

AGENDA ITEM NO. 5

OVERVIEW AND SCRUTINY

Date **25 NOVEMBER 2013**

Title **COUNCIL TAX SUPPORT FOR 2014-15**

1. PURPOSE/SUMMARY

Council Tax Support (referred to as “CTS” in this report) replaced Council Tax Benefit from 1 April 2013.

CTS is set locally by District and Unitary Councils.

This report advises Overview and Scrutiny on progress of preparing a revised draft CTS scheme to take effect from 1 April 2014.

2. KEY ISSUES

- CTS for customers of Pensionable Age remains a nationally set scheme.
- CTS for Working Age customers is set locally. With a reduction in Central Government funding, the maximum amount awarded was the amount calculated, less 8.5% for the year starting 1 April 2013.
- Additional grant to help reduce the effects of the cut in funding for 2013-14 will not be offered by Central Government again in 2014-15.
- The Council consulted residents on a 20% reduction in CTS for 2014-15; the feedback is detailed in this report.
- Demand for CTS has been modelled, after the first six months of the current scheme operation, together with the likely costs of awarding it and bad debt provision for non-payment. These show the amount of CTS awarded is falling. This means that the reduction in CTS for 2014-15 has now been revised to 14%.

3. RECOMMENDATION(S)

The Panel is requested to:

- Consider progress of implementation of the 2014-15 CTS scheme for Fenland so far,
- Recommend any changes to the approach being taken prior to further reports being considered by Cabinet and Council.

Wards Affected	All
Forward Plan Reference No. (if applicable)	The CTS scheme is included in the Forward Plan.
Portfolio Holder(s)	<p>Councillor Alan Melton Leader of the Council.</p> <p>Councillor Chris Seaton Deputy Leader of the Council.</p> <p>Councillor Michael Humphrey Portfolio Holder for Finance</p>
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Background Paper(s)	<p>Localising Support for Council Tax – A Statement of Intent Department of Communities and Local Govt 17 May 2012</p> <p>Report to Council meeting of 20 December 2012 “Council Tax Support”</p>

1. AN INTRODUCTION TO COUNCIL TAX SUPPORT

- 1.1 In its 2010 Spending Review the Coalition Government announced that it would localise support for Council Tax from April 2013, and at the same time reduce expenditure by 10%.
- 1.2 In 2011 the Welfare Reform Bill was published (since passed into law) allowing for the then Council Tax Benefit (CTB) scheme to be abolished from 2013.
- 1.3 Before April 2013, CTB was governed by legislation set by the Department for Work and Pensions (DWP). District and Unitary Councils administered it alongside Housing Benefit (HB) with a single, combined application and administrative process. CTB when granted, was offset against peoples' liability for Council Tax, reducing the amount they pay.
- 1.4 CTB was paid out by Councils, with the cost of it being reimbursed to them by the DWP. This system allowed for fluctuations in demand, so if Councils gave more CTB out, the DWP reimbursed the higher costs.
- 1.5 From April 2013, this system changed. CTB was "localised" and re-named Council Tax Support (CTS). This means that there is no longer a nationally governed CTB scheme. Councils set their own schemes. This is part of the Coalition's wider policy of localisation, giving Councils increased financial autonomy and a greater stake in the economic future of their local area.
- 1.6 Pensioners (of state pensionable age) are protected under these new arrangements. CTS for them will continue to be subject to national controls. They will not have their CTS reduced by these changes.
- 1.7 The Coalition is also committed to ensuring that the most vulnerable in society are supported and it has advised Councils to take the needs of these groups into consideration when devising local schemes for CTS.
- 1.8 At the same time as this shift to local control and accountability, the amount of funding for CTS was changed. It moved from demand-led arrangements to a fixed budget allocation each year from April 2013.
- 1.9 The headline reduction in funding was 10%. In reality it was closer to 12% for Fenland.
- 1.10 We needed to make budgetary provision for any increased demand, and resultant non-payment of Council Tax for this over and above the funding that we will receive.
- 1.11 Taking into account the expected funding reduction and allowance for growth, the funding shortfall was £1.35 million in 2013-14. This gap was closed by making changes to Council Tax charged in respect of unoccupied properties, taking advantages of legislative changes that allowed Councils to do this from April 2013 as well as reducing CTS awarded to working age customers.
- 1.12 Taking into account additional revenue in respect of unoccupied properties above, the Council decided to close the remaining funding gap by reducing the CTS awarded to working age customers by 20%. However last October, the Government announced that additional funding would be available where Councils limited this reduction to 8.5%.
- 1.13 Therefore, the Council implemented a CTS scheme for 2013-14 that included an 8.5% reduction for working age customers.

2. THE IMPACT OF COUNCIL TAX SUPPORT IN 2013-14

2.1 CTS has now been in operation since April 2013.

2.2 The amount awarded this year and the numbers of customers claiming have remained fairly constant during the year so far, as the table below shows.

CTS cases and amount awarded 2013-14			
Date	CTS awarded	Working age claims	Pensioner claims
1/5/13	£8.05 million	4,841	4,834
1/6/13	£8.04 million	4,809	4,807
1/7/13	£8.01 million	4,779	4,800
1/8/13	£7.97 million	4,757	4,782
1/9/13	£7.93 million	4,734	4,762
1/10/13	£7.93 million	4,734	4,755

2.3 However, the move from up to 100% CTB entitlement to in effect 91.5% CTS entitlement for working age customers has impacted upon both Council Tax collection, albeit that the Council has made an allowance for non-collection. This is evidenced with collection rates, as the table below shows.

Council Tax collection rates in-year comparison		
Date measured	2012-13 Collection rate at this point	2013-14 Collection rate at this point
5 May	18.6%	17.4%
5 June	26.6%	28.0%
5 July	37.5%	37.2%
5 September	56.2%	55.7%
5 October	65.9%	65.4%
5 November	74.2%	73.5%
In-year target	98.2%	97.5%

2.4 Council Tax recovery action has also seen more Reminders and Summons sent in respect of late and non-payment, as the table below shows.

Effect on Council Tax recovery								
Month	2012 Reminders	Value	2012 Summonses	Value (a)	2013 Reminders	Value	2013 Summonses	Value (a)
Apr	3,002	£319k	N/a	N/a	4,453	£326k	N/a	N/a
May	828	£26k	782	£749k	2,306	£196k	1,726	£1.1m
Jun	1,413	£344k	492	£394k	2,009	£345k	523	£290k
Jul	194	£130k	458	£300k	1,695	£284k	564	£306k
Aug	1,228	£248k	137	£88k	1,714	£279k	519	£264k
Sep	1,042	£213k	340	£194k	1,275	£150k	414	£197k
Oct	1,109	£188k	284	£132k	1,142	£142k	303	£137k

Note (a) these values are much higher as when a summons is issued, the remainder of that years Council Tax becomes immediately due whereas for Reminders, they will normally relate to a single overdue instalment.

3. COUNCIL TAX SUPPORT FOR 2014-15

- 3.1 With the additional Government funding referred to in paragraph 1.12 above confirmed as not being available for 2014-15, the Council is required to address the further funding gap that this now presents.
- 3.2 There is a legal requirement to consult where a CTS scheme is proposed for change, however legislation does not specify the manner or time required to do so. We are also required to consult major precepting authorities (Cambs County Council, the Police and Fire authorities) and have done this in respect of the 2014-15 proposed scheme already.
- 3.3 Section 3 of this report details the consultation and section 4 the results.
- 3.4 The consultation undertaken was on the basis of a cut of 20% in CTS for working age customers, in effect reverting to the original proposals put forward last year.
- 3.5 Officers have now modelled the current demand for CTS, projected demand and the effects of non-payment of any additional Council Tax that customers are required to pay as a result of a change to CTS levels. The table below shows the amounts the Council needs to save.

Savings in CTS expenditure required for 2014	
<u>Detail</u>	<u>Savings</u>
2013-14 Government grant not available in 2014-15	£195,000
Non-collection allowance for additional Council Tax payable as a result	£20,000
Total savings required	£215,000

- 3.6 Taking into account the current CTS awarded, it is now proposed that CTS is reduced by 14% and not the 20% originally proposed. The table below shows this.

Reduction in CTS awarded taking into account 14% cut	
<u>Detail</u>	<u>Savings</u>
CTS projected to be awarded in 2014-15	£7.925 million
CTS projected if cut by 14%	£7.710 million
Total saved	£215,000

- 3.7 It is therefore possible to lessen the effects of a cut in CTS next year, compared with those expected at the start of the consultation phase.
- 3.8 The effects of a 14% cut in CTS on working age customers receiving CTS is (based on current Council Tax levels) compared with the current 8.5% cut is shown in the table below:-

Average weekly Council Tax increase: Working age CTS customers for 2014-15		
<u>Range of weekly increase</u>	<u>Average per week</u>	<u>Number of customers affected</u>
Up to £0.50 per week	£0.29	378
£0.51 - £1 per week	£0.84	2,744
£1.01 - £5 per week	£1.26	1,576
£5.01 - £10 per week	£5.44	2

The average reduction in CTS overall is £48.72 per year, or £0.94 per week.

- 3.9 It should be noted that the amounts quoted in sections 3.5 and 3.6 above are the totals spread between precepting authorities; as the Council collects Council Tax both for its own spending and those of the County Council, Parish and Town Councils, Police and Fire authorities. Taking Council Tax that is paid on an “average” Band D property (this is the base point for calculating what Council Tax is paid, this is the split:-

Savings distribution		
<u>Body</u>	<u>Share of Band D Council Tax</u>	
Fenland District Council	£245.61	15.47%
Cambs County Council	£1100.07	69.28%
Cambs Police	£177.93	11.20%
Cambs Fire	£64.26	0.40%
Average Band D tax	£1,587.87	

Note that the amount for individual Parishes is added to the above, and varies.

4. THE PUBLIC CONSULTATION PROCESS

- 4.1 We are required by law to devise, consult on and for Council to formally approve a local scheme before 31 January 2014, which will be implemented from 1 April 2014. If we fail to do this, the Government will impose a default CTS scheme upon us. This will mean that we would face a budget shortfall of over £1 million.
- 4.2 The Local Government Finance Bill 2012 gives these specific instructions with regards to the next steps:-
- That we publish a draft scheme in such manner as we see fit,
 - That we consult such persons we consider likely to have an interest in the scheme,
 - Having made a scheme, we publish it in a way that we see fit.
- 4.3 Public consultation about the proposed changes to CTS lasted for ten weeks, from 19 August 2013 to 31 October 2013.
- 4.4 We publicised the proposed changes to the community in these ways:-
- Press releases,
 - Having an article on the front page of www.fenland.gov.uk,
 - Writing to all 4,700 customers potentially affected to advise them personally,
 - Sending information out with Council Tax Bills during October to encourage feedback from a wider customer base, including those people not currently awarded CTS.
- 4.5 The central part of the consultation was a survey, in which we asked for views about the proposals. This was available at www.fenland.gov.uk/CTS2014. Hard copies were also available at our Fenland @ Your Service Shops.
- 4.6 The letter and additional information we sent to all 4,700 customers potentially affected by these proposals is attached as Annex A.
- 4.7 All the information that was sent to customers and available in hard-copy form in our Fenland @ Your Service Shops is shown in this table:-

Annex	Description	Sent out	Hard-copy
A	Letter sent to working age people currently receiving CTS	Yes	Yes
B	Survey Form	Yes (1)	Yes (1)
C	Letter sent to other random customers during October 2013	Yes	Yes

Note (1) A hard-copy of the form was sent to customers currently awarded CTS, whereas those written to that are not on CTS were referred to our on-line survey.

- 4.8 Customers were able to seek information and advice from us in these ways:-
- By ringing us on our normal Customer Services number of 01354-654321,
 - By emailing a dedicated email address at localcounciltaxbenefit@fenland.gov.uk,
 - By writing to us using our existing Council Tax postal address,
 - By visiting any of our Fenland @ Your Service Shops,
 - By our special pages on www.fenland.gov.uk/CTS2014

5. THE CONSULTATION RESULTS

- 5.1 175 survey forms were completed (this is a much higher return rate than last year, when only 74 responses were received from the on-line survey and survey forms). Of these 115 were hard-copy forms and the other 60 were on-line responses. Those completed using hardcopy forms were input on-line after receipt.
- 5.2 The results of the survey by question follow.
- 5.3 Respondents understood the proposals. They did not agree that everyone should pay Council Tax. They agreed that vulnerable people should get more help paying than others, as the data below shows:-

Some questions about the proposals - Please tick one answer for each question below.						
<u>Answer Options</u>	<u>Strongly Agree</u>	<u>Agree</u>	<u>Neither Agree or Disagree</u>	<u>Disagree</u>	<u>Strongly Disagree</u>	<u>Total</u>
Do you understand the Local CTS scheme being proposed?	24	72	19	18	42	175
The proposals mean everyone (except Pensioners) must have to pay some Council Tax. Do you agree with this?	9	46	17	31	68	171
Vulnerable groups (such as the disabled and families with young children) will be helped by getting more benefit than those without a disability or young children. Do you agree with this?	59	52	25	19	19	174

- 5.4 The second question asked for comments about our proposed scheme.
- 5.5 These are summarised in the following table. Where comments were very similar, the main issue is quoted with the number of customers mentioning this issue noted as a number in brackets next to it.

What comments do you have about the scheme being proposed?		
	<u>Customer comments</u>	<u>How we mitigate these</u>
1	It will make me worse off (66)	Noted
2	No comment made (28)	N/a
3	The vulnerable should be protected more (22)	CTS is already structured to give more support to those with lowest income
4	The Council should be more efficient instead (11)	Noted
5	Disagree with proposals (10)	Noted
6	Means not having enough money to live on (8)	Any change could have this effect
7	People should contribute more (5)	This will have that effect
8	Pensioners should not be protected (4)	They are protected by Government regulations
9	The increase is too high (3)	Noted
10	Not enough information to comment (3)	No contact details given to help us contact them and understand more
11	There are political reasons for this (3)	Noted
12	It will increase levels of debt (2)	This is correct if Council Tax unpaid
13	Agree with proposals (1)	Noted
14	Each case should be assessed individually (1)	CTS already does this
15	It causes a poverty trap (1)	Noted
16	It will cost more to collect (1)	It is not possible to quantify this at this stage
17	Waste of time asking for comments (1)	Noted
18	Most affects the unemployed (1)	It will do so by definition
19	No objection to it (1)	Noted
20	Not relevant to them (1)	Noted
21	Property too expensive in area (1)	Not clear what this person means
22	Understands scheme needs to be affordable to Council (1)	Noted

5.6 The third question asked if there are any other people that we should protect from these changes.

5.7 These are summarised in the table overleaf. Where comments were very similar, the main issue is quoted with the number of customers mentioning this issue noted as a number in brackets next to it.

Are there any other people we should protect from these changes and why?		
	Customer comments	How we mitigate these
1	No comment made (65)	N/a
2	People on low incomes (50)	CTS is designed to offer the most help to the worst off
3	Disabled people (20)	CTS gives more help to those with other disability-related benefits as these people already have a higher income
4	No Groups should be protected (10)	Noted
5	Families with children (7)	Child Benefit is disregarded (not counted) income in our scheme, whereas many Councils do not do this. This means that in Fenland, families are able to retain more of their income than in many Council areas.
6	People who cannot work (4)	These people will normally receive other benefits to reflect this, which are often disability-related such as Employment Support Allowance.
7	Everyone's needs are different (3)	CTS already takes this into account
8	We already know this information so should not ask (3)	It is not clear what is meant here
9	Armed forces (2)	CTS would take account of their income and they may not be entitled anyway as their income may be above the CTS threshold.
10	Carers (2)	Carers who live with someone getting certain disability-related benefits and provide care for 35 hours a week can claim a reduction from Council Tax separately
11	Pensioners (2)	Pensioners are not affected by these changes where the household is only comprised of pensioners
12	The unemployed (2)	CTS is designed to offer the most help to the worst off
13	Don't penalise the poor (1)	
14	Everyone should pay less (1)	
15	People living in villages (1)	
16	Single parents (1)	
17	Young people (1)	

5.8 The fourth question asked if our proposals affect any individuals or groups more than others, and if so how we deal with them.

5.9 These are summarised in the table on the next page. Where comments were very similar, the main issue is quoted with the number of customers mentioning this issue noted as a number in brackets next to it.

Will these proposals affect any individuals or groups more than others, and if so how can we deal with this?	
	Customer comments
1	Rethink approach to those with lowest incomes (19)
2	Disabled (12)
3	Don't know (8)
4	Don't ask vulnerable people for more (8)
5	Help people on benefits (7)
6	Talk to people to understand their needs (7)
7	Do not increase Council Tax (6)
8	Look harder to find other savings (6)
9	Unclear answer, not able to capture sense of comments being made (5)
10	Not give CTS to Pensioners (4)
11	Deal with cases individually but you have to balance the books (3)
12	Everyone should pay their way (3)
13	Will lead to confusion and civil unrest (2)
14	Don't help people not wanting to work 2)
15	People suffering from depression /long-term illness should be protected (2)
16	We should know answer without asking (2)
17	Current proposal will help worst affected (1)
18	Do not charge people most at risk (1)
19	Families with older children (1)
20	Have weekly payments (1)
21	Increase the minimum wage (1)
22	Larger properties should pay more (1)
23	Lobby Government for more funding (1)
24	Only understand how affected personally (1)
25	Rollout as a pilot scheme first (1)
26	Treat all groups equally (1)
27	We will make change regardless of feedback (1)

5.10 There was a mixture of different circumstances of those completing the survey, albeit that not everyone completed all the questions relating to this. It may be that where a person is receiving CTS now, they do not think that they pay Council Tax to us.

Please tick the boxes that apply to you. This will help us understand about the range of people commenting on our proposals.		
Answer Options	Yes	No
Do you pay Council Tax to Fenland District Council?	140	5
Do you currently get Council Tax Support from Fenland District Council?	110	19
Do you currently get Housing Benefit from Fenland District Council?	116	26

5.11 In order to ensure that we took into account the views of different groups in the community, we asked if this was a factor in their answers. This is summarised on the next page.

Do you feel any of the following have been a factor in the issue you have raised? (Please tick the relevant boxes and include any extra information if necessary.)		
<u>Answer Options</u>	<u>%</u>	<u>Number</u>
Age	26.2%	16
Disability	60.7%	37
Gender Reassignment	0.0%	0
Pregnancy and Maternity	3.3%	2
Race	2.2%	1
Religion or Belief	3.3%	2
Gender	0.0%	0
Sexual Orientation	1.6%	1
Marriage and Civil Partnerships	4.9%	3
None of the above	34.4%	21

5.12 These are summarised in the following table. Where comments were very similar, the main issue is quoted with the number of customers mentioning this issue noted as a number in brackets next to it.

Do you feel any of the following [table 7.11 above] have been a factor in the issue you have raised?	
	<u>Customer comments</u>
1	The customer is in none of the mentioned groups (13)
2	Disabled people (13)
3	They will struggle more financially as a result of this change (13)
4	They are a vulnerable adult and are unable to cope with this change (3)
5	Long term illness means that they cannot increase their income (2)
6	Shop staff can help by being sympathetic to a person's needs and offer help to them (2)
7	Survey format did not allow for people not wishing to answer all questions as could not skip through it (1)
8	The Council is out of touch with the people affected by this (1)
9	Court costs for non-payment can be higher than the bill itself (1)
10	Daylight robbery! (1)
11	We should not protect Pensioners (1)
12	We should not give CTS to Migrants (1)
13	The people most affected by these proposals won't respond to our consultation anyway (1)
14	Need more information from us on how the Council Tax is spend (1)
15	Need more Police on the streets (1)
16	Pensioners shouldn't pay any Council Tax (1)
17	The self-service payment machine at the Chatteris Community Hub should be more private (1)
18	Some roads in the District are bad and need repairing (1)
19	Single people should be protected from these changes (1)
20	Some people claiming when not entitled to CTS (1)

5.13 The comments detailed in this section of this report show the difficult balance that the Council needs to make, between making the required financial savings as a result of the effects of CTS funding; and the need to reduce the financial burden placed on the most vulnerable members of the community.

5.14 The combination of these comments, and the lower demand for CTS than was envisaged last year means that the Council is able to amend its proposals from a reduction of 20% in CTS paid to working age customers for next year down to a reduction of 14%.

6. EQUALITIES IMPACT ASSESSMENT

6.1 The Equality Act 2010 reminds all public bodies that they have “due regard” for the need to:-

- Eliminate unlawful discrimination,
- Advance equality of opportunity,
- Foster good relations.

6.2 The Act also identifies groups of people who share a common characteristic and must be “protected” under the terms of the Act. These groups have these characteristics:-

- Age,
- Disability,
- Gender reassignment
- Pregnancy and maternity,
- Race,
- Religion or belief,
- Gender,
- Sexual orientation,
- Marriage and civil partnerships.

6.3 Other legislation and best practice suggest that we should also extend these groups to include those people affected by these considerations:-

- Human Rights,
- Socio economic factors.

6.4 A full Equalities Impact Assessment is being carried out. This will be included in the reports to Cabinet and Council in December 2013. It is an updated version of that undertaken last year for the original CTS scheme. This is, however very much a “living document”. It is regularly examined and updated in the light of continued lessons learnt from the on-going operation of CTS. This enables us to continually revisit the Assessment and ensure that it is still relevant and has taken into account all new developments.

7. PROPOSED REVISED NEXT STEPS

7.1 The steps for implementing our CTS 2014 scheme from now onwards are:-

Key milestones for implementing CTS revised scheme		
<u>Action</u>	<u>Detail</u>	<u>Dates</u>
Cabinet	Cabinet examine and recommend scheme to Council.	19 December 2013
Council	Council examine and agree scheme.	19 December 2013
Final publicity		January 2014
Informing the change	New 2014-15 Council Tax Bills sent with the amended CTS amount.	March 2014
New scheme starts	The new rules take effect.	1 April 2014

8. CONCLUSION

- 8.1 This report has given the Panel an update on progress of our proposals so far, and how they are being shaped by the public consultation and the budgetary requirements for 2014-15.
- 8.3 Members will see how these proposals progress through key points at Cabinet and Council in the next few weeks, before final preparations are made to implement the final scheme in time for its live operation from 1 April 2014.

The following annexes are attached to this report.

Annex	Description
A	Letter sent to working age people currently receiving CTS
B	Survey Form
C	Letter sent to other random customers during October 2013

September 2013

Dear [personalised],

Proposed changes to your Council Tax Support

In April 2013 the Government introduced Council Tax Support which resulted in you having to pay a contribution of at least 8.5% towards your Council Tax bill.

April 2014

The money we got this year from the Government to limit the cut in your Council Tax Support to 8.5% will not be given to us next year.

This means we are proposing to pass on the effect of this and will mean that you have to pay at least 20% of your Council Tax bill.

An example of how this will affect you is shown below:-

	<u>Now</u>	<u>Proposed</u>
A typical Council Tax Bill	£1,000	£1,000
Council Tax Support now	£915	£800
The amount to pay is	£85	£200

On the above example, this means £115 more to pay next April.

Why are we proposing to give you less Council Tax Support?

The money we get from the Government to pay for Council Tax Support will be less next year.

To make up this difference, we either have to spend less money on Council Services, or give less Council Tax Support. We are proposing to do the latter.

What happens now?

Give us your view:-

On-line at www.fenland.gov.uk/CTS2014

Or, you can complete and send back the survey form with this letter (you will need to pay postage, or bring the form into a Fenland @ your service Shop).

Consultation closes at 5pm on 31 October 2013.

We will then look at your comments and decide what we will do. This will happen at a meeting of the Council on 19 December 2013.

We will send you a new Council Tax Bill in March 2014 which may ask you to pay more from 1 April 2014.

Yours sincerely



Geoff Kent
Head of Customer Services



**Council Tax
Support**
is changing
Have your say

Council Tax Support is changing from 1 April 2014

Have your say

Complete this questionnaire and
tell us what you think.

You can also fill this in and find out more
on-line at www.fenland.gov.uk/CTS2014



INVESTORS
IN PEOPLE



The Government Standard

Please answer the questions below

SECTION ONE – ABOUT THE PROPOSALS

Some questions about the proposals. Please tick one box for each question for Questions 1-3 below.

1. Do you understand the scheme being proposed?

Strongly Agree Agree Neither Agree or Disagree Disagree Strongly Disagree

2. The proposals mean everyone (except Pensioners) must have to pay some Council Tax? Do you agree?

Strongly Agree Agree Neither Agree or Disagree Disagree Strongly Disagree

3. Vulnerable groups (such as the disabled and families with young children) will be helped by getting more benefit than those without a disability or young children. Do you agree?

Strongly Agree Agree Neither Agree or Disagree Disagree Strongly Disagree

4. What comments do you have about the Council Tax Support scheme being proposed?

5. Are there any other people we should protect from these changes?

6. Will these proposals affect any individuals or groups more than others, and if so how can we deal with this?

SECTION TWO - ABOUT YOU

(if you're responding for an organisation please go to Section 4)
This section is optional

Your Name

Your Address

Your Email Address

Your Phone Number

SECTION THREE – ABOUT YOU

Please tick the boxes that apply to you. This will help us understand about the range of people commenting on our proposals.

Do you pay Council Tax Bill from Fenland District Council now?

Does the Bill mentioned above include a reduction called “Council Tax Support” shown on it?

Do you currently get Housing benefit from Fenland District Council?

SECTION FOUR – ABOUT YOUR ORGANISATION

Are you responding as a representative of one of these types of organisations (please tick one box)?

Voluntary organisation

Housing Association

Landlord

Other

Your Name

Your Organisation

Your Address

Your Email Address

Your Phone Number

SECTION SIX EQUALITIES MONITORING FORM

We are committed to providing equal opportunities for everyone when providing services and in our role as a major employer. We will make sure that we:

- **treat all people with dignity and respect;**
- **prevent discrimination throughout Fenland Council; and**
- **treat all of our service users fairly.**

We monitor the equality and effectiveness of the way we deliver services, to continually improve our policies and practices. We will treat all information confidentially and use it for monitoring purposes only.

Are you satisfied with the service you have received?

- Yes No

If you are not satisfied, please tick the relevant boxes and include any extra information.

- Age
- Disability
- Gender Reassignment
- Pregnancy and Maternity
- Race
- Religion or Belief
- Gender
- Sexual Orientation
- Marriage and Civil Partnerships
- Social and Economic circumstances
- None of the above

Please explain why

PROOF



Fenland District Council

Fenland District Council, Fenland Hall, County Road, March, Cambridgeshire. PE15 8NQ
Telephone: 01354 654321 Email: info@fenland.gov.uk Web: www.fenland.gov.uk

September 2013

Dear customer,

Proposed changes to Council Tax Support

I am writing to you to ask for your comments on this, even though you may not get Council Tax Support personally.

You have been picked at random as we would like to ask a sample of our customers what they think of our proposals. I hope that you will be able to comment on our proposals.

What is Council Tax Support [also called “CTS” in this letter]?

CTS is a means-tested reduction from Council Tax. Customers need to apply for it and provide evidence of income, savings and the make-up of their household. We have an on-line calculator and application at www.fenland.gov.uk.

Up until 31st March 2013 customers used to get Council Tax Benefit. This was a national scheme, covered by Government regulations. Local Councils gave it out (by reducing Council Tax bills) but the Government paid for it.

From April 2013, CTS replaced Council Tax Benefit (CTB). Pensioners (of state pensionable age) are protected from any reductions in support because of the new scheme and continue to have their claims assessed using the CTB rules that applied up to 31st March 2013.

For working age people however, local Councils were given responsibility to set their own CTS scheme. At the same time as the CTS scheme started, and as part of its moves to reduce public spending, the Government changed the way CTS was funded. Now; the Government gives a fixed amount of money to local Councils, which is less than before.

This means that after ensuring that pensioners are protected from any reductions in support, there is about 20% less money to give to working age people.

To meet the funding gap, Councils either have to reduce budgets, or give less CTS out. For this year, we chose to give out less CTS. We propose to do the same next year also.

This year, the Government gave us money to help limit the shortfall. It meant we reduced CTS for working age people by 8.5%. This money is not available for next year. We are proposing to pass on the full funding cut so CTS will be reduced by 20% for working age people next year.

An example of CTS

From next April we will ask some people to pay more Council Tax.

	<u>2012/13</u>	<u>2013/14</u>
A typical Council Tax Bill	£1,000	£1,000
Council Tax Support now	-£915	-£800
The amount to pay is	£85	£200

On the above example, this means £115 more to pay for this person next April.

Does this affect me?

Only if you get Council Tax Support. There are 4,700 households (out of a total 43,000 or 11%) in Fenland who receive Council Tax Support now.

You can see if you do as it will be shown on your latest Council Tax Bill.

What happens now?

We'd like your opinion. Give us your view:-
On-line at www.fenland.gov.uk/CTS2014

Consultation closes at 5pm on 31 October 2013.

We will then look at your comments and decide what we will do. This will happen at a meeting of the Council on 19 December 2013.

Like to know more? Go on-line at www.fenland.gov.uk/CTS2014

Yours sincerely



Geoff Kent
Head of Customer Services