



## **Council Tax Reduction Scheme Consultation (CTRS)**

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Status          Report

## INTRODUCTION:

The Council Tax Reduction Scheme replaced Council Tax Benefits (CTB) in April 2013, when local authorities were required to set up their own discount.

Northampton's scheme for 2017/18 is based on the former Council Tax Benefit Scheme with the exception that all working age claimants could only claim a discount for 65% of the amount they would have received under the old CTB scheme. The council has to carry out an annual review of its CTRS scheme.

The findings from this consultation will help inform any changes that may be required. The scheme for 2018/19 must be agreed by the 31st January 2018.

This consultation took place from 16 October 2017 to 12 November 2017.

## METHODOLOGY

Our approach included the following:

- On-line survey
- News release(s)
- Social media (Facebook, Twitter, etc.)
- Northampton Borough Council's internet pages
- All e-mail communication from the Benefit, Council Tax and Customer Services mailboxes included an invitation link to take-part in the consultation
- Display screens in the One Stop Shop
- Details of the consultation were emailed to the Multi Agency Forum and our welfare partners, including registered social landlords.
- Invitations to participate was sent to key stakeholders, including Precepting Authorities, parishes, local Councillors and Members of Parliament
- Engagement with housing associations and voluntary and community sectors via their various networks
- Northampton Borough Council's Community Forum members were invited to take part
- 1350 email invitations were issued to email addresses held on the Benefit and Council Tax database

The following companion documents were made available:

- **CTRS Option being considered** giving details of options considered and recommended
- **A Brief Guide to CTB**
- **Overview for finance of the proposed changes**
- **How much the proposed changes will cost the council**
- **Breakdown of Collection Rates for CTRS cases**
- **Equality impact assessment**
- **Examples of the effect of the proposed changes on Banding Charges**

To help support the public the following were made available and advertised in-line with the above:

- Dedicated email address for enquiries
- Our Customer Service teams were made available to help the public complete the on-line form to mitigate any accessibility issues.
- Five drop in-sessions were made available to provide a personal illustration on what the proposed changes would mean – to enable people to provide a fully informed response. Sessions were offered as follows:
  - ✓ Wednesday 18 October 2017 (1pm to 4pm)
  - ✓ Tuesday 24 October 2017 (4.30pm to 6.30pm)
  - ✓ Friday 27 October 2017 (1pm to 4pm)
  - ✓ Thursday 2 November 2017 (1pm to 4pm)
  - ✓ Wednesday 8 November 2017 (9am to 12pm)
  - ✓ Those who could not attend were invited to contact us to discuss their situation and how the potential proposals might affect them.

## **RESULTS:**

The website was viewed 289 times during the consultation period. This demonstrates that media coverage of the consultation was active, however members of the public, did not complete the form to air their views.

A total of 17 people completed the on-line survey.

2 people expressed an interest in attending the drop-in information sessions and 2 people attended.

22 individual comments were received in response to the consultation questions.

## **SUMMARY OF FINDINGS:**

Due to the type of questions asked in the on-line survey, and in-line with the number of responses received, the results are mainly qualitative. The data has provided an in-depth look at what the proposed changes mean to the respondents and how it will impact them.

## KEY RESULTS:

**Question 1** focused on collecting personal data and will therefore not be included in this report.

**Question 2** established whether the respondent was currently receiving a CTRS discount and whether they were responding on behalf of an organization.

- 11 respondents are currently receiving a CTRS discount
- 2 respondents responded on behalf of an organization:
  - Community Law Service
  - East Midlands Homes

The remaining questions focused on the 5 specific options being considered. To each question the customer was asked to what extent they did or did not support the proposal and given the option of 5 responses with the option to add further comments. These were:

- Strongly support
- Support
- Do not support
- Strongly do not support
- Don't know

## Question 3:

Proposal 1 would be not to make any changes and keep the scheme as it was during 2017/18. This would mean that the council would need to raise £104,698 from other sources. Previously the council has decided to adopt CTR schemes that have aimed to balance the significant cuts to the council's resource for CTR and the council's wider budget challenges, while also needing to support the most vulnerable members of our community. Any decision to keep the scheme at current levels will result in difficult decisions having to be taken elsewhere. To see further details of how this might affect you, please see our website

To what extent do you support this proposal?

15 responses were made and 2 respondents skipped the question.

The key comments received were as follows:

- 11 respondents confirmed that they preferred this option
- 6 respondents commented that those in receipt of CTR are already struggling to meet the current liability
- 1 respondent raised specific concerns regarding the impact on under 25 year olds.
- 1 respondent confirmed that as a registered charity they have seen a year on year increase in the level of council tax debt with many also being impacted by other welfare reforms.

#### **Question 4:**

Proposal 2 would see claimants in receipt of non-passported benefits through the DWP contribution remaining at 35%, but seeing an increase the taper applied to excess income from 20% to 65%. Scenarios of how this may impact on you are contained in the Examples document on the website, accompanying this consultation. This would mean that the council would need to raise £104,698 from other sources. The existing additional income disregard afforded to recipients of War Disablement Pension will continue as part of the 2018-19 CTR Scheme. In addition disability premiums, which increase the level of support for individuals in this claim group will continue, alongside a four week run on period for those moving into work. To see further details of how this might affect you, please see our website

To what extent do you support this proposal?

15 responses were made and 2 respondents skipped the question.

The key comments received were as follows:

- 2 respondents confirmed that they preferred this option
- 11 respondents confirmed that they did not support this option
- 1 respondent commented specific concerns regarding low income families leaving work as it is not financially viable
- 1 respondent commented that this would cause stress to families trying to survive on already low incomes

#### **Question 5:**

Proposal 3 would see working age claimants' contribution remaining at 35%, but seeing an additional reduction of £1.20 to their final weekly ward. Scenarios of how this may impact on you are contained in the Examples document on the website, accompanying this consultation. This would mean that the council would need to raise £104,698 from other sources. The existing additional income disregard afforded to recipients of War Disablement Pension will continue as part of the 2018-19 CTR Scheme. In addition disability premiums, which increase the level of support for individuals in this claim group will continue, alongside a four week run on period for those moving into work. To see further details of how this might affect you, please see our website

To what extent do you support this proposal?

15 responses were made and 2 respondents skipped the question.

The key comments received were as follows:

- 8 respondents confirmed that they did not support this option
- 1 respondent commented that this option would cause them financial hardship
- 1 respondent indicated that they did not support any reduction in the amount of support offered

## Question 6

Proposal 4 would see working age council taxpayers liable to pay approximately 43% of their council tax bill subject to other support changes. Currently those working age council taxpayers eligible for CTR pay at least 35% of their council tax charge, receiving a discount of up to 65%. This option proposes a lower level of financial support of approximately 57% from April 2018, therefore claimants would become liable for the payment of a higher percentage of their council tax charge (43%). This would mean that the council would need to raise £104,698 from other sources. The existing additional income disregard afforded to recipients of War Disablement Pension will continue as part of the 2018-19 CTR Scheme. In addition disability premiums, which increase the level of support for individuals in this claim group will continue, alongside a four week run on period for those moving into work. Under this proposal, a working age claimant or family on income support has a council tax liability on a band A, unparished, property a net increase of £1.63 per week and for a Band D, unparished, a net increase of £2.45 per week. To see further details of how this might affect you, please see our website

To what extent do you support this proposal?

16 responses were made and 1 respondent skipped the question.

The key comments received were as follows:

- 11 respondents confirmed that they did not support this option
- 1 respondent indicated that those in receipt of CTRS are already struggling to meet the 35% and an increase to 43% would be setting claimants on low incomes up to fail.
- 1 respondent commented that the poorest should not be hurt as any of the option would still leave a significant deficit.

## Question 7

Proposal 5 would see all working age claimants having a limit on the amount they are able to receive, set at Band A levels, before any reduction, up to a maximum of 35%, is applied. Scenarios of how this may impact on you are contained in the examples document on the website, accompanying this consultation. This would mean that the council would need to raise £104,698 from other sources. The existing additional income disregard afforded to recipients of War Disablement Pension will continue as part of the 2018-19 CTR Scheme. In addition disability premiums, which increase the level of support for individuals in this claim group will continue, alongside a four week run on period for those moving into work.

To what extent do you support this proposal?

14 responses were made and 3 respondent skipped the question.

The key comments received were as follows:

- 7 respondents confirmed that they did not support this option
- 1 respondent commented that this option would penalize the working households the most
- 1 respondent commented that this option could force them into debt with little or no chance of recovery.

### Question 8

We are running a number of drop-in sessions at the One Stop Shop over the next few weeks to give people a chance to discuss the proposed changes and how they may impact on people-particularly for those receiving or likely to receive CTR discount. If you are interested in coming along, please select your preferred option below to give us an idea of numbers:

- 2 people indicated that they would like to attend
- 5 indicated that they could not attend
- 2 people did attend one of the sessions offered

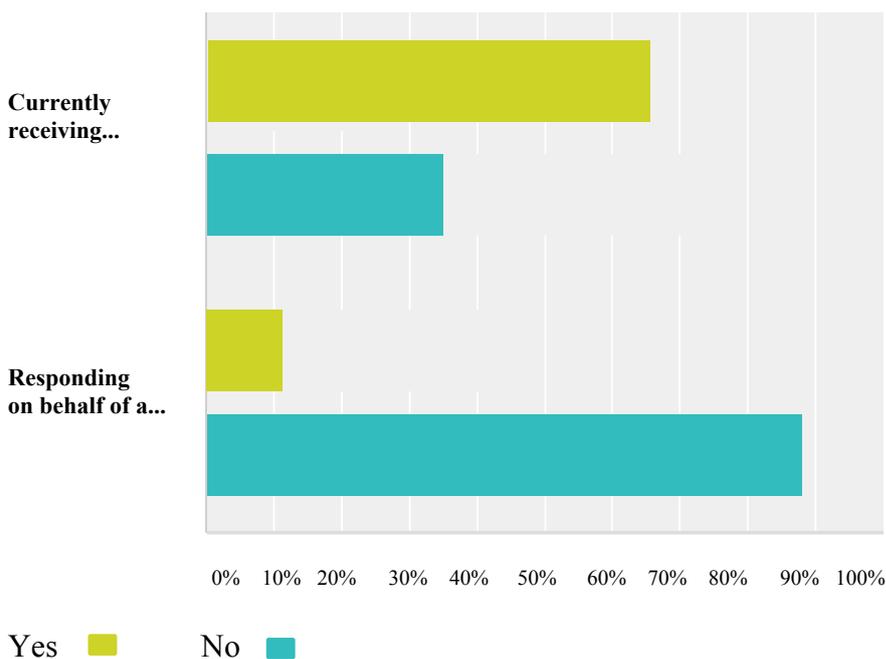
### Question 9

How did you hear about this consultation?

- 3 people heard about the consultation from the website
- 12 people heard about the consultation by email
- 2 people heard about the consultation from other sources
- 1 person heard about the consultation from social media

## Full responses

## Council Tax Reduction Scheme Consultation for 2018/19



	Yes	No
Currently receiving support through the Council Tax Reduction scheme	64.71 %	35.29 %
Responding on behalf of a community group or organisation (please provide details about the organisation in the box below)	11.77 %	88.23 %

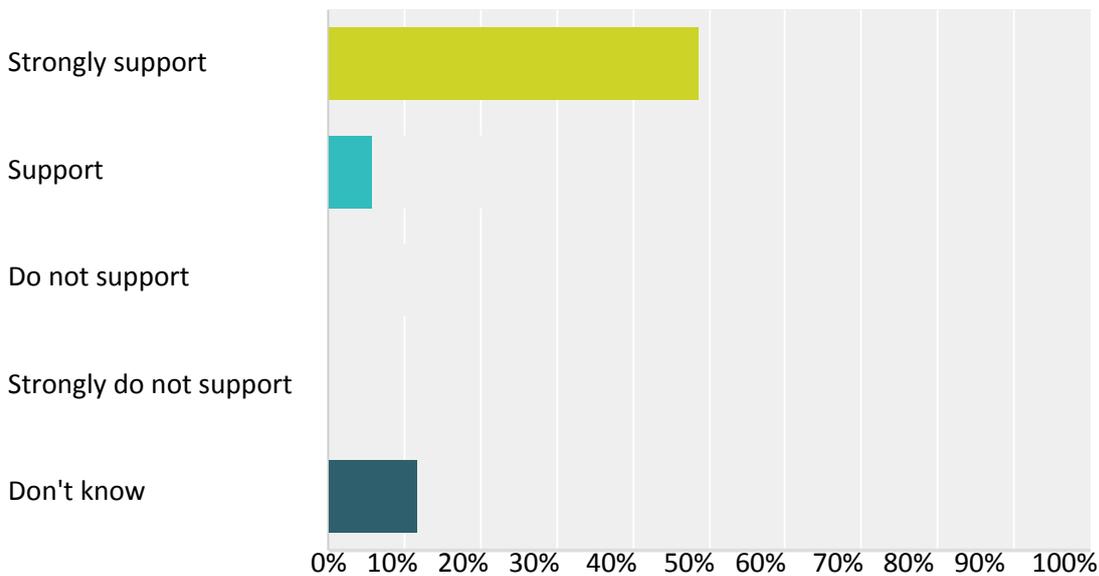
## Question

Proposal 1 would be not to make any changes and keep the scheme as it was during 2017/18. This would mean that the council would need to raise £104,698 from other sources. Previously the council has decided to adopt CTR schemes that have aimed to balance the significant cuts to the council's resource for CTR and the council's wider budget challenges, while also needing to support the most vulnerable members of our community. Any decision to keep the scheme at current levels will result in difficult decisions having to be taken elsewhere. To see further details of how this might affect you, please see our website

To what extent do you support this proposal?

## Answer

Answered: 15 Skipped: 2



Answer Choices	Responses
Strongly support	58.83% 10
Support	5.89% 1
Do not support	11.76% 2
Strongly do not support	0
Don't know	11.76% 2
<b>Total</b>	<b>15</b>

1. I think that people who receive benefits cannot afford another rise in council tax £104,000 is not much in the great scheme of things stop wasting money on new buildings that the county clearly cannot afford
2. We have seen an increase in the level of Council Tax Debt year on year. People we see are often on a low income. Many are also being impacted by other welfare reforms (eg bedroom tax, cap) and they simply do not have the money to pay this. Any further reduction in the help available via CTS simply puts them into more debt. We regularly see clients who have CT debt from 3 or even 4 years ago. For those on ESA/JSA/IS each debt is simply put on hold whilst the oldest is recovered at £3.70 a week from their benefit. The council should separately review the collection rate from people who are on a passported benefit, from those on CTS and those not on CTS when deciding on next year's scheme.
3. CTRS has been disastrous to those claiming benefits especially those under 25 who are on reduced benefits in the first place. CTRS is setting up residents to fail and incur additional costs, stress and anxiety.
4. Even the 35% is a lot to pay, being single mum of 2 and in benefits.
5. ALL OF THE PROPOSALS ARE POINTLESS ANYWAY, AS YOU WILL DO WHAT EVER YOU WANT TO DO ANYWAY.

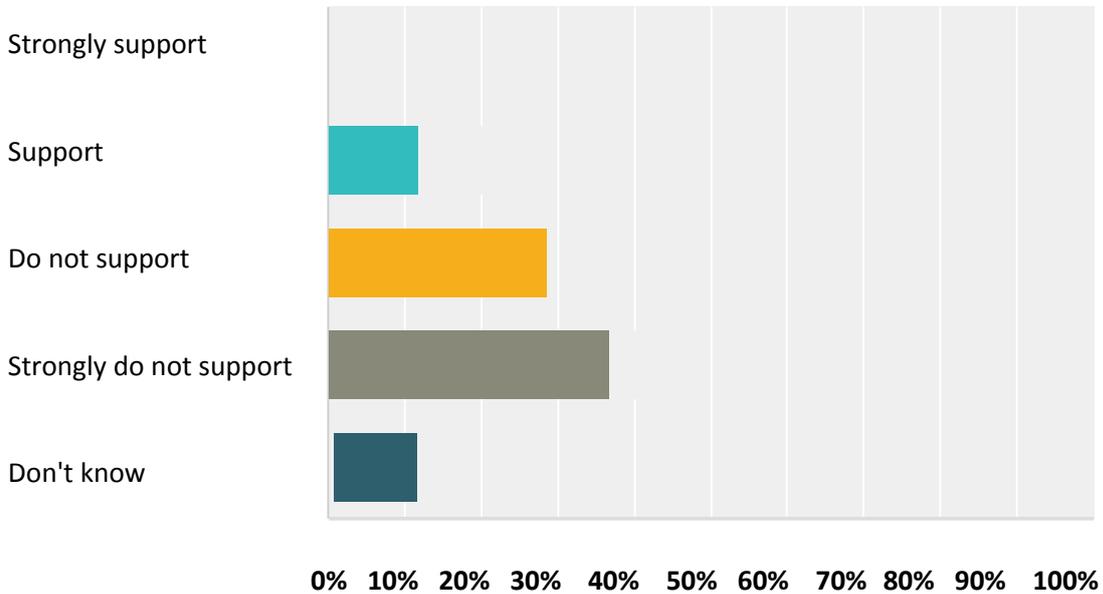
### **Question**

Proposal 2 would see claimants in receipt of non-passported benefits through the DWP contribution remaining at 35%, but seeing an increase the taper applied to excess income from 20% to 65%. Scenarios of how this may impact on you are contained in the Examples document on the website, accompanying this consultation. This would mean that the council would need to raise £104,698 from other sources. The existing additional income disregard afforded to recipients of War Disablement Pension will continue as part of the 2018-19 CTR Scheme. In addition disability premiums, which increase the level of support for individuals in this claim group will continue, alongside a four week run on period for those moving into work. To see further details of how this might affect you, please see our website

To what extent do you support this proposal?

## Answer

Answered: 15 Skipped: 2



Answer Choices	Responses
Strongly support	0
Support	11.76% 2
Do not support	29.42% 5
Strongly do not support	35.30% 6
Don't know	11.76% 2
<b>Total</b>	<b>15</b>

1. Again this is going to cause stress to families trying to survive on already low incomes.
2. This option would simply penalise the very groups the Government say they are trying to support - the working families on a low income who rely on in-work benefits to survive. By taking up this option working households with 2 children (in your example) would have an additional £439 per year to pay. In an extreme case, this could be the final straw resulting in them leaving work as it is not financially worth it.
3. See comment in BOX 1
4. Housing benefit already has a taper of 65%, if you now apply this taper to CTRS then claimants would be 30% worse off

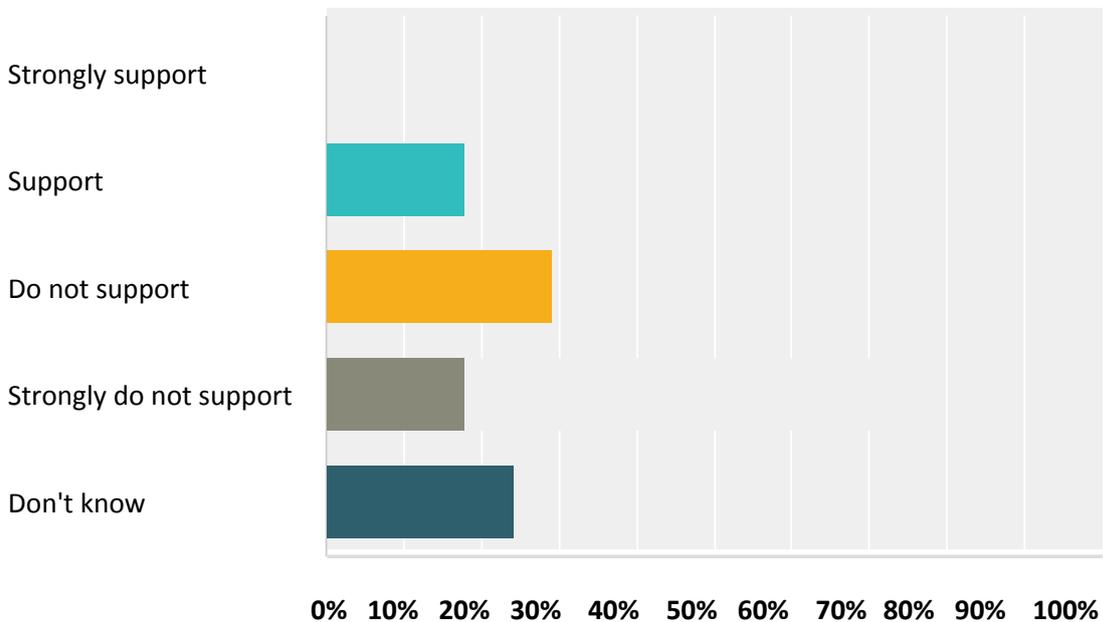
## Question

Proposal 3 would see working age claimants' contribution remaining at 35%, but seeing an additional reduction of £1.20 to their final weekly ward. Scenarios of how this may impact on you are contained in the Examples document on the website, accompanying this consultation. This would mean that the council would need to raise £104,698 from other sources. The existing additional income disregard afforded to recipients of War Disablement Pension will continue as part of the 2018-19 CTR Scheme. In addition disability premiums, which increase the level of support for individuals in this claim group will continue, alongside a four week run on period for those moving into work. To see further details of how this might affect you, please see our website

To what extent do you support this proposal?

## Answer

Answered: 15 Skipped: 2



Answer Choices	Responses
Strongly support	0
Support	17.65% 3
Do not support	29.42% 5
Strongly do not support	17.65% 3
Don't know	23.53% 4
<b>Total</b>	<b>15</b>

1. This type of rise in outgoings will cause further problems with us trying to make ends meet.
2. I do not support any reduction in the amount of help offered through the scheme for reasons given at option 1.

3. See comment in BOX 1
4. Over complicated, if you want to reduce the contribution then vary the percentage

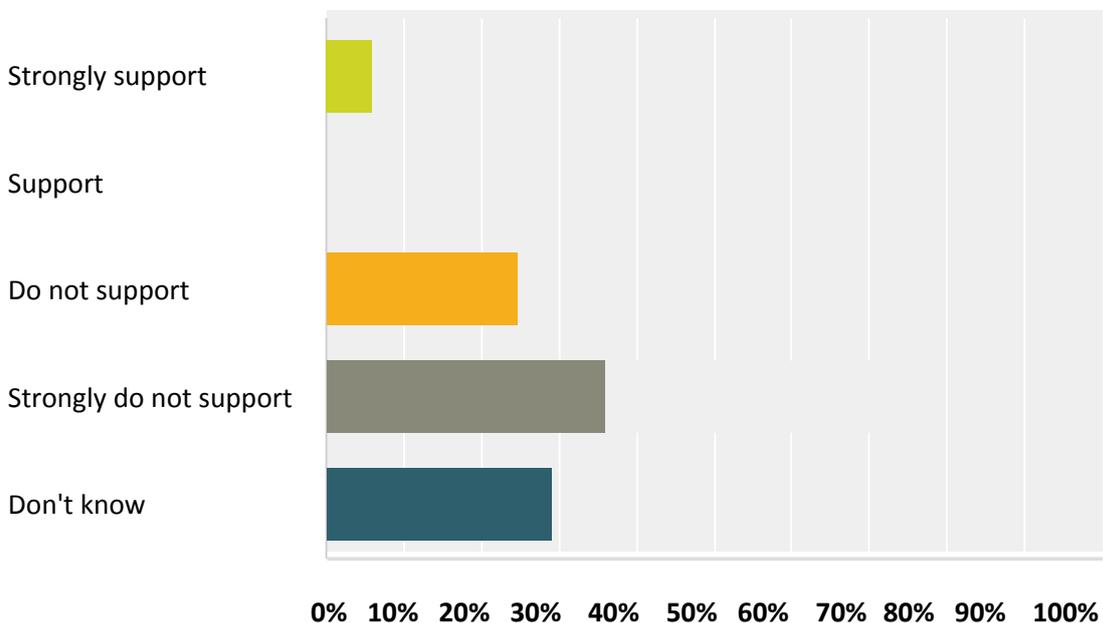
### Question

Proposal 4 would see working age council taxpayers liable to pay approximately 43% of their council tax bill subject to other support changes. Currently those working age council taxpayers eligible for CTR pay at least 35% of their council tax charge, receiving a discount of up to 65%. This option proposes a lower level of financial support of approximately 57% from April 2018, therefore claimants would become liable for the payment of a higher percentage of their council tax charge (43%). This would mean that the council would need to raise £104,698 from other sources. The existing additional income disregard afforded to recipients of War Disablement Pension will continue as part of the 2018-19 CTR Scheme. In addition disability premiums, which increase the level of support for individuals in this claim group will continue, alongside a four week run on period for those moving into work. Under this proposal, a working age claimant or family on income support has a council tax liability on a band A, unparished, property a net increase of £1.63 per week and for a Band D, unparished, a net increase of £2.45 per week. To see further details of how this might affect you, please see our website

To what extent do you support this proposal?

### Answer

Answered: 16 Skipped: 1



Answer Choices	Responses	Count
Strongly support	5.89%	1
Support		0
Do not support	23.53%	4
Strongly do not support	35.30%	6
Don't know	29.42%	5
<b>Total</b>		<b>16</b>

1. So whichever scheme you take up you will still need to find £104,000 so DONT hurt the poorest people
2. This option is totally unacceptable to us, as it would be a considerable rise in outgoings.
3. See comment in BOX 1
4. Residents on benefits are struggling at 35%, if you increase it to 43% then you will be setting up those on low income to fail. It would also go against any anti-poverty policy Northampton BC has.

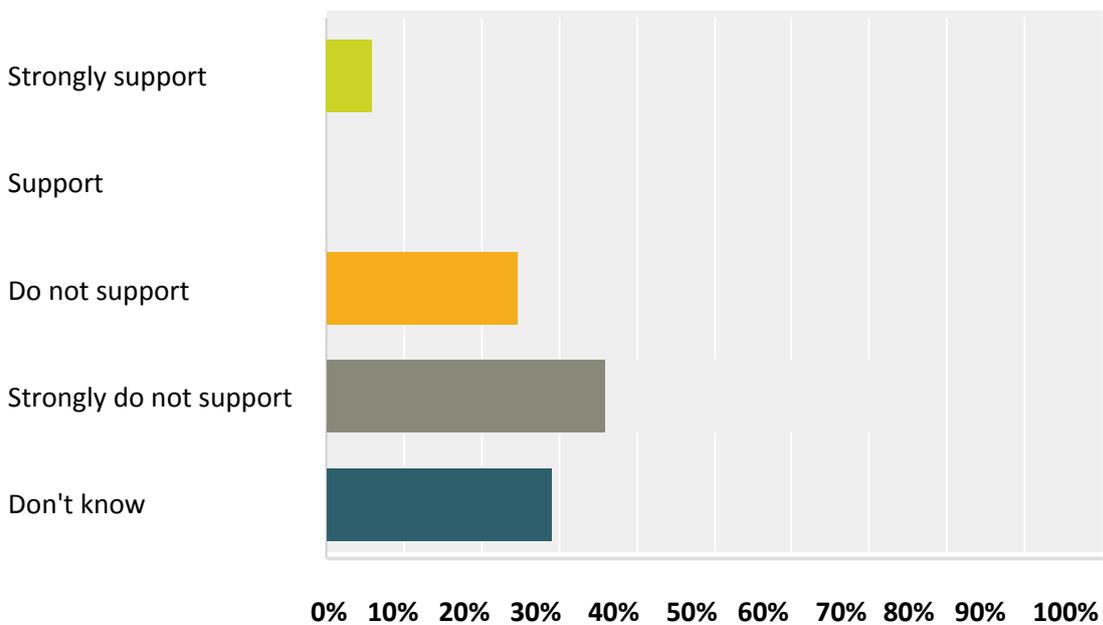
**Question**

Proposal 5 would see all working age claimants having a limit on the amount they are able to receive, set at Band A levels, before any reduction, up to a maximum of 35%, is applied. Scenarios of how this may impact on you are contained in the examples document on the website, accompanying this consultation. This would mean that the council would need to raise £104,698 from other sources. The existing additional income disregard afforded to recipients of War Disablement Pension will continue as part of the 2018-19 CTR Scheme. In addition disability premiums, which increase the level of support for individuals in this claim group will continue, alongside a four week run on period for those moving into work.

To what extent do you support this proposal?

**Answer**

Answered: 14 Skipped: 3

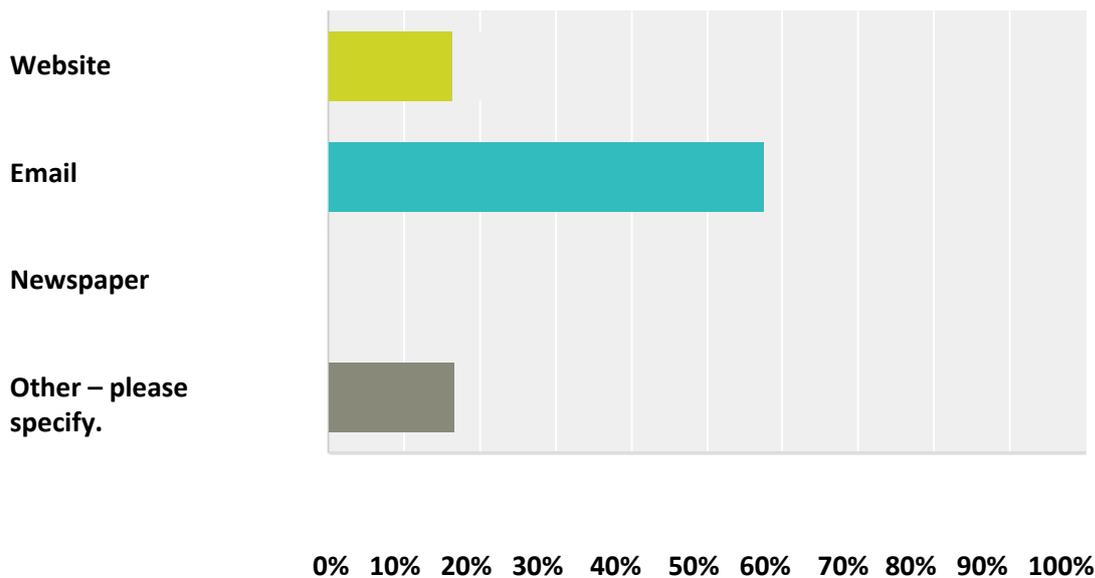


Answer Choices	Responses	
Strongly support	5.89%	1
Support	17.65%	3
Do not support	23.53%	4
Strongly do not support	17.65%	3
Don't know	17.65%	3
<b>Total</b>		<b>14</b>

1. This option would leave us short on an already low income, and could force us into debt with little or no chance of being able to get out of it.
2. Again this penalises the working households the most
3. See comment in BOX1

### How did you hear about this consultation?

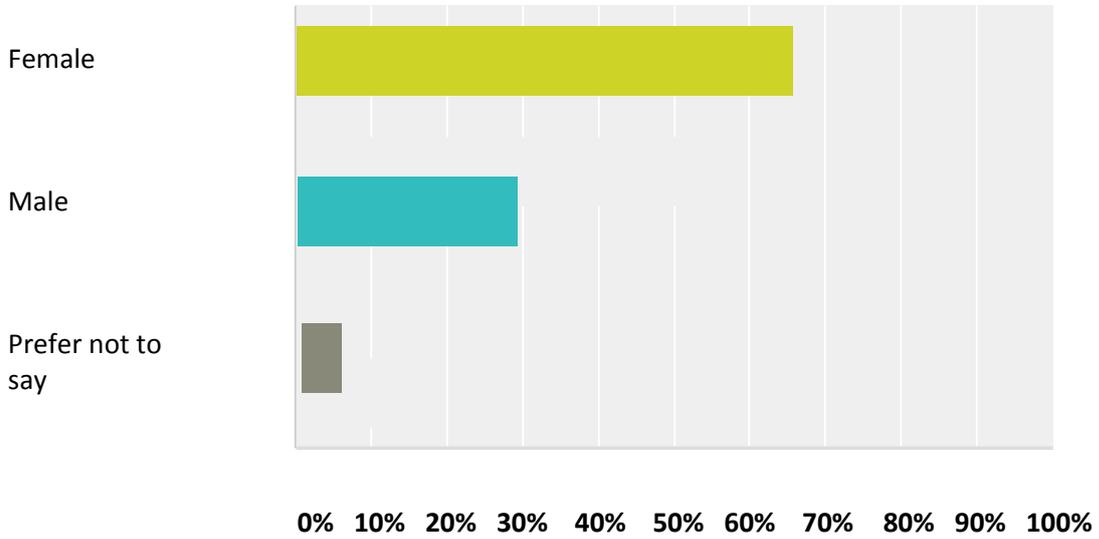
Answered: 17 Skipped: 0



Answer Choices	Responses	
Website	17.65%	3
Email	64.71%	11
Newspaper		0
Other – please specifv.	17.65%	3
<b>Total</b>		<b>17</b>

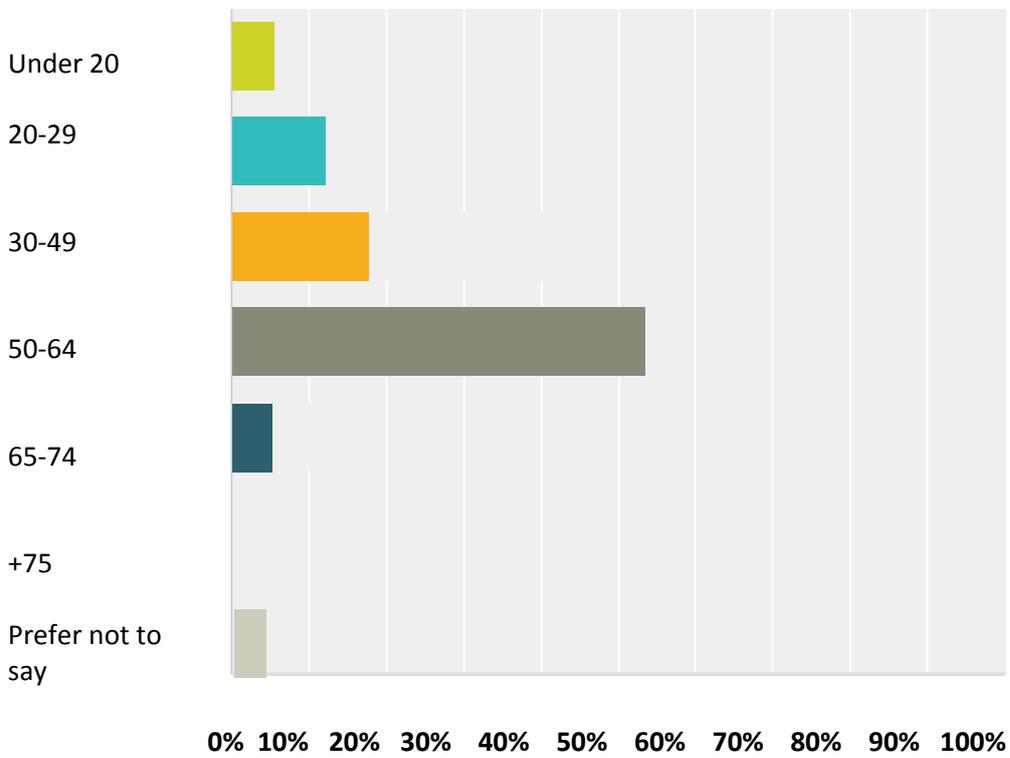
### Please can you tell us your gender?

Answered: 17 Skipped: 0



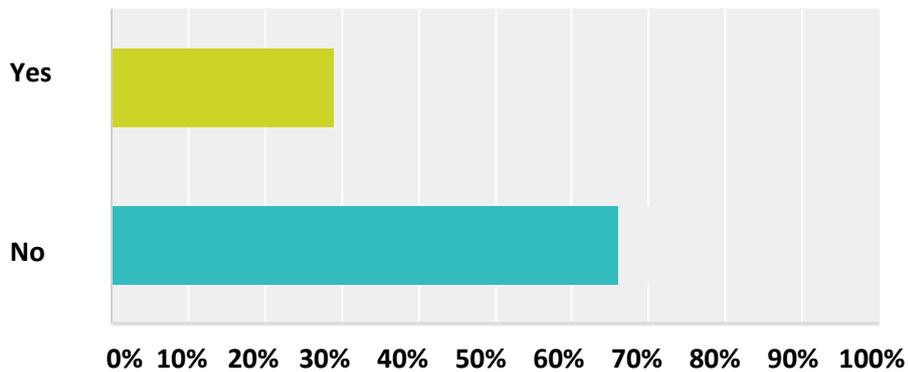
### How old are you?

Answered: 17 Skipped: 0



## Do you consider yourself to have a disability?

Answered: 17 Skipped: 0



### EQUALITIES:

Of the respondents who completed the equalities questions, relating to gender, age, and disability or ethnic origin.

- 70.59% of respondents were female, 29.41% were male.
- In terms of age:
  - 5.89% were aged under 20
  - 11.76% were aged 20-29
  - 17.65% were aged 30-49
  - 52.94% were aged 50-64
  - 5.89% were aged 65-74
  - 5.89% preferred not to say
- 29.42% of respondents stated they considered themselves to have a disability.