



Local Council Tax Reduction Scheme Consultation Summary Report 2018

Produced by



On behalf of



DOCUMENT DETAILS

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Title	Local Council Tax Reduction Scheme, Consultation Summary Report, 2018
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Description	The purpose of this document is to provide Tamworth Borough Council with key findings from public consultation regarding its local council tax scheme. These include suggested changes to the scheme which has been in operation since April 2013.
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I. EXECUTIVE SUMMARY

In total, 101 individuals shared their views in Tamworth Borough Council's consultation on its Local Council Tax Reduction Scheme. The responses included those submitting their views as a 'resident', 'claimant' or 'friend/relative of a claimant'. Whilst the responses cannot be considered statistically robust, they do provide meaningful insight to inform policies, proposed changes and to understand the possible impact of change.

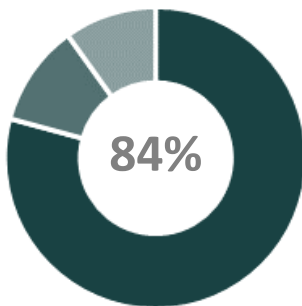
Principles: There was a 'high' level of support for both principles with 83% agreeing with key principle 1: 'Every household with working age members should pay something towards their Council Tax bill' and 85% agreeing with key principle 2: 'The Local Council Tax Reduction Scheme should encourage people to work'.

Policies: The level of endorsement attributed to each of the six policies was moderate or high. Policy 1 which provides total protection for pensioners and working age claimants classed as severely disabled received most support. Least endorsement was received to Policy 4 on claimants and the level of savings

'HIGH' LEVEL OF ENDORSEMENT (% agreeing policy is 'reasonable')

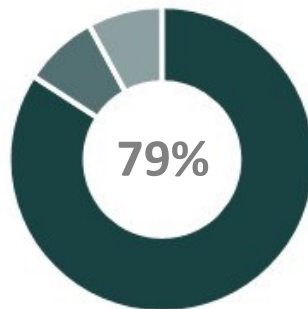
Policy 1: Level of support for pensioners, disabled and working age claimants.

Views on policy 1



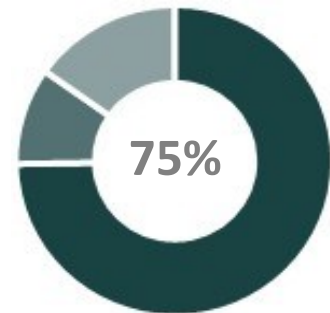
Policy 2: Level of benefit for working age claimants.

Views on policy 2



Policy 5: Non dependent's contributions towards the Council Tax bill.

Views on policy 5

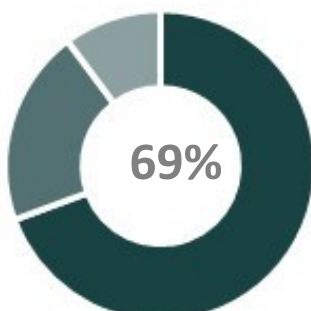


There was a '**moderate**'* level of support for three of the six policies, including the new proposal of aligning the Local Council Tax Reduction policy for self-employed earners in receipt of Universal Credit with the Universal Credit Regulations.

'MODERATE' LEVEL OF ENDORSEMENT (% agreeing policy or proposal is 'reasonable')

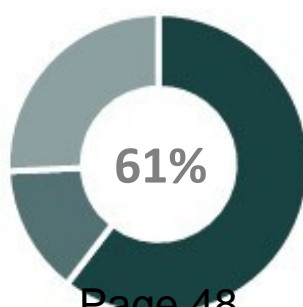
New proposal: Level of benefit for self-employed earners in receipt of Universal Credit

Views on new proposal



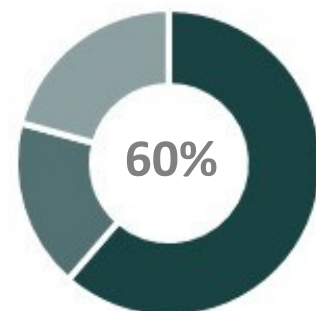
Policy 3: Council Tax Reduction and Property Band.

Views on policy 3



Policy 4: Claimants and the level of savings allowed.

Views on policy 4



Impact of the changes

Changes to Council Tax Benefit can affect individuals and key groups in society and consequently these impacts were a key component of this research. Of the survey respondents, 43% indicated that the changes had a 'low' impact upon them, 33% said the impact had been 'medium' and 24% said it had been 'high'. Those respondents who received a Council Tax reduction were more likely to feel that the impact upon them was 'high' or 'very high' (32%) when compared to non Council Tax Benefit claimants (20%).

Whilst caution should be applied to statistical analysis of these responses, as the level of responses was relatively low (101 responses were received), research by the Joseph Rowntree Foundation¹ does suggest that claimants are more likely to be affected and it outlines the wider impacts which claimants are likely to face.

¹ The Impact of Localising Council Tax Benefit, Joseph Rowntree Foundation, March 2013.

* Where the 'level of support' is quoted within this report, this is defined as:

High: 75% - 100% agree the proposal to be reasonable **Page 49** **Some:** 49% - 49% agree the proposal to be reasonable

Moderate: 50% - 74% agree the proposal to be reasonable **Low:** 0% - 24% agree the proposal to be reasonable

2.1 INTRODUCTION

Since April 2013, local authorities have administered a Local Council Tax Reduction Scheme for those of working age, on behalf of the government. A scheme with national rules continues for pensioners, which is also delivered by local authorities.

The government still provides funding for localised schemes, but since April 2013 this funding has been reduced. In 2012, 2014, 2015, 2016 and 2017 there was public consultation to gauge views about the local scheme.

This year Tamworth is proposing to make one amendment to the scheme. It is recommending that from April 2019 the Local Council Tax Reduction policy is aligned for self-employed earners in receipt of Universal Credit with the Universal Credit Regulations.

This consultation is seeking views on this change and on the scheme itself which has been in operation since April 2013.

This report has been produced by Staffordshire County Council on behalf of Tamworth Borough Council and brings together analysis and key themes of all responses received.

2.2 METHODOLOGY

The Council launched its consultation on Wednesday 15th August and respondents were provided with a twelve week window in which they could respond by electronic survey. The deadline for responses was Monday 15th October 2018.

The consultation was widely promoted using the following methods;

- Press releases in the local newspaper (Tamworth Herald)
- Tamworth Borough Council website (prominent feature on the homepage)
- Twitter
- Facebook
- E-mail and post to Tamworth Citizen's Panel
- Support Staffordshire
- Tamworth Informed
- Touch FM
- Radio Tamworth
- BBC Radio WM
- Free Radio

2.3 RESPONDENT PROFILE

A total of 101 respondents completed the online survey. This equates to 0.2% of the adult population of Tamworth² and compares similarly to last year's response rate of 92 (0.2%) responses.

Whilst the responses cannot be considered statistically robust, they do provide meaningful insight to inform policies, proposed changes and to understand the possible impact of change.

A full respondent profile can be found in Appendix 1. Some key points about respondents include:

The majority of the respondent group 98% (99 respondents) identified themselves as a resident of Tamworth.

Responses also included relatives of Council Tax Reduction claimants (7% or seven respondents), friends of Council Tax Reduction claimants (2% or two respondents), housing associations (2% or two respondents), and voluntary organisations (1% or one respondent).

- 44% (44 respondents) stated that they received a Retirement Pension or Pension Credit.
- The respondent group largely consisted of older people with 75.8% or 75 respondents being aged 55 or above.

² The adult population of Tamworth includes those residents who are aged 18 and above in the Mid Year Population Estimates, 2017 (MYPE, 2017).

3. RESULTS - KEY PRINCIPLES

Respondents were invited to indicate whether they agreed or disagreed with the following key principles:

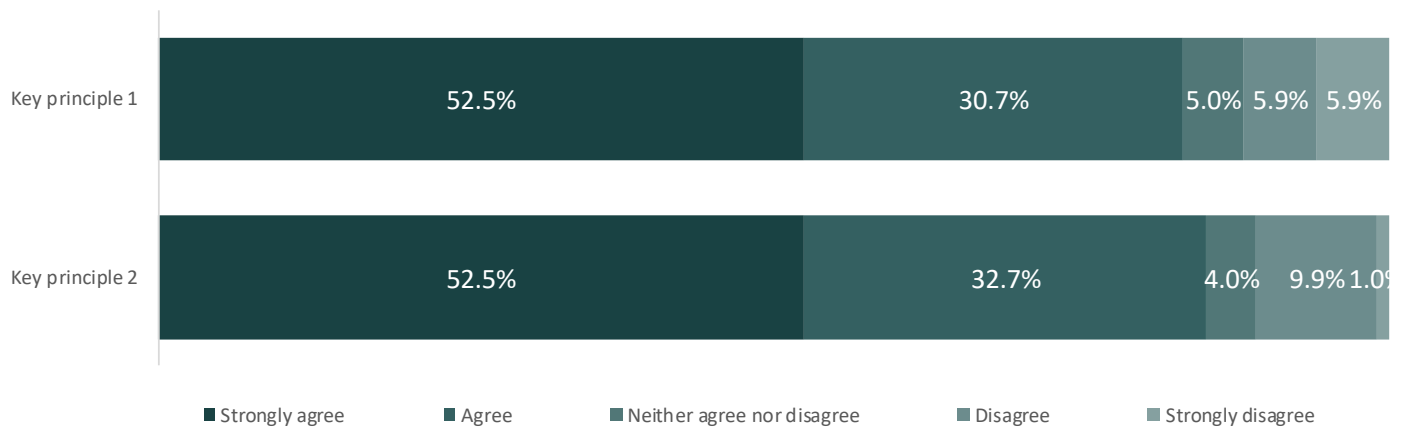
Key Principle 1: Every household with working age members should pay something towards their Council Tax bill.

Key Principle 2: The Local Council Tax Reduction Scheme should encourage people to work.

As the graph below illustrates, there was a ‘high’ level of support for each of the two key principles with 83% of respondent agreeing with Key Principle 1 and 85% agreeing with Key Principle 2. In both cases, over half of all respondents stipulated that they strongly agreed with the principles. A ‘high’ level of agreement has also been achieved in previous years’ consultation results.

Figure 3.1: Views on the key principles (%)

Base: 101 respondents



4. RESULTS - POLICIES

Local Council Tax Reduction Scheme Policy 1:

Pensioners, claimants classed as severely disabled, claimants with disabled children and claimants receiving a War Pension or Armed Forces Compensation Scheme payment are the only claimants that receive support for up to 100% of their Council Tax bill. All other working age claimants pay something towards their Council Tax bill and applicable amounts continue to be aligned with those of Housing Benefit.

There was a ‘high’ level of support for policy 1, with 84.2% of respondents feeling that it was ‘reasonable’. 47.5% felt that it was ‘very reasonable’. Trend data reflects that there has been a consistently ‘high’ level of support for this policy over time.

Figure 4.1: Views on Local Council Tax Reduction Scheme Policy 1 (%)

Base: 101 respondents



where the level of support is quoted within this report, this is defined as:

High: 75% - 100% agree the proposal to be reasonable **Some:** 25% - 49% agree the proposal to be reasonable

Moderate: 50% - 74% agree the proposal to be reasonable **Low:** 0% - 24% agree the proposal to be reasonable

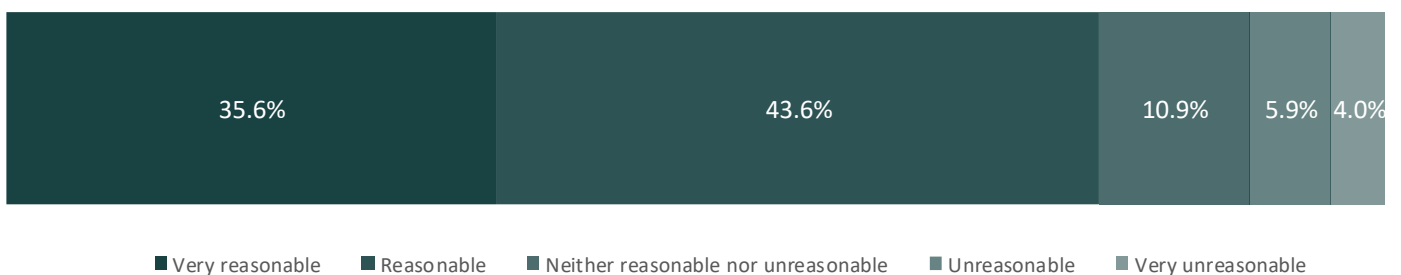
Local Council Tax Reduction Scheme Policy 2:

All working age claimants that are not protected have to pay at least 25% of their Council Tax bill. To mitigate future grant reductions, the scheme could ask working age claimants to pay at least 30% of their Council Tax bill. This means that working age claimants who are not protected would get less help than they do now.

There was a 'high' level of support for this policy with 79.2% feeling that it was 'reasonable' for those working age claimants who are not protected to pay at least 25% of their Council Tax bill. 36.6% felt this policy was 'very reasonable'. This resumes a general trend of 'high' support for this policy following a 'moderate' level of support last year.

Figure 4.2: Views on Local Council Tax Reduction Scheme Policy 2 (%)

Base: 101 respondents



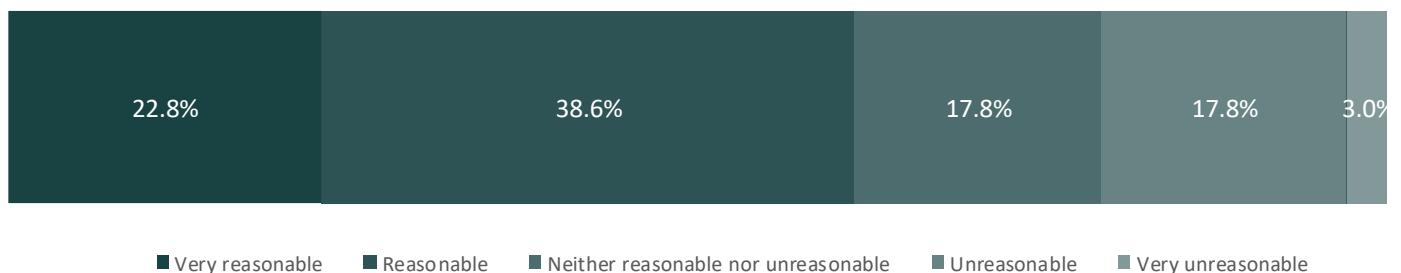
Local Council Tax Reduction Scheme Policy 3:

Council Tax Reduction is limited to the level that is given for a smaller house. We limit the maximum support offered based on 75% of the Council Tax bill for a Band D property, even if the claimant lives in a property with a higher banding than D. This means that any claimant who lives in a property with a banding higher than D has their Reduction calculated as if they lived in a Band D property.

There was a 'moderate' level of support for this policy with 61.4% of respondents feeling that it was 'reasonable'. Whilst the percentage of respondents agreeing with this option has fluctuated somewhat in recent years, previous consultation results have still reflected a 'moderate' level of support.

Figure 4.3: Views on Local Council Tax Reduction Scheme Policy 3 (%)

Base: 101 respondents



* Where the 'level of support' is quoted within this report, this is defined as:

High: 75% - 100% agree the proposal to be reasonable

Page 53

Some: 25% - 49% agree the proposal to be reasonable

Moderate: 50% - 74% agree the proposal to be reasonable

Low: 0% - 24% agree the proposal to be reasonable

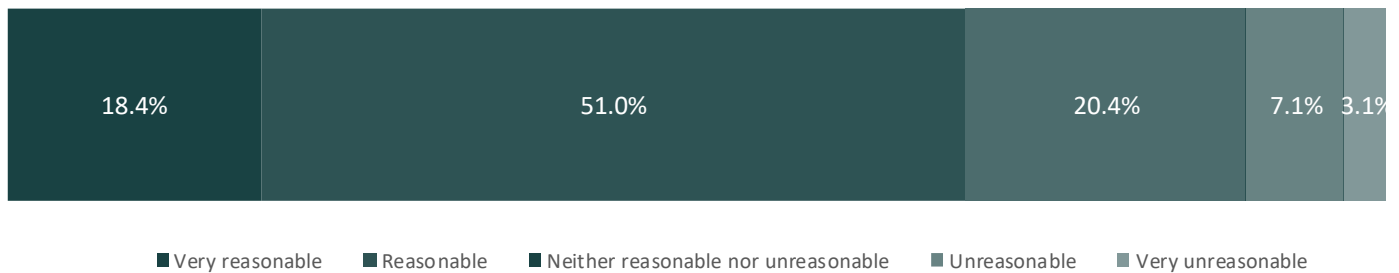
Self-employed earners in receipt of Universal Credit proposal

It is proposed from April 2019 to align the Local Council Tax Reduction policy for self-employed earners in receipt of Universal Credit with the Universal Credit Regulations. Currently, a claimant's self-employed books and/or accounts are used to calculate net profit and our policy endorses this.

There was a 'moderate' level of support for this proposal with 69.4% agreeing that this was 'reasonable'. Around one fifth (20.4%) felt it was 'neither reasonable nor unreasonable' while 1 in 10 respondents (10.2%) thought it was 'unreasonable'.

Figure 4.6: Views on Self-employed earners in receipt of Universal Credit proposal(%)

Base: 98 respondents



Respondents were offered the opportunity to comment on this proposal and any of the other policies in the scheme. Only a small proportion (14 respondents) chose to do so and comments were diverse. One respondent felt that there needed to be more opportunities to add comments to support opinions through the consultation documents, *"... each answer is only an opinion without opportunity to add comment and reasons for that opinion."*

Three respondents used the opportunity to reaffirm their agreement with the schemes policies, *"all makes sense and are reasonable"*, with one respondent adding *"as long as all are genuine cases and should be checked yearly"*.

A further three respondents expressed their feelings that contributions should be increased, *"should increase contributions"*, *"should be higher for non-dependent working age to encourage them to work"* and *"they should still have to pay fair amount at least 75% towards it"*.

Several respondents expressed some criticism. In the main this was directed at the scheme's policies with some general comments about what has been missed, *"this makes no mention of joint income or savings accounts"* and *"this has not taken in to consideration... vulnerable people [in our charity] [who] are Trans"*.

One comment was aimed specifically at policy 4 and the respondent felt that *"£16,000 as a total of savings should be lower"*

A couple of respondents expressed criticism of the system with one respondent stating, *"disabled 75 years old was refused any help! Please explain"*.

One respondent used the opportunity to offer voluntary services of their church in order to help save money in areas of the district.

Local Council Tax Reduction Scheme Policy 4:

Claimants are able to have savings of up to £16,000 and still receive support towards their Council Tax Bill.

There was a 'moderate' level of support for this policy, with 60.4% of respondents agreeing that it was 'reasonable' to have savings and still receive support towards their Council Tax Bill. In previous years there has been 'some' or a 'moderate' level of support for this policy.

Figure 4.4: Views on Local Council Tax Reduction Scheme Policy 4(%)

Base: 101 respondents



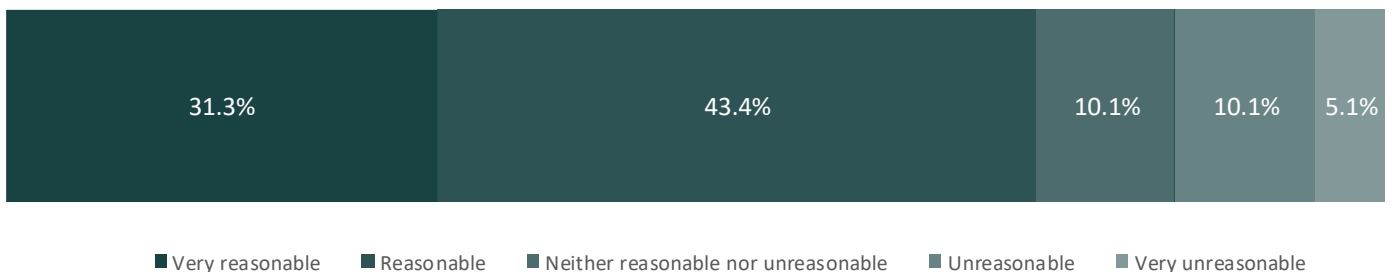
Local Council Tax Reduction Scheme Policy 5:

Any non-dependants living in a Working Age claimant's household are expected to contribute towards the Council Tax bill. If the non-dependant is not working then their contribution would be £5 per week. If the non-dependant is working then their contribution would be a £10 per week.

There was a 'high' level of support for this policy, with 74.7% of respondents agreeing that it was 'reasonable' to expect non-dependents living in a Working Age claimant's household to contribute towards the Council Tax bill. Almost a third (31.3%) felt that this was 'very reasonable'. Trend data shows that this policy has always attracted a 'high' level of support.

Figure 4.5: Views on Local Council Tax Reduction Scheme Policy 7 (%)

Base: 99 respondents



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High: 75% - 100% agree the proposal to be reasonable

Some: 25% - 49% agree the proposal to be reasonable

Moderate: 50% - 74% agree the proposal to be reasonable

Low: 0% - 24% agree the proposal to be reasonable

5. IMPACT OF THE CHANGES

Respondents were asked a series of questions to ascertain how they felt the changes implemented from April 2013 have impacted on both their individual circumstances as well as some of the key groups. This section displays the results from these questions.

As figure 5.1 displays, the majority of respondents, 76% (or 76 respondents) did not live in a household which receives Council Tax Reduction.

Does your household receive Council Tax Reduction?

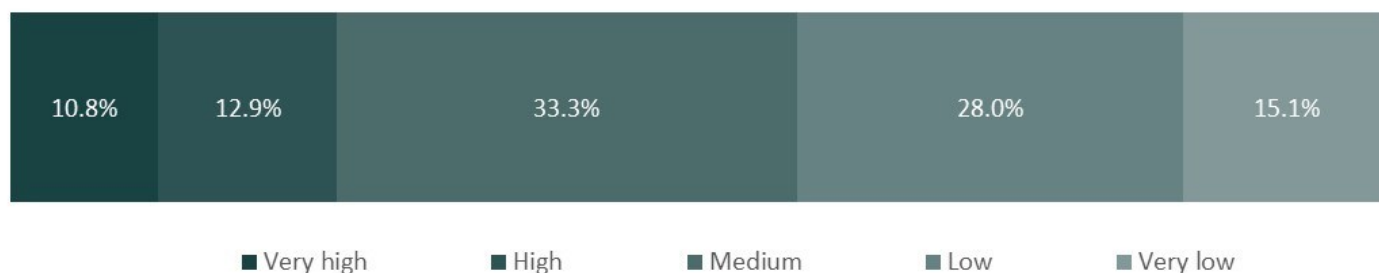
Figure 5.1: % of households in receipt of Council Tax Reduction (%)



Consequently, as the graph below shows, the impacts felt on individuals financial situations have been 'low' for the largest proportion of respondents. However, 23.7% of respondents felt the changes had had a 'very high' or 'high' impact upon them. A third of these respondents were in receipt of support.

Figure 5.2: % impacted by the changes from April 2013:

Base: 93 respondents



Respondents were encouraged to share any comments they had regarding the impacts of the scheme. Only a few respondents (8) chose to comment and their responses included views/personal experiences of the scheme as well as comments on increased Council Tax bills.

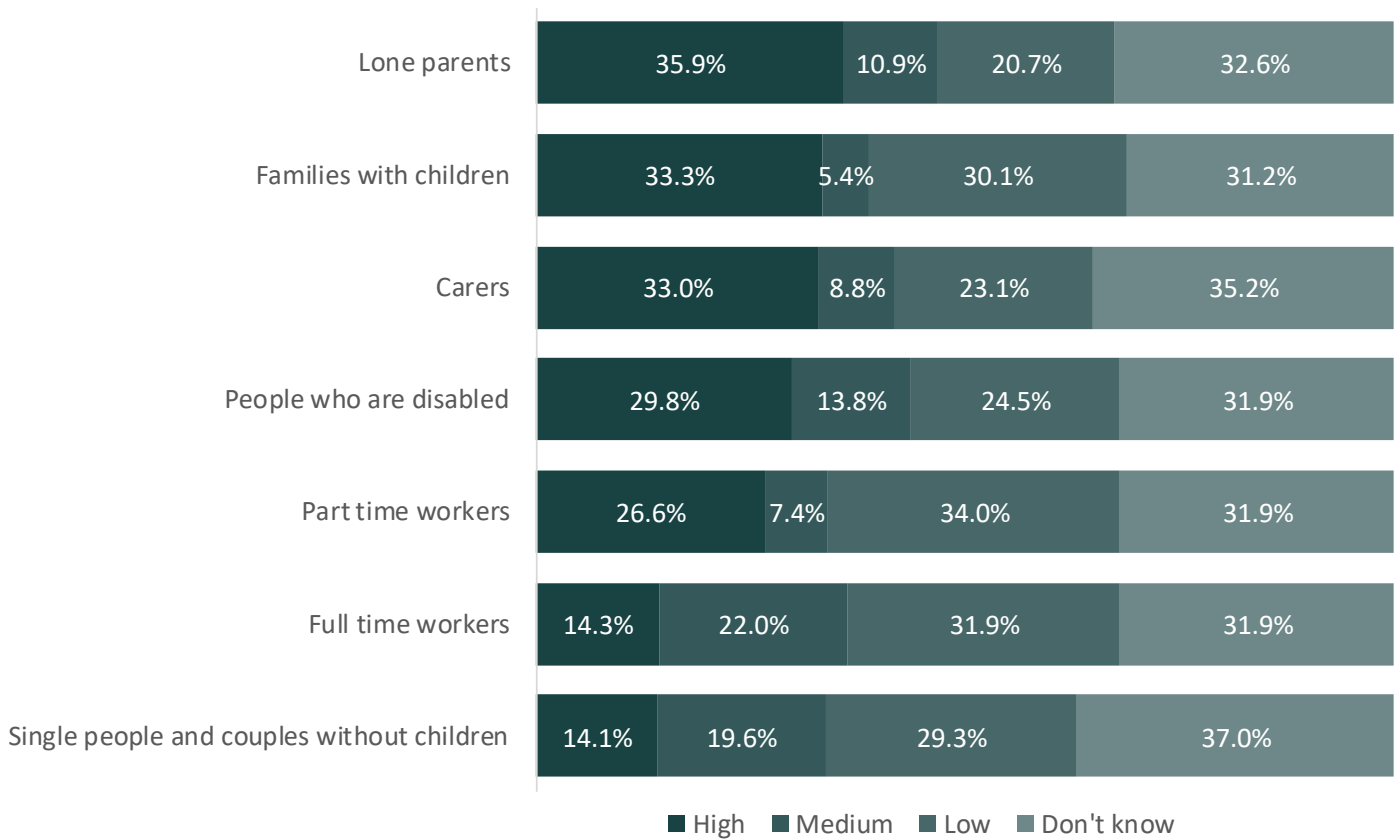
Two respondents who receive a Council Tax Reduction shared comments . One rated the impact as high, *"I get a C/Tax reduction as I'm a pensioner but I still think £124 every month is still a lot of money. I feel sorry for people and low wages who have family."* The other respondent felt the scheme had had a medium impact on their financial situation since it's implementation, stating that *"the CT reduction has varied over time."*

The rising Council Tax bills were referred to by several respondents. Some expressed that while they have noticed a rise in council tax , they are in a position where they can cope financially with this, *"I am fortunate to be employed and in good health, so I expect some rises" , "[I] have noticed an increase but coped financially"*. One respondent described how they have taken action to compensate for this increased expenditure and remain financially stable, *"I reduce my spending to cover all bills. These are the choices which seem not to be made in our society today and people should be encouraged to do so e.g. Rent First schemes etc."* Others, however, highlighted the detrimental effects of such rises on vulnerable groups , *"pensioners have to absorb these changes by lowering their standard of living to pay for them. As pensions do not rise with financial changes care must be taken that pensioners are not pushed into poverty"*, *"my pay has not gone up but everything else has. I also have to help my children they can't afford green bin, are struggling to pay"*.

What level of impact have the changes had on you and your household?

The graph below illustrates that a sizeable proportion of respondents felt the changes would impact on a range of person types including 'lone parents', 'families with children', 'carers', 'people who are disabled' and 'part time workers'. It also reflects that around a third of respondents were unable to assess the impact of change on each of the person types.

Figure 5.3: Impact of the scheme by person type (%)



When asked whether they felt there could be any other groups affected by these changes, the following answers were given:

- ***“People who are elderly” / “pensioners”***
- ***“People who cannot manage their money properly”***
- ***“Couples who earn slightly over Tax Credits claims”***
- ***“People being made redundant”***
- **Transgender: *“If a Trans partner leaves the “family home” this could put a strain on both sides.”***

6. APPENDIX I: ABOUT YOU, RESPONDENT PROFILE

Are you a resident of Tamworth?

Base: 101		Survey responses	
	No's	%	
Yes	99	98%	
No	2	2%	

Does your name appear on the Council Tax bill for your household?

Base: 100		Survey responses			
	No's	%		No's	%
Yes	90	90%	Don't know	2	2%
No	8	8%			

Are you submitting your views as....

Base: 98		Survey responses			
	No's	%		No's	%
Voluntary organisation	1	1.0%	Nationally/locally elected member/MP	-	-
Community group	-	-	Partner organisation	-	-
Housing Association	2	2.0%	Resident of Staffordshire	76	77.6%
Private landlord	-	-	Resident outside of Tamworth	1	1.0%
A relative of a Council Tax Reduction claimant	7	7.1%	None of these	5	4.1%
A friend of a Council Tax Reduction claimant	2	2.0%	Other	5	5.1%

7. APPENDIX 2: DEMOGRAPHIC MONITORING QUESTIONS

Are you male or female? (18+ population)

Base: 99	Survey responses		Tamworth MYE 2016
	No's	%	%
Female	48	48.5%	52%
Male	44	44.4%	48%
Prefer not to say	7	7.1%	N/A

Do you consider yourself to have a disability?

Base: 98	Survey responses		Tamworth 2011 Census comparison
	No's	%	%
Yes	32	32.7%	18%
No	57	58.2%	82%
Prefer not to say	9	9.2%	N/A

What type of disability do you have?

Base: 32	Survey responses	
	No's	%
Communications	1	3.1%
Hearing	4	12.5%
Learning	1	3.1%
Mental Health	7	21.9%
Mobility	18	56.3%
Physical	16	50.0%
Visual	4	12.5%
Other	3	9.4%

Are you receiving a Retirement Pension or Pension Credit?

Base: 100	Survey responses	
	No's	%
Yes	44	44%
No	51	51%
Prefer not to say	5	5%

What is your age?

Base: 99	Survey		Tamworth MYE 2016
	No's	%	%
18-24	0	0	10%
25-34	3	3.0%	17%
35-44	4	4.0%	16%
45-54	10	10.1%	19%
55-64	26	26.3%	16%
65-74	36	36.4%	14%
75+	13	13.1%	9%
Prefer not to say	7	7.1%	N/A

What is your ethnicity?

Base: 95	Survey responses		Tamworth 2011 Census comparison
	No's	%	%
Asian/Asian British	1	1.1%	1%
Black/Black British	1	1.1%	1%
Mixed Heritage	0	0	1%
White - British	86	90.5%	95%
White - Other	1	1.1%	2%
Prefer not to say	6	6.3%	N/A
Other	0	0	0.1%

What is your relationship status?

Base: 101	Survey responses		Tamworth 2011 Census comparison*
	No's	%	%
Single	18	17.8%	32%
Married	63	62.4%	49%
Living as a couple	13	12.9%	N/A
Civil Partnership	0	0	0.1%
None of these	4	4.0%	N/A
Prefer not to say	3	3.0%	N/A

8. APPENDIX 3: TREND DATA

Agreement with key principles over time

	2018	2017	2016	2015	2014
Key principle 1	83%	86%	89%	-	87%
Key principle 2	85%	84%	91%	-	82%

Agreement with policies over time

	2018	2017	2016	2015	2014
Policy 1 Pensioners, disabled and working age claimants	84%	84%	94%	-	88%
Policy 2 Working age claimants	79%	61%	75%	-	76%
Policy 3 Property band	61%	60%	70%	-	60%
Policy 4 Savings allowed	60%	58%	61%	-	48%
Policy 5 Non dependents contributions towards the Council Tax bill	75%	81%	89%	-	71%