



Report for: Cabinet

Date of Meeting:	17 December 2024
Subject:	Changes to the Council Tax Support (CTS) Scheme for 2025/26 Financial Year
Key Decision:	Yes
Responsible Officer:	Sharon Daniels, Strategic Director of Finance
Portfolio Holder:	Councillor David Ashton – Portfolio Holder for Finance and Highways
Exempt:	No
Decision subject to Call-in:	No - not a decision for Cabinet
Wards affected:	All
Enclosures:	Appendix 1 – Cross service data analysis Appendix 2 - Consultation and Engagement Plan Appendix 3 – Hardcopy survey Appendix 4 - Frequently Asked Questions (FAQs) Appendix 5 - Household scenarios to show how changes may affect different household types Appendix 6 - Easy Read Appendix 7 - GLA response Appendix 8 - Harrow Labour Group of Councillors open letter Appendix 9 - Harrow Law Centre response Appendix 10 - Citizens Advice Harrow response Appendix 11 – Free text feedback from public responses Appendix 12 – Consultation feedback summary Appendix 13 - Revised scheme

Section 1 – Summary and Recommendations

Paragraph 5 of Schedule 1A to the Local Government Finance Act 1992, as amended by schedule 4 of the Local Government Act 2012, requires the council to review its localised Council Tax Support (CTS) scheme and whether to revise its scheme or to replace it with another scheme for each financial year. Following review of the scheme for 2025/26 financial year a consultation was carried out and a revised scheme is now recommended to Cabinet & Full Council.

This report sets out the reasoning for the proposal to change the CTS scheme, the outcome of the consultation and the proposed revised scheme.

Recommendations:

That Cabinet:

1. Notes and takes into account the consultation feedback attached.
2. Recommends the proposed changes to the CTS scheme to come into effect on 1/4/2025, to Full Council, taking into account the consultation feedback and the potential likely impacts as set out in the Officer report and EqIA.
3. Note paragraph 2.3 regarding the transitional provisions and that a Hardship Fund Policy will be developed and brought to Cabinet for approval in March 2025

Reason:

With the financial pressures to close the substantial budget gap, the London Borough of Harrow must look to all options, including reducing support for CTS. In compliance with legislation the Greater London Assembly (the GLA) was consulted as a major precepting authority a draft scheme published and stakeholders consulted (being those persons considered to have an interest in the operation of the scheme) on proposed changes to the scheme. Feedback from the consultation was taken into consideration when making the decision on the recommendations of the proposed changes to be approved and adopted.

Statutorily the scheme must be agreed by 11 March 2025 for the new scheme to take effect for the following financial year and to enable the Council to make the required savings of approximately £1.3m for the year 2025/26. If the Council does not meet this deadline and agree the changes to the scheme, the Council will be required to continue to deliver the current CTS scheme and will need to find an alternative way to manage the budget gap.

Section 2 – Report

1.0 Introduction

- 1.1 The London Borough of Harrow has consulted on changes to its CTS scheme to understand the views of stakeholders and the potential impacts should proposed changes be made. The Council's financial position mean it needs to save money to contribute towards the budget gap of £4.376m in 2025/26. Consideration has therefore been given to options for cost savings and income proposals to ensure that the Council remains financially resilient and continues to support those most in need.
- 1.2 Council Tax Support was formerly subject to national arrangements and subsidised by Central Government, with the Council being responsible for the administration of it alongside Housing Benefit (HB). From April 2013, that changed with the introduction of a locally determined system of council tax support. There is no longer a nationally governed CTS scheme, although certain aspects of the localised scheme are prescribed by regulations.
- 1.3 Pensioners (of state pensionable age) remain subject to national arrangements. This means CTS can still cover up to 100% of their Council Tax bill if the individual meets certain prescribed criteria. The council is therefore not proposing making any changes to the statutory pension credit age element of the scheme.
- 1.4 London Borough of Harrow has a localised CTS scheme in place for working age claimants which sets out the reductions which are to apply in its area to that specified class of persons whom the authority considers to be in financial need. It is that part of the localised scheme that was subject to consultation.
- 1.5 Legislation requires the Council to consider annually whether the Council's CTS scheme should be revised or replaced. The Council must consider whether the scheme requires changing and must do this in time to ensure it has sufficient time to consult and determine the scheme prior to the deadline set out in legislation, namely 11 March 2025..

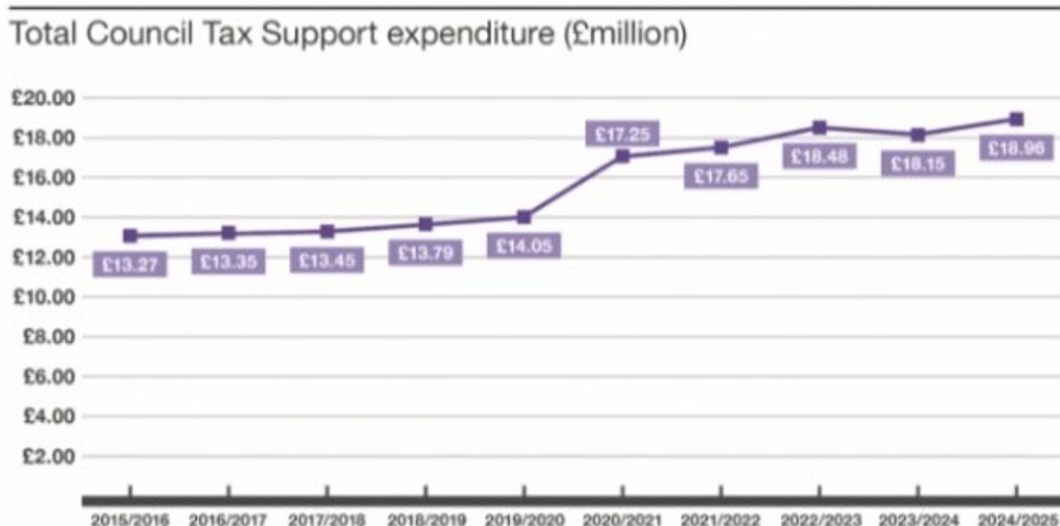
2.0 Background

2.1 Financial context

- 2.11 The London Borough of Harrow is currently facing substantial financial pressures and the council has discretion as to how the CTS scheme for working age claimants applies. As such, following consideration of a variety of savings proposals council wide, the Council made the difficult decision to consult on an option to reduce the scheme's expenditure by £1.7m per annum from the 1 April 2025 as part of the wider variety of savings options. Due to 20% of savings being passed onto preceptors, this would result in a saving of approximately £1.3m for the Council.

2.12 The rate of expenditure on the CTS scheme in the London Borough of Harrow has increased year on year and next year it is predicted the Council will spend more than £19.5 million on CTS as it presently stands. This is an increase of more than £5 million compared with 2015 and it is expected that expenditure will continue to grow.

2.13 During and since the Covid-19 pandemic the expenditure rose disproportionately due to many more residents being unemployed and therefore claiming CTS, with expenditure remaining at a higher level and not reducing to the pre Covid levels. Additionally council tax inflation annually increases expenditure.



2.2 Funding alternatives considered

1. The council could increase its income to close its budget gap. However, one of the only income sources sufficiently large enough to close this budget gap is council tax. Increasing council tax sufficiently to close this budget gap would either require a full increase of council tax inflation flexibilities plus an additional percentage amount for which a referendum or government approval to override the referendum limit would be required. There is no guarantee that residents would vote to increase council tax in a referendum, and so far, the government has only offered an override of the referendum limit to councils in severe financial difficulty. As such, it is considered that proposing an increase in council tax of more than 4.99% would not guarantee that the council could deliver a balanced budget, so this option is not recommended. The current consideration is to increase council tax by the maximum amount permissible without a referendum in light of the current financial forecasting in addition to the changes to the CTS.

2. The council could deliver deeper savings to reduce its expenditure to close the budget gap. The council has already agreed substantial savings over the years. The latest figures are that the council will have to make a further £4.376m savings in 2025-26 to deliver a balanced budget even with a council tax increase of 4.99%. If the council chooses to reduce its expenditure rather than reduce Council Tax Support, this would mean that the council needs to find additional savings of £1.3m on top of the already

agreed savings figures for the 2025/26 financial year. To identify an extra £1.3m of savings is considered extremely challenging therefore this option is not recommended. The council proposes to make other savings which they will be consulting on and even with these savings there is still a budget gap.

3. When councils face budget gaps, it is often suggested that they could utilise some of its reserves to address these budget gaps. This is a poor strategic option for the London Borough of Harrow in its current position as it only delays the need to make a saving further down the line. Further, in the context of Harrow, this is considered especially problematic, as the council's reserves are, and have been for many years, extremely low. As such it is considered imprudent to utilise reserves to temporarily close the budget gap. Consequently this option is not recommended. The council proposes to make other savings which it has or will be consulting on and even with these savings there is still a budget gap

4. The savings are predicated on the ability to collect the additional Council Tax charge that some households will be required to pay. An analysis of affordability has been carried out and mitigations proposed to reduce the risk of the changes being unaffordable to impacted households and the required savings achieved.

2.21 An analysis of potential impacts on other services resulting from any additional financial pressure households may experience as a result of the changes to the CTS scheme was carried out as part of the affordability analysis. The Council's Housing, Childrens and Adults services were consulted and data analysis carried out as shown in Appendix 1 – Cross service data analysis. This analysis will help to ensure the development of the mitigations proposed for the CTS scheme changes will support households through the change and protect the required level of saving.

2.3 Transitional Provisions considerations

2.3.1 The Local Government Finance Act 1992, Schedule 1A, para 5(4) (as amended) states:

“If any revision to a scheme, or any replacement scheme, has the effect of reducing or removing a reduction to which any class of persons is entitled, the revision or replacement must include such transitional provision relating to that reduction or removal as the authority thinks fit.”

2.3.2 Due consideration has been given to what appropriate transitional provision may be applied. It was considered whether the proposed changes to the scheme could be phased in over a two year period. This would have meant the reduction to awards was applied at 50% in 2025-26 and 100% from 2026/27. However, this approach would result in the level of savings achieved in year one being reduced from £1.3m to the council, to £650,000. This reduced rate of savings is not viable given the council must identify sufficient savings in 2025/26 to bridge the budget gap.

2.3.3 Following due consideration, it is therefore considered that such a transitional provision would not be appropriate. Additional funding has however been allocated to the Hardship Fund, increasing the pot from the proposed value of £125,000 to £250,000 in year one of the changes. The Hardship Fund will give opportunity for people most affected by the change to apply for additional assistance to support them while they adapt to the revised rate of payment in year two.

3.0 Options considered

3.1 In the development of the proposed changes to the CTS scheme, various options were considered. Factors included ability to pay; the ability for households to enter work/increase working hours to become financially independent; other pressures the household may experience such as additional costs that may arise in relation to disablement; implications of changes for the most vulnerable; and ensuring any changes proposed did not act as a disincentive to work.

3.2 The following principles were developed to shape changes to the scheme:

- To retain the current higher level of support provided to those claimants that are the most vulnerable
- Ensuring that CTS entitlement reflects the income and circumstances of other adult residents in the household thereby facilitating an appropriate contribution towards funding local services via the council tax
- Those claimants living in higher banded properties should not receive greater levels of support than those occupying lower banded properties
- The London Borough of Harrow scheme will provide targeted support for those experiencing the greatest impacts of any agreed changes in year 1 of the introduction of any new scheme.

3.3 Other options were previously considered with a view to achieving a balance between incentivising work within the above principles of the scheme whilst achieving the required level of saving. Considerations were also given to seeking higher levels of saving under the CTS scheme, but it was determined that the impact would be significant for many more claimants, and that any required higher CTS scheme savings anticipated would potentially be offset by an increase in costs of collection or foregone income due to potentially lower collection rates being achieved.

3.4 It was recognised that the level of strain a higher savings level would put households under was also unacceptable, particularly if the required outcomes could also not be achieved.

3.5 The London Borough of Harrow is only permitted to make changes to the working age scheme. Whilst consideration was given to reducing the level of awards for those households deemed vulnerable under the scheme, the additional income that such households receive, is often required to cover costs such as increased heating bills for example, and would not

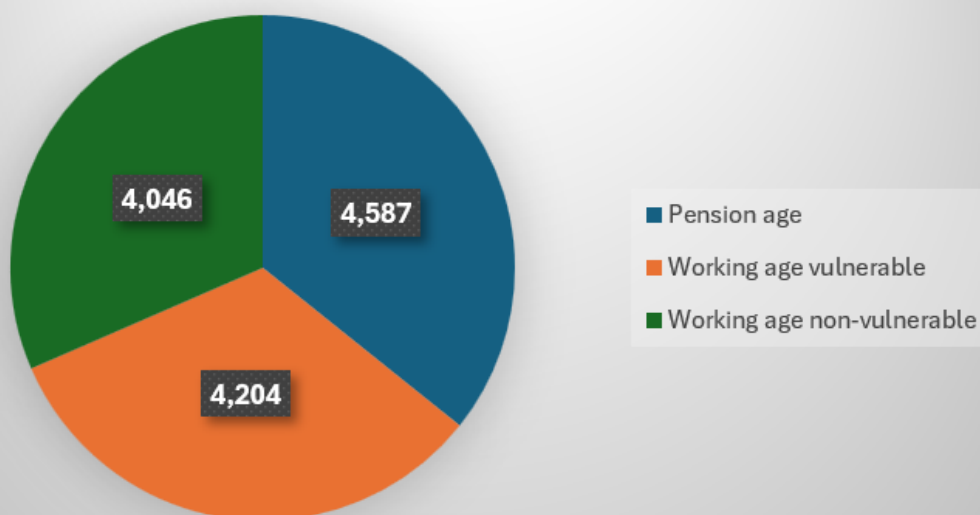
support their ability to enter and sustain full time work or perhaps independent living where appropriate.

- 3.6 The consultation asked whether respondents believed vulnerable households should continue to qualify for CTS to cover 86% of their bill? 81% of respondents to this question agreed that the level of award should remain at 86%. The proposed new scheme therefore retains the current level of up to 86% for the majority of this group. A minority, 270 out of 4,204 households, will be affected by a change to non-dependant deductions which is set out later in this report.
- 3.7 On the basis that the vulnerable group were to be largely protected at the current rate, the majority of savings had to be made from the non-vulnerable working age households.
- 3.8 The Department for Work and Pensions (the DWP) are in the process of migrating all working age claimants on to Universal Credit (“UC”). It is expected that all households will have been notified of the requirement to claim UC by December 2025. 88% of the non-vulnerable CTS caseload have already migrated to UC and it is anticipated that there will only be approximately 140 households who won’t migrate and would remain on the Council’s non-UC CTS scheme. The focus of the changes and impacts is on the UC scheme, although the changes will be applied to both the UC and non-UC CTS scheme.
- 3.9 As well as taking into account income, the non-vulnerable working age UC CTS scheme also considers the household make-up, awarding higher rates to larger households. This is to recognise that some households will have higher outgoings than others. The proposals seek to protect this element of the scheme and therefore spread the key change to the rate of entitlement across the caseload by amending the income band thresholds.
- 3.10 Reducing the rate of entitlement was not sufficient in itself to find the required level of savings, so other options were also required. Along with the above considerations, different options were reviewed for the vulnerable and non-vulnerable groups including increasing the minimum rate of award, changing non-dependant deductions and capping the level of award for households in higher Council Tax bands.
- 3.11 To enable the intention of the scheme changes to deliver the required savings through proposals that are affordable to impacted households, an amalgamation of changes is proposed.

4.0 Current scheme background

- 4.1 The current CTS scheme is made up of the Pension Credit Age and State Pension Age, Working Age Vulnerable and Working Age Non-Vulnerable.

Current scheme caseload volumes



- 4.2 The London Borough of Harrow's current Council Tax Support scheme is published on its website and can be accessed via the link found; [Harrow's Council Tax Support Schemes – Council Tax Support – London Borough of Harrow](#)
- 4.3 The Pension Credit Age scheme is determined by Prescribed Regulations and local authorities have no influence over the scheme other than to offer a more generous scheme if they so wish.
- 4.4 Harrow's working age scheme is currently split between vulnerable and non-vulnerable claimants. For the claim to be treated as a vulnerable one the claimant, partner or child must either receive one of the following benefits or meet the specific condition as appropriate:
- Personal Independence Payments;
 - Disability Living Allowance,
 - Employment Support Allowance (Support group);
 - Incapacity Benefit;
 - Mobility Supplement;
 - Severe Disablement Allowance;
 - People who are registered blind;
 - People who live in a property for which Disabled Person's Reduction has been awarded;
 - Or anyone who is working age and receives War Disablement Pension or War Widower's Pension;
 - The claimant and/or partner has been awarded the Limited Capability for Work and Work related Activity (LCWRA) component within their Universal Credit award.

- 4.5 Both the vulnerable and non-vulnerable elements of the working age scheme are split between claimants in receipt of Universal Credit and those not in receipt of Universal Credit. As the managed migration of Universal Credit will be completed by April 2026, noting the revised CTS scheme will be implemented from April 2025, the options for change are focused on the Universal Credit scheme. Whilst the types of changes set out will also be applied to the non-Universal Credit scheme claimants, it is anticipated that the number of households remaining on that scheme once the migration to Universal Credit is complete will be low at approximately 140.
- 4.6 The non-Universal Credit scheme is a means tested scheme. The claimant can receive up to 70% of their net Council Tax liability depending on the joint income of the claimant and partner assessed against the income level the household is deemed to need to live on, known as their applicable amount. Non-dependant deductions will be applied where there are adults other than the claimant and partner living in the household. The non-UC vulnerable scheme mirrors the non-vulnerable scheme in that it is means tested but awards up to a maximum of 86% of the net council tax payable.
- 4.7 Instead of using a means test, the UC scheme has household categories that each claim will be placed into. The categories have income bands set on the basis of net earned income for the claimant and partner. The award is made depending on the income band for each category by granting a percentage of the Council Tax liability. Deductions will then be made for any non-dependants in the household.
- 4.8 The UC CTS scheme categories are:

Category A: vulnerable* households receive 86% of council tax liability through CTS less any non-dependant deductions**.

Category B: any non-vulnerable household who is in receipt of maximum Universal Credit receive 70% of council tax liability through CTS less any non-dependant deductions**.

Categories C – F: households are placed in a category depending on the household make-up and then into an income band depending on the combined net earned/self-employed income of the claimant and partner. They will then receive the associated percentage reduction of their council tax liability through CTS less any non-dependant deductions**.

- **Claimant category A – UC disabled*** – CTS award is **86% of weekly eligible CT** payable (less non-dependant deduction if applicable)
- **Claimant category B** – in receipt of maximum UC – CTS award is **70% of weekly eligible CT** (less non-dependant deduction if applicable)
- **Claimant categories below** - CTS award is the corresponding % of weekly eligible CT in line with weekly net income (less non-dependant deduction if applicable)

	Claimant Category C		Claimant Category D		Claimant Category E1		Claimant Category E2		Claimant Category F1		Claimant Category F2
Percentage award of weekly eligible Council Tax	Single people without children - weekly net income	Percentage award of weekly eligible Council Tax	Childless couples - weekly net income	Percentage award of weekly eligible Council Tax	Lone parents with up to 2 children - weekly net income	Percentage award of weekly eligible Council Tax	Lone parents with 3 or more children - weekly net income	Percentage award of weekly eligible Council Tax	Couples with up to 2 children - weekly net income	Percentage award of weekly eligible Council Tax	Couples with 3 or more children - weekly net income
70%	£0-£75	70%	£0-£75	70%	£0-£100	70%	£0-£100	70%	£0-£125	70%	£0-£125
60%	£75.01-£125	60%	£75.01-£125	60%	£100.01-£140	60%	£100.01-£150	60%	£125.01-£165	65%	£125.01-£150
40%	£125.01-£175	55%	£125.01-£175	55%	£140.01-£175	55%	£150.01-£200	55%	£165.01-£200	60%	£150.01-£200
0%	>£175	40%	£175.01-£225	40%	£175.01-£225	45%	£200.01-£275	40%	£200.01-£250	50%	£200.01-£275
		0%	>£225	30%	£225.01-£275	30%	£275.01-£325	30%	£250.01-£300	35%	£275.01-£375
				0%	>£275	0%	>£325	20%	£300.01-£375	20%	£375.01-£425
								0%	>£375	0%	>£425

The minimum award that will be made for working age claimants in 2025/26 is £2 a week. If entitlement falls below that level, CTS will not be awarded.

* UC Working age disabled Working Age Vulnerable and War Pension recipients (working age) –

Which consists of households where the customer and partner has earned income less than £440 per week and where the claimant, a partner or a dependent child receives one of the following or meets the specified condition, as appropriate: Personal Independence Payments; Disability Living Allowance; Employment Support Allowance (Support group); Incapacity Benefit; Mobility Supplement; Severe Disablement Allowance; people who are registered blind; people who live in a property which has been granted a disabled band reduction; anyone who is working age and receives War Disablement Pension or War Widows Pension; Claimant and/or partner has been awarded the Limited Capability for Work and Work related Activity (LCWRA) component within their Universal Credit award.

**A non-dependant deduction is an amount the CTS entitlement is reduced by in respect of other adults living in the claimant’s household besides the claimant or partner. The rate of the deduction is dependent on the income of the other adult as set out in the table below. If the claimant or partner are in receipt of Disability Living Allowance Care Component or the Daily Living element of Personal Independence Payment, no deduction will be made.

	Current
Non-Dependant Income	Working age – Universal Credit CTS scheme

	weekly deduction
Aged under 25 and on IS, JSA(IB), ESA(IR) assessment phase or maximum Universal Credit	£3.30
Aged 25 or over and on IS/JSA(IB) or maximum Universal Credit	£3.30
Aged 18 or over and not in remunerative work	£3.30
In receipt of main phase ESA(IR)	£3.30
In receipt of ESA (C)	£3.30
In receipt of JSA (C)	£3.30
In receipt of Pension Credit	£3.30
In work but earning less than £144	£3.30
Gross income not less than £144.00 but less than £256.00	£13.10
Gross income not less than £256.00 but less than £445.00	£13.10
Gross income not less than £445.00 but less than £554.00	£13.10
Gross income not less than £554.00	£13.10

5.0 Proposed scheme

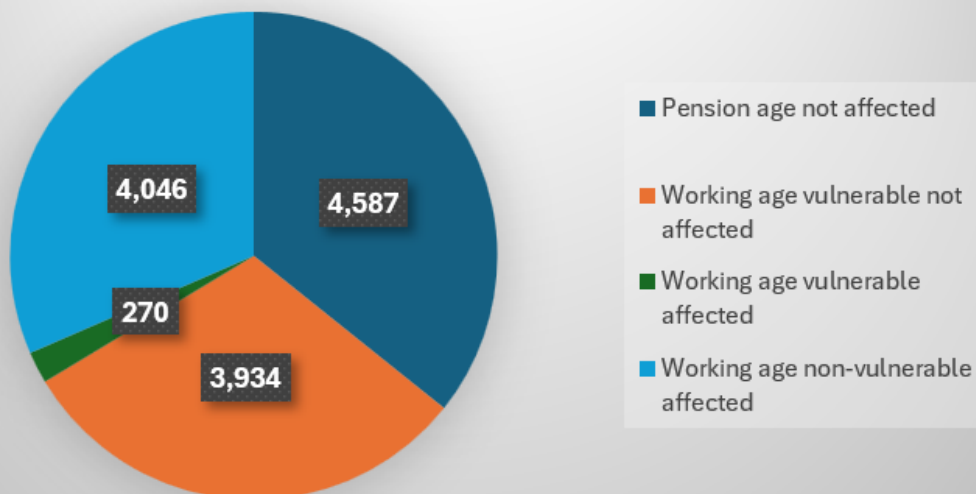
5.1 The proposed changes that were consulted upon were:

- Non-vulnerable
 - Reduce the maximum rate of award from 70% to 50%. The income bands would be reduced respectively by a similar proportion
 - Cap the rate of Council Tax liability that can be used in the CTS calculation at Council Tax band D.
 - Uprate non-dependant deductions by Retail Price Index (RPI) from 2020 when they were last uprated to 2024 and then by RPI or Consumer Price Index (CPI) annually thereafter, and rounding up to the nearest 10p.
- Vulnerable
 - Uprate non-dependant deductions by Retail Price Index (RPI) from 2020 when they were last uprated to 2024 and then by RPI or Consumer Price Index (CPI) annually thereafter, and rounding up to the nearest 10P.

5.2 The consultation also asked stakeholders whether the vulnerable group should continue to be awarded up to 86% of council tax liability and whether any categories had been missed in the qualifying criteria for the vulnerable scheme.

5.3 The chart below shows the caseload volumes for the proposed changes

Proposed revised scheme caseload volumes



6.0 Consultation

- 6.1 To ensure all stakeholders were given the opportunity to respond to the proposals, a far-reaching consultation was carried out from 8 August 2024 to 27 October 2024. Appendix 2 sets out the Consultation and Engagement Plan. The consultation intended to target awareness toward claimant's protected characteristics where it was known there could be a disproportionate impact such as households with children, or where little data is held such as in respect to ethnicity and religion for example.
- 6.2 It was recognised that the CTS proposals were a complex subject matter which would potentially impact upon 4,316 low-income households in the borough. The consultation therefore ensured that all stakeholders could access the consultation in a format that met their needs.
- 6.3 The Harrow Community Partnership (HCP) were contacted prior to the launch of the consultation to comment on the proposed approach to be taken. HCP assisted in ensuring the complex subject matter could be accessible to all both through the development of appropriate materials and the consultation activity.
- 6.4 Consultation materials consisted of:
- Online MyHarrow Talk survey
 - Hardcopy survey - Appendix 3
 - Information about the proposals
 - Frequently Asked Questions (FAQs) – Appendix 4
 - Am I Affected checker
 - Household scenarios to show how changes may affect different household types – Appendix 5

- Easy Read – Appendix 6
- Online translation service
- Online screen reader

6.5 To support residents that wanted to discuss the consultation in more detail or to access assistance in completing the survey the following consultation channels were offered:

- Online
- Hardcopy – held in libraries and Gayton House
- Hardcopy – Access Harrow phone number and email advertised for people to request to have a form posted to them
- Public events – events were held across the borough and advertised in advance to enable people to speak to the consultation team and to raise awareness of the consultation.

6.6 Events were scheduled in areas of the borough where the majority of the affected households lived. They were also scheduled in venues that affected households often attend, to increase awareness e.g. libraries, and at different times of day/weekend to ensure claimants in work could attend.

6.7 In total 9 public events were held and over 150 people had conversations with Harrow Officers. In addition to public events, there were various activities undertaken to ensure representative organisations could contribute views on behalf of their customers;

- Greater London Assembly (GLA) – as a major precepting authority, the GLA are a statutory body that the Council must consult with when proposing to make changes to its CTS scheme. GLA were notified of the consultation prior to the launch as required by legislation and submitted a written response
- VCS events – the voluntary and community sector were consulted on the proposals through the following channels
 - HCP
 - VCS forum
 - Harrow Advice Network (HAN)
 - Email to 87 VCS organisations to raise awareness of the consultation and ask for support in publicising it
 - Offer for Consultation to be taken to service user events
 - Offer for consultation to be taken to organisations unable to attend other events
- Internal Council services – the consultation engaged with the following services to raise awareness of the proposal and to ask for feedback
 - Benefits
 - Council Tax

- Children's Services
 - Adults Services
 - Housing
 - Access Harrow
 - Councillors – all Harrow Councillors were notified of the consultation by newsletter
- 6.8 The consultation was repeatedly publicised throughout the course of the consultation through various channels:
- Mailshot to 12,800 CTS households
 - Harrow People article and advert sent to every property in the borough
 - Posters and flyers held in various venues where potentially affected households would be likely to attend such as libraries, Conversation Café, JCP Harrow & Edgware, Children Centres and VCS offices
 - MyHarrow newsletter
 - Council webpages including on the Benefit pages
 - Social media such as X which VCS were then able to share on their social media
 - Emails to 87 VCS organisations and faith groups
- 6.9 The consultation was reviewed at the mid way point to check that publicity was reaching residents and events were being attended. Additional events were scheduled at Job Centre Plus (JCP) Harrow to increase the number of working age claimants in receipt of benefits who were submitting responses and at the Edgware Conversation Café to ensure residents in that part of the borough could access an event.

7.0 Consultation feedback

- 7.1 The consultation received feedback from the following:
- Greater London Assembly (GLA) – preceptor
 - Harrow Labour Group of Councillors
 - Harrow Law Centre
 - Citizens Advice Harrow
 - Other Voluntary & Community sector feedback
 - Feedback from internal services
 - 236 surveys submitted (228 online, 8 hardcopy)

7.2 GLA

7.2.1 As required by legislation, GLA was consulted with prior to the launch of Harrow's public CTS consultation. An initial response was received on 12 August 2024 and a full response on 25 October 2024 – Appendix 7. The key points from the full response are set out below:

- GLA recognises the financial pressures the council is facing, particularly due to demographic changes in outer London, and

that the burden of any shortfall in CTS funding from government must be carried by working age claimants

- The decision to ask some households to pay more “should be based on a comprehensive analysis of household capability to pay increased obligations, with changes to the scheme designed to safeguard against non-collection, minimise household debt, and ensure optimal revenue generation.”
- GLA supports the decision not to reduce awards to vulnerable households
- When publishing the final scheme, GLA recommend steps for raising awareness of changes and that further analysis of ability to pay is carried out

7.3 Harrow Labour Group of Councillors

7.3.1 Open letter submitted from Labour Group of Councillors is held in Appendix 8. The letter which opposes the proposals was written following consultation with voluntary sector representatives and local residents and is summarised below.

“we are writing to express our dismay and frustration that the consultation on cuts to Council Tax support continues to go ahead despite our attempts to signal what a dangerous policy it is that threatens our most vulnerable residents in Harrow. We believe that the proposed cuts are a profound failure of the corporate promise to make Harrow “a place where those in need are supported.”

7.3.2 Summary of reasons for objections to proposals:

- Pre consultation Equality Impact Assessment indicates that households with children will be more harshly impacted than those without children
- Households with three or more children will lose out more than those with less than three children. The Labour Group of Councillors believe this group already have the most burden to bear
- Concern that the proposals will increase pressure on care sector which will negate the expected savings
- Worryingly 164 carer households will be impacted including 89 carer households in Band E properties will lose more than some other households
- Single parent households will be disproportionately impacted. This group are already vulnerable to the increased cost of childcare. Majority of this group are women
- Victims of domestic abuse will be impacted which is viewed as ‘tragic’ as they need the Council’s support
- Most vulnerable in borough will be affected
- Pressure on foodbanks and voluntary sector who are already struggling to manage additional demand resulting from the cost-of-living pressures

7.3.3 Harrow Labour Group of Councillors also refer to the cumulative effect of this proposed reduction in financial support in addition to other demands resulting from the cost of living such as rent and council tax increases

7.4 Harrow Law Centre

7.4.1 The full response from Harrow Law Centre is held in Appendix 9

“We strongly oppose the proposals:

- The proposals are likely to place the most vulnerable in Harrow further into debt, homelessness and destitution.
- Council tax is a regressive tax which disproportionately impacts upon poorer residents. So any increased liability impacts most on those who can least afford it.
- Council tax rates in Harrow are the third highest of any borough. Yet the existing council tax support scheme is already one of the least generous in the UK.
- At a time of unprecedented child poverty and a housing crisis, the council should be seeking to improve its scheme not make it even worse.
- The proposals discriminate both on gender and race as they are more likely to impact on women and those with larger families and consequently open to legal challenge.
- The definition of vulnerable is too restrictive and misleading
- The proposals will cause increased poverty, homelessness and destitution
- The proposal will not necessarily lead to the projected savings as increased debt will lead to increased demand on the council’s housing, legal, social services and children’s budgets”

7.5 Citizens Advice Harrow

7.5.1 Citizens Advice Harrow submitted a response to the online survey which is held in Appendix 10. A summary of the response is below:

7.5.2 Vulnerable households should continue to qualify for Council Tax Support covering 86% of their bill: Somewhat agree

7.5.3 Any vulnerable categories that we have missed?: Yes

“We are particularly concerned about the impact on low-income working age households – single people and families - who are not in receipt disability benefits but may well have issues which restrict their earnings potential.”

7.5.4 This could be due to waiting time for disability benefits to be paid or appeals to be heard; people have disability but do not meet required number of points to receive disability benefit; do not qualify for disability benefit as have not lived in UK for long enough

7.5.5 The council should reduce the maximum rate of Council Tax Support for all non-vulnerable households from 70% to 50% of their bill: Somewhat disagree

7.5.6 Level of impact of this proposal: High

7.5.7 This is a high level of increase, far above the rate of inflation. If an increase is required it should be at a lower level, such as 60% but the proposed Hardship fund to remain at same rate to assist where debt recovery processes have started.

7.5.8 Consider those affected by combination of two child restriction, benefit cap, high rents, 'unofficially' disabled who are long term unemployed, people waiting for PIP appeal to be heard. Further concern if rules regarding Single Persons Discount change

7.5.9 The Council should base the Council Tax Support for these 'non-vulnerable' households on a Band D property if their property is in a higher band.: Somewhat agree

7.5.10 Level of impact of this proposal: High

7.5.11 Proposal could disproportionately impact larger families, likely to be those most affected by the UC benefit cap and therefore a shortfall between benefits and rent due. These households are financially vulnerable

7.5.12 We are also concerned about move to recovery by bailiffs escalating costs for larger families in financial distress.

7.5.13 All adults in a household should make a fair contribution towards the funding of local services via Council Tax. : Somewhat disagree

7.5.14 Non-dependent adults living with the claimant should have their contribution to the household's Council Tax bill increased to bring it in line with inflation.: Somewhat agree

7.5.15 And thinking about that contribution by non-dependent adults to the household's Council Tax bill. Do you think it should continue to increase each year by the rate of inflation?: Somewhat agree

7.5.16 Level of impact of this proposal: High

7.5.17 Individual circumstances need to be considered

While the increase to non-dependant deductions which is in line with inflation appears to be a necessary change, when taken in combination with the other CTS proposals, and other factors such as the benefit cap could result in household choosing to prioritise rent over council tax to avoid homelessness.

Experience shows that some liable parties do not receive the payment from the non-dependant and therefore struggle to pay. This could be for

reasons such as poor relationship, fear of the non-dependant, non-dependant in debt or saving to move out
Hardship fund may assist

7.5.18 If the changes are introduced, the council should allocate a hardship fund of £125,000 to help those most affected for the first year: Definitely agree

7.5.19 If these changes are implemented, the council should provide additional financial advice to help those affected.: Definitely agree

7.5.20 Money advice would be useful – “we know from practical experience that it is possible to maximise income and reduce outgoings for clients to help them to absorb proposed increase in council tax with less hardship.” Can offer advice on options such as a Breathing Space Moratorium.
Recognise the Council’s financial position but concern that some proposals could result in increased council tax arrears, stress related issues and debt collection via enforcement agents
Hardship fund would help but one year may not be enough. Phased introduction could be important.

7.6 Other Voluntary & Community Sector feedback

7.6.1 Meetings took place with other Voluntary & Community Sector (VCS) organisations including the Harrow Advice Network and VCS forum. A summary of the comments made at those events is given below:

- Huge impact on large families in bigger properties including due to the 2-child limit
- Definition of vulnerable does not cover all aspects of vulnerability. Some groups stated were: Unpaid carers; Care leavers; Residents suffering high levels of debt; Mental health service users; Long term medical conditions; People at risk of domestic abuse; Risk of homelessness/eviction
- Financial vulnerability should be considered
- Additional burden on existing issues
- Potential impact on carer households
- £1.3m saving will cause other financial issues of a higher value
- Crime rate will rise due to youth already struggling to afford basic food
- Difference of council tax debt meaning that people can be subject to bailiffs and ultimately end up in criminal court is a concern – enforcement processes should be reviewed
- Concern over how Hardship Fund applications will be decided as some residents will lose out substantially
- Will Hardship Fund be in addition to the Council Tax Protection Fund
- What support is available from 2026 after Hardship Fund ends?

7.7 Feedback from internal services

7.7.1 Benefits, Council Tax, Housing, Adults, Childrens, Access Harrow services were engaged with as part of the consultation.

- The key points captured are set out below:
 - There could be a disproportionate level of impact on larger families. These households are often those who struggle most with meeting their children’s needs and with neglect
 - Impact on vulnerable families and children living in deprivation and issues of poverty which is likely to increase their likelihood of neglect
 - Care leavers
 - Currently don’t pay council tax until turn 25 years old. Move from zero to 50% is a big adjustment especially as this is also the point at which they move out of local authority care
 - Have a low level of income and face higher barriers to entering and sustaining employment
 - Proposals could have impacts on health inequalities and affect most vulnerable residents
 - Additional council tax payment will put more people over the threshold into poverty
 - Potential impacts on other Council services if implementation of changes is not managed carefully and people are impacted by additional financial pressures
 - Increasing financial stresses are likely to increase the number of people having mental health problems and thus increase the need for services. This could include CAHMS as children can experience anxiety and stress due to worries about money in their family.
 - People with children may be unable to pay for bus fares to take children to school resulting in more absences.
 - People may be pushed deeper into fuel poverty which could result in issues due to not being able to afford heating such as damp, and mould leading to development or exacerbations of chronic lung conditions like asthma and COPD.

7.8 Public consultation

7.8.1 236 surveys were submitted during the consultation period (228 online, 8 hardcopy). The full free text responses are held in Appendix 11. Set out below is a summary of the responses. A more detailed summary is held in Appendix 12.

Questions		Responses			
	% of responses	Agree	Disagree	Neither Agree nor Disagree	

Vulnerable households should continue to qualify for Council Tax Support covering 86% of their bill. Do you agree?	99%	81%	9%	9%	
		Yes	No	Don't know	
The council wants to continue to protect the most vulnerable from any changes to the scheme. The definition of vulnerable is specific and the details of who is included is below. Looking at the information below, do you think there are any categories that we have missed?	96%	38%	35%	27%	
	No. of responses	Agree	Disagree	Neither Agree nor Disagree	
The council should reduce the maximum rate of Council Tax Support for all non-vulnerable households from 70% to 50% of their bill. Do you agree?	98%	34%	47%	19%	
		High impact	Slight impact	No impact	Don't know
What do you think the impact may be on your household if we did this?	98%	52%	10%	24%	13%
		Agree	Disagree	Neither Agree nor Disagree	
The Council should base the Council Tax Support for these 'non-vulnerable' households on a Band D property if their property is in a higher band. Do you agree?	97%	40%	31%	29%	
		High impact	Slight impact	No impact	Don't know
What do you think the impact may be on your household if we did this?	96%	33%	13%	31%	23%

	No. of responses	Agree	Disagree	Neither Agree nor Disagree	
All adults in a household should make a fair contribution towards the funding of local services via Council Tax. Do you agree?	97%	57%	27%	16%	
Non-dependent adults living with the claimant should have their contribution to the household's Council Tax bill increased to bring it in line with inflation. Do you agree?	96%	43%	37%	20%	
And thinking about that contribution by non-dependent adults to the household's Council Tax bill					
Do you think it should continue to increase each year by the rate of inflation?	96%	34%	42%	23%	
		High impact	Slight impact	No impact	Don't know
What do you think the impact may be on your household if we did this?	97%	36%	12%	31%	21%
	No. of responses	Agree	Disagree	Neither Agree nor Disagree	
If the changes are introduced, the council should allocate a hardship fund of £125,000 to help those most affected for the first year	95%	73%	13%	14%	
If these changes are implemented, the council should provide additional financial advice to help those affected.	96%	78%	9%	12%	

*Percentages may not total 100% due to rounding

7.8.2 Where free text responses were given, these have been categorised by the type of response and summarised below. One response may be split across multiple categories if it covered different points. Where specific groups of people who may be impacted were commonly stated in responses, these are listed after the response to that question. Beneath each table of responses are some examples of quotes taken from responses that relate to the key categories of response.

Vulnerable households should continue to qualify for Council Tax Support covering 86% of their bill. Do you agree? Please tell us why you have answered this way	
Category of response	No. of responses
Reducing the rate to vulnerable households would cause financial hardship	68
Vulnerable people should receive support as it is harder for them to help themselves e.g. by finding work, and their households are already under a lot of pressure	49
Not at the expense of others who may also be struggling	9
Not all who claim to be vulnerable are genuine – additional help should only be give if they are genuine	8
It is morally right / fair to support vulnerable people	8
The rate of 86% should be retained for some of the more vulnerable households	6
Awards should be reduced to less than 86%	5
Awards should be increased to more than 86%	5

7.8.3 Examples of responses

- “People that are vulnerable, need to keep their money to help with other things”
- “It’s very difficult for families currently and I would rather support them so that their children can get breakfast”
- “I have spent a considerable time working here in the UK paying my taxes and national insurance contributions and due to my lung condition where I am classified as being clinically extremely vulnerable and receive disability allowance since I was forced to take medical retirement. I believe there are other like me and it is now our time to receive as much help from the government and council during our tough times both physically and mentally. This is further compounded by the high cost of living that we are facing with the prospect of energy prices going up again in October!”
- “Living in a household with disabilities is hard. Being disabled myself. Being made ill health retired after 17yrs. We have the cost of paying for cleaners, gardeners, the extra cost of also maybe paying someone to look after the disabled while you might go out for the day.”
- “86% paid is quite high, maybe this could be reviewed”
- “It should not fall on other residents who are also suffering expensive Energy , Food prices.”

The Council wants to continue to protect the most vulnerable from any changes to the scheme. The definition of vulnerable is specific and the details of who is included is below. Do you think there are any categories that we have missed?	
Category of response	No. of responses
People in receipt of Benefits including Universal Credit/Job Seekers Allowance; any people on benefits; people on Limited Capability for Work component of Universal Credit while waiting for the Work Capability Assessment	12

Low income households	9
Earnings - mostly people on low earnings or part timers	9
Disabled groups including mental health issues; people unable to work due to their disability; ESA support group; Epilepsy; partially sighted	9
Pensioners – some respondents indicated all pensioners should be entitled to CTS, not just those currently covered by the pensioner CTS scheme. 1 respondent referred to households with non-dependant pensioners	7
Households with children – this does not include single parents who are categorised separately. 3 respondents clarified this further stating households who qualify for free school meals; part timers with children; unemployed parents	6
Single parents	5
Households with vulnerable non-dependants	3
Attendance Allowance	3
Carers either in receipt of Carers Allowance or not	3
Other (single responses) – see next slide	12

Some responses crossed between the groups for example part time workers with children.

7.8.4 Examples of responses:

- “People who earn less maybe. It must be threshold of income. You can't put the all people in the same basket. People who get only 700 monthly from universal credit shouldn't be put in the same basket with people who can earn at least 700 from their employment”
- “I strongly object to the proposal which excludes the Limited Capability for Work component of Universal Credit from Council Tax Support. This category still only receive the lowest amount of UC & many, like me, are still unable to work but await the WCA.”
- “People on low incomes are as vulnerable as others. I work full time and cannot afford to live even on the poverty line. Paying full Council Tax makes it impossible for me to live a normal life.”
- “Basing Vulnerability only on whether people are in receipt of Benefits does not take account vulnerabilities such as anxiety, depression, mental ill-health or learning disability because they may not be on these benefits”
- “I agree that people who are not able to work due to their disabilities, like I have the PIP, should still continue to be able to get discounted Council Tax. And also people with children who work part-time should get it because their income is low.”

The Council should reduce the maximum rate of Council Tax Support for all non-vulnerable households from 70% to 50% of their bill.
Do you agree & what would the impact be?

Category of response	No. of responses
Will cause financial hardship - households already struggling/the impact of the cost of living. Respondents stated that the proposals could result in pushing households into poverty, into debt and increased risk of homelessness. There were also concerns about the ability to pay other bills or being able to afford to buy food or heating.	90
Get savings from somewhere else or increase income – suggestions were made that wealthier people should pay more to prevent the need to reduce the rate of Council Tax Support	15
People could afford it – some believe the non-vulnerable group should find work so they do not need to receive Council Tax Support	15
Protect vulnerable – respondent classified those affected by this proposal as vulnerable and thought they should be protected	11
Council budget constraints make it necessary	4
Reduce the rate of awards	4
The affected people are not vulnerable	3
Review council tax bands instead	3
Retain SPD	2
Other (single responses)	15

Groups identified by respondents as affected by the proposed reduction to maximum CTS award from 70% to 50%:

Category of response	No. of responses
Workers	6
Children	5
Mental health issues	4
Single people	4
Non-dependants inc vulnerable non-deps	4
Pensioner	3
Those not classed as vulnerable	3
Health issues & disabled	3
Single parent	2

7.8.5 Examples of responses:

- “Cost of living crisis makes these bills too hard”
- “As I mentioned in a previous question .. I am single and unwell, I am finding it very difficult financially and are unable to survive if my outgoings increase any further. I would be at risk of becoming homeless as I will not be able to pay my rent, I am already in arrears with my gas & electric payments. The thought is

already causing me extreme stress.. my health is already poor. I fear my future. I really need support from the council to apply the maximum discount to my council tax bill please.”

- “As a non working mother to my 1 year old this is not by choice but currently because of the sacrifices of mother hood. Why should UC claimants pay more ? Single parents should be considered to this also if this was to change as we are just as vulnerable !”
- “I receive only Universal credit for rent and Carers Allowance is £81.00 could you live on this?”
- “I feel that this is the wrong area to be looking at recouping costs. Taxing companies and individuals on the higher end of the scale who can afford these changes should be the priority, as well as regulating the current housing market - especially in regards to renting! Not punishing the general public...”
- “Those working and getting a much higher income to the disabled pensioners or unemployed sick etc can surely pay a bit more ?”
- “They are able to get extra income”

The Council should base the Council Tax Support for these non-vulnerable households on a Band D property if their property is in a higher band. Do you agree & what would the impact be?	
Category of response	No. of responses
Will cause financial hardship - people are already finding it difficult financially because of the cost of living. Will impact on the ability to pay for other essentials such as food and heating and could result in increased homelessness	43
People could afford it – some believed that the households could afford to pay all or some more. It was also stated that if someone could afford a Band E+ property then they could afford to pay more toward their council tax	22
Unfair to apply a cap at Band D – this view was mainly because it did not take into account other factors for the household such as income, size of family or how long they had lived in the property. Some respondents thought the council tax bands should be reviewed as they are no longer fair	12
Review council tax bands instead	6
The proposal is fairer for tax payers	5
Case by case basis	3
Get savings from somewhere else	2
The affected people are not vulnerable	2
Protect band E - cap at F	2
Other (single responses)	21

7.8.6 A further 19 stated they needed more information to be able to give more detail around why they had responded in the way they did or that they did not understand the proposal. Due to the complex subject matter consulted upon, information was made available in different ways including an easy read and events for people to come and talk to council officers about the proposals.

Groups identified by respondents as affected by the proposal to cap the CTS awards to the rate of a band D property:

Category of response	No. of responses
Children	7
Earners / low earners	4
Families	3
Larger families	3
Disabled	2
Pensioners	2
Other (single responses)	6

7.8.7 Examples of responses:

- “A larger family living in a larger home is further impacted because they have little option but to live in a higher banded property. Those that have children that are not able to contribute to the household now have to find more money to cover the council tax. As they have greater costs in heating a larger home and the costs of feeding and clothing a family etc they will now face further hardship as they will get less assistance with council tax.”
- “I recently moved from a 2 bedroom house (30 year old ex-council house) band C to a 3 bedroom new build flat (government shared ownership scheme) of a similar size... I was told by the development and Harrow council the flat would be classed as Band C provisionally...however after the valuation it was bumped up to an E! “
- “...the council needs to be fair to all not just the vulnerable as increasing may make them become vulnerable and effect their household then the council will be adding to the issue not solving it”
- “If people in higher bands can afford that property, they shouldn’t get any help.”
- “Because I believe people should pay the council tax if they are not vulnerable”
- “I think it should come down to how much someone earns, not a band, that might not be fair in some way but it’s not fair on the poor who struggle to put food on their table, the richer people wouldn’t have this problem even if they paid more “

All adults in a household should make a fair contribution towards the funding of local services via Council Tax.
Do you agree?

Category of response	No. of responses
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Value of contribution should be means tested/some groups protected – some believed earners/full time workers should pay. There is a view that vulnerable people in the household should be protected including disabled, mentally or physically ill and elderly. Other protect groups stated included students, unemployed, carers (including carers of children and single parents)	80
Every adult in household should pay something – it was thought that this would encourage people to take responsibility and that it is fair/more equitable for all to contribute	42
Would cause financial hardship for individual or household unit as the other adults or the liable party may not have the financial ability to pay. Cost of living was referenced as one of the reasons for this	13
Should be based on household, not number of occupiers. 5 respondents reference the Poll Tax	12
Council tax is too high – others should pay so taxpayer doesn't carry further burden	4
Fairer on taxpayers if everyone contributes	4
Get savings from somewhere else	4
Council tax is too high – others in household can't afford to pay too	3
Council budget constraints make it necessary	2
Don't get good services from Council for what pay	2
Other (single responses)	24

7.8.8 Examples of responses:

- “If all adults are working it's fair to pay but dependent adults with disabilities can't pay as they are not earning. They are already having to choose between eating and heating. They also have health issues whereby they have to keep warm otherwise they will be a burden on NHS.”
- “All working adults in the household should contribute towards the council tax”
- “Depends how much money each person has coming in”
- “Some adults in a home might be vulnerable or young people in full- time schooling who are unable to work and contribute.”
- “I do feel that it's fair that all adults in a household should pay a contribution of council tax.”
- “they already are, and we are still struggling, why should we pay more its not fair”
- “Depends on ability of adult to pay. A parent may have had to take in an adult child as they are unable to find work and housing. The parent should nor be penalised in this situation and should be supported instead.“

Non-dependent adults living with the claimant should have their contribution to the household's Council Tax bill increased to bring it in line with inflation and increase annually. Do you agree and what would the impact be?

Category of response	No. of responses
Would cause financial hardship for individual or household unit – it was stated that people are already struggling financially due to the cost of living and incomes are not keeping pace with inflation. The potential impacts stated included the ability to pay for other essentials such as food and heating and a potential increase in homelessness	42
Adult children should not have to pay / should pay less – most of the respondents who referenced this group as being impacted by the proposal stated that they have low incomes or are out of work and therefore would be unable to pay	13
It is a fair way of making the charge – half of these respondents stated this proposal was fair to tax-payers	12
Value of contribution should be means tested/some groups protected (vulnerable, students, carers)	12
Wages / income don't all increase at rate of inflation so difficult to afford	10
Fair to taxpayers	6
Get savings from somewhere else	5
Council budget constraints make it necessary	4
Non-dependant could be carers	3
Non-dependant not pay so liable party has to pay	3
Household could afford it	2
Using gross earnings makes it harder	2
Other (single response)	34

Groups identified by respondents as affected by the proposal to change the rate of non-dependant deductions

Category of response	No. of responses
Adult children/young adults	14
Vulnerable including sick and disabled and those with mental health issues	11
Carers	4
Workers	2
Children	2

7.8.9 Some respondents also stated that the non-dependants could be vulnerable and be cared for by the liable party so should receive some protection.

7.8.10 Some raised concerns that non-dependants may be carers for the liable party and therefore required to remain in the household and may have limited ability to work.

7.8.11 Examples of responses:

- “You don't take into consideration the claimant could be caring for an elderly vulnerable sick of disabled parent or relative and the extra money it takes to do this.”
- “The. Cost of living is already too high. The bills are going up”
- “The Council need to prioritise the services it provides with fairness in mind to those who pay for it.”
- “If the council tax paid by households not getting any support whatsoever rises by inflation each year, then it's fair that the contribution paid by non-dependent adults should also rise.”
- “My adult children can barely afford to save after paying off their student loans. Not all non-dependent adults are wealthy. Think about individual circumstances.”
- “A lot of ppl still live at home with mum. The bill is in her name, now she is now able to get the non dependent to pay their share. She is left paying the full bill which leaves her short every month.”
- “Many people support their families in different ways and you would be punishing the vulnerable indirectly.”

If the changes are introduced, the council should allocate a hardship fund of £125,000 and/or provide additional financial advice to help those most affected for the first year	
Category of response	No. of responses
Level of mitigations are insufficient – it was felt that either the proposed £125k hardship fund was insufficient or that one year was not long enough for the hardship fund to be available. There were also some concerns about how accessible it would be for people	25
Hardship fund should be made available to specific groups including earners/low earners, non-dependants and vulnerable people including chronically sick, disabled, elderly and people with mental health issues	
Award appropriate rate of CTS so mitigations not needed – it was felt that the proposals to reduce CTS are unfair and will cause financial hardship	19

Proposed mitigations are a good idea – some specifically referred to the financial advice. Some respondents believed the hardship fund should be limited for example to a lower value or by limiting the number of awards per household	15
Get savings from somewhere else	9
Proposals will cause financial hardship	9
Consider implementation and admin costs of a hardship fund	5
Enough help is already given to affected CTS households	5
Suggestions for alternative mitigations	4
Only those genuinely in need should qualify	3
Cost of mitigations is unfair on taxpayers	3
Other (single responses)	18

7.8.12 Examples of responses:

- “think about how hard it is to pay the current council tax, about people's mental health, about the extra pressure you are putting on people to find this money, about the fact that although you are working you cant afford to feed your self. JUST NOT FAIR”
- “As before it seems that the proposal is vastly unfair, looking to increase charges to those that can afford them should be the priority, not the other way around as this seems to be”
- “125k will not be enough taking into account the amount the charge will be raised and the number of people affected”
- “If they provide the fund they should provide it for more than one year - it will go very quickly if only for one year”
- "Great idea to provide more specific where needed”
- “I feel a lot of people don’t understand how to budget properly and need help not to waste money”
- “Any additional assistance should be for the short term only and only one application should be allowed per household and no further applications considered”
- “There should be a fund at a lower level and some advice”

Are there any other things you think the council could do to reduce the impact on affected households of these proposed changes to Council Tax Support?	
Category of response	No. of responses
Don't implement the proposals Of which 2 specifically stated do not implement the proposal to cap at band D	23
Get savings from somewhere else	20
Provide more support and advice to affected households to help prepare for change e.g. employment support	9
Review council tax bands	7

Standard of services should be maintained at current levels or improved	6
Provide financial assistance to those affected e.g. food vouchers	4
Regulate bills to ease financial pressure e.g. rent	3
Analyse affordability of proposals for affected households to ensure they will be able to pay the additional amount	2
Don't increase council tax	2
Support single people	2
Phase the implementation of the proposed changes to give people time to get used to the increase	2
Reduce the council tax charge	2
Pay genuine claimants only review CTS claims for fraud	2
Other (single responses)	42

7.8.13 Of the 42 'Other' single responses, the following relate directly either to the proposed changes or to mitigations to support people affected by the proposed changes that are within the Council's control

'Other' single responses directly relating to proposals and mitigations	
Provide a help line	Vulnerable households should contribute more
Delay the implementation of the changes to give affected households time to prepare	Include Limited Capability to Work component of UC in the vulnerability criteria while the claimant is waiting for the Work Capability Assessment
The hardship fund will help those who really need it	Pay more to carers
Enough help is already given	Award CTS to non-dependant pensioners who are sick or disabled
Only reduce the maximum award to 60%, not 50%	Protect families with children
Consider the individual circumstances of the household	Reduce impact for adult children and part time earners
Use net instead of gross earnings to calculate non-dependant deduction	Support unemployed people
Agree with the proposals	Vulnerable households should contribute more
Align CTS to UC criteria	Review offers for payment plans

7.8.14 While a high proportion of respondents to the above question reiterated their views on whether or not the proposals should be implemented, there were suggestions for other mitigations for the Council to consider:

- 9 respondents suggested additional advice and support to be offered to affected households. This was mainly focused on ways to help people become financially independent such as employment support but also included:
 - Energy efficiency initiatives
 - Budgeting lessons

- Setting up a business
- Help with repayment plans
- Offer welfare benefit review to maximise take up
- Other suggestions were
 - Provide a helpline
 - Prevent no fault evictions if due to rent arrears resulting from council tax increases
 - Provide food vouchers
 - Ensure foodbanks have capacity to support all who need assistance
 - Regulation of rents, landlords and energy bill charges
 - Phase in or delay implementing the proposed changes to give people time to adjust.

7.8.15 Examples of responses:

- “DONT INCREASE IT FIND ANOTHER WAY TO SUPPORT THESE PEOPLE, DONT ROB PETER TO PAY PAUL WE ARE ALREADY SUFFERING”
- “If people need help it should be the same as the existing amount they receive”
- “Stop increasing everything for the lowest paid, those on benefits and kids who work and live in a family property on a low income. These groups are the most affected.”
- “save on their own wastage of money to have more available to support households”
- “Not do it. Try caut back somewhere else, like less fancy buildings. And build some council homes, and stop funding illegal imagrants.”
- “Yes, save money on the overinflated salaries you give senior staff”
- “Conduct reviews on existing claimants who claim single person discount on council tax - some of these people are clearly lying and not living by themselves”

Are there any other comments that you wish to make about the proposed changes or is there anything else you would like to tell us?

Category of response	No. of responses
<p>Don't implement the proposals – most people who indicated they did not believe the proposals should be implemented, made general comments about concern for the wellbeing of households who would be affected by the proposals as a result of financial hardship.</p> <p>One respondent specifically stated do not implement the proposal to cap at band D</p>	19
<p>Savings should be found from somewhere else or increase income to the Council –</p> <p>Five respondents thought the council should implement efficiencies in its service delivery to find the savings or should reduce expenditure in areas such as salaries to senior staff.</p> <p>Four stated that the wealthy could afford to pay more to prevent those on lower incomes from having to pay as much.</p>	17

The proposals will result in additional financial hardship for affected households – respondents raised concerns about the fact that people are already struggling and the impact of the cost of living	12
Concerns were raised about the standard of Council services such as the cleanliness and safety in streets and parks	10
Vulnerable people should be protected. For some the term vulnerable included people not currently classified as vulnerable under Harrow’s Council Tax Support scheme	9
Adult children living in the family home should be protected	4
Review council tax bands as they are outdated and unfair	4
Don’t understand	3
The following summarised points were each made twice in different responses: Recognise need for savings due to Council budget constraints; Council should help people who are struggling and deserve help; request that council tax is not increased; any changes need to be fair to all; changes would put additional mental pressures on people; the Council should request additional funding from government; the council tax system should be reviewed	14
Other (single responses)	47

7.8.16 Of the 47 ‘Other’ single responses, the following relate directly either to the proposed changes or to mitigations to support people affected by the proposed changes that are within the Council’s control

‘Other’ single responses directly relating to proposals, potential impacts and mitigations	
<p>Comments regarding the CTS scheme design and who it should seek to protect included reference to the following:</p> <p>Consider disposable incomes, not the value of house;</p> <p>Consider individual circumstances to decide award of CTS;</p> <p>Don’t use gross earnings in assessment;</p> <p>Only award to genuine claimants;</p> <p>Increase CTS;</p> <p>Limit so all pay 20%;</p> <p>Cap at Band E, not Band D;</p> <p>Only award to people born in the UK;</p> <p>Include Attendance Allowance in the vulnerable criteria;</p>	<p>Other comments relating to impacts included:</p> <p>Concern re the treatment of residents;</p> <p>People can’t afford the additional payment;</p> <p>CTS helps people;</p> <p>Proposals will lead to increase in crime and mental health issues;</p> <p>Proposals will put additional pressure on other council services and savings will therefore not be achieved;</p> <p>Proposals will impact on struggling households who will turn to crime to survive;</p> <p>People will be unhappy for a while;</p>

<p>Help part time earners, low earner non-vulnerable, people on low incomes, families affected by the cost of living, working single mothers with serious health issues instead of immigrants; protect children;</p> <p>Some people with health issues or disabilities are not in receipt of PIP and therefore not classified as vulnerable under the scheme</p>	
<p>In addition to above, other comments specifically relating to the scheme design and proposed changes included:</p> <p>Analyse affordability and amend proposals to ensure savings can be achieved;</p> <p>Review again in future when cost of living has improved; proposals are unfair and general disagreement with proposals</p>	<p>Other comments relating to mitigations included:</p> <p>Provide food vouchers;</p> <p>Hardship fund is insufficient;</p> <p>Provide more help;</p> <p>Stop taking people to court</p>

<p>'Other' single responses directly relating to proposals, potential impacts and mitigations</p>	
<p>Comments regarding the CTS scheme design and who it should seek to protect included reference to the following:</p> <p>Consider disposable incomes, not the value of house; Consider individual circumstances to decide award of CTS; Don't use gross earnings in assessment; Only award to genuine claimants; Increase CTS; Limit so all pay 20%; Cap at Band E, not Band D; Only award to people born in the UK; Include Attendance Allowance in the vulnerable criteria; Help part time earners, low earner non-vulnerable, people on low incomes, families affected by the cost of living, working single mothers with serious health issues instead of immigrants; protect children; Some people with health issues or disabilities are not in receipt of PIP and therefore not classified as vulnerable under the scheme</p>	<p>Other comments relating to impacts included:</p> <p>Concern re the treatment of residents; People can't afford the additional payment; CTS helps people; Proposals will lead to increase in crime and mental health issues; Proposals will put additional pressure on other council services and savings will therefore not be achieved; Proposals will impact on struggling households who will turn to crime to survive; People will be unhappy for a while;</p>
<p>In addition to above, other comments specifically relating to the scheme design and proposed changes included:</p> <p>Analyse affordability and amend proposals to ensure savings can be achieved;</p> <p>Review again in future when cost of living has improved; proposals are unfair and general disagreement with proposals</p>	<p>Other comments relating to mitigations included:</p> <p>Provide food vouchers;</p> <p>Hardship fund is insufficient;</p> <p>Provide more help;</p> <p>Stop taking people to court</p>

7.8.17 The remaining 'Other' comments related to suggestions of where the savings could be found instead or the impacts on others if the proposals are not implemented as well as more general comments

'Other' single responses

Pensioners are affected by high council tax charges;
 Many elderly people are just above level to receive pension tax credits this needs to be looked at as elderly in this area are suffering;
 People not in receipt of CTS are struggling to pay bills and council tax already;
 Implement proposals and use money to invest in making borough better place to live;
 Reduce council tax;
 Review SMI exemption if person lives alone;
 Government should permit individuals to donate to public services;
 Council is delivering a good service;
 Council services should be high quality;
 How is council tax being spent by the council?;
 I have totally lost faith in all the systems in place;
 Also should have reduced for front line workers;
 Protect SPD

7.8.18 Examples of responses:

- “I hope the council think very carefully & thoroughly how taking away this council tax support will impact house holders with vulnerable adults/ children and those carers looking after these people. Considering all the other cost of living bills that need to be paid.”
- “Reducing help to all those entitled to Council Tax Support should not be done. These are already our most vulnerable residents. I do not wish to be mugged on Harrow streets or burgled by those who are driven to desperation; or see an increase in suicides by those pushed over the edge by financial issues. Please remember your decisions have significant impact on the lives of Harrow residents.”
- “Yes don’t go ahead, it’s an extra financial burden and we are already struggling. When things get better in 5 years then you can look at it again. The cost of living is too high at the moment”
- “I am a disabled (amputee) person with several illnesses eg diabetes, hypertension,. I am on road to rehab but it will take a long time. I am struggling financially as I don’t receive PIP. I need council tax support.”
- “Harrow are targeting the most vulnerable in their community rather than streamlining to save costs or make the most of additional revenue, for example Civic centre has been repurposed, moving everything online should have lead to fewer staff, the Kodak development should be providing another stream of income.”
- “council tax is too expensive anyway the council should reduce their costs and wasted money to save.”
- “mental health is real don't add to it,”
- “I understand why the Council is considering the changes. Please ensure that the most vulnerable are protected and that people who are not vulnerable (but have limited means like single people) are treated fairly. Please also ensure that the services provided by the Council are regular and high quality.”
- “A very good idea to get the extra money off people who aren’t vulnerable to put towards doing more work in parks and make the borough a better place to live.”

8.0 Recommended revised scheme

8.1 Following consideration of the feedback from consultation, the recommended CTS working age scheme proposes to:

- Retain the 86% maximum rate of award for vulnerable households
- Reduce the maximum rate of award for all non-vulnerable working age to 50% and proportionately reduce all of the rates of award against each of the income bands
- Cap the maximum rate to be used in the CTS assessment for non-vulnerable households at equivalent to Band D
- Increase non-dependant deductions for all CTS households including vulnerable by the rate of RPI annually since they were last reviewed in 2020. Non-dependant deductions will then be uprated annually by whichever is higher of CPI or RPI to align with the higher rate of inflation.

8.2 The revised scheme is set out in Appendix 13 and summarised in Appendix 14

8.3 This proposal would achieve £1.7m savings gross, which equates to £1.3 for the London Borough of Harrow once the GLA's share is taken into account for.

8.4 This proposal retains protection up to 86% for those households classified as vulnerable under the scheme (see Current Scheme above for definition of vulnerable). The proposed scheme would reduce the maximum amount that could be awarded to a non-vulnerable household to 50% in place of the current 70%. The amount awarded will be dependant on the combined net earned income for the claimant and their partner if applicable.

8.5 The table below sets out the revised rates within this proposal. Where the claimant remains on the non-Universal Credit scheme, the amount of council tax used in the means tested calculation will reduce from 70% to 50%.

8.6 In the CTS scheme, the percentage of CTS awarded is based on the full council tax liability after any discounts have been applied. It is proposed to apply a cap to the maximum amount of council tax to be used in the calculation to the equivalent of a Band D charge for non-vulnerable households.

8.7 Working Age – in receipt of Universal Credit

- **Claimant category A** – Universal Credit Vulnerable – CTS award is **86% of weekly eligible CT** payable (less non-dependant deduction if applicable)
- **Claimant category B** – in receipt of maximum UC – award is **50% of weekly eligible CT** payable (less non-dependant deduction if applicable)
- **Claimant categories below** – CTS award is the corresponding % of weekly eligible CT in line with weekly net income (less non-dependant deduction if applicable)

For categories B – F, the maximum eligible CT payable that will be taken into account in the calculation is at Band D inclusive of any discounts or exemptions such as Single Person Disregard

For all categories A – F, the rate of non-dependant deductions will be uprated as set out below

	Claimant Category C		Claimant Category D		Claimant Category E1		Claimant Category E2		Claimant Category F1		Claimant Category F2
Percentage award of weekly eligible Council Tax	Single people without children - weekly net income	Percentage award of weekly eligible Council Tax	Childless couples - weekly net income	Percentage award of weekly eligible Council Tax	Lone parents with up to 2 children - weekly net income	Percentage award of weekly eligible Council Tax	Lone parents with 3 or more children - weekly net income	Percentage award of weekly eligible Council Tax	Couples with up to 2 children - weekly net income	Percentage award of weekly eligible Council Tax	Couples with 3 or more children - weekly net income
50%	£0-£75	50%	£0-£75	50%	£0-£100	50%	£0-£100	50%	£0-£125	50%	£0-£125
40%	£75.01-£125	40%	£75.01-£125	40%	£100.01-£140	40%	£100.01-£150	40%	£125.01-£165	45%	£125.01-£150
20%	£125.01-£175	35%	£125.01-£175	35%	£140.01-£175	35%	£150.01-£200	35%	£165.01-£200	40%	£150.01-£200
0%	>£175	20%	£175.01-£225	20%	£175.01-£225	25%	£200.01-£275	20%	£200.01-£250	30%	£200.01-£275
		0%	>£225	10%	£225.01-£275	10%	£275.01-£325	10%	£250.01-£300	15%	£275.01-£375
				0%	>£275	0%	>£325	0%	>£300	0%	>£375

8.8 Non-dependant deductions will be increased by the annual rate of Retail Price Index (RPI) year on year since they were last reviewed in 2020. The revised rates of non-dependant deductions are set out in the table below. This uprating will be applied to all working age CTS households. The protection for households where the claimant or partner receive Disability Living Allowance Care Component or the Daily Living element of Personal Independence Payment to not have non-dependant deductions applied will remain. From 2026/27 onwards, non-dependant deductions will be uprated annually by whichever is higher of Consumer Price Index (CPI) or RPI.

8.9 The table below sets out the revised non-dependant deductions for households on both the Universal Credit and non-Universal Credit working age CTS scheme

Non-Dependant Income	CTS working age non-Universal Credit scheme Weekly deductions (2024/25 rate in brackets)	CTS Working age Universal Credit scheme Weekly deductions (2024/25 rate in brackets)
Aged under 25 and on IS, JSA(IB), ESA(IR) assessment phase or Maximum Universal Credit	£4.50 (£3.30)	£4.50 (£3.30)
Aged 25 or over and on IS/JSA(IB) or Maximum Universal Credit	£4.50 (£3.30)	£4.50 (£3.30)
Aged 18 or over and not in remunerative work	£9.00 (£6.60)	£4.50 (£3.30)
In receipt of main phase ESA(IR)	£4.50 (£3.30)	£4.50 (£3.30)
In receipt of ESA (C)	£4.50 (£3.30)	£4.50 (£3.30)
In receipt of JSA (C)	£9.00 (£6.60)	£4.50 (£3.30)
In receipt of Pension Credit	£4.50 (£3.30)	£4.50 (£3.30)

In work but earning less than £144	£9.00 (£6.60)	£4.50 (£3.30)
Gross income not less than £144.00 but less than £256.00 a week	£9.00 (£6.60)	£17.75 (£13.10)
Gross income not less than £256.00 but less than £445.00 a week	17.75 (£13.10)	£17.75 (£13.10)
Gross income not less than £445.00 but less than £554.00 a week	£22.25 (£16.50)	£17.75 (£13.10)
Gross income not less than £554.00 a week	£26.50 (£19.80)	£17.75 (£13.10)

8.10 The minimum value of award of £2 a week will remain.

8.11 Impacts

8.12 The consultation engaged with stakeholders to capture the potential impacts of the proposed changes. This information fed into an Equality Impact Assessment which supports this recommendation when the revised scheme is considered by Cabinet. The Equality Impact Assessment is set out in Appendix 15 to this report.

8.13 The modelling that has been carried out is a reasonable indicator of which households may potentially be impacted. It should however be recognised that it is modelling so the impacts are only estimates based on the caseload as it is in September 2024. The caseload is expected to change by the time the scheme goes live in April 2025 with the most notable change being that the majority of working age households in receipt of means tested benefits will have migrated to Universal Credit. The modelling is also based on current Council Tax and benefit rates. Any future changes to CTS households such as income or Council Tax are not currently known and therefore cannot be factored into the modelling.

8.14 Impacts are largely based on the CTS impacted working age caseload as a whole. However, individual impacts are focused on those households that have already migrated onto Universal Credit to give a fair representation of how the majority will be impacted once the managed migration to Universal Credit is complete.

8.15 The table below sets out the number of households who would potentially be impacted by the proposal set out in this report. Households will only see a reduction to the amount of CTS they receive, none will see an increase as a result of the proposed changes

Working age CTS household type	Number of households
Not classified as vulnerable	4,046
Classified as vulnerable	4,204
Total	8,250

Total negatively impacted	4,316*
* Vulnerable impacted by proposed uprating to non-dependant deductions	270* (included in 4,316 above)
Vulnerable seeing no change	3,934

8.16 The estimated level of loss for affected households ranges between £1.45 and £34.39 a week.

8.17 The average estimated level of loss across all of the 4,316 affected households is £7.78 a week.

8.18 The 270 vulnerable households will see a lower average loss of £4.60 a week because they are only impacted by the non-dependant deduction change.

8.19 The information in this report considers an average level of loss per household. In reality the value of loss and the impact of that loss will vary for different households depending on a number of factors such as the household income, expenditure and household make up. The CTS scheme awards different rates of entitlement to different types of households in recognition of their individual circumstances e.g. that larger households will have higher expenditure. This also means that some households will receive more CTS currently and therefore a percentage reduction would be a higher value to some than others. The impact of this loss will differ per household. This report considers groups of households to understand impacts but it should be recognised that for some the impact will be less and for others it will be more.

8.20 The values of loss used to demonstrate the impact are based on the Council's working age CTS Universal Credit scheme. 88% of non-vulnerable households have already migrated on to UC and the rest are expected to have migrated by March 2026 excluding approximately 140 households which are not currently expected to migrate. As the UC rate is what all households will ultimately receive, the non-UC rates have not been factored into the financial impacts.

8.21 In the Equalities section below this report breaks down which protected characteristic may be disproportionately impacted by the proposals.

9.0 Mitigations

9.1 Having considered the potential impacts of the proposed changes, mitigations have been identified to give households opportunity to adapt to the change to the amount of CTS that they will receive. The changes to the scheme, its impacts and the mitigations will be monitored to inform whether any should be extended into 2026/27.

- Introduce a Hardship Fund to the value of £200,000 for 2025/26

- Provide additional advice and support to households impacted by the proposed changes
- The scheme will be reviewed after 1 year

9.2 Introduce a Hardship Fund – a Hardship Fund of £200,000 will be implemented from April 2025 to assist people impacted by the CTS proposals. Responses to the consultation which proposed a fund of £125,000 raised concerns that this level was insufficient so the fund has been increased. The fund will initially be available for one year. The consultation found that respondents were concerned this may not be long enough so a decision for a second year of funding will be reviewed during 2025/26 as more information becomes available about how people are managing the change.

9.3 The Hardship Fund policy will be developed to target support to those most affected by the proposals. Some respondents to the consultation highlighted concerns about accessibility which will be considered in the development of the policy and the subsequent publicity to ensure that households experiencing severe financial difficulties, including those disproportionately impacted protected characteristics, have equality of access to the fund.

9.4 Additional advice to be made available – the consultation found that people thought advice to assist households impacted by the proposed changes would be beneficial. Advice will therefore be made available under the Council's new Information and Advice Contract which will be in place with effect from 1 April 2025 and this will ensure the delivery of additional advice and support to impacted households. Advice will include financial assistance such as budgeting advice, income review to maximise income, and support with managing debts.

9.5 Other support to help people become financially independent – in addition to financial advice, the consultation recommended support should be available to people to assist them in becoming financially independent e.g. employment or energy efficiency support. Many of these services already exist in the borough so will be publicised to households impacted by the proposals and be signposted through the advice service, to ensure people can access the required support.

9.6 Existing additional support in the scheme for protected characteristics is to continue – Harrow's CTS scheme for working age people already incorporates elements to provide additional support to some protected characteristics. These are not proposed to be changed. For example 48% (3,394 households) of the working age CTS caseload are classified as vulnerable under the scheme and will not be impacted by the proposed changes. This means they will continue to be passported to 86% CTS. There are also categories of households to take into account the number of children that live in a household and whether the claimant has a partner or not and could therefore be a lone parent. The larger the household, the higher the rate of CTS that they can access. The proposals will not change this additional rate of award. Additionally, there are no non-dependant deductions applied to households where the claimant or partner receive certain disability benefits. Again, this will not change.

9.7 Considerations of vulnerability in council tax recovery – the Council's Council Tax Collection and Recovery Policy includes definition of vulnerability to allow for consideration of the liable person's situation at stated points in the recovery process. A household may be classified as

vulnerable for the purpose of recovery of council tax but not CTS and vice versa.

9.8 Delays to vulnerable classification while waiting for decision on disability benefit – the consultation flagged concerns that some households have a long wait before they receive a decision on an application or appeal for a disability benefit that could result in the household being classified as vulnerable. The scheme will continue to retrospectively award the increased rate of CTS to these households once a decision on the disability benefit is made. If these households are classified as vulnerable under the Council Tax Collection and Recovery Policy then consideration to their ability to pay will be given at stated points in the recovery process.

9.9 Household Support Fund (“HSF”) – the government has announced that HSF will be extended into 2025/26. While guidance and amount of funding have not yet been confirmed, it is anticipated that support will continue to be made available to households who may be impacted by the cost of living. Many of these households will be in receipt of CTS and could therefore receive additional support such as food parcels or vouchers.

9.10 Support from Discretionary Housing Payment (“DHP”) – the DHP fund will be available in 2025/26 and will continue to support people in receipt of housing costs who are struggling to manage a shortfall in their rent and housing support. These households may be impacted by restrictions to benefits such as the Benefit Cap and therefore find it more challenging to pay additional council tax. Assessment of DHP applications considers the income and expenditure for the household so will take into consideration any extra council tax charge resulting from the proposed changes to CTS.

9.11 Additional support for households from the 2024 government budget:

- Low-income households on Universal Credit through the creation of a Fair Repayment Rate which will allow households to keep more of their UC award each month
- National Living Wage increase – from April 2025 the National Living Wage will increase. For people on the CTS Universal Credit scheme this will mean their overall income increases without a reduction to their CTS entitlement unless they move into a higher earnings bracket. In work non-dependants are also likely to see an increase in the income they receive without a corresponding increase to the non-dependant deduction on the Universal Credit scheme unless it takes their gross income over £144 a week
- DWP and HMRC working age benefits uprating for 2025-26 – to be uprated by CPI of 1.7% from April 2025 which will not affect entitlement to CTS on the Universal Credit scheme
- Carer’s Allowance Weekly Earnings Limit increasing – people in receipt of Carer’s Allowance will be able to earn the equivalent of 16 hours at the National Living Wage before it starts to effect their entitlement to Carer’s Allowance which is expected to result in additional income for the household and increase the number of people who may now qualify

9.12 Publicity of changes to CTS scheme and available support – the proposed changes to the CTS scheme will be publicised to all impacted households, residents in the borough more widely and Voluntary and Community Sector (VCS) organisations to help people understand what

the change means to them and enable them to prepare for the increased payment. Publicity will also include information about available support in the borough to raise awareness for impacted households. By including VCS organisations in the publicity, groups that may otherwise find the information harder to engage with can be made aware of the changes and available support by a 'friendly organisation' who is best placed to share information in a way that can be accessed by their client group.

10.0 Legal Background

- 10.1 Paragraph 5 of Schedule 1A to the Local Government Finance Act 1992, (the "1992 Act") as inserted by Schedule 4 to the Local Government Finance Act 2012, requires the authority to consider whether, for each financial year, the CTS scheme is to be revised or replaced.
- 10.2 Where the scheme is to be revised or replaced the procedural requirements in paragraph 3 of schedule 1A of the 1992 Act applies. Any revision/replacement must be determined by 11th March in the preceding financial year to the year which the changes are to apply.
- 10.3 Having decided that the scheme needs to be changed, the Council must consult with the GLA, publish a draft scheme and then consult with such persons who are likely to have an interest in the operation of that scheme prior to determining the scheme before the 11th March deadline. This report recommends that authority to consult is granted.
- 10.4 If any proposed revision to the scheme is to reduce or remove a reduction to which a class of person is entitled, paragraph 5 of Schedule 1A of the 1992 Act requires that the revision must include such transitional provision as the Council sees fit.
- 10.5 Pursuant to section 67(2)(aa) of the 1992 Act, the making or revision of a council tax reduction scheme is a function to be discharged only by the authority, ie, by full Council.

11.0 Financial Implications

- 11.1 Reducing the cost of the CTS scheme is one of many options to close the budget gap for the coming year. It is essential that the consultation takes place in order for any savings from changes to the scheme to be able to be considered as part of budget deliberations. The savings anticipated from implementing a new scheme are estimated to be £1.3m in 2025/26.
- 11.2 £200,000 will be allocated to a Hardship Fund in 2025/26, with a further £50,000 being allocated to staffing costs for the administration of the fund.
- 11.3 The Council's new Information and Advice Contract will be in place with effect from 1 April 2025 and this will ensure the delivery of additional advice and support to impacted households as set out in the mitigations.

12.0 Risk Management Implications

- 12.1 Risks included on corporate or directorate risk register?
Yes - as part of the Medium Term Financial Strategy (MTFS)
- 12.2 Separate risk register in place? **No**

12.3 The relevant risks contained in the register are attached/summarised below. **N/A**

12.4 The following key risks should be taken onto account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG
The locally determined and discretionary system of council tax support is subject to national/central govt. change for 2025/26	<ul style="list-style-type: none"> ▪ Very low risk any major changes to national scheme would be made at this time as would not now give local authorities time to consult 	GREEN
Council does not agree policy change	<ul style="list-style-type: none"> ▪ Members briefed and understand impact and risks to MTFS and overall Council Finances 	GREEN
Risk of successful challenge to LBH CTS scheme following changes being agreed	<ul style="list-style-type: none"> ▪ Consultation was inclusive with all impacted stakeholders and the feedback shared with Members to inform any decision before it is made ▪ Advice sought from Legal Services on development of scheme, to reduce or mitigate risk of any potential challenge. ▪ Equality Impact Assessment carried out to capture in-depth understanding of potential impacts of changes and implementation of mitigations 	AMBER
Risk to council tax collection rates & impact on council tax payers	<ul style="list-style-type: none"> ▪ Hardship fund and other support in place to help mitigate impact for those experiencing financial hardship and unable to pay 	GREEN

13.0 Procurement Implications

13.1 There are no procurement impacts anticipated from the recommendations contained within this report.

14.0 Equalities implications / Public Sector Equality Duty

14.1 Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited when the scheme is reviewed. Consideration of the duties should precede any decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

14.2 A public authority must, in the exercise of its functions, have due regard to the need to:

14.3 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - Tackle prejudice, and
 - Promote understanding.

14.4 Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race,
- Religion or belief
- Sex
- Sexual orientation
- Marriage and Civil partnership

14.5 An EQIA has been carried out, which is attached as Appendix 15 to this report. The highlighted findings of the EQIA are set out below. The impacts are mitigated against by the proposals set out in the Mitigations section above. These will be monitored to understand if there are any unforeseen impacts and whether the mitigations are delivering the expected outcomes.

14.6 The 'Types of impacts – general' identified below are similar across all protected characteristics. Any points specific to a protected characteristic have been set out in the detail for that characteristic. It should also be noted that where characteristics cross over, impacts for one group could also affect another for example a household with children and a disabled

person could be affected by the types of impacts listed under both the Age and Disability protected characteristics.

14.7 Types of impacts - general

- 14.7.1 The key impact is due to financial hardship which was cited as an impact of the changes to the CTS scheme in the consultation. This could be exacerbated due to existing hardship and poverty as a result of the cost of living crisis. Financial hardship could result in households making decisions about whether to pay council tax or pay for other bills such as rent, heating or food, or going into debt. Non-payment of other bills can have a detrimental effect on people such as increasing the risk of homelessness, impacting on health due to mould in a cold, damp home or poor diet. Mental health can also be impacted by budgeting concerns.
- 14.7.2 Respondents to the consultation cited concerns that people would experience financial hardship as a result of the proposals and households claimants may already be affected by austerity measures which could be exacerbated by the changes.
- 14.7.3 The consultation included concerns that type of enforcement action used to recover council tax is of great concern and places additional pressure on affected households.
- 14.7.4 Poverty has been cited in some responses to the consultation as an exacerbating factor that can lead to domestic abuse.
- 14.7.5 Larger families may be managing a combination of other restrictions to benefits such as the two-child limit or the Benefit Cap so may have a proportionately lower income than households with 1 or 2 children.
- 14.7.6 Feedback from the consultation also identified that households were managing with other impacts on their income such as benefits being frozen for a number of years or having a size criteria restriction applied to their rent but not being able to downsize.
- 14.7.7 Those who have not yet migrated to Universal Credit will need to adjust to managing a monthly budget paid in full to the claimant when they migrate over the next 18 months, while also potentially budgeting for an increase in the amount of council tax they pay.
- 14.7.8 Self-employed people may have a Minimum Income Floor applied to the income used in the Universal Credit calculation. This means DWP apply a higher rate of self-employed earnings than the claimant/partner may actually receive. It is this rate that is used in the CTS assessment. These households could be asked to pay more toward their council tax from an income that they potentially do not have.
- 14.7.9 Households with children are more likely to have additional costs if they are in work due to childcare.
- 14.7.10 A household living in a Band E or above property and in receipt of CTS are likely to rent the property and therefore could not sell it as an asset to release funds. It is possible they will have higher bills such as to heat a larger property than some properties in lower Bands. If the household lives in a higher council tax Band because of the need for a larger property, they may be unable to downsize to alleviate this additional financial pressure or if they did downsize, they may be overcrowded.
- 14.7.11 Impacts stated in the consultation included potential impacts on people's physical health for example if they could not afford to put the heating on which may result in damp or mould which can result in illnesses such as chronic lung conditions such as COPD.

14.7.12 Risk of mental health issues if there are worries in the household relating to finances and debt.

14.7.13 Non-dependants asked to pay more may not make the payment either because they can't or won't pay. There were concerns about affordability for this group and some responses to the consultation raised concerns about the ability of the liable party to take this money from the non-dependant e.g. because of domestic abuse. This could have an impact on the household as a whole if the additional money needs to be found by the liable party instead.

14.8 Age

14.8.1 Claimants in the pension age CTS scheme are not affected by the proposals.

14.8.2 All working age CTS households who are not classified as vulnerable will be impacted in addition to vulnerable households who have non-dependant deductions. This equates to 4,316 working age households (4% of all households in borough).

14.8.3 Non-vulnerable working age households

14.8.4 Total non-vulnerable working age CTS households: 4,046 (49% of all working age CTS households)

14.8.5 Non-vulnerable affected CTS households with children: 2,981 (74% of non-vulnerable households)

14.8.6 Total number of children in non-vulnerable working age CTS households: 6,723.

14.8.7 Average estimated loss for all non-vulnerable working age CTS households 4,046: £7.97 a week

14.8.8 Average estimated loss for non-vulnerable households with children 2,981: £8.06 a week

14.8.9 Average estimated loss for households with 1 or 2 children 1,934 (65% of all non-vulnerable households with children) : £7.73 a week

14.8.10 Average estimated loss for households with 3 or more children 1,047 (35% of all non-vulnerable households with children): £8.79 a week.

14.8.11 Households with 3 or more children are more likely to lose £10 or more as a result of the proposals.

14.8.12 Relative to the proportion of households with children in the borough, a high percentage of the CTS working age caseload contains children. 6,500 children (under age 15) in Harrow are believed to live in families experiencing income deprivation, compared to 6,979 who are in households in receipt of CTS who will be impacted by the proposed changes (CTS child is defined as a dependent for whom child benefit is in payment for). Even with the difference in definition between the Census and CTS, it is apparent that children will be disproportionately impacted by these proposals due to the number of CTS households with children who will be affected.

14.8.13 57% of the total CTS working age caseload include children. More non-vulnerable households (74%) have children than vulnerable households (41%) which means the proposals disproportionately affect households with children.

14.8.14 Households with 3 or more children are forecast to lose on average £1.00 a week more than households with no children and £1.06 a week more than households with 1 or 2 children.

14.8.15 Proportionately more households with 3 or more children will lose £10 or more compared to the affected caseload as a whole.

14.8.16 709 (18%) of the non-vulnerable CTS caseload live in a property with a CT valuation of Band E or above. 44% of these households have 1 or 2 children in them and 37% have 3 or more children in them. This compares to 65% and 35% respectively in any Band which indicates that families with more children are more likely to be impacted by the Band D cap.

14.8.17 Care leavers

14.8.18 Harrow has 361 care leavers aged 18-24. Harrow currently does not charge care leavers council tax so they pay nothing until they turn 25. At this point they would start to pay at least 50% of the council tax charge, noting that they are likely to be entitled to a single person discount. It is estimated they will lose £7.00 a week which is the average rate of loss for single people with no children.

14.8.19 Of the proposed changes, care leavers are most likely to be impacted by the proposal to reduce the maximum rate from 70% to 50%. They face high barriers to work and are therefore more likely to have to rely on CTS. They will have previously paid nothing toward their council tax and would now start to pay at least 50%. There are approximately 52 care leavers who start to pay council tax for the first time each year.

14.8.20 A single 25 year old will receive £90.80 a week. If they lived in a Band B property with a single person discount ("SPD") applied, they would have to pay approximately 14% of their Universal Credit income on council tax. As this group are also likely to be restricted to a single room rate for their housing costs, they may also have other additional costs such as topping up their rent.

14.8.21 Mixed age couples: it is estimated there are 47 mixed age couples in receipt of Council Tax Support where either the claimant or partner are pension age and classified as non-vulnerable who will be affected.

14.8.22 Households with non-dependants who are pension age pensioners:

14.8.23 There are 796 households where non-dependant deductions are applied. It is estimated there are 1098 non-dependants in these households. It is not known how many of these are of pension age, however the majority of pension age non-dependants are expected to have the lowest level of deduction applied as they are unlikely to be in remunerative work. This means the impact would equate to about £1.20 a week per non-dependant

14.8.24 Vulnerable households

14.8.25 The only proposed change that impacts households who are classified as vulnerable is the uprating of non-dependant deductions. There are 270 vulnerable households with non-dependant deductions. The estimated average loss to these households is £4.60 a week.

14.8.26 145 of these households contain children for whom the average level of loss is slightly less than the total for the vulnerable group at £4.45 a week.

14.8.27 Mixed age couples classified as vulnerable: it is estimated there are 9 mixed age couples in receipt of CTS where either the claimant or partner are pension age and classified as vulnerable who will be impacted by the proposals.

14.8.28 Types of impacts - Age

14.8.29 In addition to the CTS reduction, larger families are also likely to be managing a combination of other restrictions to benefits such as the two child limit or the Benefit Cap so may have a proportionately lower income than households with 1 or 2 children.

14.8.30 Households with children are more likely to have additional costs if they are in work due to childcare.

14.8.31 Impacts stated in the consultation included potential impacts on peoples physical health for example if they could not afford to put the heating on which may result in damp or mould which can result in illnesses such as asthma which may affect children.

14.8.32 Children may be at risk of mental health issues if there are worries in the household relating to finances and debt.

14.8.33 When prioritizing how to use limited household income, things such as school bus fares may not be deemed to be affordable which could ultimately impact on a child's education.

14.8.34 Financial pressures are known to exacerbate the risk of domestic abuse which is detrimental to children.

14.8.35 Poverty is a known factor which can increase the risk of child neglect.

14.8.36 105 households who would be impacted by the changes to the CTS scheme are known to Childrens Social Care (excluding Children Looked After) in Harrow.

14.8.37 Young adult children who are non-dependants will struggle to pay an increased rate if they are looking for work. This could have an impact on the household as a whole if the additional money needs to be found by the liable party instead.

14.8.38 Once the working age person in a mixed age couple reaches pension age, the CTS claim will move into the pension age scheme and they will be assessed against a maximum rate of 100%. This impact is therefore only applicable to them for this time.

14.8.39 1,811 of the impacted households are known to be lone parents who may face additional barriers to work due to childcare responsibilities.

14.8.40 Care leavers have high barriers to work and will have to start to fund 50% of their council tax liability in the first year they leave local authority care. They have greater barriers to work and will therefore find it more difficult to enter full time work to become financially independent.

14.9 Disability

14.9.1 270 households classified as vulnerable under the CTS scheme have non-dependant deductions applied to them and will be impacted by the proposed changes.

- 14.9.2 It is not known which CTS households would classify themselves as disabled or having a long term health issue which affects their daily living, only those that are classified as vulnerable under the scheme.
- 14.9.3 Vulnerable households can currently receive up to 86% of their council tax in CTS. The only change to affect this group is the increase to the non-dependant deductions. As the deductions are expected to be passed on to the non-dependant to pay, the vulnerable claimant or partner should not be impacted. It should however be noted from the consultation that there are concerns that the money will always be paid by the non-dependant which will leave the liable party to fund the shortfall.
- 14.9.4 It is not known whether the non-dependants would be classified as vulnerable.
- 14.9.5 Households classified as vulnerable are likely to lose less than households who are not vulnerable:
- 14.9.6 270 households with an estimated reduction of £4.60 a week. This relates to 366 non-dependants across the 270 households.
- 14.9.7 There are 19 vulnerable households who will lose £10 or more.
- 14.9.8 The vulnerable households that will lose most due to this proposal are those without children. The average level of loss for those with children is £4.45 and for those without children is £4.83 a week.
- 14.9.9 By retaining the 86% level of protection for the vulnerable households and not implementing a Band D cap, 3,934 vulnerable households in receipt of CTS will be protected at their current level of entitlement.
- 14.9.10 48 households who would be impacted by the changes to the CTS scheme are known to Adult Social Care in Harrow.

14.9.11 Carers

- 14.9.12 It is not known how many people in CTS households would classify themselves as a carer. It is only known if the claimant or partner receive Carers Allowance.
- 14.9.13 535 of the affected CTS households are in receipt of Carers Allowance. They are estimated to lose £8.53 a week which is above the average of £7.78 a week for all CTS households.
- 14.9.14 They are proportionately more likely to be impacted by the change to the non-dependant deductions and to the combined impact of all three changes. 185 households impacted by changes to non-dependant deductions have a claimant or partner in receipt of Carers Allowance. A further 42 households are forecast to be impacted by all three of the proposed changes.
- 14.9.15 Those households with Carers Allowance in Band E or above properties are forecast to lose more than average and are more likely to be impacted by this proposal.

14.9.16 Types of impacts - disability

- 14.9.17 Households in receipt of Carers Allowance may find it more difficult to find work to resolve their financial situation, because of their carer role.

- 14.9.18 Non-dependants may be carers for a vulnerable person in the household and could get priced out of staying in the home due to the increase in non-dependant deductions.
- 14.9.19 Non-dependants could be disabled but the household would not be classified as vulnerable under the CTS scheme on the basis of the non-dependant.
- 14.9.20 People who may be 'unofficially' disabled but not qualify for a benefit that would result in their household being classified as disabled would have to pay more under the proposals. They could have additional costs due to the disability but not receive any additional help for it e.g. people with mental health issues which may change over time. It can also be difficult for this group to enter and retain employment.
- 14.9.21 Households waiting for a decision on an application for a disability benefit or waiting for an appeal to be heard will have to fund the higher rate of council tax until a decision is made to prevent potential recovery action.
- 14.9.22 Financial hardship was cited as an impact of the changes to the CTS scheme. This could be exacerbated due to existing hardship and poverty as a result of the cost of living. Financial hardship could result in households making decisions about whether to pay council tax or pay for other bills such as rent, heating or food, or going into debt. Non-payment of other bills can have a detrimental effect on people such as increasing the risk of homelessness, impacting on health due to mould in a cold, damp home or poor diet. Mental health can also be impacted by budgeting concerns. These type of issues for households who are already experiencing health issues could have a high impact.
- 14.9.23 A household living in a Band E or above property and in receipt of CTS are likely to rent the property and therefore could not sell it as an asset to release funds. It is possible they will have higher bills such as to heat a larger property than some properties in lower Bands. If the household lives in a higher council tax Band because of the need for a larger property, they may be unable to downsize to alleviate this additional financial pressure or if they did downsize, they may be overcrowded. A disabled household may need a larger property to help with the disability for example an extra bedroom for a carer.
- 14.9.24 Carers may be unable to work or to work full time so have increased barriers to being able to resolve their financial situation themselves.
- 14.9.25 If a non-dependant is unable to afford the increased deduction it could result in a financial impact for the household as a whole.
- 14.9.26 A non-dependant may find it harder to access work if they are a carer.

14.10 Marriage and Civil Partnership

14.10.1 Of the 4,316 affected working age CTS households, 1,512 (35%) are living together as a couple. They are estimated to lose £9.14 a week compared to all affected who are estimated to lose £7.78 a week.

14.10.2 CTS non-vulnerable couples are proportionately more likely to lose over £10 a week, Couples without children are proportionately more likely to lose more. 376 couple households are forecast to lose more than £10 a week, 310 of which have children.

14.10.3 Couples with children are proportionately more likely to be affected by a combination of the three changes to the CTS scheme.

14.10.4 Couples without children are more likely to be affected by all three changes, while couples with children are more likely to be affected by the change to the maximum award from 70% to 50% and the Band E cap. These cohorts are expected to see a higher level of loss.

14.10.5 This means couples are more likely to be impacted by the proposal to cap at Band D and are on average forecast to lose more than other households impacted by this proposal.

14.10.6 Types of impacts – marriage and civil partnership

14.10.7 There have been no impacts identified specifically for people with this protected characteristic, but these households would be at similar risk of impacts to those households with other protected characteristics depending on the make-up of the household. See above for Types of impacts – general.

14.11 Ethnicity

14.11.1 Ethnicity data held for households in receipt of CTS is limited so it is not possible to give numbers of households that would be affected broken down by ethnicity. The consultation included a communication to all CTS households and emails were sent to VCS groups that represent different ethnic groups within the borough. Responses referring to concerns about impacts for ethnic groups were very limited but Harrow Law Centre referenced potential impacts for this group as poverty and higher impacts due to greater likelihood of being impacted as a larger households.

14.11.2 It is possible to make some inferences in respect to impacts based on the Census data and more common attributes for some ethnic groups. The CTS impacted caseload was also matched to Acorn pen portraits to help get an understanding of who the impacted households might be.

14.12.3 The Acorn analysis found the following information in respect to the CTS impacted caseload compared to the Harrow population:

- More likely to be White
- Less likely to be Mixed
- Far less likely to be Asian
- Less likely to be Black
- Far far less likely to be Other 'Other' includes Arab, in line with the ISER Understanding Society study, which is the source for CACI Acorn

14.12.4 While this information is only indicative and not conclusive, it helps to build a picture of whether there are any groups in the Ethnicity protected characteristic that would be impacted by the proposals.

14.12.5 Further research found that some ethnic groups would be more likely to be affected by other factors that could mean they could be impacted by the proposed changes. These were:

- Asian, Asian British or Asian Welsh ethnic groups were more likely to live in multi-generational households.
- 14.12.6 This could increase the likelihood of them being impacted by the changes to non-dependant deductions. They could also be more likely to live in a Band E or above property if a larger property is needed to house the larger households. Given Harrow has such a high Asian, Asian British or Asian Welsh population it is likely that there would be a disproportionate impact on this group.
- Black, Black British, Black Welsh, Caribbean or African: Caribbean had the highest proportion of lone parents.

14.12.7 42% (1,811) of affected households are lone parents. The average level of loss for lone parents is lower than the average level of loss compared to all affected households: £7.30 compared to £7.78 a week. As there is a proportionately high number of lone parents in the affected caseload, it is likely that there will be a proportionately higher number of Black, Black British, Black Welsh, Caribbean or African: Caribbean in the lone parent households that are impacted.

14.12.8 Types of impacts - ethnicity

14.12.9 It is not possible to identify the household types to give an average forecast level of loss for ethnic groups. However, the level of loss could range from £1.45 a week to £34.39 a week. The average level of loss across the impacted caseload is £7.78 and there are 841 CTS households that could potentially lose over £10 a week.

14.12.10 There have been few impacts identified specifically for people with the ethnicity protected characteristic, but these households would be at similar risk of impacts to those households with other protected characteristics depending on the make up of the household. See above for Types of impacts – general.

14.12.11 The consultation included concerns that due to the use of Enforcement Agents in the recovery of unpaid council tax, this is of greater concern for people who do not use English as their first language and single parents.

14.12.12 If they are part of a larger family, they may be managing a combination of other restrictions to benefits such as the two child limit or the Benefit Cap so may have a proportionately lower income than households with 1 or 2 children.

14.13 Sex

14.13.1 All working age CTS non-vulnerable households and vulnerable households with a non-dependant deduction will be impacted.

14.13.2 Information is held on the claimant's sex but not partner. It is therefore not possible to state for couples how many are male and how many females there are in couples. There is however 99% of data held for the sex characteristic for claimants and therefore this information is known for single people.

14.13.3 Data indicates that there is a higher proportion of lone parents who are female than male. 93% (1,683) of lone parents are female and 6% (113) male.

14.13.4 Of the single people affected by the changes to CTS who are not lone parents, 56% (550) are female and 44% (435) are male. While the sex of CTS couples is not known, indications are that there are more

females in receipt of CTS who would be affected by the changes than males.

14.13.5 Lone parents are proportionately less likely to see a higher level of loss than other households with similar numbers of children. However, because the average level of loss for households with 3 or more children is higher than the caseload as a whole, and there are more female lone parents than males, the data indicates that females could be more likely to be impacted by higher levels of loss than males in this group.

14.13.6 Single females, including lone parents, are proportionately more likely to see a loss of more than £10 than males with 86% (399) of single households who are forecast to lose more than £10 a week being female compared to 13% (61) being male.

14.13.7 The proportion of single males and females impacted by the different proposals remains fairly constant with a 5% fluctuation across the different types of change. It is only those vulnerable and not-vulnerable impacted by changes to non-dependant deductions and not the Band E cap who are more likely to be female. This cohort see an average level of loss of £10.27 a week.

14.13.8 In addition, the consultation and research indicate that females are more likely to be impacted by the changes to CTS than males both as single people and in couples. The reasons for this are included below.

14.13.9 Types of impacts - sex

14.13.10 Harrow Law Centre stated the following in respect to the potential impacts of the consultation on women:

“There is now a vast amount of research to show that women have borne the brunt of austerity policies and the cost of living crisis. This body of research shows that women are more likely to be poor than men and have been hit harder by the cuts to welfare benefits and public services. They have lower levels of savings and wealth than men and their caring responsibilities leave them less able to increase paid hours of work. They are also the shock absorbers of poverty tending to bear responsibility for household budgets and to skip meals and make other sacrifices to support their children. Single parents, most of whom are women, tend to have lower savings and be more in debt than couple households with children.”

14.13.11 Respondents to the consultation cited concerns that people would experience financial hardship as a result of the proposals and households were already struggling due to the cost of living. This indicates that CTS claimants may already be affected by austerity measures which could be exacerbated by the changes and women could therefore be disproportionately impacted. Given that a greater proportion of the CTS caseload are believed to be women, it would therefore seem likely that this protected characteristic is more likely to be impacted by the changes to the CTS scheme.

14.13.12 Victims of domestic abuse will potentially be impacted by these changes if they are in receipt of CTS. It is not always known who these CTS households are. The majority are believed to be female. Poverty has

been cited in some responses to the consultation as an exacerbating factor that can lead to domestic abuse. Women are more likely than men to be victims of domestic abuse.

- 14.13.13 Responses to the consultation also indicated that women are more likely to be carers, including of children, and therefore will find it harder to work full time.
- 14.13.14 Some impacts for men or women are likely to be similar to impacts set out for other protected characteristics. For example, if they are part of a larger family, they may be managing a combination of other restrictions to benefits such as the two child limit or the Benefit Cap so may have a proportionately lower income than households with 1 or 2 children.
- 14.13.15 Households with children are more likely to have additional costs if they are in work due to childcare. This is more likely to impact women as they are the higher proportion of lone parents so have to carry this additional cost alone, but could also impact women in couples as they tend to be the primary carer for children.
- 14.13.16 Non-dependants asked to pay more may not make the payment either because they can't or won't pay. There were concerns about affordability for this group and some responses to the consultation raised concerns about the ability of the liable party to take this money from the non-dependant e.g. because of domestic abuse. This could have an impact on the household as a whole if the additional money needs to be found by the liable party instead. This impact could be higher impact for women who are more likely to take the impact of the reduced household income and are also more at risk of domestic abuse.

14.14 Public Sector Equality Duty

- 14.14.1 The authority has considered its Public Sector Equality Duty in the development of this EQIA. Some negative potential impacts in respect to some protected characteristics have been identified and it is intended to address these against potential impacts through the mitigations set out below. for example by implementing a hardship fund to ease the financial pressure on large families who may be experiencing combined impacts of other multiple restrictions on their incomes.
- 14.14.2 The mitigations also intend to advance equality of opportunity between people who share and people who do not share a relevant protected characteristic, for example by offering advice services to households who may initially struggle to manage the change to the CTS scheme so they can access assistance such as budgeting advice or employment support. Publicity will be targeted to affected households and to Voluntary and Community Sector and Faith organisations such as those representing different ethnicities and faiths to raise awareness amongst groups with protected characteristics noting that some people with protected characteristics may be less inclined to access such assistance. Outreach work will also include translation services.
- 14.14.3 Due regard has also been given to the authority's duty to foster good relations between people who share and people who do not share a relevant protected characteristic. The changes to the CTS scheme will be publicised to raise awareness with residents to help understand the

decisions the authority is making to balance the budget to ensure services can be delivered to all who need to use them while also considering the financial implications of households in the funding of those services through council tax.

14.14.4 Set out below are mitigations intended to help all people with protected characteristics to manage the proposed changes. Where it is intended to assist a specific characteristic, this has been stated. At the annual review of the CTS scheme the authority will consider any previously unidentified impacts or if it transpires the mitigations have not been as effective as expected.

15.0 Council Priorities

15.1 The report addresses the Council's corporate priorities as the change to the CTS scheme will ensure additional monies are available to close the financial gap and improve the Council's financial position. As such it supports;

1. A council that puts residents first
2. A borough that is clean and safe
3. A place where those in need are supported

Section 3 - Statutory Officer Clearance

Statutory Officer: Sharon Daniels

Signed by the Chief Financial Officer

Date: 18 November 2024

Statutory Officer: Baljeet Virdee

Signed on behalf of the Monitoring Officer

Date: 21 November 2024

Chief Officer: Sharon Daniels

Signed off by the relevant Director

Date: 18 November 2024

Head of Procurement: Minesh Mehta

Signed by the Assistant Director of Procurement

Date: 19 November 2024

Has the Portfolio Holder(s) been consulted? Yes

Mandatory Checks

Ward Councillors notified: NO, as it impacts on all Wards

EqIA carried out: Yes

A detailed Consultation Strategy was developed to ensure the consultation carried out was inclusive and captured the views of potentially impacted groups. This informed the Equality Impact Assessment that is attached as Appendix 15.

EqIA cleared by: 20 November 2024 Shumaila Dar

Section 4 - Contact Details and Background Papers

Contact:

Fern Silverio (Assistant Director – Collections & Housing Benefits),
Tel: 020-8736-6818 / email: fern.silverio@harrow.gov.uk

Background Papers:

- As per Appendices attached

Call-in waived by the Chair of Overview and Scrutiny Committee

(for completion by Democratic Services staff only)

Not Applicable