

Consultation document

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Date: As postmark

Local Council Tax Support Scheme Consultation

We are writing to you because you currently receive Council Tax Support. We are looking to make changes and want to know what you think about the changes we are considering.

Since April 2013, the Government has cut significantly the amount of money to councils for local Council Tax Support schemes. And next year, Leeds City Council will lose another £46m in Government funding. Because of this we need to look very carefully at how we support people who need help with their Council Tax.

We are committed to protecting war pensioners and war widows, severely disabled people, carers and lone parents of children under the age of 5 from any reduction. Pensioners are also protected but everyone else gets less support because of the Government cuts.

We are now considering options for next year's scheme. Our aim is to introduce a scheme that helps people who can work, gain employment. The options for our proposed new Council Tax Support Scheme are outlined in the attached document with a questionnaire so we can get your views on our proposed scheme.

We need you to give us your views by *14 November 2014*. This will give us time to make sure your views are taken into account when we make the final decision.

You can provide your views on line at www.leeds.gov.uk/counciltaxconsultation or you can complete the enclosed survey and return it to us in the freepost envelope.

We also have further information available online at www.leeds.gov.uk/counciltax2015. Information about the survey is enclosed. If you have any further questions about the survey please telephone us on **0113 376 0408**.

Any changes we make to the scheme will not affect your Council Tax Support this year. We will take account of your comments when finalising our scheme and will let you know about any changes to our scheme when we send your Council Tax bill for 2015-16.

Yours faithfully



James Rogers
Assistant Chief Executive
(Citizens & Communities)

Council Tax Support Consultation

Introduction

We want to get your views on changes we are looking to make to our local Council Tax Support scheme. Our Council Tax Support scheme provides financial support to people who need help to pay their Council Tax, but the amount of support we can provide is affected by the funding we get from the Government. Government funding was cut by 10% nationally in April 2013 which meant that Leeds lost around £5m in funding.

We have asked for views before on our Council Tax Support scheme and those who replied said that it was important to protect vulnerable people. We have taken this into account and our current scheme, as well as the proposed scheme, protects the following people from any reduction in support;

- war pensioners and war widows
- disabled people who qualify for a severe or enhanced disability premium
- carers
- lone parents of children under the age of 5

Pensioners are already protected, but everyone else has their support reduced by 26% compared to what they used to get under the national Council Tax Benefit scheme.

Why we need to review our scheme

We need to take into account changes to Government funding that the council receives and the impact this has on the services we can provide. We also need to look at how many people we expect to need Council Tax Support.

Because of further reductions in our funding from the Government, we cannot afford to put more money into the Council Tax Support Scheme, but we want to use our Council Tax Support scheme to help more people into work where work is a realistic option.

What are the changes we are proposing?

For many people receiving Council Tax Support, there will be no change in the way their Council Tax Support is worked out.

Pensioners, war pensioners and widows, carers, lone parents with a child under 5 and severely disabled claimants will continue to be protected and will have their Council Tax Support worked out as it is now.

We are proposing making two changes to the scheme.

1. We are proposing that all other working age customers who are not protected from reductions (see above), will see the amount of support they get reduced by 30% compared to what they would have got under the national Council Tax Benefit scheme. There are some examples of what this means later.
2. We are also proposing to change the scheme for people who are out of work and getting Jobseekers Allowance. We are proposing that;
 - For the first 6 months, jobseekers will receive Council Tax Support at the same level as claimants who are not protected from the reduction.

- But after 6 months, jobseekers will only be able to get Council Tax Support as part of a wider support package to improve their chance of finding work. Jobseekers who take up the wider support package will continue to receive Council Tax Support. But jobseekers who do not take up the wider support package will not get any more Council tax Support and will have to pay their full Council Tax.

How will changing our Council Tax Support Scheme help people into work?

Many jobseekers find work within 6 months of becoming unemployed with the support of Jobcentre Plus. We want to focus the extra help to find work on those who do not find work within 6 months of becoming unemployed. This means we will provide Council Tax Support for all jobseekers for the first 6 months.

But after 6 months, Council Tax Support will only be paid to jobseekers who work with the council to develop individual support plans aimed at helping improve their chances of getting work. Our individual Jobseeker support plans will support jobseekers to develop the skills and attributes they need to help them find a job. The support packages will work alongside the support that is provided by Jobcentre plus.

Working with the jobseeker, we will offer a package of support, training and development that is individual to the jobseeker and aimed at helping them find work.

Once in work people normally need less help to pay their Council Tax. This will help protect funding for those that are most vulnerable and in need.

How will the changes improve the scheme?

1. Providing extra help to jobseekers will improve their chances of finding work. Helping people into work is a key priority for the council and the scheme will provide more encouragement for people to work with us to find work.
2. Helping people into work will reduce the number of people who need to claim Council Tax Support and consequently we will not have to change the scheme on an annual basis.
3. Increasing the reduction from 26% to 30% will reduce the cost of the scheme and help to offset the extra cost of paying Council Tax Support in the event of a Council Tax increase.

How will people who already receive support be affected?

The 30% reduction will apply to everyone who is working age and not protected from the reduction from 1 April 2015.

For example:

- Someone who pays £14.53 a month now will pay around £16.76* a month
 - Someone who pays £16.95 a month now will pay around £19.56* a month
 - Someone who pays £19.38 a month now will pay around £22.36* a month
 - Someone who pays £22.61 a month now will pay around £26.09* a month
- *These amounts may increase if there is a Council Tax Increase in 2015/16*

We are proposing that only new jobseeker claims from 1st April 2015 will be required to take up the wider support packages after 6 months. Jobseekers already in receipt of Council Tax Support on 31 March 2015 will not move onto this new scheme until 1 April 2016 and will continue to receive Council Tax Support for one year until 31 March 2016 unless their circumstances change.

If their circumstances change and they claim Council Tax Support as a Jobseeker, after 6 months they will need to work with us to prepare for work to continue to receive Council Tax Support.

What these changes might mean

Tom's case

Tom is single and lost his job when the factory he had worked at relocated. He is receiving Jobseekers Allowance and is supported by his Jobcentre Plus advisor. He is applying for new jobs every week, but has not been successful yet. He is also using the Job shop at his local community hub to look for work, his skills advisor has arranged a work placement for him in a large local retail chain.

Under the current scheme Tom would pay 26% of his Council Tax which is £14.53 a month.

Under the new scheme Tom would pay 30% of his Council Tax which is £16.76 a month. Support would continue under the proposed scheme as a new Jobseeker working with an Employment and Skills advisor his support would not change

Whilst he is at the work placement a job becomes available. The experience he has gained on the placement helps Tom in the interview and he gets the Job. Tom no longer needs to claim Jobseekers Allowance or Council Tax Support as he can afford to pay his Council Tax from his wages.

Tiffany's case

Tiffany is a lone parent and has not worked since her son was born, but since he started school she has claimed Jobseekers Allowance. She has applied for many jobs but her skills are out of date and she has not been successful. Tiffany doesn't feel confident enough to attend training and doesn't want to take up the support offered to her.

Tiffany currently has 26% of her Council Tax to pay which is £16.95 per month.

Under the proposed scheme Tiffany would pay 30% of her Council Tax bill which would be £19.56 per month. However, if after 6 months Tiffany doesn't work with us to help her be in a good position to work her Council Tax Support would end and she would have £65.21 per month to pay, which is the total monthly cost of her Council Tax bill.

Although her Council Tax Support will end after 6 months the offer of support will not. If Tiffany takes up the support available to help secure work at any time, she will receive Council Tax Support again and have less to pay. The support offered would be tailored to her needs and in Tiffany's case to begin with this might be activities that would aim to increase her confidence.

Jai's case

Jai has been unemployed for 2 years and currently has Council tax of £14.53 per month to pay.

Under the proposed scheme Jai would continue to receive support and would pay 30% which would be £16.76 per month

From April 2016 Jai is offered but doesn't take up the offer of support and his Council Tax Support is stopped and he has £55.90 per month Council Tax to pay.

Jai realises that he cannot afford the new higher payments and contacts the Council for help. The advisor explains that support is available and explains that if he works with us to prepare for work we can reduce his Council Tax to £16.76 per month.

Jai accepts the offer of help and is soon offered a part time job which he takes. Although he only works 16 hours per week his pay is £40 a week more than his Jobseekers Allowance was. He can also still get a Council Tax Support reduction and has £38.00 a month to pay in Council Tax

One of Jai's colleagues leaves and Jai's employer offers him more hours. He takes the extra hours and Jai's higher pay means that he no longer needs Council tax Support and he can pay his Council Tax of £55.90 per month from his earnings.

What is the alternative?

We could keep the current scheme, but if the Council Tax charge increases, the current reduction of 26% would still need to increase to 30% in 2015-16 and maybe 35% in 2016-17.

We could put extra money into the scheme but this would mean that other services would get less money or not be provided.

The table below shows what households living in a band A property who receive maximum Council Tax Support, and are affected by the reduction, may have to pay in future.

These estimates are what they would pay each month if we keep the current scheme and the Council Tax increases by 2% each year for the next 2 years.

Year:	This Year 2014-15	Next Year 2015-16	2 years from now 2016-17
Scheme:	26% reduction	30% reduction	35% reduction
Single person	£14.53	£17.10	£20.35
Couple	£19.38	£22.81	£27.14

Our Proposals for 2015/16

We believe that it is right to continue to protect vulnerable people, reward workers and provide support to jobseekers to improve their prospect of finding work.

We plan to change our Council Tax Support scheme to only provide support to jobseekers who are taking steps to improve their circumstances and become less reliant upon financial support in the future.

In our draft scheme for 2015/16 we propose to:

- Continue to protect vulnerable people
- Increase the reduction for working age people who are not vulnerable to 30%
- Provide a package of support to jobseekers who have been claiming for more than 6 months to improve their chances of moving into work
- Limit the length of time that we pay Council Tax Support for Jobseekers to 6 months unless they take up the package of support offered to them

Q1 Do you agree that we should continue to protect war pensioners and widows, the severely disabled, carers and lone parents with a child under 5, ?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Q2 Do you agree that we should increase the reduction to 30% to avoid having to make changes to the protected groups?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

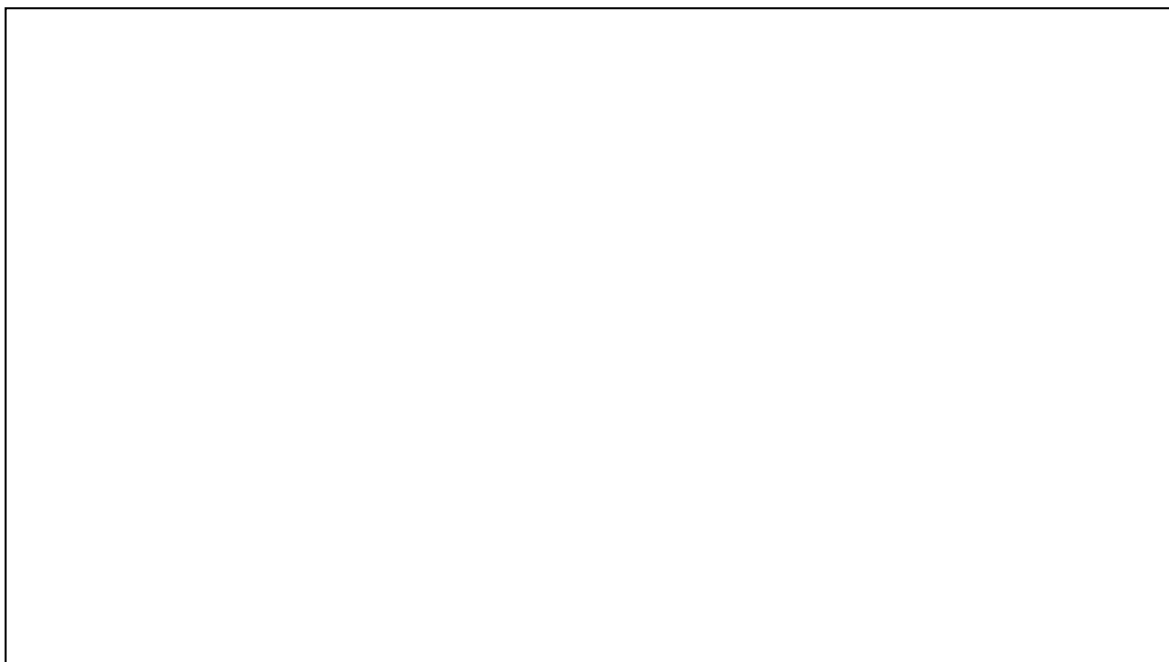
Q3 Do you agree that jobseekers should work with us to prepare for work to continue to receive Council Tax Support?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Q4 Do you agree that jobseekers who do not work with us to prepare for work should not receive Council Tax Support after 6 months?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Q5 Are there any other groups who you think could benefit from the work support packages that we want to provide to Jobseekers who claim Council Tax Support.
Tell us who and why?



Q6 Is there anything else you want to say about our proposed scheme?



Equality Monitoring Form

Leeds City Council is committed to fair treatment of all our existing and potential customers, our existing and potential employees and our partners. We are committed to ensuring that our practices and services are free from unlawful discrimination and they meet the needs of all sections of the community.

We would appreciate it if you could complete the equality monitoring questions below. This will help us in monitoring the fairness and effectiveness of our service delivery and employment practices and to develop future policies and services. You are under no obligation to provide the information requested and it will not make any difference to the service you receive if you do not answer them. However the more information we can collect the more effective our equality monitoring will be. The categories included have been informed by the National Census 2011 and characteristics protected by equality legislation.

The council is committed to keeping your information private and secure. The information you provide will be treated in the strictest confidence and in accordance with the Data Protection Act 1998. It will be collated into statistical data and used for no other purpose than for monitoring the fairness and effectiveness of our service delivery and employment practices. If we need to share any information with a third party we will make sure the same levels of protection are in place.

Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female		
Date of Birth:		
Ethnic origin: Please indicate which best describes your ethnic origin		
A White <input type="checkbox"/> English <input type="checkbox"/> Welsh <input type="checkbox"/> Scottish <input type="checkbox"/> Northern Irish <input type="checkbox"/> British <input type="checkbox"/> Irish <input type="checkbox"/> Any other White background - please write below	B Mixed/ multiple ethnic group <input type="checkbox"/> White and Asian <input type="checkbox"/> White and Black African <input type="checkbox"/> White and Black Caribbean <input type="checkbox"/> Any other mixed/multiple ethnic group – please write below	C Asian or Asian British <input type="checkbox"/> Bangladeshi <input type="checkbox"/> Chinese <input type="checkbox"/> Indian <input type="checkbox"/> Kashmiri <input type="checkbox"/> Pakistani <input type="checkbox"/> Any other Asian background – please write below
D Black or Black British <input type="checkbox"/> African <input type="checkbox"/> Caribbean <input type="checkbox"/> Any other Black background – please write below	E Other ethnic groups <input type="checkbox"/> Arab <input type="checkbox"/> Gypsy or Traveller <input type="checkbox"/> Any other background – please write below	
I prefer not to say <input type="checkbox"/>		
Disability		
Do you consider yourself to be disabled? <input type="checkbox"/> Yes <input type="checkbox"/> No		

I prefer not to say	<input type="checkbox"/>
If you have said yes, you consider yourself to be disabled, what is the nature of your impairment?	
<input type="checkbox"/> Physical impairment, (such as using a wheelchair to get around and / or difficulty using your arms) <input type="checkbox"/> Visual impairment, (such as being blind or partially sighted) <input type="checkbox"/> Hearing impairment, (such as being deaf or hard of hearing) <input type="checkbox"/> Mental health condition, (such as depression or schizophrenia) <input type="checkbox"/> Learning disability, (such as Downs syndrome or dyslexia) or cognitive impairment (such as autism or head-injury) <input type="checkbox"/> Long-standing illness or health condition, (such as cancer, HIV, diabetes, chronic heart disease, or epilepsy)	
I prefer not to say	<input type="checkbox"/>
Sexual Orientation	
Please indicate which best describes your sexual orientation	
(Please note: if you are under the age of 16 years old you do not have to complete this section)	
<input type="checkbox"/> Heterosexual/ straight <input type="checkbox"/> Lesbian/ Gay woman <input type="checkbox"/> Gay man <input type="checkbox"/> Bisexual	
I prefer not to say	<input type="checkbox"/>
Religion or Belief	
Please indicate which best describes your religion or belief	
<input type="checkbox"/> Buddhist <input type="checkbox"/> Hindu <input type="checkbox"/> Muslim <input type="checkbox"/> Christian <input type="checkbox"/> Jewish	<input type="checkbox"/> Sikh <input type="checkbox"/> No religion <input type="checkbox"/> No belief <input type="checkbox"/> Other - please write below
Do you practice your religion or belief? <input type="checkbox"/> Yes <input type="checkbox"/> No	
I prefer not to say	<input type="checkbox"/>
Carers	
The council considers that a 'Carer' is someone who looks after, or gives unpaid help or support to family members, friends, neighbours or others on an unpaid basis because of either:	
<ul style="list-style-type: none"> - long-term physical or mental ill health/disability - problems related to old age - substance misuse/dependency 	
Please indicate whether you consider yourself to be a carer	
<input type="checkbox"/> Yes <input type="checkbox"/> No	
I prefer not to say	<input type="checkbox"/>
Where you live	
What is the first part of your postcode? (for example LS10):	
I prefer not to say	<input type="checkbox"/>

Thank you for taking the time to give us your views. We will take all responses into account before we decide our 2015/16 Council Tax Support Scheme for Leeds. Simply put your completed survey in the Freepost return envelope and post back to us before 14 November 2014. There is no need to add a postage stamp to the envelope. If the return envelope is missing, send your survey in an envelope addressed to:

Leeds Benefits Service
Selectapost 15
Leeds
LS2 8BA

Please mark the envelope 'Council Tax Consultation'