Consultation on our proposal to change the Council Tax Support scheme from 1 April 2017

Deadline for responses 7 November 2016
The current Council Tax Support scheme

In 2013 we were required to create a local Council Tax Support scheme to replace the national scheme known as council tax benefit. In doing this the government cut the grant available to finance the scheme, but at the same time required us to protect people of pension credit age. As a result we had to make up a shortfall of around £2million a year by developing a local scheme for people of working age only.

We consulted extensively at the time and the scheme that we adopted and have retained since 2013 has the following features:

- Pensioners aged 65 or over 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.
- Pensioners are protected and their Council Tax Support award is linked to national requirements that are prescribed by the government. This broadly means that their Council Tax Support is the same as they would have received in council tax benefit.
- The Council Tax Support award for working age people is worked out by calculating how much benefit they would have received under the old Council Tax Benefit scheme, and then reducing this by 8.5 per cent.
- A cash back of £15 is awarded to all working age Council Tax Support recipients who pay their council tax in full by the end of the year.

What we are proposing to keep in the Council Tax Support scheme for 2017/18

- Pensioners would still receive a minimum of £100 Council Tax Support.
- Pensioners would still be protected.
- Working age people would still have their award based on regulations that would continue to provide extra support for disabled people, families with children, and people in employment.
- Any reduction from Council Tax Support for working age people would continue to be capped at 8.5 per cent. This means that the council would continue to subsidise the scheme, ensuring that we are not passing on the full extent of the government cuts to Council Tax Support claimants in our area.

What we are proposing to change

- We want to change the way that Council Tax Support is calculated so that when changes happen to similar benefits nationally we have the option to make changes at the same time to Council Tax Support.
- We do not want to apply any revisions that would reduce a person’s Council Tax Support award for working age people by less than £1 per week.
- We would like to end the £15 cash back award.

Please find more information about the proposed scheme on the inside back cover.
Have your say

Please complete the survey overleaf, pull it out and return it using the **pre-paid envelope** enclosed, so that it arrives by **7 November 2016**. It is quick and easy.

The findings of the consultation will be presented to all Islington Councillors at a meeting on 15 December 2016 where final decisions will be made.

What the current scheme says and what we are proposing to change is detailed within this document. It will be helpful if you read the whole document before answering the questions.

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.

To view the consultation paper online go to [www.islington.gov.uk/consultations](http://www.islington.gov.uk/consultations)

To access the survey online go to [https://survs.com/survey/j568sjgprr](https://survs.com/survey/j568sjgprr)
What do you think?

New scheme proposals

1. Any changes to the Council Tax Support scheme will be introduced from 1 April 2017. Overall, do you agree with the changes being proposed?

☐ Strongly agree  ☐ Agree  ☐ Neither agree nor disagree
☐ Disagree  ☐ Strongly disagree  ☐ Not sure

2. The proposal is that the council would have the flexibility to make changes to the Council Tax Support scheme when changes are made to similar benefits nationally.

Do you agree with this?

☐ Strongly agree  ☐ Agree  ☐ Neither agree nor disagree
☐ Disagree  ☐ Strongly disagree  ☐ Not sure

3. The proposal is to ignore changes that would reduce the council tax support award by less than £1 per week.

Do you agree with this?

☐ Strongly agree  ☐ Agree  ☐ Neither agree nor disagree
☐ Disagree  ☐ Strongly disagree  ☐ Not sure

4. The proposal is to end the £15 cash back awarded to council tax working age recipients who pay their council tax in full by the end of the year.

Do you agree with this?

☐ Strongly agree  ☐ Agree  ☐ Neither agree nor disagree
☐ Disagree  ☐ Strongly disagree  ☐ Not sure

5. Are there any comments or alternative proposals that you would like to make?

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
About you

The information you provide us with will be used to improve our services. These are standard questions we ask but if you do not wish to answer, that’s fine. The information you provide on this form will be kept in accordance with the Data Protection Act 1998. Responses are anonymous and not linked to individuals.

6. Do you live in Islington? ☐ Yes ☐ No

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

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

9. Gender ☐ Female ☐ Male ☐ Transgender ☐ Prefer not to say

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

13. Do you, or does anyone who lives with you, have a disability? ☐ Yes ☐ No

14. Please tick the appropriate box to indicate your ethnic background.

White
☐ British
☐ Irish
☐ Kurdish
☐ Turkish/Turkish Cypriot
☐ Greek/Greek Cypriot
☐ Gypsy/Traveller
☐ Prefer not to say
☐ Any other white background

Black or Black British
☐ Caribbean
☐ Somali
☐ Eritrean
☐ Nigerian
☐ Ghanaian
☐ Other African
☐ Prefer not to say
☐ Any other black background

Mixed
☐ White and black Caribbean
☐ White and black African
☐ White and Asian
☐ Prefer not to say
☐ Any other mixed background

Other Ethnic Groups
☐ Arab
☐ Latin American
☐ Prefer not to say
☐ Any other background

Asian or Asian British
☐ Indian
☐ Pakistani
☐ Bangladeshi
☐ Prefer not to say
☐ Any other Asian background

Chinese or other Ethnic Group
☐ Chinese
☐ Filipino
☐ Vietnamese
☐ Any other ethnic group
### About you

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Thank you very much for taking part in this survey.
Why we are proposing these changes

• We want to have the flexibility to make changes to Council Tax Support during the year in line with changes that are being made to similar benefits nationally, when we think it is appropriate. We will continue to link the scheme to regulations which provide extra support for disabled people, families with children and people in employment.

• We do not want to send a new bill during the year if a person’s Council Tax Support award would go down by less than £1 per week. A new bill, with a changed pattern of installments and payment requirements, can cause confusion and concern to residents, so we would like to avoid this. Also we recognise that a number of people who get council tax support are in work. As part of our focus on supporting employment we would like to see small increases of pay ignored and for us to only send a new council tax bill when the award would go down by more than £1 per week or, in other words, the council tax bill would go up by more than £1 per week.

• Awarding a cash back of £15 to Council Tax Support recipients who pay in full by the end of the year cost the council over £165,000 last year. The council needs to make savings due to further government cuts so we are proposing a budget saving in this aspect of the scheme. Plus, there is little evidence to suggest that the cash back increases council tax collection (which was the original intention).

The potential impact of these proposed changes

Everybody who receives Council Tax Support, except pensioners, could be affected by the changes in some way.

If you are of working age and you get Council Tax Support at the moment, a small reduction to entitlement worth less than £1 per week would not be applied. This would benefit all current recipients who have minor increases in their income.

If you are of working age, get Council Tax Support and pay your council bill in full by the end of the year, you would no longer receive the £15 cash back.

From time to time, national changes are made to benefit entitlements and some of these, if applied to your Council Tax Support award, could lead to an increase or a decrease in your award.

For example, a reduction in tax credits would lead to a higher Council Tax Support award because the overall income used in your assessment would reduce. Lower income means more Council Tax Support.

On the other hand, removing the family premium (as happened to national benefits in May 2016) would lead to the Council Tax Support award going down (because the more ‘premiums’ and ‘allowances’ you get, the higher the award).

To see details of the proposed draft scheme for 2017/18 go to www.islington.gov.uk/consultations
Get in touch

Do you need this information in another language or reading format such as Braille, large print, audio or Easy Read? Please contact 020 7527 2000.

To find out more information please contact:

benefits.service@islington.gov.uk 020 7527 4990 www.islington.gov.uk/consultations

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