly to them. The council and town and parish council element has been paid to the council and the relevant element is then passed onto individual town and parish councils.

24. In considering how this shortfall should be met, consideration needs to be given to the overall financial position of the council.
25. Since 2012/13 the biggest impact is that the funding from the government has been absorbed into the Settlement Funding Assessment (SFA) as part of the Local Government Finance Settlement and this is being reduced significantly year on year. Since 2012/13 grant funding has been effectively cut by £6.4 million (53 per cent).
26. There will also be an added impact of any council tax increase. There was an average council tax increase of 4.06 per cent in 2020/21 (including the police and town and parish council precepts). Every one per cent increase made on the average council tax band D would result in an increase of £19.65 and this then increases the amount and costs associated with CTS awarded.
27. There remains provision through the Exceptional Hardship Fund which takes into account individual circumstances, including the claimants' income and essential outgoings for a claimant to demonstrate that they require an exceptional hardship award as a result of 'genuine hardship'. This discretionary assistance can be applied for to assist a claimant with any shortfall between their CTS and council tax liability in accordance with the policy's intentions. This is a potential mitigation action where considered appropriate.
28. The equality impact assessment completed during 2020 has been updated following the consultation exercise and this is set out in Appendix 2 to this report. The equality impact assessment is based on the scheme options for 2021/22 including the recommended changes.
29. The government has determined that under the new CTS scheme arrangements that there can be no reduction for council tax support to pensioners.
30. Within the assessment of CTS, there will remain several sources of income or benefits that are either fully disregarded or have a specific level of disregard applied to them in determining the level of income that is used within the calculation of CTS. The disregards from certain incomes received assist those who are disabled, families and working claimants to meet some of their household and other costs.

### COUNCIL TAX SUPPORT SCHEME POTENTIAL CHANGES

31. Taking into account the council's current financial position, the consultation, equality impacts, and the evaluation set out above the potential LCTS scheme options can be summarised as delivering the following savings:

## FINANCIAL / BUDGET IMPLICATIONS

Options		Amount	Cost/Saving to the scheme	Number of claims impacted by over £2 per week ( ) = negative
1 – Reduce the maximum level of support	65 per cent	336,124	Saving	0
	60 per cent	670,985		(3673)
2 – Remove the current blanket protection of claimants in receipt of a disability benefit	No income disregard	441,354	Saving	(709)
	£50 per week income disregard	293,644		(544)
3 – Remove the Carers Allowance disregard		26,186	Saving	(73)
4 – Reduce the earnings disregard	£20 per week	7,758	Saving	(30)
	£15 per week	19,578		(78)
5 – Increase the Non-dependant Deduction rate	£4 per week	27,055	Saving	(210)
	£5 per week	39,521		(210)
6 – Disregard the housing element of Universal Credit as income		£321,438	Cost	702

32. The total expenditure at 31 March 2020 was £10.1 million and at 30 October 2020 the expenditure was at £10.4 million, of which the council's share is £8.8 million, net of the share of cost attributable to the Police and Crime Commissioner and Town and Parish Councils. Since 2013 there has been a reduction in expenditure of £3.2 million which has already been reflected in previous years budgets. This is due to both a reduction in caseload and the changes to the working age scheme since 2013.
33. The assumed SFA funding towards CTS during 2020/21 = £5.57 million. A one-year spending review was held in November 2020 and provisional settlement funding allocations to individual local authorities were announced on 17 December 2020. As expected, the 2020-21 figures have been rolled over to 2021-22 which means that the 2021-22 CTS funding will remain at a similar level as 2020-21 at £5.57 million. This means there is currently a funding gap of £3.23 million.
34. In addition to the wider considerations in the report including the outcome of the consultation, the impact on claimants and the equality impact assessment the overall financial position of the council needs to be taken into account.
35. The funding cuts from government since 2012/13 have been significant and it is not realistic to reduce CTS to match the level of cuts to bridge the gap which is currently £3.23 million.

36. The current scheme requires all working age claimants to pay a minimum of 30 per cent of their council tax, which means a maximum of 70 per cent support may be provided.
37. A breakdown of the current CTS cost is shown below:

	<b>Pension age</b>	<b>Working age</b>
<b>No. of claimants</b>	5,107	5,603
<b>Cost (as at 30.10.20)</b>	£6.1 million	£4.3 million

### LEGAL IMPLICATIONS

38. The council will need to set a lawful and balanced budget and council tax level for 2021/22 at the Full Council meeting on 24 February 2021.
39. The Local Government Finance Act 1992 (as amended) stipulates that for each financial year, each billing authority must consider whether to revise its scheme, or to replace it with another scheme. The authority must make any revision to its scheme no later than 11 March in the financial year preceding that for which the revision or replacement scheme is to have effect.
40. In finally deciding what form the local CTS should take, the council will need to take into account the equality impact assessment of the options, what mitigating actions can be taken to reduce the impact, the results of the consultation exercise, the wider budget position, and the potential impact on council taxpayers and users of services.
41. There must be proper consideration of the impact of the proposals on relevant groups and Full Council members are required to have read the equality impact assessment to enable them to have due regard to the public sector equality duty before making a decision.
42. CTS schemes are dealt with under 13A of the Local Government and Finance Act 1992 and was added by section 10 of the Local Government and Finance Act 2012 so that, in respect of dwellings in England, a person's liability to pay council tax is reduced in accordance with the billing authority's CTS. Liability may be reduced "to such an extent as the billing authority thinks fit". Billing authorities can apply a reduction in particular cases or by determining a class of case. Liability for council tax can be reduced to nil.
43. The framework within which billing authorities must devise their council tax reduction schemes is contained in section 13A of the Local Government Act 1992 (as amended).

### EQUALITY AND DIVERSITY

44. The council has to comply with section 149 of the Equality Act 2010. This provides that decision makers must have due regard to the elimination of discrimination, victimisation and harassment, advancing equalities, and fostering good relations between different groups (race, disability, gender, age, sexual orientation, gender reassignment, religion/belief, pregnancy and maternity, and marriage/civil partnership). An equality impact assessment has been completed in respect of relevant proposals

as part of the decision-making process to enable members to take into account and if necessary, mitigate the impacts as part of the decision-making process.

45. The equality impact assessment for the proposed Local Council Tax Support Scheme is attached at Appendix 2 to this report and is required to have been read by Full Council members before making any decision on the scheme.
46. The equality impact assessment at Appendix 2 shows the main areas of negative impact are age and disability, however measures to remedy these impacts are through the exceptional hardship fund and the £50 income disregard for working age disabled applicants.
47. There is a positive age impact for working age applicants who are in receipt of Universal Credit, which includes an amount of housing costs, as these costs will be disregarded under the proposed scheme.
48. Furthermore, the council has already introduced an exceptional hardship scheme since 2016 and allows any claimant to apply for additional support up to the full level of their council tax and will continue to provide mitigating actions to those deemed to be in genuine hardship and requiring additional support above the LCTS scheme provision.

## OPTIONS

49. There are six options to consider:

**OPTION 1** - The need to review the level of support, given the overall costs of the scheme and whether the maximum level of support for working age cases should be reduced to 60 or 65 per cent (from the current maximum level of 70 per cent)

The projected gap between the government grant and the estimated cost of council tax support if the current scheme was left unchanged for 2021/22 is estimated to be £3.23 million.

For this year the cost of the scheme to date stands at 10.4 million and is likely to increase given the rise in cases due to covid 19. The option provided in the consultation to finding savings from reducing or cutting other council services, was not favourable with only 26 per cent agreeing. Therefore, reducing the scheme to 65 per cent would provide some of the current gap in funding.

**OPTION 2** - To remove the blanket protection by automatically awarding those in receipt of certain benefits as well as additional income/s and provide these cases with an additional income disregard of £50 per week, which would be offset against their total weekly income. The amount of Disability Living Allowance and Personal Independence Payments would continue to be treated as disregarded income.

Those in receipt of a disability benefit currently protected by the blanket protection and potentially removing from automatic entitlement would mean they become assessed in accordance with the scheme's current banding arrangements. In doing so, this would still entitle them to have their benefits disregarded but would take into account any other income/earnings they receive. Adding into the calculation a further £50 disregard

against any additional income would afford recognition of their disability status and ensure that there is equity and fairness across the scheme.

**OPTION 3** - To remove the carer's allowance disregard for looking after a person who is ill or disabled.

This option would affect those who receive carers allowance for looking after a person who is ill or disabled. It would mean that this allowance income would no longer be disregarded, and therefore taken into account as part of the calculation for eligibility to council tax reduction. Disregard of the carers allowance under the current scheme arrangements provides help and financial support to this group of people and fits with the council's closer at home strategy and has minimal cost impacts on the scheme (as demonstrated in the graph at point 31 above).

**OPTION 4** - To reduce the current earnings disregard level of £25 per week to £20 or £15 per week.

Currently where applicants (or their partner, if they have one) have earnings, an earnings disregard of £25 per week is deducted from their total weekly income before their remaining income is taken into account in the calculation for eligibility to a reduction in council tax liability. This proposed option would reduce this disregard to £20 or £15 per week which would mean those working would have more of their income taken into account from one of the two options.

In the current economic climate, this would affect the most vulnerable or those experiencing the most hardship and therefore to reduce the disregard is not considered to be something that would be appropriate to do at this time. This option provides support to those working and has minimal cost impacts on the scheme as demonstrated in the graph at point 31 above.

**OPTION 5** – To increase the current non-dependant deduction rate of £2 per week to £4, £5 or £7.50 per week.

Currently where an applicant (and their partner if they have one) have other adults living with them such as adult sons, daughters, elderly relatives or another person over the age of 18, their LCTS may be reduced. Any charge made is called a non-dependents deduction. In theory, the applicant should look to recoup this deduction from those adults, however keeping to the current levels alleviates financial pressure on any non-dependant's income. The current charge for a non-dependant deduction is £2 per week and increasing this level will reduce the level of support provided and has minimal cost impacts on the scheme as demonstrated in the graph at point 31 above.

**OPTION 6** – To disregard the housing element of Universal Credit as income.

Currently, a customer in receipt of Universal Credit, has their level of LCTS calculated on the full amount of their Universal Credit award. The proposed change would remove the housing element of Universal Credit from this calculation. This change, would, in effect, replicate the situation for those applicants who receive housing benefit whereby any amount of Housing Benefit received is disregarded in the calculation of their LCTS entitlement and treats applicants to both schemes the same in LCTS.

## RISK MANAGEMENT

50. The financial risks relate to the uncertainty of future growth in cases and eligibility and the potential impact on council tax collection rates, with additional pressures due to Covid-19 from an increase in caseload and spend. The projected level of support with estimated collection rates will be included within the council tax base calculations in determining the total of council tax income for 2021/22.
51. The total council tax collection as of November 2020 has increased from this time last year due to the rise in the council tax base, however, on a percentage recovery compared to this time last year, collection is down by 0.76 per cent, due to covid 19, and the ability to progress debt recovery. The council tax base continues to increase meaning there is more to collect and therefore a like for like comparison to previous years is not reflected on the same tax base. However, for November 2019 the level of council tax collected was £77 million compared to November 2020 being £79 million.
52. The assumption is that overall ultimate collection levels will remain broadly the same of the additional council tax to be collected from working age claimants impacted. This is uncertain but considered prudent.
53. The retrospective debt for LCTS cases going back to 2013 now equates to £1.6 million with collection continuing for prior years. From analysis the highest amount of debt outstanding is from those on a passported benefit (income support, jobseekers' allowance and employment and support allowance) of which 205 claims have a liability order awaiting payment for debt outstanding on council tax accounts. Therefore, further reductions in support may create additional debt to ultimately collect or write off.
54. The options being put forward as recommended for adoption as changes to LCTS for 2021/22 are options 1,2 and 6. Options 1 and 2 may impact marginally on the council's overall collection rate levels to a lower level than predicted, however in previous years the collection levels have remained constant. To provide equality within the scheme by introducing option 6, the financial loss of introducing option 6, is balanced out in options 1 and 2 as well as bridging some of the funding gap of the scheme.
55. Option 2, to remove the blanket protection given to those applicants in receipt of certain benefits as well as other forms of income and providing them with £50 earnings disregard brings these cases in line with other working age applicants. Incomes from their benefits in the calculation are disregarded and therefore provides equality within the scheme.
56. Option 6, to disregard the housing element of Universal Credit as income would remove an inequality compared to claimants who are in receipt of housing benefit and will provide a positive change for these claimants.
57. Any risk in collection rates are minimised and mitigated in part by the exceptional hardship fund which is available to assist any claimants suffering from severe hardship, and is available for LCTS customers to apply for help and support in assisting to pay shortfalls in their council tax liability.

## EVALUATION

58. Each year the council must undertake a review of the LCTS scheme for working age applicants, to reflect the funding available to support the scheme, as well as the flexibility to design the scheme according to need.
59. As described in this report the assumed SFA funding towards LCTS during 2020/21 compared to the spend of the scheme leaves a funding gap of £3.23 million and therefore the level of reduction from 70 per cent to 65 per cent has been considered as part of the review as well as the impacts this may have on LCTS claimants and recovery in general, and described earlier in this paper. Option 1 is therefore put forward to reduce the current maximum award of 70 per cent to 65 per cent to help bridge the current shortfall in funding.
60. Option 2 will bring those on certain benefits and also in receipt of other incomes into the working age category bands and therefore treat their other incomes the same as other working age claimants, whilst also disregarding the benefits they receive, and therefore provides equality and fairness within the scheme.
61. Keeping option 3 will continue to ignore carers allowance in the calculation for those looking after a person who is ill or disabled continues to provide support to those in receipt of carers allowance.
62. Keeping option 4 will continue to provide the current level of earnings disregard of £25 to provide a higher level of support to those working by ignoring the first £25 of their total weekly income.
63. Keeping option 5 will continue to keep the current non-dependant deduction at £2 a week and provides support to other adults living in the household such as adult sons, daughters, elderly relatives or other person over the age of 18.
64. Option 6 will bring those in receipt of universal credit in line with housing benefit cases and disregard the housing element of the universal credit award as income. This option will bring universal credit claimants applying for LCTS in line with housing benefit claimants and treat applicants of both schemes the same in LCTS and is therefore a positive change.
65. To support claimants, the council introduced an exceptional hardship scheme in 2016 which allows any claimant to apply for additional support up to the full level of their council tax liability, and will continue to provide additional support above the LCTS scheme provision to those deemed to be in genuine hardship. This scheme is offered to claimants and published widely to offer help and support.

## RECOMMENDATION

That Full Council agree the following:

- A local scheme that is the same as the existing scheme currently in place for 2020/21 and to bridge the level of funding gap currently estimated at £3.23 million, which will need to be met from reducing other council services.

- To implement a local scheme that varies certain elements of the existing scheme so that the CTS scheme continues to bring the working age CTS scheme in line with housing benefit and the pensionable age CTS scheme changes proposed by central government.

**And agrees that:**

- The Local Council Tax Reduction (Support) Scheme for 2021/2022 be adopted as set out from a combination of changes contained as option one, two and six of the report and the LCTS scheme policy as set out in Appendix 4 as follows:
  - (i) To retain a LCTS scheme for working age council taxpayers that is deemed affordable.
  - (ii) To reduce the current maximum support from 70 per cent to 65 per cent.
  - (iii) To remove the blanket protection given to applicants with certain benefits and other forms of income and to treat these the same as other working age applicants while still ignoring these benefits but allowing for a £50 income disregard from the calculation.
  - (iv) To continue to ignore carer's allowance in the calculation for those looking after a person who is ill or disabled.
  - (v) To continue to provide the current level of earnings disregarded of £25.
  - (vi) To continue to provide the current non-dependant deduction rate of £2 for each non-dependant in a household.
  - (vii) Disregarding the housing element of Universal Credit to bring this in line with housing benefit cases which would treat both in the same way.
  - (viii) Continue to provide an exceptional hardship fund that would require individual applications and take into account individual circumstances including the claimant's income and essential outgoings to assist those that are deemed to be in 'genuine hardship' and receive additional assistance based on need.

**APPENDICES ATTACHED**

- Appendix 1: Summary of responses to consultation.
- Appendix 1a: Additional written text responses to the consultation.
- Appendix 1b: Comments received from town and parish councils to the consultation.
- Appendix 1c: Comments received from the police and fire authority.
- Appendix 2: Equality impact assessment council tax support scheme.
- Appendix 3: Examples of impact on claimants.
- Appendix 4: Draft local scheme policy based on proposed option.
- Appendix 5: Draft exceptional hardship fund policy.

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