

**Appendix A**  
**Council Tax Support - Consultation Report**

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## **1 Background to CTS and Consultation**

Until 2013/14 Council Tax Benefit was a national scheme administered by Councils but fully funded by the Government. In 2013 the Government abolished the national scheme and asked Local Authorities to create their own local Council Tax Support (CTS) Schemes with reduced funding. Local CTS Schemes have to be reviewed annually and this report sets out recommendations following this year's review which was carried out within the context of the substantial financial challenges facing the Council.

Since 2010 central government grant to local authorities has been severely cut each and every year and the Council's latest financial planning assumptions have identified that the Council needs to reduce its net spending by a further £31m over the two years 2018/19 and 2019/20. The Council must address this funding gap whilst demand for services, particularly social care for vulnerable children and adults, is continuing to rise.

As part of the review of the CTS Scheme, the level of potential savings that could be gained by changing the scheme was considered alongside the impact of a variety of options.

The proposals relate only to support for working age claimants (the support provided to pensioner claimants remain unchanged at nationally determined levels).

The options which were selected included retaining the current scheme and a further seven change options which could be implemented individually or in combination.

Any proposal to change the Council Tax Support Scheme requires the Council to consult major preceptors (Fire and Rescue Authority and Police and Crime Commissioner) and also to undertake a public consultation exercise. Consultation has been held with the major preceptors and a public consultation was undertaken over the period 9<sup>th</sup> October 2017 to 20<sup>th</sup> November 2017.

## **2 Consultation Programme**

A wide variety of methods were used as part of the Consultation process with the aim of ensuring the approach was inclusive of all groups including those claimants and non-claimants of CTS.

Overall there were 401 responses to the consultation of which 174 were currently in receipt of CTS. Although the number of responses was low in comparison with the volume of communications that were issued, this appears to be in line with a national low response level experienced by the majority of Councils who have

consulted since the introduction of CTS and is a higher level than when the last CTS consultation was undertaken in 2012 when only 177 were received.

The consultation methods consisted of the following.

## 2.1 Consultation with the Public

Promotion to the public of the on-line consultation was undertaken by phone messages on the main Benefits and Council Tax lines, letters, SMS, email and the inclusion of promotional flyers with letters, Benefit notifications and Council Tax bills. A press release was issued which appeared on the web site of the Rotherham Advertiser.

The consultation was also promoted on the Councils web site, at customer service centres via the promotional screens and as part of internal communication.

The breakdown of the promotion to the public was as follows;

- Telephone promotional message heard by 18,105 customers
- Promotional email sent to 7,757 customers
- Promotional flyers and letters sent to 20,830 customers
- Promotional SMS sent to 36,333 customers

## 2.2 Consultation with Key Stakeholders

Individual letters were sent to all preceptors (Police & Crime Commissioner, Fire & Rescue Authority, Parish Councils) as well as MP's and major advice agencies. The consultation was also included in Voluntary Action Rotherham's weekly email to the voluntary sector which reaches over 1,200 organisations. Consultation meetings were held with some stakeholders at their request and in some cases via telephone and email, including representatives from political groups, Citizen Advice Bureau, Sight & Sound, Parish Councils and Kevin Barron MP's office.

### 3 Detailed Consultation Results

This section details the responses to the consultation which asked the respondents for their opinions on eight options for change.

This section shows the overall results for each question but also breaks down those who could be directly affected by changes to CTS, work age claimants, and those not, non claimants and pensioners.

A total of 401 responses were received to the consultation which can be broken down into the respondent types as follows;

Category	Number	%
Rotherham resident receiving CTS	174	43.4%
Rotherham resident not receiving CTS	221	55.1%
A local organisation	2	0.5%
Other	4	1%

#### 3.1 Option 1 - Making no change to the current Scheme

The current Council Tax Support Scheme would continue however this would mean that cuts would have to be made to services or charges for services increased.

**The question asked in the consultation was – “Should the Council continue with the current Council Tax Support scheme at a cost of £10 million, rather than being able to spend part of this money on other Council services?”**

*Overall 39% of respondents supported continuing with the current CTS scheme while 53% opposed.*

*69% of work age CTS respondents supported continuing with the current CTS scheme while 20% opposed.*

#### 3.2 Option 2 – Incorporating support for Care Leavers into the scheme

This option would see the current Care Leavers Council Tax Discount incorporated into the CTS scheme in order to ensure that young people leaving Council care continue to receive 100% support regardless of their income.

**The question asked in the consultation was – “Do you agree with the principle of continuing to support care leavers through the Council Tax Support Scheme, so that their Council Tax is reduced to zero?”**

*Overall 40% of respondents agreed with incorporating support for Care leavers into the CTS scheme while 46% disagreed.*

### **3.3 Option 3 – Reducing maximum level of CTS from the current 91.5%**

The maximum Council Tax Support a working age claimant can receive would be reduced from the current 91.5% per cent to a lower percentage.

**The question asked in the consultation was – “Do you agree with the principle of reducing the maximum level of Council Tax Support?”**

*Overall 54% of respondents agreed with the principle of a reduction in the maximum support while 39% disagreed.*

*30% of work age CTS respondents agreed with the principle a reduction in the maximum support while 60% disagreed.*

### **3.4 Option 4 – Changing non-dependant deductions**

Two options for changes to non-dependent deductions were proposed in the consultation;

- A non-dependant deduction would be introduced where there is currently no deduction; and/or
- The non-dependant deductions which currently apply would be changed.

The questions asked in the consultation were;

**“Do you agree with the principle of applying a non-dependant deduction where one does not currently apply?”**

*Overall 50% of respondents agreed with the principle a applying a non-dependant deduction where one does not currently apply while 34% disagreed.*

*48% of work age CTS respondents agreed with the principle a applying a non-dependant deduction where one does not currently apply while 31% disagreed.*

**“Do you agree with the principle of changing the current non-dependant deduction amounts?”**

*Overall 61% of respondents agreed with the principle of changing the current non-dependant deductions while 21% disagreed.*

*48% of work age CTS respondents agreed with the principle of changing the current non-dependant deductions while 28% disagreed.*

### **3.5 Option 5 – Restricting CTS to a lower banded property change**

This option proposed that CTS awards would be restricted to a maximum Council Tax band and where an applicant lives in a higher banded property their CTS would be calculated as if they lived in a property with the maximum band.

**The question asked in the consultation was – “Do you agree with the principle of restricting the level of Council Tax Support to a lower property band charge? ”**

*Overall 50% of respondents agreed with the principle of restricting CTS to a lower banded property charge while 41% disagreed.*

*45% of work age CTS respondents agreed with the principle of restricting CTS to a lower banded property charge while 44% disagreed.*

### **3.6 Option 6 – Introducing a minimum CTS amount**

This option proposed that a minimum weekly amount of support be set below which no payment would be made.

**The question asked in the consultation was – “Do you agree with the principle of setting a minimum level of Council Tax Reduction?”**

*Overall 67% of respondents agreed with the principle of introducing a minimum CTS amount while 24% disagreed.*

*54% of work age CTS respondents agreed with the principle of restricting CTS to a lower banded property charge while 35% disagreed.*

### **3.7 Option 7 – Increasing the Taper rate that CTS is withdrawn at**

This option proposed that the taper rate be increased to a higher percentage resulting in CTS being withdrawn at a higher rate for those claimants whose income is above the applicable amount.

**The question asked in the consultation was – “Do you agree with principle of increasing the taper level that Council Tax Support is withdrawn at?”**

*Overall 43% of respondents agreed with the principle of increasing the taper rate while 39% disagreed.*

*30% of work age CTS respondents agreed with the principle of increasing the taper rate while 46% disagreed.*

### **3.8 Option 8 – Administrative changes for those on Universal Credit**

This option proposed that discretion be introduced to limit the number of assessments undertaken for Universal Credit recipients unless the change is a major one.

**The question asked in the consultation was – “Do you agree with the principle of introducing discretion to limit the number of assessments for customers on Universal Credit?”**

*Overall 70% of respondents agreed with the principle of limiting the number of assessments for Universal Credit claimants while 17% disagreed.*

*65% of work age CTS respondents agreed with the principle of limiting the number of assessments for Universal Credit claimants while 20% disagreed.*

### **3.9 Special consideration for certain claimant groups**

As part of the consultation respondents were asked if there are any groups other than care leavers who should be given special consideration.

**The question asked in the consultation was – “Do you think that any other groups of people should get special consideration under Rotherham's Council Tax Support scheme?”**

*Overall 34% of respondents thought other groups should be protected while 45% thought they shouldn't.*

*50% of work age CTS respondents thought other groups should be protected while 30% thought they shouldn't*

Respondents who thought that other groups should be protected were asked which groups. Detail of their responses can be found in the consultation background documents.

The most common groups being mentioned were the disabled/ill health (19% of the consultation respondents), low income working families (4%), households with children (3%) and the young (3%).

## **4 Summary of consultation results**

The analysis shows that a majority of the 401 respondents who expressed an opinion agreed with the options for change which would result in a reduction in the overall level of CTS (options 3, 4, 5 6 and 7).

A majority of the 401 respondents who expressed an opinion disagreed with the options for change which would result in the retention of the current level of CTS or an increase in it (options 1, 2 and special consideration).



The response was different for respondents who are currently in receipt of CTS. A majority of respondents agreed with retaining the current scheme and providing special consideration to other claimant groups. They also disagreed with some of the options which could reduce CTS (options 3 and 7) however they were in agreement with some of the options which would reduce support (options 4, 5 and 6).

Option 8 to introduce administrative changes for Universal Credit claimants received the highest level of overall support with both claimant and non-claimant groups.

## **5 Additional consultation comments**

In addition to the Yes/No/Don't Know questions the respondents were asked the following three additional questions for which they were able to provide a free text response;

- How important do you think funding the Council Tax Support scheme at its current level is compared to other Council services you or your neighbours may use
- Please tell us which other groups you think should receive special consideration
- Do you have any further comments to make on the Councils proposed options

All additional comments through both sources are listed in full in the consultation background documents.

## 6 Breakdown of Consultation Results

	Rotherham Resident CTS Claimants (174 respondents)			Rotherham Resident Non-CTS Claimants (221 respondents)			Other (6 respondents)			Total (401 respondents)		
	Yes	No	Don't Know	Yes	No	Don't Know	Yes	No	Don't Know	Yes	No	Don't Know
Option one: Make no change to the current Council Tax Support scheme	67% (115)	23% (40)	11% (19)	19% (42)	76% (168)	5% (11)	17% (1)	67% (4)	17% (1)	39% (158)	53% (212)	8% (31)
Option two – Part 1: Continue to provide support to care leavers through the Council Tax Support scheme	40% (69)	44% (77)	16% (28)	40% (88)	47% (104)	13% (29)	67% (4)	33% (2)	0% (0)	40% (161)	46% (183)	14% (57)
Option two – Part 2: Giving other groups special consideration	47% (82)	33% (57)	20% (35)	24% (52)	55% (121)	22% (48)	50% (3)	17% (1)	34% (2)	34% (137)	45% (179)	21% (85)
Option three: Reducing the maximum level of Council Tax Support	33% (57)	57% (100)	10% (17)	72% (158)	24% (54)	4% (9)	50% (3)	50% (3)	0% (0)	54% (218)	39% (157)	6% (26)

Option four – Part 1: Changing non- dependant deductions (applying new deductions)	50% (83)	34% (54)	17% (37)	51% (113)	36% (79)	13% (29)	50% (3)	33% (2)	17% (1)	50% (199)	34% (135)	16% (67)
Option four – Part 2: Changing non- dependant deductions (changing existing deductions)	61% (88)	21% (45)	18% (41)	70% (154)	17% (37)	14% (30)	50% (3)	50% (3)	0% (0)	61% (245)	21% (84)	18% (72)
Option five: Restricting Council Tax Support to a lower property band charge	48% (84)	42% (73)	10% (17)	52% (114)	39% (87)	9% (20)	17% (1)	67% (4)	17% (1)	50% (199)	41% (164)	9% (38)
Option six: Introducing a minimum Council Tax Support amount	55% (96)	33% (57)	12% (21)	76% (167)	18% (39)	7% (15)	67% (4)	33% (2)	0% (0)	67% (267)	24% (98)	9% (36)
Option seven: Increasing the taper rate that Council Tax is withdrawn at	33% (57)	45% (78)	22% (39)	52% (114)	33% (74)	15% (33)	33% (2)	67% (4)	0% (0)	43% (173)	39% (156)	18% (72)