



BOROUGH OF RUSHMOOR

To the Mayor and Members of the Council,

YOU ARE HEREBY SUMMONED to attend a Meeting of the Council to be held at the Council Offices, Farnborough on **Wednesday, 27th January, 2016 at 7.00 pm** for the transaction of the business set out on the Agenda given below.

A G E N D A

1. **COUNCIL TAX SUPPORT SCHEME 2016/17**

To consider a report from the Cabinet (copy attached), which seeks approval for changes to the Council Tax Support Scheme with effect from 1st April 2016. The Cabinet Member for Concessions and Community Support (Cr. A. Jackman) will introduce this item.

A.E. COLVER
Head of Democratic and
Customer Services

Council Offices
Farnborough
Hampshire GU14 7JU

Tuesday 19 January 2016

COUNCIL MEETING – 27th JANUARY 2016

AGENDA ITEM NO. 1

COUNCIL TAX SUPPORT SCHEME 2016/17

1 Introduction

- 1.1 Cabinet considered the report (CD1601) on the Council Tax Support Scheme (CTSS) at its meeting on the 12th January 2016.
- 1.2 This report sets out the results following a public consultation on the options of potential changes to the CTSS.
- 1.3 Cabinet now recommends to Council that changes to the CTSS, as set out in this report, be approved, with effect from the 1st April 2016.

2 Background

- 2.1 As Members will be aware, since the 1st April 2013, local authorities have developed their own Council Tax Support Scheme (CTSS) to replace the previous national Council Tax Benefit Regulations.
- 2.2 In Rushmoor, we are currently in our third year of operating our local scheme, which seeks a minimum 8% contribution from those of working age, treats income from child maintenance or child benefit as real income within the scheme calculations, disregards all income from War Widow Pensions but in all other respects, mirrors the previous Council Tax Benefit Regulations.
- 2.3 This local scheme has proved effective, has been implemented successfully and the Council Tax collection rates have remained stable whilst scheme costs have steadily reduced alongside claimant numbers. Government funding for the scheme was reduced by around 10% at the time of the transfer of responsibility and has subsequently been wrapped up in the formula funding regime and Business Rate Retention Scheme and subject to further reduction since. At present, a total allocation is not visible as a single line within the funding settlement. Consequently, direct comparisons between total scheme costs and offset funding available are not possible for local authorities. This is a matter that the Local Government Association (LGA) has called upon the Government to redress “in order that councils can design their schemes and consult their residents each year in full possession of the facts”.
- 2.4 The overall scheme design and effectiveness has been overseen by the cross Member Welfare Reform Task and Finish Group (WRTFG).
- 2.5 In the 8th July 2015 budget announcement, the Chancellor set out further plans to extend the Government’s Welfare Reform programme. Some of the detailed announcements made at that time, gave rise to reconsider the

Council's own CTSS. This was set out to Cabinet in report CD1513 at its meeting on the 20th October 2015.

- 2.6 At that meeting, Cabinet agreed that a public consultation be undertaken on options for change to be effective from 1st April 2016. The suggested options for change had been carefully considered by the WRTFG taking into account lessons from others, our own experience of running CTSS for 2½ years and a thorough examination of a broad base of data and evidence.

3 Public Consultation Exercise

- 3.1 The public consultation ran for a six week period (9th November to 21st December 2015). In summary:

- 3,000 Council Tax payers selected at random were sent the consultation
- All 2,565 working age CTS claimants at that time were sent the consultation
- An on-line survey was made available on the Council's website throughout the six week period
- 791 surveys were completed, the results presented reflect those who answered the question and exclude those who selected 'I don't know'
- In total there were 290 surveys returned from those on council tax support (273 paper surveys and 17 online surveys) and 501 surveys returned from those not on council tax support (433 paper surveys and 68 online surveys)
- Due to the specific personal nature of this consultation, the only specialist response sought was from Citizen' Advice (attached at Appendix 6). Registered Social Landlords and other stakeholders were generally made aware of the exercise.

- 3.2 Attached (electronically only) at Appendix 1 is the detailed consultation report (Members requiring a hard coloured copy can obtain one by contacting Caroline Armstrong-Forbes on 01252 398401), which considered six options for the scheme design and three options for the funding arrangements, as follows:

- Options for scheme design consulted on were:**
 1. Increase minimum contribution from 8% to either 10% or 12%
 2. Removal of the family premium for either all or new claimants
 3. Reducing the savings threshold from £16k to £6k
 4. Limiting support at the Band D level
 5. Reducing backdate periods to a maximum 4 week period
 6. Option to keep the scheme the same
- Additional consultation questions on how the scheme could be funded:**
 1. General increase in council tax
 2. Reducing or stopping other services
 3. Using Council reserves

- 3.3 We have included the funding questions as part of the consultation following a Supreme Court hearing in October 2014, when The London Borough of

Haringey were taken to court and found they had acted unlawfully in its consultation on its CTSS in that it had “misleadingly failed to provide alternative options for meeting the shortfall resulting from the 10% cut in Government funding for CTS, other than a reduction in the support available”.

- 3.4 Clearly to demonstrate good practise and avoid any legal challenge around process, any recommendations for change should centre around the issues consulted upon and the demonstrable evidence that any recommendations for change do take into account the responses to the consultation received.

4 Consideration by the Welfare Reform Task and Finish Group

- 4.1 The WRTFG have met on six occasions during this calendar year, monitoring the impact that the Scheme has had on our residents and particularly this year, has focused on the changing environment around welfare and the reduced funding available to support such schemes.

- 4.2 The Group has specifically considered the CTSS and spent the majority of its meeting time at two meetings in October, considering an approach to change and the associated necessary consultation. The Group’s meeting on 22nd December 2015 focussed on the detailed consultation responses and preparation of a series of recommendations as a result.

- 4.3 These recommendations, agreed by the WRTFG and the rationale behind the decisions, are attached at Appendix 2.

- 4.4 The options considered within the consultation, which were not recommended for adoption are attached at Appendix 3, along with their rationale.

- 4.5 In addition to the specific Scheme recommendations, the WRTFG have also recommended that should changes be introduced from the 1st April 2016, the Council’s Exceptional Hardship Fund be continued to assist residents who may be adversely affected by any changes, whilst they work through a period of transition, which Cabinet noted.

- 4.6 Due to the proposed changes, an Equality Impact Assessment (EIA) has been undertaken and is attached at Appendix 4. The EIA identifies potential areas of impact and sets out some recommendations in order to mitigate these impacts. These are fully detailed within the Appendix, however, the main mitigations recommended are:

- That a Hardship Fund continues to be in place to enable support for individual cases adversely affected by the changes
- That the Welfare Reform Task and Finish Group continues to oversee the effectiveness of the Scheme and any adverse impacts
- That direct contact is made with those customers known to be affected at the earliest opportunity

5 Financial Implications

- 5.1 Attached at Appendix 5, is a table showing the financial impact for customers of increasing the minimum contribution from 8% to 10% and using the assumption that all preceptors will seek to increase their Council Tax charges for the 2016/17 financial year. The table also illustrates the impact on customers affected by the proposal to restrict support at the Band D level for those living in properties banded higher than Band D.
- 5.2 The overall scheme financial implications are always difficult to be specific about due to a whole range of variables such as increasing charges, changes to the numbers on both the Council Tax list and of those claiming support and general changes in liability. However, the current Scheme costs are running at around £4.2m which is in essence a charge against the collection fund for all preceptors and borne as “revenue foregone”.
- 5.3 If the five recommendations for change had been implemented during the current year, the impact on Scheme costs is estimated as follows:
- 10% minimum contribution - £53,257 cost reduction
 - Removal of family premium (new) - £6,000 cost reduction
 - Reducing savings threshold - £21,748 cost reduction
 - Limiting support at Band D - £10,613 cost reduction
 - Limiting backdate period – between £0 and £10,000 cost reduction
- 5.4 The sum of the changes set out in 5.3 equates to around £100,000 in cost reduction against the current Scheme cost of £4.2m, which is roughly 2.5%. If preceptors increase their Council Tax charges for 2016/17, this will increase the total amount of Council Tax collected but will also in turn, increase Council Tax Support awarded.

6 Conclusions

- 6.1 The Council’s current CTSS has proved itself very effective but, with the Government’s announcements to continue the Welfare Reform programme, as well as generally reducing financial support to local authorities, suggests this is the right time to re-examine our current offer for CTSS.
- 6.2 The WRTFG have carefully considered a range of options for potential change, and following Cabinet’s endorsement, tested public opinion.
- 6.3 The public consultation indicated a broad range of support for some modest changes to the current CTSS. The consultation also provided a very clear view in respect of alternative funding options, which are not acceptable.
- 6.4 Cabinet considered the recommendations from the WRTFG at their meeting on 12th January. In endorsing these recommendations in relation to potential changes to the existing Scheme, Cabinet expressed satisfaction that the Council’s amended Scheme would continue to ensure that residents in the Borough were treated fairly. In particular, it was noted that the exceptional Hardship Fund would remain in place for those adversely affected by the changes during a period of transition.

7 Recommendations

7.1 Based on the work, the comprehensive public consultation exercise, recommendations of the Welfare Reform Task and Finish Group and Cabinet, Council are requested to agree the following changes to the Council Tax Support Scheme for working age claimants with effect from the 1st April 2016:

- a) To increase the minimum Council Tax contribution payable from 8% to 10%
- b) To remove the Family Premium for new claimants
- c) To reduce the maximum savings threshold at which Council Tax Support can be claimed from £16,000 to £6,000
- d) To limit support at the Band D level for those living in properties banded higher than Band D
- e) To reduce the limit for backdated claims to four weeks

A JACKMAN
CABINET MEMBER FOR
CONCESSIONS AND COMMUNITY SUPPORT

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Council Tax Support Scheme 2016/17

Consultation report by
Strategy, Engagement and Organisational Development

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Executive summary

The survey took place in November and December 2015 and consulted on six options, which could be implemented independently or together to increase funding for the Council Tax Support Scheme (CTSS):

- **Option One** – increase the minimum contribution from 8% to either 10% or 12%
- **Option Two** – removing the family premium for all or new working age claimants
- **Option Three** – reduce the amount that people can have in savings capital and investments from £16,000 to £6,000 before they can claim for Council Tax Support (CTS)
- **Option Four** – Limit CTS for higher Council Tax band properties
- **Option Five** – Reduce backdated claims to four weeks
- **Option Six** – No changes to the current Council Tax Scheme

Of the options, **Option Five** had the greatest support with 66.5% agreeing that backdated claims should be reduced to 4 weeks. **Option Three** (reduce the amount that people can have in savings capital and investments from £16,000 to £6,000 before they can claim for CTS) and **Option Four** (Limit CTS for higher Council Tax band properties) also had clear support. More people agreed than disagreed with **Option One** (increase the minimum contribution from 8% to 10%) and **Option Two** (removing the family premium for all or new working age claimants).

Option Six (no changes to the current CTS) had more agreement (44.9%) than disagreement (40.9%). This was largely down to those who receive CTS agreeing it shouldn't change (70.5% agreed) compared with 30.9% of those who do not receive CTS.

In addition to these six options, other ways to help pay for the CTSS were suggested, including raising Council Tax, reducing funding to other services and using Council Tax reserves. The majority of respondents disagreed with all these suggested options.

Most questions provided the opportunity for free text comment. Common themes included expressions of agreement with options overall and concerns regarding how the changes would affect people already struggling financially.

Introduction

CTS is a means tested discount that the Council provides for people on low income. People of working age who qualify under the current scheme receive up to a 92% discount on their Council Tax, and are required to pay a minimum contribution of 8% of their Council Tax. Pensioners receive a discount of 100%. Rushmoor, like other councils, is facing significant reductions in its funding from central government and this includes funding for the CTSS. The Council therefore consulted residents on options to reduce the cost of its CTSS.

The CTSS survey consulted on six options:

- **Option One – increase the minimum contribution from 8% to either 10% or 12%**
- **Option Two – removing the family premium for all or new working age claimants**
- **Option Three – reduce the amount that people can have in savings capital and investments from £16,000 to £6,000 before they can claim for council tax support**
- **Option Four – Limit council tax support for higher council tax band properties**
- **Option Five – Reduce backdated claims to four weeks**
- **Option Six – No changes to the current council tax scheme**

In addition to these six options, other ways to help pay for the CTSS were suggested, including raising Council Tax, reducing funding to other services and using Council Tax reserves.

Methodology

The Council initially consulted on the CTSS in autumn 2012 before it first introduced the scheme in April 2013. This consultation took the form of an online survey, with letters sent to all the 3,800 residents receiving either Council Tax Benefit or a discount at that time informing them of the survey. We received an overall response of 167 surveys from residents.

With a view to increasing response rates for this consultation, a colour-coded paper survey (Appendix) with covering letter was used in conjunction with an online version. This was issued to a random sample of 3,000 residents not receiving CTS, and 2,565 of the 2,740 residents of working age currently receiving CTS who would be affected by the changes. The Council also promoted the online survey on its website and through Facebook and Twitter. In addition, there was also an article in the Council's Christmas edition of Arena magazine and coverage in the local media.

The consultation period ran from 9th November until Monday 21st December.

An equality impact assessment will be prepared based on the selected options.

Response rate

Overall, 791 surveys were filled in, with 433 paper surveys returned from those not on CTSS (14.4 % response rate) and 273 paper surveys returned from those on CTS (10.6% response rate). In addition, 85 surveys were filled in online, of which 68 identified themselves as not receiving CTS and 17 identifying themselves as receiving CTS.

There were also a small number of residents who phoned for a paper survey after seeing the article in Arena magazine. These have been incorporated into the responses identified above depending on whether the respondent identified that they were or were not receiving CTS.

For the purpose of analysing the survey, the response rate for those receiving CTS has been taken as those respondents who returned a paper survey sent to individuals receiving CTS (whether they indicated in the survey that they were or not, plus those who identified themselves as receiving CTS in the online survey (a total of 290 people).

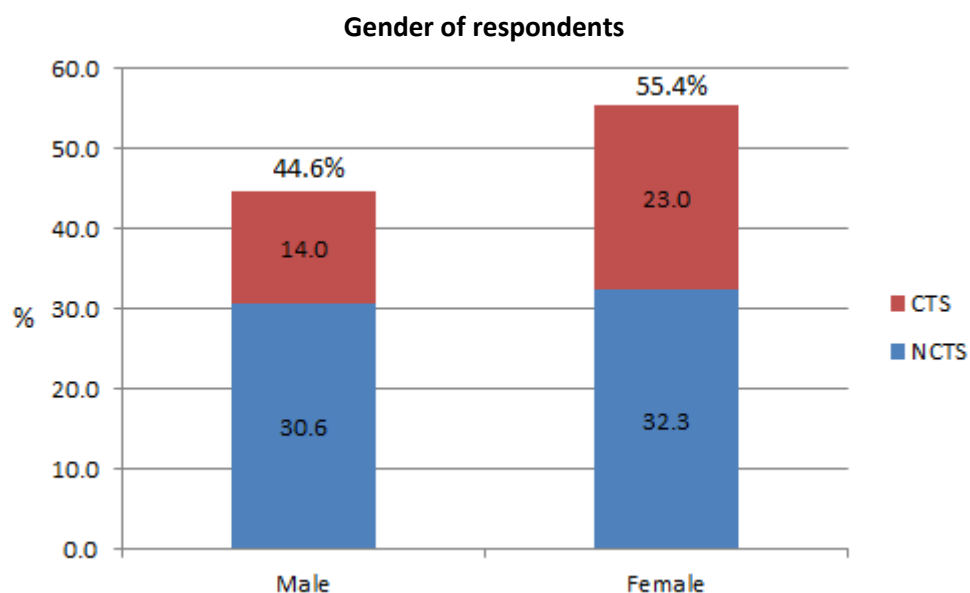
Respondents not receiving CTS are those who returned a paper survey sent to those not receiving CTS and those who identified themselves as not receiving CTS in the online survey (a total of 501 people).

Due, perhaps to the technical nature of the questions, many respondents answered that that they didn't know if they agreed or disagreed with the options. The survey results used in the charts below include all valid responses and exclude 'I don't know'. The number of these responses has been included for information.

Characteristics of respondents

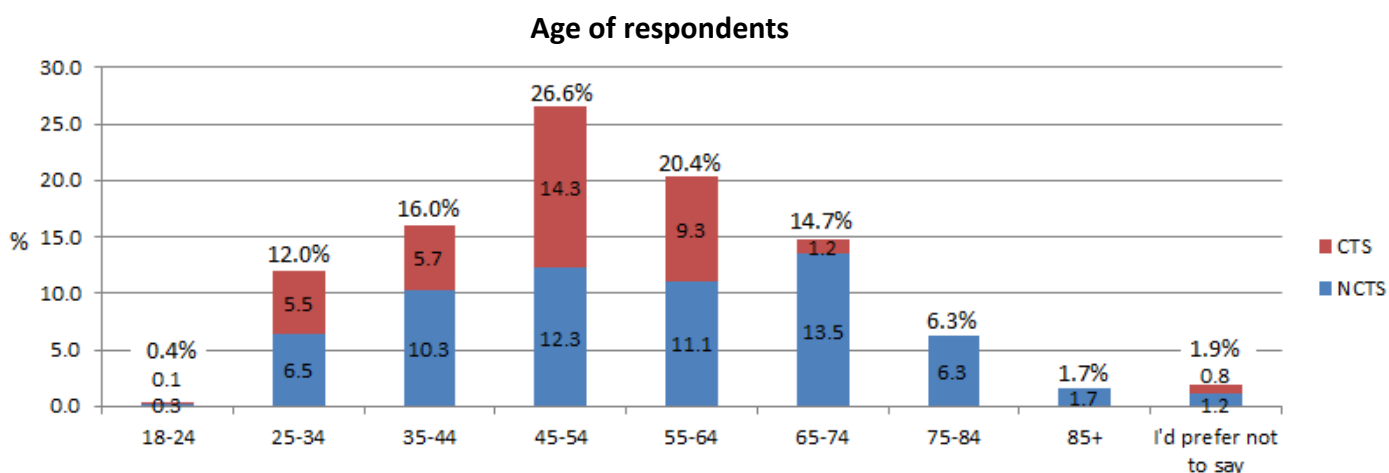
Gender

Overall, 55.4% of respondents were female and 44.6% male. However, 51.4% (244 respondents) of those not receiving CTS were female, compared with 62.1% (174 respondents) of those receiving CTS.



Ages

Respondents receiving CTS were, overall, younger than those not on CTS. This is as expected because the surveys issued to those on CTS were to those of working age and not the wider population.

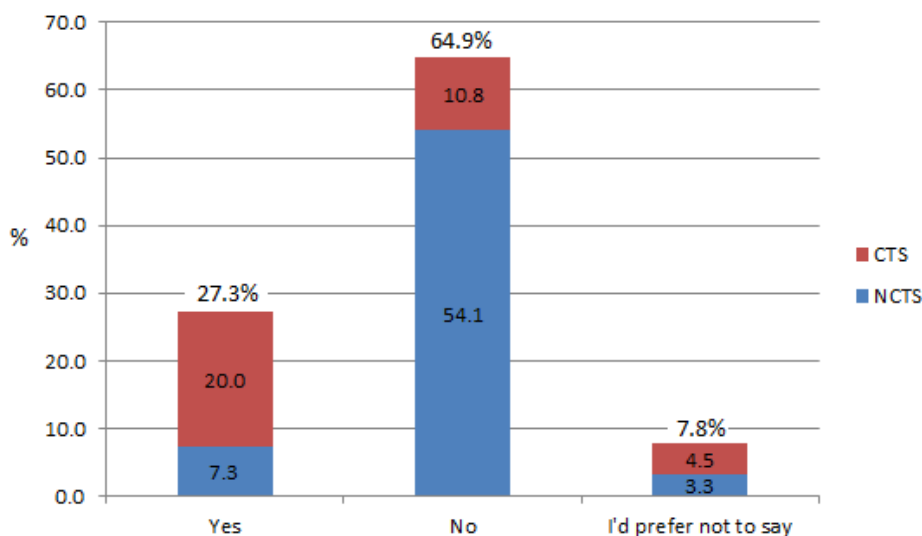


Conditions or disabilities

Overall, 27.3% of respondents identified themselves as having a condition or disability, which limited their daily activities. 11.2% (53 respondents) of those not receiving CTS

identified themselves as having a condition or disability, which limited their daily activities, compared with 56.6% (146 respondents) of those receiving CTS.

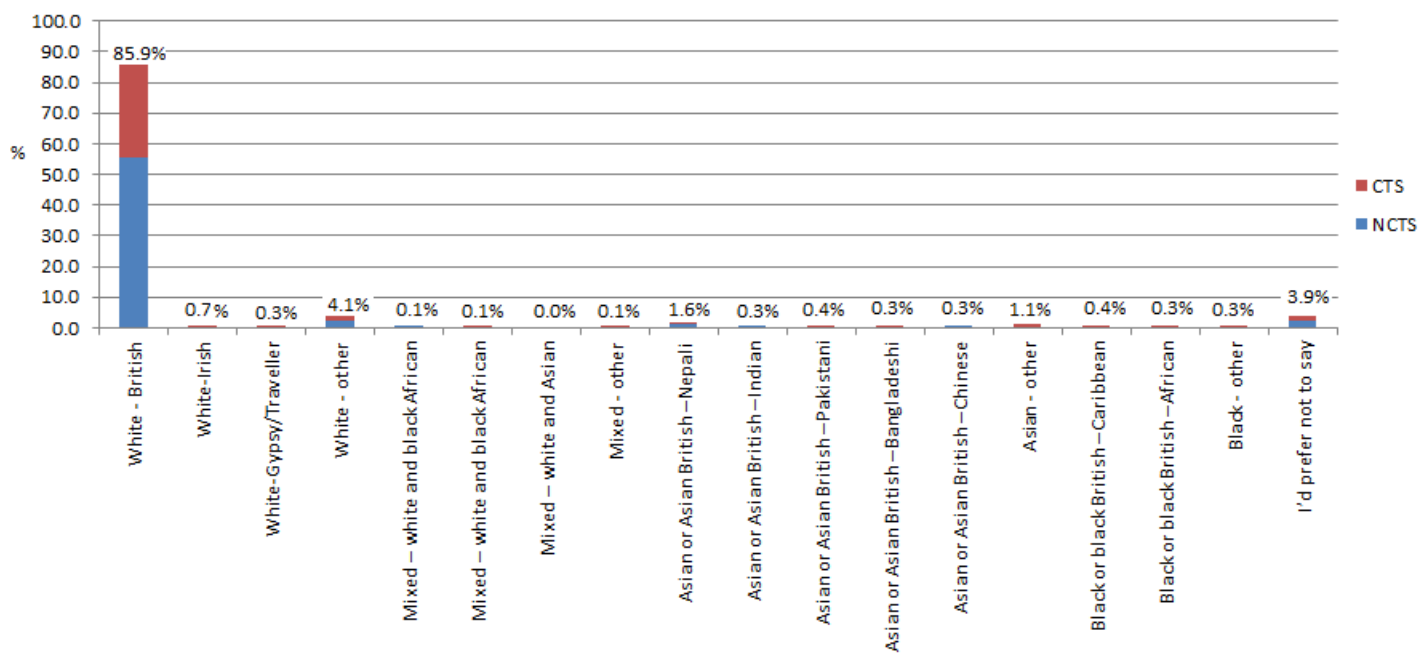
Percentage of respondents with a condition or disability, which limited their daily activities



Ethnic group

Overall, 85.9% of respondents (647) identified themselves as White-British, the next biggest group was those who identified themselves as White-Other (4.1% 31 respondents), followed by those preferred not to say (3.9% 29 respondents) followed by those who identified themselves as Asian or Asian British-Nepali (1.6% 12 respondents). There was no significant difference between those not receiving CTS (87.6% identified themselves as White-British) and those receiving CTS (83.0% identified themselves as White-British).

Ethnicity breakdown of respondents



Of the 18 respondents who added their own ethnic group in the 'Any other background' box, five respondents identified themselves as White English; the others identified themselves as:

- Irish and Chinese
- Kurdistan (Iraq)
- Mediterranean White
- Nepalese
- Romanian
- Sri Lankan
- White Turkish
- Anglo - Arabian
- Asian - Filipino - Philippines
- Estonian
- Mixed Caribbean Chinese
- White - Welsh
- White Scottish

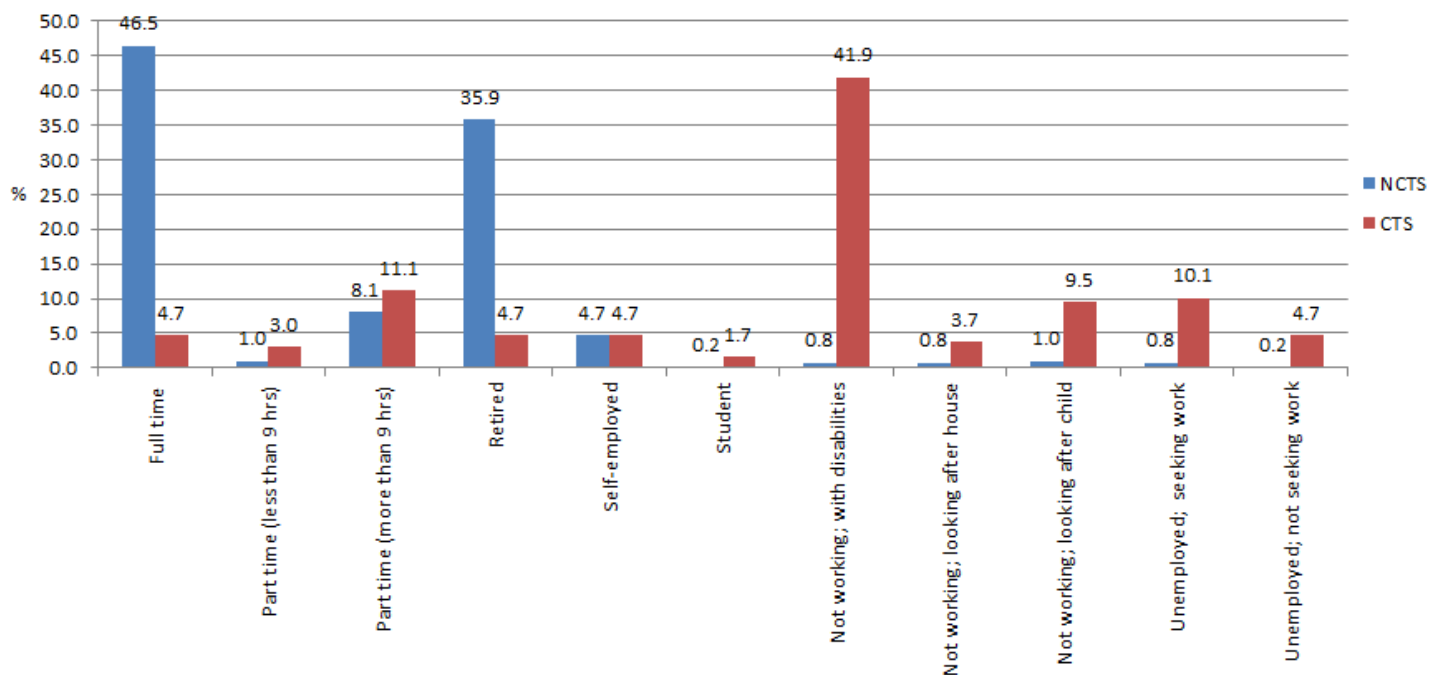
Children in households

There were 223 children in 136 households (27.1%) not receiving CTS, compared with 205 children in 108 households (37.2%) receiving CTS.

Economic activity

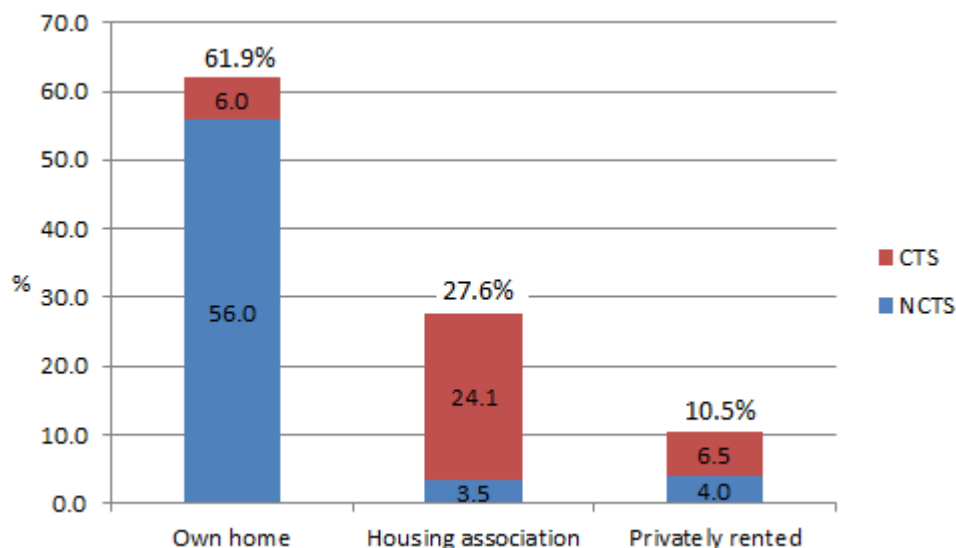
As expected, there is a difference in the economic activity between respondents receiving and those not receiving CTS. Those not receiving CTS tended to be in full time work (46.5%) or retired (35.9%). Those receiving CTS tended to be not working; either with disabilities (41.9%) or part time - more than 9 hrs (11.1%), unemployed seeking work (10.1%) and not working looking after child(ren) (9.5%).

% of respondents from those not receiving and not receiving Council Tax Support



Housing Tenure

Overall, 61.9% of respondents owned their own houses (this was 88.2% of those not receiving CTS compared with 16.3% of those receiving CTS). 27.6% of respondents had a housing association property (this was 5.5% of those not receiving CTS compared with 66% of those receiving CTS).



Some characteristics of respondents receiving CTS stood out as significantly different to those not receiving CTS. Those on CTS were more likely be women (62.1%), and/or with a condition or disability which limited their daily activities (56.6%), and/or not working because of disability (41.9%) and/or living in housing association homes (66%). They were also younger than those not receiving CTS, but as previously reported this is as expected because the surveys were only sent to those of working age receiving CTS.

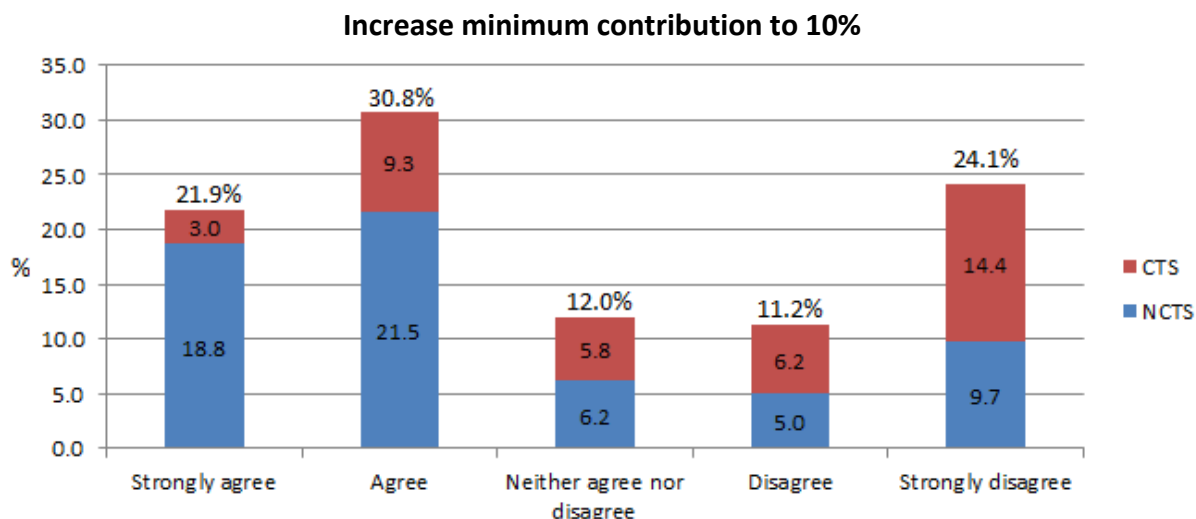
The equality assessment being undertaken alongside this work will assess the impact of any changes to the CTSS on those with a condition or disability, which limits their daily activities.

Responses to Council Tax Support Scheme Questions

Option One – increase the minimum contribution from 8% to either 10% or 12%

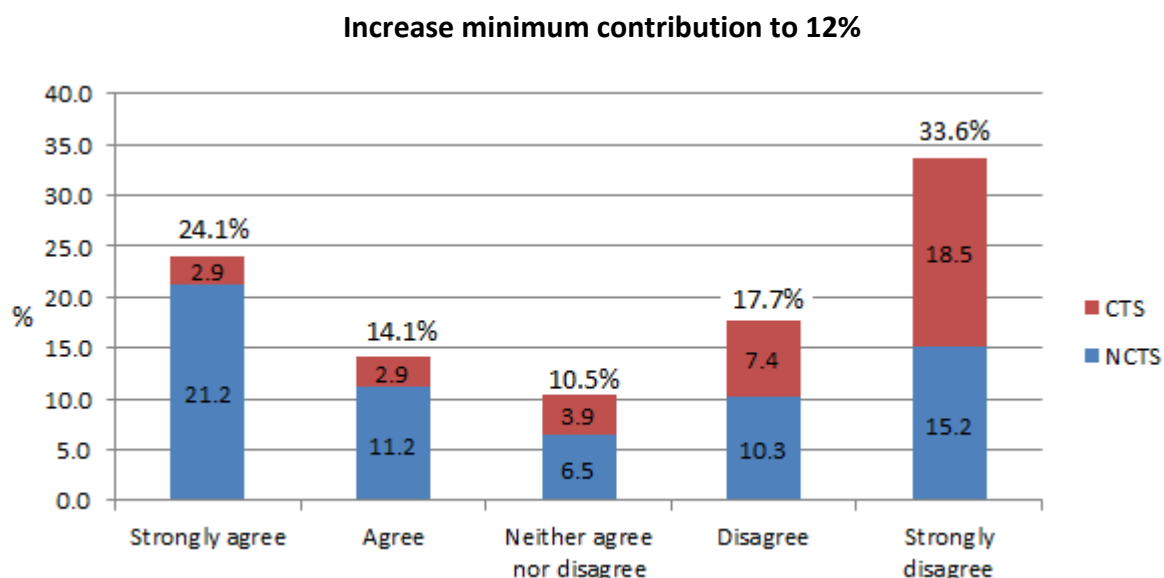
Question 1 – increase to 10%

There were 659 valid responses (excluding 33 'I don't knows'). In total 52.7% of respondents agreed with this and 35.3% disagreed.



Question 2 – increase to 12%

There were 660 valid responses (excluding 39 'I don't knows'). In total 38.2% of respondents agreed with this option and 51.3% disagreed.



Overall there was more support for a rise to 10% (52.7% agreed) than a rise to 12% (38.2% agreed). Option One also had a suggestion box if respondents thought it should be a different amount to 10% or 12%. In total, 214 respondents filled this in, 209 used individual

numbers or wrote it should stay the same. The range of the number went from 0%-100%, with a mean of 6.8%, median of 8% and a mode of 8%.

There were 238 comments relating to Option One. The main themes were around the effects an increase could have on increased hardship and poverty and that the contribution should stay the same or be increased, for example:

“I think that the government/council should remember that people who need council tax support are already struggling to find extra income/pay their bills. An increase in council tax contribution will only hurt those who are already financially worse off.”

“Leave it as it is. People who qualify for council tax support are already struggling to pay the current amount. To increase what someone on benefits would have to pay, may put them in a situation whereby they couldn't pay council tax and that would incur costs for the council having to try to get money from someone who doesn't have enough to pay it.”

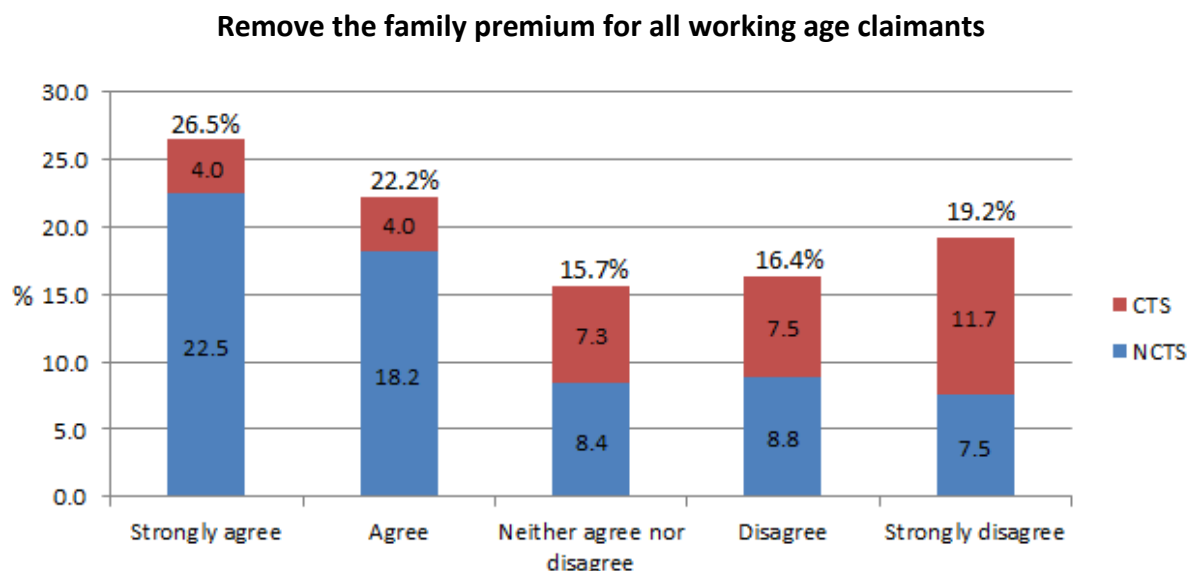
“I think it should be increased. The current minimum seems quite low in comparison to the total council tax value.”

“Even 12% is low, 20% is still only a 1/5 of the bill and is much more reasonable increasing the minimum seems that best idea.”

Option Two – removing the family premium for all or new working age claimants

Question 3 – for all working age claimants

There were 702 valid responses (excluding 75 'I don't knows'). In total 48.7% of respondents agreed with this and 35.6% disagreed.



62.2% of those not receiving CTS agreed with removal of the premium compared with 23.1% of those receiving CTS.

There were 160 comments for this question. The main themes of these comments included concerns about the effect of an increase resulting in greater hardship and poverty for affected families and children; that the premium should be kept; that the premium should be removed and that it should be in line with government/housing benefit changes for example:

“I believe this amount should remain for families. Bringing up children is very expensive and just a little extra support is very welcome.”

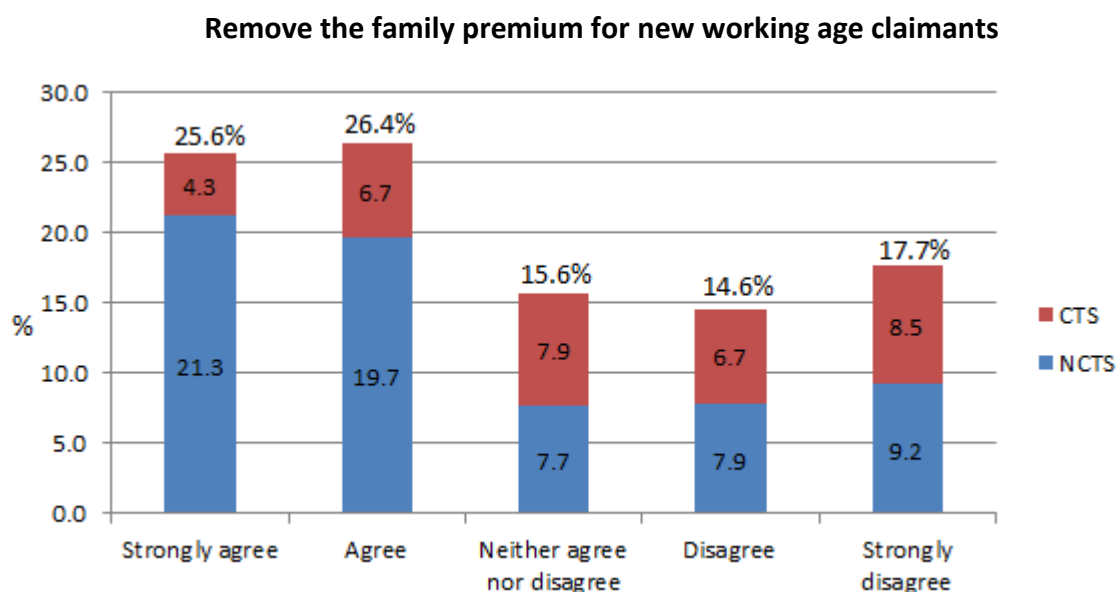
“It should be brought in line with the government changes.”

“Having children is a choice, so if you can't afford them then you shouldn't be having them. This should also be removed for those claiming any support from the council.”

“Feel very poor working families may suffer.”

Question 4 – for new working age claimants

There were 671 valid responses (excluding 78 'I don't know's'). In total 52% of respondents agreed with this option and 32.3% disagreed.



Overall, there was a support for this option with 62.2% of those not receiving CTS agreeing and 32.3% of those receiving CTS agreeing.

There were 130 comments for this question. The main themes of these comments were mainly around the fairness of different approaches; that everyone should be treated equally; and it should be for all, not just new. There was also concern about the effect this would have on families and children, for example:

“Equal treatment. Don’t change the rules for some not the rest.”

“As my previous comment. Why penalise new claimants? This could be argued to be discriminatory.”

“The family premium should be removed from all claimants not just new ones.”

“It should be all, otherwise it costs more to administer and would be unfair.”

“Removing the family premium brings some people closer to hardship.”

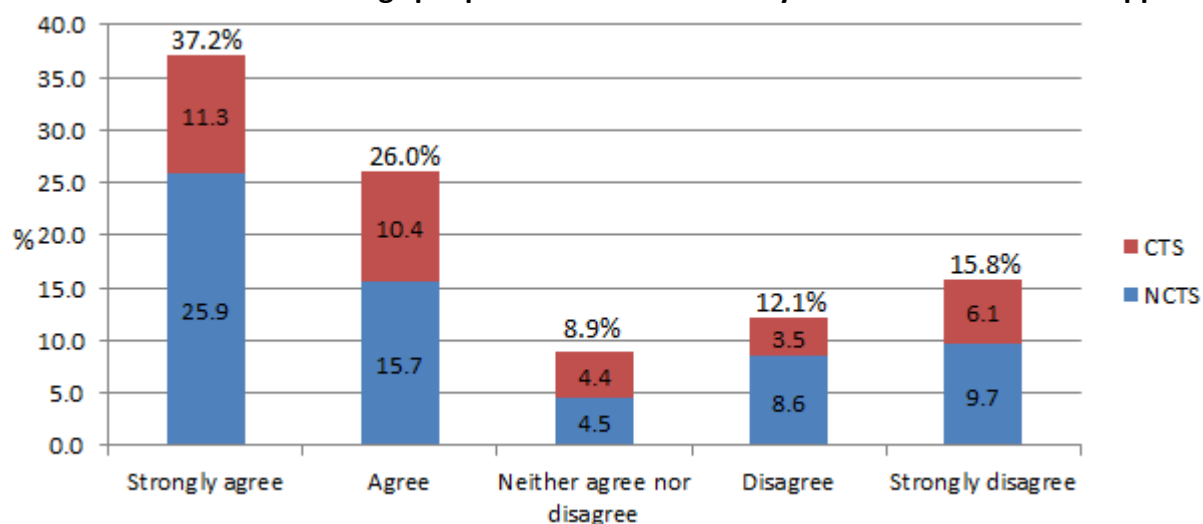
“I don’t think family premium for new claimants should be removed if it is going to make people worse off.”

Option Three – reduce the amount that people can have in savings capital and investments from £16,000 to £6,000 before they can claim for Council Tax Support

Question 5

There were 734 valid responses (excluding 40 'I don't knows'). In total 63.2% of respondents agreed with this option and 27.9% disagreed.

Reduce the amount of savings people can have before they can claim Council Tax Support



There was overall support for this option from respondents not receiving CTS and those receiving CTS.

There were 179 comments for this option. The main themes of the comments were that £6,000 was a significant sum of money for savings and people should pay for their Council Tax compared with those who felt that £6,000 was not much money and this may discourage saving, for example:

"I agree that if you have that much money in the bank, then you don't need help paying council tax."

"If people have between £6000 and £16000 they don't need council tax support."

"£6,000 is nothing when you are running a home, bringing up children. Kept the ceiling at £16,000 is right."

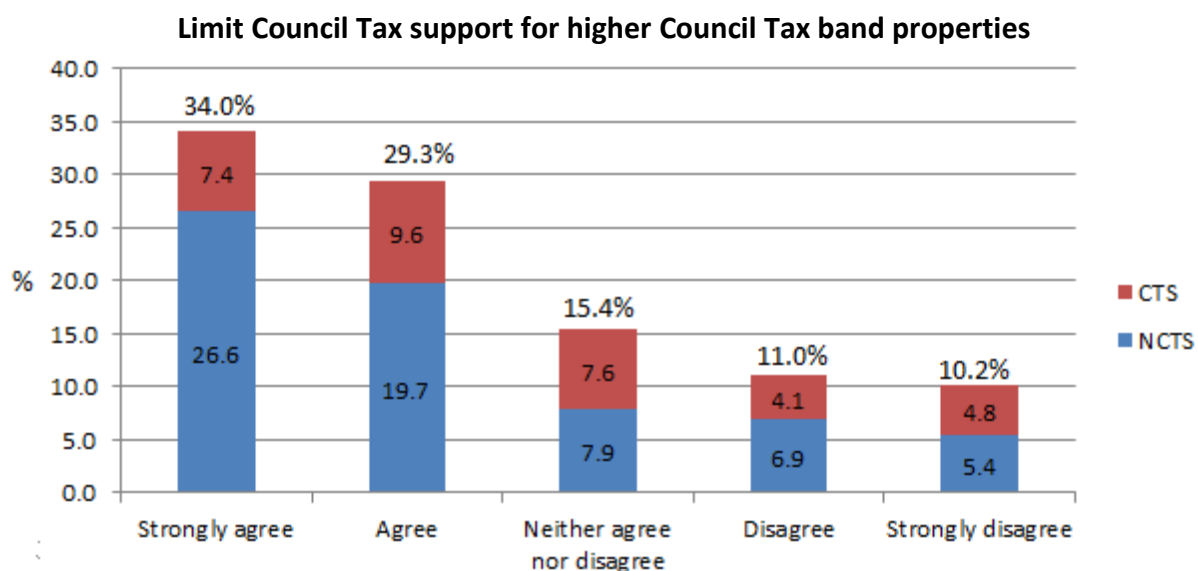
"I do not think £6000 in savings is a lot these days and could easily be swallowed up with just one emergency in a household. People should be encouraged to have some savings."

"This idea penalises those who want to save to improve their lives. It completely removes any incentive to save more than £6000 and keeps people who went to buy a house for example from being able to save for a deposit."

Option Four – Limit Council Tax Support for higher Council Tax Band properties

Question 6

There were 726 valid responses (excluding 52 'I don't knows'). In total, 63.3% agreed with this option and 21.2% disagreed.



There was overall support for this option from those not receiving CTS and those receiving CTS.

There were 147 comments for this option. The main themes were agreement with the option and a feeling that people can always move to a smaller property; fairness and people's ability to move, for example:

"If they can afford to live in a higher band house, they can afford to pay full council tax like the rest of us."

"Feel if people live in higher bands than D and need to claim Council Tax Support they should consider downsizing."

"People in higher tax bands should pay more in council tax. If they can't afford it then they should down size."

"Treat people equally regardless of property types, spread relief across all claimants."

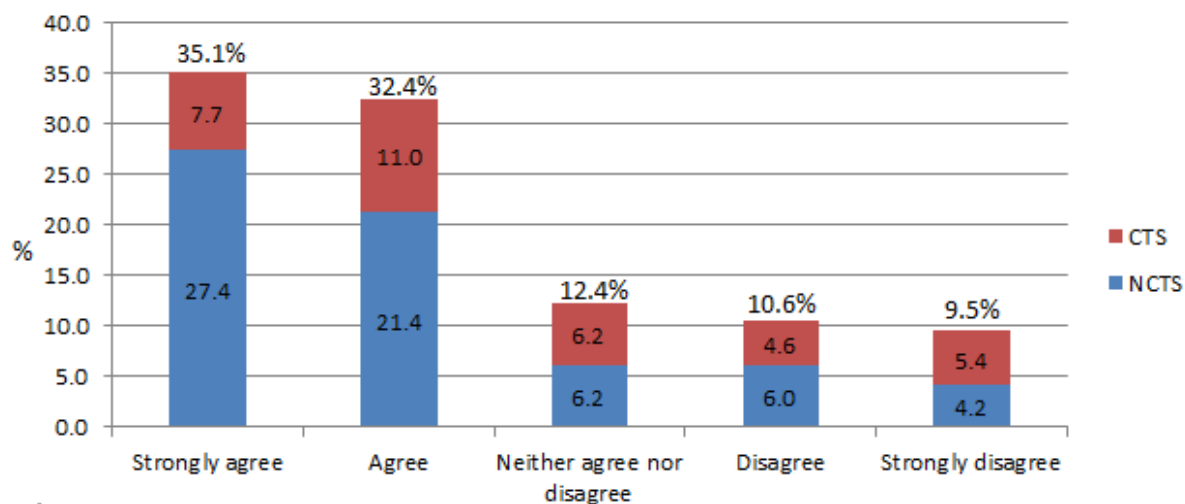
"Having a large house does not mean that you use more council services."

"I would only agree to this, if those people were helped to find suitable smaller properties, which, as we all know, in the Rushmoor area, is pretty difficult!"

Option Five – Reduce backdated claims to four weeks

Question 7

There were 744 valid responses (excluding 36 'I don't knows'). In total, 67.5% agreed with this option and 20.1% disagreed.



There was support for this option from those not receiving CTS and those receiving CTS.

There were 145 comments for this option. The main themes of the comments were in support of the change and removing backdating claims and identifying that there may be some valid reasons why people didn't claim in time:

"I agree with this as I think backdating for 4 weeks is fair."

"There is no need to be waiting 3 months. If the help is really required then should be requested as soon as possible."

"Three months seems excessive but one month maybe not long enough. As long as the rules are clear to residents 4 weeks could work."

"If you needed the support you would claim for it. 4 weeks is enough time."

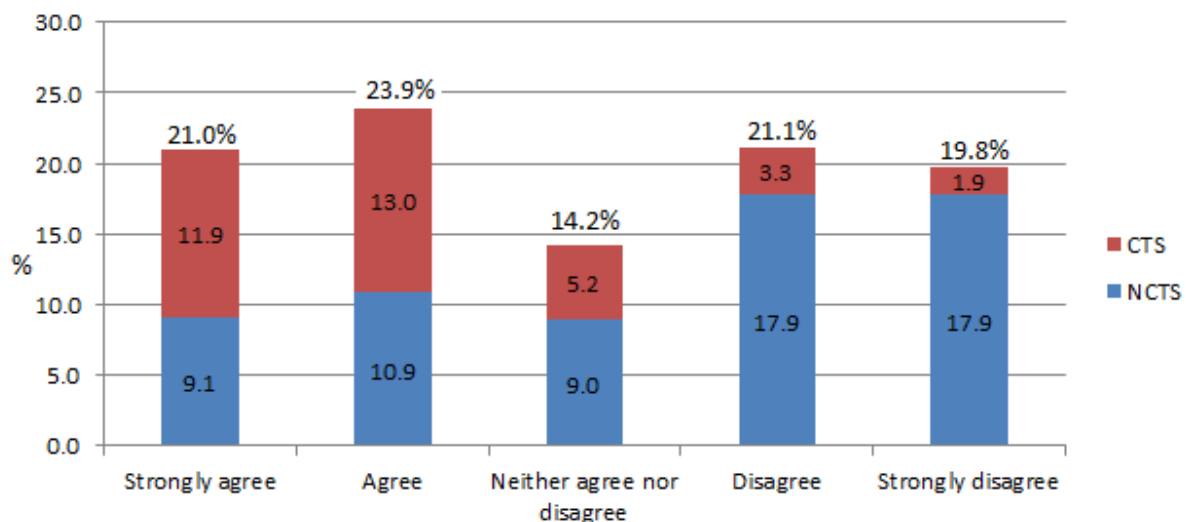
"It annoys me that a lot of people are late claiming due to their own disorganised life styles. I would hope the Council could make allowances when someone's claim has been legitimately been delayed and that they would be dealt with sympathetically."

"This should be a case by case scenario for example – if someone was in hospital for weeks/months they would be unable to make a claim as soon as they were entitled."

Option Six – No changes to the current Council Tax Scheme

Question 8

There were 733 valid responses (excluding 36 'I don't know's'). In total, 44.9% of respondents agreed with this option and 40.9% disagreed.



There was more agreement than disagreement for this option, with 70.5% of those receiving CTS agreeing it shouldn't change compared with 30.9% of those not receiving CTS.

There were 137 comments for this option. The main theme from the comments was that change was needed, for example:

"The Council obviously cannot keep it the same if the government cut their grant."

"Disagree. Changes should be made."

"Government policy has changes, local policy should follow."

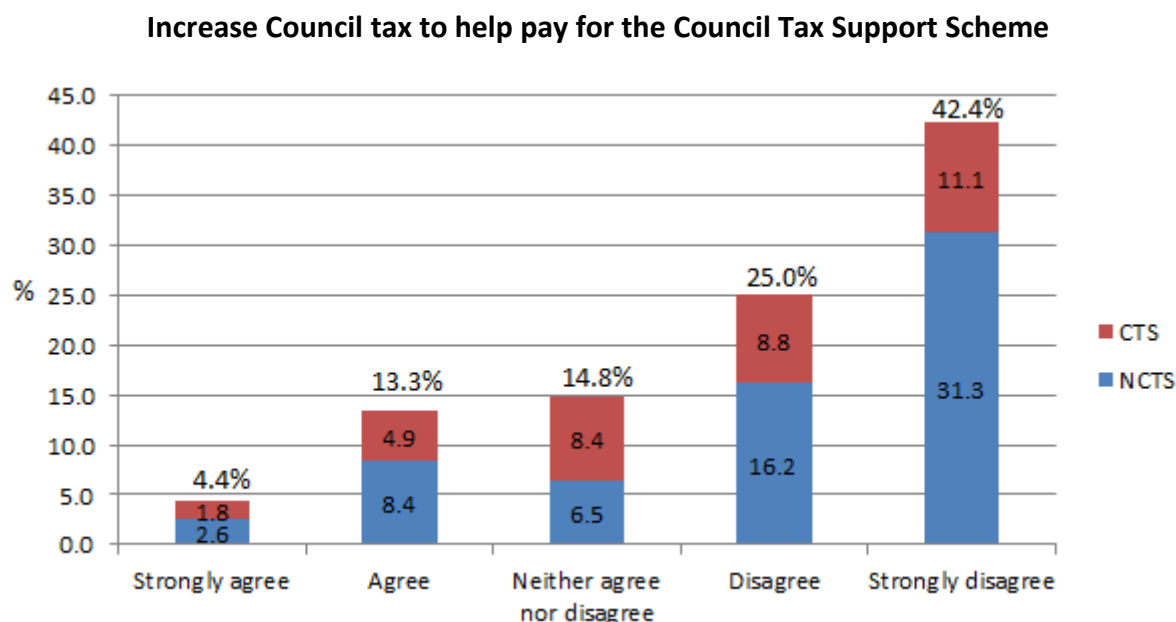
"Just because a system worked in the past, doesn't mean that it will in the future."

"Savings have to be made and I think a small monthly increase would not cause too much hardship to most people in the borough."

Other ways of funding the Council Tax Support Scheme

Question 9 – increase Council Tax to help pay for the Council Tax Support Scheme

There were 728 valid responses (excluding 42 'I don't knows'). In total, 17.7% of respondents agreed with this option and 67.4% disagreed.



Overall, respondents did not want an increase in their Council Tax to help pay for the support scheme. There were 166 comments for this question the main themes were disagreement with a rise and that respondents already pay enough, for example:

“The council tax is high anyway”

“I feel people in general pay a lot for their council tax should go up. People who currently only pay 8% and get support with this I feel could pay a little extra towards this”

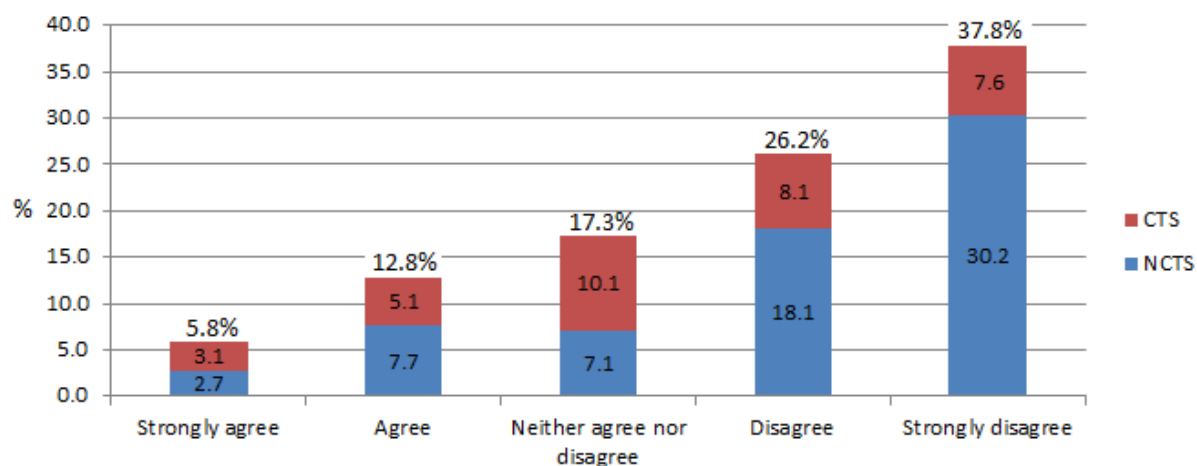
“I don't think it is fair for the general workforce to pick up the shortfall”

“You may not be eligible for support buy that doesn't mean we can afford to pay more for people who may not warrant it”

Question 10 – reducing funding or stopping other services to help pay for the Council Tax Support Scheme.

There were 701 valid responses (excluding 65 'I don't knows'). In total 18.6% of respondents agreed with this and 64% disagreed.

Reducing funding or stopping other services to help pay for the Council Tax Support Scheme



Respondents did not feel the Council should reduce funding or stop other services to help pay for the CTSS. There were 160 comments. The main themes were disagreement with the option and that it would depend on what services would be affected, for example:

“Services have already been scaled back too far.”

“The council tax support scheme needs to change, not other services.”

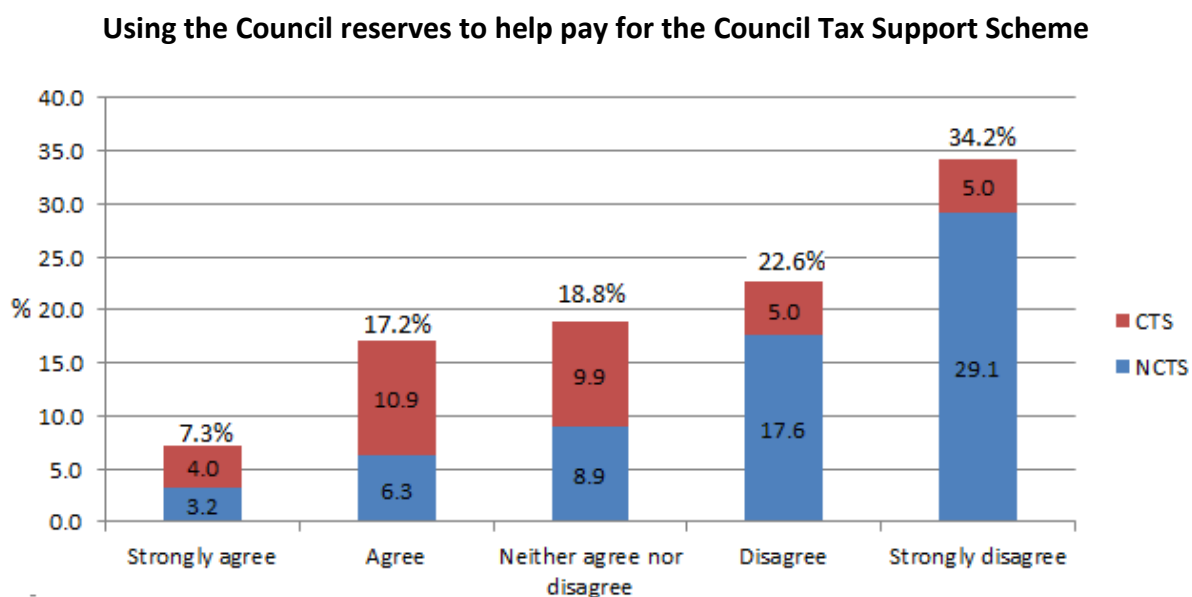
“Too generic – what are “other services”? This could be a strongly agree if you could at least show/evidence a plan of services affected.”

“It really depends on what services you are thinking of cutting. Without that information, it is difficult to say.”

“These services are needed and should not be cut or stopped.”

Question 11 – using Council reserves to help pay for the Council Tax Support Scheme

There were 717 valid responses (excluding 56 'I don't knows'). In total 24.5% of respondents agreed with this option and 56.8% disagreed.



Overall, residents didn't want the Council reserves to be used to help fund the CTSS. For respondents currently receiving CTS, 42.8% agreed compared with 28.8% disagreeing. There were 131 comments for this question. The main theme was that Council reserve should be kept for emergencies, for example:

"I disagree to using council reserves."

"Council reserves should not be used to plug a gap as they will be needed somewhere along the line and won't be there."

"Reserve should be used for unexpected situation. It should not be used for a current and long term problem."

"Unless the reserves are excessive then these should be retained for unforeseen emergency one off items of expense. Reserves should not be used for routine, ongoing expenditure."

Any other comments

There were 108 any other comments. The comments were varied, but broadly in agreement with the options for change. Other themes included views that the Council shouldn't provide benefits at all, and contrastingly concerns about the potential hardship for the people the proposed changes will affect, for example:

"Increase the contribution to 12%. Eliminate the savings rule of £6k, remove family premium, no backdating past 4 weeks, save the rest of us having to pay more yet again."

"Council tax support scheme should be reduced, particularly for higher band households. Council tax should not be raised for everyone when other measures (reducing support) can be put in place."

"I appreciate the help I receive with council tax benefit it makes a difference but keeping the benefit at its lower is preferable however I think an increase of 10% satisfactory."

"People live above their means, why should the rate payers kept helping them."

"I understand that some people have to claim benefits through no fault of their own but some people are just lazy or do not have their priorities right. We work really hard and budget well going without luxuries so we can afford to pay our bills and not claim benefits. By putting council tax up that may change. It is really annoying when people on benefits are going out or on holiday as we don't because we can't afford to. You need to consider the fact that by putting it up to subsidise this scheme, you might be increasing the bill as others can't afford to pay it."

"With people so desperate that they have to use food banks. Any support to reduce council tax support should be maintained – if at all possible. I do not envy the very hard decisions that you must make!"

"Benefits have been frozen, reduced, scrapped. You are asking those on the smallest incomes already in poverty to pay less. Please make savings from 'Rushmoor in Bloom' and care more about people than plants."

Appendix – copy of the letter and survey

Dear resident

Council tax support scheme 2016/17 – please give us your views

We provide help to people on a low income who need a hand paying their council tax bill by reducing the amount they have to pay. This is known as council tax support.

We are currently reviewing our council tax support scheme and would like to hear the views of our residents about how much support we should offer in future.

Because everyone pays for the council tax scheme through their council tax bill and any changes may affect other services, your views matter, whether or not you receive council tax support.

Our current scheme has been in place for nearly three years, but because of benefit changes and financial pressures on us, we felt now was the right time to review it.

We have considered a number of possible options, including keeping council tax support as it or reducing the amount of support we provide. We have also looked at what we could do instead if we chose not to change the level of council tax support, including options that could affect all households.

Enclosed with this letter, you will find a survey setting out the different options we are considering and asking for your views on them. We have sent this survey to all our working age residents who currently receive council tax support, as pensioners receive full support under a slightly different scheme and are not affected by these changes. We have also sent the survey to a similar number of randomly selected households, so we get a cross-section of views.

I would be grateful if you could spare a few minutes to complete the survey and send it back to us in the pre-paid return envelope – no stamp needed. The closing date for the consultation is Monday 21 December.

If you would prefer, you can also fill in the survey online on our website, www.rushmoor.gov.uk/counciltaxsurvey.

If you have any queries or would like help filling out the survey, please contact our Customer Services team on 01252 398080.

Thank you for your time.

Councillor Adam Jackman



Cabinet member for Concessions and Community Support

नेपालीमा सूचना

यदि तपाईं नेपाली हुनुहुन्छ र यो सर्बेछन को लागि मद्दत चाहिन्छ भने, कृपया हाम्रो ग्राहक सेवा टिमको सम्पर्क नम्बर ०१२५२ ३९८०८० मा फोन गर्नुहोला ।

Council Tax Support Scheme 2016/17

Have your say

We provide help to people on a low income who need a hand paying their council tax bill by reducing the amount they have to pay. This help is known as council tax support.

We've had the same council tax support scheme in place for nearly three years now and because of benefit changes and financial pressures on the council, we've been looking at whether the scheme needs to change.

We've considered a number of possible options, including keeping council tax support as it is or reducing the amount of support we provide.

We have also looked at what we could do instead if we choose not to change the level of council tax support, including options that could affect all households.

Because everyone pays for the council tax support scheme through their council tax and any changes may affect other services, your views matter, whether or not you receive council tax support.

You can give your views by filling in this survey and sending it back to us using the enclosed pre-paid envelope (no stamp needed). You can also fill in our survey on our website, www.rushmoor.gov.uk/counciltaxsurvey.

Please return your completed questionnaire by
Monday 21 December

RUSHMOOR
BOROUGH COUNCIL

About our council tax support scheme

Council tax support is a means-tested discount that we provide for people on low incomes who need help paying their council tax. We don't pay any money to the people who claim it. Instead, we reduce their council tax bill by the amount of support they are entitled to.

Around 5,200 of our residents claim council tax support, of whom 47% are of working age and 53% are pensioners. The cost of our council tax support scheme is around £4.24 million a year.

We introduced our current council tax support scheme in 2013 when the government ended the national council tax benefit scheme. At the time, the government made councils responsible for funding council tax support, but reduced the amount of money available by 10%.

On principle, we felt that everyone should pay something towards council tax, as we all use the services it pays for.

So, under our current scheme, everyone of working age, who receives council tax support, must pay a minimum of 8% towards their council tax bill. This means that the most council tax support people can receive is 92% of their council tax bill. Pensioners receive up to 100% support.

About this consultation

Like all councils, we have faced reductions in our funding, including for our council tax support scheme, and this is putting pressure on our local services. As these reductions are likely to continue, we need to make sure we offer a council tax support scheme that is affordable and fair – not only for those who receive support, but also for everyone who depend on council services.

In addition, the government is making changes to the benefits system as part of its welfare reforms, such as how it calculates housing benefit entitlement. Up until now, we have kept our council tax support scheme in line with the government's system, so we need to consider if we carry on doing that, or not.

This survey puts forward a number of options to change our council tax support scheme, by reducing the amount of support we provide, from April 2016. We could choose one - or a number - of these and we'd like your views on each of them.

We also ask for your views on how we could meet the shortfall in funding if we choose not to reduce the amount of council tax support we provide. These options range from putting up council tax to reducing spending on other council services or using the council's reserves.

Council tax support scheme - options

Option 1 - Increase the minimum contribution from 8% to either 10% or 12%

We could increase the minimum amount people have to pay towards their council tax from 8%. The options we have considered are to increase the minimum contribution to either 10% or 12%. This would affect just over 2,700 residents.

If we were to increase the minimum to 10% a year, this would save just over £53,000.

If we were to increase the minimum to 12% a year, this would save just over £106,000 a year.

How much people would have to pay in council tax

The tables below show how much people currently pay a month if they pay the minimum 8% contribution and what this would be if we were to increase it to 10% or 12%. This is based on this year's council tax bill.

Based on a full council tax bill

Minimum payment per month	Council tax band							
	A	B	C	D	E	F	G	H
8% (current)	6.40	7.47	8.54	9.60	11.74	13.87	16.01	19.21
10%	8.01	9.34	10.67	12.01	14.67	17.34	20.01	24.01
12%	9.60	11.21	12.81	14.41	17.61	20.81	24.01	28.81

Based on the current council tax bill with 25% single person discount

Minimum payment per month	Council tax band							
	A	B	C	D	E	F	G	H
8% (current)	4.80	5.60	6.40	7.20	8.80	10.40	12.01	14.41
10%	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00
12%	7.20	8.40	9.60	10.80	13.21	15.61	18.01	21.61

Option 1 continued

Question 1

How much do you agree or disagree that the council should increase the minimum contribution someone should pay?

Increase to 10% (*tick one box*)

Strongly agree Agree Neither agree nor disagree

Disagree Strongly disagree Don't know

Increase to 12% (*tick one box*)

Strongly agree Agree Neither agree nor disagree

Disagree Strongly disagree Don't know

Question 2

If you think the minimum contribution should be a different amount - either higher or lower - please tell us what you think it should be.

 %

Comments

Option 2 - Removing the family premium for all or new working age claimants

The government sets out how much it thinks people need as a minimum to live on when it calculates housing benefit entitlement. If you have at least one dependent child or young person, this amount includes £17.45 a week for that child. This is known as a family premium. From April 2016, the government is removing the premium from its calculations.

One option would be for us to do the same thing for council tax support. We could do this for all claims, or new claims only.

Doing so would bring our council tax support scheme in line with the housing benefit changes the government is making. This would also help off-set some of the increased costs of the council tax support scheme, also as a result of government changes.

This would affect people of working age, but it wouldn't affect people who claim Universal Credit, Income Support, Income-Related Employment and Support Allowance or Income-Based Jobseeker's Allowance.

If we were to remove the family premium for all working age claimants with dependents, it would affect around 380 people and would save about £60,000 a year.

They would get about £3.50 a week less in council tax support.

If we were to remove the family premium only for new working age claimants with dependents, it would affect about 40 people and would save around £6,000 a year.

Question 3

How much do you agree or disagree that we should remove the family premium amount for all claimants when we calculate council tax support entitlement?

Strongly agree Agree Neither agree nor disagree

Disagree Strongly disagree Don't know

Comments

Option 2 continued

Question 4

How much do you agree or disagree that we should remove the family premium amount for new claimants when we calculate council tax support entitlement?

Strongly agree Agree Neither agree nor disagree

Disagree Strongly disagree Don't know

Comments

Option 3 - Reduce the amount that people can have in savings, capital and investments from £16,000 to £6,000 before they can claim council tax support

At the moment, if you have more than £16,000 in savings, capital and investments, you can't claim council tax support. If you have between £6,000 and £16,000, you can get some support – this is on a sliding scale.

One option we are looking at would be to remove support from anyone who has more than £6,000 in savings, capital and investments.

This would mean that if you have more than £6,000 in savings, capital or investments, you would not receive any council tax support and there would be no sliding scale.

This would apply to all working age claimants, whatever benefits they receive, but only affect those with more than £6,000 in savings, capital and investments.

This would affect 115 residents and would save just under £21,750 a year.

Question 5

How much do you agree or disagree that the council should only give support to claimants who have less than £6,000 in savings, capital and investment?

- Strongly agree Agree Neither agree nor disagree
 Disagree Strongly disagree Don't know

Comments

Option 4 - Limit council tax support for higher council tax band properties

There are eight council tax bands – from A to H and at the moment, you can get council tax support whatever council tax band your home is in.

The mid-range council tax band is Band D and we could use this as a limit for council tax support.

This would mean that if your home is in council tax bands E, F, G or H, we'd calculate your council tax support as if you lived in a Band D home.

The benefits of doing this would be that it could be seen as fairer scheme, with people living in more expensive properties having to pay more. It would, however, mean that anyone of working age living in a home with a council tax band higher than D, would receive less support.

Limiting council tax support for higher council tax band properties would affect 46 people and would save just over £10,600 a year.

Question 6

How much do you agree or disagree that the council should limit council tax support for higher council tax band properties?

- Strongly agree Agree Neither agree nor disagree
 Disagree Strongly disagree Don't know

Comments

Option 5 - Reduce backdated claims to four weeks

At the moment, we can backdate claims by up to three months if a person can prove there is a good reason why he or she didn't claim earlier.

From April 2016, the government is reducing this to four weeks for housing benefit claims and we could do the same for council tax support.

The benefit of doing this is that it's a simple change and it would simplify our administration. It would however, affect the amount new claimants receive if they don't claim on time.

Last year, we awarded backdated claims to 78 people. We can't say how many people might be affected in the future and therefore, how much this would save.

Question 7

How much do you agree or disagree that we should reduce backdated claims from a maximum of three months to a maximum of four weeks?

- Strongly agree Agree Neither agree nor disagree
 Disagree Strongly disagree Don't know

Comments

Option 6 - No change to the current council tax support scheme

Currently, if you are of working age, you pay a minimum contribution of 8% towards your council tax bill. We could continue with this and make none of the changes proposed in this consultation. This would mean that as long as claimants' circumstances don't change, their support would stay the same.

Around 2,740 people of working age currently claim council tax support.

If we were to keep the minimum contribution at 8%, we would need to look at other ways of making savings.

The tables below show how much people currently pay a month in council tax if they pay the minimum of 8% of their bill.

Based on a full council tax bill

	Council tax band							
	A	B	C	D	E	F	G	H
Monthly payment	6.40	7.47	8.54	9.60	11.74	13.87	16.01	19.21

Based on the current council tax bill with 25% single person discount

	Council tax band							
	A	B	C	D	E	F	G	H
Monthly payment	4.80	5.60	6.40	7.20	8.80	10.40	12.01	14.41

Question 8

How much do you agree or disagree that the council should keep its current council tax scheme for 2016/17?

Strongly agree Agree Neither agree nor disagree

Disagree Strongly disagree Don't know

Comments

Summary table

To help you, this is a summary of the options we are considering.

Option	Scheme	Numbers affected	Total cost of the scheme for this option	Savings
1	Increase the minimum contribution from 8% to 10%	2712	£4,185,668	£53,257
	Increase the minimum contribution from 8% to 12%		£4,132,538	£106,387
2	Remove the family premium for all working age claimants	378	£4,179,983	£58,942
	Remove the family premium for new working age claimants	Estimate 40 new claims		£6,000
3	Reduce the amount that people can have in savings, capital and investments from £16,000 to £6,000 before they can claim council tax support.	115	£4,217,177	£21,748
4	Limit council tax support for higher council tax band properties	46	£4,228,312	£10,613
5	Reduce backdated claims to four weeks	In 2014/15, 78 people had their claim backdated between 12 weeks and one week	Data not available	No estimate
6	No change to the current council tax support scheme	5200 – Pensioners and working age	£4,238,925	N/A

Other ways of funding the council tax support scheme

If we don't reduce the help we provide through our council tax support scheme, we will need to look at other ways of meeting the shortfall in funding.

Our options are to:

- Increase council tax
- Make savings from other council services
- Use council reserves

We would like your views on these options.

Increase council tax

We aim to provide a fair balance between supporting people who need more – and sometimes targeted – help, and providing our general services to council tax payers.

If councils increase their council tax by 2% or more, they have to hold a local referendum to ask residents for their views.

If we were to keep our council tax support scheme at the same level, we could look at increasing the council tax to fund the additional costs of the scheme instead. Everyone who pays council tax would be affected by this option.

Question 9

How much do you agree or disagree that we should increase council tax to help pay for the council tax support scheme?

- Strongly agree Agree Neither agree nor disagree
 Disagree Strongly disagree Don't know

Comments

Making cuts to other services

Another alternative to changing our council tax support scheme would be to cut spending on services in other areas. These savings would be in addition to those we are already making.

Question 10

How much do you agree or disagree that we should reduce funding to other services or stop providing a service altogether, to help pay for the council tax support scheme?

Strongly agree Agree Neither agree nor disagree

Disagree Strongly disagree Don't know

Comments

Using council reserves

We maintain a sensible level of financial reserves so we are able to respond to unexpected pressures. We could use some of those reserves for a limited time to help fund the council tax support scheme. This is, however, a short-term solution, as once the reserves have been spent, they are spent.

Question 11

How much do you agree or disagree that we should use our council reserves to help pay for the council tax support scheme?

Strongly agree Agree Neither agree nor disagree

Disagree Strongly disagree Don't know

Comments

Any other comments

If you have any further comments or suggestions to make on the council tax support scheme, please let us know.

What happens next

Because of the timescales involved and legal requirements, we must adopt our 2016/17 council tax support scheme by 31 January at the latest. The scheme will then run from 1 April.

After the consultation closes on Monday 21 December, we will analyse the results and prepare a report for our councillors to consider at a meeting of the full council on Wednesday 27 January.

The report will also include other evidence and information so the council can make a final decision on the scheme to adopt. Once the council has made a decision, we will publish the results of the consultation on our website, www.rushmoor.gov.uk/counciltaxsurvey.

About you

Question 12 Do you receive council tax support?

Yes No Don't know

Question 13 What is your gender?

Male Female

Question 14 Which one of the following age bands do you belong to?

- 18 - 24 years 25 - 34 years 35 - 44 years 45 - 54 years 55 - 64 years
 65 - 74 years 75 - 84 years 85 + years I'd prefer not to say

Question 15 Do you consider yourself to have any conditions or disabilities, which limit your daily activities?

- Yes No I'd prefer not to say

Question 16 What is your ethnic group?

- | | |
|---|---|
| <input type="checkbox"/> White - British | <input type="checkbox"/> White - Irish |
| <input type="checkbox"/> White - Gypsy/Traveller | <input type="checkbox"/> White - other |
| <input type="checkbox"/> Mixed - white and black Caribbean | <input type="checkbox"/> Mixed - white and black African |
| <input type="checkbox"/> Mixed - white and Asian | <input type="checkbox"/> Mixed - other |
| <input type="checkbox"/> Asian or Asian British - Nepali | <input type="checkbox"/> Asian or Asian British - Indian |
| <input type="checkbox"/> Asian or Asian British - Pakistani | <input type="checkbox"/> Asian or Asian British - Bangladeshi |
| <input type="checkbox"/> Asian or Asian British - Chinese | <input type="checkbox"/> Asian - other |
| <input type="checkbox"/> Black or black British - Caribbean | <input type="checkbox"/> Black or black British - African |
| <input type="checkbox"/> Black - Other | <input type="checkbox"/> I'd prefer not to say |
| <input type="checkbox"/> Any other background | <input type="text" value="Please specify"/> |

Question 17 How many children do you have in your household?

- Under 6 years old Between 6 and 9 years old
Between 10 and 15 years old Between 16 and 24 years old

Question 18 What is your working status?

- | | |
|--|--|
| <input type="checkbox"/> Full time | <input type="checkbox"/> Part time (less than nine hours) |
| <input type="checkbox"/> Part time (more than nine hours) | <input type="checkbox"/> Retired |
| <input type="checkbox"/> Self-employed | <input type="checkbox"/> Student |
| <input type="checkbox"/> Not working (with disabilities) | <input type="checkbox"/> Not working (looking after house) |
| <input type="checkbox"/> Not working (looking after child) | <input type="checkbox"/> Unemployed (seeking work) |
| <input type="checkbox"/> Unemployed (not seeking work) | |

Question 19 What type of property do you live in?

- Own home Housing association Privately rented

Question 20 What is your postcode?

**Sign up to receive email news from the council
or to take part in future online surveys**

From time to time, we email our residents information and news about the council, our services and what's happening locally. We also invite residents to take part in occasional surveys, which are usually online.

If you would like to receive news or take part in occasional surveys, please let us know.

Email address

- I would like to receive email news and information from the council
 I would like to take part in the council's surveys

Thank you for taking part in this survey. We will only use the information you give us to help decide on our future council tax support scheme and, if you have given us your email details, to provide you with local news and information and/or invite you to take part in occasional surveys.

**Please return your completed survey in the brown pre-paid envelope
(no stamp needed) by Monday 21 December at the very latest.**

If you have any queries or need help filling out this survey, please contact our Customer Services team by:

Phone: 01252 398 080 (Monday - Thursday 8.30am to 5pm; Friday 8.30am to 4.30pm)

Email: customerservices@rushmoor.gov.uk

You can also fill in this survey on our website, www.rushmoor.gov.uk/counciltaxsurvey

Thank you

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 Rushmoor Borough Council
November 2015

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List of Recommendations for Change and the Supporting Rationale

Recommendations	Rationale
<p>Increase the minimum contribution from 8% to 10%</p>	<p>This was supported by 52.7% of all valid respondents to the consultation as opposed to 35.3% who disagreed; the remainder remaining silent or neutral on the question. There was strong support for this option amongst residents generally and even a level of acceptability proffered amongst those in receipt of CTS. This response contrasts quite starkly to the response to the 12% option, which had a majority against that option and was much more strongly opposed amongst recipients of CTS. Financially the WRTFG considered this presented a potentially affordable option for residents, leaving those in Band C properties (most typical in Rushmoor) facing minimum payments of around £2.54 per week equating to around £132.45 annually as opposed to £1324.52 for a full rate (thus retaining an annual discount of around £1,000).</p>
<p>Remove the Family Premium for <u>new</u> working age claimants</p>	<p>This option was supported by 52% of all valid respondents to the consultation as opposed to 32.3% who disagreed; the remainder remaining silent or neutral on the question. There was strong support for this option amongst residents generally and also a level of acceptability amongst those in receipt of CTS. This response contrasts with the response to the option to remove the Family Premium for all working age claimants which carried less support generally, although was much more strongly opposed amongst recipients of CTS. The WRTFG considered this a viable option, as this would mirror the arrangements from 1st April 2016 for Housing Benefit (HB) applicants (many applicants in Rushmoor access both HB and CTS via a single application process currently). The approach of removing the premium for new claimants only was seen as offering a way of phasing in this change over time.</p>
<p>Reduce the amount of savings from £16,000 to £6,000 before claiming CTS</p>	<p>This option was supported by 63.2% of all valid respondents to the consultation as opposed to 27.9% who disagreed; the remainder remaining silent or neutral on the question. There was a majority in favour of this option amongst residents generally and also amongst those in receipt of CTS (where it was actually the most strongly supported of all the options for change). The WRTFG considered this a viable option as this would affect relatively few people (estimated less than 50), would serve the principle of trying to focus support to “the most vulnerable” which this group seemed</p>

	<p>somewhat at odds with and this change seemed to strongly resonate with residents (receiving strong support and attracting some 179 freeform additional comments - the most of any of the specific proposed changes other than the general % increase proposals).</p>
<p>Limit support at the Band D level for those living in properties banded higher than D</p>	<p>This option was supported by 63.3% of all valid respondents to the consultation as opposed to 21.2% who disagreed; the remainder remaining silent or neutral on the question. There was a majority in favour of this option amongst residents generally and also amongst those in receipt of CTS. The WRTFG considered this a viable option as this would affect relatively few people (estimated less than 50), would still provide a degree of support to those living in the higher banded properties and seemed to strongly resonate with residents (receiving strong support and attracting some 147 freeform additional comments – with a focus on fairness and options to move to smaller properties being common themes).</p>
<p>Reduce the limit of backdated claims to four weeks</p>	<p>This option was supported by 67.5% of all valid respondents to the consultation as opposed to 20.1% who disagreed; the remainder remaining silent or neutral on the question. There was a majority in favour of this option amongst residents generally and also amongst those in receipt of CTS. The WRTFG considered this a viable option as this would mirror the arrangements from 1st April 2016 for Housing Benefit (HB) applicants (many applicants in Rushmoor access both HB and CTS via a single application process currently). Furthermore the change was not considered likely to affect a significant number of people (it would have affected a maximum number of 78 in the previous year). The proposal also seemed to strongly resonate with residents (receiving the strongest support and attracting some 145 freeform additional comments – with a focus on 4 weeks being a reasonable amount of time and some sense that the Council should be able to make provisions for “exceptions”).</p>

**List of Matters Considered in the Public Consultation but NOT
being put Forward as Proposed Changes with Associated Rationale**

Questions in the Consultation	Rationale
Increase the minimum contribution from 8% to 12%	This was supported by 38.2% of all valid respondents to the consultation as opposed to 51.3% who disagreed; the remainder remaining silent or neutral on the question. This contrasted to the more acceptable option of an increase to 10% as explained Appendix 2.
Remove the Family Premium for <u>all</u> working age claimants	This was supported by 48.7% of all valid respondents to the consultation as opposed to 35.6% who disagreed; the remainder remaining silent or neutral on the question. So whilst more were in favour of this option than against respondents gave a stronger preference for the gradual removal of Family Premium suggested in the option in Appendix 2.
Keep the current CTSS exactly the same	<p>This was supported by 44.9% of all valid respondents to the consultation as opposed to 40.9% who disagreed; the remainder remaining silent or neutral on the question. In many respects this was the most finely balanced of all the opinions obtained.</p> <p>The WRTFG did not consider this a viable option however as there was not a clear majority position and several of the other options (5, 6 and 7 for example) had given clear preference for changes amongst all residents thus creating a clear inconsistency with this view.</p>
Seek to fund the CTSS specifically by a general increase in the Council Tax	This was supported by 17.7% of all valid respondents to the consultation as opposed to 67.4% who disagreed; the remainder remaining silent or neutral on the question. This was the suggestion that respondents most clearly disagreed with. The WRTFG did not consider this a viable option due to the level of general unacceptability – both CTS recipients and general residents alike taking a majority position against this option.
Seek to fund the CTSS specifically by reducing other services	This was supported by 18.6% of all valid respondents to the consultation as opposed to 64% who disagreed; the remainder remaining silent or neutral on the question. So, whilst slightly more acceptable than the previous option respondents were clearly not

	<p>in favour of CTSS being funded at the expense of a loss of service elsewhere.</p> <p>Again, the WRTFG did not consider this a viable option due to the level of general unacceptability – both CTS recipients and general residents alike taking a majority position against this option.</p>
<p>Seek to fund the CTSS specifically by using reserves</p>	<p>This was supported by 24.5% of all valid respondents to the consultation as opposed to 56.8% who disagreed; the remainder remaining silent or neutral on the question. So, whilst more acceptable than the previous two alternate funding options respondents were not in favour of CTSS being funded by the use of reserves. Once again, the WRTFG did not consider this a viable option due to the level of general unacceptability – but did note the difference in view regarding this option in that CTS recipients were more inclined to favour this funding option whilst general residents were strongly opposed.</p>

Equality Impact Assessment – Council Tax Support Scheme 2016/17

Lead Officer	Dawn Menzies-Kelly – Revenues and Benefits Manager
Service	Financial Services
Proposed change to service	Develop a revised Council Tax Support Scheme(CTSS) for 2016/17
Reasons for service change	<p>The Council Tax Benefit scheme (CTB) was abolished by the Welfare Reform Bill with effect from April 2013. This was replaced with a local Council Tax Support Scheme (CTSS). The Council introduced a CTSS, which was very similar to the previous CTB system. Two changes were applied: firstly to limit the amount eligible for CTS to 92% of the Council Tax liability; secondly to include child benefit and maintenance for children as income instead of applying a 100% disregard as with CTB.</p> <p>The Council's original overall budget for CTS had been cut by Central Government with further cuts experienced over the last two years and confirmed to continue. It is for local councils to determine how to manage any funding gaps and any cuts can only be made to a CTS scheme for working age recipients. This is due to the strict guidelines from government to ensure support for pensioners' remains at the same level as previously applied with CTB. This is delivered through a national framework of criteria and allowances.</p> <p>The Government is also continuing with a national programme of welfare reform and it is appropriate to consider whether some of the changes to other welfare systems should be reflected in the Council's local CTSS.</p> <p>Rushmoor Borough Council needs to annually review its CTSS. The scheme must be set each year by 31st January.</p> <p>Any proposed changes must be fully consulted on as well as alternative options to funding changes.</p>
Information about users, research or other evidence	<p>Rushmoor Borough Council has the option of not changing the scheme or designing a revised scheme, which closes the funding gap, incentivises work and supports the benefit welfare reform.</p> <ol style="list-style-type: none"> 1. Develop a new local CTS scheme. The preferred option would be to continue a means tested scheme aimed at helping those in greatest need. This has been the case since April 2013 where Rushmoor's scheme has been based on the CTB model. To avoid passing on increased costs of the support, further changes would need to be applied. 2. Changes being considered under the proposed scheme are: <ol style="list-style-type: none"> a) Calculating award based on a maximum eligible council tax of 90% b) Calculating the award on CTS on a property Band D restriction

	<p>c) Reduction of the capital limit from £16,000 to £6,000 d) Replicate changes in Housing Benefit from 2016 relating to the Family Premium and backdating</p> <p>In order to establish options for change, the Council has established a Welfare Reform Task and Finish Group of cross party elected Members. The Group has met on six occasions during the calendar year of 2015 and considered a vast weight of evidence in relation to:</p> <ul style="list-style-type: none"> ▪ Current recipients ▪ Affordability and Council Tax payment rates ▪ Impact on different groups within the scheme ▪ Comparisons with other similar local authorities within the County, those bordering and those in our Audit family ▪ Various scheme designs, both locally and nationally ▪ Comparisons on collection rates according to scheme design <p>Full details of this evidence base and detailed claimant profiles lie within the supporting documentation for the Member group's meetings.</p>
<p>Stakeholder consultation and involvement</p>	<p>Following publication of the draft scheme, a formal consultation period ran between 9th November 2015 and 21st December 2015. General awareness was raised via press releases and the on-line through the Council's website. A postal survey was carried out which entailed sending 3,000 paper forms to Council taxpayers selected at random and a form to all current working age recipients of CTS. There was also an on-line questionnaire available on our website throughout the consultation.</p> <p>Other stakeholders were consulted via general publicity and email to explain the basic outline of the proposals and directing them to the on-line consultation. There were displays in the Council offices and an article in the Council's Arena magazine on 8th December. These stakeholders included:</p> <ul style="list-style-type: none"> ▪ Citizens Advice ▪ Housing Associations ▪ Community groups and voluntary sector ▪ Precepting authorities ▪ Elected Members and staff

Impact of change – Who will be affected. How the change will impact on equality groups. Any positive and negative impacts of the changes on users. Actions taken to avoid or lessen any negative impacts.

- As at 9th November 2015, there were a total of 39,137 properties liable for Council Tax in Rushmoor.
- 13 % were receiving CTS and of these, 2,718 (7% of properties) were working age households.
- The changes being considered within the scheme proposals will affect working age people only.

☐ Further analysis of the equality strands are:

Age	Positive	Negative
<p>Profile data available from the current scheme. This covers all those in receipt of CTS</p> <p>Working age = 2,718 Pension age = 2,374</p>	<p>People of pension age are protected and will not be subject to change under the new scheme.</p> <p>Could incentivise people back into work as earnings disregards and extended payments apply.</p> <p>Our scheme has a hardship fund that provides a safety net so that additional support can be provided for those in exceptional need.</p> <p>We have a track record of providing proactive and tailored support for those working age customers who struggle to make payments. We will continue to ensure our recovery procedures identify cases where additional support might be required.</p>	<p>The scheme will discriminate on the grounds of age because of the Central Government requirement to protect pensioners. The National Pensioner Scheme treats them more favourably because allowances are more generous and 100% maximum support applies where entitled.</p> <p>Working age people receive less CTS therefore have more Council Tax to pay.</p>

Disability	Positive	Negative
<p>Profile data available from current CTS claims. In this instance, a person is defined as disabled if they are in receipt of Disability Living Allowance or a Personal Independence payment.</p>	<p>Disability benefit income is disregarded in full when calculating entitlement.</p> <p>Higher allowances are awarded when calculating support for those receiving disability benefits.</p> <p>Our scheme has a hardship fund that provides a safety net so that additional support can be provided for those in exceptional need.</p> <p>We have a track record of providing proactive and tailored support for those working age customers who struggle to make payments. We will continue to ensure our recovery procedures identify cases where</p>	<p>Working age people receive less CTS, therefore have more Council Tax to pay. No further specific negative impact is identified for those with disabilities.</p>

	additional support might be required.	
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Marital status, family circumstances or caring responsibilities	Positive	Negative
<p>Single person household</p> <p>Couple with no children</p> <p>Families with children</p> <p>Household with carer</p>	<p>Higher allowances will be awarded in the calculation of support for carers.</p> <p>The scheme builds in additional premiums for existing claims where there are children.</p> <p>Our scheme has a hardship fund that provides a safety net so that additional support can be provided for those in exceptional need.</p> <p>We have a track record of providing proactive and tailored support for those working age customers who struggle to make payments. We will continue to ensure our recovery procedures identify cases where additional support might be required.</p>	<p>The changes to legislation, within Housing Benefit from April 2016 regarding removing the Family Premium for new HB claims, are proposed for the CTS scheme. This means working age people with children will have their CTS calculated without a Family Premium. Therefore, this will only affect those with a new claim.</p> <p>All people in this group who currently receive CTS will have more Council Tax to pay.</p> <p>Child Benefit and Maintenance have been treated as income since April 2013. Analysis over the last two years shows a minor detrimental impact in terms of small increases in Council Tax arrears. This applies to around 37% of the affected group of 531 cases. 336 cases have no current arrears.</p>

Sex (gender)	Positive	Negative
	The scheme will not treat people of different genders any differently.	All people in the working age group who currently receive CTS will pay extra Council Tax.

Race/Ethnicity/Religion/Belief/Sexual Orientation	Positive	Negative
We do not hold any specific data for this category.	The scheme will not treat people in different race, belief or sexual orientation groups any differently.	All people in the working age group who currently receive CTS will pay extra Council Tax.

Proposed changes	Positive	Negative
Increase to a minimum contribution of 10% or 12%.	Incentivise people to try to locate paid work or extra hours.	All people in the working age group who currently receive CTS will pay extra Council

		<p>Tax.</p> <p>2,715 people are affected, which is all Working Age recipients of Council Tax Support.</p>
<p>Restrict support for those living in properties above Band D to the Band D support level.</p>		<p>This affects 42 people who live in bands above Band D as follows:</p> <ul style="list-style-type: none"> ▪ Band E = 34 claims ▪ Band F = 7 claims ▪ Band G = 1 claim <p>The various financial impacts of this restriction are illustrated in the table attached to the report at Appendix 5.</p>
<p>Removal of the Family Premium for new claims.</p>	<p>This brings this feature of the Scheme in line with Housing Benefit changes that will be effective from 1/4/16. This enables customers to be treated the same in respect of both Scheme calculations.</p>	<p>Reduces support for people with families who will have to pay more Council Tax. There are no figures at the moment as this change will only apply to new claims. Estimates are that around 300 new claims could be affected by this change during 16/17.</p>
<p>Reduction in capital limit from £16,000 to £6,000.</p>		<p>Penalises those who have accrued savings.</p> <p>Sharp cliff edge reduction £5,999 savings means you get CTS and £6,000 means you do not.</p> <p>30 people are affected as they have capital over £6,000.</p> <ul style="list-style-type: none"> ▪ 9 people will lose £1 - £10per week ▪ 17 people will lose £10 - £20per week ▪ 4 people will lose over £20per week
<p>Backdating reduced from 12 weeks to 4 weeks.</p>	<p>This brings this feature of the Scheme in line with Housing Benefit changes that will be effective from 1/4/16. This enables customers to be treated the same in respect of both Scheme calculations.</p> <p>This may encourage customers to claim and receive support that they</p>	<p>People who do not make their claim on time will have a shorter period to obtain arrears of benefit.</p> <p>This is difficult to predict in terms of numbers potentially affected as the measure may only serve to speed up applications. Had the change been in effect during the</p>

	need earlier.	2015/16 financial year, around 70 people would have suffered potential impact.
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Issues, Recommendations and Mitigations

- ❑ To protect the most vulnerable, or those adversely affected by changes, Rushmoor Borough Council has maintained a Hardship Fund to act as a safety net. It is recommended that this Fund be continued and appropriate capacity be created for it within the Council's budget setting process for 2016/17.
- ❑ From April 2016, the effects of the final scheme will need to be carefully monitored and any negative effects minimised. It is recommended that this oversight continue to be provided by the Council's cross party elected Member Welfare Reform Task and Finish Group.
- ❑ Specific attention should be given at the earliest opportunity to the potential 30 people affected by the change in the savings threshold and to the 42 affected by the restriction of support to Band D level. It is recommended to mitigate the transition for these groups that the individually affected customers be contacted at the earliest opportunity for a holistic review of their circumstances. Particular attention will be paid to any customers that are affected by more than one change.
- ❑ In view of the on-going adverse impact for those affected by a reduction in support due to Child Benefit and Child Maintenance income being taken into account in calculations, it is recommended that this group continues to receive specific monitoring.
- ❑ It is recommended that all customers affected by the changes receive clear explanations, offers of advice and sign posting towards further assistance as soon as is practical following the decision to set a scheme for 2016/17. The Council's on-line information should also reflect the general issues identified within this EIA as soon as practical.

Indicative Impact of Changing Minimum Contribution and Council Tax Precepts

Valuation Band	Rushmoor (£)	Rbc inc @ 1.99%	Hampshire (£)	Hants inc @ 3.99%	Police (£)	Police inc @1.99%	Fire (£)	Fire inc @ 1.99%	Total Council Tax (£)	Total Increases	Total New Council Tax	Equiv Inc Monthly Sum (10)	Equiv Inc Monthly Sum (12)	Equiv Inc Weekly Sum (52)	Overall % increase
A	122.71	2.44	691.92	27.61	104.89	2.09	40.92	0.81	960.44	32.95	993.39	3.30	2.75	0.63	3.4308
B	143.17	2.85	807.24	32.21	122.37	2.44	47.74	0.95	1,120.52	38.44	1,158.96	3.84	3.20	0.74	3.4308
C	163.62	3.26	922.56	36.81	139.85	2.78	54.56	1.09	1,280.59	43.93	1,324.52	4.39	3.66	0.84	3.4308
D	184.07	3.66	1,037.88	41.41	157.33	3.13	61.38	1.22	1,440.66	49.43	1,490.09	4.94	4.12	0.95	3.4308
E	224.97	4.48	1,268.52	50.61	192.29	3.83	75.02	1.49	1,760.80	60.41	1,821.21	6.04	5.03	1.16	3.4308
F	265.88	5.29	1,499.16	59.82	227.25	4.52	88.66	1.76	2,080.95	71.39	2,152.34	7.14	5.95	1.37	3.4308
G	306.78	6.10	1,729.80	69.02	262.22	5.22	102.30	2.04	2,401.10	82.38	2,483.48	8.24	6.86	1.58	3.4308
H	368.14	7.33	2,075.76	82.82	314.66	6.26	122.76	2.44	2,881.32	98.85	2,980.17	9.89	8.24	1.90	3.4308

Valuation Band	8% Min Cont Scheme on 15/16 costs	8% Min Cont Scheme on 16/17 proj costs	Annual Increase (£)	10% Min Cont Scheme on 16/17 proj costs	Annual Increase (£)	% Increase at 10% min cont	10% scheme with support for higher bands restricted to Band D support	Annual Increase (£)
A	76.84	79.47	2.64	99.34	22.50	29.2885	99.34	22.50
B	89.64	92.72	3.08	115.90	26.25	29.2885	115.90	26.25
C	102.45	105.96	3.51	132.45	30.01	29.2885	132.45	30.01
D	115.25	119.21	3.95	149.01	33.76	29.2885	149.01	33.76
E	140.86	145.70	4.83	182.12	41.26	29.2886	480.13	339.27
F	166.48	172.19	5.71	215.23	48.76	29.2886	811.27	644.79
G	192.09	198.68	6.59	248.35	56.26	29.2885	1142.40	950.31
H	230.51	238.41	7.91	298.02	67.51	29.2885	1639.10	1,408.59

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Citizens Advice Rushmoor

Response to Consultation on Changes to Council Tax Support December 2015

1. Background and Context

- 1.1 Current and forthcoming changes to welfare benefits, within the overall welfare reform agenda, continue to create serious problems for clients of Citizens Advice Rushmoor. The issues particularly focus around under-occupancy rules, conditionality, claimant commitment and sanctions; alongside general delays and difficulties with administration and making claims. This has led to increasing levels of crisis seen by clients, who are left with no income, resulting in growing reliance upon foodbanks and charitable sources of help.
- 1.2 Increasing cuts to the public sector present further challenges to all public services, particularly affecting support available for vulnerable people, and the overall service provision.
- 1.3 There are well recognised challenges for people in relation to managing money and budgets, which will inevitably be increased following implementation of Universal Credit in February 2016.
- 1.4 The overall vulnerability and difficulties for clients are illustrated for people in different circumstances below.

2 Case Studies the following case studies are from a small trawl of recent cases, illustrating the challenges for people living on low incomes in different circumstances.

2.1 Case Study 1

Client lives alone in a mobile home and is in receipt of Council Tax Support. Her only income is Employment and Support Allowance (Work Related Group) – receiving just over £106 per week for all her food, fuel and day to day living expenses. This has resulted in her accruing a number of debts, which she is struggling to maintain payments on, including on her energy and water bills. She has long term mental health conditions and is very distressed.

A reduction in Council Tax support will have a negative impact on the client's financial situation as well as exacerbating her anxiety and overall mental health deterioration.

2.2 Case Study 2

Couple without children have multiple disabilities, including hearing impairments, multiple sclerosis and learning difficulties. They currently receive Council Tax Support and Discretionary Housing Payment - as they live in a 2 bedroom property and are subject to the under-occupancy charge (bedroom tax). After deducting expenditure from their overall income, including disability benefits, net funds available are just £7.20 per week.

An increase in their Council Tax contribution may result in these very vulnerable clients being unable to meet other basic expenses. This is also likely to have a negative impact on their physical health if they are unable to meet their basic needs.

2.3 Case Study 3

Client in her 50s, lives with her son, who is now 21. Her ex-partner and father of her son died suddenly about a year ago, and her son is now suffering from depression. The client

is claiming Jobseekers Allowance of £73 per week, with deductions for rent and Council Tax arrears. She also has a £7 per week non dependant deduction for her Council Tax support, as her son has failed to comply with his claimant commitment (due to depression) and has been sanctioned. He was trying to get this resolved, but poor communication with Jobcentre Plus was proving a real challenge. The client is therefore trying to support the whole household on reduced benefit. Energy costs are being deducted from her pre-pay meters working out at nearly £40 per week. She is worried about her new Council Tax bill for April 2016 and how this will affect her situation.

Rushmoor has been very supportive in rescheduling the debt and making allowances; but ultimately there is very little room for improvement based on the current income, which is way below the household needs. Fuel, water and rent arrears continue to accrue: the client hopes to find work, and is seeking help for her son's difficulties. We are continuing to work with her on options, and have referred her for food parcel help.

Any reduction in Council Tax support will clearly be unmanageable for this household.

2.4 Case Study 4

Client in her late 50s lives alone in 4 bedroom house following her children leaving home. As a result she incurred the under-occupancy charge (bedroom tax) and no longer qualified for Local Housing Allowance (Housing Benefit). Her social landlord (not First Wessex) will not let her move until the rent arrears have been cleared. She is employed for 15 hours per week, earning £100 per week as her sole income, with liability for £147.85 per week rent and no support from benefits.

After Citizens Advice intervention, rent and council tax arrears are currently on hold, pending application for a Debt Relief Order. Once this has been obtained, the client will be able to move to a smaller property, with the agreement of the landlord, as the rent arrears will be part of the DRO.

As the client is barely able to manage on her current income, the impact of any increases in the Council Tax contribution in this case would result in her not being able apply for a Debt Relief Order, and therefore being unable to move. Ultimately this would result in her becoming homeless, due to her inability to cover the rent and consequent eviction from social housing tenancy.

3 Conclusions

- 3.1 We recognise the severe financial challenges faced by Rushmoor Borough Council and local authorities. In view of the hardship faced by our clients, Citizens Advice Rushmoor is not in a position to make recommendations on the choices outlined in the consultation.

We hope, however, that the above examples will prove useful in guiding decision making processes, by illustrating clearly the impact of reductions in support to people in a variety of circumstances and households.

Alex Hughes
Chief Officer, Citizens Advice Rushmoor
18/12/15