

South Ribble Borough Council

Council Tax Support Scheme 2020/21 Consultation Questionnaire

Background information and scheme summary

What is this consultation about?

Each year the Council has to decide whether to change the Council Tax Support scheme for working age applicants in its area. This year the Council has decided that some important changes, should be made to make the Council Tax Support scheme more generous for those on the lowest income and also to bring the scheme in line with some changes made by Central Government within Housing Benefit and Universal Credit. The changes to the scheme are designed to take a more preventative, proactive and caring approach to support People at times when they are struggling for example when they have experienced a bereavement. This can put pressure on health and social care services potentially creating greater costs further down the line.

What is Council Tax Support?

Under South Ribble Borough Council's current scheme all working age households have to pay at least £3.50 per week as a minimum payment, irrespective of the level of their income or Council Tax liability. The level of discount is based on the income of the household.

Pensioners are protected under the scheme set by Central Government and may receive up to 100% support.

Why is a change to the Council Tax Support scheme being considered?

Until April 2013 there was a national scheme called Council Tax Benefit. The Government made local Councils responsible for replacement schemes from 1 April 2013.

The Council is committed to protecting our most vulnerable applicants and would now like to increase the financial assistance available to them by removing the current £3.50 per week charge.

As the Council is keen to keep Council Tax Support aligned with major benefits such as Housing Benefit and Universal Credit to assist in administration and be fairer to all, this means that, as those benefits change, similar changes need to be made to the Council Tax Support scheme.

In addition, the Council is keen to protect those applicants who are claiming certain benefits and on the lowest income. In particular those applicants who receive the following:

- Income Support;
- Income Related Employment and Support Allowance;
- Income Based Jobseeker's Allowance;
- Universal Credit where the applicant receives the maximum award (and the applicant has no other income apart from disregarded income such as Personal Independence Payments, Disability Living Allowance, Child Benefit, Child Maintenance or War Pension);
- New Style Job Seeker's Allowance or New Style Jobseeker's Allowance and Universal Credit (and the applicant has no other income apart from disregarded income such as Personal Independence Payments, Disability Living Allowance, Child Benefit, Child Maintenance or War Pension); or
- New Style Employment and Support Allowance or New Style Employment and Support Allowance and Universal Credit (and the applicant has no other income apart from disregarded income such as Personal Independence Payments, Disability Living Allowance, Child Benefit, Child Maintenance or War Pension)

Who will this affect?

Working age households in the Borough who currently receive or will apply for Council Tax Support. Pension age households will **not** be affected as Central Government prescribed the scheme.

Why are we proposing to change the current scheme?

We have considered continuing with the current scheme. However, this would mean:

1. higher administration costs, relating to Council Tax billing and recovery;
2. the scheme would include, as income or capital, certain payments which are now disregarded from all other welfare benefits; and
3. the current scheme adversely affects low income working age applicants on certain benefits;
4. our most vulnerable applicants are not protected to the level that we would like.

Questionnaire

Have Your Say on the Council Tax Support Scheme.

Q1.

I have read the background information (above) about the Council Tax Support Scheme:

Yes No

This question must be answered before you can continue.

Proposals to change the current Council Tax Support scheme

As explained in the background information, the Council is primarily consulting on the following proposals to change the existing Council Tax Support Scheme from 1st April 2020, which would keep the cost in line with our projections and Financial Plan and align it with other welfare benefit changes. Your responses are a part of this consultation. Set out below are the proposals being considered:

Proposal 1 – Removing the £3.50 per week minimum payment for low income applicants who are in receipt of certain benefits

The Council requires all working age applicants to pay a minimum of £3.50 per week towards any Council Tax liability, irrespective of their level of income. A review of the Council Tax Support Scheme has identified that certain applicants are experiencing exceptional hardship due to this requirement.

This proposal would remove the requirement for applicants to pay the minimum payment if they are in receipt of the benefits as detailed in the scheme summary.

The benefit of this is:

- The removal of the £3.50 per week charge for these applicants would effectively increase the financial assistance available to them. This would return the scheme to pre-2013 levels for these applicants; and
- The change will be fairer to low income applicants who receive certain benefits.

The drawbacks of doing this are:

- The overall cost of the scheme would increase.

Q2

Do you agree with this change to the scheme?

Yes(Agree) No(Disagree) Don't know

Q3

If you disagree what alternative would you propose in order to protect this vulnerable group?

Proposal 2 – Disregarding the new Bereavement Support Payments

The Department for Work and Pensions (DWP) has introduced a new benefit for working age applicants whose partner dies after April 2017. This is called Bereavement Support Payment and replaces Bereavement Payments, Bereavement Allowance and Widowed Parents Allowance. By making the change, the Council will be able to disregard any amounts paid in the calculation of Council Tax Support. The payments are currently disregarded in other benefits such as Housing Benefit and Universal Credit.

The benefit of this is:

- It brings the working age Council Tax Support Scheme in line with Housing Benefit changes made by Central Government; and
- The change will be fairer to applicants who have recently lost a partner

The drawbacks of doing this are:

- There would be a small increase to the overall cost of the scheme.

Q4

Do you agree with this change to the scheme?

Yes (Agree) No (Disagree) Don't know

Q5

If you disagree what alternative would you propose?

Proposal 3 – Disregarding any Windrush Compensation Payments

On 3 April 2019 the Home Office announced a Windrush Compensation Scheme (WCS) to provide redress for those individuals who suffered financial loss, due to their inability to demonstrate their lawful right to live and work in the UK. There are various criteria within the WCS that individuals who are eligible can claim against. Where any amount is awarded, the payments could potentially affect the award of Council Tax Support.

The intention of this option is to disregard any of these payment (s).

The benefit of this is:

- It brings the working age Council Tax Support Scheme in line with Housing Benefit and Universal Credit changes made by Central Government; and
- The change will be fairer to applicants who receive this type of compensation

The drawbacks of doing this are:

- There would be a small increase to the overall cost of the scheme.

Q6

Do you agree with this change to the scheme?

Yes (Agree) No (Disagree) Don't know

Q7

If you disagree what alternative would you propose?

Alternatives to removing the £3.50 per week minimum charge for low income applicants who are in receipt of certain benefits

If the Council keeps the current scheme, it will be administratively more complex (as it will not align with Housing Benefit which is also administered by the Council), and it will be unfair to certain vulnerable groups especially those receiving certain benefits or those receiving the new payments which are disregarded from Housing Benefit.

Q8

Should the Council keep the £3.50 per week minimum charge for low income applicants who are in receipt of certain benefits

No (Disagree) Yes (Agree) Don't know

The changes will incur additional costs to the authorities, although the Council is considering introducing additional Council Tax charges for second homes and for empty properties which would offset a large proportion of the costs. How would you fund the proposals?

Q9

Make the changes and offset (as far as possible) any costs by considering introducing changes to the Council Tax charges for second homes and empty premises;

Yes (Agree) No (Disagree) Don't know

Q10

Make the changes and fund them from existing resources;

Yes (Agree) No (Disagree) Don't know

Q11

If the Council were to choose these changes, what would be your order of preference? Please rank in order of preference by writing a number from 1 – 3 in the boxes below, where 1 is the change that you would most prefer and 3 is the least.

- Not make the changes:
- Make the changes and offset (as far as possible) any costs by considering introducing changes to the Council Tax charges for second homes and empty premises;
- Make the changes and fund them from existing resources:

Q12

Please use the space below if you would like the Council to consider any other options (please state).

About You

We ask these questions:

1. To find out if different groups of people in the Council's population have been able to take part in the consultation and identify if any groups have been excluded. This means it is not about you as an individual but to find out if people with similar characteristics have had their say.
2. To find out if different groups of people feel differently about the options and proposals in comparison to each other and all respondents. This means it is not about you as an individual but to find out if people with similar characteristics have answered in the same way or not.

This information is completely confidential and anonymous. Your personal information will not be passed on to anyone and your personal details will not be reported alongside your responses.

Q13

Are you, or someone in your household, getting a Council Tax Support at this time?

Yes No Don't know/Not sure

Q14

What is your sex?

Male Female Prefer not to say

Q15

Age

18-24 25-34 35-44 45-54 55-64 65-74 75-84 85+ Prefer not to say

Q16.

Disability: Are your day to day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?

Yes No Don't know/Not sure Prefer not to say

Q17.

Ethnic Origin: What is your ethnic group?

Prefer not to say

White

British Irish Gypsy or Irish Traveller Any other White background

Mixed/Multiple ethnic groups

White & Black African White & Black Caribbean White & Asian Any other multi mixed background

Asian or Asian British

Pakistani Indian Bangladeshi Chinese Any other Asian background

Black/African/Caribbean/Black British

African Caribbean Any other Black background

Other Ethnic Group

Arab Other – please specify below:

Next steps....

Thank you for completing the questionnaire.

The consultation closes at midnight on 27th September 2019

We will listen carefully to what residents tell us and take the responses into consideration when making a final decision on the 2020/21 scheme.

Following the decision, the full results from the consultation will be available on the Council's website.

The new scheme will start on **1 April 2020**. The Council will consider the impact of the scheme annually and consult again if it thinks further changes need to be made.