



# **Council Tax Support Scheme 2019/20**

## **Consultation Summary**

**13 November 2018**

# Council Tax Support 2019/20 Consultation Results

## Background

Now the roll out of Universal Credit has commenced across the Test Valley area the Council needs to review the way the current Council Tax support (also known as Council Tax reduction) scheme works. The Council has consulted on a range of options to take effect from 1 April 2019 and has encouraged Council Tax payers and local partners, groups and organisations to submit a response.

The consultation document was published on the website between 17 September and 12 November 2018. A press release was issued by the Council and all working age customers in receipt of Council Tax Support were sent a paper questionnaire form.

## Summary of Results

There were 85 online forms completed and 72 paper forms returned. This gives a total number of 157 responses.

### Should the Council Keep the current Council Tax Reduction Scheme?

Answer	Online	Paper	Total	Percentage
Yes	43	41	84	54%
No	17	11	28	18%
Don't know/ No answer	25	20	45	28%

### Comments on protecting the scheme:

Comment	Number
The scheme protects the most vulnerable people/ people are already struggling to pay bills	37
Keep the scheme/it is a good scheme	5
Protect those that cannot work	5
Make everyone pay something	4
Simplify the scheme	2
Have a contingency pot	1
Other – not relevant	8

## Reducing the maximum levels of support from 100%

Reduce to:	Answer	Online	Paper	Total	Percentage
<b>90%</b>	Yes	36	24	<b>60</b>	<b>38%</b>
	No	18	30	<b>48</b>	<b>31%</b>
	Don't know/ No answer	31	18	<b>49</b>	<b>31%</b>
<b>85%</b>	Yes	22	17	<b>39</b>	<b>25%</b>
	No	34	36	<b>70</b>	<b>45%</b>
	Don't know/ No answer	29	19	<b>48</b>	<b>30%</b>
<b>80%</b>	Yes	21	12	<b>33</b>	<b>21%</b>
	No	32	39	<b>71</b>	<b>45%</b>
	Don't know/ No answer	32	21	<b>53</b>	<b>34%</b>

## Comments on alternative proposals:

Comment
90% is high enough
Keep existing scheme
Contribute small fee to services such as rubbish collection
Tax people who can afford it/increase tax on large houses
Have a smaller reduction say 95%
Have a larger percentage 75%, 45%
Cut pay for upper management
Get funding from Government
Include it in Universal Credit
Make those that can work pay something
Make people pay who have 2 properties
Increase minimum amount to £5 per week
Give financial support to those in low paid essential jobs
Protect unpaid carers
Protect large families

**Do you agree with the principle that the minimum level of Council Tax Reduction payable should be £1 per week?**

Answer	Online	Paper	Total	Percentage
Yes	39	37	76	48%
No	13	12	25	16%
Don't know/ No answer	33	23	56	36%

**Comments on alternative proposals:**

Comment
Benefits should be rounded to the nearest pound to save administrative costs
Suggest this is increased every year until the administrative costs start paying for themselves
Reducing the minimum payment to £5 per week would save a lot of money and protect the people who need it most
Base the minimum on administrative cost per claimant
Make a single payment every 6 or 12 months

**Do you agree that there should be a tolerance level of £30 per week?**

Answer	Online	Paper	Total	Percentage
Yes	34	28	62	39%
No	11	17	28	18%
Don't know/ No answer	40	27	67	43%

**Comments on alternative proposals:**

Comment
Take it up with the Government
Quarterly or biannual reassessment rather than every month
Reducing the minimum payment to £5 per week would save a lot of money and protect the people who need it most
Lower tolerance £15 per week

## Alternatives to reducing the amount of help provided by the Council Tax Reduction Scheme

### Increase level of Council Tax

Answer	Online	Paper	Total	Percentage
Yes	12	8	20	13%
No	30	25	55	35%
Don't know/No answer	43	39	82	52%

### Find savings from other Council services?

Answer	Online	Paper	Total	Percentage
Yes	20	25	45	29%
No	26	13	39	25%
Don't know/No answer	39	34	73	46%

### Use the Council's reserves?

Answer	Online	Paper	Total	Percentage
Yes	20	24	44	28%
No	28	14	42	27%
Don't know/No answer	37	34	71	45%

### Order of preference

	Option	Online	Paper	Total
1	Increase Council Tax	23	16	39
	Reduce funding other services	20	20	40
	Use reserves	16	24	40
2	Increase Council Tax	8	7	15
	Reduce funding other services	22	21	43
	Use reserves	25	22	47
3	Increase Council Tax	24	29	53
	Reduce funding other services	13	14	27
	Use reserves	17	8	25

## Monitoring Questions

### Currently getting a Council Tax Reduction

Answer	Online	Paper	Total	Percentage
Yes	43	61	104	66%
No	12	2	14	9%
Don't know/ No answer	30	9	39	25%

### Gender

Answer	Online	Paper	Total	Percentage
Male	14	28	42	27%
Female	42	37	79	50%
Prefer not to say/ No answer	29	7	36	23%

### Age

Answer	Online	Paper	Total	Percentage
16-24	1	3	4	3%
25-34	11	5	16	10%
35-44	8	9	17	11%
45-54	21	12	33	21%
55-64	16	35	51	32%
65+	1	3	4	3%
Prefer not to say/ No answer	27	5	32	20%

### Health Problem/Disability

Answer	Online	Paper	Total	Percentage
Yes	27	42	69	44%
No	24	14	38	24%
Prefer not to say/ No answer	34	16	50	32%

## Comments on the scheme

1. *It would seem fair to apply some form of means testing to reductions of CTS.*
2. *2 People need to remember carers entitled to Carers Allowance have very limited capacity for work due to their caring responsibilities being at least 35 hrs/week & in many cases almost 24/7/365 even being on call during the night & having to get up several times a night to see to their loved one. They needs as much protection as ESA claimants. It is a proven fact that Universal Credit causes a huge rise in food bank use & homelessness wherever it has been rolled out. It is neither in their interest nor the council's interest in chasing for council tax payments from people unable to pay (it would be a costly exercise with no money gained from it) & how do you prove exceptional hardship when you're dealing with a benefits system where needing to use food banks to eat is the norm or at least common place? If their computers are taken away in payment of council tax debts they can no longer update their online journals & face sanctions for it unless they are lucky enough to live close enough to public computers to be able to access them daily. Those sanctioned can't pay council tax as they have no income or virtually no income. Many round the Romsey area are lucky if they can get to Romsey Library or anywhere in Romsey once a week unless they have a car due to a lack of buses. Villages won't have publicly accessible computers. Making people homeless isn't in the council's best interests especially as many will have to be found temporary accommodation due to having kids. Families where the person named on the council tax bill isn't someone receiving the limited capacity to work element of Universal Credit such as myself may have a grown up child living with them that is such as my oldest son. How can they be protected when the family is being made destitute in part by having to pay council tax the Universal Credit allowance system doesn't cater for when Universal Credit is known to cause severe financial hardship, food bank dependency & homelessness?*
3. *People receiving Council Tax reduction should not have their benefit recalculated more than once every 3 months.*
4. *Care of the poor has been a borough responsibility for centuries. To me, this means that all in the borough should be financially sharing in supporting the most vulnerable and needy in a borough. However, I think people need to help themselves and believe that CTRS applicants should also contribute lightly to the scheme. A fairer way would be a percentage of income rather than the percentage of council tax, but this would probably be even more difficult to administer. Council reserves need to be kept for emergencies as there is little chance of building them up again in the current climate. Reducing funding for other Council Services could again hit the poor and vulnerable in our community.*
5. *Surely some of the highest earners in the council could have a pay freeze. Reduce council expenditure for example on utilities. All the things the government expect people of working age to do.*
6. *Reduce help on people who are able to work but don't want to work, get rid of Jobseekers*
7. *Leave it be.*
8. *Don't force people into criminality.*
9. *Using Council's reserves vs. reducing other Council Services raises some ambiguity because we do not know if or how much money is wasted or spent unnecessarily. Whilst I understand the wish to maintain the historic charm of a market town like Romsey, the Council stands out for it's minimal refuse and recycling collections. Once a fortnight for black bins is, in warmer months, a health hazard. No glass collection scheme for a town with so many elderly residents? The NFDC scheme is superb: can we learn something from them? The problem is, of course, funding and this is where the ambiguity comes in. A delightful market town which features an almost overwhelming amount of social and cultural events, (bringing even more rubbish to) already overflowing rubbish bins, smells, maggots, wasps and flies, is not good. Overall, it seems to me that residents in Test Valley are more inclined to have higher incomes, bigger properties and higher Council*

*Tax rates so why does Council Tax not cover such basics as environmental waste and it's associated health hazards? Eg. our retirement development has 37 flats, some with couples. We have 8 black bins between us. How can a fortnightly collection be adequate? Surely Council Tax should be enabling this fundamental service?*

- 10. It sounds as if substantial savings could be made simply from making the administration more sensible. That should be done before anything else. My preferred next option would be an increase in the level of council tax, with a greater increase for the highest rates and little or no increase for those at the bottom. Only after all that has been done would I then think it appropriate to make the very poorest pay more, especially given the potential for very serious harm to those who are vulnerable due to mental health or other conditions that are not properly reflected in their ESA/Universal Credit award. (It almost sounds as if central government hasn't considered the implications of their policy for local councils... surely not!)*
- 11. i think its a good scheme*
- 12. We agree with T.V.B.C. that U.C. is a complete & utter failure. J.S.A. & E.S.A. was less volatile and resulted in us not receiving a continuous flow of differing C.T. bills. (We have admin as well.)*
- 13. There are many council funding schemes that I would vote as un-necessary or over funded. There are also many schemes that I would vote to have increased. Un-happily the amount of recourses demanded by the population serviced by our Council is out of balance with the income the Council receives. May be look elsewhere for additional funds by closer management of Sub Contracts that bleed Cash with little return or the correlation between Debit collection Cost and actual cash reclaimed. Its a hard world and its going to get tighter. Please stop overpaying contracted services that provide inefficient or substandard returns.*
- 14. This problem isnt a local problem but a national one, companies and the well off that use tax havens to avoide paying little to no tax are the reason as a country we are failing. Tax the rich or let them face imprisonment protect the poor and needy. Stop government employees taking back handers to crew our economy and pursecute the needy.*
- 15. Working aged people on benefits who already pay spare room tax are unable to move as there is no other homes to exchange to, Families on very low incomes should not be left to get into council tax debt to save tvbc admin charges!!!!*
- 16. Too many people get full relief from council tax. Everyone can pay . even a small amount. to even out the payments would help the whole budget.I have had sometimes 10 letters in one week about different changes in my council tax.If the first check was done properly and with the truth from people every one would benefit. Less admin. less people getting 100% help more people getting a small amount. Every thing would equal out*
- 17. as long as an increase in council tax was ringfenced to provide help to those in most need (for reduction / 100% relief) i would be in favour of a small increase in what i pay*
- 18. Increase council to everyone that is on universal credit and reduce to the people that actually is working hard to pay 100% or more*
- 19. This entire matter is an utter disgrace. Roll on the next General and local elections*
- 20. a change in government will probably mean a change*
- 21. people don't ask for help unless they truly need it*
- 22. don't understand some of the questions*
- 23. wish I did not have to pay this as income is low*
- 24. change the Government*
- 25. when you move into part time work will you still get support?*
- 26. making an increase in council tax would be devastating for people because wages are staying the same and does not allow for income to be put anywhere else*
- 27. send notifications by email or text message to save money*



28. *sadly it will be the poorest in society that feel the sharp end, the cuts are too deep, roll out universal credit before you decide*

### **Other Options the Council should consider**

1. *Given that Pensioner households are exempt from these considerations, is there any way that voluntary contributions from Pensioner households that can afford to make payments, can do so?*
2. *Is there a way to look at CTRS contributions based upon a percentage of applicants' income?*
3. *There are loads of shops that are empty or run down. Open more shops to help people get jobs*
4. *Tax the rich and company who have more money abroad so they don't have to pay into the system*
5. *Lean six-sigma is a proven methodology for eliminating waste. There will be a lot to go at and each project is usually targeted at £1,000,000. If this is not palatable, then evidence that this has been tried is imperative, before targeting the poor.*
6. *Larger families use more Council services, why not charge them? Vulnerable persons have no choice but to obey U.C. rules. Why pick on us (about the lowest & most ignored) group of citizens?*
7. *Increase taxation on the rich*
8. *i do not understand why tvbc feels it need to change the scheme, More and more people are moving to Andover and paying Council tax, TVBC are cutting services every year*
9. *Reduce 100% reduction for household with 2 adults on benefits whatever benefits they are on. Unemployed should be paying at least 20% towards, there are MANY jobs out there so they're being fussy or just don't want to work. However what about care leavers, will they see 100% reductions when/if needed? They don't have family to fall back on and I think they should really be included in this too, of course if they're working full time then yes they should pay but when they struggle they have no one to fall back on so I think they should be thought about.*
10. *i would like to see private landlords share the burden of the council tax reduction scheme, particularly if the rents they charge are considerably higher than social housing rents. This may encourage landlords to revise/reduce their rental rates thus potentially save on housing benefit costs too. council tax; is afterall; determined by property value which is not exactly fair on those who rent.*
11. *Like before everyone that receives universal credit needs to pay their council tax at least to 35% of the cost of the area that are living in*
12. *fine people for anti social behaviour and use this money*
13. *reduce benefit to 80% and people pay 20% seem fair*
14. *challenge central government instead of putting politics first*
15. *get 10% back from the recycling contract*
16. *too much money goes to library refit, managers could take less wages*
17. *I am happy to pay £24 per week*
18. *send fewer letters by post*
19. *stop penalising people who are trying but struggling to find work*
20. *consider asking the government for that money that has been taken away that may pay towards your admin fees*

### **Other comments or questions regarding the scheme**

1. *It is difficult to be absolute with some answers without knowing what extent any particular option would benefit the reserves.*
2. *Chasing those with little or no money thanks to Universal Credit for money they don't have isn't in the council's interest either as keep taking them to court is expensive & the chances of reclaiming the money small- especially if you send bailiffs to their house &*

they take the computer they need to complete the online Journal Job seekers on Universal Credit are required to complete or risk being sanctioned. It increases the likelihood you'll have to take them to court for non-payment again & makes it even less likely you'll be able to recover even a penny of it.

3. I think it is wrong that TVBC, along with other councils, is expected to meet the administrative costs for rolling UC. This proposal will lead to major variations in benefits throughout the country. There is also a risk that UC applicants will face additional hardship as their Universal Credit payments will be reduced due to the UC assessments and the way UC is set up. As a household currently in receipt of CT benefit, we would be willing to contribute towards our council tax, even though £2 a week would mean cutting corners elsewhere for us. However, those whose income varies each week/month are particularly at greater risk of severe hardship as they sometimes have no benefits for weeks on end. They are the ones who are most likely to be unable to cover any CTRS contributions and might face the additional distress of threatening letters and court action. If I were TVBC, I would make any decisions based upon how best to not burden this group any *further*.
4. *Please can you make sure everyone who is affected is giving plenty of*
5. *notice of any changes that may impact on them or the payments they have to make You need to make the system more balanced, protect people who need it back, also have a hard job making the people who work happy*
6. *When will this be discussed publicly? What will happen to non-payers? Who will decide on affordability and how? What would be the impact on the general population of funding the GAP? Not the scheme, but the required amount to keep the scheme as is. A more detailed breakdown is required to make a fully informed decision. Otherwise, the COUNCIL are asking the completers of this questionnaire to make a vote similar to turkeys voting for Christmas. I am sure the COUNCIL expect a rough ride for this proposal, as those affected don't have the means to find the money. The COUNCIL's breakdown of affordability for claimants (i.e. living expenses vs Benefits) would help everyone to see how easy (or difficult) it would be for benefits claimants to absorb the impact of this change. An interesting read I am sure.*
7. *Thank you for giving us the chance to comment on the proposals.*
8. *Possible cash saving: Abolish mayoral cars, Sell the Old magistrates court, town hall & Duttons Road sites in Romsey & relocate to Portacabins near Beech Hurst in Andover.*
9. *This scheme is yet another attack on the poor and dissabled just as universal credit is. The poor are not to blame for the state of our economy thats the fault of big buisness and the banks Instead of sending out notifications via post, email people, or at least let it be an option for notifications as it would save money on stationery and postage costs.*
10. *i would like the council to explore what "tax liabilities" private landlords have with regards rental incomes, capital gains etc. And the rents they charge. Any rent set at an annual yield above a set % (15% as eg) of property value should incur a council tax levy/charge of some description. My feeling is that private rental rates can be too high, coupled with lack of social housing – this certainly has a detrimental effect on those on low income. as above - council tax is grossly unfair to those who have to rent*
11. *please sort out potholes*
12. *the scheme has been an amazing help I hope it is protected*
13. *I found this hard to fill in and make sense of*
14. *calculate changes 6 monthly*
15. *you will do what you want regardless of what other people think, I don't support this because you cut back all the time*
16. *try not to make it any harder for low income people, don't let them lose even more. They need to eat and keep warm please remember this when you make your final decision, far more important than admin costs*