

Local Council Tax Support Questionnaire 2015/16

Introduction

Council Tax Support replaced Council Tax Benefit from April 2013. Local authorities have to operate a Council Tax Support scheme to help people on Benefits and low income pay their Council Tax liability but are free to design the help they give to working age people in any way they see fit. Pensioners are protected from any loss of benefit and have to receive the same amount as they would have if Council Tax Benefit still existed.

By law each financial year the Council must consider whether to revise or replace its scheme and any revision or replacement must be made by 31 January in the preceding financial year to that which it is to take effect. This means the Council must consider any revision or replacement to its current scheme by 31 January 2015. This decision must be taken by Full Council. If Full Council does not adopt a revised scheme by 31st January 2015, the current scheme continues to apply for the following financial year.

The statutory consultation requirements apply to an authority when revising a scheme as it applies to an authority when making a scheme. The Council is required to publish a revised draft scheme in such a manner as it sees fit and to consult major Precepting authorities (in Brent's case the Greater London Assembly) and other persons as it considers likely to have an interest in the scheme.

Council Tax Benefit used to be fully funded by the Department for Work and Pensions. When the Council Tax Support was introduced in 2013 a new fixed grant was made available to local authorities based on 90% of a local authority's expenditure on Council Tax Benefit in the year 2011/12. This 10% Support in funding posed significant financial difficulties and risk in modelling what the expenditure would be for 2013/14 coupled with uncertainties about the numbers who might claim the new Support.

Following a public consultation, Brent designed a two year scheme for working age claimants following six key principles, restated below.

Should we change our Council Tax Support Scheme in 2015?

Our Council Tax Support scheme was designed to work with the Government's welfare reform agenda. It offers more support for those who are working, enhanced levels of support for the disabled and it protects pensioners. Our scheme is designed to reward work and protect the vulnerable.

Brent Council is proposing to make no changes to the current scheme (operating in 2014/15) other than to:

- Align the rules on EEA national claiming benefit to the national legislation that applies to customers claiming Housing Benefit. Currently, there are a very small number of residents who cannot claim Housing Benefit but may be eligible to claim Council Tax Support.
- Up-rate the allowances, premiums and non-dependent deductions for pensioners as prescribed for 2015-16.

However, whilst it is proposed to leave the Council Tax Support scheme largely unchanged for 2015/16, Brent is also proposing to commit to a fundamental review of Council Tax Support to be carried out during 2015 for implementation on 01 April 2016. This review will consider all aspects of the current scheme and will not be restricted to amending one or more of Brent's principles (see below). The options considered will include making savings in other Council budgets to allow the scheme to be more generous include the removal of the minimum contribution (principle one below).

We want your views on these proposals, including our commitment to a fundamental scheme review for 2016/17.

The new scheme will start from 1 April 2015.

Local Authorities have a statutory duty to run a scheme to provide for Council Tax support in their area

- Local Authorities must carry out a public consultation when making or revising their proposed scheme
- There must be no change in the current level of award for pensioners
- Local Authorities should also consider supporting other vulnerable groups and have regard to:
 - the public sector Equality Duty (*The Equality Act 2010*);
 - the duty to mitigate effects of child poverty (*The Child Poverty Act 2010*);
 - the duty to prevent homelessness (*The Housing Act 1996*).
 - Local schemes should support work incentives, and in particular avoid disincentives to move into work

CTS Schemes

By law each Council has to run a CTS scheme. Depending on the age of the applicant or their partner they may have their entitlement to support assessed under different rules.

- **Pension Credit Age (100% scheme)**

The Government has said that people of Pension Credit age must have their CTS award based on 100% of their Council Tax liability. However, they may still have to make some payments depending on their income and other circumstances.

- **Working Age (WA scheme)**

If a person is not of Pension Credit age they will be on the Council's Working Age (WA) scheme and their CTS will be determined by the rules of that scheme.

The rules for Pension Credit CTS recipients are laid down by the government and closely follow the old Council Tax Benefit regulations. Each Council is free to make its own rules for its Working Age CTS scheme and to decide the maximum amount of help a person on their Working Age scheme might get.

When adopting a local scheme, the Council needs to consider how the scheme will help to deliver local priorities within available resources. The estimated funding for 2014-2015 is £24,124,000.

Brent's Principles

Our current scheme is based on a set of key principles:

Principle 1: “Everyone should pay something”

Claimants (unless defined as protected) will be required to pay a minimum contribution to their Council Tax – set in the scheme at 20%.

Principle 2: “The most vulnerable customers should be protected” (from the minimum contribution of 20%)

Claimants will be protected from the 20% minimum contribution if they are entitled to a disability premium or disregard, or in receipt of a Disability Living Allowance, Carers Allowance, Disabled Persons Reduction for Council Tax purposes, War Disablement Pension and War Widow's Pension.

Principle 3: “The scheme should incentivise work”

Incentives to work will be achieved by letting claimants who are working keep more of what they earn (before the benefits means-test is applied) – the scheme therefore has an increase of £10 per week in the amounts that claimants are allowed to keep for Single Person, Couple and Single Parent earnings (under CTB was set at £5, £10 and £25).

Principle 4: “Everyone in the household should contribute”

Other adults in the household living with the claimant other than a partner should contribute more proportionately to their income – the scheme therefore doubled the CTB range of deductions charged for these adults from the 2012/13 charges and replaced the current nil charge for other adults on Job Seekers Allowance (Income Based) with the lowest charge of £6.60.

Principle 5: “Better off claimants should pay relatively more so that the least well off receive greater protection.”

The scheme increased the taper (this is a percentage of the difference between your weekly income and the weekly amount you need to live on applied in the means test) from 20% to 30%. This means that a claimant's CTS entitlement will reduce by 30p for every pound by which their income exceeds the amount they need to live on.

Principle 6: “Benefit should not be paid to those with relatively large capital or savings”

The scheme has a savings limit of £6000.

Other General Features of our scheme:

1. The Second Adult rebate scheme for working age claimants is not included in our scheme.

2. Premiums and personal allowances for working age (WA) will be held at the rates applied for 2012/13 to determine basic living needs for a claimant and their family.

What Happens Next?

Please complete Section A to give your views on our proposals. Section B is optional but will help Brent in analyzing the results of the consultation exercise and improving future consultations; it would be helpful if you could complete these section even if you do not wish to give your contact details.

The information from this consultation will be used by the council to assist in making its decision on the scheme to be operated. The results from the consultation will be published on our website. The final decision on the scheme will be made by the Council no later than 31st January 2015.

Brent Council is undertaking this consultation between the period 19th November 2014 and 17th December 2014.

Section A – Key Principles and Features

1. With reference to the 6 key principles listed above, please indicate how important these are to you? (*Please rank each area according to importance : 1 being most important and 6 being least important*)

Principle 1: “Everyone should pay something” []

Principle 2: “The most vulnerable claimants should be protected” (from the minimum contribution) []

Principle 3: “The scheme should incentivise work” []

Principle 4: “Everyone in the household should contribute” []

Principle 5: “Better off claimants should pay relatively more so that the least well off receive greater protection.” []

Principle 6: “Benefit should not be paid to those with relatively large capital or savings”. []

2. To what extent do you agree or disagree about Brent proposing “No Change” in its CTS scheme for 2015-16, except for aligning the rules on EEA national claiming benefit to the national legislation that applies to customers claiming Housing Benefit (see question 3)?

Strongly
Agree

Agree

Neither agree
nor disagree

Disagree

Strongly
Disagree

3. To what extent do you agree or disagree about Brent proposing to align the rules on EEA national claiming benefit to the national legislation that applies to customers claiming Housing Benefit in our CTS scheme for 2015-16?

Strongly
Agree

Agree

Neither agree
nor disagree

Disagree

Strongly
Disagree

4. With reference to the proposal to fundamentally review our scheme for 2016/17, we seek your view on the following:-
- a. Do you think that the scheme should be fundamentally reviewed or should the current scheme be continued into 2016/17?
 - b. If the scheme is to be reviewed, are there any particular elements or principles that you think should be incorporated into a new scheme?

a).

b).

Section B - About you

This information is being collected anonymously and will only be used for the purpose of improving Brent's consultation service. If you wish to be contacted in connection with your response, you may give your contact details in below. If you are responding on behalf of an organisation, please complete section C

Name:

Address:

Email:

Telephone number/s

Some basic facts about you (please tick yes or no) Yes No

	Yes	No
Do you live in Brent?		
Do you pay Council Tax to the London Borough of Brent?		
Are you currently receiving housing benefit or council tax support in Brent?		

1. Are you? Please tick one

- A pensioner
- A student
- Employed Full Time
- Employed Part Time
- Unemployed
- Disabled

2. If you are in a relationship, please tick one of the following:

- Living as a couple
- Married
- Civil Partnership
- Prefer not to say

3. What is your age? Please tick one

- Under 18
- 18-24
- 25-34
- 35-44
- 45-54
- 55-60
- 61+
- Prefer not to say

4. Please indicate your sex:

Female Male Prefer not to say

5. Is your gender identity the same as the gender you were assigned at birth?

Yes No Prefer not to say

6. Please state your ethnicity by ticking one of the below:-

- | | |
|--|---|
| <input type="checkbox"/> Asian or Asian British: Bangladeshi | <input type="checkbox"/> Mixed/Dual Heritage: White and Asian |
| <input type="checkbox"/> Asian or Asian British: Chinese | <input type="checkbox"/> Mixed/Dual Heritage: White and Black African |
| <input type="checkbox"/> Asian or Asian British: Indian | <input type="checkbox"/> Mixed/Dual Heritage: White and Black Caribbean |
| <input type="checkbox"/> Asian or Asian British: Pakistani | <input type="checkbox"/> Any other Mixed/Dual Heritage Background |
| <input type="checkbox"/> Any other Asian or Asian British background | <input type="checkbox"/> White: British/ English/ Welsh/ Scottish/ Northern Irish |
| <input type="checkbox"/> Black or Black British: African | <input type="checkbox"/> White: Irish |
| <input type="checkbox"/> Black or Black British: Caribbean | <input type="checkbox"/> White: Gypsy or Irish Traveller |
| <input type="checkbox"/> Black or Black British: Somali | <input type="checkbox"/> White: Other |
| <input type="checkbox"/> Any other Black or Black British background | <input type="checkbox"/> Other Ethnic Groups: Afghan |
| <input type="checkbox"/> Any other Ethnic background | <input type="checkbox"/> Other Ethnic Groups: Arabic |
| <input type="checkbox"/> Prefer not to say | <input type="checkbox"/> Other Ethnic Groups: Eastern European |
| | <input type="checkbox"/> Other Ethnic Groups: Turkish |

7. What is your sexual orientation?

- | | |
|--|---|
| <input type="checkbox"/> Bisexual | <input type="checkbox"/> Heterosexual/Straight |
| <input type="checkbox"/> Gay man | <input type="checkbox"/> Prefer not to say |
| <input type="checkbox"/> Gay woman / Lesbian | <input type="checkbox"/> Other (please specify) |

8. What is your religion/belief?

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Buddhist | <input type="checkbox"/> Muslim |
| <input type="checkbox"/> Christian | <input type="checkbox"/> Sikh |
| <input type="checkbox"/> Hindu | <input type="checkbox"/> No religious belief |
| <input type="checkbox"/> Jewish | <input type="checkbox"/> Other religion |
| | <input type="checkbox"/> Prefer not to say |

Section C – about your organisation (optional):

1. Are you responding to this consultation in your capacity as a representative of any of the following?

- | | | | | |
|------------------------|-----|--------------------------|----|--------------------------|
| Voluntary Organisation | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| Housing Association | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| Landlord | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| Other | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |

Please tell us your details

Name:

Address:

Email:

Telephone number/s