

# Local Council Tax Support Scheme (LCTSS) Consultation 2017

**Research Report** 

**Prepared By** 



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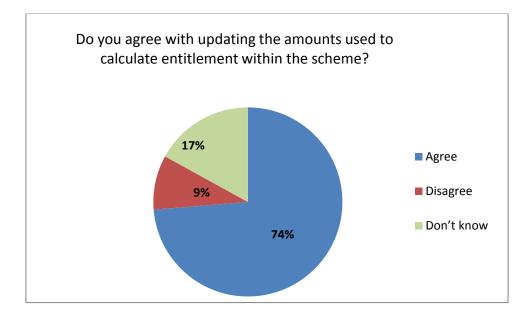


Report (V01) November 2017

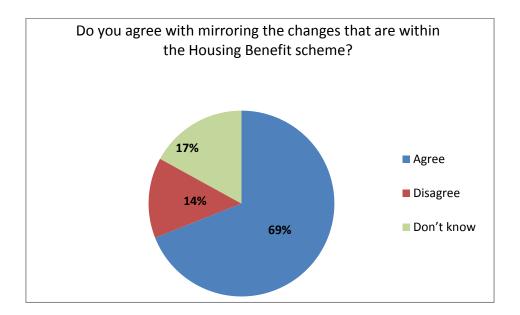
# **Contents Page**

1.0	HEADLINE FINDINGS	3
2.0	INTRODUCTION	5
3.0	RESEARCH AIMS AND OBJECTIVES	6
4.0	METHODOLOGY	6
5.0	SAMPLE	7
6.0	FINDINGS	
<b>6.0</b> 6.1	Comments on changes since 2013	9
		9
6.1	Comments on changes since 2013 Future Option to Refine LCTS Scheme Impact of Future Option	9 10 11
6.1 6.2 6.3 6.4	Comments on changes since 2013 Future Option to Refine LCTS Scheme Impact of Future Option Additional Comments	9 10 11 12
6.1 6.2 6.3 6.4	Comments on changes since 2013 Future Option to Refine LCTS Scheme Impact of Future Option	9 10 11 12
6.1 6.2 6.3 6.4 APPEN App	Comments on changes since 2013 Future Option to Refine LCTS Scheme Impact of Future Option Additional Comments	9 10 11 12 <b>15</b>

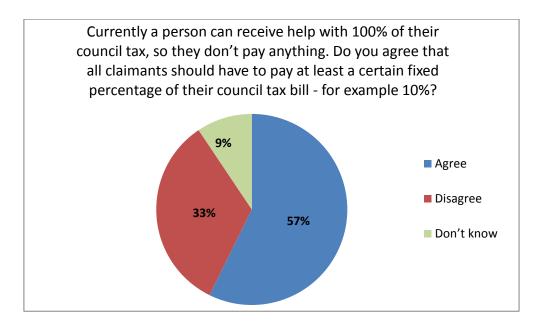
# **1.0 Headline Findings**



Nearly three quarters of respondents (74%) agreed with updating the amounts used to calculate entitlement within the scheme, 11% of which stated that they strongly agreed with this change. Just under a tenth (9%) disagreed and a significant number of respondents (just under a fifth) stated that they did not know.



Just over two thirds of respondents agreed with mirroring the changes that are within the Housing Benefit scheme with 14% stating that they strongly agree and 56% that agreed. In total, 15% disagreed with this change to the local council tax support scheme and a fifth did not know suggesting that a consistent proportion of people taking part in the survey did not have sufficient experience of the scheme to make a comment.



Just over half (57%) were in agreement that claimants should have to pay at least a certain fixed percentage of their council tax bill, with 18% that strongly agreed with this. A third of respondents were in disagreement with 20% that disagreed and 12% that strongly disagreed. A tenth stated they were not sure.

Three quarters (77%) said that having to pay a fixed percentage of their council tax bill would not have an impact on their household; 15% of residents said that it would have an impact on their household with 6% stating it would have a low impact, 3% said it would have a medium impact and a further 6% that said it would have a high impact.

# 2.0 Introduction

## Background

From April 2013 the national system of council tax benefit stopped and every council had to design and manage their own local scheme for council tax support. At the same time, the Government reduced the funding to local councils by 10%. For Guildford Borough Council this meant that there was around £700,000 less to spend each year.

Guildford Borough Council's Local Council Tax Support Scheme (LCTS) was introduced following extensive consultation with residents to understand their views on the differences between the new scheme and the previous council tax benefit scheme. Annual consultations have taken place since the scheme was introduced and some further changes to the LCTS have been made.

For the 2018-19 LCTS scheme, Guildford Borough Council is proposing the following revisions:

- Updating the amounts used to calculate entitlement
- Mirroring changes within the Housing Benefit Regulations

Guildford Borough Council commissioned SMSR Ltd, an independent research company, to undertake a consultation to enable residents from across the borough to have their say on possible changes to the LCTS scheme and provide the council with any suggestions for other savings or options in the future.

# **Report Structure**

Included in the report is a set of top line findings which provides quick reference to all the questions asked throughout the survey. In addition all questions have been analysed by respondent type and demographic group and any significant differences in opinion are commented on throughout the report.

It should be noted that when the results are discussed within the report, often percentages will be rounded up or down to the nearest one per cent. Therefore occasionally figures may add up to 101% or 99%.

#### **3.0** Research Aims and Objectives

The main aim of the survey was to ensure residents had the opportunity to give their views in regards to proposed changes to the Local Council Tax Support (LCTS) Scheme for 2018-19.

The key objectives of the consultation were as follows:

- To assess the level of agreement towards future options for the LCTS scheme, specifically concerning updating the amounts used to calculate entitlements and improving consistency across schemes by mirroring changes within the Housing Benefit Regulations
- To assess the level of agreement that all claimants should have to pay a certain fixed percentage of their council tax and the extent to which this may have an impact
- To provide residents with the opportunity to provide suggestions for other savings or options that could be included in future reviews of the LCTS scheme

# 4.0 Methodology

A questionnaire was designed by Guildford Borough Council, a copy of which can be found in the appendices. All versions of the questionnaire were piloted prior to the fieldwork to ensure it was easy for residents to complete and that the findings would meet the aims and objectives of the consultation.

When the questionnaire was approved an online link was also produced. This link was promoted to local residents in various ways, including of a press release.

The questionnaire was also sent to the 1000 members of the Guildford Borough Council citizens' panel.

All fieldwork was conducted between Friday 6<sup>th</sup> October and Friday 6<sup>th</sup> November 2017.

# 5.0 Sample

In total 271 residents from across the Guildford Borough took part in the consultation.

The demographic breakdown of responses was as follows:

## 5.1 Gender

Gender	Number	Percentage of sample
Male	101	37.4%
Female	159	58.5%
Not stated	11	4.1%

# 5.2 Age

Age	Number	Percentage of sample
16-24	13	4.7%
25-34	14	5.3%
35-44	25	9.4%
45-54	35	12.9%
55-64	69	25.1%
65-74	101	37.4%
Not stated	14	5.3%

# 5.3 Ethnicity

Ethnicity	Number	Percentage of sample
White	247	91.2%
BME	8	2.9%
Not stated	16	5.8%

# 5.4 Ward

Ward	Number	Percentage of sample
Ash South and Tongham	8	2.9%
Ash Vale	9	3.5%
Ash Wharf	5	1.8%
Burpham	9	3.5%
Christchurch	19	7.0%
Clandon Horsley	19	7.0%
Effingham	2	0.6%
Friary and St Nicholas	28	10.5%
Holy Trinity	14	5.3%
Lovelace	2	0.6%
Merrow	16	5.8%
Normandy	2	0.6%
Onslow	17	6.4%
Pirbright	0	0.0%
Pilgrims	4	1.2%
Send	6	2.3%
Shalford	16	5.8%
Stoke	11	4.1%
Stoughton	27	9.9%
Tillingbourne	17	6.4%
Westborough	13	4.7%
Worplesdon	16	5.8%
Not stated	11	4.1%

# 5.5 Employment

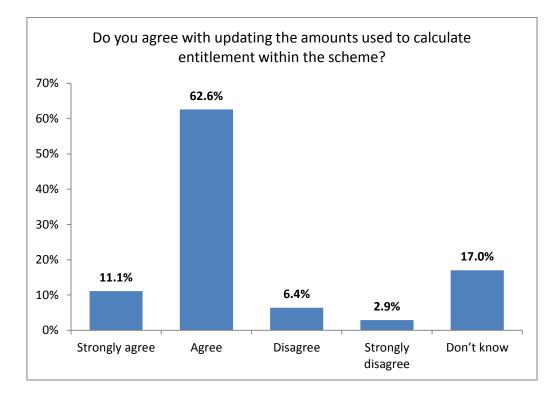
Employment	Number	Percentage of sample
Employee in full-time job (30 hours or more week)	51	18.7%
Employee in part-time job (under 30 hours a week)	37	13.5%
Self-employed	16	5.8%
In full-time or part time education or training	6	2.3%
Not working or unemployed (including if on long-term sickness or disability or looking after the home or family)	27	9.9%
Retired	120	44.4%
Doing something else	3	1.2%
Not stated	11	4.1%

# 5.6 Disability

Disability	Number	Percentage of sample
Yes	38	14.0%
No	219	80.7%
Not stated	14	5.3%

## 6.0 Findings



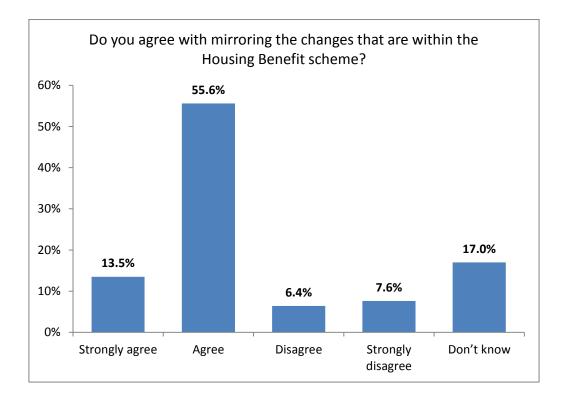


Respondents were largely in agreement with updating the amounts used to calculate entitlement within the scheme (74%). The majority of these residents agreed (63%) whilst a smaller percentage stated that they strongly agree (11%). Around a tenth of respondents stated that they disagreed with the amends to the scheme with a significant proportion declared that they did not know.

Respondents aged 45-54 (82%) and 65+ (80%) were more likely to agree with the change to the scheme than any other age range and a higher percentage of younger respondents stated they did not know with 41% of residents under 35 providing this answer.

Those in full time employment (78%) and those retired (80%) were more likely to agree with updating the amounts used to calculate entitlement within the scheme compared to those who are not working (65%), self-employed (60%), and employed part-time (57%).

# 6.2 Do you agree with mirroring the changes that are within the Housing Benefit scheme?



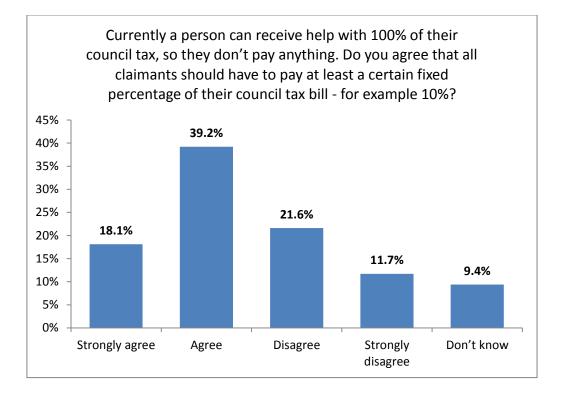
Over two-thirds of respondents (69%) were in agreement with mirroring the changes that are within the Housing Benefit Scheme; 14% strongly agreed with this and 56% agreed.

Under a fifth of respondents were in disagreement with mirroring these changes; 8% strongly disagreed and 6% disagreed. A significant proportion (17%) said they are not sure and this is consistent with the previous question.

As before, respondents aged 45 to 54 (82%) and 65+ (77%) were the most likely to agree with the proposed changes with around half of people under the age of 45 likely to agree. Again, a higher percentage of younger respondents stated that they were not sure (27%) as opposed to 13% aged 45 or above.

Those retired (78%), in education / training (75%), and in full-time employment (72%) were more likely to agree with mirroring the changes that are within the Housing Benefit scheme compared to respondents in self-employment (52%) or respondents in part time employment (60%).

## 6.3 Future Option to Refine LCTS Scheme



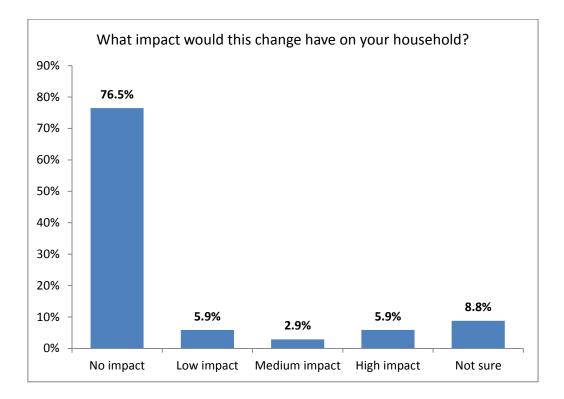
Over half (57%) of respondents were in agreement that all claimants should have to pay at least a certain fixed percentage of their council tax bill; 18% strongly agreed with this and 39% agreed.

A third said were in disagreement that claimants should have to pay a fixed percentage of their council tax bill; 12% strongly disagreed and 22% disagreed. A tenth of respondents said they are not sure.

Respondents aged 45 to 54 (68%) and 65+ (70%) were more likely than others to agree that all claimants should have to pay a fixed percentage of their council tax bill which has been a consistent trend throughout the findings with 51% or less of all other ages in agreement.

Those who are self-employed (70%) and retired (66%) were more likely to agree that all claimants should pay a fixed percentage of their council tax bill compared to respondents in full-time employment (50%) of respondents that are not employed (41%).

### 6.4 Impact of Future Option



The vast majority of respondents (77%) said that if all claimants had to pay a fixed percentage of their council tax bill it would have no impact on their household.

Three quarters (77%) said that having to pay a fixed percentage of their council tax bill would not have an impact on their household. Overall, 15% of residents said that it would have an impact on their household with 6% stating it would have a low impact, 3% stating it would have a medium impact and a further 6% that said it would have a high impact.

When asked for comments or suggestions for other savings or options that can be included future reviews, a number of comments were given and an example of the range can be found below:

"Carry out spot checks to ensure circumstances are as stated. If people know there are random checks, it is a deterrent to fraudulent claims."

"There are a lot of retired people getting discounts free bus service, heating and they have a heck of a lot more money than the people you are trying to screw over in this survey"

"A minimal contribution to be made by households that are made up of students? Perhaps a sum equivalent to the apportioned holiday weeks where employment can be used to finance housing." "Council tax should be worked out in a completely different way. Council tax should be worked out on income so everyone pays a certain percentage of their earnings, making it equal for all."

"The payments asked for by over 18s should be demanded of that person NOT the householder responsible as can cause great difficulty and problems within families if possible."

"Please try to recover all monies owing to council from people who just don't pay. I.e. people who move to avoid arrears, people who change their names to avoid arrears."

"Don't give cash. In my view all benefits should be given in vouchers i.e. food vouchers, fuel etc, not cash. I've worked all my life and paid my taxes it makes me so angry that people abuse the system. Please work into giving vouchers not cash. I believe this will save thousands."

"Please rethink think ways scrapping or reducing council tax for the disabled in higher than D bands. Costly Green recycling should be scrapped the savings should be used to reduce council tax for those in higher bands E, F, G...etc. Many disabled or elderly live in bungalows with larger gardens and are hit by the higher council tax rates E,F,G including myself. So here I am spending most of my PIP cash on council tax."

# Appendices

Appendices One Letter



#### Citizens' Panel Welcome Letter

Dear Panel Member,

Thank you for agreeing to become a member of Guildford Borough Council's Citizens' Panel in July 2017. We see the panel as a real opportunity to let residents have their say on important decisions and how services are run now and in the future. This is an opportunity to make your views count and we appreciate your involvement.

With 1,000 members, the Citizens' Panel represents all ages and places across our borough and helps us to better understand the issues that matter most to you and the local community.

We value your feedback, and enclose the first panel survey. We would like to find out what you think about our Local Council Tax Support Scheme (LCTSS) and also give you the opportunity to contribute your ideas on the future of Stoke Park. Thank you, in advance, for your help with this survey.

Please let us know what you think by completing the enclosed questionnaire. Please send it back in the freepost envelope provided to arrive by Friday 3 November 2017 at the latest. All replies are confidential and will be processed by SMSR Ltd (the independent agency who manage the Citizens' Panel on our behalf).

We would also like to thank you for your feedback in the recent survey on Council communications. We are reviewing and considering your feedback.

If you have any queries relating to the Citizens' Panel or would like to update your details please contact Lee Atkinson at SMSR (0800 1380845 / latkinson@smsr.co.uk).

**Yours Sincerely** 

Cllr Paul Spooner Council Leader

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James Whiteman Managing Director



# Local Council Tax Support Scheme (LCTSS) Survey 2017

We would like your views on our Local Council Tax Support Scheme.

From April 2013 the national system of council tax benefit stopped and every council had to design and manage their own local scheme for council tax support. At the same time, the Government reduced the funding to local councils by 10 per cent. For the Council this means we have about £700,000 less to spend each year.

We have had to make some difficult decisions about who gets financial support and how we can assist those in need.

We have consulted on the scheme every year since 2013 and have made changes to the scheme following your feedback. These changes are detailed in the background information on the next page.

#### The 2018-19 scheme

For our 2018-19 LCTS scheme, we are proposing the following revisions:

#### Update the amounts used to calculate entitlement

- Increases to Personal Allowances and Premiums these increases ensure that the help given does not unduly reduce due to inflation
- Increases to Non Dependent Deductions this means we expect non-dependents aged 18 or over to contribute more to the household in which they live. A non-dependent is currently asked to pay the higher contribution in any award of Housing Benefit.
- Increases to minimum income level for self-employed, to come in line with the current minimum wage for January 2018.

**Mirroring changes within the Housing Benefit Regulations.** The idea is to be more consistent across the two schemes and to make it easier for a claimant to understand.

- Backdating of Local Council Tax Support reduced from three months to one month
- Family premium excluded from new entitlement to Local Council Tax Support for claims made on or after 1 April 2018 or for any existing claimants who have a child or become responsible for a child after 1 April 2018.
- Temporary absence outside of Great Britain to reduce from 13 weeks to 4 weeks.

We would like to hear your views on the changes we have made to the scheme so far, and the proposed changes for 2018-19. We would also like to find out if you have any suggestions to reduce, maintain or increase the level of support we offer in the future.

#### Background information - changes to our scheme since it began in 2013

In its first year, 2013-14, our Local Council Tax Support (LCTS) scheme mirrored the previous council tax benefit scheme, but with the following five changes affecting working age people. We consulted widely on these changes.

- The capital limit reduced from £16,000 to £6,000.
- Backdating of support reduced from a maximum of six months to three months.
- The amount of support available to residents in properties in band E or above was restricted to the band D charge.
- Entitlement to financial support of less than £5 a week was not paid.
- Second adult rebate (alternative maximum council tax benefit) was withdrawn.

For 2014-15, after consulting again, we made two further changes to the scheme.

- Financial support for residents in properties in band F or above was withdrawn.
- Entitlement to financial support of less than £10 a week was not paid.

Following consultation, in 2015-16 we kept our scheme the same as for 2014-15, except that personal budget payments in relation to education, health and care plans for children with special educational needs were disregarded in full.

For 2016-17 we made four changes to the scheme following consultation.

- Personal allowances and premiums used in calculating entitlements are frozen.
- Deductions for non-dependents have increased.
- Child Benefit and maintenance are now included as income.
- A minimum income for self-employed recipients is now included.

Following consultation, in 2016-17 we kept our scheme the same as for 2017-18

All of the above changes have meant that the amount of LCTS that we pay has reduced considerably.

We would like to hear your views on any aspect of the changes we have made to the scheme since 2013. We would also like to know if you have any suggestions to reduce, maintain or increase the level of support we offer in the future.

Please note the scheme for pensioners will not change from the current scheme unless the Government makes changes.

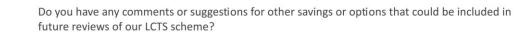
- Q1 Do you agree with updating the amounts used to calculate entitlement within the scheme? (Tick one box only)
  - Strongly agree
    Agree
    Disagree
    Strongly disagree
  - Don't know
- Q2
- Do you agree with mirroring the changes that are within the Housing Benefit scheme? (Tick one box only)
  - Strongly agree Agree Disagree
  - Strongly disagree
  - Don't know

We may need to refine our LCTS scheme again with other options in the future. It would be very helpful if you could also give us your views on the following:

- 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%? (Tick one box only)
  - Strongly agree Agree Disagree Strongly disagree
  - Don't know

Q4 What impact would this change have on your household? (Tick one box only)

- No impact
- Low impact
- Medium impact
- High impact
- Not sure



Q5