



REPORT FROM: DIRECTOR OF FINANCE
TO: COUNCIL
ON: 31st January 2013

SUBJECT: Localised Council Tax Support Scheme and changes to empty property and second home discounts

1. PURPOSE

To seek approval for the adoption of the localised Council Tax Support Scheme as detailed in Appendix A, and to seek approval for the removal of the 50% discount and the introduction of increased Council Tax charges for empty properties and second homes that have remained empty for over 6 months. In addition, for properties that have remained empty for over 2 years, it is proposed that the charge be raised to 150% of the assigned band.

2. RECOMMENDATIONS

- a) That the contents of the report are noted;
- b) That the localised Council Tax Support scheme detailed in Appendix A be approved and implemented from 1st April 2013;
- c) That the Exceptional Hardship Policy detailed in Appendix B be approved and implemented from 1st April 2013;
- d) That any subsequent alteration to the Council Tax Support scheme that is required following legislative changes to national welfare schemes be delegated to the Director of Finance in consultation with the Executive Member for Resources;
- e) That the 50% discount for empty properties and second homes that is currently awarded after six months exemption be revoked and the charge increased to 100% of the assigned band;
- f) That the 50% discount that is currently awarded to properties that have been empty for over two years be revoked and a premium charge of 50% levied. This will equate to 150% of the assigned band, and;
- g) That in accordance with the legislation changes that take effect from 1st April 2013 the class A, C and L exemptions be replaced by a 100% discount. This will result in no financial change for the Tax payers of the Borough.

3. BACKGROUND

Council Tax Support:

During the Spending Review of 2010, the Government announced its intention to replace the current national Council Tax Benefit scheme with a localised scheme from 2013-2014 with a reduction in its award/expenditure by 10%. The Welfare Reform Act 2012, contains provisions which abolish Council Tax Benefit and which see it replaced with localised schemes that will be reductions from Council Tax bills administered by Local Authorities. The development of these localised schemes is contained within the Local Government Finance Bill (hereafter referred to as the Bill) which was introduced to Parliament in December 2011.

Central Government believes that this Council Tax reform is part of a wider policy of decentralisation, giving Councils increased financial autonomy and a greater stake in the economic future of their local area and will help to deliver the positive incentives to work that will reduce poverty and reliance on the benefits.

As a result of its own consultation, Central Government has determined, via guidance published by the Department for Communities and Local Government (DCLG), that billing Authorities in England must, following a period of consultation, develop and adopt a localised scheme to replace Council Tax Benefit by 31st January 2013 in readiness for full implementation from 1st April 2013. Blackburn with Darwen BC's reduction scheme will be named and referred to as the Council Tax Support Scheme.

Within the Bill, Central Government has prescribed certain elements which all English Authorities must consider when developing a localised scheme:

Protection for pensioners - Central Government is committed to protecting pensioners on low incomes and does not want to see them disadvantaged as part of this reform. Schedule 1A of the Bill will place a duty on local authorities to ensure that eligible pensioners, based on the same factors that have determined pensioner eligibility and award under the current Council Tax Benefit system, will continue to be supported under a localised scheme.

Ensure vulnerable groups are protected - DCLG guidance highlights responsibilities towards groups who fall within Local Authority duties under the Child Poverty strategies, duties owed to those with a disability and duties to prevent homelessness.

Maintain incentives to work - so as to increase local and national prosperity and thus reduce the benefits burden in the long term.

The Bill also provides a default scheme for Local Authorities as an alternative consideration. If a Council fails to approve and adopt a localised scheme by 31st January 2013, the prescribed default scheme will be imposed upon the Local Authority.

Empty properties and second homes

Under the provisions of the Local Government Finance Act 1992, and Statutory Instruments 2003 No. 3011, and 2005 No.416, Local Authorities have the power to reduce or remove discounts where a property is unoccupied. At present the Council does not take advantage of this discretion and after an initial period of six months' exemption,

awards a 50% discount to all unoccupied properties and second homes (empty furnished homes).

With effect from 1st April 2013 the Local Government Act 2012 also gives Local Authorities the power to levy a premium charge on properties that have been empty for over two years.

In December 2012 the Council Tax database listed 1,624 empty properties which have remained unoccupied for over six months. Of this figure, 770 properties have remained empty for over two years. A further 50 properties are designated second homes.

The impact for BwD of a reduction in funding for council tax benefit/support, which is being reduced by 10% nationally, is around £1.8M.

4. RATIONALE

Council Tax Support

Central Government is committed to a programme of decentralisation with the aim of giving councils increased financial autonomy and a greater stake in the economic future of their local area, with the hope that this will ultimately reduce poverty and reliance on benefits in the longer term. The reform of Council Tax Benefit and the introduction of a localised support scheme is part of this decentralisation.

From 1st April 2013, the burden of Council Tax Benefit/Support will transfer to Councils across England. To prepare for this implementation date, all English Councils must plan for, consult widely, develop, adopt and implement a local scheme which can meet the DCLG requirements and also contribute to the Council's overall efficiency savings.

Empty properties and second homes

The Government has provided discretion for Councils in respect of the amount of Council Tax that is charged to empty properties. If adopted, these proposals will support the Council's overall aim of encouraging owners of empty properties to bring them back into use, and reduce the number of long term empty properties throughout the Borough.

In addition to the revenues raised from the removal of discounts from empty properties, any property that is subsequently occupied will allow the Council to maximise additional income from the Government through the new homes bonus initiative.

5. COUNCIL TAX SUPPORT KEY ISSUES

5.1 Options

The Local Government Finance Act 2011, contains provisions which abolish Council Tax Benefit and for it to be replaced with localised schemes that are administered by Local Authorities. Failure to adopt a local scheme will result in a scheme being imposed by Central Government. In considering the Council's own localised scheme, there are three main options available:

- Introduce a localised Council Tax Support scheme using the existing Council Tax Benefit rules with the council funding the shortfall of £1.8m through increases to Council Tax and/or further budget cuts;

- Introduce a localised Council Tax Support Scheme that reduces the amount of support given to all working age claimants by 20%, or;
- Apply for the Government's additional transitional grant funding in 2013/14 and introduce a localised scheme that reduces the amount of support by 8.5%. The introduction of this option would also require further budget savings of £300k.

The Council is recommended to introduce a localised Council Tax Support Scheme that reduces the amount of support given to all working age claimants by 20%.

5.2 Implementation of a scheme

As part of this process, the Director of Finance is required to prepare a preferred scheme for final consideration and approval by Full Council on or before 31st January 2013. The recommended scheme for Blackburn with Darwen BC is fully detailed in Appendix A.

5.3 Consultation

The Council, as a billing authority, was required to enter into public consultation to develop and adopt a localised Council Tax Support scheme for implementation across Blackburn with Darwen from 1st April 2013. It should be noted that a significant majority of respondents to the consultation supported the recommended scheme of reducing benefit/support by 20%. This forms the basis of the recommendation made to Council.

The results from the consultation process were collated and reported to the Executive Board on 13th December 2012. The full findings of the consultation are contained in Appendix E.

6. EMPTY PROPERTIES/SECOND HOMES KEY ISSUES

6.1 Customer Impact

This recommended change will impact all owners of empty properties and second homes where the dwelling remains empty for over six months. It should be noted that all properties that remain empty of furniture will still be entitled to a six month exemption prior to the additional charges being applied. It is anticipated that the retention of the exempt period will still allow landlords sufficient time to re-let properties following the turnover of tenants.

7. POLICY IMPLICATIONS

The adoption and implementation of a Local Council Tax Support scheme will be a new policy for the Council. In addition to the Council Tax Support Scheme which is documented in Appendix A, it is proposed that, to mitigate hardship in exceptional cases, a fund will be created which will allow financial support to be awarded on a temporary basis. The details of this scheme are detailed in Appendix B.

The implementation of the Council Tax Support Scheme will increase the amount of Council Tax that is required to be collected, and accordingly, the Council Tax Recovery and Enforcement Policy has been included for information and is documented in Appendix C.

If the proposed change to empty property discounts is implemented the working procedures of the Council Tax Teams would require immediate review and amendment. It is envisaged that in order to assist the recovery of these debts, the use of Charging Orders would also be increased.

8. FINANCIAL IMPLICATIONS

8.1 Council Tax Support

Under the current Council Tax Benefit Scheme, the Department for Works and Pensions reimburse all Councils in the form of a subsidy in accordance with nationally set criteria.

However, from 1st April 2013, the Department for Communities and Local Government will estimate the award applicable to each Council and distribute the funding to local authorities at the beginning of the financial year. This fundamental change to funding does result in an increased financial risk to the Council as any increase in the number of claimants or amount of Council Tax Support awarded will be met solely by the Collection Fund.

The total estimated Council Tax Benefit/Support awards for 2013/14 is expected to be in the region of £14.5m. The Government has confirmed that the funding for Blackburn with Darwen BC and the Precepting Authorities will be £12.7m, resulting in a shortfall of £1.8m.

Under the Council's proposed localised Council Tax Support Scheme, the shortfall of £1.8m will result in reduced awards to all working age claims. It is estimated that during 2013/14 a total of £9.1m would be awarded to working age claimants, following a reduction in funding of £1.8m and the new localised scheme would be required to incorporate a 20% reduction for all working age claimants.

It should be noted that the total amount of Council Tax Support awarded to claimants during 2013/14 will vary month to month and require close monitoring throughout the financial year.

To mitigate the impact of the localised Council Tax Support Scheme it is proposed that an Exceptional Hardship Scheme be introduced that allows claimants experiencing exceptional hardship to apply for temporary financial support in respect of the Council Tax liability.

The Exceptional hardship scheme will be a cash limited amount of initially 2% of the shortfall referred to above, i.e. £36,000 will be set aside. The review and adequacy of this amount will be delegated to the Director of Finance in consultation with the Executive Member for Resources. This Exceptional Hardship fund will be funded from the Collection Fund.

8.2 Council Tax Support

Whilst it is very difficult to predict the full impact of the policy change or the collection of the additional Council Tax levied, the following estimates have been produced based on the available empty property data:

Number empty properties	Estimated Council Tax collected
1,624	£630,000

Number of 2nd Homes	Estimated Council Tax collected
50	£16,800

Number of long term empty properties (more than 2 years)	Estimated Council Tax collected
770	£244,860

NB. The collection rates are based on the properties remaining empty

If this proposal for increased Council Tax charges is not agreed an additional £891,660 will need to be met from additional budget savings.

9. LEGAL IMPLICATIONS

The Welfare Reform Act 2012 contains provisions which will abolish the current Council Tax Benefit system in England from 1st April 2013. Under section 13A(2) Local Government Act 1992, substituted by clause 8 of the Local Government Finance Bill which was introduced to Parliament in December 2011 English Councils have the responsibility for the development, adoption and implementation of a local Council Tax Benefit Support scheme.

The Local Government Finance Act 1992, and Statutory Instruments 2003 No. 3011, and 2005 No. 416, allow Local Authorities the power to reduce or remove discounts where a property is unoccupied. The power to levy a premium charge on properties that have been empty for over two years was contained in the Local Government Act 2012.

10. RESOURCE IMPLICATIONS

The design and implementation of a localised Council Tax Support scheme is a major undertaking and has required extensive additional resources. The cost of developing the scheme has been met by using existing Benefit resources as and when required and with additional resources set aside by the Council in its 2012/13 budget from the additional government grant monies.

Further discussions with the Council's partner, Capita, will be required to fully understand the implications of the changes on the Benefits Service. Any potential costs associated with the Council Tax Support Scheme or the introduction of increased empty property charges are expected to be offset by additional income generated by court costs.

11. EQUALITY IMPLICATIONS

The Council has a number of statutory duties when considering equality implications. The localised Council Tax Support scheme and the increased empty property charges will be new policies for the Council, and accordingly, decision makers must have regard to the

Council's equalities duties and ensure that the process followed to assess the equality impact of financial proposals is robust and that the impact on equality groups is thoroughly considered before decisions are arrived.

A full and comprehensive Equalities Impact Assessment for the Council Tax support scheme has been undertaken as part of the decision making process and is detailed in Appendix D.

A full and comprehensive Equalities Impact Assessment for the changes to empty properties and second homes has been undertaken as part of the decision making process and is detailed in Appendix F.

12. CONSULTATIONS

The consultation requirements for a localised Council Tax Support Scheme have been extensively detailed within a number of Government guidance papers. In addition to the consultation exercise with members of the public and representative groups, the Council was obliged to consult any major precepting authority which has power to issue a precept.

The public and representative groups consultation was undertaken during the months of August, September and October with a full report submitted to the December Executive Board. In respect of the Police and Fire precepting authorities, the required consultation was undertaken in September 2012.

The full findings of the consultation are contained in Appendix E.

Whilst there are no mandatory consultation requirements for this change in policy, the question of increasing charges for empty properties and second homes was included in the Council Tax Support consultation undertaken in August, September and October 2012. In total 1,198 responses were received to this question, of the respondents, 75.6% were in favour of increasing the charges and reducing the discounts that are currently offered, whilst 16.6% opposed any such increase. A further 7.7% expressed no preference to the question.

CONTACT OFFICERS:

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DATE: 31st January 2012

BACKGROUND PAPERS:

Appendix A Council Tax Support Scheme

Appendix B Exceptional Hardship Scheme Policy

Appendix C Council Tax Recovery and Enforcement Policy

Appendix D Council Tax Support Scheme Equalities Impact Assessment

Appendix E Council Tax Support Consultation Report December 2012

Appendix F Council Tax – Reducing empty property and second homes discounts and introducing a premium charge Equalities Impact Assessment

Executive Board report November 2012 '*Local Council Tax Support Scheme Consultation*'

Local Government Finance Bill 2011
DCLG Localisation of Council Tax Support Statement of Intent.
DCLG Equality Impact Assessment
DCLG Localisation of Council Tax Support updated impact assessment.
DCLG Localising support for Council Tax, Vulnerable people – key Local Authority
Duties
DCLG Best Value Statutory Guidance
HM Government – Code of Practice on Consultation
BwDBC Initial Equality Impact Assessment



Council Tax Support Exceptional Hardship Fund Policy

DRAFT

Contents

1. Introduction	Page 3
2. Purpose of the policy	Page 3
3. Objectives of the Exceptional Hardship Fund	Page 3
4. Main features of the Fund	Page 4
5. The Exceptional hardship Fund application process	Page 4
6. Awarding Exceptional hardship	Page 4-5
7. Change in circumstances	Page 5
8. Duties of the applicant	Page 5-6
9. Exceptional Hardship and duration	Page 6
10. Appeals	Page 6
11. Fraud	Page 6

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1. Introduction

- 1.1 The Exceptional Hardship Fund has been set up by the Council to assist applicants who are suffering exceptional hardship as a result of the abolition of Council Tax Benefit and the introduction of localised Council Tax Support. The Exceptional Hardship Fund is intended to cover all or part the shortfall between Council Tax liability and award of Council Tax Support.
- 1.2 The Exceptional Hardship Fund will be available to any working age applicant whose daily award of Council Tax Support does not meet 100% of their Council Tax liability (less any appropriate discounts and non-dependent deductions).

2. Purpose of the Policy

- 2.1 The purpose of this policy is to specify how the Revenues and Benefits Service will operate the scheme, to detail the application process and to indicate some of the factors which will be considered when deciding if an Exceptional Hardship Fund award can be made.
- 2.2 Each case will be treated on its own merits and all applicants will be treated fairly and equally in the accessibility to the Fund and also the decisions made with applications.
- 2.3 We recognise the importance of protecting our most vulnerable customers and also the impact the Welfare changes will have. We have created an Exceptional Hardship Fund to ensure that we protect and support those most in need and to help in cases of extreme financial hardship.
- 2.4 This policy does not define "Extreme Hardship", it is accepted that changes to the level of support generally will cause financial hardship and any payment made will be at the total discretion of the Council. Exceptional Hardship should be considered as 'hardship beyond that which would normally be experienced'

3. Objectives of the Exceptional Hardship Fund

- 3.1 The objectives of the Fund are to provide temporary financial support, and include:
 - Allow a short period of time for someone to adjust to unforeseen short-term circumstances and to enable them to "bridge the gap" during this time, whilst the applicant seeks alternative solutions;
 - Enable support to households in managing their finances;
 - Help customers through personal crises and difficult events that affect their finances;
 - Aim to help prevent exceptional hardship;
 - Support vulnerable young people in the transition to adult life;
 - Encourage and support people to obtain and sustain employment; and,

4. Main Features of the Fund

4.1 The main features of the fund are as follows:

- The Exceptional Hardship Fund will be cash limited. This limit will be set by the Director of Finance in consultation with the Executive Members for Resources on an annual basis;
- The operation of the fund will be at the total discretion of the Council;
- Exceptional Hardship Fund awards are not payments of Council Tax Support (as defined within S13a of the Local Government Finance Act 1992);
- The Exceptional Hardship Fund will only be available from 1st April 2013 and will NOT be available for any other debt other than outstanding Council Tax;
- Council Tax Support must be in payment for any day that an Exceptional Hardship award is requested or the applicant must have been in receipt of Council Tax Benefit on 31st March 2013.
- Where an Exceptional Hardship award is requested for a previous period, Exceptional Hardship must have been proven to have existed throughout the whole of the period requested;
- Exceptional Hardship awards are designed as a short-term help to the applicant only and it is expected that awards will be made for a short term period only; and,
- All applicants will be expected to engage with the Council and undertake the application process in full. Failure to do so will inevitably mean that no award is made.

5. The Exceptional Hardship Fund application process

5.1 As part of the process of applying for additional support from the Exceptional Hardship Fund applicants must undertake the following process;

- Make an application for assistance;
- Provide all evidence required for the application including, full details of their income and expenditure;

5.2 In most cases the person who claims the Exceptional Hardship Fund award will be the person entitled to Council Tax Support, however, a claim can be accepted from someone acting on another persons' behalf, such as an appointee, if it is considered reasonable.

6. Awarding Exceptional Hardship

6.1 The designated officer will decide whether or not to make an Exceptional Hardship award and how much any such award might be.

6.2 When making this decision the Council will consider:

- The shortfall between Council Tax Support and Council Tax liability;
- Whether the applicant has engaged with the EHF process;

- If a Discretionary Housing Payment or Section 17 payment has already been awarded to meet a shortfall in rent;
 - The personal circumstances, age, medical circumstances (including ill health and disabilities) of the applicant, their partner any dependents and any other occupants of the applicant's home;
 - The difficulty experienced by the applicant, which prohibits them from being able to meet their Council Tax liability, and the length of time this difficulty will exist;
 - Shortfalls due to non-dependent deductions;
 - The income and expenditure of the applicant, their partner and any dependents and any other occupants of the applicant's home;
 - How reasonable expenditure exceeds income;
 - Other debts outstanding for the applicant and their partner;
 - The exceptional nature of the applicant and/or their family circumstances that impact on finances;
 - The length of time they have lived in the property;
 - Whether the customer has already accessed or is engaging for assistance with budgeting and financial/debt management advice. An Exceptional Hardship Fund award may not be made until the customer has accepted assistance either from the Council or third party, such as the Citizens Advice Bureau or similar organisations, to enable them to manage their finances more effectively, including the termination of non-essential expenditure.
 - The amount available in the EHF at the time of application.
- 6.3 The list is not exhaustive and other relevant factors and special circumstances will be considered.
- 6.4 An award from the Exceptional Hardship Fund does not guarantee that a further award will be made at a later date, even if the customer's circumstances have not changed.
- 6.5 An Exceptional Hardship Fund award may be less than the difference between the Council Tax liability and the amount of Council Tax Support awarded.

7. Change in circumstances

- 7.1 The Council may revise an award from the Exceptional Hardship Fund where the customer's circumstances have changed which either increases or reduces their Council Tax Support entitlement.

8. Duties of the applicant

- 8.1 A person claiming an award under Exceptional Hardship is required to:
- Give the Council such information as it may require to make a decision;
 - Tell the Council of any changes in circumstances that may be relevant to their on-going claim; and,

- Give the Council such other information as it may require in connection with the claim.

9. Exceptional Hardship award and duration

- 9.1 The Council will notify the outcome of each application for Exceptional Hardship Fund awards in writing. The notification will include the reason for the decision.
- 9.2 Any Exceptional Hardship Fund award will be made directly into the customer's Council Tax account, thus reducing the amount of Council Tax payable.
- 9.3 Both the amount and the duration of the award are determined at the discretion of the Council, and will be done so on the basis of the evidence supplied and the circumstances of the claim.
- 9.4 The start date and duration of any award will be determined at the discretion of the Council and will be done so on the basis of the evidence supplied and the circumstances of the claim.
- 9.5 The maximum length of the award will not exceed the end of the financial year in which the award is given.

10. Appeals

- 10.1 Exceptional Hardship Fund awards are not part of the Council Tax Support and are therefore not subject to the statutory appeal process.
- 10.2 If a claimant wishes to appeal against a decision not to award Exceptional Hardship, the amount of an award, a decision not to backdate an award, or a decision that there has been an overpayment of award, the council will review the original application. This will be conducted by an officer other than the original decision maker, who will review the original application and any other additional information and/or representation made.
- 10.3 The review of the original decision will be undertaken within 21 days of referral and the outcome of that decision will be set out in writing along with the reasons for the decision or upholding the original decision. This decision will be final.
- 10.4 Any request for an appeal must be made within one calendar month of the date of the original notification letter confirming the original decision.

11. Fraud

- 11.1 The council is committed to protect public funds and ensuring funds are awarded to the people who are rightfully eligible to them.
- 11.2 A customer who tries to fraudulently claim an Exceptional Hardship Fund award by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.
- 11.3 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.



Council Tax Collection, Recovery and Enforcement Policy

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Contents

1. Introduction	Page 3
2. Aims of the policy	Page 3
3. Principles of Collection, Recovery and Enforcement	Page 3-4
4. Legislative Framework	Page 4
5. The Recovery Schedule	Page 4
6. Stopping or ceasing recovery action	Page 4
7. Payment methods and frequency	Page 4-5
8. The Bill or Demand Notice	Page 5
9. Reminder/Second Reminder/Final Notice	Page 5
10. Summonses	Page 6
11. Liability Order/Request for Financial Information	Page 6
12. Payment Arrangements	Page 6-7
13. Attachment of DWP Benefits	Page 7
14. Attachment of Earnings	Page 7
15. Attachment of Members Allowances	Page 7
16. Pre-Bailiff Warning notices	Page 8
17. Distress and the use of Bailiffs	Page 8-9
18. Charging Orders	Page 9
19. Bankruptcy/Insolvency Proceedings	Page 9
20. Committal Proceedings	Page 9-10
21. Financial Hardship and Vulnerability	Page 10-11
22. Write Off	Page 11

APPENDIX A – Attachment of Earnings of Deductions

APPENDIX B – Recovery action and associated cost and fee structure

1. Introduction

- 1.1 The Council has a duty to ensure that all revenue owed is collected efficiently and effectively for the benefit of all of its Council Tax payers.
- 1.2 Blackburn with Darwen Borough Council believes in a fair and consistent approach to everyone notwithstanding their age, race, gender, disability, sexuality or religious belief. Applying the same ethos to the provision of services to all of its residents, the Council believes that customers have a responsibility to pay any monies due to the Council.
- 1.3 Whilst striving to continually improve collection and recovery performance, the Council recognises that some people may not pay their Council Tax for a variety of reasons. This may include poverty or other financial hardship, which the Council will endeavour to balance against its duty to collect.
- 1.4 The purpose of this document is to outline the policy and procedure for the collection, recovery and enforcement of Council Tax owed to the Council.

2. Aims of the Policy

- 2.1 The key aims of the policy are as follows:
 - To maximise the collection and recovery of Council Tax;
 - To ensure a professional, consistent and timely approach to recovery action;
 - To use cost effective, fair and proportionate collection and recovery procedures; and,
 - To ensure that debts are managed in accordance with legislative provisions and best practice.

3. Principles of Collection, Recovery and Enforcement

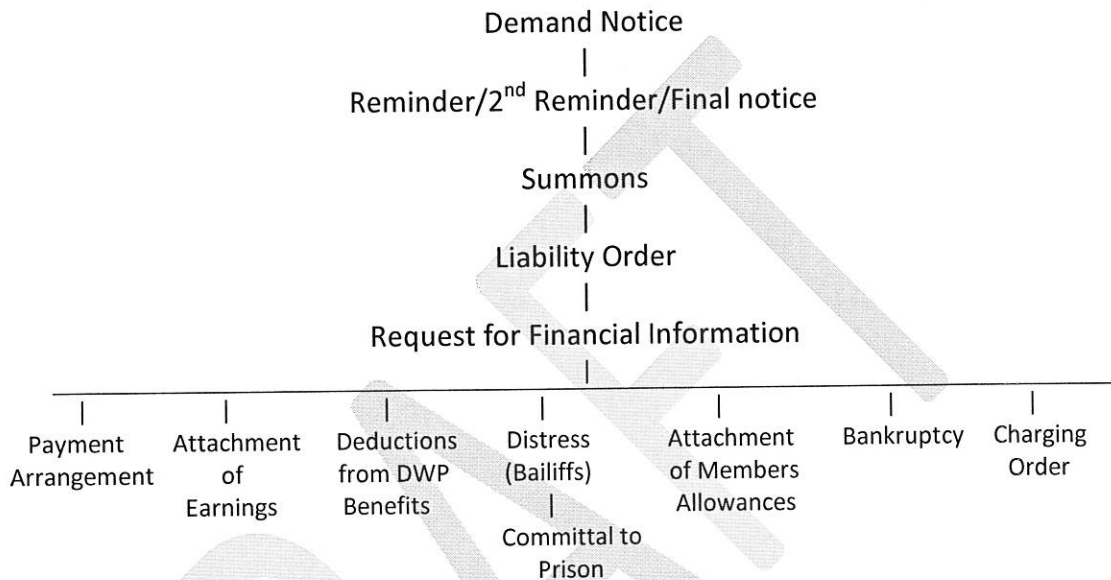
- Accurate and clear demand notices are issued promptly;
- A wide range of payment methods and dates, including the Council's preference of direct debit, are available and are consistently promoted to customers;
- Ways to reduce customer's liability through discounts, exemptions, relief and support are consistently promoted;
- Every opportunity is taken to engage the customer at all stages in the recovery process, including clearly warning customers about further recovery action and any additional costs that may be incurred;
- The appropriateness of each recovery option is reviewed based upon what we know about the customer's circumstances;
- Recovery documents and default notices are issued promptly and in accordance with the agreed Recovery Schedule;
- Bailiff performance is regularly monitored to ensure compliance with the

Bailiff Code of Conduct; and,

- The legislation regarding Council Tax administration and enforcement is adhered to at all times.

4. Legislative Framework

- 4.1 The legislative framework for the collection and enforcement of Council Tax is provided by the Council Tax (Administration and Enforcement) Regulations 1992 (SI 1992/613), which is contained within the Local Government Finance Act 1992.



5. Recovery Schedule

- 5.1 The Recovery Schedule is set by the Revenues Manager in March of each year after consultation with the Courts and the Director of Finance. The schedule stipulates the dates on which recovery documentation will be issued throughout the financial year.
- 5.2 Where necessary, the despatch of recovery notices is staggered in order to alleviate customer contact.

6. Stopping or ceasing recovery action

- 6.1 There are occasions where individual cases may require intervention to prevent the automatic recovery action taking place. Council Tax accounts can be suppressed on either a temporary or permanent basis at any stage. Such cases may include accounts of a deceased Council Tax payer, or liable parties that have been hospitalised or currently reside in a care or nursing home. Such accounts will be monitored by the Council Tax Billing and Recovery Managers on a monthly basis.

7. Payment Methods and frequency

- 7.1 The Council offers a range of payment methods and dates. All bills, reminders, final notices and summonses show details of how and where customers can pay.
- 7.2 The Council's preferred method of payment is Direct Debit as it is the easiest way for

customers to pay and it is the most cost effective. There are 4 monthly instalment dates available as well as the option to pay fortnightly, as follows:

- 12 monthly instalments payable on the 5th of the month;
- 10 monthly instalments payable on the 15th of the month;
- 11 monthly instalments payable on the 23rd of each month;
- 10 monthly instalments payable on the last day in the month, and;
- Fortnightly instalments payable on the 15th and the last day of the month.

7.3 There are 2 monthly instalment dates of the 1st and the 15th of the month, payable over 10 months, for cash payers as well as the option to pay weekly.

7.4 Other payment options include paying online, by telephone, by post, by standing order or in person at a Post Office or a Paypoint outlet.

8. The Bill or Demand Notice

8.1 Annual bills are issued mid March prior to the financial period 1st April to 31st March. Where a customer receives a bill at the start of the financial year they will normally be given 10 monthly instalments, unless they have opted to pay weekly or have chosen one of the direct debit dates which offers more than 10 months.

8.2 Adjusted bills are issued on a daily basis where there has been a change in circumstances or an amendment to the amount due. When a bill is issued after the 30th April, the payment period is shorter and there will be fewer instalments.

8.3 In certain circumstances, there may be more than 1 person who is liable for the Council Tax (known as Joint and Several liability) and in such cases bills may be issued in more than 1 name.

9. Reminder, Second Reminder and Final Notice

9.1 Reminder notices and final notices are issued in accordance with the recovery schedule, and are usually issued approximately 14 days after an instalment has fallen due.

9.2 Customers who do not pay an instalment on time are sent a reminder notice in the first instance. If the payments are brought up to date following the issue of a reminder notice, the customer can continue to pay by their instalments.

9.3 Customers who fail to pay an instalment on a 2nd occasion will be sent a second reminder notice. If the payments are brought up to date following the issue of a second reminder notice, the customer can continue to pay by their instalments.

9.4 Where there is a third failure to pay an instalment during the financial year, the full amount for the whole financial year becomes payable and a final notice is issued.

9.5 Customers are given 14 days to either pay the amount shown on the reminder, 2nd reminder or final notice or to contact to make a payment agreement; those who do not pay as requested or do not make a payment agreement within the timescale will lose the right to pay in instalments and will be sent a Summons.

10. Summonses

- 10.1 Following non-payment of the full amount shown on the reminder, 2nd reminder or final notice, complaint will be made to the Magistrates' Court and a summons will then be issued for the customer to appear in Court to explain why payment has not been made. Summonses are then issued, in accordance with the recovery schedule, except where not cost effective to do so.
- 10.2 The summons notice will advise the customer of the date and time that they need to attend Court and will include the amount that has become due, together with an amount for Court costs to cover administration and postage costs. Court costs and the other costs associated with recovery action are shown in Appendix B.
- 10.3 At the hearing, the Council will make an application for a Liability Order in respect of each case that remains unpaid. If the customer pays the amount of the summons and the costs prior to the hearing date then the application for a liability order will not proceed.

11. Liability Order/Request for Financial Information

- 11.1 Once a liability order has been granted by the Magistrates, each customer is sent a liability order notice, which includes a request for financial information. Customers are also sent details of the enforcement fees and charges connected with distress.
- 11.2 The liability order notice advises the customer that they have 14 days in which to either pay in full or make a payment arrangement, otherwise further recovery action will be taken.
- 11.3 The granting of a liability order allows the following recovery action to be considered:
- Attachment of DWP Benefits;
 - Attachment of Earnings;
 - Attachment of Members Allowances;
 - Distress – Bailiffs;
 - Charging Order;
 - Bankruptcy/Insolvency; and,
 - Committal to Prison
- 11.4 After the 14 day timescale has elapsed, where the customer has not paid in full or made a payment arrangement, each case will be looked at on an individual basis to determine the most appropriate recovery action, dependent upon the information that is available at that time.
- 11.5 In respect of each liability order, only one type of recovery action can be pursued at any one time. Where customers are jointly liable for the Council Tax, recovery action may be taken against one or more of the joint taxpayers.

12. Payment Arrangements

- 12.1 Payment arrangements may be agreed after either a summons or a liability order notice has been issued; where an arrangement is agreed for the current financial

year, the arrangement must usually be paid by the end of the financial year.

- 12.2 All payment arrangements entered into with the customer must be reasonable and sustainable from the customer's point of view. To make the best assessment of the customer's ability to pay as much detail as is necessary will be requested and where the customer is working this will include their employer details.
- 12.3 However, the Council reserves the right not to enter into payment arrangements with customers who have a history of regular default and/or where the payment offer is not reasonable and therefore not acceptable.

13. Attachment of DWP Benefits

- 13.1 Where the customer is in receipt of certain benefits, the DWP may be requested to make deductions directly from the customer's benefit to pay the Council Tax arrears. Only one attachment of benefit order can be in force at any one time.
- 13.2 Deductions may be requested from the following types of benefit:
- Income Support;
 - Job Seekers Allowance;
 - Employment Support Allowance;
 - Guaranteed Pension Credit; and,
 - Universal Credit
- 13.3 The deduction rate is set by the DWP and is currently £3.55 a week. Payments are usually sent to the Council on a monthly payment schedule.

14. Attachment of Earnings

- 14.1 Where the customer is in employment, the employer may be requested to make deductions directly from the customer's salary or wages to pay the Council Tax arrears.
- 14.2 The amount of the deduction depends upon how much is earned and the amounts are set by law, as shown in Appendix A. A maximum of two attachment of earnings orders can be in force at any one time.
- 14.3 The deductions made by an employer in respect of an attachment of earnings order are usually sent to the Council on a monthly payment schedule.

15. Attachment of Members Allowances

- 15.1 Where the customer is an elected member, a deduction may be taken from their allowances to pay the Council Tax arrears.
- 15.2 The deduction is 40% of all allowances paid and the deducted amount is paid directly to the Council Tax account.
- 15.6 Councillors are not allowed to vote on certain financial matters if more than 2 months in arrears with Council Tax payments. There is an obligation on Councillors to disclose such arrears; failure to do so is an offence.

16. Bailiff Warning letter

- 16.1 In certain cases, a pre-bailiff warning letter will be issued to the customer allowing them 14 days as a final opportunity to make contact to resolve the matter, prior to sending their case to the Bailiffs.
- 16.2 A warning letter is usually issued to the customer in the following cases:
- Where the customer is in receipt of on-going Council Tax Support;
 - Where the customer has defaulted on their payment arrangement;
 - Where the previous recovery action is no longer an option, and the customer needs to be informed of the next course of action;
 - Following the successful trace of an absconded customer, and the customer needs to be informed of the next course of action; and,
 - Following the suspension of recovery action and the customer needs to be informed of the next course of action.
- 6.3 After the 14 day timescale has elapsed, where the customer has not paid in full or made a payment arrangement, the case will be referred to the Bailiffs.

17. Distress – Bailiffs

- 17.1 If a customer does not complete and return the Liability Order Notice and Request for Financial Information within 14 days, or if we are unable to come to a reasonable payment arrangement or if the customer fails to maintain their payment arrangement, the case may be referred to the Bailiffs to recover the outstanding Council Tax arrears.
- 17.2 All accounts are individually checked prior to being referred to the Bailiffs, to ensure that there is not an alternative recovery method available.
- 17.3 When the Bailiff makes a visit, they will be seeking payment in full. If the customer cannot pay the bill in full immediately, the Bailiff will seek to make a payment arrangement. In such cases, the Bailiff will secure the debt by levying upon the customer's goods.
- 17.4 All monies collected by the bailiffs are paid to the Council on a weekly payment schedule. If the customer fails to pay as agreed, the Bailiff may remove the goods for the purpose of selling them at auction.
- 17.5 The Bailiff can add a fee to the bill for each time that they have to visit. Some of the fees are set within the legislation, as shown in Appendix B in the associated costs and fees structure.
- 17.6 Where the case is with the Bailiffs and the next stage is to remove goods, the Bailiff will use their professional judgement in all cases and advice will be sought from the Council's Council Tax Recovery team prior to proceeding.
- 17.7 If the Bailiff believes that there are insufficient goods to clear the debt or in cases where it is considered inappropriate to remove goods, the case will be returned to

the Council for consideration.

- 17.8 The Bailiffs who visit cases on behalf of Blackburn with Darwen Borough Council are certificated by County Court and operate within the Bailiff Code of Conduct; any complaints relating to the Bailiffs will be treated seriously and investigated thoroughly, in accordance with the Council's corporate complaints procedure.

18. Charging Orders

- 18.1 In cases where the property is owned by a customer who has Council Tax arrears which are in excess of £1000.00 (set by legislation), the Council may apply to the County Court for a registered charge to be placed on the title deeds of the property concerned.
- 18.2 This means that the Council Tax debt is secured against the property until it is sold, at which point the Council Tax will be paid from any proceeds the sale.
- 18.3 Once a registered charge has been placed on the property the Council may make a further application to the Court for an order to force the sale of the property.
- 18.4 All cases that are selected for an application for a Charging Order are firstly issued with a Charging Order warning letter, which gives the customer a final opportunity to make contact to resolve the matter and warns of the action that will be taken if they do not.
- 18.5 The Council does not take these proceedings lightly and each case will be assessed and progressed based upon its own individual merits, taking into account the personal circumstances of the customer.

19. Bankruptcy Proceedings

- 19.1 The Council may apply to the County Court for an individual to be made bankrupt where they have Council Tax arrears which exceed £750.00 (set by legislation).
- 19.2 Once a bankruptcy order has been made by the Court, the official receiver (or an insolvency practitioner) will be appointed to administer the bankruptcy and liquidate the assets of the individual, in order to pay the Council Tax arrears.
- 19.3 The Council does not take these proceedings lightly and each case will be assessed and progressed based upon its own individual merits, taking into account the personal circumstances of the customer.

20. Committal Proceedings

- 20.1 Committal proceedings are only considered once all other recovery options have been exhausted and the Bailiffs have been unable to collect the arrears and the case has been returned to the Council.
- 20.2 All cases that are selected for Committal are firstly issued with a Committal Pending Notice, which gives the customer a final opportunity to make contact to resolve the matter and warns of the action that will be taken if they do not.

- 20.3 The Court costs associated with Committal proceedings are set within the legislation, as shown in Appendix B in the associated costs and fees structure.
- 20.4 Committal applications are only made where all other avenues have failed. The proceedings are instigated by applying to the Magistrates for a Summons to be issued to the customer for them to appear in Court to explain why payment has not been made.
- 20.5 If the customer attends the Court hearing the Magistrates will establish whether the customer has not paid because of wilful refusal or culpable neglect. The Court will ask whether an offer of payment can be made and if not the customer will undergo a means test, to help the Court decide what the customer can afford to pay.
- 20.6 If the customer does not appear in Court, the Council will ask the Magistrates to issue a warrant for arrest. This means that a bailiff can arrest the customer and bail them to appear in Court at a later date.
- 20.7 At the hearing there are a number of options available to the Court:
- Adjourn – pending further information;
 - Make an order for payment;
 - Make a Court order with a suspended sentence – usually on payment terms;
 - Remit all or part of the debt;
 - Issues a warrant of arrest – either with or without bail; and,
 - Make a Commitment order.
- 20.8 The Council does not take these proceedings lightly and each case will be assessed and progressed based upon its own individual merits, taking into account the personal circumstances of the customer.

21. Financial Hardship and Vulnerability

- 21.1 The Council recognises that some customers may not pay their Council Tax because of genuine financial and/or other difficulties.
- 21.2 When such cases are identified, each case will be considered on an individual basis and if appropriate, recommendations may be made for an extended payment agreement or arrangement, subject to full income and expenditure details being supplied.
- 21.3 Where there is evidence that the customer has multiple debts the customer may also be referred to the Advice Team, Citizens Advice Bureau or other local advice agencies, which may be able to assist with budgeting advice.
- 21.4 However, there may be cases where evidence of severe financial hardship exists or where the customer has a vulnerability (which could be physical or mental) which means that they may not be capable of understanding or defending themselves properly from recovery proceedings, or where although the customer can understand the proceedings, their particular circumstances mean that continuing recovery action would be inappropriate.
- 21.5 In such exceptional circumstances, where evidence of severe financial hardship exists or where continuing with the recovery process would be inappropriate, the Council

has a discretionary Hardship Fund which is available to assist customers with their Council Tax payments.

21.6 For administration purposes, the Council has a comprehensive Hardship Policy which provides the necessary framework and guidance with regard to the types of cases that may be considered.

21.7 Any customer liable to pay Council Tax may apply and each application will be assessed based upon its own individual merits, taking into account the personal circumstances of the customer.

22. Write Off

22.1 The Council has a comprehensive Write Off Policy which ensures that all reasonable steps are taken to recover Council Tax arrears before considering writing the arrears off.

22.2 When considering such cases it is important to strike a balance between recovering the debt as effectively and efficiently as possible with what is fair and reasonable to the customer and council tax payers as a whole.

22.3 Once all possible recovery options have been investigated and exhausted, the main reasons for a write off are:

- Where the customer has absconded;
- Where the customer is deceased;
- Due to Bankruptcy/Liquidation;
- In cases of Severe Financial Hardship and/or Vulnerability;
- Uneconomical to pursue recovery;
- Remittal by the Magistrates; and,
- Cases where the debt is statute barred.

22.4 Write Offs that are requested are subject to scrutiny and sign off dependent upon the size of debt:

- For debts from £0.01 to £4,999.99 the Director of Finance authorises the write off;
- For debts from £5,000.00 to £29,999.99 the Executive Member for Resources authorises the write off; and,
- For debts over £30,000 the Executive Board authorises the write off.

22.5 A report, which includes a full analysis of the reasons for any write off's, is prepared on a quarterly basis for the Director of Finance.

Appendix A – Attachment of Earnings table of deductions

Deductions from weekly earnings

Net Earnings	Deduction rate %
Not exceeding £55	0
Exceeding £55 but not exceeding £100	3
Exceeding £100 but not exceeding £135	5
Exceeding £135 but not exceeding £165	7
Exceeding £165 but not exceeding £260	12
Exceeding £260 but not exceeding £370	17
Exceeding £370	17 in respect of the first £370 and 50 in respect of the remainder

Deductions from monthly earnings

Net Earnings	Deduction rate %
Not exceeding £220	0
Exceeding £220 but not exceeding £400	3
Exceeding £400 but not exceeding £540	5
Exceeding £540 but not exceeding £660	7
Exceeding £660 but not exceeding £1,040	12
Exceeding £1,040 but not exceeding £1,480	17
Exceeding £1,480	17 in respect of the first £1,480 and 50 in respect of the remainder

Appendix B - Recovery Action and associated Costs and Fee Structure

Recovery action taken	Associated Costs & Fees
Bill issued	None
Bill issued; Reminder(s) / Final Notice issued;	None
Bill issued; Reminder(s) / Final Notice issued; Summons issued; Liability Order/Request for Financial information issued; Small balance letter issued; <u>The following action will be considered:-</u> Payment Arrangement; Attachment of DWP Benefits; Attachment of Earnings; Attachment of Members Allowances	Combined Summons & Liability Order costs are £75.00
Bill issued; Reminder(s) / Final Notice issued; Summons issued; Liability Order/Request for Financial information issued; <u>The following action will be considered:-</u> Payment Arrangement; Attachment of DWP Benefits; Attachment of Earnings; Attachment of Members Allowances; Referral to the Bailiffs	Bailiff fees are: £24.50 for the 1 st visit & £18.00 for the 2 nd visit For levying distress or for the removal & storage of goods: Reasonable costs & fees
As above; <u>The following action will also be considered:-</u> Pre-Bankruptcy Warning letter issued; The account can then be considered for Bankruptcy proceedings Pre-Charging Order Warning letter issued; The account can then be considered for Charging Order proceedings Committal Pending Notice issued; The account can then be considered for Committal proceedings	Initial Bankruptcy costs & fees: £700.00 Costs associated with Committal: £300.00 For issuing a warrant of arrest: £145.00

***All associated costs and fees are incurred by the customer**



Council Tax Support

Consultation Findings Report

November 2012

Introduction

A public consultation for a new localised Council Tax Support Scheme which will replace the existing Council Tax Benefit (CTB) scheme from April 2013 was undertaken throughout August, September and October 2012.

The duty to consult was mandatory, and as such, the consultation exercise was designed to engage with as many residents and interested parties as possible. The consultation sought ideas and opinions that could be considered for inclusion in the new scheme, and also to help identify any individuals, or groups, which may be adversely affected by the changes.

The Government had already stipulated that people of state pension age would not be affected by the new localised scheme, and that their existing claims should be protected from any changes. Any localised scheme will therefore only impact current working age benefit claimants, which in Blackburn with Darwen Borough Council totals approximately 11,700 households.

The overarching objectives of the consultation were to engage with customers and representative organisations alike, publicise and provide information, and obtain views and opinions about the changes in general and the Councils own proposal that will take effect in April 2013.

The findings of the consultation will be used to help inform and influence member discussion and ultimately, the design of the localised scheme that will be adopted by Blackburn with Darwen Borough Council. The decision on the localised scheme will be finalised by full Council on the 31st January 2013.

Consultation Exercises

To help ensure that the engagement process was equitable and open to as many residents, representative groups, organisations and interested parties as possible, a wide range of methodologies were used throughout August, September and October, these included:

- Mailshot to customers and representative groups;
- Online survey on the Blackburn with Darwen Borough Council website and Citizen Space;
- Roadshows throughout the Borough;
- Posters and leaflets in Council buildings;
- Paper questionnaires were made available at the One Stop Shops;
- Customer engagement – At the One Stop Shops and the via Contact Centre enquiries;
- Customer engagement – via Neighbourhood Officers & Revenues Inspectors;
- Internal communications – email and briefings for members and staff ;
- Bulk email sent to customers;
- Shuttle article;
- Message on Twitter and Facebook;

The consultation and the online survey closed for comments on the 31st October 2012.

39

Consultation Methodology

In total, approximately 23,000 mailshot letters were issued. Although claimants of pensionable age will not be directly affected by any of the potential changes, it was decided that all current Council Tax Benefit recipients (i.e. both working age and pensionable age) should be given the opportunity to respond to an issue of such importance.

In addition, mailshot letters were also sent to 10% of residents who were not in receipt of Council Tax Benefit. This element of the mailshot exercise was based on a cross-section of residents from all wards across the Borough. A number of letters were also issued to representative groups, including local voluntary and community organisations from across the Borough as well as local registered social housing providers.

The mailshot explained the reason for the public consultation and invited recipients to go online to take part in the consultation and complete the questionnaire. The mailshot also provided details of a contact telephone number and email address for any direct enquiries in relation to the consultation.

The Council's website featured the online survey throughout the consultation period, along with more detailed information including a downloadable questionnaire and leaflet, frequently asked questions and a draft copy of proposed scheme for Blackburn with Darwen BC. In addition to the mailshot, the online survey was widely promoted throughout the Borough with a poster and leaflet campaign, a Shuttle article and messages on Twitter and Facebook.

Mailshot recipients were also advised that they could obtain a paper copy of the questionnaire from either Blackburn or Darwen Town Hall, or attend one of the road show events and speak directly to officers of the Council.

A total of 11 separate road shows were held during August, September and October at various locations around the Borough, including Blackburn and Darwen Town Halls, local community and children's centres and local mosques.

A bulk email was also sent to all Council Tax customers who had previously supplied an email address to the Council Tax or Benefits Sections. Approximately 7,500 emails were sent, which briefly explained the changes and included an invitation and a direct link to the online survey.

Paper surveys were also made available to customers and were pro-actively advertised and completed with customers at the One Stop Shops at Blackburn and Darwen. Contact Centre staff were also pro-active and completed the online survey on the customers behalf following incoming telephone enquiries. A number of outbound telephone calls were also made specifically for this purpose.

Neighbourhood officers also assisted with the completion of paper surveys at a number of Ward Solution meetings held in the evening. The Council Tax property inspectors were also pro-active with customers when carrying out their daily routine inspections across the Borough.

As many Blackburn with Darwen Borough Council staff both live and work in the area, and therefore were potentially interested parties, the online consultation was communicated via the staff intranet and by an internal email to all Blackburn with Darwen Borough Council staff inviting them to take part in the survey.

As the consultation survey was online it was open to both residents and non-residents of the Borough; however the majority of those who indicated that they were a non-resident can most likely be attributed to the responses received from Representative Groups.

Consultation Survey Results

In total there were 1,212 responses received during the consultation process, 460 or 38% of which came from households currently in receipt of Council Tax Benefit, whilst a further 700 respondents indicated that they were not in receipt of Council Tax Benefit (58%). Of those who indicated they were not in receipt of Council Tax Benefit, 34 identified themselves as Representative Groups. A further 52 respondents did not indicate receipt of Council Tax Benefit or that they represented an organisation. **It should also be noted that some respondents did not answer every question when completing the questionnaire.**

The results are presented by examining each of the consultation questions (i.e. the suggestions for the new scheme) and the number of responses to each. The responses range from 'strongly agree' through to 'strongly disagree'. For each question the overall response is shown and then the results are grouped to indicate the responses that were received from Council Tax Benefit recipients, Non-Council Tax Benefit recipients and Representative Groups.

Q1. The Council should go ahead with its preferred option and cut the amount of support awarded to working age claimants by a set percentage (the current estimate is 20%), so that all working age claimants have something to pay

In total, 1,208 respondents answered this question, of which, 58.1% were in favour of reducing the amount of Council Tax Support that is awarded to working-age claimants, 33% were opposed, with a further 8.9% neither agreeing nor disagreeing. A more detailed breakdown of the responses by non-CTB recipient, CTB recipient and representative groups is detailed below:

Non-CTB recipients

- 73.9% agreed or strongly agreed with the statement
- 18% disagreed or strongly disagreed with the statement
- 8.2% neither agreed nor disagreed with the statement

CTB recipients

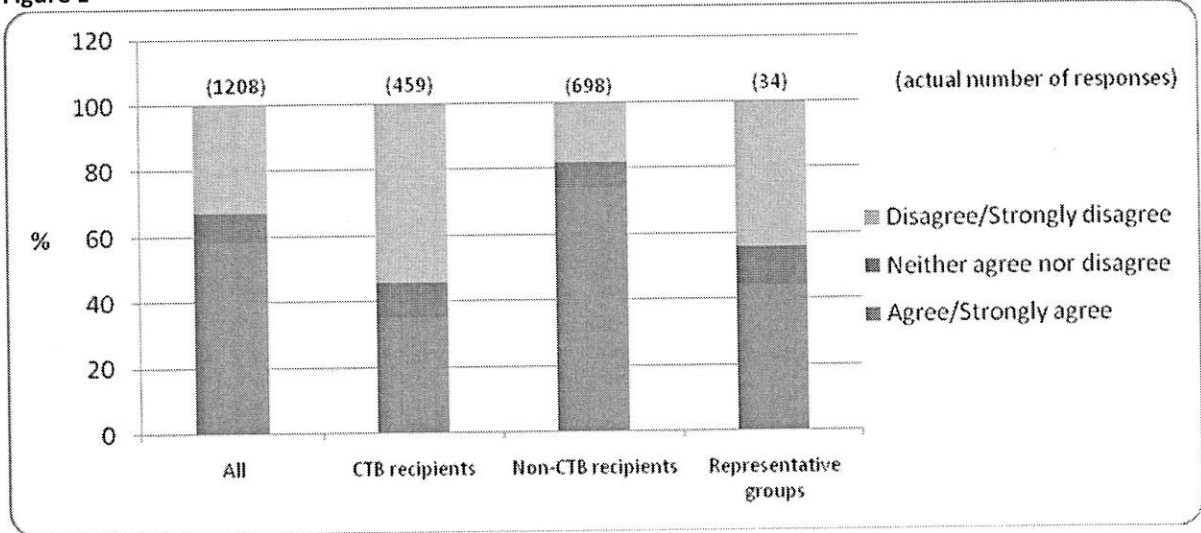
- 35.2% agreed or strongly agreed with the statement
- 54.2% disagreed or strongly disagreed with the statement
- 10.6% neither agreed nor disagreed with the statement

Representative Groups

The percentage of representative groups for and against the proposal was exactly equal at 44.1% with the remaining 11.8% neither agreeing nor disagreeing with the question.

A further breakdown of the responses is shown in figure 1 below.

Figure 1



*NB. 17 responses failed to indicate whether they were in receipt CTB or a member of a representative group

42

Q2. The Council should consider reducing the eligible level of support to a maximum percentage, for example 80%

Question two was very similar in design to question one, however, it did produce slightly differing results. Out of total number of responses of 1,204, 50.1% of respondents were in favour of reducing the level of support to a maximum percentage, whilst 35.9% were opposed with 14% not expressing a preference and by stating they neither agreed nor disagreed with the statement. A more detailed breakdown of the responses by non-CTB recipient, CTB recipient and representative groups is detailed below:

Non-CTB recipients

- 64.6% agreed or strongly agreed with the statement
- 22.7% disagreed or strongly disagreed with the statement
- 12.7 % neither agreed nor disagreed with the statement

CTB recipients

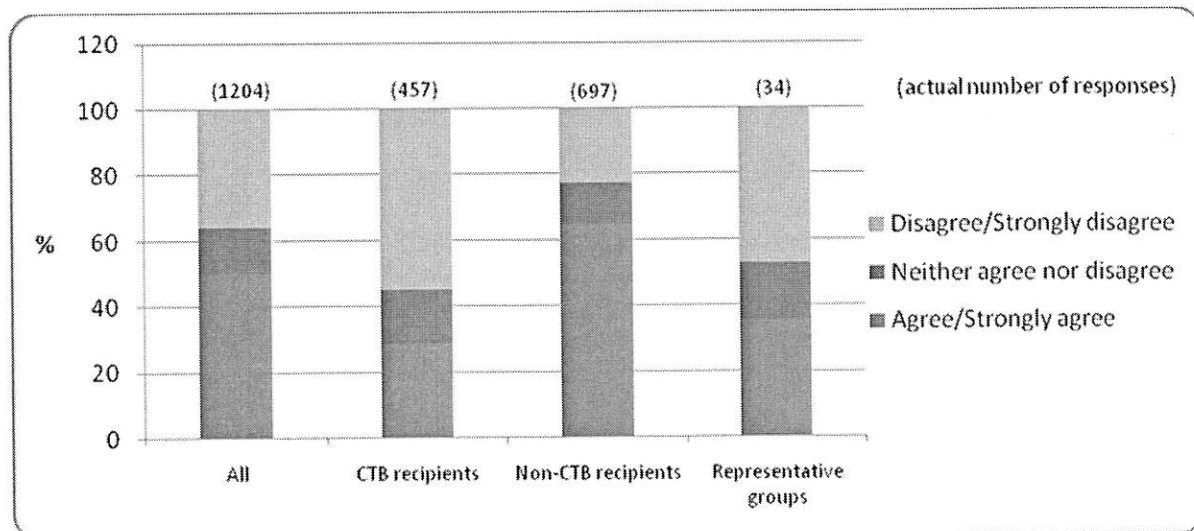
- 28.5% agreed or strongly agreed with the statement
- 54.7% disagreed or strongly disagreed with the statement
- 16.7 % neither agreed nor disagreed with the statement

Representative Groups

- 35.3% agreed or strongly agreed with the statement
- 47.1% disagreed or strongly disagreed with the statement
- 17.6% neither agreed nor disagreed with the statement

A further breakdown of the responses is shown in figure 2 below.

Figure 2



*NB. 16 responses failed to indicate whether they were in receipt CTB or a member of a representative group

Q3. Claimants living in properties with a higher Council Tax band (e.g. D, E or F or higher), should have their award capped at a specific band e.g. band B or C

A total 1,206 respondents completed this particular question, of which 61.4% were in favour of capping the amount of support at a specific band, 27.5% disagreed with the assertion with a further 11% neither agreeing nor disagreeing. A more detailed breakdown of the responses by non-CTB recipient, CTB recipient and representative groups is detailed below:

Non-CTB recipients

- 67.6% agreed or strongly agreed with the statement
- 23.3% disagreed or strongly disagreed with the statement
- 9.1% neither agreed nor disagreed with the statement

CTB recipients

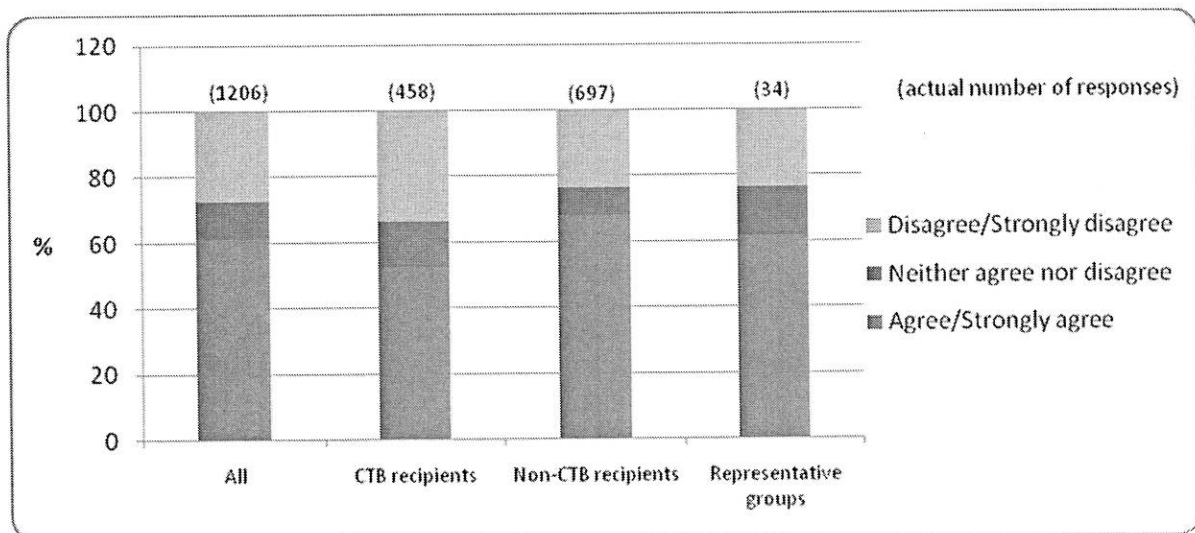
- 52.2% agreed or strongly agreed with the statement
- 33.5% disagreed or strongly disagreed with the statement
- 14.3% neither agreed nor disagreed with the statement

Representative Groups

- 61.8% agreed or strongly agreed with the statement
- 23.5% disagreed or strongly disagreed with the statement
- 14.7% neither agreed nor disagreed with the statement

A further breakdown of the responses is shown in figure 3 below.

Figure 3



*NB. 17 responses failed to indicate whether they were in receipt CTB or a member of a representative group

Q4. In the new scheme, the Council should not offer any support to claimants who have savings over £6,000

Out of 1,203 respondents 49.9% agreed or strongly agreed with the question of withdrawing support for claimants who have savings over £6,000. A further 38.5% were against the proposition with 11.6% not agreeing or disagreeing. A more detailed breakdown of the responses by non-CTB recipient, CTB recipient and representative groups is detailed below:

Non-CTB recipients

- 54.1% agreed or strongly agreed with the statement
- 34.9% disagreed or strongly disagreed with the statement
- 11% neither agreed nor disagreed with the statement

CTB recipients

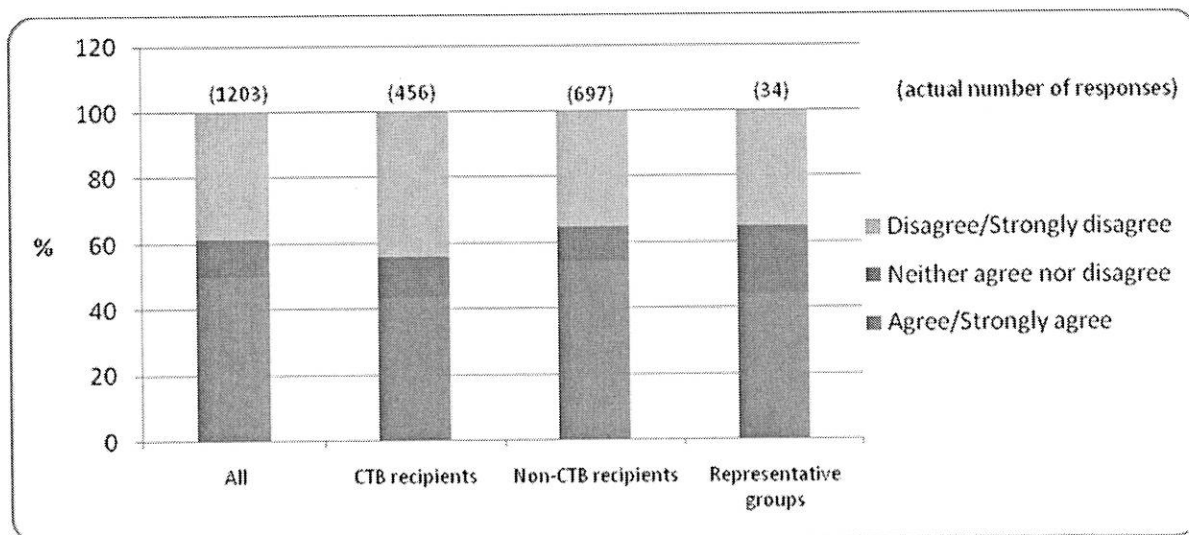
- 43.1% agreed or strongly agreed with the statement
- 43.7% disagreed or strongly disagreed with the statement
- 13.3% neither agreed nor disagreed with the statement

Representative Groups

- 44.1% agreed or strongly agreed with the statement
- 35.3% disagreed or strongly disagreed with the statement
- 20.6% neither agreed nor disagreed with the statement

A further breakdown of the responses is shown in figure 4 below.

Figure 4



*NB. 16 responses failed to indicate whether they were in receipt CTB or a member of a representative group

45

Q5. In the new scheme, other adults within the household should be expected to contribute more towards the Council Tax, depending on their income

Overall, 67.1% of 1,203 who responded to this question were in favour of other adults in the household contributing more towards the Council Tax. A further 23.8% opposed the suggestion whilst a further 9.1% failed to express a preference by neither agreeing nor disagreeing. A more detailed breakdown of the responses by non-CTB recipient, CTB recipient and representative groups is detailed below:

Non-CTB recipients

- 72.5% agreed or strongly agreed with the statement
- 21.2% disagreed or strongly disagreed with the statement
- 6.4% neither agreed nor disagreed with the statement

CTB recipients

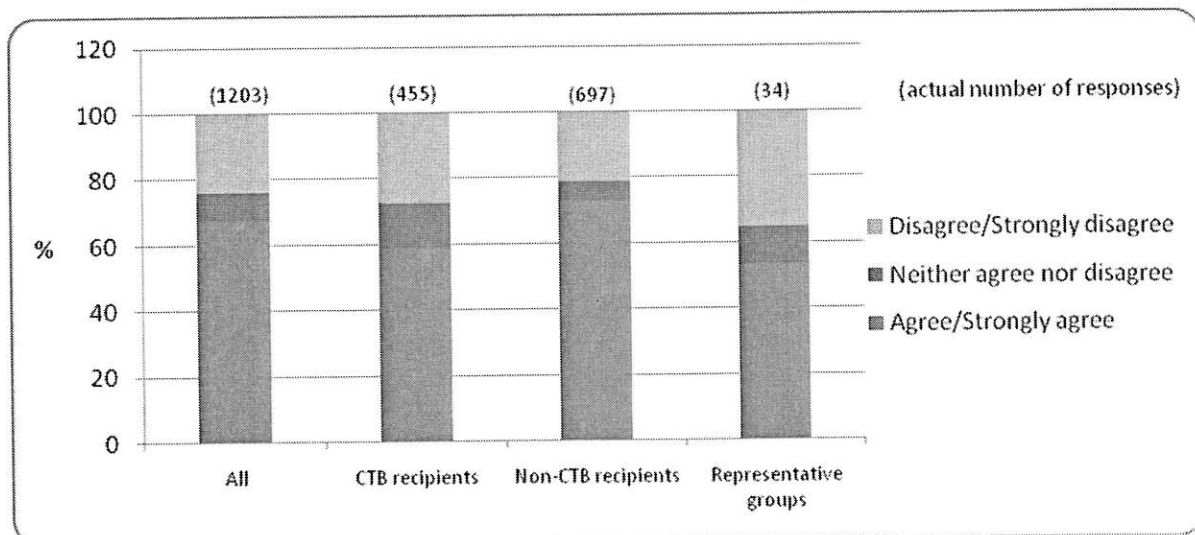
- 58.5% agreed or strongly agreed with the statement
- 27% disagreed or strongly disagreed with the statement
- 14.6% neither agreed nor disagreed with the statement

Representative Groups

- 53% agreed or strongly agreed with the statement
- 35.3% disagreed or strongly disagreed with the statement
- 11.8% neither agreed nor disagreed with the statement

A further breakdown of the responses is shown in figure 5 below.

Figure 5



*NB. 17 responses failed to indicate whether they were in receipt CTB or a member of a representative group

Q6. To incentivise work, the Council should continue to offer support to unemployed claimants for a limited period when they start work, e.g. for up to 8 weeks

Out of a total of 1,206 respondents to this question, 73.7% were in favour of continuing to offer support for a limited period to incentivise work, whilst 16% opposed the proposal, a further 10.3% indicated that they neither agreed nor disagreed. A more detailed breakdown of the responses by non-CTB recipient, CTB recipient and representative groups is detailed below:

Non-CTB recipients

- 73.9% agreed or strongly agreed with the statement
- 16% disagreed or strongly disagreed with the statement
- 10.1% neither agreed nor disagreed with the statement

CTB recipients

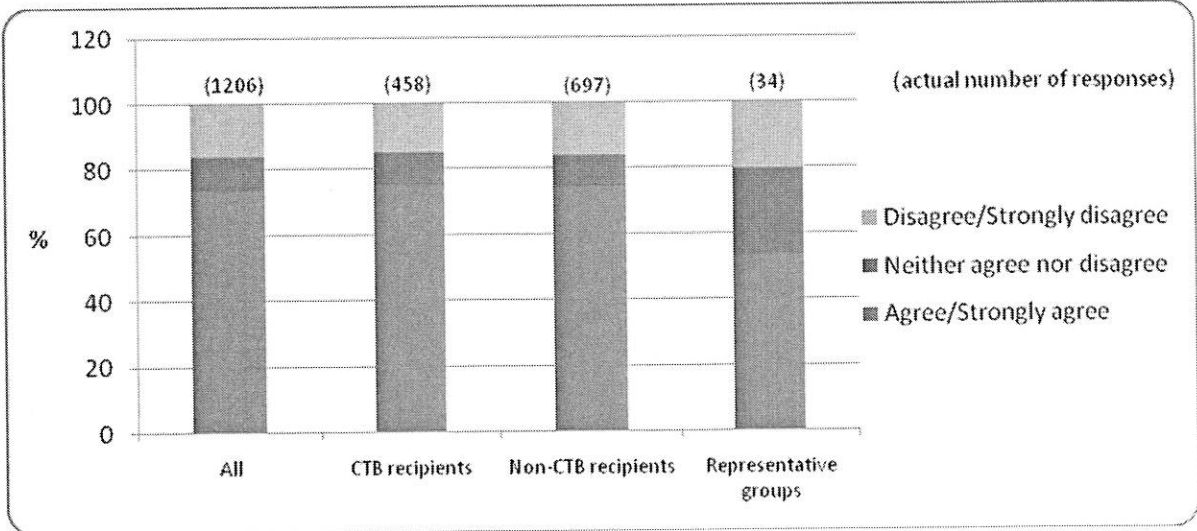
- 74.5% agreed or strongly agreed with the statement
- 15% disagreed or strongly disagreed with the statement
- 10.4% neither agreed nor disagreed with the statement

Representative Groups

- 53% agreed or strongly agreed with the statement
- 26.5% disagreed or strongly disagreed with the statement
- 20.5% neither agreed nor disagreed with the statement

A further breakdown of the responses is shown in figure 6 below.

Figure 6



*NB. 17 responses failed to indicate whether they were in receipt CTB or a member of a representative group

Q7. Claimants in receipt of middle or higher rate Disability Living Allowance should be considered vulnerable and not be affected by the new scheme

Overall 64.6% of the 1,206 respondents agreed that middle or high rate Disability Living Allowance recipients should be classed as vulnerable and not be affected by the new scheme. A further 25.1% disagreed or strongly disagreed, with 8.8% of respondents indicating no preference. A further 1.5% indicating they did not know. A more detailed breakdown of the responses by non-CTB recipients, CTB recipients and representative groups is detailed below:

Non-CTB recipients

- 59.3% agreed or strongly agreed with the statement
- 28.5% disagreed or strongly disagreed with the statement
- 12.3% neither agreed nor disagreed or indicating they did not know

CTB recipients

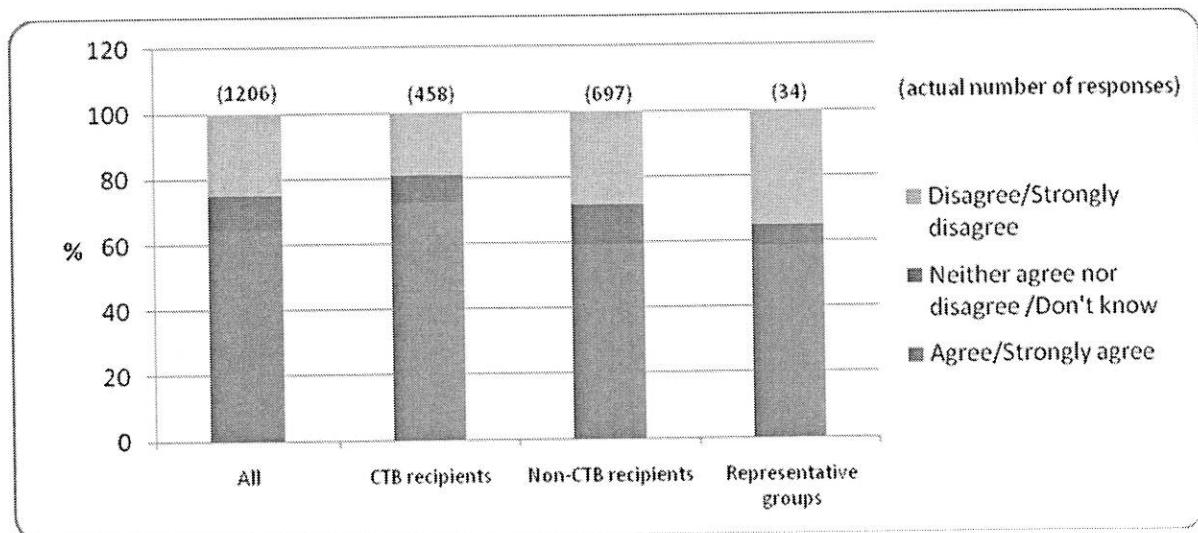
- 72.4% agreed or strongly agreed with the statement
- 19% disagreed or strongly disagreed with the statement
- 8.7% neither agreed nor disagreed or indicating they did not know

Representative Groups

- 58.9% agreed or strongly agreed with the statement
- 35.3% disagreed or strongly disagreed with the statement
- 5.9% neither agreed nor disagreed or indicating they did not know

A further breakdown of the responses is shown in figure 7 below.

Figure 7



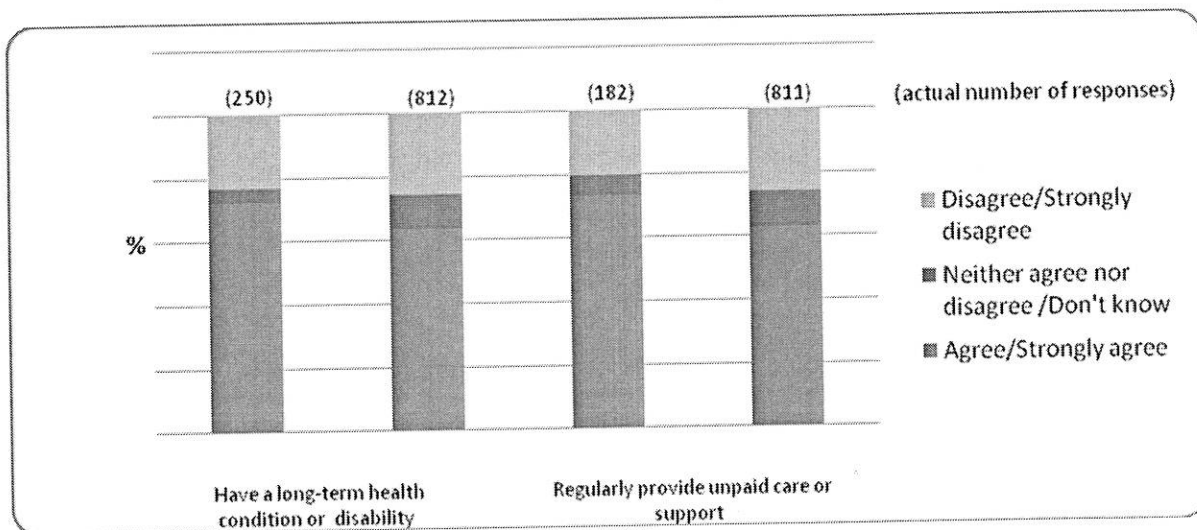
*NB. 17 responses failed to indicate whether they were in receipt CTB or a member of a representative group

Also in respect of question 7, the results shown below are those that were received from respondents that indicated whether they had a long-term physical, mental health or health condition or disability, or who indicated whether they regularly provided unpaid care or support for someone else.

Of respondents who indicated that they had a long-term health condition/disability 72.4% were in favour of this proposal.

Of respondents who indicated they did not have such a condition 63.4% were in favour of the proposal, as were 73.1% of respondents who provide unpaid care or support. Of respondents who did not provide care or support 62.7% were also in favour.

Overall, over 60% of all respondents were in favour of considering middle or high rate Disability Living Allowance recipients as vulnerable, irrespective of whether they had indicated yes or no.



Q8. Claimants in receipt of Incapacity Benefit or Employment Support Allowance (support component) should be considered vulnerable and not be affected by the new scheme

A total of 1,191 responses were received in respect of this question. Overall, 61.5% of respondents agreed with considering Incapacity Benefit or ESA (support component) recipients as vulnerable, a further 25.4% disagreed with the statement, whilst 11.3% expressed no preference with 1.7% indicating they did not know. A more detailed breakdown of the responses by non-CTB recipients, CTB recipients and representative groups is detailed below:

Non-CTB recipients

- 55.2% agreed or strongly agreed with the statement
- 29% disagreed or strongly disagreed with the statement
- 15.9% neither agreed nor disagreed or indicating they did not know

CTB recipients

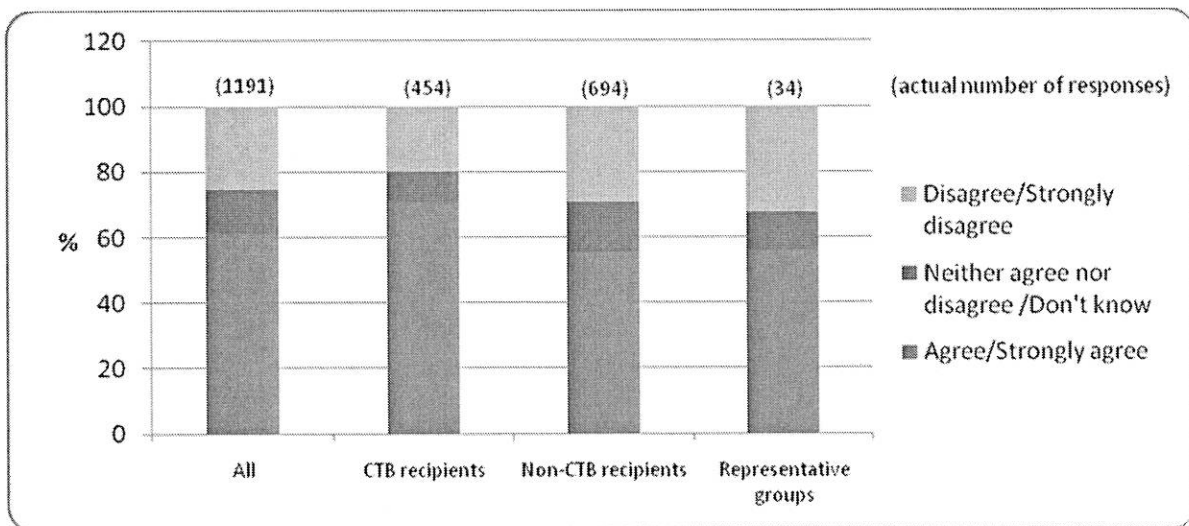
- 69.8% agreed or strongly agreed with the statement
- 19.6% disagreed or strongly disagreed with the statement
- 10.7% neither agreed nor disagreed or indicating they did not know

Representative Groups

- 55.8% agreed or strongly agreed with the statement
- 32.4% disagreed or strongly disagreed with the statement
- 11.8% neither agreed nor disagreed or indicating they did not know

A further breakdown of the responses is shown in figure 8 below.

Figure 8

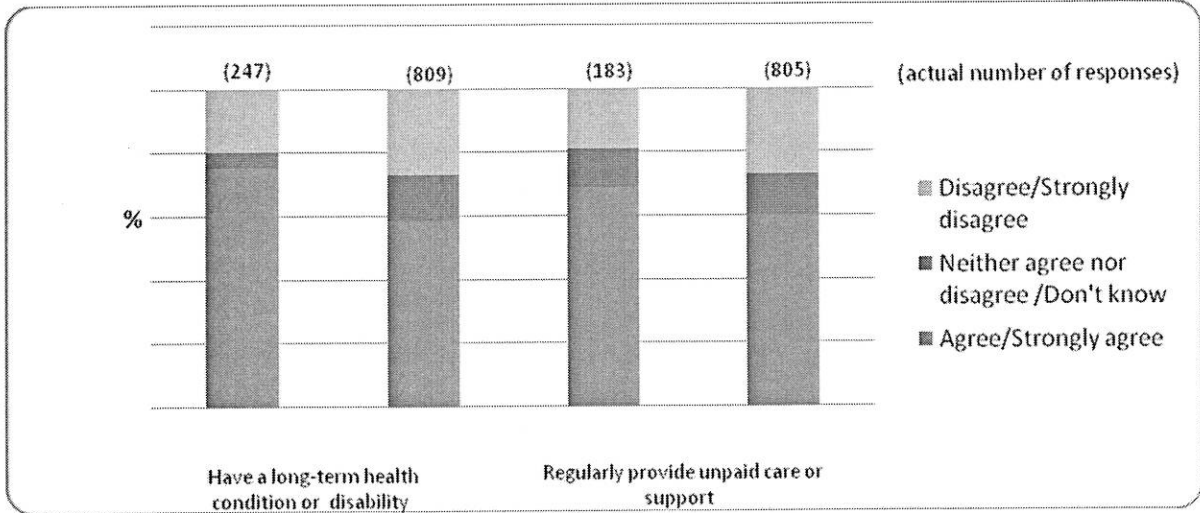


*NB. 9 responses failed to indicate whether they were in receipt CTB or a member of a representative group

Also in respect of question 8, the results shown below are those received from the respondents that indicated whether they had a long-term physical, mental health or health condition or disability, or who indicated whether they regularly provided unpaid care or support for someone else.

75.3% of respondents who indicated that they had a long-term health condition/disability were in favour of this proposal. 58.6% of respondents who indicated they did not have such a condition were in favour of the proposal, as were 68.5% of respondents who provide unpaid care or support and 60.1% of those respondents who do not.

Overall, over 60% of all respondents were in favour of the proposal, irrespective of whether they had indicated yes or no.



Q9. Single parents with young children under the age of 5 should be considered vulnerable and not be affected by the new scheme

Out of a total of 1,201 respondents to this question, 47.2% of respondents were in favour of considering single parents with young children under the age of 5 as vulnerable, 39.3% disagreed or strongly disagreed, whilst 12.2% expressed no preference with a further 1.2% indicating that they did not know. A more detailed breakdown of the responses by non-CTB recipients, CTB recipients and representative groups is detailed below:

Non-CTB recipients

- 40.2% agreed or strongly agreed with the statement
- 45.5% disagreed or strongly disagreed with the statement
- 14.4% neither agreed nor disagreed with the statement or indicated that they did not know

CTB recipients

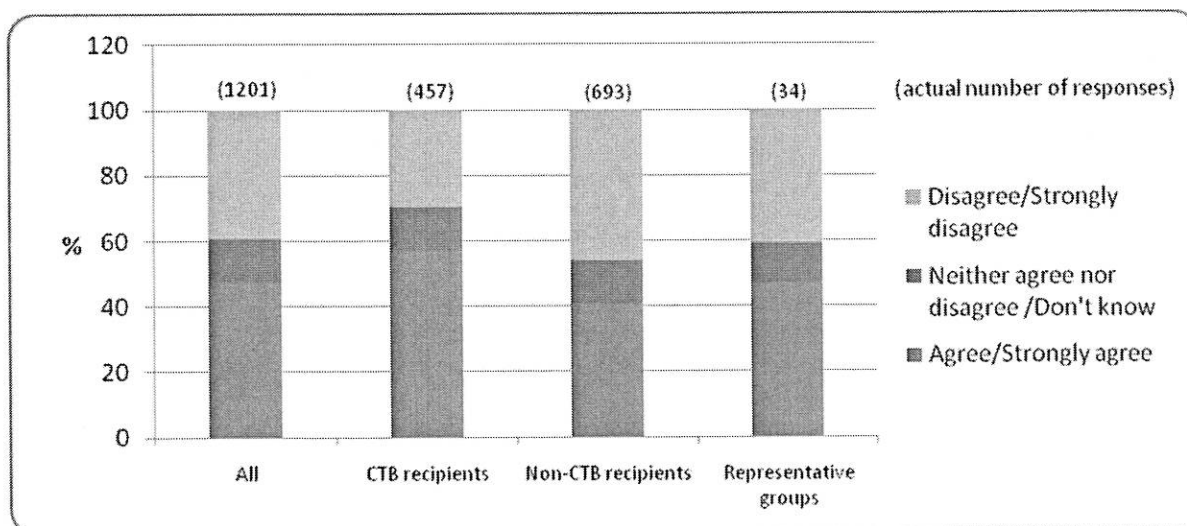
- 56.3% agreed or strongly agreed with the statement
- 29.3% disagreed or strongly disagreed with the statement
- 14.4% neither agreed nor disagreed with the statement or indicated that they did not know

Representative Groups

- 47.1% agreed or strongly agreed with the statement
- 41.2% disagreed or strongly disagreed with the statement
- 11.8% neither agreed nor disagreed with the statement or indicated that they did not know

A further breakdown of the responses is shown in figure 9 below.

Figure 9



*NB. 17 responses failed to indicate whether they were in receipt CTB or a member of a representative group

52

Q10. The Council should have a Hardship fund to support and reduce the bills of people suffering genuine hardship, because of the changes being made to Council Tax Benefit

Overall 69.9% of respondents were in favour of having a Hardship fund for people suffering genuine hardship because of the changes whilst 15.2% opposed the statement. A further 13.5% expressed no preference, with 1.4% answering 'don't know'. A more detailed breakdown of the responses by non-CTB recipients, CTB recipients and representative groups is detailed below:

Non-CTB recipients

- 64% agreed or strongly agreed with the statement
- 18.8% disagreed or strongly disagreed with the statement
- 17.1% neither agreed nor disagreed with the statement or indicated that they did not know

CTB recipients

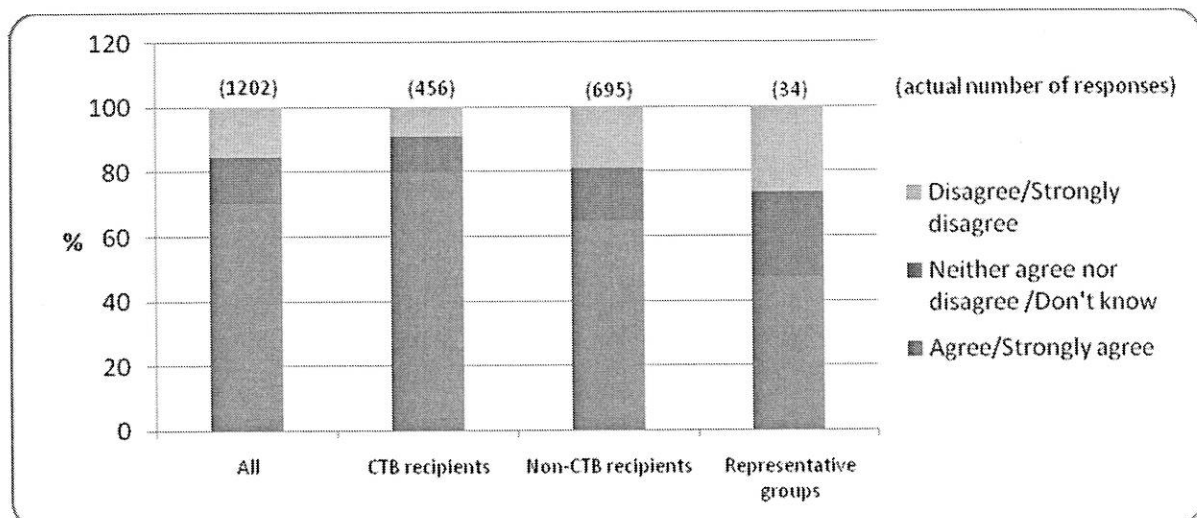
- 79.1% agreed or strongly agreed with the statement
- 8.7% disagreed or strongly disagreed with the statement
- 12.2% neither agreed nor disagreed with the statement or indicated that they did not know

Representative Groups

- 47% agreed or strongly agreed with the statement
- 26.4% disagreed or strongly disagreed with the statement
- 26.5% neither agreed nor disagreed with the statement or indicated that they did not know

A further breakdown of the responses is shown in figure 10 below.

Figure 10



*NB. 17 responses failed to indicate whether they were in receipt CTB or a member of a representative group

Q11. The Council should implement Government guidance and cut the amount of Council Tax Benefit awarded to working age claimants

A total of 1191 respondents completed this question, of which, 55.9% agreed or strongly agreed with the statement, whilst 31% disagreed or strongly disagreed. A further 13% expressed no preference one way or the other. A more detailed breakdown of the responses by non-CTB recipients, CTB recipients and representative groups is detailed below:

Non-CTB recipients

- 69.4% agreed or strongly agreed with the statement
- 18.3% disagreed or strongly disagreed with the statement
- 12.3% neither agreed nor disagreed with the statement

CTB recipients

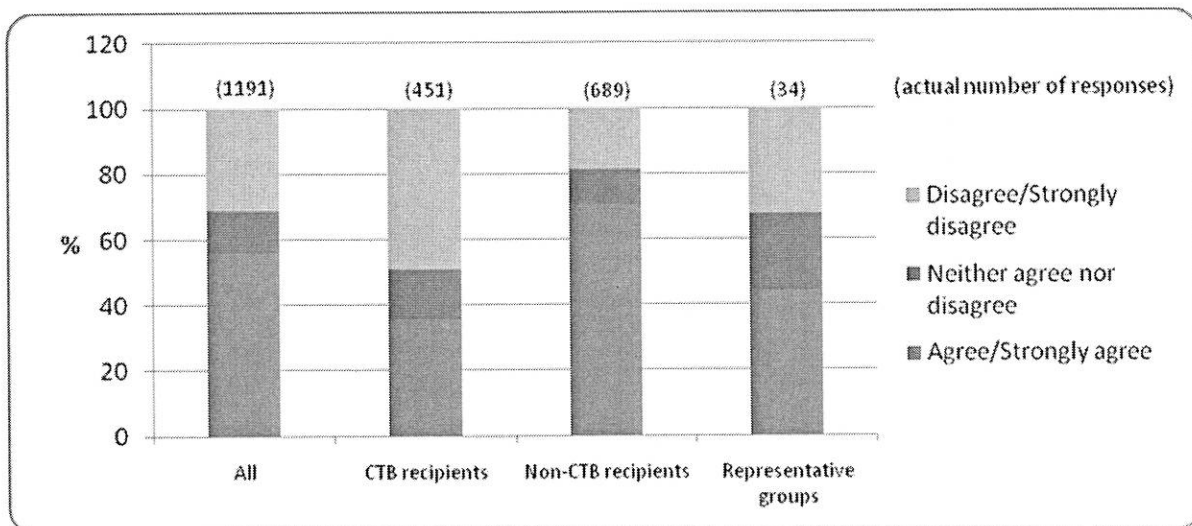
- 34.8% agreed or strongly agreed with the statement
- 48.3% disagreed or strongly disagreed with the statement
- 17% neither agreed nor disagreed with the statement

Representative Groups

- 44.1% agreed or strongly agreed with the statement
- 32.3% disagreed or strongly disagreed with the statement
- 23.5% neither agreed nor disagreed with the statement

A further breakdown of the responses is shown in figure 11 below.

Figure 11



*NB. 17 responses failed to indicate whether they were in receipt CTB or a member of a representative group

Q12. The Council should make no changes to the Council Tax Benefit scheme and instead make further cuts to services to fund the reduction

Overall 1191 respondents completed this question within the consultation exercise, 18.9% supported the proposition, 61.6% opposed with a further 19.5% neither agreeing nor disagreeing. A more detailed breakdown of the responses by non-CTB recipients, CTB recipients and representative groups is detailed below:

Non-CTB recipients

10.4% agreed or strongly agreed with the statement
 72.7% disagreed or strongly disagreed with the statement
 16.8% neither agreed nor disagreed with the statement

CTB recipients

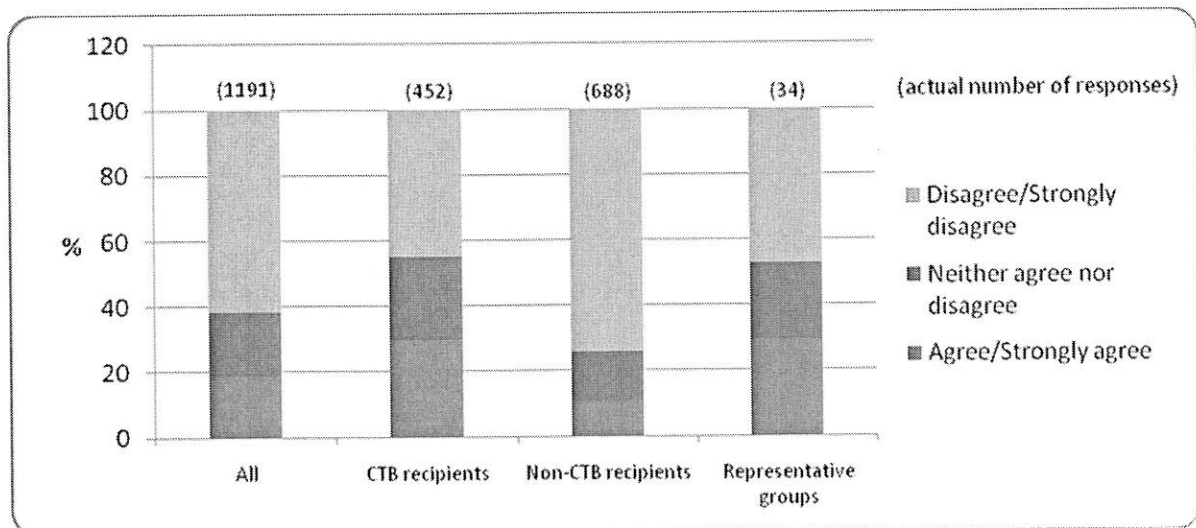
29.2% agreed or strongly agreed with the statement
 44.2% disagreed or strongly disagreed with the statement
 26.7% neither agreed nor disagreed with the statement

Representative Groups

29.4% agreed or strongly agreed with the statement
 47% disagreed or strongly disagreed with the statement
 23.5% neither agreed nor disagreed with the statement

A further breakdown of the responses is shown in figure 12 below.

Figure 12



*NB. 17 responses failed to indicate whether they were in receipt CTB or a member of a representative group

Q12a. If strongly agree or agree, please indicate which services should be cut

In total 137 respondents completed this part of the questionnaire and added further comments. A significant number of respondents suggested that the number of Council employees should be cut, with particular reference made to higher paid senior management. A number of respondents were also in favour of reducing the number of Councillors and their expenses and ending the position of the Mayor and associated expenditure.

Other suggestions that received multiple comments included:

- reduce in number or close the children's centres, community centres and libraries
- stop free leisure facilities
- stop street cleaning, stop employing litter pickers and reduce the amount of refuse collections
- stop grass cutting and planting flowers in parks & gardens
- end the contract with Capita
- abolish the Shuttle

Q13. The Council should increase the amount of Council Tax raised by reducing the discounts offered for second home and empty properties

Overall 75.6% of respondents were in favour of the Council increasing the amount of Council Tax raised by reducing discounts on 2nd homes and empty properties whilst 16.6% opposed an increase with 7.7% expressing no preference. A more detailed breakdown of the responses by non-CTB recipients, CTB recipients and representative groups is detailed below:

Non-CTB recipients

- 74.6% agreed or strongly agreed with the statement
- 17.7% disagreed or strongly disagreed with the statement
- 7.7% neither agreed nor disagreed with the statement

CTB recipients

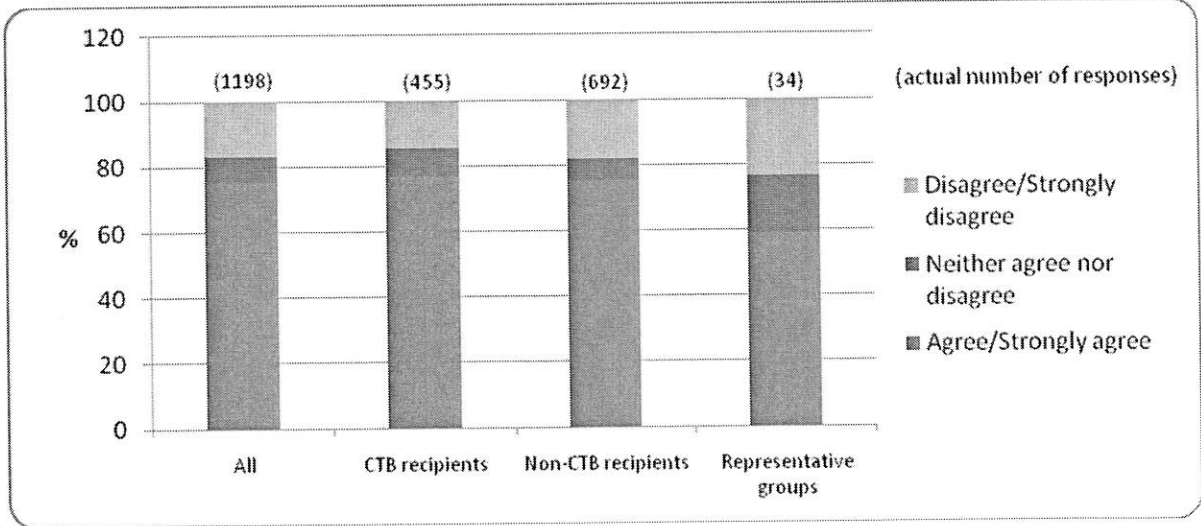
- 76.1% agreed or strongly agreed with the statement
- 14.3% disagreed or strongly disagreed with the statement
- 9.6% neither agreed nor disagreed with the statement

Representative Groups

- 58.8% agreed or strongly agreed with the statement
- 23.5% disagreed or strongly disagreed with the statement
- 17.6% neither agreed nor disagreed with the statement

A further breakdown of the responses is shown in figure 13 below.

Figure 13



*NB. 17 responses failed to indicate whether they were in receipt CTB or a member of a representative group

Q14. The Council should look to increase the amount of money raised from all households and increase Council Tax for everyone.

Overall 71.9% of respondents opposed increasing the amount of Council Tax charged to everyone. There were 15.5% in favour of such an increase with a further 12.5% neither agreeing nor disagreeing. A more detailed breakdown of the responses by non-CTB recipients, CTB recipients and representative groups is detailed below:

Non-CTB recipients

12.6% agreed or strongly agreed with the statement
 75.4% disagreed or strongly disagreed with the statement
 12% neither agreed nor disagreed with the statement

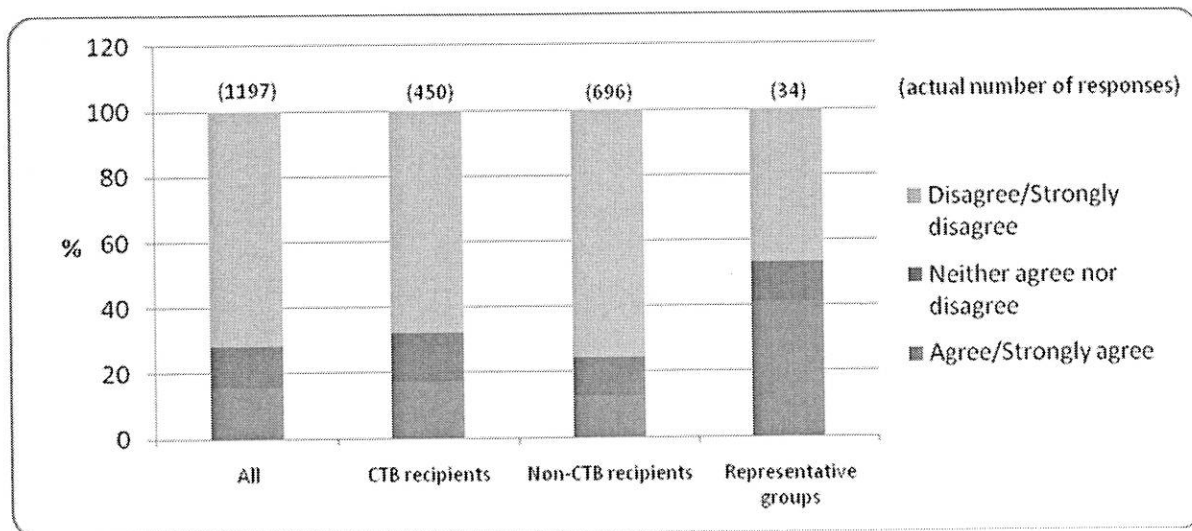
CTB recipients

16.9% agreed or strongly agreed with the statement
 66.6% disagreed or strongly disagreed with the statement
 16.5% neither agreed nor disagreed with the statement

Representative Groups

41.2% agreed or strongly agreed with the statement
 47.1% disagreed or strongly disagreed with the statement
 11.8% neither agreed nor disagreed with the statement

A further breakdown of the responses is shown in figure 14 below.



*NB. 17 responses failed to indicate whether they were in receipt CTB or a member of a representative group

Additional comments

Question 15 asked respondents to provide any additional comments they wished to make about the proposed changes to Council Tax Benefit. In total, 393 respondents completed this part of the questionnaire.

There were a minority of respondents who thought that there should be no change to the existing scheme indicating that it works sufficiently well and many people are already struggling financially. Also, there were a few comments about distrust in the Council in that the survey was a pointless exercise as the Council 'will do what it wants anyway'. The rest of the respondents were either in favour of or opposed to the changes.

Those in favour of the changes agreed with the main principle that 'everyone should pay something' towards the Council Tax, and thought that those who genuinely needed support should receive it and agreed that a discretionary Hardship fund should be available for genuine cases.

Many respondents commented on the proposal that increasing the amount of Council Tax for 2nd homes and empty properties was a good idea and also agreed that people who live in higher banded properties should pay more.

There were a significant number of comments about ending the 'benefits culture' and the reliance on benefits and agreed that work incentives should be provided, and furthermore that people should 'earn' their benefits by doing jobs for the Council – examples such as street cleaning and litter picking were provided. A number of comments were also made in relation to fraudulent claims and that the Council should target 'benefit cheats' more aggressively.

On the other hand, there was recognition that those on benefits would struggle to pay Council Tax under the new scheme, as people on benefits have the least means to pay.

Furthermore, many respondents that were opposed to the changes commented that this would create even more financial hardship to many families of the Borough.

Many respondents also disagreed with increasing the Council Tax for everyone and commented that the Council Tax is already too high.

Equality Monitoring

Equality monitoring helps us to meet our statutory duties under the Equality Act 2010. The following data was requested at the end of the survey and covers some of the characteristics which are protected from discrimination as contained within the Equality Act 2010.

Despite mailshots being issued to all current CTB recipients (18,500) and just 10% of Non-CTB recipients (4,000), the response rate from CTB recipients was significantly lower (39%) than the response rate from Non-CTB recipients (61%). This disparity has also been reported by other Authorities that have consulted on this matter. However, it should be noted that the split in total number of CTB/non-CTB recipients in the Borough is not too dissimilar at 31% to 69%.

Replies were received for all age groups, however the majority of responses (82%) were received from those aged 25 to 64. Although mailshots were issued to all CTB recipients, which included

approximately 6,800 claimants of pensionable age, the response rate observed from those aged 65 or over appears low (15%) in comparison with the demographic profile of the Borough, however this could be as a result of them not being directly affected by the changes.

In keeping with the demographic profile of the Borough, the majority of the responses (67%) to the consultation came from respondents with a white British background, with fewer responses (26%) coming from respondents who indicated an Asian heritage. Again, the results from the consultation are similar to the actual demographics of the Borough which indicate an Asian heritage percentage of approximately 20%.

Responses were also received from a variety of representative organisations, as well as from households that include persons with a long-term illness, health issue or disability and those who provide unpaid care or support for such persons.

Overall, the responses represent a wide range of views and the findings of the consultation are thought to be representative, as the level of responses are, on the whole, in-keeping with the demographic profile of the Borough.