

# Local Council Tax Support Scheme (LCTSS) Survey 2021

## Website Introduction Page

### Local Council Tax Support Scheme (LCTSS) Survey 2021

We would like your views on our Local Council Tax Support Scheme. Find out how to have your say.

#### Background

In April 2013 the national system of council tax benefit ended. Since then we have had to manage our own local council tax support schemes with less government funding. We have had to make difficult decisions about who gets financial support and how we can help those in need.

We have consulted on the scheme every year since 2013. Your feedback has helped us make changes. See the changes on our: [what is local council tax support and how has it changed page](#).

#### How to have your say

Fill in the [online consultation](#).

The deadline to give your views is 5pm Thursday 15 October 2020.

We have been asked to give extra information to help you give your feedback. Please see the explanations of our proposed changes. We would also like to know what information would help you with future changes to the scheme.

#### The 2021-22 scheme - suggested changes

##### Remove the Band E restriction for 2021 only

Currently the highest award that a claimant living in a Band E property can get is capped at the Band D charge. Removing the cap will enable us to give taxpayers more help. We expect that more help may be needed due to the COVID-19 pandemic. Only 6% of recipients are currently in a band E property.

##### Update the amounts used to calculate entitlement

For our 2021-22 Local Council Tax Support Scheme, we are suggesting the following changes:

- Increase personal allowances. These are the basic amount that we expect a specific type of household to need each week. This includes, a family, couple or single person. The increase is to make sure personal allowances do not reduce due to inflation. We base this on government welfare allowances for Housing Benefit (help with rent). This assumes that a single person over 25 needs £74.35 per week and a couple £116.80. There are extra allowances for children.
- Increase premiums. These are extra sums for specific needs such as being a carer or having a disability. Increasing these means the help given is not reduced in relation to inflation.
- Increase non-dependant deductions. We expect non-dependents aged 18 or over to contribute more to the household in which they live. We band these deductions so that someone with a very low income pays a smaller amount each week. The contributions range from £4.05 for an unemployed person, to £12.50 for someone earning around £24,000 a year. We increase the bands as well as the amounts and this means that some contributions reduce. For example:
  - Non-dependant earns £210.00 per week in 2020. The 2020 band is £207.70 to £360.10, and the deduction is £8.10.
  - In 2021 the band increases to £217 to £377 and the deduction to £8.25. But the non dependant does not have a pay increase and moves down a band to a £4.05 deduction

In very simple terms, we add the premiums to the personal allowances and deduct any non dependant deductions. This creates an income allowance which is compared to income, to decide the level of help we will give.

Around 62% of people who get Local Council Tax Support and are working have 100% of their Council Tax paid. Over 90% have 50% or more of their Council Tax paid. We don't ask everyone to pay something whatever their situation, unlike most councils.

## Hardship Fund

As well as our working age Local Council Tax Support Scheme we also have a Hardship Fund. This fund gives help for those adversely affected by our scheme rules. We look at actual income and expenditure when we make awards from this fund. The fund is not intended for long term support. It does mean that those who are most in need can receive help with their Council Tax.

We would like to hear your views on the proposed changes for 2021-22. We would also like to hear your suggestions to reduce, maintain or increase the level of support we offer in the future.

The scheme for pensioners will not change unless the Government makes changes.

## Survey Responses

We received a total of 12 responses as follows

- Q1. Do you agree with updating the amounts used to calculate entitlement within the scheme? Using this year's figures we estimate this will cost an initial £14,000**

	Response Total
Don't know	2
Strongly disagree	1
Disagree	0
Agree	3
Strongly agree	6

- Q2. Do you agree with removing the Band E restriction? Using this year's figures, we estimate this will cost an initial £50,000**

	Response Total
(blank)	1
Don't know	1
Strongly disagree	2
Disagree	0
Agree	3
Strongly agree	5

- Q3. Currently a person can receive help with 100% of their council tax, so they don't pay anything. Do you agree that all claimants should have to pay at least a certain fixed percentage of their council tax bill - for example 10%?**

	Response Total
Don't know	0
Strongly disagree	6
Disagree	2
Agree	1
Strongly agree	3

**Q4. What do you feel would be an appropriate percentage should a claimant have to pay towards their council tax bill?**

	Response Total
Don't know	1
0%	6
5%	1
10%	1
20% or higher	3

**Q5. What impact would this change have on your household?**

	Response Total
(blank)	1
Not sure	4
No impact	5
Low impact	1
High impact	1

**Q6. Do you have any comments or suggestions for other savings or options that could be included in future reviews of our LCTS scheme?**

<b>Responses</b>
Review / remove the inclusion of child benefit from the income calculation
Review / remove the inclusion of Child maintenance from the income calculation
Look at minimum income floor on a case by case basis - especially if claimant in receipt of carers allowance.
Seems all the support is given to those who get everything so no incentive to work. The reality is we both work but would be better off being unemployed. There should be more for those who work but struggle as they don't qualify for any benefits but due to housing market pay extortionate rent.
The inclusion of CHB and child maintenance when calculating LCTS should be reviewed/ended. Those on legacy benefit are not affected and it is an unfair charge. The minimum income floor should be looked at on a case by case basis. EG: those on carer allowance are providing care 35 hours per week and are then hit by this rule.

**Q7. What additional information would you like us to make available in future consultations to help you respond?**

	Response Total
(blank	9
How much LCTSS has cost GBC over the last 3 years and how many homes have been supported.	1
None	1
NOT SURE	1