The Council Tax Support proposal

People of pension credit age are protected from these cuts, so Islington Council has to make up the shortfall of at least £2.9 million from working age people. We have worked out that to meet this shortfall (and to cover further shortfall if benefit claimants increase), we need to reduce the amount paid to working age people under the Council Tax Support scheme by 18%.

Here is a summary of what the Council Tax Support scheme should look like:

1. All pensioners aged 65 or over will receive at least £100 in Council Tax Support to help them pay their council tax if they are charged from the start of the council tax year (1st April).

2. Pensioners will be protected and their Council Tax Support payments will be the same as they would have received from Council Tax Benefit.

3. We will work out the Council Tax Support payments for everyone else by calculating how much Council Tax Benefit they would have received and then reducing this by 18%. For working age people on full Council Tax Benefit this will mean a reduction of between £2.24 and £7.48 a week.

4. We will provide an additional cash back reduction of £20 to those of working age who receive Council Tax Support who pay their council tax bill in full. This will increase to £30 if they pay in full by regular direct debit.

To see details of the full scheme go to www.islington.gov.ukfctconsultation

The council does not agree with the cuts the government has made to Council Tax Benefit and we are proposing to change the system as little as possible because:

• the protection already offered to vulnerable claimants including disabled people and families as part of Council Tax Benefit is retained, along with work incentives such as extended payments and

• there will be minimum levels of disruption for existing claimants and any new claimants entering the scheme.
How these changes affect you

We expect that everybody who receives Council Tax Benefit, except pensioners, will be affected by the change. To help you understand what these changes may mean to you we have put together a number of examples.

If you are of working age and you get full Council Tax Benefit at the moment, you will have to pay some council tax from 1st April 2013 because the 18% reduction in your benefit means it no longer covers all of your council tax.

The amount of council tax you will have to pay is shown in Table 1 below. It depends on the Band that your home is in and whether you qualify for a discount because you are a single person.

Table 1 – Council tax charges per week for working age people on full Council Tax Benefit

<table>
<thead>
<tr>
<th>Band</th>
<th>Council tax due per week if you do not qualify for a single persons discount</th>
<th>Council tax due per week if you qualify for a single persons discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>£2.99</td>
<td>£2.24</td>
</tr>
<tr>
<td>B</td>
<td>£3.49</td>
<td>£2.62</td>
</tr>
<tr>
<td>C</td>
<td>£3.99</td>
<td>£2.99</td>
</tr>
<tr>
<td>D</td>
<td>£4.49</td>
<td>£3.37</td>
</tr>
<tr>
<td>E</td>
<td>£5.49</td>
<td>£4.11</td>
</tr>
<tr>
<td>F</td>
<td>£6.48</td>
<td>£4.86</td>
</tr>
<tr>
<td>G</td>
<td>£7.48</td>
<td>£5.61</td>
</tr>
<tr>
<td>H</td>
<td>n/a - see Note 1</td>
<td>n/a - see Note 1</td>
</tr>
</tbody>
</table>

Note 1 - No-one living in a Band H property is currently receiving full Council Tax Benefit.

If you are of working age and you get partial Council Tax Benefit at the moment, you will have to pay extra council tax from 1st April 2013 because your benefit has been reduced by 18%. Because you only receive partial Council Tax Benefit, the extra council tax you have to pay will be lower than shown in Table 1. Table 2 below gives a few examples of the likely impact for people who currently receive partial Council Tax Benefit.
Table 2– Extra council tax charges per week for working age people on partial Council Tax Benefit

<table>
<thead>
<tr>
<th></th>
<th>Single working with 1 child</th>
<th>Single working with 1 child</th>
<th>Couple working with 2 children</th>
<th>Couple working with 2 children</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekly income</td>
<td>£221.73</td>
<td>£221.73</td>
<td>£336.91</td>
<td>£336.91</td>
</tr>
<tr>
<td>Council Tax Band</td>
<td>B</td>
<td>C</td>
<td>D</td>
<td>E</td>
</tr>
<tr>
<td>Current weekly benefit</td>
<td>£13.41</td>
<td>£15.50</td>
<td>£21.56</td>
<td>£27.12</td>
</tr>
<tr>
<td>Weekly benefit from 1st April 2013</td>
<td>£11.00</td>
<td>£12.71</td>
<td>£17.68</td>
<td>£22.24</td>
</tr>
<tr>
<td>Extra council tax due per week because your benefit has been reduced by 18%</td>
<td>£2.41</td>
<td>£2.79</td>
<td>£3.88</td>
<td>£4.88</td>
</tr>
</tbody>
</table>

These changes will not affect pension age claimants
Have your say

Please complete and return our questionnaire on the new proposed council tax support scheme so that it arrives by 30th November 2012 using the pre-paid envelope. It is quick and easy.

Once the consultation is complete the findings will be presented to the council in January 2013 where the final decision will be made.

The government's requirements for all council tax support schemes are set out in the Local Government Finance Bill, which is currently going through Parliament. If this planned legislation is passed, Islington Council will be expected to have a new scheme in place by 31st January 2013 to take effect from 1st April 2013. We will write to you if you are going to be affected.
Council Tax - Islington Council Tax Support consultation

Please answer the questions below, including any additional comments in the boxes provided.

Please return this questionnaire in the free post envelope so that it arrives by 30th November 2012 when the consultation ends.

The information you provide will be used fairly and lawfully and Islington Council will not knowingly do anything which may lead to a breach of the Data Protection Act 1998.

1. Do you agree with the Government’s changes to Council Tax Benefit?
   Yes ○ No ○

2. If the government does abolish Council Tax Benefit, Islington Council has created a Council Tax Support scheme that will be introduced from 1st April 2013. Please suggest any changes that might improve this proposal.
3. The proposed scheme will affect all working age claimants by reducing the amount of support received. What are your views on this?

4. Should the council offer a cash back incentive to working age people receiving Council Tax Support who manage to pay their council tax bills in full even though their benefit has been reduced?

   Yes O  No O

Any comments?

5. If you have any other views or comments, or alternative suggestions, then please enter them in the box below.
Section A – About you

Please remember that all responses are anonymous and will not be linked in any way to you as an individual. (If you are responding on behalf of an organisation please go to Section B)

6. Do you live in the London Borough of Islington? Yes ☐ No ☐

7. Are you a council tax payer? Yes ☐ No ☐

8. Are you currently receiving Council Tax Benefit? Yes ☐ No ☐

9. Are you: Female ☐ Male ☐

10. Are you a pensioner? Yes ☐ No ☐

11. Are you or your partner in paid employment for more than 16 hours a week? Yes ☐ No ☐

12. Which of these best describes your current accommodation? Please tick one box only
   Owned outright ☐ Rented from Housing Association/Trust ☐
   Bought with mortgage ☐ Rented from private landlord ☐
   Rented from council ☐ Other ☐

13. How many children do you have living with you? No children ☐ 1-3 children ☐ 4 or more children ☐

14. Please tell us if you receive any of these social security benefits? Pension Credit (Guaranteed Credit) ☐ Income Support ☐
    Job Seekers Allowance (Income Based) ☐ ESA (Income Related) ☐

15. Do you, or does anyone in your family, have a disability which has a substantial and long term adverse effect on your ability to carry out normal day-to-day activities?
    Yes ☐ No ☐
16. Please tick the ethnic group you feel best describes you.

- White British
- White other
- Any other ethnic group

Section B – about your organisation

Are you responding to this consultation in your capacity as a representative of any of the following?

- Voluntary Organisation
- Private Landlord
- Registered Social Landlord
- A business operating within Islington
- Other

Please give us your name and contact details if you are happy for us to contact you to discuss your responses in more detail:

Name:

Organisation Name:

Tel:

Email:

Thank you very much for taking part in this survey.

Please return your questionnaire in the pre-paid envelope provided so that it arrives by 30th November 2012.