



## **Council Tax Reduction Scheme Consultation (CTRS)**

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Status           Report

## INTRODUCTION:

The Council Tax Reduction Scheme replaced Council Tax Benefits (CTB) in April 2013, when local authorities were required to set up their own discount.

Northampton's scheme for 2015/16 is based on the former Council Tax Benefit Scheme with the exception that all working age claimants could only claim a discount for 79% of the amount they would have received under the old CTB scheme. The council has to carry out an annual review of its CTRS scheme.

The findings from this consultation will help inform any changes that may be required. The scheme for 2016/17 must be agreed by the 31st January 2016.

This consultation took place from 26 October 2015 to 22 November 2015.

## METHODOLOGY

Our approach included the following:

- [On-line survey](#)
- [News release\(s\)](#)
- Social media ([Facebook](#), [Twitter](#), etc.)
- Northampton Borough Council's [internet](#) pages
- All e-mail communication from the Benefit, Council Tax and Customer Services mailboxes included an invitation link to take-part in the consultation
- Display screens in the One Stop Shop
- Details of the consultation were emailed to the Multi Agency Forum and our welfare partners, including registered social landlords.
- Invitations to participate was sent to key stakeholders, including Precepting Authorities, parishes, local Councillors and Members of Parliament
- Engagement with housing associations and voluntary and community sectors via their various networks
- Northampton Borough Council's Community Forum members were invited to take part
- 2,317 email invitations were issued to email addresses held on the Benefit and Council Tax database

The following companion documents were made available:

- **CTRS Option being considered** giving details of options considered and recommended
- **A Brief Guide to CTB**
- **Overview for finance of the proposed changes**
- **How much the proposed changes will cost the council**
- **Breakdown of Collection Rates for CTRS cases**
- **Equality impact assessment**
- **Examples of the effect of the proposed changes on Banding Charges**
- **Examples of the effect of the proposed changes**

To help support the public the following were made available and advertised in-line with the above:

- Dedicated email address for enquiries
- Our Customer Service teams were made available to help the public complete the on-line form to mitigate any accessibility issues.
- Four drop in-sessions were made available to provide a personal illustration on what the proposed changes would mean – to enable people to provide a fully informed response. Sessions were offered as follows:
  - ✓ Tuesday 27 October 2015 (5pm to 7pm)
  - ✓ Wednesday 28 October 2015 (1pm to 4pm)
  - ✓ Tuesday 3 November 2015 (1pm to 5pm)
  - ✓ Tuesday 10 November 2015 (9am to 12pm)
  - ✓ Those who could not attend were invited to contact us to discuss their situation and how the potential proposals might affect them.

#### **RESULTS:**

The website was viewed 303 times during the consultation period. This demonstrates that media coverage of the consultation was active, however members of the public, did not complete the form to air their views.

A total of 42 people completed the on-line survey.

20 people expressed an interest in attending the drop-in information sessions.

35 individual comments were received in response to the consultation questions.

5 people emailed for further information

#### **SUMMARY OF FINDINGS:**

Due to the type of questions asked in the on-line survey, and in-line with the number of responses received, the results are mainly qualitative. The data has provided an in-depth look at what the proposed changes mean to the respondents and how it will impact them.

## KEY RESULTS:

**Question 1** focused on collecting personal data and will therefore not be included in this report.

**Question 2** established whether the respondent was currently receiving a CTRS discount and whether they were responding on behalf of an organization.

- 30 respondents are currently receiving a CTRS discount
- 2 respondents responded on behalf of an organization:
  - Deafconnect
  - Resident group

The remaining questions focused on the 3 specific options being considered. To each question the customer was asked to what extent they did or did not support the proposal and given the option of 5 responses with the option to add further comments. These were:

- Strongly support
- Support
- Do not support
- Strongly do not support
- Don't know

### Question 3:

*Proposal 1 would see working age council taxpayers liable to pay approximately 31% of their council tax bill subject to other support changes.*

*Currently those working age council taxpayers eligible for CTR pay at least 21% of their council tax charge, receiving a discount of up to 79%.*

*This option proposes a lower level of financial support of approximately 69% from April 2016, therefore claimants would become liable for the payment of a higher percentage of their council tax charge (31%). The existing additional income disregard afforded to recipients of War Disablement Pension will continue as part of the 2016-17 CTR Scheme. In addition disability premiums, which increase the level of support for individuals in this claim group will continue, alongside a four week run on period for those moving into work.*

*This change is expected to generate additional council tax income of around £50K per annum, which would be offset against the shortfall in grant funding expected for 16/17.*

*Under this proposal, a working age claimant or family on income support has a council tax liability on a band A, unparished, property a net increase of £1.90 per week and for a Band D, unparished, a net increase of £2.85 per week.*

*To see further details of how this might affect you, please check our Website*

*To what extent do you support this proposal?*

42 responses were made and no respondents skipped the question.

The key comments received were as follows:

- 11 respondents felt that the new proposals would cause additional hardship
- 1 respondent commented that the proposed increase was too high and suggested a lower weekly figure
- 2 respondents suggested alternative ways of funding the shortfall by reviewing Council spending in other projects.
- 1 respondent indicated that this was the best option in favor of the claimant.
- 2 respondents felt that the recovery costs would increase at a cost to the council.

### **Question 3:**

*Proposal 2 would be not to make any changes and keep the scheme as it was during 2015/16. This would mean that the council would need to raise £125,000 from other sources.*

*Previously the Council has decided to adopt CTR schemes that have sought to balance the significant cuts to the council's resource for CTR and, the council's wider budget challenges, but also needing to support the most vulnerable members of our community. Any decision to keep the scheme at current levels will result in difficult decisions having to be taken elsewhere.*

*To see further details of how this might affect you, please check our website*

*To what extent do you support this proposal?*

42 responses were made and no respondents skipped the question.

The key comments received were as follows:

- 2 respondents confirmed that they preferred this option
- 1 respondent commented that those in receipt of CTR have frozen incomes with all other expenses increasing.
- 10 respondents suggested alternative ways of funding the shortfall by reviewing Council spending in other projects, restructuring management, use funds from the new parking permit scheme, fully utilize resources available.
- 1 respondent indicated that this was the best option in favour of the claimant.

#### **Question 4**

*Proposal 3 would see working age council taxpayers liable to pay approximately 37% of their council tax bill subject to other support changes and it is expected to continue the same scheme in 17/18 as well, without further reductions in awards.*

*Currently those working age council taxpayers eligible for CTR pay at least 21% of their council tax charge, receiving a discount of up to 79%.*

*This option proposes a lower level of financial support of approximately 63% from April 2016, therefore claimants would become liable for the payment of a higher percentage of their council tax charge (37%) unless their discount is protected. Individuals with protected discount would be those in receipt of war widows pension, war disablement pension, disability premium and the four week extended payment to incentivise work*

*This change is expected to generate additional council tax income of around £200K which would aim to be offset against the shortfalls in 16/17 and 17/18 and would aim to maintain the same CTRS in 17/18 as in 16/17.*

*Under this proposal, a working age claimant or family on income support has a council tax liability on a band A, unparished, property a net increase of £3.04 per week and for a Band D, unparished, a net increase of £4.56 per week.*

*To see further details of how this might affect you, please check our website*

*To what extent do you support this proposal?*

42 responses were made and no respondents skipped the question.

The key comments received were as follows:

- 2 respondents felt this was too much of an increase
- 1 respondent commented that it was unfair for families to suffer increases
- 1 respondent indicated that a new council tax band should be added for properties in excess of £250,000.00.

#### **Question 5**

*We are running a number of drop-in sessions at the One Stop Shop over the next few weeks to give people a chance to discuss the proposed changes and how they may impact on people-particularly for those receiving or likely to receive CTR discount. If you are interested in coming along, please select your preferred option below to give us an idea of numbers:*

- 4 people indicated that they would like to attend
- 16 indicated that they could not attend

## Question 6

*How did you hear about this consultation?*

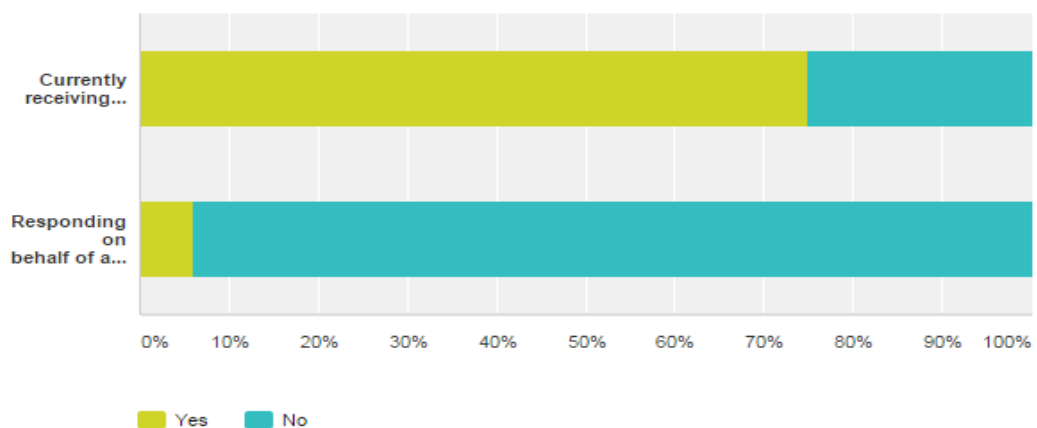
- 7 people heard about the consultation from the website
- 31 people heard about the consultation by email
- 1 person heard about the consultation through the newspaper
- 2 people heard about the consultation from other sources. 1 stated that this was from a friend.

## Full responses

# Council Tax Reduction Scheme Consultation for 2016/17

### Are you?

Answered: 40 Skipped: 2

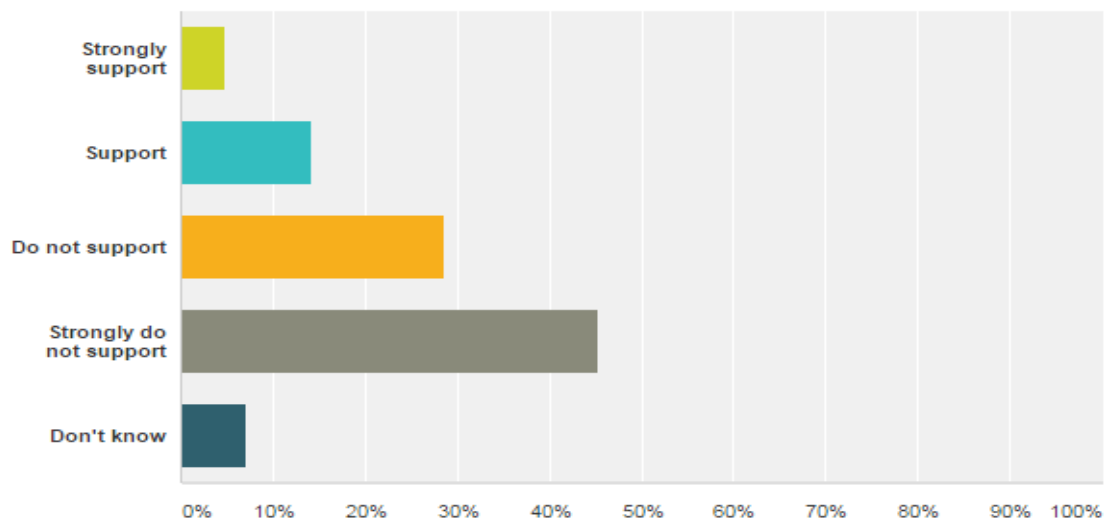


	Yes	No	Total
Currently receiving support through the Council Tax Reduction scheme	75.00% 30	25.00% 10	40
Responding on behalf of a community group or organisation	6.06% 2	93.94% 31	33

## Question

**Proposal 1** would see working age council taxpayers liable to pay approximately 31% of their council tax bill subject to other support changes. Currently those working age council taxpayers eligible for CTR pay at least 21% of their council tax charge, receiving a discount of up to 79%. This option proposes a lower level of financial support of approximately 69% from April 2016; therefore claimants would become liable for the payment of a higher percentage of their council tax charge (31%). The existing additional income disregard afforded to recipients of War Disablement Pension will continue as part of the 2016-17 CTR Scheme. In addition disability premiums, which increase the level of support for individuals in this claim group, will continue, alongside a four week run on period for those moving into work. This change is expected to generate additional council tax income of around £50K per annum, which would be offset against the shortfall in grant funding expected for 16/17. Under this proposal, a working age claimant or family on income support has a council tax liability on a band A, unparished, property a net increase of £1.90 per week and for a Band D, unparished, a net increase of £2.85 per week. To see further details of how this might affect you, please check our Website. To what extent do you support this proposal?

## Answer



Answer Choices	Responses
Strongly support	4.76% 2
Support	14.29% 6
Do not support	28.57% 12
Strongly do not support	45.24% 19
Don't know	7.14% 3
Total	42
<a href="#">Comments (16)</a>	



1. My money is about to be cut and/or receive no increase. I am disabled and unable to return to work. These leave my wife who receives nothing in benefits and is my care person unable to go to work. I have seen massive amounts of money wasted by yourselves wooden knights unwanted road alterations (Abington street) and many other things. You need a panel of people like me to stop you wasting money. You should have to go before a panel of people to have your spending checked before it is approved.
2. I would support this only for the fact that the increase of £1.90 a week would not be too demanding and the council would have extra money for other issues. But if it were to be an extra £5 a week that would be too much money a week to find from the small amount of benefits that we receive.
3. Any increase for those on a limited income would come at the expense of something else e.g. eating
4. I really believe to ask low income people to find more money when there money is being reduced is wrong
5. It would put a vulnerable group in financial hardship
6. My worry would be that if people cannot afford the new cost of council tax then surely the recovery process would cost more than the monies gained
7. Single parents really need this support and could make the difference in them being able to stay in their home or not.
8. I have difficulty paying my current tax bill. If you increase it I shall find it hard to keep up with payments on low income.
9. Families on low incomes cannot afford the current rate, let alone expect them to pay more. The only people who will be affected by this proposal are children. I already live in one of the most deprived areas of town and as a childminder, work with families who are at breaking point. Children are being targeted by the council, over and over again.
10. This seems the best option in favour of a claimant.

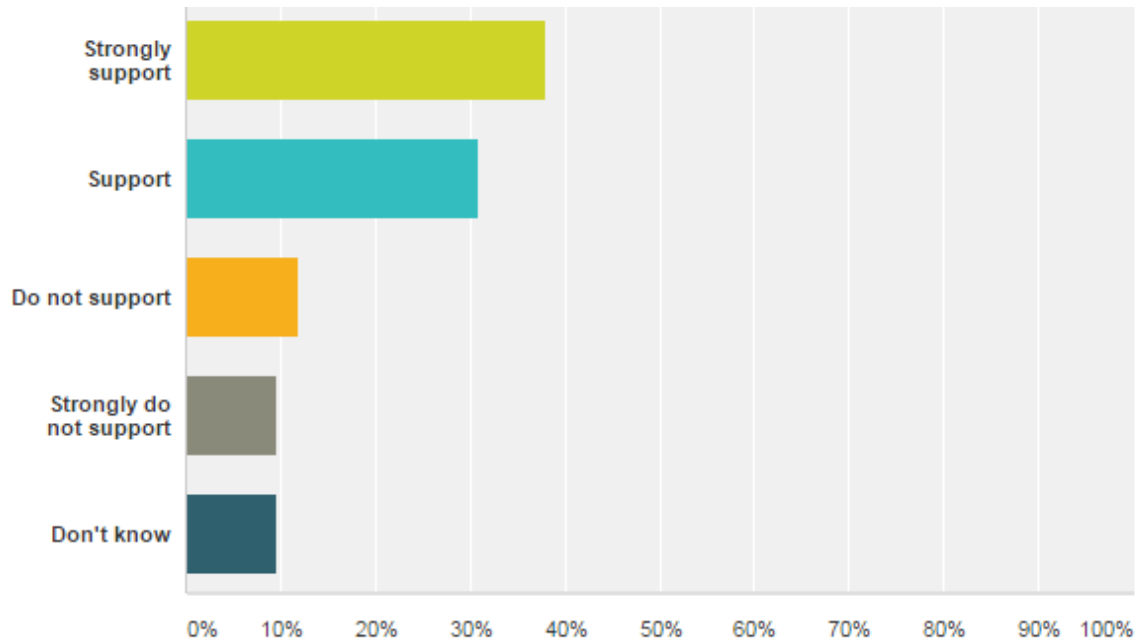
11. The Council should be more effective in the way it manages its finances so as not to make low income families and individuals suffer /pay for its financial ineptitude. Wasting money on useless outdoor sports equipment as an example of stupidity that comes to mind creating a haven and gathering place for drug users and alcoholics.
12. So many people are struggling already I myself being 1 of them, I am a single parent to 2 young children and struggle to keep up with all my bills already if I have to pay more on my council tax as well as pay my water, gas & electric, and keep food on the table for my kids, make sure we all have clothes to wear and have the hygiene products we need not including the house hold cleaning products to make sure my kids have a properly clean home it just won't work if my council tax goes up I then have to sacrifice the things we need in order to keep our home, how does this help anyone.
13. I am struggling to keep afloat financially as it is an increase in what I pay all ready and I would be in trouble with debt etc. . . .
14. With people already struggling to find the current amount and the council making it difficult to make affordable repayment options if you fall into arrears, this is likely to end up costing far more in recovery costs than it will generate in paid revenue
15. A 10% reduction in saving is massive particularly when we do not have an increase in salary or benefits of 10% - where are we supposed to find the extra money?
16. I have to look after my mum full time who suffered from a stroke and other medical issues. This means I cannot go out to work I get carers allowance and income support bringing my monthly income to £370 I have to pay all my bills, food, travel etc. I struggle with any increase in my outgoing, I am grateful with any help I get

### **Question**

**Proposal 2** would be not to make any changes and keep the scheme as it was during 2015/16. This would mean that the council would need to raise £125,000 from other sources. Previously the Council has decided to adopt CTR schemes that have sought to balance the significant cuts to the council's resource for CTR and, the council's wider budget challenges, but also needing to support the most vulnerable members of our community. Any decision to keep the scheme at current levels will result in difficult decisions having to be taken elsewhere. To see further details of how this might affect you, please check our website to what extent do you support this proposal?

**Answered: 42**

## Answer



Answer Choices	Responses
Strongly support	38.10% 16
Support	30.95% 13
Do not support	11.90% 5
Strongly do not support	9.52% 4
Don't know	9.52% 4
<b>Total</b>	<b>42</b>

[Comments \(13\)](#)

1. Stop wasting money on things we don't need.
2. £125,000 can be found from other venues quite easily. If you were to cut back on translation fees for our foreign persons that would be a massive saving. Also doing / providing more paid for events may bring in good revenue. Also slim down the Job Centre in Northampton. There is so much space there for so few people. The building is too large for the work that is there. There are probably other council run buildings that are being wasted by the council. That would be a vast saving I'm sure.
3. This would be a better idea as low income families will not be pushed into debt
4. This idea is better. There must be many areas that can be slightly reduced to support.

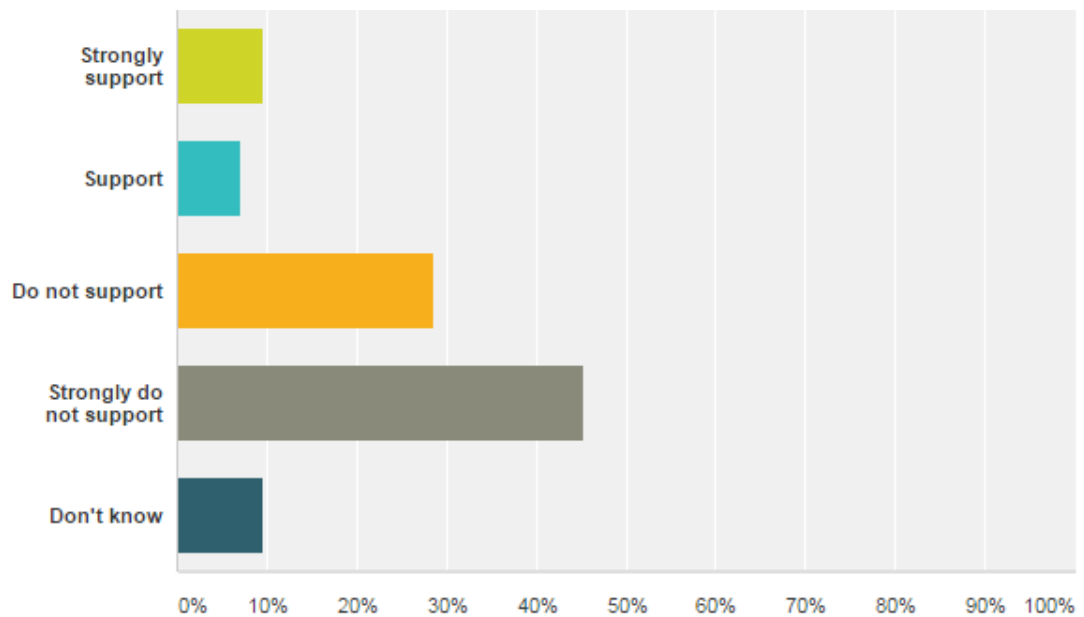
5. Cutting end of year bonuses to compensate the shortfall. Start charging people for fly tipping round the area. I reported someone doing it and NOTHING was done about it
6. The current rate would allow low income families to budget accordingly knowing that their council tax is not going to change for 12 months. The money could be saved by halting all aesthetic work currently being done to the town including St Giles and Abington Street, all of which could save billions. Also the 2 year funding for children hasn't really reached the children it should. Already the parking permit scheme has raised an awful lot of money - families such as myself can no longer afford a visitors permit and my elderly grandmother has also struggled.
7. possible management cuts and integrate jobs to make savings, also use resources the council already has rather than using this money to plan and build new offices and training as well as unnecessary expenses which the money from these activities could be used towards the council tax instead of increasing.
8. We need to accept changes. Benefits are a bonus not something we should expect.
9. Again, the council needs proper financial management using the services of trained financial experts and not rely on making the residents of the borough suffer for mistakes made by a team of amateurs.
10. Keeping it the same yes the rich people miss out on more money into here pocket and the so does the council miss out but maybe not wasting it on silly things and using it for what is needed will also help. Why should the poor suffer more to benefit the rich?
11. Because it became quite a big jump last year in percentage terms that had to be found out of stagnant income and everything else has increased except income including heat and light prices which seem to be out of control. People on fixed income are not in a position to continually cut back or find more money to pay increased costs. I would prefer the Council had not lent money to Northampton Football Club and kept any loans to a minimum, which would effectively cut administration costs and therefore save money.
12. Stop making unnecessary changes to the town. Such as changing the fountain, knocking down the bus station to build a smaller one, making Abington Street open to cars.

## Question

**Proposal 3** would see working age council taxpayers liable to pay approximately 37% of their council tax bill subject to other support changes and it is expected to continue the same scheme in 17/18 as well, without further reductions in awards. Currently those working age council taxpayers eligible for CTR pay at least 21% of their council tax charge, receiving a discount of up to 79%. This option proposes a lower level of financial support of approximately 63% from April 2016; therefore claimants would become liable for the payment of a higher percentage of their council tax charge (37%) unless their discount is protected. Individuals with protected discount would be those in receipt of war widows pension, war disablement pension, disability premium and the four week extended payment to incentivise work This change is expected to generate additional council tax income of around £200K which would aim to be offset against the shortfalls in 16/17 and 17/18 and would aim to maintain the same CTRS in 17/18 as in 16/17. Under this proposal, a working age claimant or family on income support has a council tax liability on a band a, unparished, property a net increase of £3.04 per week and for a Band D, unparished, a net increase of £4.56 per week. To see further details of how this might affect you, please check our website to what extent do you support this proposal?

Answered: 42

## Answer



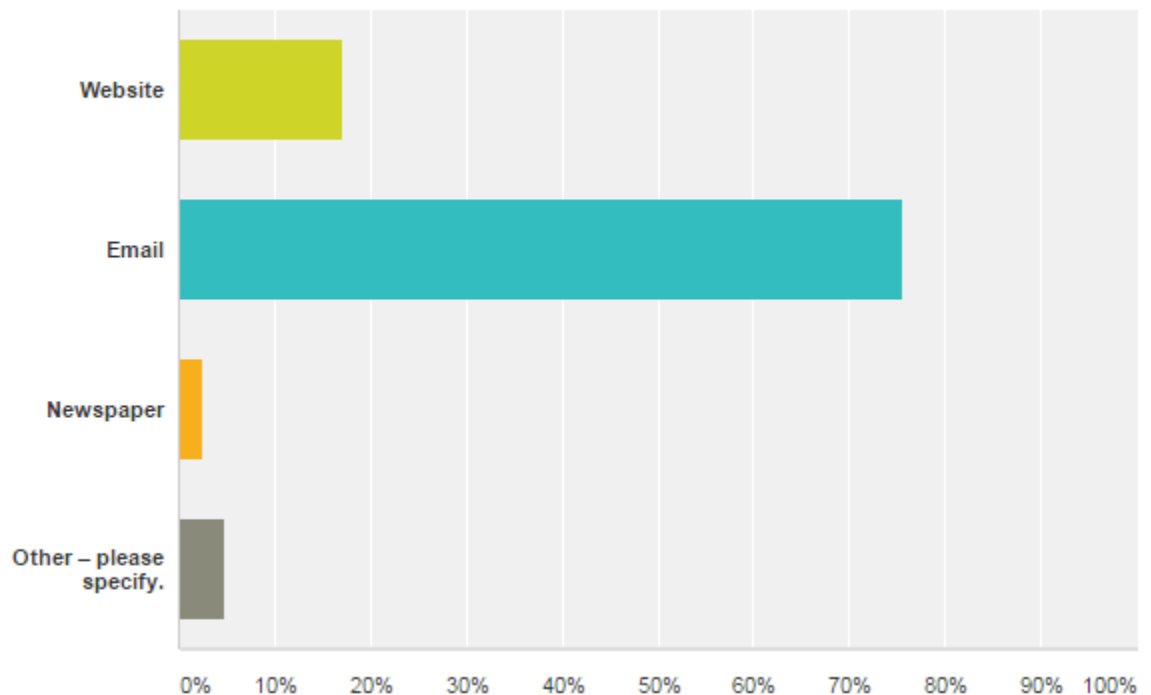
Answer Choices	Responses
Strongly support	9.52% 4
Support	7.14% 3
Do not support	28.57% 12
Strongly do not support	45.24% 19
Don't know	9.52% 4
Total	42

[Comments \(6\)](#)

1. I don't support this idea as it is too much of an increase for people such as me, on benefits and disabled.
2. I think this would be too much of a raise in costs for people claiming this at present all at once
3. Why do now income families always have to suffer increases. ? It not fair. !!
4. Same reasons as option 1
5. You cannot get blood out of a stone - it will just increase stress, worry and more people in debt crisis, perhaps the Council should consider adding another Band to Council Tax for Houses in excess of 1/4 million pounds.
6. If my outgoing a go up anymore, I will have to go to work and get funding for my mum to go into a care home at the cost of a least £1000 per month which is a great deal more than I receive for staying at home to look after her

## How did you hear about this consultation?

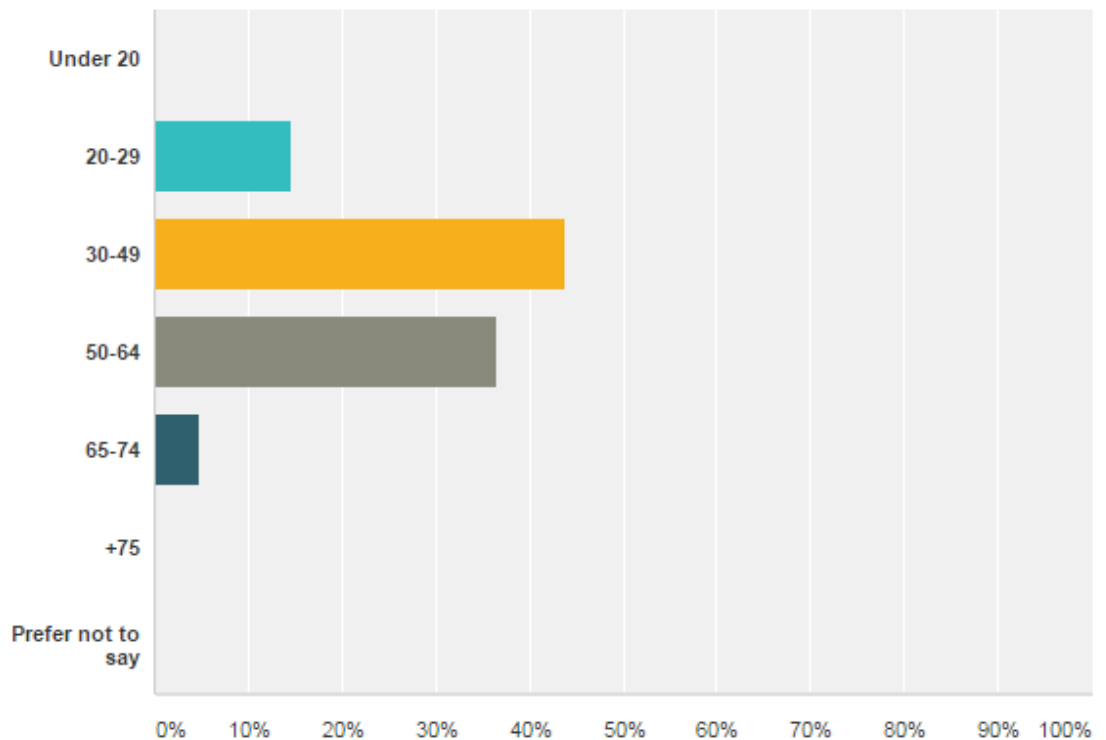
Answered: 41 Skipped: 1



Answer Choices	Responses	
Female	82.93%	34
Male	17.07%	7
Prefer not to say	0.00%	0
Total		41

## How old are you?

Answered: 41 Skipped: 1



## Do you consider yourself to have a disability?

- Answered: 41

- Skipped: 1

Answer Choices	Responses	
Yes	34.15%	14
No	65.85%	27
Total		41

## **EQUALITIES:**

Of the respondents who completed the equalities questions, relating to gender, age, and disability or ethnic origin.

- 82.93% of respondents were female, 17.07% were male.
- In terms of age:
  - 0% were aged under 20
  - 14.63% were aged 20-29
  - 43.9% were aged 30-49
  - 36.59% were aged 50-64
  - 4.88% were aged 65-74
  - 0% were aged over 75
- 34.15% of respondents stated they considered themselves to have a disability.