

Hampshire Fire and Rescue Authority

19 September 2012

Item

Council Tax Support Schemes – Response to Consultation

Report by the Chief Officer and Treasurer

Contact: Rob Carr, Treasurer Telephone:01962 847508

1 Summary

- 1.1 The Government has previously announced its intention to replace the existing Council Tax Benefit scheme with local schemes from 1 April 2013. As part of this change, Billing Authorities (District and Unitary Councils) are required to consult with Major Preceptors (Hampshire County Council, Hampshire Fire and Rescue Authority and Hampshire Police Authority) on their proposals for their new schemes prior to undertaking wider consultation with other stakeholders.
- 1.2 The purpose of this paper is to set out the Authority's initial response to consultation on the development of local Council Tax Support Schemes by Billing Authorities within Hampshire and the Isle of Wight.

2 Recommendations

- 2.1 The Authority approves the response to Billing Authorities attached at Appendix 2.
- 2.2 The Authority notes the potential financial impact on the Authority as outlined in section 5.

3 General context

- 3.1 The Government had previously announced its intention to localise council tax benefits from 1 April 2013 by getting billing authorities to introduce their own schemes.
- 3.2 The Government consulted on changes to the current scheme last year and initial indications were that the proposed 10% reduction in national funding for the new local schemes would fall on billing authorities as the implementers and administrators of those schemes.
- 3.3 Despite the fact that the consultation contained no proposals or questions for sharing this burden with major preceptors (County Councils, Police and Fire Authorities) the Government's response to the consultation meant that the loss of funding would in effect be shared by all authorities in proportion to the value of council tax income they receive.

- 3.4 This puts major preceptors in the position of having to pick up the financial consequences of new local schemes over which they have no control, which for the Fire Authority could be as much as £0.5M. In designing the new schemes, District and Unitary Councils must consult with major preceptors, but we have no right of veto and final scheme design is still down to the billing authorities to approve.
- 3.5 In liaising with the Chief Financial Officers across Hampshire, the Treasurer has made it clear that the Authority expects Billing Authorities to try to limit the financial impact of the changes on Major Preceptors, and this point was further re-iterated in a pre-consultation response sent to Billing Authorities in June, which is attached at Appendix 1 for information.

4 Consultation on Scheme Design

- 4.1 The legislation requires Billing Authorities to consult with Major Preceptors on their scheme design, prior to undertaking wider consultation with other stakeholders. However, given the number of different variables, local factors and other considerations, it is not practical for Major Preceptors to provide detailed feedback on every scheme introduced within Hampshire.
- 4.2 It was therefore agreed that each Billing Authority would complete a 'pro-forma' return to the Major Preceptors during August setting out :-
- Key features of the scheme design
 - Any changes to second homes or empty property discounts and their financial impact
 - The impact of the scheme on council tax collection rates and the level of take up of council tax support
 - The estimated financial impact of the scheme and other financial considerations
 - Timetable for wider stakeholder consultation
- 4.3 This information would enable Major Preceptors to consider the implications of the schemes across Hampshire and provide a single response back to Billing Authorities, picking up on any specific local issues where necessary.
- 4.4 The response from HFRA is attached at Appendix 2 and the Authority is requested to formally approve the response in order for Billing Authorities to be able to start wider stakeholder consultation over the Autumn.

5 Financial Implications

- 5.1 The reduction in Government funding for the Hampshire and Isle of Wight area equates to around £11.2M based on 2011/12 figures. The proportion of this that would be lost by Major Preceptors is as follows :-

Hampshire Fire and Rescue Authority	£0.5M
Hampshire Police Authority	£1.1M

- 5.2 Whilst the majority of Authorities are designing schemes or making changes to other discounts that will mitigate this loss, there still remains a risk that final scheme design will change following stakeholder engagement and the political decision making process.
- 5.3 There are also further risks centred around the potential reduction in council tax collection rates and increased take up of support from eligible claimants under the new system and therefore these financial risks have been reflected in the Medium Term Financial Strategy that was presented to the Authority in the Summer and will be updated as part of the budget setting process for 2013/14.

6 Supporting our corporate aims and objectives

- 6.1 The changes to the Council Tax Benefit system have a mainly financial impact on the authority and therefore may impact on the resources available to deliver our corporate aims and objectives.

7 Risk analysis

- 7.1 There are two key risks to the Authority as a result of these changes, both of which are financial.
- The potential loss of funding as a result of the introduction of the new local arrangements if schemes are not designed in such a way as to mitigate the financial loss
 - The potential for future 'in year' losses of funding if council tax collection levels are reduced or take up of the new schemes is greater than anticipated due to the increased publicity around the changes to Council Tax Benefit.
- 7.2 The first risk is outside of the control of the Authority, since it is ultimately Billing Authorities that decide on final scheme design, however as part of this consultation response, the Authority has re-iterated once again that it expects Billing Authorities to try to mitigate the loss of funding through scheme design or through other changes to existing discounts.
- 7.3 In year losses will in effect be consequential to the implementation of the new schemes and there is no way at present that these can be predicted with any certainty.
- 7.4 Both of these factors will be a key risk element of the budget that is being prepared for 2013/14 and prudent assessments of the financial impact will be included within that process.

8 People Impact Assessment

- 8.1 As explained elsewhere in the report, the impact on the Authority is entirely financial and therefore has limited impact on people from an Authority view point other than it

may affect the level of resources that can be deployed for service delivery in the future. The scheme designs put forward by Billing authorities will be subject to separate EIA's given the impact on vulnerable groups and will be taken into account as part of the final scheme design.

9 Consultation

- 9.1 This report is response to consultation currently being carried out by Billing Authorities in the Hampshire and Isle of Wight area. After they have taken into account the responses from Major Preceptors, Billing Authorities are then required to undertake wider consultation with other stakeholders before finalising their Council Tax Support Schemes.
- 9.2 As part of this wider consultation, Major Preceptors will be still be able to submit further detailed comments on scheme design.

10 Background papers

- 10.1 The following documents disclose the facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of the report:

Submissions from Billing Authorities as part of the consultation process.

Note: The list excludes: (1) published works; and (2) documents that disclose exempt or confidential information defined in the Act.

Mr B Jackson
Executive Director
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SO43 7PA

7 June 2012

Dear Bob

CHANGES TO COUNCIL TAX BENEFIT

Thank you for your joint letter dated 25 May 2012 and for providing the Fire Authority, with the opportunity to give you some initial views as part of the consultation process.

In your letter you have asked for specific responses to a number of questions, which I have set out below.

1. Acceptance that a complete redesign will not be possible for 2013.

We appreciate the various difficulties, set out in your letter, that would be involved in undertaking a complete re-design at this stage and therefore accepts that this may not be possible for April 2013.

2. Delaying complete redesign to coincide with the implementation of the Universal Credit.

This seems like a sensible approach given the complexities within both systems and given the likely overlap and confusion that this could cause not only in benefit administration but also for recipients of benefits during the transition periods. However, the Fire Authority is obviously concerned about the potential financial impact of any delays in scheme re-design, which are addressed under the next question.

3. The views of precepting authorities on the loss of grant and the impact on precept levels.

Clearly as a Precepting Authority, the main impact of the changes to the Council Tax Benefit system are financial, since whilst we are required to be consulted over scheme design, we have no ultimate control over what scheme billing authorities eventually implement.

There is a potential impact of £476,000 on the Fire Authority's budgets from 2013/14 onwards, none of which was anticipated when the Medium

Term Financial Strategy was approved. This is before we know how the Government may choose to distribute the grant funding for these changes and before any potential increase in benefit take up as a result of wider public awareness of the changes to the schemes.

We are therefore keen to stress that as a precepting authority we would want to see the new schemes designed in such a way that they will close the 10% funding gap either directly through the scheme design or using other methods such as changing existing discounts.

It is however recognised that due to the limitations described in your letter, this may not be entirely achievable in the first year of the scheme through scheme design, but there does still remain the option of 'top slicing' in order to achieve the necessary savings from the outset.

If schemes are designed in a way that is not cost neutral then the financial impact will almost certainly put pressure on council tax levels for all three precepting authorities which will be felt across all localities.

4. Protection to any particular groups within the community from changes to the Council Tax Benefit Scheme during an interim period.

We believe this is a matter for each billing authority to consider at a local level, within the confines of the financial objective set out above.

5. Protection for any groups within the community once the scheme redesign has been carried out.

We believe this is a matter for each billing authority to consider at a local level, within the confines of the financial objective set out above.

6. Any principles the preceptors would like to see considered in the scheme redesign.

Other than the principle around the financial objectives, the Fire Authority would be keen to see schemes across the County that were similar in design to avoid confusion amongst residents and also that were perceived to be fair and consistent and benefitting those groups for whom the original council tax benefit scheme was intended.

7. Any merit in discussing potential for risk sharing models in the event of unexpected changes in benefit caseload.

No regulations have been determined for dealing with in year changes to benefit caseload and therefore any arrangements for risk sharing would be for local agreement. Our preference would be that any in year differences be contained within the collection fund in line with the current approach and precepting authorities will of course meet their share of any potential in year losses through that mechanism. Regular monitoring of the situation would of course be useful throughout the year.

We are also keen to avoid any complications in respect of precept payments and would seek to continue the current arrangements for these.

8. Any other issues of concern to precepting authorities.

None at the present time, but the Fire Authority welcomes the opportunity to continue dialogue with billing authorities prior to the formal consultation.

I hope this is sufficient for your purposes, but if you have any further issues or questions, please do not hesitate to contact me.

Yours sincerely

Rob Carr
Treasurer

HAMPSHIRE FIRE AND RESCUE AUTHORITY

COUNCIL TAX SUPPORT SCHEMES

RESPONSE TO CONSULTATION BY BILLING AUTHORITIES

Introduction

Hampshire Fire and Rescue Authority recognises the significant challenge that has been set for Billing Authorities in designing new Council Tax Support Schemes (CTSS) and is grateful for the way in which Authorities in Hampshire and the Isle of Wight have worked with Major Preceptors in a consistent and pragmatic way, given the financial and time constraints that have been imposed upon them.

The Chief Financial Officer's group that have been leading this piece of work had agreed a format for the provision of information to Major Preceptors in order to aid the consultation process, and to avoid the need for Major Preceptors to have to consider the specific detail of every single scheme in Hampshire and the Isle of Wight.

This response is structured in line with the information that was provided and seeks to provide high level feedback on the design work that has been undertaken so far, albeit that Major Preceptors may still wish to provide further detailed feedback as appropriate when wider stakeholder consultation is undertaken over the Autumn.

Key Features of the Schemes

The Major Preceptors that must be consulted are Hampshire County Council, Hampshire Fire and Rescue Authority and Hampshire Police Authority, which means that all District Council's in Hampshire and the Unitary Councils of Southampton, Portsmouth and the Isle of Wight are captured by the overall consultation exercise, giving 14 Authorities in all that are designing separate schemes. To date we have only had information from 13 of them.

Billing Authorities were asked to fill in a 'pro forma' return as part of the consultation exercise, which asked 11 key questions in respect of scheme design. The consolidated summary of the answers to these questions is attached at Annex 1, together with a short definition of what each of the items means. Separate information for individual authorities has not been provided since most authorities wanted to keep initial proposals for their schemes confidential prior to the formal consultation process with other stakeholders commencing.

Pre-consultation feedback from the Major Preceptors suggested that consistency across the schemes should be an important consideration albeit that local variations were inevitable. It was therefore suggested that it may be

possible to have a consistent 'core scheme' which included common elements, together with local variations in other areas.

Based on the returns that have been received there are a few common elements within the schemes, but these do not extend to all 13 authorities. The table below sets out the key common features and how many of the Authorities are currently adopting them:

Common Design Feature	No. of Authorities
Capping the amount of support to working age claimants (caps ranging from 50% to 90%, with a majority going for 80%)	11 Authorities
Capping the maximum level of support to a particular council tax band (most considering Band C or Band D)	7 Authorities
Removal of the second adult rebate for working age claimants	7 Authorities
Reducing the upper limit for capital allowances	5 Authorities
Increasing the income disregards for working age claimants (as an incentive to return to work)	4/5 Authorities

Annex 1 also shows that there are a number of features that are only being considered by 1 or two authorities, and therefore in the interests of consistency consideration could be given by those authorities to not including that feature in the final design.

In addition to changes to these specific design features, some authorities are considering adopting the default scheme put forward by the Government (which applies to claimants who are not pensioners) and then reducing the overall entitlement to the support by a fixed percentage (e.g. 25%). Other exemptions to this have also been applied for example by treating anyone in receipt of a war pension or war widows pension the same as pensioners (i.e. they will not be affected by the new scheme).

Major Preceptors understand and appreciate the basis upon which these proposals have been put forward, since it means a consistent approach has been adopted by introducing the Government's default scheme and the financial pressure has been absorbed by using a blanket percentage reduction to the entitlement for all groups. However, it is important that Billing Authorities considering this scheme undertake a full Equalities Impact Assessment to ensure that this blanket approach does not have a detrimental affect on particular vulnerable groups.

The view of Major Preceptors is that Billing Authorities should continue to consider the development of ‘core elements’ of future schemes and that these should be applied consistently in all Authorities, in order to avoid the potential for a ‘post code lottery’ in respect of the inconsistent treatment of individuals depending on their location. This would also apply to features that are only being considered by a small number of authorities. In addition, any Billing Authorities considering a blanket reduction in entitlement need to ensure this is explored as part of the Equality Impact Assessment that they undertake.

Financial Considerations

Funding for the new schemes is being set at 90% of the previous funding available nationally for the Council Tax Benefit Scheme. With pensioners protected from any reductions in benefits, this means that the potential financial burden falls on remaining claimants in varying degrees, depending on the demographic profile of the local population.

One of the key factors highlighted by Major Preceptors as part of the pre-consultation response was that they would like to see the financial impact of the changes eradicated through the detailed scheme designs or through changes to other exemptions and discounts where there is a shortfall.

From the returns provided by Billing Authorities, all but 1 of the 13 authorities are aiming to neutralise the impact of the funding reduction through scheme design or by changing other discounts. Major Preceptors do however, recognise that these are currently principles of the scheme design and the actual financial impact may in reality be different or scheme design itself may change following consultation with other stakeholders or as part of the final political decision making process within each authority.

Major Preceptors also note that for most authorities, the only way that the financial impact can be neutralised is through further changes to the second homes discount and the empty property discount.

Major Preceptors continue to re-iterate the requirement that Billing Authorities should try to close the 10% funding gap either directly through the scheme design or using other methods such as changing existing discounts.

Other Considerations

Council Tax Collection Level – It is noted that most Authorities are expecting collection rates to fall in the range of 0.2% to 1% as a result of the need to collect council tax from individuals who were previously on benefit. This will ultimately have an impact on the Council Tax Base levels, which will of course impact on all Major Preceptors.

Major Preceptors accept the fact that estimating the level of Council Tax Bases will be particularly challenging this year until actual data on

collection rates starts to be collected during 2013/14 but urges Billing Authorities to provide information in line with the revised timescales that will be issued by Major Preceptors in due course.

Take Up of Council Tax Support – It is recognised that with the increased publicity surrounding the implementation of the new schemes, that more eligible claimants may come forward when the schemes are introduced. Whilst this is almost impossible to predict, forecasts of up to 5% have been predicted as part of the financial modelling that the Billing Authorities have done.

Major preceptors appreciate that increased take up may be a consequence of the implementation of the new scheme, but would re-iterate that the preferred approach for dealing with in year gains or losses is through the existing collection fund deficit / surplus methodology and that the arrangements for fixed precept dates and amounts remain the same.

Consultation with Other Stakeholders – It is noted that the majority of consultation will take place throughout late August, September and October.

Major Preceptors reserve the right to make further representations in respect of the detailed design of schemes and would therefore like to continue to be treated as a key stakeholder in that regard during the further consultation processes.

Scheme Feature	Definition	No. of Authorities 'Yes'	No. of Authorities 'No'	Undecided / Still Considering
Cap on support to working age claimants	Changes to this feature would mean that working age claimants may be required to pay a minimum amount of their council tax in the future, by capping the maximum amount they can claim.	10	2	1
Capped at a tax band value	Claims for support will be limited to a maximum value of a certain tax band (most proposals are band C or D). This means that residents living in a band F house for example would only get support up to the maximum value of the band C or D dwelling.	6	6	1
Capital allowances taper	At the moment, for residents who have savings between £6,000 and £16,000, £1 is added to assumed weekly income for every £250. Under new proposals either the upper and lower limits can be varied or the amount that is added to the weekly income calculation could be increased.	4	8	1
2nd Adult Rebates removed for working age claimants	Working age residents who live with someone who is on a low income (who is not their partner) may receive council tax rebates at the moment, which would be removed under this proposal.	6	6	1
Reduced limit to back-date claims	The current scheme allows for backdating of claims for up to six months, some authorities are considering reducing the amount of time that claims can be backdated.	2	11	

Scheme Feature	Definition	No. of Authorities 'Yes'	No. of Authorities 'No'	Undecided / Still Considering
Include child maintenance or child benefit in means test	Child maintenance and child benefit are currently not counted as income as part of the means testing process, this proposal would take that income into account in assessing council tax support in the future.	1	10	2
Changing income disregards for working age single claimants	At the moment, certain types of income are disregarded (i.e. they are not taken into account) as part of the Council Tax Benefit calculation. Some Authorities are considering changing the types of income that are taken into account or varying the levels that are disregarded.	3	9	1
Changing income disregards for working age couples	At the moment, certain types of income are disregarded (i.e. they are not taken into account) as part of the Council Tax Benefit calculation. Some Authorities are considering changing the types of income that are taken into account or varying the levels that are disregarded.	3	8	2
Amending the exempted groups for non-dependant deductions	Non dependant residents are adult residents such as adult children or other relatives who live in the property. Fixed deductions are made from the main householders benefit based on the weekly income of the non-dependant. Some groups of non-dependants are excluded from these deductions but some authorities are considering bringing them in to the deduction scheme.	2	10	1

Scheme Feature	Definition	No. of Authorities 'Yes'	No. of Authorities 'No'	Undecided / Still Considering
Considering amending the non-dependant deduction levels	Non dependant residents are adult residents such as adult children or other relatives who live in the property. Fixed deductions are made from the main householders benefit based on the weekly income of the non-dependant. Some Authorities are considering varying the levels of the deductions.	4	8	1
Maintaining a hardship fund	Some authorities are considering introducing a hardship fund that can be used in cases of extreme hardship where this can be demonstrated on a case by case basis.	4	4	5

Hampshire Police Authority

Item: 7

11 September 2012

Council Tax Support Scheme – Response to Consultation

Report of the Treasurer

Contact: Rob Carr
01962 847508
Email: rob.carr@hants.gov.uk

1. Executive Summary

- 1.1 The Government has previously announced its intention to replace the existing Council Tax Benefit scheme with local schemes from 1 April 2013. As part of this change, Billing Authorities (District and Unitary Councils) are required to consult with Major Preceptors (Hampshire County Council, Hampshire Fire and Rescue Authority and Hampshire Police Authority) on their proposals for their new schemes prior to undertaking wider consultation with other stakeholders.
- 1.2 The purpose of this paper is to set out the Authority's initial response to consultation on the development of local Council Tax Support Schemes by Billing Authorities within Hampshire and the Isle of Wight.

2. Contextual Information

- 2.1 The Government had previously announced its intention to localise council tax benefits from 1 April 2013 by getting billing authorities to introduce their own schemes.
- 2.2 The Government consulted on changes to the current scheme last year and initial indications were that the proposed 10% reduction in national funding for the new local schemes would fall on billing authorities as the implementers and administrators of those schemes.
- 2.3 Despite the fact that the consultation contained no proposals or questions for sharing this burden with major preceptors (County Councils, Police and Fire Authorities) the Government's response to the consultation meant that the loss of funding would in effect be shared by all authorities in proportion to the value of council tax income they receive.
- 2.4 This puts major preceptors in the position of having to pick up the financial consequences of new local schemes over which they have no control, which for the Police Authority could be as much as £1.1M. In designing the new schemes, District and Unitary Councils must consult

with major preceptors, but we have no right of veto and final scheme design is still down to the billing authorities to approve.

- 2.5 In liaising with the Chief Financial Officers across Hampshire, the Treasurer has made it clear that the Police Authority expects Billing Authorities to try to limit the financial impact of the changes on Major Preceptors, and this point was further re-iterated in a pre-consultation response sent to Billing authorities in June, which is attached at Appendix 1 for information.

3. Consultation on Scheme Design

- 3.1 The legislation requires Billing Authorities to consult with Major Preceptors on their scheme design, prior to undertaking wider consultation with other stakeholders. However, given the number of different variables, local factors and other considerations, it is not practical for Major Preceptors to provide detailed feedback on every scheme introduced within Hampshire.
- 3.2 It was therefore agreed that each Billing Authority would complete a 'pro-forma' return to the Major Preceptors during August setting out :-
- Key features of the scheme design
 - Any changes to second homes or empty property discounts and their financial impact
 - The impact of the scheme on council tax collection rates and the level of take up of council tax support
 - The estimated financial impact of the scheme and other financial considerations
 - Timetable for wider stakeholder consultation
- 3.3 This information would enable Major Preceptors to consider the implications of the schemes across Hampshire and provide a single response back to Billing Authorities, picking up on any specific local issues where necessary.
- 3.4 The response from Hampshire Police Authority is attached at Appendix 2 and this Committee is requested to formally approve the response in order for Billing Authorities to be able to start wider stakeholder consultation over the Autumn.

4. Financial Implications

- 4.1 The reduction in Government funding for the Hampshire and Isle of Wight area equates to around £11.2M based on 2011/12 figures. The proportion of this that would be lost by Major Preceptors is as follows :-

Hampshire Police Authority	£1.1M
Hampshire Fire and Rescue Authority	£0.5M
Hampshire County Council	£4.8M

- 4.2 Whilst the majority of Authorities are designing schemes or making changes to other discounts that will mitigate this loss, there still remains a risk that final scheme design will change following stakeholder engagement and the political decision making process.
- 4.3 There are also further risks centred around the potential reduction in council tax collection rates and increased take up of support from eligible claimants under the new system and therefore these financial risks have been reflected in the Medium Term Financial Strategy that was presented to the Authority in the Summer and will be updated as part of the budget setting process for 2013/14.

5. Recommendations

It is recommended that:-

- 5.1 Approves the Police Authority's response to Billing Authorities attached at Appendix 2.
- 5.2 Notes the potential financial impact on the Police Authority as outlined in section 4.

6. Consultation

- 6.1 This report is response to consultation currently being carried out by Billing Authorities in the Hampshire and Isle of Wight area. After they have taken into account the responses from Major Preceptors, Billing Authorities are then required to undertake wider consultation with other stakeholders before finalising their Council Tax Support Schemes.
- 6.2 As part of this wider consultation, Major Preceptors will be still be able to submit further detailed comments on scheme design.

7. Significant Risks

- 7.1 There are two key risks to the Authority as a result of these changes, both of which are financial.
- The potential loss of funding as a result of the introduction of the new local arrangements if schemes are not designed in such a way as to mitigate the financial loss
 - The potential for future 'in year' losses of funding if council tax collection levels are reduced or take up of the new schemes is greater than anticipated due to the increased publicity around the changes to Council Tax Benefit.
- 7.2 The first risk is outside of the control of the Authority, since it is ultimately Billing Authorities that decide on final scheme design, however as part of this consultation response, the Authority has reiterated once again that it expects Billing Authorities to try to mitigate the loss of funding through scheme design or through other changes to existing discounts.
- 7.3 In year losses will in effect be consequential to the implementation of the new schemes and there is no way at present that these can be predicted with any certainty.
- 7.4 Both of these factors will be a key risk element of the budget that is being prepared for 2013/14 and prudent assessments of the financial impact will be included within that process.

8. Police and Crime Commissioner Implications

- 8.1 The key impacts as highlighted above are the potential financial losses arising from the implementation of the new Council Tax Support Schemes and the risk that there will be further losses arising from reduced collection rates or increased take up.
- 8.2 These are issues which will need to be taken into account as part of the budget development process for 2013/14 and the Police and Crime Commissioner will need to take a view on the level of risk to reflect in their first budget.

9. Other implications:

- 8.1 The changes to the Council Tax Benefit scheme are being introduced by Billing Authorities and the impact on the Police Authority is consequential. The implications cannot therefore be easily attributed to

the work of the Authority. Key considerations are however highlighted below :

AUTHORITY AREA	IMPLICATION
Statutory Duty/Good Practice	The changes represent the implementation of national Government Policy and the impact from a Police Authority point of view is entirely financial.
Equality, Diversity and Human Rights	The scheme designs put forward by Billing authorities will be subject to separate EIA's given the impact on vulnerable groups and will be taken into account as part of the final scheme design.
Vulnerable People and Every Child Matters	The local schemes must take into account the impact on vulnerable groups in particular, but the reality is there will be reduced support to certain groups which will impact on their household income and the consequential impact this may have on their behaviours.
Environmental Impact	None
Trust and Confidence	None
Partnership and Collaboration	The changes to the Council Tax Benefit scheme are the responsibility of the Billing Authorities, but they have been working closely with the Authority through the Hants and Isle of Wight Chief Financial Officer's Group to ensure that relevant and common issues are flagged and addressed as part of the implementation process.
Strategic Documents	The impact of these changes will be reflected in the budget papers that will be presented in February next year.

Section 100D (Local Government Act 1972) background papers

The following documents disclose facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of this report.

NB the list excludes:

1. published works; and,
2. documents that disclose exempt or confidential information as defined in the Act.

- NOT PROTECTIVELY MARKED -

Title	Location
None	None

- NOT PROTECTIVELY MARKED -



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Dear Bob,

CHANGES TO COUNCIL TAX BENEFIT

Thank you for your joint letter dated 25 May 2012 and for providing Hampshire Police Authority, with the opportunity to give you some initial views as part of the consultation process.

In your letter you have asked for specific responses to a number of questions, which I have set out below:-

1. Acceptance that a complete redesign will not be possible for 2013.

We appreciate the various difficulties, set out in your letter, that would be involved in undertaking a complete re-design at this stage and therefore accepts that this may not be possible for April 2013.

2. Delaying complete redesign to coincide with the implementation of the Universal Credit.

This seems like a sensible approach given the complexities within both systems and given the likely overlap and confusion that this could cause not only in benefit administration but also for recipients of benefits during the transition periods. However, the Police Authority is obviously concerned about the potential financial impact of any delays in scheme re-design, which are addressed under the next question.

3. The views of precepting authorities on the loss of grant and the impact on precept levels.

Clearly as a Precepting Authority, the main impact of the changes to the Council Tax Benefit system are financial, since whilst we are required to be consulted over scheme design, we have no ultimate control over what scheme billing authorities eventually implement.

There is a potential impact of over £1M on the Police Authority's budgets from 2013/14 onwards, none of which was anticipated when the Medium Term Financial Strategy was approved. This is before we know how the Government may choose to distribute the grant funding for these changes and before any potential increase in benefit take up as a result of wider public awareness of the changes to the schemes.

We are therefore keen to stress that as a precepting authority we would want to see the new schemes designed in such a way that they will close the 10% funding gap either directly through the scheme design or using other methods such as changing existing discounts.

It is however recognised that due to the limitations described in your letter, this may not be entirely achievable in the first year of the scheme through scheme design, but there does still remain the option of 'top slicing' in order to achieve the necessary savings from the outset.

4. Protection to any particular groups within the community from changes to the Council Tax Benefit Scheme during an interim period.

We believe this is a matter for each billing authority to consider at a local level, within the confines of the financial objective set out above.

5. Protection for any groups within the community once the scheme redesign has been carried out.

We believe this is a matter for each billing authority to consider at a local level, within the confines of the financial objective set out above.

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Other than the principle around the financial objectives, the Police Authority would be keen to see schemes across the County that were similar in design to avoid confusion amongst residents and also that were perceived to be fair and consistent and benefitting those groups for whom the original council tax benefit scheme was intended.

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No regulations have been determined for dealing with in year changes to benefit caseload and therefore any arrangements for risk sharing would be for local agreement. Our preference would be that any in year differences be contained within the collection fund in line with the current approach and

precepting authorities will of course meet their share of any potential in year losses. Regular monitoring of the situation would of course be useful throughout the year.

We are also keen to avoid any complications in respect of precept payments and would seek to continue the current arrangements for these.

8. Any other issues of concern to precepting authorities.

None at the present time, but all three authorities welcome the opportunity to continue dialogue with billing authorities prior to the formal consultation.

I hope this is sufficient for your purposes, but if you have any further issues or questions, please do not hesitate to contact me.

Yours sincerely

Carolyn Williamson
Treasurer to Hampshire Police Authority

HAMPSHIRE POLICE AUTHORITY
COUNCIL TAX SUPPORT SCHEMES

RESPONSE TO CONSULTATION BY BILLING AUTHORITIES

Introduction

Hampshire Police Authority recognises the significant challenge that has been set for Billing Authorities in designing new Council Tax Support Schemes (CTSS) and is grateful for the way in which Authorities in Hampshire and the Isle of Wight have worked with Major Preceptors in a consistent and pragmatic way, given the financial and time constraints that have been imposed upon them.

The Chief Financial Officer's group that have been leading this piece of work had agreed a format for the provision of information to Major Preceptors in order to aid the consultation process, and to avoid the need for Major Preceptors to have to consider the specific detail of every single scheme in Hampshire and the Isle of Wight.

This response is structured in line with the information that was provided and seeks to provide high level feedback on the design work that has been undertaken so far, albeit that Major Preceptors may still wish to provide further detailed feedback as appropriate when wider stakeholder consultation is undertaken over the Autumn.

Key Features of the Schemes

The Major Preceptors that must be consulted are Hampshire County Council, Hampshire Fire and Rescue Authority and Hampshire Police Authority, which means that all District Council's in Hampshire and the Unitary Councils of Southampton, Portsmouth and the Isle of Wight are captured by the overall consultation exercise, giving 14 Authorities in all that are designing separate schemes. To date we have only had information from 13 of them.

Billing Authorities were asked to fill in a 'pro forma' return as part of the consultation exercise, which asked 11 key questions in respect of scheme design. The consolidated summary of the answers to these questions is attached at Annex 1, together with a short definition of what each of the items means. Separate information for individual authorities has not been provided since most authorities wanted to keep initial proposals for their schemes confidential prior to the formal consultation process with other stakeholders commencing.

Pre-consultation feedback from the Major Preceptors suggested that consistency across the schemes should be an important consideration albeit that local variations were inevitable. It was therefore suggested that it may be

possible to have a consistent 'core scheme' which included common elements, together with local variations in other areas.

Based on the returns that have been received there are a few common elements within the schemes, but these do not extend to all 13 authorities. The table below sets out the key common features and how many of the Authorities are currently adopting them:

Common Design Feature	No. of Authorities
Capping the amount of support to working age claimants (caps ranging from 50% to 90%, with a majority going for 80%)	11 Authorities
Capping the maximum level of support to a particular council tax band (most considering Band C or Band D)	7 Authorities
Removal of the second adult rebate for working age claimants	7 Authorities
Reducing the upper limit for capital allowances	5 Authorities
Increasing the income disregards for working age claimants (as an incentive to return to work)	4/5 Authorities

Annex 1 also shows that there are a number of features that are only being considered by 1 or two authorities, and therefore in the interests of consistency consideration could be given by those authorities to not including that feature in the final design.

In addition to changes to these specific design features, some authorities are considering adopting the default scheme put forward by the Government (which applies to claimants who are not pensioners) and then reducing the overall entitlement to the support by a fixed percentage (e.g. 25%). Other exemptions to this have also been applied for example by treating anyone in receipt of a war pension or war widows pension the same as pensioners (i.e. they will not be affected by the new scheme).

Major Preceptors understand and appreciate the basis upon which these proposals have been put forward, since it means a consistent approach has been adopted by introducing the Government's default scheme and the financial pressure has been absorbed by using a blanket percentage reduction to the entitlement for all groups. However, it is important that Billing Authorities considering this scheme undertake a full Equalities Impact Assessment to ensure that this blanket approach does not have a detrimental affect on particular vulnerable groups.

The view of Major Preceptors is that Billing Authorities should continue to consider the development of 'core elements' of future schemes and that these should be applied consistently in all Authorities, in order to avoid the potential for a 'post code lottery' in respect of the inconsistent treatment of individuals depending on their location. This would also apply to features that are only being considered by a small number of authorities. In addition, any Billing Authorities considering a blanket reduction in entitlement need to ensure this is explored as part of the Equality Impact Assessment that they undertake.

Financial Considerations

Funding for the new schemes is being set at 90% of the previous funding available nationally for the Council Tax Benefit Scheme. With pensioners protected from any reductions in benefits, this means that the potential financial burden falls on remaining claimants in varying degrees, depending on the demographic profile of the local population.

One of the key factors highlighted by Major Preceptors as part of the pre-consultation response was that they would like to see the financial impact of the changes eradicated through the detailed scheme designs or through changes to other exemptions and discounts where there is a shortfall.

From the returns provided by Billing Authorities, all but 2 of the 13 authorities are aiming to neutralise the impact of the funding reduction through scheme design or by changing other discounts. Major Preceptors do however, recognise that these are currently principles of the scheme design and the actual financial impact may in reality be different or scheme design itself may change following consultation with other stakeholders or as part of the final political decision making process within each authority.

Major Preceptors also note that for most authorities, the only way that the financial impact can be neutralised is through further changes to the second homes discount and the empty property discount.

Major Preceptors continue to re-iterate the requirement that Billing Authorities should try to close the 10% funding gap either directly through the scheme design or using other methods such as changing existing discounts.

Other Considerations

Council Tax Collection Level – It is noted that most Authorities are expecting collection rates to fall in the range of 0.2% to 1% as a result of the need to collect council tax from individuals who were previously on benefit. This will ultimately have an impact on the Council Tax Base levels, which will of course impact on all Major Preceptors. It is particularly important that estimates for Council Tax Base levels for 2013/14 are forecast in a timely manner this year due to the budget setting timetabling requirements of the

Police and Crime Commissioner who will take up the post from November this year.

Major Preceptors accept the fact that estimating the level of Council Tax Bases will be particularly challenging this year until actual data on collection rates starts to be collected during 2013/14 but urges Billing Authorities to provide information in line with the revised timescales that will be issued by Major Preceptors in due course.

Take Up of Council Tax Support – It is recognised that with the increased publicity surrounding the implementation of the new schemes, that more eligible claimants may come forward when the schemes are introduced. Whilst this is almost impossible to predict, forecasts of up to 5% have been predicted as part of the financial modelling that the Billing Authorities have done.

Major preceptors appreciate that increased take up may be a consequence of the implementation of the new scheme, but would re-iterate that the preferred approach for dealing with in year gains or losses is through the existing collection fund deficit / surplus methodology and that the arrangements for fixed precept dates and amounts remain the same.

Consultation with Other Stakeholders – It is noted that the majority of consultation will take place throughout late August, September and October.

Major Preceptors reserve the right to make further representations in respect of the detailed design of schemes and would therefore like to continue to be treated as a key stakeholder in that regard during the further consultation processes.

Scheme Feature	Definition	No. of Authorities 'Yes'	No. of Authorities 'No'	Undecided / Still Considering
Cap on support to working age claimants	Changes to this feature would mean that working age claimants may be required to pay a minimum amount of their council tax in the future, by capping the maximum amount they can claim.	10	2	1
Capped at a tax band value	Claims for support will be limited to a maximum value of a certain tax band (most proposals are band C or D). This means that residents living in a band F house for example would only get support up to the maximum value of the band C or D dwelling.	6	6	1
Capital allowances taper	At the moment, for residents who have savings between £6,000 and £16,000, £1 is added to assumed weekly income for every £250. Under new proposals either the upper and lower limits can be varied or the amount that is added to the weekly income calculation could be increased.	4	8	1
2nd Adult Rebates removed for working age claimants	Working age residents who live with someone who is on a low income (who is not their partner) may receive council tax rebates at the moment, which would be removed under this proposal.	6	6	1
Reduced limit to back-date claims	The current scheme allows for backdating of claims for up to six months, some authorities are considering reducing the amount of time that claims can be backdated.	2	11	

Scheme Feature	Definition	No. of Authorities 'Yes'	No. of Authorities 'No'	Undecided / Still Considering
Include child maintenance or child benefit in means test	Child maintenance and child benefit are currently not counted as income as part of the means testing process, this proposal would take that income into account in assessing council tax support in the future.	1	10	2
Changing income disregards for working age single claimants	At the moment, certain types of income are disregarded (i.e. they are not taken into account) as part of the Council Tax Benefit calculation. Some Authorities are considering changing the types of income that are taken into account or varying the levels that are disregarded.	3	9	1
Changing income disregards for working age couples	At the moment, certain types of income are disregarded (i.e. they are not taken into account) as part of the Council Tax Benefit calculation. Some Authorities are considering changing the types of income that are taken into account or varying the levels that are disregarded.	3	8	2
Amending the exempted groups for non-dependant deductions	Non dependant residents are adult residents such as adult children or other relatives who live in the property. Fixed deductions are made from the main householders benefit based on the weekly income of the non-dependant. Some groups of non-dependants are excluded from these deductions but some authorities are considering bringing them in to the deduction scheme.	2	10	1

Scheme Feature	Definition	No. of Authorities 'Yes'	No. of Authorities 'No'	Undecided / Still Considering
Considering amending the non-dependant deduction levels	Non dependant residents are adult residents such as adult children or other relatives who live in the property. Fixed deductions are made from the main householders benefit based on the weekly income of the non-dependant. Some Authorities are considering varying the levels of the deductions.	4	8	1
Maintaining a hardship fund	Some authorities are considering introducing a hardship fund that can be used in cases of extreme hardship where this can be demonstrated on a case by case basis.	4	4	5

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Cabinet
Date:	24 September 2012
Title:	Council Tax Support Scheme – Response to Consultation
Reference:	4232
Report From:	Director of Corporate Resources

Contact name: Rob Carr – Head of Finance

Tel: 01962 847508

Email: Rob.carr@hants.gov.uk

1. Executive Summary

- 1.1. The Government has previously announced its intention to replace the existing Council Tax Benefit scheme with local schemes from 1st April 2013. As part of this change, Billing Authorities (District and Unitary Councils) are required to consult with Major Preceptors (Hampshire County Council, Hampshire Fire and Rescue Authority and Hampshire Police Authority) on their proposals for their new schemes prior to undertaking wider consultation with other stakeholders.
- 1.2. The purpose of this paper is to set out the County Council's initial response to consultation on the development of local Council Tax Support Schemes by Billing Authorities within Hampshire.

2. Contextual information

- 2.1. The Government had previously announced its intention to localise council tax benefits from 1st April 2013 by getting billing authorities to introduce their own schemes.
- 2.2. The Government consulted on changes to the current scheme last year and initial indications were that the proposed 10% reduction in national funding for the new local schemes would fall on billing authorities as the implementers and administrators of those schemes.
- 2.3. Despite the fact that the consultation contained no proposals or questions for sharing this burden with major preceptors (County Councils, Police and Fire Authorities) the Government's response to the consultation meant that the loss of funding would in effect be shared by all authorities in proportion to the value of council tax income they receive.

- 2.4. This puts major preceptors in the position of having to pick up the financial consequences of new local schemes over which they have no control, which for the County Council could be as much as £4.8M. In designing the new schemes, District and Unitary Councils must consult with major preceptors, but we have no right of veto and final scheme design is still down to the billing authorities to approve.
- 2.5. In liaising with the Chief Financial Officers across Hampshire, The Director of Corporate Resources has made it clear that the County Council expects Billing Authorities to try to limit the financial impact of the changes on Major Preceptors, and this point was further re-iterated in a pre-consultation response sent to Billing authorities in June, which is attached at Appendix 1 for information.

3. Consultation on Scheme Design

- 3.1. The legislation requires Billing Authorities to consult with Major Preceptors on their scheme design, prior to undertaking wider consultation with other stakeholders. However, given the number of different variables, local factors and other considerations, it is not practical for Major Preceptors to provide detailed feedback on every scheme introduced within Hampshire.
- 3.2. It was therefore agreed that each Billing Authority would complete a 'pro-forma' return to the Major Preceptors during August setting out :-
 - Key features of the scheme design
 - Any changes to second homes or empty property discounts and their financial impact
 - The impact of the scheme on council tax collection rates and the level of take up of council tax support
 - The estimated financial impact of the scheme and other financial considerations
 - Timetable for wider stakeholder consultation
- 3.3. This information would enable Major Preceptors to consider the implications of the schemes across Hampshire and provide a single response back to Billing Authorities, picking up on any specific local issues where necessary.
- 3.4. The response from Hampshire County Council is attached at Appendix 2 and Cabinet are requested to formally approve the response in order for Billing Authorities to be able to start wider stakeholder consultation over the Autumn.

4. Financial Implications

- 4.1. The reduction in Government funding for the Hampshire area equates to around £11.2M based on 2011/12 figures. The proportion of this that would be lost by Major Preceptors is as follows :-

Hampshire County Council	£4.8M
Hampshire Police Authority	£1.1M
Hampshire Fire and Rescue Authority	£0.5M

- 4.2. Whilst the majority of Authorities are designing schemes or making changes to other discounts that will mitigate this loss, there still remains a risk that final scheme design will change following stakeholder engagement and the political decision making process.
- 4.3. There are also further risks centred around the potential reduction in council tax collection rates and increased take up of support from eligible claimants under the new system and therefore these financial risks have been reflected in the Medium Term Financial Strategy that was presented to Cabinet in the Summer and will be updated as part of the budget setting process for 2013/14.

5. Recommendation(s)

It is recommended that Cabinet :

- 5.1. Approves the County Council's response to Billing Authorities attached at Appendix 2.
- 5.2. Notes the potential financial impact on the County Council as outlined in section 4.

Mr B Jackson
Executive Director
New Forest District Council
Appletree Court
Beaulieu Road
Lyndhurst
SO43 7PA

7 June 2012

Dear Bob

CHANGES TO COUNCIL TAX BENEFIT

Thank you for your joint letter dated 25 May 2012 and for providing the County Council, with the opportunity to give you some initial views as part of the consultation process.

In your letter you have asked for specific responses to a number of questions, which I have set out below:

1. Acceptance that a complete redesign will not be possible for 2013.

We appreciate the various difficulties, set out in your letter, that would be involved in undertaking a complete re-design at this stage and therefore accepts that this may not be possible for April 2013.

2. Delaying complete redesign to coincide with the implementation of the Universal Credit.

This seems like a sensible approach given the complexities within both systems and given the likely overlap and confusion that this could cause not only in benefit administration but also for recipients of benefits during the transition periods. However, the County Council is obviously concerned about the potential financial impact of any delays in scheme re-design, which are addressed under the next question.

3. The views of precepting authorities on the loss of grant and the impact on precept levels.

Clearly as a Precepting Authority, the main impact of the changes to the Council Tax Benefit system are financial, since whilst we are required to be consulted over scheme design, we have no ultimate control over what scheme billing authorities eventually implement.

There is a potential impact of £4.8M on the County Council's budgets from 2013/14 onwards, none of which was anticipated when the Medium Term Financial Strategy was approved. This is before we know how the Government may choose to distribute the grant funding for these changes and before any potential increase in benefit take up as a result of wider public awareness of the changes to the schemes.

We are therefore keen to stress that as a precepting authority we would want to see the new schemes designed in such a way that they will close the 10% funding gap either directly through the scheme design or using other methods such as changing existing discounts.

It is however recognised that due to the limitations described in your letter, this may not be entirely achievable in the first year of the scheme through scheme design, but there does still remain the option of 'top slicing' in order to achieve the necessary savings from the outset.

4. Protection to any particular groups within the community from changes to the Council Tax Benefit Scheme during an interim period.

We believe this is a matter for each billing authority to consider at a local level, within the confines of the financial objective set out above.

5. Protection for any groups within the community once the scheme redesign has been carried out.

We believe this is a matter for each billing authority to consider at a local level, within the confines of the financial objective set out above.

6. Any principles the preceptors would like to see considered in the scheme redesign.

Other than the principle around the financial objectives, the County Council would be keen to see schemes across the County that were similar in design to avoid confusion amongst residents and also that were perceived to be fair and consistent and benefitting those groups for whom the original council tax benefit scheme was intended.

7. Any merit in discussing potential for risk sharing models in the event of unexpected changes in benefit caseload.

No regulations have been determined for dealing with in year changes to benefit caseload and therefore any arrangements for risk sharing would be for local agreement. Our preference would be that any in year differences be contained within the collection fund in line with the current approach and precepting authorities will of course meet their share of any potential in year losses through that mechanism. Regular monitoring of the situation would of course be useful throughout the year.

We are also keen to avoid any complications in respect of precept payments and would seek to continue the current arrangements for these.

8. Any other issues of concern to precepting authorities.

None at the present time, but the County Council would welcome the opportunity to continue dialogue with billing authorities prior to the formal consultation.

I hope this is sufficient for your purposes, but if you have any further issues or questions, please do not hesitate to contact me.

Yours sincerely

Carolyn Williamson
Director of Corporate Resources

HAMPSHIRE COUNTY COUNCIL
COUNCIL TAX SUPPORT SCHEMES

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reductions in benefits, this means that the potential financial burden falls on remaining claimants in varying degrees, depending on the demographic profile of the local population.

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for dealing with in year gains or losses is through the existing collection fund deficit / surplus methodology and that the arrangements for fixed precept dates and amounts remain the same.

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Capped at a tax band value	Claims for support will be limited to a maximum value of a certain tax band (most proposals are band C or D). This means that residents living in a band F house for example would only get support up to the maximum value of the band C or D dwelling.	6	6	1
Capital allowances taper	At the moment, for residents who have savings between £6,000 and £16,000, £1 is added to assumed weekly income for every £250. Under new proposals either the upper and lower limits can be varied or the amount that is added to the weekly income calculation could be increased.	4	8	1
2nd Adult Rebates removed for working age claimants	Working age residents who live with someone who is on a low income (who is not their partner) may receive council tax rebates at the moment, which would be removed under this proposal.	6	6	1
Reduced limit to back-date claims	The current scheme allows for backdating of claims for up to six months, some authorities are considering reducing the amount of time that claims can be backdated.	2	11	
Include child maintenance or child benefit in means test	Child maintenance and child benefit are currently not counted as income as part of the means testing process, this proposal would take that income into account in assessing council tax support in the future.	1	10	2

Scheme Feature	Explanation	No. of Authorities 'Yes'	No. of Authorities 'No'	Undecided / Still Considering
Changing income disregards for working age single claimants	At the moment, certain types of income are disregarded (i.e. they are not taken into account) as part of the Council Tax Benefit calculation. Some Authorities are considering changing the types of income that are taken into account or varying the levels that are disregarded.	3	9	1
Changing income disregards for working age couples	At the moment, certain types of income are disregarded (i.e. they are not taken into account) as part of the Council Tax Benefit calculation. Some Authorities are considering changing the types of income that are taken into account or varying the levels that are disregarded.	3	8	2
Amending the exempted groups for non-dependant deductions	Non dependant residents are adult residents such as adult children or other relatives who live in the property. Fixed deductions are made from the main householders benefit based on the weekly income of the non-dependant. Some groups of non-dependants are excluded from these deductions but some authorities are considering bringing them in to the deduction scheme.	2	10	1
Considering amending the non-dependant deduction levels	Non dependant residents are adult residents such as adult children or other relatives who live in the property. Fixed deductions are made from the main householders benefit based on the weekly income of the non-dependant. Some Authorities are considering varying the levels of the deductions.	4	8	1
Maintaining a hardship fund	Some authorities are considering introducing a hardship fund that can be used in cases of extreme hardship where this can be demonstrated on a case by case basis.	4	4	5

CORPORATE OR LEGAL INFORMATION:

Links to the Corporate Strategy

Hampshire safer and more secure for all:	yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. An EIA will be completed by each Billing Authority prior to the implementation of the individual local schemes. HCC does not have responsibility for undertaking a separate EIA since it is not setting the policy in this instance.

2. Impact on Crime and Disorder:

- 2.1. The items in this report are not considered to have any direct impact on the prevention of crime.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

No specific proposals.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

No specific proposals affecting adaptation to climate change.

Winchester City Council - Equality Impact Report

Council Tax Changes and Local Council Tax Support

1. Purpose of Report

The Government is planning to abolish Council Tax Benefit from 1 April 2013 and has asked councils across the country to develop their own schemes to replace it. However, under the new system the Council will be given a specific sum by the Government to make local Council Tax Support payments. This sum will be around 12% less than the amount that is currently paid out as Council Tax Benefit. The change will affect working age claimants only as the Government has stated that pensioners must be protected from the effects of any changes. This means that under the new scheme support for pensioners will remain at the same level as now. This also means that any increases in local Council Tax Support expenditure during the year, such as an increase in the number of claimants claiming support, will need to be funded by the Council in addition to the immediate 12% reduction.

This shortage in funding means we have to make some difficult decisions about who gets financial support and how much. Winchester City Council has had to look at various options for meeting the Government's funding cut in a way that is reasonable and protects the most vulnerable residents. The Council has consulted on various options to meet the funding shortfall by changing some Council Tax discounts and exemptions and implementing a new Council Tax Support scheme.

In October 2012 the Government announced that £100M of additional transitional grant will be made available to 'provide the space and the support for all local authorities to follow the example of those councils who are making the most of opportunities to find savings across their budgets to be able to develop schemes that protect the poorest'.

To apply for a grant, billing authorities must adopt schemes which ensure that:

- those who would be entitled to 100% support under current council tax benefit arrangements pay between zero and no more than 8.5% of their net council tax liability;
- the taper* rate does not increase above 25%;
- there is no sharp reduction in support for those entering work - for claimants currently entitled to less than 100% support, the taper* will be applied to an amount at least equal to their maximum eligible award (which to be eligible for the grant, could not be less than 91.5%).

*if the claimants income is more than their applicable amount (living allowance) the difference between the two is known as 'excess income'. A percentage is applied to this 'excess income' and this amount is subtracted from the maximum benefit that can be awarded to calculate their entitlement. This percentage is known as a 'taper' and is currently 20% for calculating Council Tax Benefit.

To provide certainty on the funding position in advance, the Government has announced the amounts of funding that authorities will receive. The options included in the current consultation are different to the criteria specified above. If the Council changed the options significantly it is likely that further consultation would be required and there is not sufficient time to run a second consultation process.

It should be noted that the additional funding is described as transitional funding and therefore will be a one off payment. If the Council pursues this option the Scheme will need to be amended in the second year to fill the gap in future years or funding will need to be identified from elsewhere. Implementing a Scheme similar to that under consultation currently is unlikely to require further consultation.

The purpose of this report is to present the findings from the Council Tax changes and Local Council Tax Support consultation process. The consultation ran for 12 weeks from 20th August to 12th November 2012 and 853 responses were received.

An initial Equality Impact Assessment was completed to inform the consultation on a new Local Council Tax Support scheme and changes to Council Tax discounts and exemptions. The results of the consultation and a final Equality Impact Assessment are included in this report and the supporting documentation.

2. Current Provisions

2.1 Council Tax Discounts and Exemptions

The current Council Tax discounts are detailed below; those highlighted are the discounts that the Council has been given local discretion to amend.

Circumstances	Discount
Single Person	25%
All but one adult residing in the property are disregarded due to their personal circumstances (i.e. student or severely mentally impaired)	25%
All adults residing in the property are disregarded due to their personal circumstances (i.e. student or severely mentally impaired)	50%
Furnished Second Homes or Holiday Homes The Council currently awards 10% discount on these properties	10% - 50%
Empty & Unfurnished Homes (after 6 months exemption period has passed)	50%

The current Council Tax exemptions are detailed below; those highlighted (Class A and Class C) are the exemptions that the Council has been given local discretion to amend.

Class	Description
Class A	Vacant premises which require, are undergoing or have recently undergone major repair including structural repairs
Class B	Premises owned by a charity that have been unoccupied for less than six months
Class C	Premises that have been unoccupied and substantially unfurnished for less than six months

Class D	Premises that have been left unoccupied by persons being detained in prison
Class E	Premises left unoccupied by persons who are in Hospital, Nursing Home or in a Residential Care Home
Class F1	Premises left unoccupied following the death of the Council Taxpayer where probate has not yet been granted
Class F2	Premises left unoccupied following the death of the Council Taxpayer and probate has been granted – maximum of 6 months from date probate granted
Class G	Premises where law prohibits occupation
Class H	Premises which are unoccupied but being kept for a Minister of Religion
Class I	Premises left unoccupied by persons who reside elsewhere and are receiving care
Class J	Premises left unoccupied by persons who reside elsewhere providing care
Class K	Premises left unoccupied by students who are residing elsewhere to study
Class L	Repossessed premises
Class M	Hall of Residence
Class N	Premises occupied solely by students
Class O	Barracks messes and married quarters provided by the Ministry of Defence
Class P	Premises occupied by members of Visiting Armed Forces
Class Q	Premises which are in the hands of a Trustee in Bankruptcy
Class R	Pitches or moorings where the caravan or houseboat has been removed
Class S	Premises occupied solely by persons under 18 years
Class T	Unoccupied annexes subject to planning restriction
Class U	Premises occupied solely by person(s) who are Severely Mentally Impaired
Class V	Premises occupied by Diplomats
Class W	Annexes which are occupied solely by dependant relatives

2.2 Council Tax Benefit

The principles contained within the existing Council Tax Benefit scheme provide protection for vulnerable claimants and those in work through the mechanism of allowances, premiums and disregards.

Personal Allowances are the basic amounts of money the government says a claimant needs to live on. The level depends on the claimant's age and whether they are part of a couple. There are additional allowances for dependant children.

Premiums are additional amounts added to the personal allowance because of claimant's personal circumstances. The government recognises that it is more expensive to live with a family or if someone has a disability or caring responsibilities. Extra amounts are added to income based benefits to account for this.

Disregards – this is the amount of earnings not taken into account when calculating entitlement to benefits. There are standard earnings disregards for singles, couples and lone parents. People in certain groups, such as carers and people with disabilities are eligible for a higher disregard.

In designing a draft Local Council Tax Support scheme the Council has looked to maintain the key elements of the previous Council Tax Benefit means tested regime and as such provides the following protection:

- a. Where the claimant or their partner is in receipt of Income Support, Income Based Job Seekers Allowance or Income Related Employment and Support Allowance (also referred to as passported benefits) – Council Tax Support will be paid at the maximum determined by the Council;
- b. Where the claimant or their partner is not in receipt of the benefits specified in (a) above but is on a low income, their income will be compared with the specified applicable amounts (living allowances). The applicable amounts (living allowances) will continue to contain the additional premiums for family, disability, etc and certain incomes will not be taken into account when calculating the total income of the household. These are described in detail below.

Families and children

Additional Premiums:

- Family Premium
- Dependant Child Premium (for each child)
- Disabled Child Premium (for each disabled child)
- Enhanced Disability Premium (for each child entitled to DLA Care Component highest rate)

The following are not taken into account when calculating the total household income:

- Child Benefit
- Child Maintenance

- Part of Earnings - reduced by amount paid in Child Care Costs (working 16 hours or more and for couples both must be in work)

People with disabilities

Additional Premiums:

- Disability Premium
- Severe Disability Premium
- Enhanced Disability Premium (either the claimant or partner are in receipt of DLA Care Component at the Highest Rate or Support Component)
- Work related activity component (where a similar component is awarded within a claimant or partner's Employment and Support Allowance)
- Support component (where a similar component is awarded within a claimant or partner's Employment and Support Allowance)

The following benefits are not taken into account when calculating the total household income:

- Disability Living Allowance
- Personal Independence Payments (from April 2013)

When there is another adult residing in the property in addition to the claimant and their partner then a deduction is made from the total amount of benefit due depending on the circumstances (these other adults are referred to as non-dependants). In all situations, where a claimant or their partner is classified as disabled under the scheme, then no non-dependant deductions will be made where the claimant or partner is blind or where they are in receipt of the care component of the Disability Living Allowance.

Armed Forces

The Council proposes to continue protecting those people who get war widows and war disablement pensions. They will be able to keep all the money they receive rather than just the £10 a week the Government requires as a minimum.

Work incentives

Before taking earnings into account, only the net earnings are used in the calculation. (Net earnings are after deducting tax, national insurance and some contributions into a pension scheme). Also depending on circumstances (e.g. single, couple, single parent, etc) disregards of between £5 and £25 are made from the net amount of earnings.

Claimants working on average 30 hours a week or more will usually be able to get an extra earnings disregard. In certain circumstances they can also qualify for the higher earnings disregard if they work 16 hours or more e.g. a lone parent or disabled. This is the same amount as the 30-hour tax credit in Working Tax Credit.

Extended payments of Support are also available where certain conditions are met and where the claimant has been continuously in receipt of certain unemployed benefits for a period of 26 weeks or more.

3. Proposed Changes

3.1 Changes to Council Tax Discounts and Exemptions

The Council sought views on proposed changes to the rules on Council Tax discounts and exemptions on empty and second homes. The options for changes to these discounts and exemptions will affect the property owners regardless of their age. Additional Council Tax collected as a result of any changes to discounts and exemptions may be used to offset some of the shortfall in funding for the new Council Tax Support Scheme.

Consultation has been undertaken on the following options:

Change	Number of Customers Affected
Abolishing the current 10 per cent Council Tax discount for properties that are furnished and no one's main home (these properties are known as second homes)	500
Abolishing the current six month Council Tax exemption for vacant properties and replace it with a 100 per cent discount for a period of up to three months for properties that remain vacant	130
Abolishing the current 50 per cent Council Tax discount that applies after the above exemption / discount for vacant properties	400

3.2 New Council Tax Support Scheme

The Council has been considering various options to meet the Government's funding shortfall. Due to the level of reduction in funding it is possible that everybody under state pension age who currently receives Council Tax Benefit may have to pay something towards their Council Tax bill in the future.

The draft scheme is based on the current Council Tax Benefit scheme with a number of variations for working age claimants.

Consultation has been undertaken on the following options:

Option for Change	Number of Customers Affected
Capping the level of benefit to a band D property for those working age claimants living in properties with a Council Tax band of E, F, G and H	175
Making working age claimants responsible for a percentage of their Council Tax liability (10 per cent or 15 per cent)	2,800

4. Financial implications

The following tables detail the impact on residents if the proposed options were put in place.

Examples of the impact of the consultation options on Council Tax discounts and exemptions on empty properties		Current Council Tax liability for full year			Council Tax liability after change for full year		
Consultation options	Estimate of numbers of properties	Band B	Band C	Band D	Band B	Band C	Band D
Reduce the discount awarded on properties that are furnished and no ones main home (known as second homes) from 10% to zero. (This change would not affect	500	£1,006	£1,150	£1,293	£1,118	£1,277	£1,437

people who are required to live in a work related residence.)							
An exemption is awarded for a period of up to six months when a property is vacant (no one lives there and it is substantially unfurnished). This change would remove the exemption and replace it with a 100% discount for a period of up to three months for properties that remain vacant.	130	£279	£319	£359	£838	£958	£1,078
Remove the discount (50%) that is awarded at the end of the above exemption / discount period for properties that remain vacant (no one lives there and it is substantially unfurnished).	400	£559	£639	£719	£1,118	£1,277	£1,437

Examples of the impact of the consultation options on changes to Council Tax Benefit - additional amount working age claimants may have to pay when Council Tax Benefit is replaced.

Examples based on average Band D Council Tax for 2012/13 in Winchester City Council

Circumstances of Working Age Household	Current Property Band*	Additional WEEKLY Amount of Council Tax you will pay under the consultation options (or WEEKLY amount of Council Tax you will pay if you currently pay nothing)				
		Paying a minimum of 10% Council Tax	Paying a minimum of 15% Council Tax	Capping support at Band D	Capping support at Band D and paying a minimum of 10% Council Tax	Capping support at Band D and paying a minimum of 15% Council Tax
Household receives 25% Council Tax discount e.g. single person	B	£1.61	£2.42	£0.00	£1.61	£2.42
	C	£1.84	£2.76	£0.00	£1.84	£2.76
	D	£2.07	£3.11	£0.00	£2.07	£3.11
	E	£2.53	£3.80	£4.61	£6.68	£7.72
Household receives no Council Tax discount e.g. at least 2 adults reside in the property	B	£2.15	£3.22	£0.00	£2.15	£3.22
	C	£2.46	£3.69	£0.00	£2.46	£3.69
	D	£2.76	£4.15	£0.00	£2.76	£4.15
	E	£3.38	£5.07	£6.14	£8.90	£10.29

*If you currently receive a Disabled Person's Band Reduction the changes will be applied to the lower Council Tax Band that is used to calculate your Council Tax Bill.

There are 2,800 working age households receiving Council Tax Benefit in the Winchester area. 115 of these households are in Band E and 60 households are in Band F, G or H.

5. Consultation process

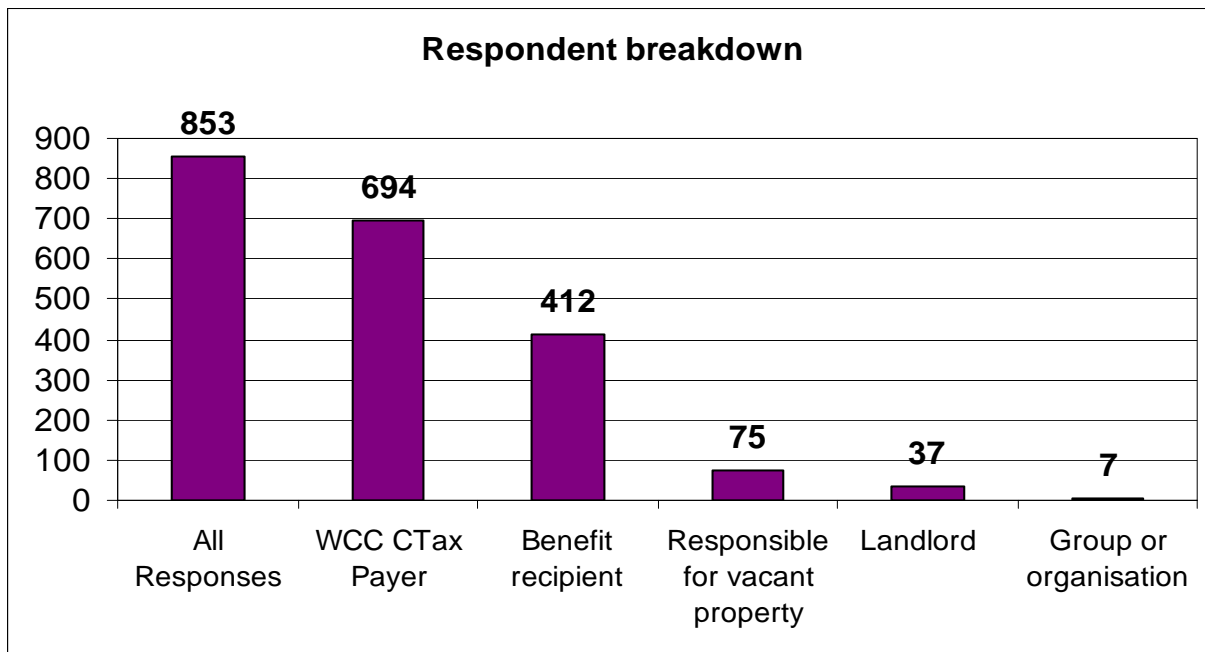
The Consultation process ran for 12 weeks from 20th August 2012 to 12th November 2012 (see Annex 2 for a copy of the survey form). The following table details who was consulted, when and the consultation method used.

How	Who	When
Council Website <ul style="list-style-type: none"> Information Pages Consultation Portal with Electronic Survey 	All residents & representative groups	20 Aug 12 for 12 Weeks
Press Releases <ul style="list-style-type: none"> The Observer 	All residents & representative groups	21 Aug 12 24 Sep 12
Postal Survey	Current working age recipients of Council Tax Benefit sent a paper survey Current recipients of Exemptions and Discounts sent a letter with a link to consultation on website	21 Sep 12 8 Oct 12
Email Survey	All members of Citizens Panel	03 Sep 12
Focus Group	Partner organisations	09 Oct 12
Face to Face <ul style="list-style-type: none"> Customers using Council or CAB services 	All residents	20 Aug 12 for 12 Weeks
Message included <ul style="list-style-type: none"> in automated email response from Customer Services and Council Tax in outgoing emails from Council Tax and Customer Services with outgoing Council Tax bills 	All residents	01 Sep 12 to 07 Nov 12 23 Aug 12 to 05 Nov 12
Message included on recording at start of Council Tax telephone calls	All residents	20 Aug 12 to 07 Nov 12
Presentation at TACT meeting	Tenants of Winchester City Council	17 Oct 12
Twitter and Facebook	All residents who follow us on Twitter and Facebook	20 Aug 12 to 07 Nov 12

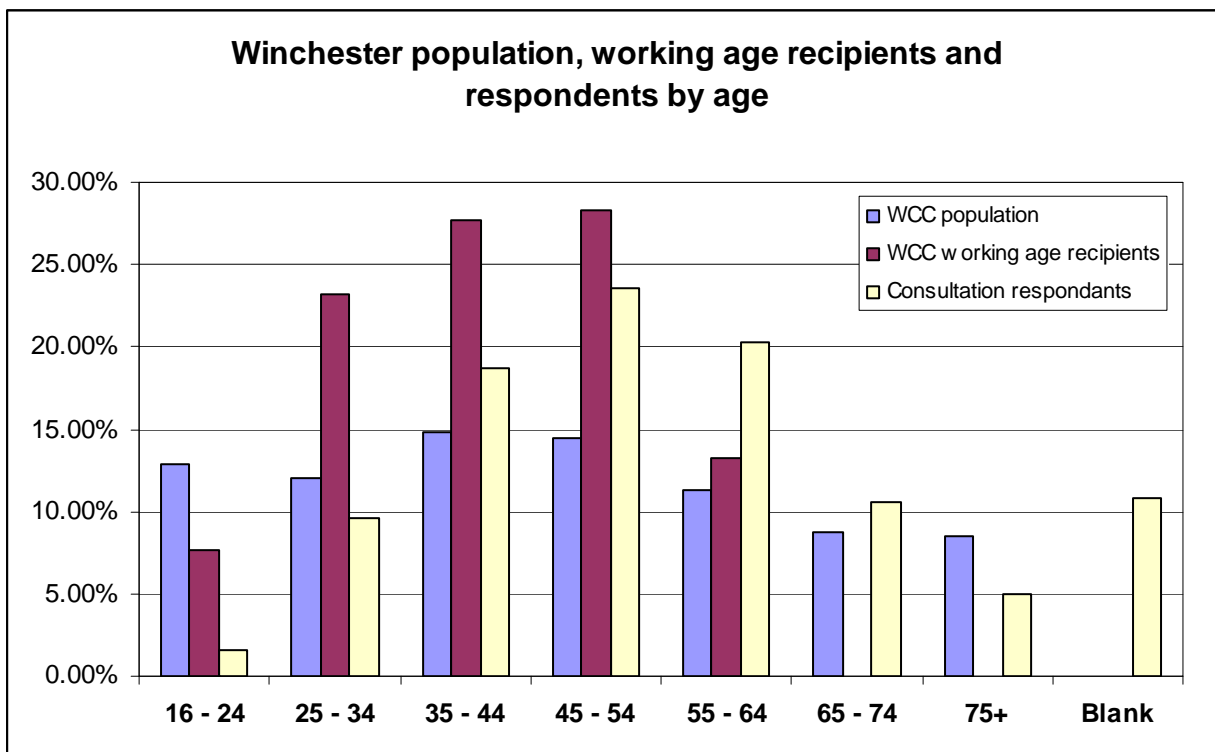
6. Results of Consultation

The full results of the consultation can be found at Annex 3.

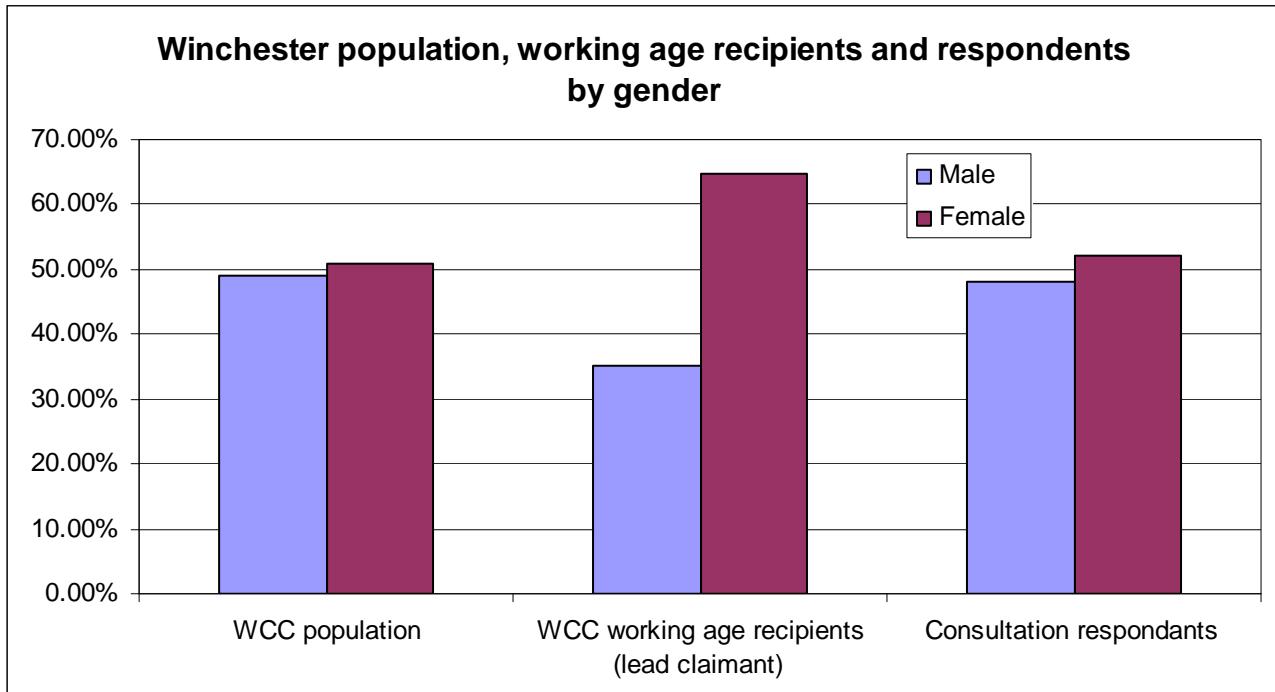
6.1 Respondents



6.2 Respondents by Age



6.3 Respondents by Gender



6.4 Respondents by Disability

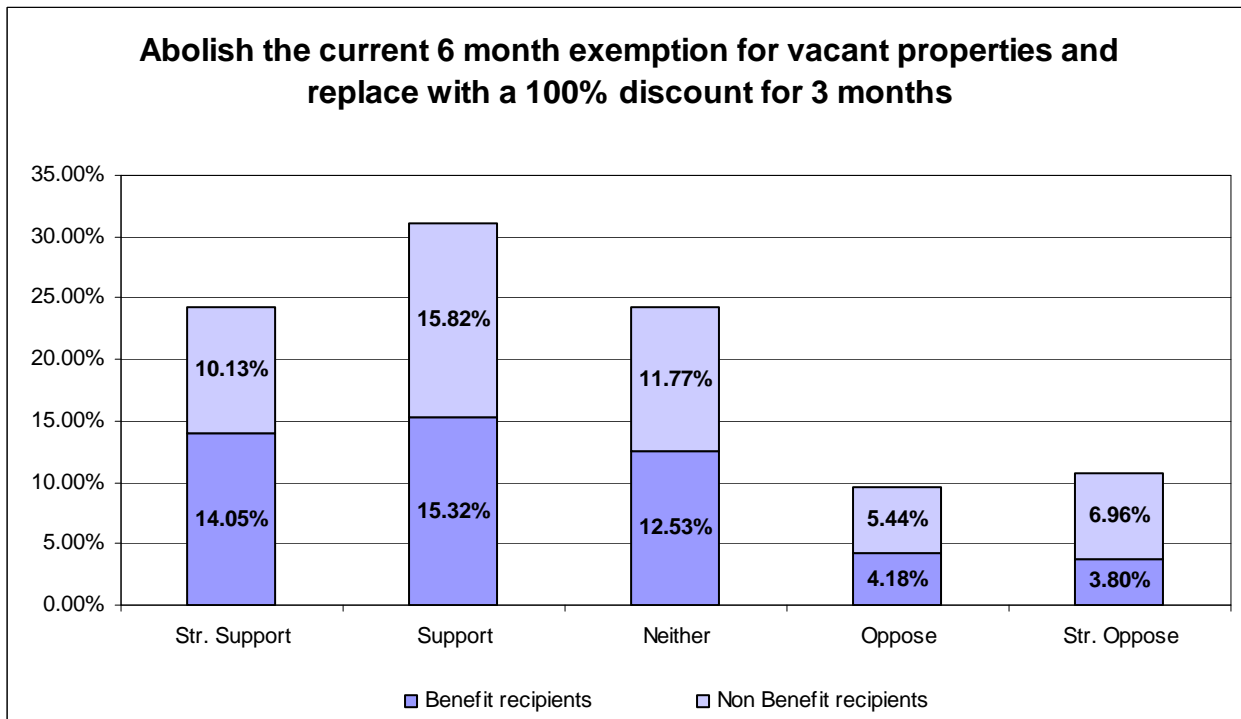
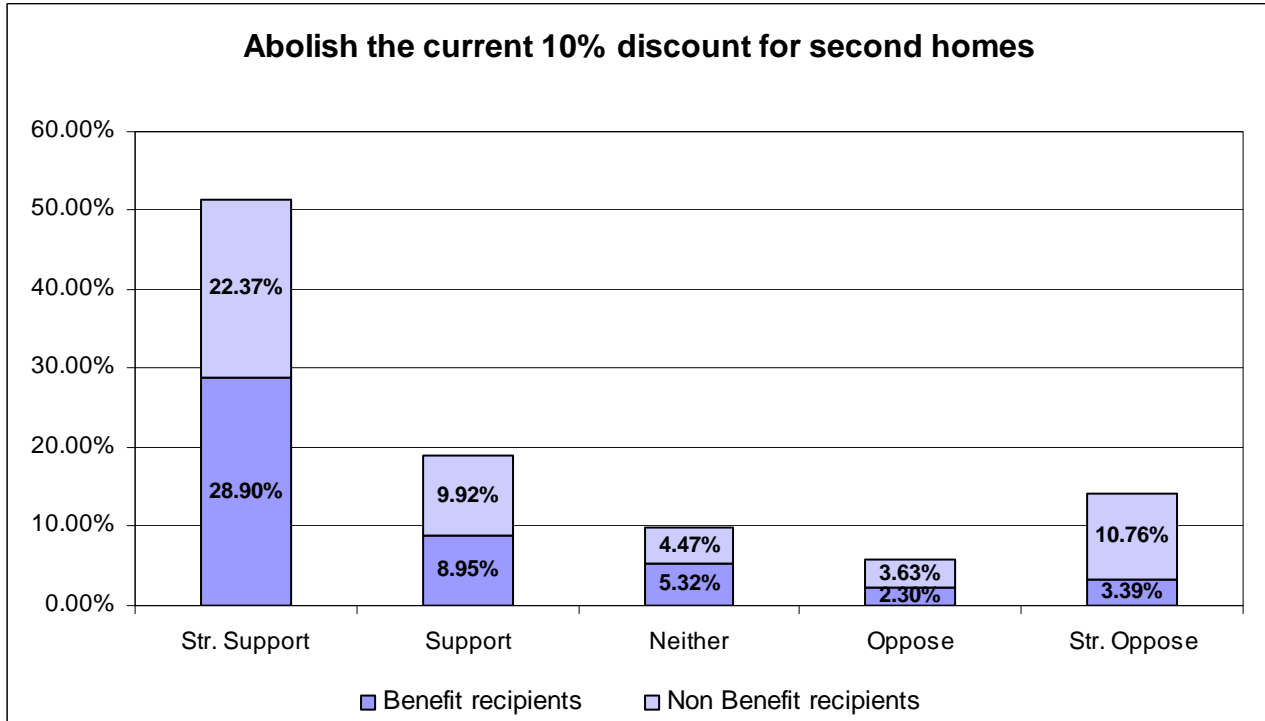
Day-to-day activities limited because of a health problem or disability which has lasted or is expected to last at least 12 months

Response	Percentage	Number
No	66.9%	517
Yes		
Affecting Mobility	17.7%	137
Affecting Hearing	2.3%	18
Affecting Vision	2.8%	22
A Learning Disability	2.8%	22
Mental Health	12.2%	94
Another Disability	10.2%	79
Total	48.0%	372

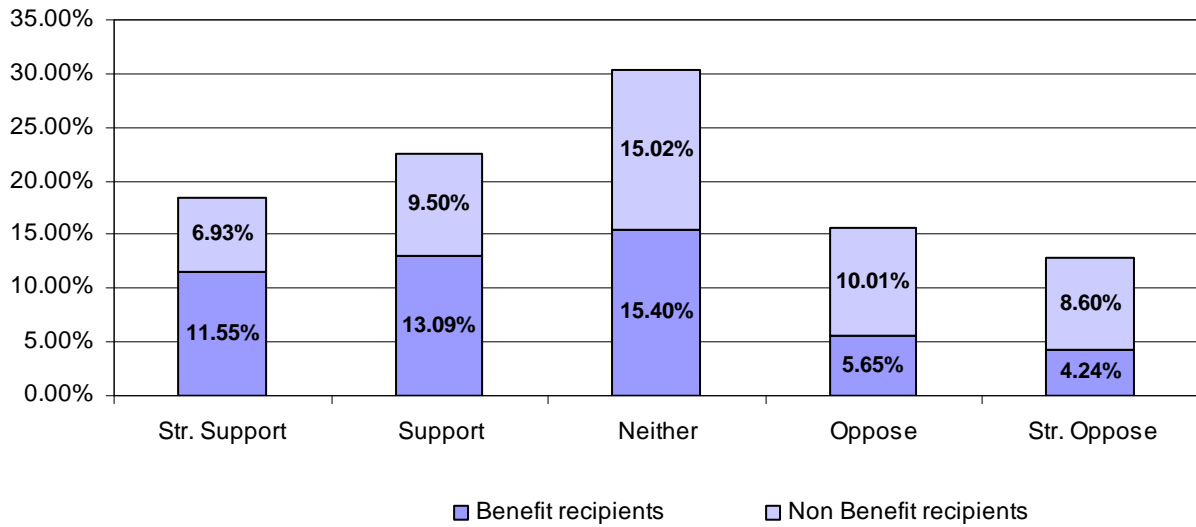
The total percentage does not add up to 100% as some of the respondents have answered yes to more than one option. The percentage is based on the number that answered the question rather than the total number of respondents.

6.5 Response to Support Options

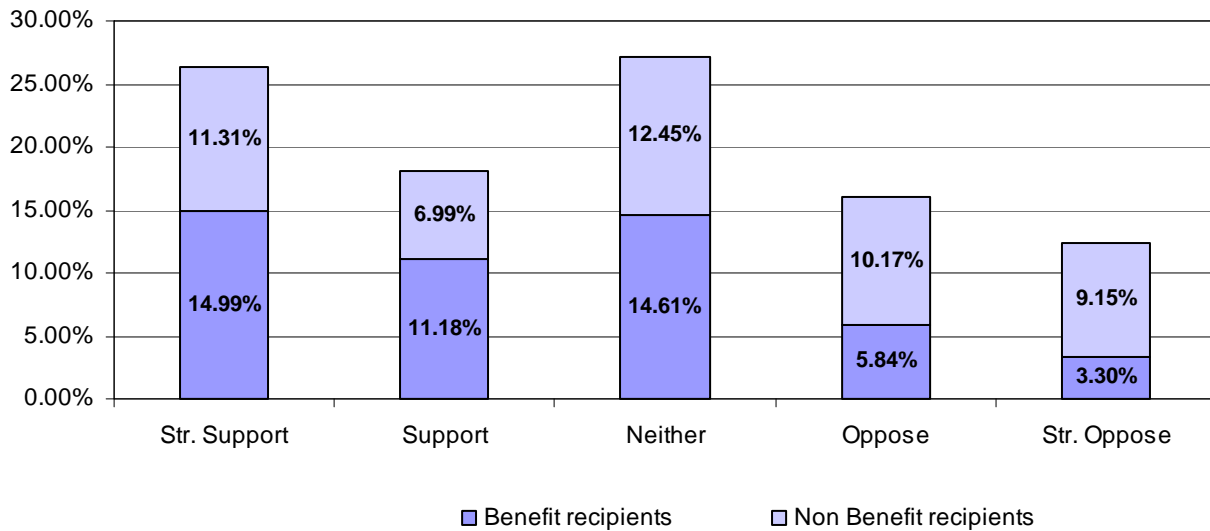
6.5.1 Council Tax Discount and Exemptions



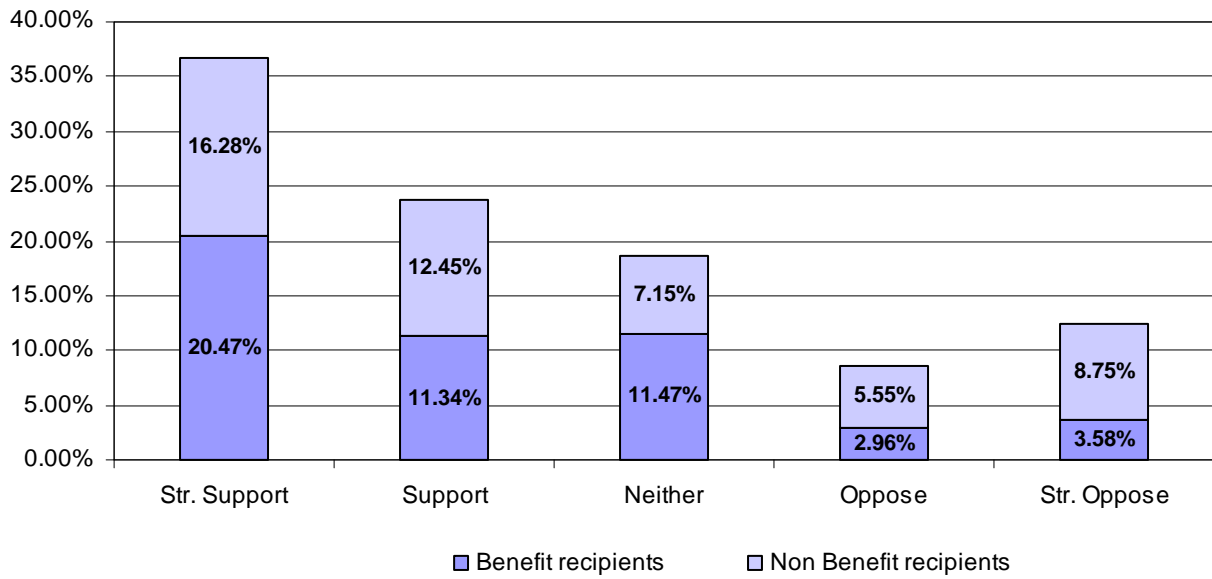
Abolish the current 6 month exemption for vacant properties and replace with a 100% discount for 2 months



Abolish the current 6 month exemption for vacant properties and replace with a 100% discount for 1 month

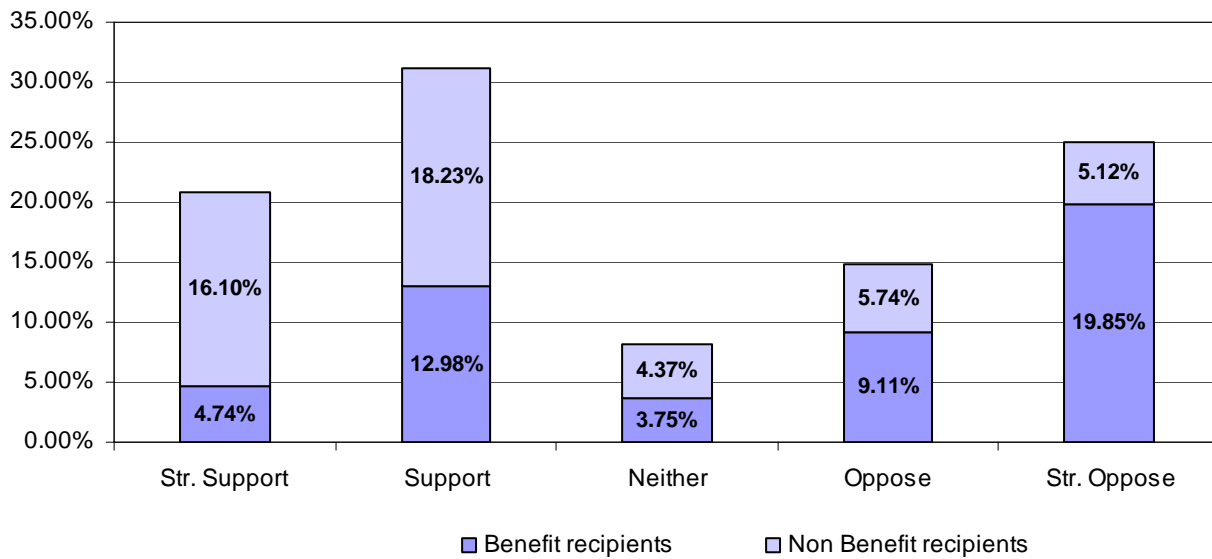


Abolish the current 50% discount that is awarded at the end of the current exemption period

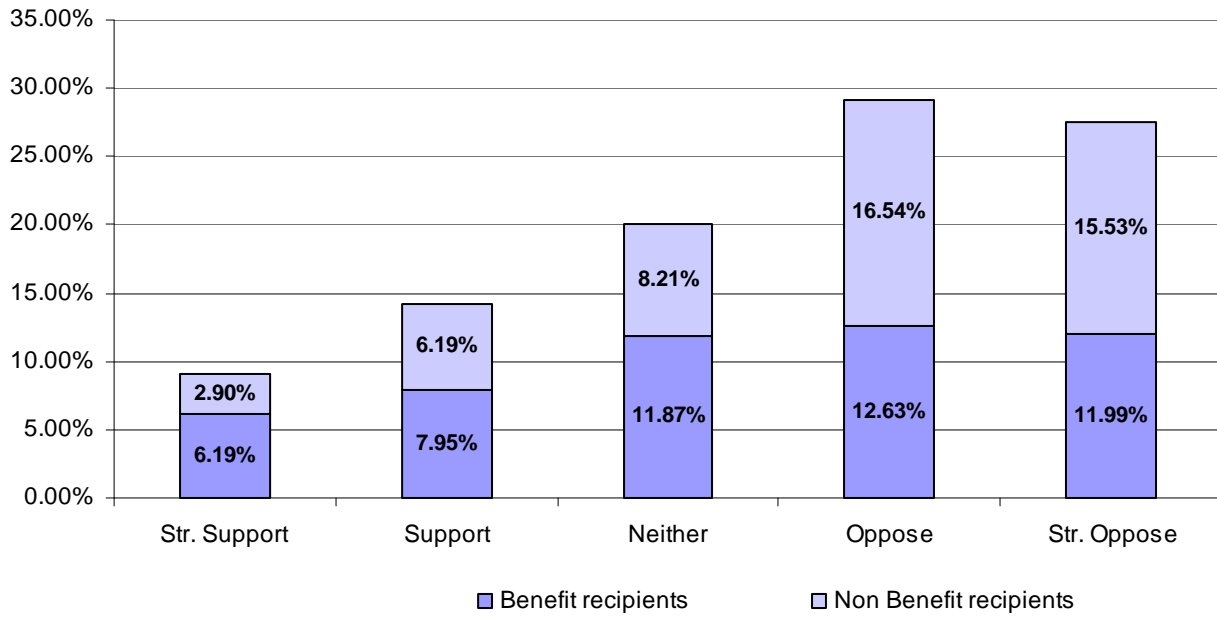


6.5.2 Council Tax Support Scheme

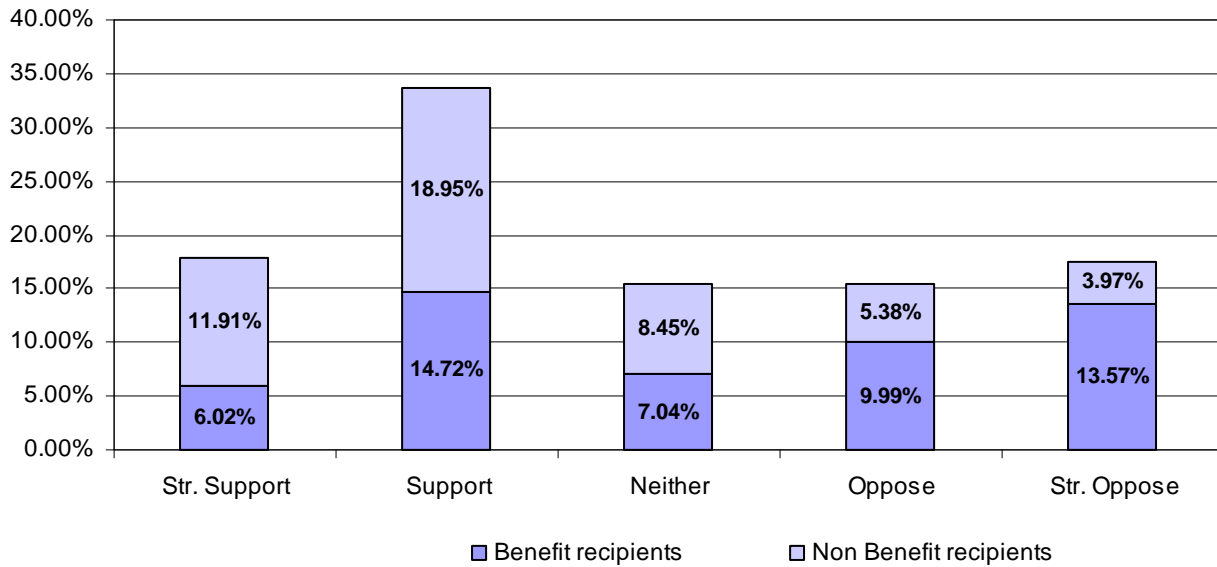
Should all working age households be expected to pay some Council Tax



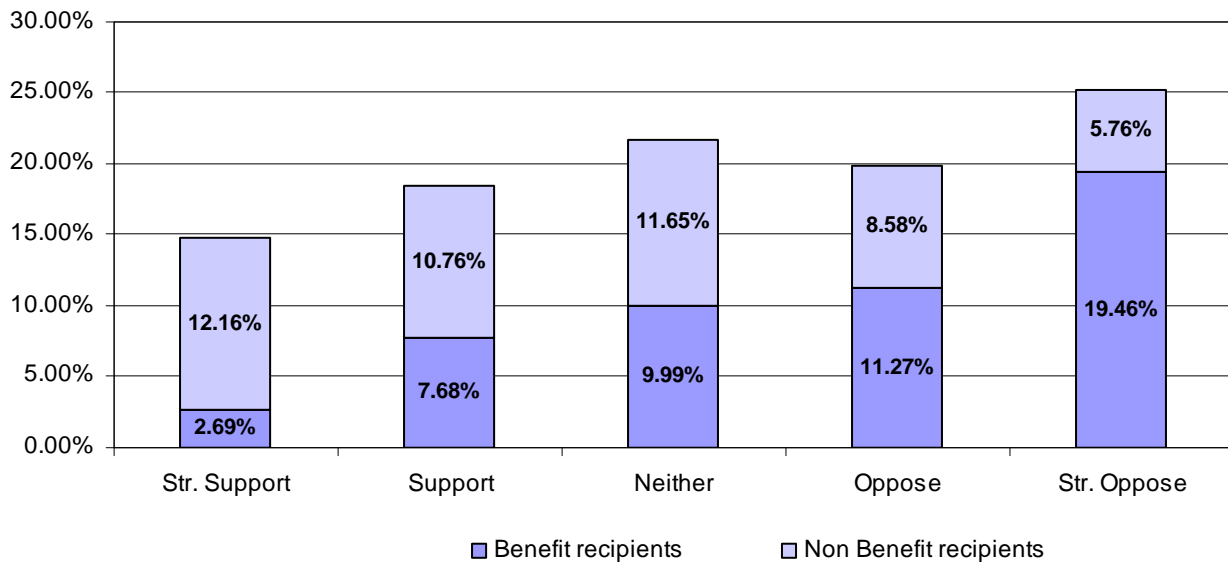
Should Council Tax be increased for all Council Tax payers



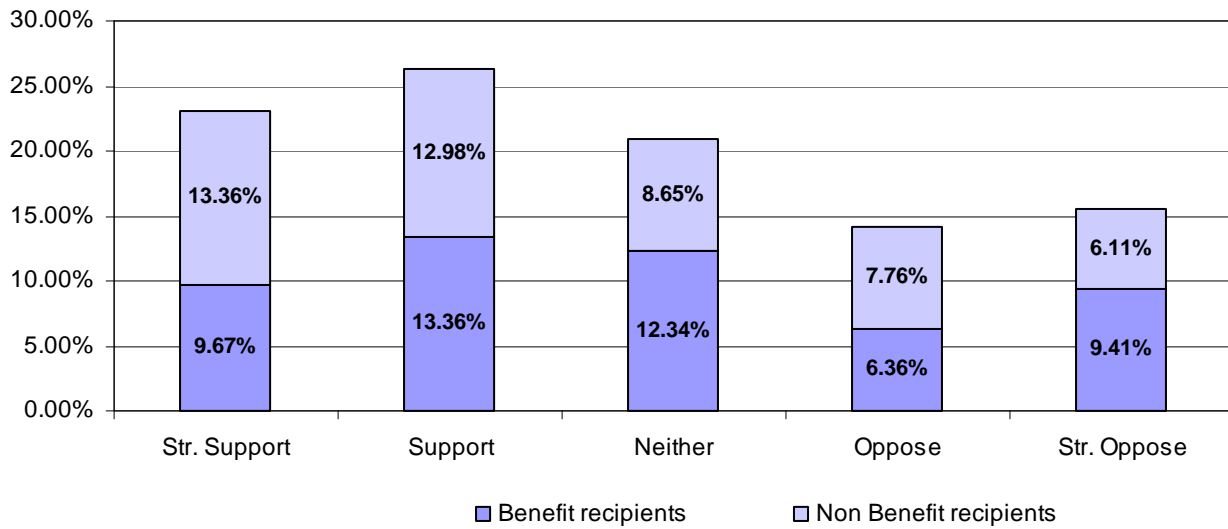
Working age claimants should be responsible for at least 10% of their Council Tax liability



Working age claimants should be responsible for at least 15% of their Council Tax liability



Working age claimants (who live in Band E, F, G or H homes) should have their benefit capped at Band D



7. Equality Impact Assessment

7.1. Purpose of Equality Impact Assessment

The function of Equality Impact Assessments is to ensure that the council is:

- Paying 'due regard' to equality issues in reaching its decisions - which means that decision-makers must understand the potential impacts of changes and that understanding must be based on hard evidence.
- Fulfilling its legal duties to eliminate unlawful discrimination, promote equality and participation in public life and promote good relations between groups.
- Consulting and involving those affected by decisions.

The Equality Impact Assessment process and documentation is designed to ensure that, if a decision faces subsequent legal challenge, the council can prove it has done all of these things, done them in a thorough and proper manner, that the assessment was carried out **prior to** the decision, and that decision-makers were made fully aware of the assessments findings. For that reason the key findings of the impact assessment on changes to Council Tax and a local Council Tax Support scheme are included in the body of this report, rather than being published separately.

7.2. Methodology

The assessment began at an early stage in the process of designing a replacement for Council Tax Benefit - at the point where the broad outline of the options was emerging - with an initial attempt to complete the assessment template. Note: This template is designed to ensure that the potential impacts on all those protected by the Equality Act 2010 are considered in a systematic way.

The initial findings were used to help design the consultation process and ensure that it was inclusive. The assessment then continued in parallel with the consultation, the analysis of the results, and the production of this report. This was done in co-operation with Test Valley Borough Council.

The assessment has therefore drawn on the results of the consultation, plus other available research undertaken by a variety of national organisations and agencies, to:

- Identify the negative impacts of the proposed options on particular sections of the community.
- Explore what, if any mitigating measures could be included in the new scheme to avoid or lessen the impacts on some groups.

Finally, the process and the findings of this assessment have been validated by a small 'panel' of Officers drawn from the Council's Equality Working Group and chaired by the Head of Organisational Development.

7.3. Key Findings

7.3.1. Issue of wider context and changes to other benefits

In attempting to assess the impact of this particular change on the various protected groups, it has become apparent that this cannot be done without taking account of the other changes to the benefits and tax systems that the Government is undertaking or planning. Having to find an extra £5 per week from a limited budget would undoubtedly be difficult for some households, whilst others might not find that a problem. However, having to find such sums in circumstances where a household's income is being reduced because other benefits are being capped or cut could make finding that extra £5 impossible.

Any decision on Council Tax Support needs to take account of the wider context, in particular the following changes that have or will affect households on low incomes:

A. The Government's decision to cap the total amount of benefits a household can receive from 1 April 2013 at:

- £500 a week for couples (with or without children living with them)
- £500 a week for single parents whose children live with them
- £350 a week for single adults who don't have children, or whose children don't live with them

The benefits included in this cap are:

- Bereavement Allowance
- Carer's Allowance
- Child Benefit
- Child Tax Credit
- Employment and Support Allowance (unless you get the support component)
- Guardian's Allowance
- Housing Benefit
- Incapacity Benefit
- Income Support
- Jobseeker's Allowance
- Maternity Allowance
- Severe Disablement Allowance
- Widowed Parent's Allowance (or Widowed Mother's Allowance or Widows Pension you started getting before 9 April 2001)

Note. From 1 April 2013 if a recipient is receiving more than the cap in benefits their Housing Benefit will be cut.

B. Other changes to Housing Benefit including:

- limiting single people under 35 to the Local Housing Allowance shared room rate;
- reduction in Local Housing Allowance rates affecting people in privately rented accommodation; and
- restrictions for people who are under occupying a property in the social sector.

C. The shift of disabled people from Disability Living Allowance (DLA) to Personal Independence Payment (PIP) and Incapacity Benefit (IB) to Employment Support Allowance (ESA).

D. Abolition of the Educational Maintenance Allowance.

E. Changes to the Working Tax Credit, Child Tax Credit and Child Benefit schemes.

The picture is further complicated by the proposed shift to Universal Credit that will begin in the Autumn of 2013.

Low income families have faced a series of converging pressures in recent years.

Since the onset of the financial crisis in 2008, earnings growth has been stagnant, job insecurity high and unemployment has risen.¹ Those in receipt of in-work and out-of-work benefits and tax credits have seen their incomes reduced as part of the Government's fiscal consolidation. Families with children – and especially those on low incomes and single parents – are feeling the brunt of these reductions.² Measures include freezing Working Tax Credit and Child Benefit, and the up-rating of benefits by the Consumer Prices Index (CPI) rather than the more generous Retail Prices Index (RPI).

Many households have struggled with inflation, in part driven by an increase in VAT in January 2011. This has affected lower income households most severely: between 2008 and 2010, inflation for the poorest fifth of UK households averaged 4.3% against 2.7% for the richest fifth.³

Many households are not well prepared to manage these difficult economic circumstances,

- 10 million of those in low income households are in unsecured debt.⁴
- Three quarters of those in the poorest 25% of households have no cash savings.⁵

National research by the Institute of Fiscal Studies⁶, the TUC⁷, Disability Rights UK⁸ and the CAB⁹ has found that the changes to tax and benefits outlined above will have more negative impacts on women, families with children, single parents and disabled people. In addition, it is widely recognised that increases in energy and petrol/diesel prices are adding to the pressures on low-income households. The average household now faces an annual energy

¹ Robert Joyce, Household Incomes during the recession and austerity (London: Institute for Fiscal Studies, 2012), http://www.ifs.org.uk/conferences/ids_incomes.pdf.

² Fawcett Society and Institute for Fiscal Studies, Single mothers: singled out – Summary: the impact of 2010-15 tax and benefit changes on women and men (London: Fawcett Society, 2011),

³ Peter Levell and Zoe Oldfield, *The spending patterns and inflation experience of low income households over the past decade* (London: IFS, 2011).

⁴ Anna Ellison, Rob Forster, Paul Jones and Claire Whyley, *Briefing note on the potential impact of prices caps on low income credit users* (London: Policis, 2011); Department of Business, Innovation and Skills,

⁵ *Over-indebtedness in* Anna Ellison, Claire Whyley, Rob Forster and Paul Jones, *Credit and low income consumers: a demand-side perspective on the issues for consumer protection* (Dorking: Friends Provident Foundation, 2011), *Britain: second follow-up report* (London: HMSO, 2010)

⁶ The distributional effect of tax and benefit reforms to be introduced between June 2010 and April 2014: a revised assessment James Browne and Peter Levell. Institute of Fiscal Studies 2012

⁷ The Gender Impact of the Cuts. A TUC cuts briefing November 2010

⁸ Holes in the safety net: The impact of Universal Credit on disabled people and their families

⁹ Holes in the safety net: The impact on disabled people of the abolition of the severe disability premium within Universal Credit. CAB

bill of £1,334 and the number living in fuel poverty – i.e. spending more than 10% of their budget on energy - has increased to 7.2 million.¹⁰

Since none of these studies considered the changes to Council Tax Support it is reasonable to assume that having to pay even small additional sums will prove very difficult for the poorest households, especially those with disabled members.

As Baroness Tanni Grey-Thompson put it in her recent report ‘Holes in the Safety Net’¹¹

“Many households with disabled people are already struggling to keep their heads above water. Reducing financial support for families with disabled children, disabled people who are living alone, families with young carers and those who are working, risk driving many over the edge in future.”

In terms of the impact on women, the Women’s Resource Centre sums the position up as follows in a recent Factsheet that draws on a wide range of published research:

“The media is increasingly reporting news of a housing crisis, a ‘lost’ generation of young and long-term unemployed and the potential return of a 1920’s era Great Depression.

However, it is women who are at the sharp end of the effects of austerity: as the statistics in this briefing demonstrate, it is women who are increasingly unemployed or taking underpaid work; women who are losing money for childcare and other basic needs through welfare cuts; and women who are losing vital support from voluntary and community organisations which have closed due to lack of funding. With 88% of the cuts still to be implemented, it is clear that we are only experiencing the beginning of the impact of the cuts.”

7.3.2 Consultation Comments

The issues raised in 7.3.1 are echoed in the consultation results. A simple numerical analysis of the comments shows that the top 3 in order of importance are:

1. working age people on benefits will struggle to pay more
2. working age people on a low income will struggle to pay more
3. families with a disabled member should be protected from the changes

Content analysis of consultation comments

Content analysis is an established technique for analysing large bodies of text. It is, for instance, used to spot common themes and trends relating to particular topics or areas of interest such as information and communication technologies that are reported across a wide range of media.

Content analysis looks at both the frequency with which individual words and phrases (and their synonyms) appear and at associated words and phrases. So, in this instance, when analysing the comments on the issue of disability one looks not only for the word ‘disability’ – and also disabled – but for related terms such as sick, ill, health, care, carer, caring and

¹⁰ Uswitch 29 October 2012.

¹¹ Holes in the safety net: The impact of Universal Credit on disabled people and their families

vulnerable and then at the words and phrases associated with that cluster of words that express a view or opinion. If the associated words and phrases convey wildly different views/opinions then one may infer that there is no clear common view or trend. If they convey very similar views/opinions, then one may infer that there is a common view or a clear trend. If there are 2 or 3 conflicting views/opinions then opinion is split and one can assign a rough numerical value.

In the case of these comments disability/disabled (or a specific condition that indicates a person is disabled) is mentioned 47 times and the related words appear an additional 94 times. The associated comments in virtually all cases express a supportive attitude to disabled people and their families. For example:

- Concern about inability to pay additional costs
- A recognition that households on benefits are poor already
- Poverty and being on the 'bread line'
- Concern for people worse off than themselves
- Proposal that rich people should pay more
- Support for means testing
- Support for hardship payments
- Need to protect most vulnerable people

Similarly, the phrase 'single parent' and variants appears 10 times. But associated words such as children, daughter, son, families and family appear an additional 51 times. Again the associated comments in virtually all cases express a supportive attitude to children and parents. For example:

- Need for a 'safety net'
- People being unable to work because of young children
- Working families on low pay struggling
- Need to think of people with low incomes
- Children of poorest families suffering most
- Poverty affecting children
- Many are on benefits through no fault of their own

A significant number of respondents made comments such as:

"I am worried sick at how we will manage with all the changes that are coming. I am disabled and will not be able to work. I am getting worse and will never get better so I have no choice but to live on benefits that I am very grateful for, but it is never enough to live on, we simply exist and I am increasingly feeling I'm just a burden."

"I am disabled and registered blind, with 3 children. I have been declared permanently unable to work therefore we have very little money and I can't afford to pay council tax."

"I am a full time carer to my severely disabled son, still school age. I have had my housing allowance halved already and things are at breaking point already."

"I am a lone parent with 3 children, my eldest is disabled and I am her carer. This makes it incredibly difficult to find work and/or child care for her. I don't know how I would afford council tax and am very concerned how this will affect me."

"I am a single parent bringing up two children alone. I have already been affected by Government cuts and I find it increasingly difficult surviving on the household monthly budget."

I feel those that can pay should do so, but those with genuine hardship cases should be exempt.

"Not happy with the proposed changes. I would like my own system to remain the same as a working single parent I am afraid I'd have to pay more which I cannot afford."

"Very worried to how we are going to find extra money, as living on the bread line already, being disabled makes things twice as expensive, very very very worried."

The reason(s) I oppose for a change in council tax benefit is quite simple unemployed people and DLA claimants are only given a small amount of money per week to live on, the government think it's easy to live on £57 ppw. It's not there's food, gas, electric to pay for. Once that is done there's little else left for any luxuries or emergencies. Adding on extras will be the straw that breaks the camel's back.

7.3.3. Stakeholder Comments

The following points were also raised by stakeholders:

a. Concerns were expressed regarding the removal/reduction of exemptions for vacant properties and the financial implications to the organisations responsible for these properties.

It was felt that organisations that have a large housing stock and also a responsibility to house vulnerable people may need more time to get houses to an appropriate level, particularly where adaptations may be needed to make the home suitable for someone with disabilities or older people.

b. Concerns expressed about changing the attitudes of people who have never paid and the impact on those who are unable to pay.

Participants raised concerns about people who have always been entitled to full Council Tax Benefit and do not have the skills to budget for a new payment.

c. Concerns over the cost to the Council of retrieving as little as 10%

Participants raised concerns that the cost of retrieving as little as 10% from residents would outweigh the benefit of the moneys in question.

7.3.4 Negative Impacts

The assessment shows that the option to reduce the level of Council Tax support will have a negative impact on all working age benefit recipients. This does not amount to unlawful discrimination, but some groups will be more disadvantaged than others.

The current working age caseload for Council Tax Benefit is made up of a significant number of disabled people. This group (especially those who are unable to work due to the nature of their impairment or illness) will find it difficult to increase their income in order to make up any shortfall in Council Tax.

There are a large number of single parents who will also find it difficult to increase their income by moving into work or increasing their hours due to childcare commitments. Whilst there are significantly more women who claim benefit than men reducing the level of support would have the same impact on both genders.

The assessment also shows that capping benefit for people living in properties in Band E or above may have an adverse impact for those living in rural areas.

Whilst there are only 175 cases that will be affected further analysis will need to be undertaken to establish whether these claimants will also be affected by some of the other Welfare Reforms and it may be necessary to give these claimants extra time to prepare for the very high increases in Council Tax payments that they will need to make.

7.4. Conclusions

7.4.1 Council Tax Discounts and Exemptions

There would be negative impacts on some customers if the changes to discounts and exemptions were implemented. However, the survey results show some support for these changes from both benefit recipients and other Council Tax payers and it is felt that this group of customers will have the means to pay increased levels of Council Tax. A number of exemptions will still be available to protect those customers responsible for a vacant property. Some concerns were raised by landlords about the impact this may have, however, it is felt that the Council Tax would only be a small amount when compared to the loss of rental income that would occur from a property being left vacant.

There were a number of comments opposing the removal of the 10% discount for second homes. The majority of these were based around second home owners not using 100% of the services so should not have to pay 100% of the Council Tax.

The reality is that the Council and other public bodies have to provide services regardless of the circumstances of individuals and whether they are going to use them or not.

7.4.2 Council Tax Support Scheme

The Equality Impact Assessment shows clearly that all working age households will be disadvantaged by the proposal that all working age adults should pay at least some Council Tax. Whilst the survey results show support for everyone to pay at least 10% and there are perceptions that people on benefit are better off than those in work the consultation and impact assessment have shown that this is not the case. The majority of comments express concerns about claimants' ability to pay an additional amount of Council Tax no matter how small this amount may be.

Many working age claimants on benefits will be affected by other welfare reforms and increases in fuel and food prices, and a large proportion of these claimants are already in part time and/or low paid jobs.

The consultation shows a considerable degree of support, amongst both benefit recipients and those not receiving benefits, for disabled people to be protected from the proposed change – particularly where they cannot work because of the nature of their disability.

Welfare benefits are currently in a period of transition and not all claimants have been assessed for Employment & Support Allowance and some are currently still receiving Incapacity Benefit or Income Support. It is not currently possible to distinguish between people who could work and those who cannot. Once the review of welfare benefits has been completed over the next 2-3 years the Council should be in a position to be able to distinguish between disabled people who could work and those who cannot work. The scheme will need to be reviewed regularly to ensure that protection is targeted to the appropriate individuals.

Many of the comments received suggest that families with children should also be protected. The impact on this group, and in particular single parents, needs to be considered carefully. With this group of people there is, in theory, the option for them to move into work or increase their hours in order to meet any additional Council Tax. The impact on individuals will vary according to the number and ages of children they have and this will affect a parent's ability to increase their income. Further work would need to be undertaken to be able to fully understand the impact that any change in Council Tax support would have alongside the wider welfare reforms.

The impact assessment and analysis of the consultation results has revealed that some of the households living in properties rated Band E and above may be located in rural areas. There is not sufficient detailed information on these households or the nature of the properties to be able to judge the impact of the proposal to cap Council Tax support at the Band D level. (It is possible that they may not be large and expensive houses, but modest ones rated more highly because of their location in a desirable village and we are aware that low income households in rural areas can face significantly higher living costs than those in urban areas). It is therefore suggested that further work be undertaken if this proposal is to be implemented.

In order to mitigate the impact of this the Council should consider keeping the current level of support as provided by the existing Council Tax Benefit scheme for all working age claimants and not introduce any cut in support. This would mean that the shortfall in funding would need to be found elsewhere.

7.4.3 Relevant Protected Characteristics

The relevant protected characteristics covered by the Equality Duty are:

- age (including children and young people),
- disability,
- gender,
- gender re-assignment
- pregnancy and maternity,
- marital status and partnership
- race,
- religion or belief,
- sexual orientation

It is suggested that the impact of any changes implemented be monitored to ensure that no Protected Group is being adversely and disproportionately affected.

- Annex 1 Equality Impact Assessment
- Annex 2 Consultation questionnaire
- Annex 3 Full Consultation results
- Annex 4 References and weblinks

Template 1 - Scoping & Analysis

Name of the Service, Policy, or Strategy:	Local Council Tax Support (LCTS)
Element(s) of the above being assessed.	<i>Whole</i>
Date Screening undertaken:	<i>02/08/2012</i>
Screeners:	<i>Jane Petty & Ian Barrett (& Janice Broomfield & Melanie Cass from TVBC)</i>
File name and location:	<i>WCC - Finance/revenues/benefits/changes from 2011/council tax support/EQIA TVBC – Revspublic/REVSMANAGERS/Council Tax Support Schemes/EQIA Evidence</i>
Question (See Advice Notes)	Answer
1. What is the main purpose of the Service, Strategy, Policy, Practice or Procedure?	To replace Council Tax Benefit for working age claimants with a local council tax support scheme (that has reduced cash limited funding from the Government) To amend existing Council Tax exemptions and discounts to meet some of the funding shortfall
2. List the main activities of the Service, Strategy, Policy, Practice or Procedure.	To provide financial support to working age people to assist them to pay their Council Tax.

Using the table below identify who is affected by the Service, Strategy, Policy, Project, Practice or Procedure and decide if (1) they benefit from it or are disadvantaged or discriminated against by it, (2) it is promoting equality of opportunity or participation in public life, and (3) if it is promoting good relations with other groups. Give brief reasons and the evidence for your decision.

N.B. You MUST have evidence or good reasons to justify your decision. Usually this will take the form of equality monitoring information on who uses a service or is affected by a policy. If you do not have monitoring information – or do, but don't analyse it – then it is unlikely that you can complete this stage now unless you can find other evidence or good reasons to support your judgement e.g. research or Equality Assessments undertaken by other agencies. Discuss this with the Equality Adviser and agree a way forward.

'+VE' = Positive impact '-VE' = negative impact 'N/A' = Not Applicable

Annex 1

PROTECTED CHARACTERISTIC	SUB-GROUP	DISCRIMINATION & DISADVANTAGE			PROMOTING EQUALITY & PARTICIPATION			PROMOTING GOOD RELATIONS			REASONING & EVIDENCE
		+VE	-VE	N/A	YES	No	N/A	YES	NO	N/A	
SEX (GENDER)	Women		*			*			*		<p>WINCHESTER</p> <p>THE TOTAL WORKING AGE CASELOAD IS 65% FEMALE AND 35% MALE</p> <p>THE BREAKDOWN FOR THOSE AFFECTED BY THE BAND RESTRICTION IS 68% FEMALE AND 32% MALE.</p> <p>TEST VALLEY</p> <p>THE TOTAL WORKING AGE CASELOAD IS 68% FEMALE AND 32% MALE</p> <p>THE BREAKDOWN FOR THOSE AFFECTED BY THE BAND RESTRICTION IS 69% FEMALE AND 31% MALE</p> <p>THIS DATA IS NOT HELD IN RESPECT OF COUNCIL TAX EXEMPTIONS AND DISCOUNTS</p> <p>NATIONAL RESEARCH SHOWS THAT WOMEN ARE DISPROPORTIONATELY AFFECTED BY TAX AND BENEFIT CHANGES.</p>
	Men		*			*			*		

Annex 1

PROTECTED CHARACTERISTIC	SUB-GROUP	DISCRIMINATION & DISADVANTAGE			PROMOTING EQUALITY & PARTICIPATION			PROMOTING GOOD RELATIONS			REASONING & EVIDENCE
		+VE	-VE	N/A	YES	No	N/A	YES	NO	N/A	
AGE YOU MAY ALTER AGE RANGES IF APPROPRIATE	Over 80			*		*			*		CLAIMANTS WHO HAVE REACHED STATE PENSION AGE ARE PROTECTED FROM THE CHANGES AND MUST RECEIVE LCTS AT THE SAME LEVEL AS COUNCIL TAX BENEFIT (CTB) WINCHESTER HAS A CTB CASELOAD OF APPROX 6000. OF THESE 3200 ARE PENSIONER HOUSEHOLDS. TEST VALLEY HAS A CTB CASELOAD OF APPROX 6300. OF THESE 3200 ARE PENSIONER HOUSEHOLDS. THIS DATA IS NOT HELD IN RESPECT OF COUNCIL TAX EXEMPTIONS AND DISCOUNTS
	Over 65			*		*			*		
	Over state pension age			*		*			*		
	16 to state pension age		*			*			*		ALL WORKING AGE CLAIMANTS TO POTENTIALLY HAVE TO PAY A % OF COUNCIL TAX.
	Under 16			*		*			*		

Annex 1

PROTECTED CHARACTERISTIC	SUB-GROUP	DISCRIMINATION & DISADVANTAGE			PROMOTING EQUALITY & PARTICIPATION			PROMOTING GOOD RELATIONS			REASONING & EVIDENCE
		+VE	-VE	N/A	YES	NO	N/A	YES	NO	N/A	
RACE YOU MAY NEED MORE DETAIL HERE E.G. A SPECIFIC ETHNIC GROUP	White British People		*			*			*		DCLG STATEMENT OF INTENT & DRAFT REGULATIONS – CURRENT PERSONS FROM ABROAD LEGISLATION/GUIDANCE TO REMAIN CONSULTATION EQUALITY MONITORING APPROX REFLECTS THE ETHNIC COMPOSITION OF THE POPULATION WE DON'T HOLD THE ETHNIC ORIGIN FOR ALL BENEFIT RECIPIENTS. WHEN COMPARING THE ETHNIC ORIGIN FOR THOSE BENEFIT RECIPIENTS WE DO HOLD IT FOR AGAINST THE ETHNIC ORIGIN FOR CONSULTATION RESPONDENTS THE NUMBERS WERE SIMILAR. CURRENT BENEFIT RECIPIENTS (AS AT 01/11/12) ARE 97.54% WHITE BRITISH & WHITE OTHER WITH THE CONSULTATION RESPONDENTS HAVING 93.8% WHITE BRITISH AND WHITE OTHER. WE DON'T CONSIDER THAT THE CHANGES WILL HAVE A DISPROPORTIONATE EFFECT ON ANY
	White European or Other White People		*			*			*		
	Irish People		*			*			*		
	Black or Black British People		*			*			*		
	Asian or Asian British People		*			*			*		
	Chinese or Chinese British People		*			*			*		
	Mixed Race People		*			*			*		
	Gypsies/Travelers		*			*			*		
	People from other minority ethnic groups		*			*			*		

Annex 1

PROTECTED CHARACTERISTIC	SUB-GROUP	DISCRIMINATION & DISADVANTAGE			PROMOTING EQUALITY & PARTICIPATION			PROMOTING GOOD RELATIONS			REASONING & EVIDENCE
		+VE	-VE	N/A	YES	No	N/A	YES	NO	N/A	
											PARTICULAR ETHNIC GROUP
DISABILITY & HEALTH YOU MAY NEED MORE DETAIL HERE E.G. TYPE OF SENSORY IMPAIRMENT	Physical Impairment		*			*			*		EXISTING PREMIUMS AND INCOME DISREGARDS IN CURRENT SCHEME BEING RETAINED OTHER CTAX DISCOUNTS AND EXEMPTIONS STILL EXIST NATIONAL RESEARCH SHOWS THAT DISABLED PEOPLE ARE DISPROPORTIONATELY AFFECTED BY TAX AND BENEFIT CHANGES CONSULTATION RESULTS SHOW A HIGH LEVEL OF CONCERN AMONGST AND ON BEHALF OF DISABLED PEOPLE AND FAMILIES WITH DISABLED MEMBERS
	Sensory Impairment		*			*			*		
	Long-Term Health Problem		*			*			*		
	Mental Illness		*			*			*		
	Learning Disability		*			*			*		
SEXUAL ORIENTATION	Lesbians			*		*			*		WE DO NOT HOLD THIS INFORMATION ON BENEFIT CLAIMANTS BUT THERE IS NO REASON TO BELIEVE THAT SEXUAL ORIENTATION WILL BE A ISSUE
	Gay Men			*		*			*		
	Bisexuals			*		*			*		
RELIGION & BELIEF YOU MAY NEED	Faith Groups			*		*			*		
	Atheist, Agnostic			*		*			*		AS ABOVE

Annex 1

PROTECTED CHARACTERISTIC	SUB-GROUP	DISCRIMINATION & DISADVANTAGE			PROMOTING EQUALITY & PARTICIPATION			PROMOTING GOOD RELATIONS			REASONING & EVIDENCE
		+VE	-VE	N/A	YES	No	N/A	YES	NO	N/A	
MORE DETAIL HERE E.G. A SPECIFIC FAITH/BELIEF	or Other belief										
TRANSGENDER				*		*			*		AS ABOVE
MARRIAGE & CIVIL PARTNERSHIP	Married			*							AS ABOVE
	Civil Partners			*							
PREGNANCY & MATERNITY	Pregnant		*								AS ABOVE
	On Maternity Leave		*								
OTHER YOU MAY ADD ADDITIONAL GROUPS HERE.	Poor Literacy &/or Numeracy		*			*			*		BUDGETING AND UNDERSTANDING ENTITLEMENT
	Unemployed		*			*			*		CONCERN OVER ABILITY TO PAY WHEN ON FIXED INCOME
	Living in rural area		*			*			*		BAND D AND ABOVE – WORK TO BE SCHEDULED OVER NEXT 12 MONTHS TO IDENTIFY THESE CASES
	Low Income		*			*			*		CONCERN OVER ABILITY TO PAY WHEN ON FIXED INCOME
	On Benefits		*			*			*		CONCERN OVER ABILITY TO PAY WHEN ON FIXED INCOME
	Caring Responsibilities		*			*			*		SEE REASONING FOR DISABLED
	Fleeing violence		*			*			*		EXISTING BENEFIT RULES & EXEMPTIONS – ABILITY TO WRITE OFF

PROTECTED CHARACTERISTIC	SUB-GROUP	DISCRIMINATION & DISADVANTAGE			PROMOTING EQUALITY & PARTICIPATION			PROMOTING GOOD RELATIONS			REASONING & EVIDENCE
		+VE	-VE	N/A	YES	NO	N/A	YES	NO	N/A	
											COUNCIL TAX DEBT
	Lone parents		*			*			*		NATIONAL RESEARCH SHOWS DISPROPORTIONATELY AFFECTED BY TAX AND BENEFIT CHANGES PARENTS WITH YOUNG CHILDREN WOULD FIND IT DIFFICULT TO INCREASE INCOME TO COVER ADDITIONAL COUNCIL TAX

Now answer the following questions. The key findings should be included in any report to decision-makers and used to produce a short report on the Equality Assessment for publication, this should include any new equality information you have gathered and details of any consultations or other forms of engagement with individuals or groups of people with protected characteristics. N.B. It is a legal requirement to publish this information.

4. Have you identified any impact(s) on any group(s)?	YES [*] NO [] <i>See Equality Impact report</i>
5. Is the Service, Strategy, Policy, Project, Practice or Procedure promoting equality of opportunity and/or participation in public life for any group(s)?	Not Applicable [] YES [] NO [*]
6. Can it be improved to do so?	YES [] NO [*]
7. Is the Service, Strategy, Policy, Project, Practice or Procedure promoting good relations for any group(s)?	Not Applicable [] YES [] NO [*]
8. Have you gathered any new equality information during this assessment?	YES [*] NO []
9. Have you undertaken any consultation/engagement work during this assessment?	YES [*] NO []

Now send this completed template for validation.

1. INTRODUCTION

Changes to Council Tax Benefit

Council Tax Benefit helps people with low or no income to pay their Council Tax. It will be abolished from 1 April 2013 and will be replaced by a local Scheme.

The Government has stated that pensioner claimants must be protected from the effects of any changes which means that under the new scheme support for pensioners will remain at the same level as now. The proposed changes will therefore not affect you if you, or your partner, are classed as pensioners. Please go to <http://www.winchester.gov.uk/council-tax/council-tax-benefit-consultation/> to see 'Who is a Pensioner'.

Council Tax Changes

From April 2013 the Council will have the option to reduce discounts and exemptions on some empty properties.

Funding

Currently, the Council receives 100% funding from the Government for the amount of Council Tax Benefit it pays out. Under the new system it will be given a specific sum to fund local Council Tax Support payments. This sum will be around 12% less than the amount that is currently received.

This shortage in funding means we have to make some difficult decisions about who gets financial support and how much. If Support remains at the current level Council Tax would need to rise by 1.3% for all Council Tax payers. If changes are made to council tax liabilities on empty properties the income could reduce the funding shortfall.

Due to the level of reduction in funding it is possible that everyone, except those classed as pensioners, who currently receive Council Tax Benefit may now have to pay something towards their Council Tax bill.

Our draft scheme is based on the current Council Tax Benefit scheme with a

number of possible variations for working age claimants. Premiums and personal allowances will be held at 2012/13 levels.

Consultation

This survey forms part of a wider consultation process.

Options for Change	Number affected
Abolishing the current 10% Council Tax discount for second homes (a second home is a property that is furnished and no ones main home)	500
Abolishing the current 6 month Council Tax exemption for vacant properties and replace it with a 100% discount for a period of up to three months for properties that remain vacant	130
Abolishing the current 50% Council Tax discount that applies after the above exemption / discount period for vacant properties	400
Making working age customers responsible for a percentage of their Council Tax liability (10% or 15%)	2,800
Capping the level of benefit to a Band D property for those working age claimants living in properties with a Council Tax band of E, F, G & H	175

(A vacant property is a property that no one lives in and is substantially unfurnished.)

2. COUNCIL TAX CHANGES

To help fund the changes the Council can raise some extra council tax from the following measures.

1. Please tell us how strongly you support or oppose the following options.

	Strongly Support	Support	Neither	Oppose	Strongly Oppose
Abolish the current 10% discount for second homes.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Abolish the current 6 month exemption for vacant properties and replace with a 100% discount for 3 months.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Abolish the current 6 month exemption for vacant properties and replace with a 100% discount for 2 months.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Abolish the current 6 month exemption for vacant properties and replace with a 100% discount for 1 month.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Abolish the current 50% discount that is awarded at the end of the above exemption/discount period when a property remains vacant	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. COUNCIL TAX BENEFIT CHANGES (FOR WORKING AGE CLAIMANTS)

The changes to the Council Tax Benefit system (for working age claimants) means that extra money has to be found to fund those changes. These questions seek your opinion about the broad direction of where some of that funding could be found.

1. Should all households of working age claimants be expected to pay some Council Tax towards the provision of local services regardless of their income or circumstances?

- Strongly Support
 Support
 Neither
 Oppose
 Strongly Oppose

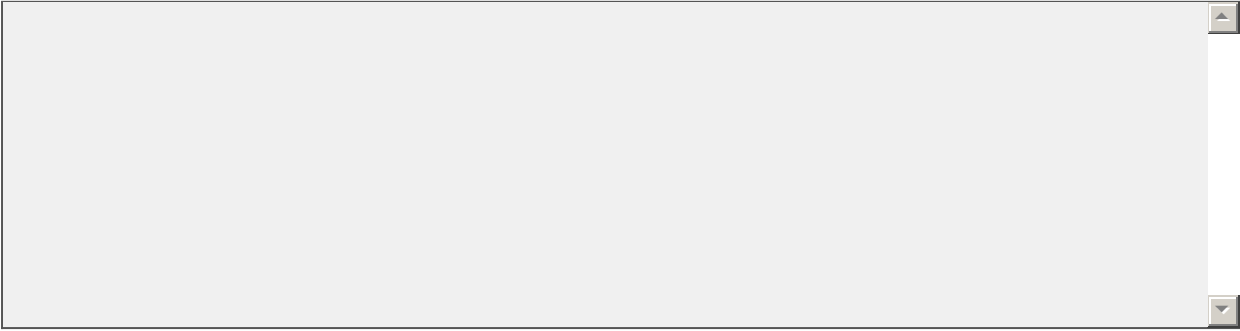
2. Should Council Tax be increased for all Council Tax payers so that there is no reduction in support for working age Council Tax Benefit claimants?

- Strongly Support
 Support
 Neither
 Oppose
 Strongly Oppose

3. Please tell us how strongly you support or oppose the following options.

	Strongly Support	Support	Neither	Oppose	Strongly Oppose
Working age claimants to become responsible for the first 10% of the Council Tax liability.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Working age claimants to become responsible for the first 15% of the Council Tax liability.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Working age claimants in higher banded homes (E,F,G & H) should have the benefit capped as if they were living in a band D home.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Working age claimants to become responsible for the first 10% of the Council Tax liability with benefit capped at Band D	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Working age claimants to become responsible for the first 15% of the Council Tax liability with benefit capped at Band D	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

4. Are there any other comments you would like to make about the proposed changes to the Council Tax Benefit and Council Tax system?



4. EQUALITY MONITORING

We would now like to ask a few questions about you. The information collected on this page will be used to help us with the analysis of the questionnaire. We also ask these questions because Winchester City Council has a legal responsibility to promote and advance equality. Your answers to these questions help us to do this.

Data Protection - The information collected on this page will be used to help us with the analysis of the questionnaire. All information will be treated with the utmost confidentiality and no information that could identify any individual will be released. We would like you to answer all the questions on this page, but none of them are compulsory. If you prefer not to answer any particular question, just leave it blank.

1. Does anyone in your household receive Council Tax Benefit?

- Yes Don't Know
 No

2. Can you please tell us the size of your household?

Number of adults.

Number of dependent children.

3. Are you a Council Tax Payer to Winchester City Council?

- Yes
 No

4. Are you responding on behalf of a group or organisation?

- Yes
 No

5. Are you a Landlord?

- Yes
 No

6. Are you responsible for the Council Tax on a vacant property?

- Yes
 No

7. What is your gender?

- Female
- Male

8. What is your age?

- Under 16
- 16 to 24
- 25 to 34
- 35 to 44
- 45 to 54
- 55 to 64
- 65 to 74
- 75+
- Prefer not to answer

9. What is your Ethnicity?

- White English
- White British (Other)
- White Irish
- Gypsy or Irish Traveller
- White Other
- White & Black Caribbean
- White & Black African
- White & Asian
- Indian
- Pakistani
- Bangladeshi
- Chinese
- Black British
- Black African
- Black Caribbean
- Arab
- Other ethnic group
- Prefer not to answer

10. 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?

- No
- Yes, affecting hearing
- Yes, a learning disability
- Yes, affecting mobility
- Yes, affecting my vision
- Yes, mental health
- Yes, another form of disability, please specify

11. What is your sexual orientation?

- Heterosexual /Straight.
- Bisexual
- Gay man
- Lesbian/Gay Woman
- Prefer not to answer

12. What is your post code?

First part of the postcode (eg SO23)

Second part of the postcode (eg 9LJ)

Thank you for taking the time to complete this survey.

Please return the survey to Winchester City Council in the pre paid envelope provided.






Changes to Council Tax Benefit (for working age claimants) and Council Tax - Consultation








1. Please tell us how strongly you support or oppose the following options.

	Strongly Support	Support	Neither	Oppose	Strongly Oppose	Response Count
Abolish the current 10% discount for second homes.	51.3% (424)	18.9% (156)	9.8% (81)	5.9% (49)	14.1% (117)	827
Abolish the current 6 month exemption for vacant properties and replace with a 100% discount for 3 months.	24.2% (191)	31.1% (246)	24.3% (192)	9.6% (76)	10.8% (85)	790
Abolish the current 6 month exemption for vacant properties and replace with a 100% discount for 2 months.	18.5% (144)	22.6% (176)	30.4% (237)	15.7% (122)	12.8% (100)	779
Abolish the current 6 month exemption for vacant properties and replace with a 100% discount for 1 month.	26.3% (207)	18.2% (143)	27.1% (213)	16.0% (126)	12.5% (98)	787
Abolish the current 50% discount that is awarded at the end of the above exemption/discount period when a property remains vacant	36.7% (298)	23.8% (193)	18.6% (151)	8.5% (69)	12.3% (100)	811
answered question						829
skipped question						25

2. Should all households of working age claimants be expected to pay some Council Tax towards the provision of local services regardless of their income or circumstances?

		Response Percent	Response Count
Strongly Support		20.8%	167
Support		31.2%	250
Neither		8.1%	65
Oppose		14.9%	119
Stongly Oppose		25.0%	200
answered question			801
skipped question			53

3. Should Council Tax be increased for all Council Tax payers so that there is no reduction in support for working age Council Tax Benefit claimants?

		Response Percent	Response Count
Strongly Support		9.1%	72
Support		14.1%	112
Neither		20.1%	159
Oppose		29.2%	231
Stongly Oppose		27.5%	218
answered question			792
skipped question			62




4. Please tell us how strongly you support or oppose the following options.

	Strongly Support	Support	Neither	Oppose	Strongly Oppose	Response Count
Working age claimants to become responsible for the first 10% of the Council Tax liability.	17.9% (140)	33.7% (263)	15.5% (121)	15.4% (120)	17.5% (137)	781
Working age claimants to become responsible for the first 15% of the Council Tax liability.	14.9% (116)	18.4% (144)	21.6% (169)	19.8% (155)	25.2% (197)	781
Working age claimants in higher banded homes (E,F,G & H) should have the benefit capped as if they were living in a band D home.	23.0% (181)	26.3% (207)	21.0% (165)	14.1% (111)	15.5% (122)	786
Working age claimants to become responsible for the first 10% of the Council Tax liability with benefit capped at Band D	13.9% (108)	27.7% (215)	27.5% (213)	16.3% (126)	14.6% (113)	775
Working age claimants to become responsible for the first 15% of the Council Tax liability with benefit capped at Band D	12.7% (99)	17.2% (134)	31.1% (242)	19.9% (155)	19.1% (149)	779
answered question						806
skipped question						48

5. Are there any other comments you would like to make about the proposed changes to the Council Tax Benefit and Council Tax system?

	Response Count
	314
answered question	314
skipped question	540



6. Does anyone in your household receive Council Tax Benefit?

		Response Percent	Response Count
Yes		53.6%	412
No		44.7%	344
Don't Know		1.7%	13
answered question			769
skipped question			85



7. Can you please tell us the size of your household?

	Response Average	Response Total	Response Count
Number of adults.	1.69	1,291	762
Number of dependent children.	0.98	437	447
answered question			762
skipped question			92



8. Are you a Council Tax Payer to Winchester City Council?

		Response Percent	Response Count
Yes		91.3%	694
No		8.7%	66
answered question			760
skipped question			94



9. Are you responding on behalf of a group or organisation?

		Response Percent	Response Count
Yes		0.9%	7
No		99.1%	757
answered question			764
skipped question			90



10. Are you a Landlord?

		Response Percent	Response Count
Yes		4.8%	37
No		95.2%	728
answered question			765
skipped question			89









11. Are you responsible for the Council Tax on a vacant property?

		Response Percent	Response Count
Yes		9.7%	75
No		90.3%	696
answered question			771
skipped question			83











12. What is your gender?

		Response Percent	Response Count
Female		50.3%	383
Male		49.7%	378
answered question			761
skipped question			93








13. What is your age?

		Response Percent	Response Count
Under 16		0.0%	0
16 to 24		1.7%	13
25 to 34		10.6%	82
35 to 44		20.7%	160
45 to 54		26.0%	201
55 to 64		22.4%	173
65 to 74		11.7%	90
75+		5.4%	42
Prefer not to answer		1.4%	11
answered question			772
skipped question			82






14. What is your Ethnicity?

		Response Percent	Response Count
White English		82.8%	632
White British (Other)		9.3%	71
White Irish		0.7%	5
Gypsy or Irish Traveller		0.0%	0
White Other		1.7%	13
White & Black Caribbean		0.0%	0
White & Black African		0.0%	0
White & Asian		0.3%	2
Indian		0.3%	2
Pakistani		0.0%	0
Bangladeshi		0.3%	2
Chinese		0.5%	4
Black British		0.0%	0
Black African		0.0%	0
Black Caribbean		0.0%	0
Arab		0.0%	0
Other ethnic group		0.9%	7
Prefer not to answer		3.3%	25
answered question			763
skipped question			91



15. 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?

		Response Percent	Response Count
No		66.9%	517
Yes, affecting mobility		17.7%	137
Yes, affecting hearing		2.3%	18
Yes, affecting my vision		2.8%	22
Yes, a learning disability		2.8%	22
Yes, mental health		12.2%	94
Yes, another form of disability, please specify		10.2%	79
		answered question	773
		skipped question	81

16. What is your sexual orientation?

		Response Percent	Response Count
Heterosexual /Straight.		85.1%	618
Bisexual		1.1%	8
Gay man		1.4%	10
Lesbian/Gay Woman		0.1%	1
Prefer not to answer		12.3%	89
		answered question	726
		skipped question	128

17. What is your post code?

		Response Percent	Response Count
First part of the postcode (eg SO23)		99.5%	730
Second part of the postcode (eg 9LJ)		90.9%	667
		answered question	734
		skipped question	120

Weblinks to key references.

Footnote number:

1. Fawcett Society and Institute for Fiscal Studies, Single mothers: singled out – Summary: the impact of 2010-15 tax and benefit changes on women and men (London: Fawcett Society, 2011), http://www.ifs.org.uk/conferences/ids_incomes.pdf
2. Fawcett Society and Institute for Fiscal Studies, Single mothers: singled out – Summary: the impact of 2010-15 tax and benefit changes on women and men (London: Fawcett Society, 2011), <http://www.fawcettsociety.org.uk/index.asp?PageID=1239>
3. Anna Ellison, Rob Forster, Paul Jones and Claire Whyley, Briefing note on the potential impact of prices caps on low income credit users (London: Policis, 2011); Department of Business, Innovation and Skills, http://www.smf.co.uk/files/1913/4779/2202/20120916_Sink_or_Swim_web_ready2.pdf
4. Over-indebtedness in Anna Ellison, Claire Whyley, Rob Forster and Paul Jones, Credit and low income consumers: a demand-side perspective on the issues for consumer protection (Dorking: Friends Provident Foundation, 2011), Britain: second follow-up report (London: HMSO, 2010) http://www.smf.co.uk/files/1913/4779/2202/20120916_Sink_or_Swim_web_ready2.pdf
5. The distributional effect of tax and benefit reforms to be introduced between June 2010 and April 2014: a revised assessment James Browne and Peter Levell. Institute of Fiscal Studies 2012 <http://www.ifs.org.uk/publications/5246>
6. The Gender Impact of the Cuts. A TUC cuts briefing November 2010 <http://www.tuc.org.uk/extras/genderimpactofthecuts.pdf>
7. Holes in the safety net: The impact of Universal Credit on disabled people and their families <http://www.citizensadvice.org.uk/universalcredit>
8. Holes in the safety net: The impact on disabled people of the abolition of the severe disability premium within Universal Credit. CAB <http://www.citizensadvice.org.uk/universalcredit>
9. Uswitch 29 October 2012. <http://www.uswitch.com/gas-electricity/news/2012/10/29/energy-hikes-force-extra-314000-households-into-fuel-poverty/>
10. Holes in the safety net: The impact of Universal Credit on disabled people and their families. Childrens society. http://www.childrenssociety.org.uk/sites/default/files/tcs/holes_in_the_safety_net_disability_and_universal_credit_full_report.pdf