

Feedback on Changes to Council Tax Support Scheme 2016 Lancaster City Council

Background

In April 2013 Council Tax Benefit was abolished by the Government. Local councils had to introduce their own "Council Tax Support" ('CTS') schemes to help working age people on low incomes pay their Council Tax. At the same time, instead of funding the full level of Council Tax Benefit that councils paid out, support for the new scheme was reduced.

As part of its welfare reform agenda during 2016 the Government announced a number of measures affecting Housing Benefit and Universal Credit, to encourage work and reduce the levels of benefit available. The Council matched these specific measures in the CTS scheme so that it remained aligned with the Housing Benefit Scheme and Universal Credit, to ensure consistency and save additional confusion for claimants. There have been no issues reported as a result of these changes being introduced.

However, the two specific changes were included as part of the consultation process to ensure that we understand any impact the measures are having on local residents. The findings are provided below.

Consultation on changes to Council Tax Support 2016

Between 17 October and 13 November 2016, 246 responses were received to the Council Tax Support public consultation. Of these returns 239 answered the questions relating to Lancaster City Council's Council Tax Support (CTS) Scheme changes introduced in 2016.

The views of both residents in receipt of Council Tax Support and those residents not in receipt have been captured through this consultation. Overall, more consultation respondents agree than disagree with the proposed changes to the Council Tax Support Scheme. However, those respondents receiving support had lower levels of agreement than those people not in receipt of support.

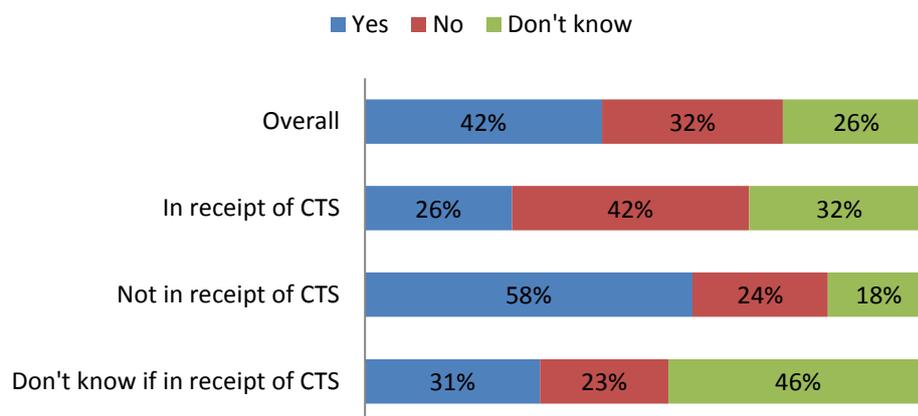
Consultation Proposal	All respondents	In receipt of CTS	Not in receipt of CTS	Don't know if in receipt of CTS
Remove the family premium for all new working age claimants	42%	26%	58%	31%
Reduce backdating to one month	64%	51%	78%	46%

Removal of the family premium for all new working age claimants

The removal of Family Premium from 10 May 2016 for new claimants brought the Council Tax Support Scheme in line with Housing Benefit and would mean that any assessments of new working age claimant's 'applicable amount' would not include the Family Premium.

Overall, 42% of respondents felt it should be removed, 32% felt it shouldn't, whilst 26% did not know. More than half of respondents (58%) who do not receive Council Tax Support felt it should be removed.

Figure 1.2: Do you think the Family Premium should be removed for new working age claimants? By whether or not the household receives Support (base – 239)



Backdating reduced to one month

From 1 April 2016 Central Government reduced backdating to one month for Housing Benefit claims, where a claimant can prove 'good cause' that they could not claim at an earlier time. The Council matched this specific measure in its Council Tax Support Scheme, effective from the same date.

64% of respondents agree with this proposal, rising to 78% amongst those who are not in receipt of Council Tax Support.

Figure 1.3: Do you think the backdating period should be reduced to one month for new working age claimants? By whether or not the household receives Support (base – 239)

