



Leicester  
City Council

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# ***Appendix A***

## ***CTRS & Discretionary***

### ***Spend recommendations***

#### ***summary table***

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## Council Tax Reduction Scheme & Discretionary Spend recommendations summary table January 2016

Current situation	Mandatory elements	Recommendations	Cost impacts
<p><b>Council Tax Reduction Scheme</b></p> <p>Family Premium allowance is included in the HB and CTRS assessment.</p> <p>It is awarded to households with dependent children, couples and lone parents.</p> <p>The family premium is current set at £17.45 per week.</p> <p>Currently <b>7,886</b> families benefit from family premium within their discount calculation.</p> <p>Removal of this premium from the calculation would reduce the amount of CTRS discount <u>new</u> working age (family) households applicants will receive from April 2016.</p>	<p>For working-age claimants, none - It is a local scheme.</p> <p>A prescribed scheme continues for pension-age claimants, following the same assessment model as Housing Benefit and allowing up to 100% of liability to be paid. Changes made to the regulations by central government include the changes recommended to the working age claim.</p>	<p>We recommend the CTR scheme rules/legislation is aligned to the HB legislation from April 2016.</p> <p>This would apply to:</p> <ul style="list-style-type: none"> <li>• Working age households only</li> <li>• Households with dependent children</li> <li>• This will apply to <u>non</u>-welfare households</li> <li>• And would affect only new CTRS applicants from April 2016.</li> </ul> <p>We ask that the predicted reserves of CTDR funding be transferred to 2016/17, as has been the case in previous years, to provide mitigation for the above reforms.</p>	<p>We estimate this may affect approximately <b>12.5%</b> of new CTRS applicants during 2016/17.</p> <p>Their CTR award will be up to <b>£3.49 per week</b> less than the current scheme recipients, affecting 1,904 families per year.</p> <p>The CTRS spend may reduce as a consequence of this measure by up to <b>£345,537.92 per year</b>.</p> <p>This reduction amounts to approximately 1.5% of the projected CTRS spend for 2016/17 – see Appendix B.</p> <p>The impact of the changes on vulnerable residents is substantially mitigated by the availability of CTDR funding.</p>

Current situation	Mandatory elements	Recommendations	Cost impacts
<p><b>Council Tax Reduction Scheme</b></p> <p>The current scheme permits awards of Council Tax Reduction to be backdated, in given circumstances; for a maximum period of up to six months. For example this allows for late claims due to hospitalisation.</p> <p>In 2014/15 CTRS supported <b>41,078</b> applicants. Of these 623 successfully applied for and were granted a backdated award. This represents 6.24% of the new claims made during 2014/15.</p> <p>The average backdate was <b>£1.95</b> per week.</p> <p>The expenditure for backdated awards for 2014/15 was <b>£150,405.43</b></p> <p>Backdates do not have a separate funded pot. The monies to support this measure are drawn down from the overall CTRS funding stream.</p>	<p>No mandatory element. It is a local scheme however it would be determined judicially unsound should we not offer a backdating opportunity.</p>	<p>We recommend we reduce the backdating period of Council Tax Reduction Scheme awards from 6 months to 4 weeks from 1<sup>st</sup> April 2016 to bring the CTRS rules in line with the HB legislation changes as a result of Welfare Reform which are being introduced from April 2016.</p> <p>Of these <b>23,198</b> were recipients of HB. <b>8,940</b> were solely in receipt of CTRS.</p>	<p>If this measure is adopted the CTR scheme spend will reduce by up to <b>£249,200</b> should a similar number of applicants seek a backdate and be granted a month's award.</p> <p>(</p>

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<p data-bbox="185 231 636 295"><b>Discretionary Housing Payments (DHPs)</b></p> <p data-bbox="185 331 636 531">The 2015/16 DHP budget is £681,863. Councils can contribute from the general fund up to 2.5 times their annual HB DHP budget, for Leicester this figure is £1,704,557.50.</p> <p data-bbox="185 568 636 632">In 2014/15 DHP fund supported <b>2,258</b> applicants</p> <p data-bbox="185 668 636 764"><b>Central government funding is projected to increase to £818,235.60 in 16/17.</b></p> <p data-bbox="185 801 636 936">In 2015/16 we expect to spend to our maximum government contribution with no additional local authority contribution.</p> <p data-bbox="185 973 636 1204">Scheme provides savings to Council from those at risk of homelessness – cost of rehousing in hostel is £313.88 per week, as opposed to average DHP award of £550 per year over an average of 29 weeks.</p> <p data-bbox="185 1241 636 1377">Only 130+ Benefit Cap households currently take up more than 19% of the annual budget.</p>	<p data-bbox="663 231 1106 395">Commitment to prevent homelessness and maintain Council's Public Sector Equality Duties, Human Rights Act and Equalities Act obligations.</p> <p data-bbox="663 432 1106 632">Guidance is for majority of spend to be allocated towards mitigating welfare reform changes, for example under occupancy, benefit cap and Local Housing Allowance reform changes.</p> <p data-bbox="663 668 1106 1007">Of the current DA profile 54% demonstrate an exceptional financial need and a high level of vulnerability. Approximately 15% of current awards are made to claimants with high vulnerability with protected characteristics - for example recent history of homelessness, care leavers, think family programme etc.</p> <p data-bbox="663 1043 1106 1179">46% of current awards can demonstrate at least one high or intermediate vulnerability characteristic.</p>	<p data-bbox="1133 231 1576 357">Application assessment and decision making for all discretionary award assessments will:</p> <ul data-bbox="1133 363 1576 539" style="list-style-type: none"> <li>• demonstrate exceptional financial need and</li> <li>• where a vulnerability has been identified this will inform the decision making.</li> </ul> <p data-bbox="1133 571 1205 603"><b>NEW</b></p> <p data-bbox="1133 609 1576 673">We recommend award compliance includes:</p> <ul data-bbox="1133 679 1576 911" style="list-style-type: none"> <li>• All award recipients will be offered budgeting advice</li> <li>• Repeat award recipients will demonstrate they have sort to help themselves and attend budgeting advice (where applicable).</li> </ul> <p data-bbox="1133 948 1576 1083">We recommend the 2016/17 DHP budget continues to be fully funded from the Government grant estimated to be <b>£818,235.</b></p>	<p data-bbox="1603 231 2047 295">This policy is funded in full through the government grant.</p> <p data-bbox="1603 331 2047 395">We expect to remain within the budget funding.</p> <p data-bbox="1603 432 2047 632">We anticipate if the recommendations are adopted we will maintain spending below budgetary levels taking into account the effect of welfare reform changes 2016-2020.</p> <p data-bbox="1603 668 2047 868">Adopting the recommendations is at NIL cost to the authority as the budgeting advice can be accommodated within the outcomes of the Social Welfare Advice contract.</p> <p data-bbox="1603 904 2047 1136">Should the Government funding fall below estimated budget predictions the shortfall may need to be met. The Revenues &amp; Customer Support Service will approval from the Executive for consideration for additional funds.</p> <p data-bbox="1603 1173 2047 1308">There is no additional general fund revenue budget provision over and above the DHP allocation.</p>

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<p><b>Council Tax Discretionary Relief (CTDR)</b></p> <p>Budget is £315,000 per year.</p> <p>2015/16 spend to date is £212,000 as at Quarter 2 2015/16.</p> <p>In 2014/15 CTDR fund supported <b>1,262</b> applicants</p> <p>Long term awards make up only 13% of the CTDR caseload, but consume over 1/3 of existing funding.</p>	<p>Council's public sector equality duty and obligations under the HRA and Equalities Act.</p> <p>Reinforced by R v London Borough of Havering [2015] – must not discriminate on disability grounds and may not be a cash-limited exercise.</p> <p>31% of CTDR awards have any record of disability, mental illness or property adaptation.</p>	<p>Application assessment and decision making for all discretionary award assessments will:</p> <ul style="list-style-type: none"> <li>• demonstrate exceptional financial need and</li> <li>• where a vulnerability has been identified this will inform the decision making.</li> </ul> <p><b>NEW</b></p> <p>We recommend award compliance includes:</p> <ul style="list-style-type: none"> <li>• All award recipients will be offered budgeting advice</li> <li>• Repeat award recipients will demonstrate they have sort to help themselves and attend budgeting advice (where applicable).</li> </ul> <p>We recommend budgetary support should continue to be reviewed annually in tandem with the Council Tax Reduction Scheme.</p>	<p>Annual spend has remained within budgetary levels of £315,000 per year.</p> <p>This is not predicted to change in 16/17. Should demand project to exceed the fund value the R&amp;CS service will seek approval from the Executive for consideration for additional funds.</p> <p>Funding is drawn from the Welfare Provision reserves budget.</p> <p>However position maybe different should a different scheme be adopted form 2017/18 onwards.</p>

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<p><b>Community Support Grants (CSG)</b></p> <p>Spend for 2015/16 expected to remain relatively static and is anticipated to fall below budget of £650,000 to approximately £566,000.</p> <p>However, the continued impact of welfare reform changes is likely to impact demand and spend 2016-20 – based on current efficiencies; this would lead to doubling expenditure on current budgets by 2018/19 of £1.3m.</p> <p>In 2014/15 CSG fund supported <b>370</b> Crisis applicants and <b>428</b> support applicants.</p> <p>Council VOIDS (2004) guideline 145 current stipulates <i>Remove all carpets, lino and laminate flooring in order to check floors below (except when they are immaculate and you are sure the floors below are in sound condition- specify if being left) (Chargeable if being removed)</i></p>	<p>Replaced DWP Social Fund and Community Care Grants from 2013. No ring-fenced funding from 2016/17 onwards.</p> <p>Crisis Grant – where an applicant is in crisis and the financial support is immediate and urgent. Crisis is defined as where there is a severe risk to the health and safety of the applicant, their partner, a dependent child (including foster child) or a member of their immediate family, as a result of having no financial funds available to meet daily living expenses and caused through an event of great or sudden misfortune; or as a result of a crisis, emergency or disaster.</p> <p>Support Grant - where an applicant is in need of support due to financial hardship but the need is not immediate.</p>	<p>Increase the use of recycled furniture to meet the furniture demand in the city from CSG.</p> <p>Increase the use of recycled to meet the white goods demand target.</p> <p>Developing a methodology and working with partner organisations such as the Furniture Reuse Scheme and associated charitable partners to meet the demand for other household items such as curtains, towels; bedding, clothes, and cutlery/ crockery supplied</p> <p>To work with Housing Services VOIDS team to where deemed appropriate, retain existing flooring in void properties.</p> <p>We recommend the emergency food provision action plan recommendations are allocated an indicative budget to allow the recommendations to be acted upon.</p> <p>R&amp;CS Service explore alternative sustainable emergency food solutions such as third-sector funded and volunteer led</p>	<ul style="list-style-type: none"> <li>• could reduce the CSG funds spend by £66,600</li> <li>• could reduce the CSG funds spend by £60,241.</li> <li>• could reduce the CSG fund spend by £4,083 and if adopted may provide greater benefits if the approach was widened and the nature of this support is offered to all the applicants.</li> <li>• This could reduce spend by £78,155.</li> <li>• We recommend an indicative budget of £5,000 p.a. for the Holiday food club programme for children in the city and expansion of the cook and grow pilot.</li> </ul> <p>The recommendations have the potential to save £209,079.00 However it must be noted these savings are reliant on a change in</p>

		<p>community cafes and/or supermarkets.</p> <p>We recommend Waste Management undertake a review in Spring 2016 of the Pass It On scheme to ensure that the scheme continues to provide value for money.</p> <p>We recommend the budget for CSG remains £650,000 and the budget spend is monitored closely.</p>	<p>delivery model which is unproven.</p> <p>Annual spend should be reduced to below budget levels of £650,000 per annum, with capital commitments made to expand Pass it On scheme range and capacity.</p>
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