

## **CABINET**

**19 DECEMBER 2017**

### **COUNCIL TAX REDUCTION SCHEME**

Portfolio Holder: Councillor Rupert Turpin – Business Management

Report from: Phil Watts – Chief Finance Officer

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#### **Summary**

This report seeks Cabinet's recommendation of the adoption of a revised local council tax reduction scheme by Full Council for 2018/19.

#### **1. Budget and Policy Framework**

1.1 It is the Cabinet's responsibility to propose a budget to be agreed by Council. The scope of the localised Council Tax Reduction Scheme (CTRS) will have an impact on both the tax base calculation and the budget requirement that underpin the budget proposal. The consequences of dealing with these issues will directly impact on the level of council tax. Approval of the CTRS is a matter for Full Council.

#### **2. Background**

2.1 The current Medway scheme is available from the following link  
<https://democracy.medway.gov.uk/ielistdocuments.aspx?CId=122&MId=3358>

2.2 Any entitlement to a reduction is based on a means test, by taking into consideration a person's income and comparing this with any personal allowances, premiums and disregards to which they may be entitled.

2.3 For each financial year, the Council must consider whether to revise its scheme or to replace it with a replacement scheme. It must make any revision to its scheme, or any replacement scheme, no later than 31 January for the subsequent financial year.

2.4 Revisions to the CTRS or a replacement CTRS must be the subject of consultation.

2.5 On 11 July 2017 the Cabinet considered a report setting out the merits of amending the CTRS. The proposals considered were:

- Making amendments to mirror changes to the national housing benefit regulations and prescribed requirements for pension age CTRS claims
- Making amendments in preparation for the full roll out of Universal Credit
- Making amendments for other welfare reforms
- Introduction of a de-minimus limit

2.6 Cabinet agreed to the commencement of a twelve week consultation in relation to these proposals (decision number 68/2017).

### **3. Advice and Analysis**

#### 3.1 Consultation

3.1.1 Consultation took place from 11 August 2017 to 6 November 2017.

3.1.2 Letters were sent to 20,821 households (all 18,121 CTRS recipients and a random sample of 2,700 non recipients) inviting them to participate in the consultation.

3.1.3 In total 485 survey questionnaires were completed and returned in a timely fashion either by paper or electronically.

3.1.4 A detailed breakdown of the survey results which includes a copy of the questionnaire and additional comments is contained at Appendix A.

3.1.5 In summary, the largest group of respondents agreed that

- the amount of time a claimant can be away from home and outside of Great Britain before their Council Tax Reduction claim is stopped should be changed from 13 weeks to 4 weeks
- any claimant who is in receipt of the family premium as of 31 March 2018 should continue to get the family premium until they make a new claim or they no longer have responsibility for a child or young person
- the number of children who can be included in a Council Tax Reduction assessment should be limited to 2 for all new claims from 1 April 2018
- the number of children who can be included in a Council Tax Reduction assessment should be limited to 2 for any existing claims where a third or subsequent child is born or joins the household from 1 April 2018
- bereavement support payments should not be included as income when working out how much Council Tax Reduction someone can get
- Council Tax Reduction payments should include a de-minimis limit

3.1.6 The largest group of respondents disagreed that

- the amount of time that Council Tax Reduction claims can be backdated for should be reduced from 6 months to 1 month

- from 1 April 2018 the family premium should no longer be awarded for any new Council Tax Reduction claims
- the family premium should no longer be awarded to existing Council Tax Reduction claimants who become responsible for a child for the first time on or after 1 April 2018
- an extra allowance should no longer be added to the applicable amount when a person is placed into the Employment and Support Allowance Work Related activity Group by the DWP
- the Severe Disability Premium should not be included when calculating the amount of council tax reduction if someone receives Universal Credit with a carers element for caring for the Council Tax Reduction claimant

### 3.2 Other factors

3.2.1 When considering making changes to this scheme it is necessary in the first instance to review how successful the existing policy has been since it came into effect on 1 April 2013 and as such the following factors have been considered:

Factor	Actuals as at 31/03/14	Actuals as at 31/3/15	Actuals as at 31/3/16	Actuals as at 31/3/17	Actuals as at 31/10/17
Pensioner caseload	8,705	8,283	7,857	7,452	7,279
Working age caseload	13,261	12,336	11,939	11,203	10,852
Total caseload	21,966	20,619	19,796	18,655	18,131
Cost of scheme	£15,538k	£14,771k	£14,064k	£12,835k	£13,038k
Number of appeals received	43 (2 listed for tribunal and won)	50 (0 listed for tribunal)	42 (2 listed for tribunal 1 struck out and 1 withdrawn)	60 (4 listed for tribunal 2 struck out 1 withdrawn and 1 decision upheld)	42 (3 listed but not yet heard)
Discretionary council tax relief awards	£8.9k	£7.7k	£4.8k	£6.5k	£2.2k
Council tax collection rate 2013/14	95.4%	97.7%	98.7%	98.9%	99.2%
Council tax collection rate 2014/15	N/A	95.3%	97.8%	98.4%	98.91%
Council tax collection rate 2015/16	N/A	N/A	95.5%	97.0%	97.7%

Council tax collection rate 2016/17	N/A	N/A	N/A	96.3%	53.8%*(compared to 54.26% for 2016/17 as at 30/09/17)
Number of summonses issued for non-payment	13,485	13,588	12,619	10,930	9,865 (compared to 8,523 as at 31/10/16)

\*as at 30/9/17

- 3.3 The above shows that the collection rate remains on course and the cost of the scheme remains within expected parameters.
- 3.4 Since 1 April 2013 when the initial CTRS started, the caseload has fallen consistently from 22,990 to 18,131.
- 3.5 The number of appeal cases remains a very minor proportion of the overall caseload.
- 3.6 A Diversity Impact Assessment (DIA) (attached at appendix B) was undertaken in November/December 2017. This assessment identified a number of potential adverse impacts together with some mitigating factors that were incorporated into the scheme. It was also noted that any inequality issues arising from the CTRS can be mitigated through the use of Medway's Council Tax Discretionary Relief (CTDR).
- 3.7 Ongoing monitoring shows that between April 2016 and March 2017 4,404 summons were issued to 31,524 accounts in receipt of CTRS
- 3.8 Officers will continue to monitor the impact of the scheme on individuals.
- 3.9 The proposed amendments were made in order to align the working age CTRS with the nationally set pension age CTRS & HB schemes as well as other welfare reforms. Running different schemes would cause confusion for both claimants and administrators of the schemes.
- 3.10 In conclusion, it is recommended that the CTRS be amended to reflect all those changes consulted upon and summarised at 3.1.5 and 3.1.6 as the need to align all schemes outweighs the arguments against. The recommendation is also made in the knowledge that the Discretionary Council Tax Relief scheme exists to protect any individuals for whom payment of council tax is causing hardship.

#### 4. Risk management

Risk	Description	Action to avoid or mitigate risk
Forecast cost of scheme falls short of estimate	Likelihood D (Low) Impact 3 (Marginal) Claimants may have reduced benefits 'unnecessarily'	Use of data modelling tools and data analysis
Forecast cost of scheme excessive	Likelihood D (Low) Impact 2 (Critical)	Use of data modelling tools and data analysis
Effect on collection	Likelihood B (High) Impact 2 (Critical) Dependant on method of funding, but new scheme likely to produce small debts and debtors who have not had to pay before	Quick and efficient recovery processes

#### 5. Financial and legal implications

- 5.1 The Council is under a legal duty under Schedule 1A to the Local Government Finance Act 1992 to consider each year whether to revise its council tax reduction scheme or to replace it with another scheme. Schedule 1A also provides that any revision to the scheme, or any replacement scheme, must be made no later than 31 January in the financial year preceding that for which the revision or replacement scheme is to have effect.
- 5.2 The cost of the recommended CTRS in 2018/19 including a 4.99% increase in council tax (1.99% 'annual' increase plus 3.00% levy for social care) is currently estimated at £13.547m. It is likely that the cost will fall below this figure as caseloads continue to fall and new claims, taking into account the recommended changes to the scheme, take effect. It is not possible, however, to accurately predict how many new claims might, for example, become subject to the two children limit and as such the financial impact cannot be modelled at this time.
- 5.3 Since the introduction of CTRS in 2013/14 the Council has awarded hardship relief of £30.1k under its Council Tax Discretionary Relief (CTDR) scheme. £70,000 was set aside in 2013/14 (this was included when calculating the collection rate in setting the 2013/14 council tax) and as such spending remains within budget.

#### 6 Recommendation

- 6.1 That Cabinet recommends the Council Tax Reduction Scheme to Council for adoption on 25 January 2018, including the amendments to the Scheme set out in paragraph 3.10 of the report.

## **7 Suggested reasons for decisions**

- 7.1 The amended scheme continues to balance the need for supporting those currently in receipt of CTRS and the ability of the Council to fund the scheme within the current budgetary constraints.
- 7.2 The changes will align the working-age scheme with the pensioner scheme and other welfare benefits.
- 7.3 The Council's Council Tax Discretionary Relief scheme provides additional support in the case of hardship.

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### **Appendices:**

Appendix A – Outcome of Consultation

Appendix B – Diversity Impact Assessment

### **Background Papers:**

None

# Council Tax Reduction Scheme 2018-19 Consultation

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## Executive Summary

### **Background**

The rules that apply to the Council Tax Reduction scheme for working age people are set by Medway Council, whilst the rules that apply to the pension age scheme are set by the government.

When the Council Tax Reduction scheme for working age people was set up it was based on the rules and allowances that were set for Housing Benefits and the pension age Council Tax Reduction scheme.

Since then the government has made a number of changes to Housing Benefits and the pension age Council Tax Reduction scheme. There has been a review of the Council Tax Reduction Scheme (CTRS) for working age people and Medway Council is proposing to include these changes in the working age Council Tax Reduction scheme.

The proposed changes will affect the following parts of the scheme:-

- Backdating of claims
- The family premium
- Temporary absences
- The number of children who can be included in a claim
- Employment Support Allowance components
- The Severe Disability Premium
- Bereavement Support payments
- Introducing a De-minimis limit

Before making any decisions about the proposed changes the council has consulted with council tax reduction claimants and other residents to allow them to let us know what they think about the proposals the council is making.

### **Consultation methodology**

The consultation was a survey enabling respondents to give their views on the proposals for the working age Council Tax Reduction Scheme, as well as enabling respondents to make their own suggestions. The survey was available to members of the public and organisations for a period of 12 weeks between 11 August 2017 and 5pm on 6 November 2017.

The consultation was made available in the following ways:-

- A letter was sent to every household (18,121) who receive council tax reduction, both working age and pension age.
- A letter was sent to a sample of 2,700 council tax payers as the scheme is funded from locally raised council tax.

- There was an automated message on the Council’s telephone system giving details of the survey, how it could be accessed online and that it could be accessed from community hubs and libraries.
- The survey was made available via the Council’s website (medway.gov.uk) where respondents could complete the survey online.
- Information and a link to the survey was included in the Medway Matters email newsletter and sent to individuals who are signed up to Medway’s mailing list.
- The autumn 2017 version of Medway Matters contained a notice informing residents of the consultation and gave the web link to the survey and could be picked up for their local library or hub.

### **Who responded?**

There were 487 responses received to the survey; 2 responses were excluded as they were received nearly two weeks after the end of the consultation period. Therefore the analysis is based upon 485 responses.

The overall consultation had a margin of error of +/- 4.4% at a 95% confidence level.

It should be noted that sub groups will have larger margins of error, therefore only statistically significant differences between respondents are noted within the analysis. Some sub groups were too small for there to be any statistically significant differences.

### **Respondent Profile**

All respondents were asked a series of questions to help determine if they paid council tax locally, if they were in receipt of CTRS and if they were in receipt of a state pension or pension credits.

The majority of respondents (94.2%) paid council tax to Medway Council, only 5% did not and 0.8% were not sure. (Base 479 respondents). Two thirds of respondents (66%) were in receipt of council tax reduction, 29.6% were not in receipt of a reduction and 4.4% were not sure (Base 477 respondents). A quarter of respondents (25.7%) were in receipt of a state pension or pension credits, 73% were not and 1.6% were unsure (Base 474 respondents).

All individual respondents were asked a series of demographic questions to better understand who was responding. Respondents were more likely to be female (51.7%) than male (44.1%), the remaining 4.2% did not want to say (Base 479 respondents).

Age- 479 respondents answered this question

16-24	25-34	35-44	45-54	55-64	65-74	75 and over	I prefer not to say
7 1.5%	54 11.3%	73 15.2%	95 19.8%	112 23.4%	85 17.7%	30 6.3%	23 4.8%

52.2% of respondents stated that they had a long standing health problem or disability, 40.4% stated they did not have a disability and 7.4% of respondents preferred not to say (Base 473 respondents).

Respondents were also asked their ethnicity 88.2% of respondents stated they were White and only 4.9% from a Black or Minority Ethnic community and 7% preferred not to say (Base 474 respondents).

## **Findings**

The findings from the survey are summarised below. They are grouped by question set.

### **Backdating CTR Claims**

The first set of questions asked about the backdating of council tax reduction claims. In Medway's current scheme a claim for Council Tax Reduction (CTR) from a person of working age can be backdated for up to 6 months, if there is a good reason for the delay in making a claim. The proposal being consulted on was should Medway's Council Tax Reduction scheme be changed to match the Housing Benefit Regulations. Which would mean that from 1 April 2018 the maximum amount of time a claim can be backdated for is 1 month from the date a claim is made, as long as there is a good reason.

Just over half of respondents (51.7%) did not agree that the amount of time should be reduced, just over a third (35.6%) agreed and a further 12.7% did not know. Male respondents were more likely to agree than females. Those aged 65 and over were more likely to agree with the proposed change than those aged between 16 and 64, who were more likely to disagree. Those who were in receipt of council tax reduction were less likely to agree than those who were not in receipt of council tax reduction. Working age council tax reduction recipients were less likely to agree and more likely to disagree the amount of time should be reduced than pension age recipients.

When asked to explain why they had answered in that way respondents gave a range of reasons.

Those who believed that the backdating time window should not be reduced to one month emphasised how people's physical and mental health could impact on their ability to complete the required backdating paper work in just one month. Others thought that delays in the Council review process could leave residents out of pocket if there was only a month of backdating time. Respondents mentioned that, by no fault of their own, claimants may not realise they can get their Council Tax reduced, these claimants could then lose out. There were concerns that delays in receiving other benefits could mean claimants face additional hardship, which might increase the chances of residents experiencing long term hardship, which would require additional Council funding to support. Some comments mentioned that claimants often have to wait to see someone who can assist with the forms. Now and again comments recommended three months as a possible backlog period whilst slightly less recommended keeping it a six months.

The majority of comments of those who agreed focused on how the move from six months to one month would be 'fair' and confer 'responsibility' on the claimant to submit their claim at a reasonable time. Amongst those who agreed there was recognition that there could be exceptional circumstances 'beyond the individual's control' and that 'support needs to be in place' for such occurrences. A three, instead of one, month period was the most frequent example of support that could be provided to people in such circumstances. A number of comments talked about aligning with the national rules, the changes would save money to be used elsewhere and how a reduction from six months to one month would reduce the chance of people abusing the system.

Those who said they didn't know if the backdating window should be reduced to one month often erred on the side of disagreeing. The need to consider the time it takes Medway Council to process claims and the requirement to be considerate of personal circumstances, were the most common topics.

### **Temporary absences**

The second set of questions asked about temporary absences. As long as they plan to return home the current Council Tax Reduction scheme allows a working age person to be away from home for 13 weeks whilst still receiving Council Tax Reduction. The proposal being consulted on was should Medway's Council Tax Reduction scheme be changed from 1 April 2018 so that working age people cannot continue to receive Council Tax Reduction if they are away from their home and outside of Great Britain for a period of 4 weeks or more. The proposed change to the working age scheme would not affect someone who is away from their home but remains in Great Britain; they will still receive Council Tax Reduction for up to 13 weeks.

Nearly two thirds of respondents (63.5%) agreed that the amount of time someone could be away from home and outside Great Britain should be reduced to 4 weeks, nearly a quarter (23.8%) disagreed and 12.7% didn't know. Respondents aged 35 to 44 were less likely to agree than respondents aged 55 to 64. Respondents from BME communities were more likely to disagree that the amount of time a claimant can be away from home and outside Great Britain should be reduced than respondents from White communities.

When asked to explain why they had answered in that way respondents gave a range of reasons.

Respondents who agreed that the time limit should be cut were most likely to reiterate that a cap of four weeks travel outside the UK was reasonable. Many of comments added that to travel abroad for longer than four weeks demonstrated the claimant's ability to pay full council tax. Although the need to have flexibility based on individual circumstances was also a factor particularly where extenuating circumstances occur e.g. included recovering from an illness or accident, bereavement or military service. There were smaller numbers of comments mentioned that it might prevent recipients inappropriately taking advantage of the CTRS, any travel abroad demonstrated an ability to pay full council tax and it would align the rules with other benefits.

Those who disagreed with the proposal often cited family health issues as the reason why. Work was another reason why the period of time abroad should be extended. Others commented that changing the rules might add financial burdens on the council to process additional claims and financial returns could be minimal. Other comments suggested alternative time scales, most commonly 6 weeks or that older people don't deserve to have the time they can have abroad reduced to four weeks, particularly if they wish to visit family.

Amongst those who commented and said they didn't know if the maximum time abroad should be reduced to a month, the most popular comments suggested claims should be judged on their individual merits and, if enacted, there could be exceptions to the four week rule.

## **Family Premium**

The third set of questions asked about the family premium. The family premium is an allowance that counts towards a claimant's applicable amount and is used to determine the eligible reduction for claimants. The proposal being consulted on was should Medway's working age Council Tax Reduction scheme be changed so that a Family Premium is not granted for any new claims made on or after 1 April 2018 or where a person becomes responsible for a child for the first time on or after 1 April 2018. The proposed changes also meant that if existing claimants in receipt of the premium should continue to receive it until they make a new claim.

When asked if the family premium should no longer be awarded for any new Council Tax Reduction claims more than two fifths of respondents (43.9%) disagreed that the family premium should no longer be awarded to new claimants, 28.9% stated they didn't know and 27.2% agreed. Overall working age respondents were more likely to disagree than pension age respondents. There were some specific age groups where these difference were most notable; those aged 25 to 34 and 35 to 44 were more likely to disagree than those aged 55 to 64 and 65 to 74. Those aged 45 to 54 were more likely to disagree than those aged 55 to 64. Respondents in receipt of council tax reduction were less likely to agree than those who are not. Those not in receipt of pension credit or a state pension were more likely to disagree than those who were in receipt.

When asked if the family premium should no longer be awarded to existing Council Tax Reduction claimants who become responsible for a child for the first time on or after 1 April 2018 more than two fifths of respondents (44.7%) disagreed that the family premium should no longer be awarded to existing claimants who become responsible for a child after 1 April 2018, 28.5% agreed and 26.8% stated they didn't know. Overall working age respondents were more likely to disagree than pension age respondents. There were some specific age groups where these difference were most notable; those aged 25 to 34, 35 to 44 and 45 to 44 were more likely to disagree than those aged 55 to 64 and 65 to 74. Respondents in receipt of council tax reduction were less likely to agree than those who are not. Those not in receipt of pension credit or a state pension were more likely to disagree than those who were in receipt; those who did get a state pension or pension credit were more likely to say they were not sure. Working age recipients of council tax reduction were more likely to disagree than pension age recipient of council tax reduction.

When asked if the family premium as of 31 March 2018 should continue to get the family premium until they make a new claim or they no longer have responsibility for a child or young person more than half of respondents (55.7%) agreed that the family premium should no longer be awarded to new claimants, 26.9% stated they didn't know and 17.4% agreed. Respondents aged 45 to 54 were more likely to agree than those aged 55 to 64 and those aged 65 to 74.

When asked to explain why they had answered in that way respondents gave a range of reasons.

Those respondents who disagreed with the proposals for new claimants and existing claimants who become responsible for a family, whilst agreeing with the proposal for the existing claimants with a family were most likely to think things should stay as they are. The most common comment was that families 'can't afford it, need help or are in poverty' and expressed concerns that the proposed changes would effect that further.

The next biggest group responded that they 'did not know' to each of the questions, most respondents did not give any reasons why. Where there were reasons given the most common was that respondents did not know enough about the family premium or it was not applicable to them. A handful did not understand the proposal and a similar number of comments referred to the fact that families 'can't afford it, need help or are in poverty'.

Respondents who agreed with all three of the proposals; were likely to comment about responsible family planning and the need for people to support themselves, not rely on benefits and manage their budgets.

Respondents who said 'no' to all three proposals highlighted that families 'can't afford it, need help or are in poverty' as their biggest concern.

Other respondents who agreed with the first two proposals but disagreed with the third proposal to allow existing claimants with a family to keep the premium commented that that families 'need to support themselves, not rely on benefits and manage their budgets'.

Respondents who were unsure of the changes to new claims and existing claimants with a new family, but agreed that existing claimants with a family should keep the premium. Most of the comments here were that existing claimants should keep the premium.

The final group of respondents disagreed with the first two proposals and were unsure about the final proposal affecting existing claimants. There were similar areas of focus to other comments groups that families 'can't afford it, need help or are in poverty'

### **Limit on the number of children as part of claims**

The fourth set of questions asked about limiting the number of children as part of claims. The family premium is an allowance that counts towards a claimant's applicable amount and is used to determine the eligible reduction for claimants. The proposal being consulted on was should Medway's working age Council Tax Reduction scheme be changed to bring it into line with the Housing Benefit Regulations; meaning that a child premium will not be given for a third or subsequent child for all new claims, and will not be given as part of existing claims for a third or subsequent child who was born or joins the household from 1 April 2018. Anyone with three or more children on their existing claim will continue to receive a child premium for each dependent child, as long as the child was born or joined the household before 1 April 2018.

When asked if the number of children who can be included in a Council Tax Reduction assessment should be limited to 2 for all new claims from 1 April 2018 nearly two-third of respondents (63.0%) agreed, a quarter disagreed (24.7%) and 12.3% stated they didn't know. Respondents aged over 75 were more likely to agree than those aged 25 to 34. Respondents from BME communities were more likely to disagree that new claims should be limited to two children than respondents from White communities

When asked if the number of children who can be included in a Council Tax Reduction assessment should be limited to 2 for any existing claims where a third or subsequent child is born or joins the

household from 1 April 2018. Nearly two-thirds of respondents (61.3%) agreed, just over a quarter disagreed (25.8%) and 12.8% stated they didn't know. Respondents aged 25 to 34 were less likely to agree than those aged 55 to 64 and 65 to 74. Respondents aged 55 to 64 were more likely to disagree than those aged 25 to 34. Those respondents who were in receipt of council tax reduction were less likely to agree than those who were not.

When asked to explain why they had answered in that way respondents gave a range of reasons.

For those who agreed with both of the proposals the most common comment was that families 'need to support themselves, not rely on benefits and manage their budgets'; there were a range of comments that focused around people being able to afford children and the impact of offering unlimited benefits for children. A different but interrelated theme that emerged was around responsible family planning and that providing support for two children is enough / fair. Respondents were also likely to say that the proposed changes would align the Medway scheme with the other regulations in place (housing benefit, tax credits).

For those who disagreed with both of the proposals the most common reason was that 'families can't afford it, are in poverty or need help' there were a range of comments that focused around changes to benefits or low wages and the impact on families. Respondents were concerned that people's family situations are very diverse and there should be recognition of this within any rules the council adopts. It was also felt that by implementing these proposals that this would restrict personal choice as it should be nobody else's choice other than the individual families as to how many children they have. Some respondents just felt this proposal would not be fair on the families affected. Other comments suggested that there should be a limit but it should be higher than two (three children was the most common suggested).

### **Employment and Support Allowance**

The fifth set of questions asked about stopping the additional employment and support allowance as claimants are no longer receiving additional income. The employment and support allowance counts towards a claimant's applicable amount and is used to determine the eligible reduction for claimants. The proposal being consulted on was should Medway's working age Council Tax Reduction scheme be amended from 1 April 2018 to bring it into line with the Housing Benefit scheme so that an extra allowance is not added to the applicable amount when a person is placed into the Employment and Support Allowance Work Related Activity Group by the DWP.

When asked if the extra allowance should no longer be added to the applicable amount when a person is placed into the Employment and Support Allowance Work Related activity Group by the DWP. Respondents were more likely to disagree with more than two-fifths of respondents (44.5%) disagreeing, just over a quarter each didn't know (28.2%) and agreed (27.3%). Reflecting the nature of the topic working age respondents were more likely to disagree than pension age respondents. Those with a disability were more likely to disagree that the allowance should be stopped than those without a disability.

When asked to explain why they had answered in that way respondents gave a range of reasons.

Respondents who disagreed that the extra allowance should be removed felt that it would cause additional hardship, there was significant concern about the additional costs associated with having a disability. The comments mentioned the need to support vulnerable people, along with feeling that the changes would be unfair and penalise claimants. The individual nature of each claimant was raised to ensure decisions reflected the personal circumstances of those involved. Respondents also thought that this may be a disincentive to those who are willing to work.

Those who 'don't know' were the next largest group, relatively few respondents made a comment. Respondents were likely to state that they did not understand the proposal/question, did not know about the benefit and state they didn't know or were not sure. The other comments were similar to those seen in that vulnerable people should be supported, it should be based upon individual circumstances and loss of the allowance would not incentivise people to go back to work.

Amongst respondents who agreed with the proposal that entitlement should be fair, as the recipients were no longer receiving the additional income. Respondents also felt that claimants were already in receipt of additional income or benefits and some felt that those in the group should be able to work / incentivised to work.

### **Severe Disability Premium**

The sixth set of questions asked about stopping the severe disability premium for claimants if they receive care from someone who gets Universal Credit that includes a carer element for caring for them. The severe disability premium counts towards a claimant's applicable amount and is used to determine the eligible reduction for claimants. The proposal being consulted on was should the Council Tax Reduction scheme be amended with effect from 1 April 2018 to come into line with the government's changes so that a working age Council Tax Reduction claimant is not granted a Severe Disability Premium if they receive care from someone who gets Universal Credit that includes a carer element for caring for them.

Respondents were more likely to disagree that claimants should no longer get the severe disability allowance with more than two-fifths of respondents (43.4%) disagreeing, 30.2% agreed and just over a quarter didn't know (26.4%). There were no statistically significant differences between the characteristics of respondents.

When asked to explain why they had answered in that way respondents gave a range of reasons.

Respondents who disagreed that the allowance should be removed felt that that disabled people need support and it would cause additional hardship, there was significant concern about the additional costs associated with having a disability. There were similar comments that carers need support. Some respondents stated that Medway Council should be resisting following the government's changes as they were impacting on disabled people.

Those who 'don't know' were the next largest group, relatively few respondents made a comment. Respondents were equally likely to say that they did not understand the system or benefit and they did not understand the proposal / question. A smaller number of respondents stated that it should be based on the individual circumstances.



Amongst respondents who agreed were most likely to say that recipients were getting money twice or getting an extra benefit or income. Whilst other respondents felt that it was a fair proposal ensuring equal treatment. There were also broad range of comments similar to earlier comments amongst those who disagreed or 'did not know'.

### **Bereavement Support**

The seventh set of questions asked about discounting bereavement support from CTRS calculations. The proposal being consulted on was should the Council Tax Reduction Scheme be amended with effect from 1 April 2018 so that Bereavement Support Payments are not included when calculating the amount of council tax reduction for working age claimants.

Respondents were most likely to agree with the proposal to exclude bereavement support payments with nearly two thirds agreeing (63.1%), about a fifth disagreed (20.5%) and 16.4% were not sure. Female respondents were more likely to agree than male respondents. Respondents who do not receive council tax reduction were more likely to agree that bereavement support payments should not be included as income than those in receipt of council tax reduction

When asked to explain why they had answered in that way respondents gave a range of reasons.

Those who agreed that bereavement support payments should not be included as income were most likely to state that support should be given at a difficult time, these are only short term payments in exceptional circumstances and should not be income and it is a time of increased costs following a bereavement.

Those who disagreed that bereavement support payments should not be included as income were also likely to state that support should be given at a difficult time. The comments given suggest that some respondents felt the exclusion of bereavement support payments would mean that claimants would get less, not more. Others thought that regardless of the source bereavement support should be counted as income.

Those respondents who stated 'don't know' were the smallest group, and relatively few respondents made a comment. Where there was a comment it was that they were unsure, there needed to be consideration of circumstances, uncertainty over what bereavement support payments are and that support should be given at a difficult time.

### **De-minimis limit**

The eighth set of questions asked about introducing a de-minimis limit. A de-minimis limit helps protect Council Tax Reduction claimants from small changes in their entitlement amount. It would mean:-

- If a claimant was entitled to more they would still get it.
- If a claimant was entitled to less, but that change was less than £1, they would still get the same amount they had been getting. A new Council Tax bill and payment schedule will not be sent.
- If a claimant was entitled to less, but that change was by £1 or more, their Council Tax Reduction award would be reduced and a new Council Tax bill and payment schedule sent.

The proposal being consulted on was that a negative de-minimis limit of £0.99 per week should be introduced to changes in the level of Council Tax Reduction.

Respondents were more likely to agree that a de-minimis limit should be introduced with nearly two-thirds of respondents (64.4%) agreeing, just over a quarter didn't know (27.8%) and only 7.8% disagreeing. Respondents who do not receive council tax reduction were more likely to agree that a de-minimis limit should be introduced than those in receipt of council tax reduction.

When asked to explain why they had answered in that way respondents gave a range of reasons.

Those who agreed that a de-minimis should be introduced were most likely to say that it would save money (although it should be noted that this was often mentioned in combination with a number of other categories). A common theme was that it was a sensible decision with some respondents simply saying that it was 'fair' or 'made sense'. The reduction of confusion and bringing an element of simplicity to the system was also a common feature of comments made by respondents. The amount of paperwork received was another theme that appeared strongly within the comments received as was saving time. Many comments highlighted the mutual benefits to both claimants and the council. Whilst agreeing some respondents felt that the limit could be set higher to reflect the actual cost of making a change

The majority of those respondents who stated that they did not know did not provide a comment, those who did were most likely to state that they did not understand the proposal.

The respondents who disagreed with the proposal were most likely to make no comment at all with no significant trends amongst the comments made.

### **Final Considerations**

When asked about alternative ideas the majority of comments were about making an individual assessment of circumstances, leaving the scheme as it is, the vulnerability of families and individuals, simplifying paperwork and applications, the need to save money elsewhere and checking for and prevent fraud.

When asked if there was anything else the Council should consider respondents were likely to state that families and / or individuals are vulnerable people can't afford it, need help or are in poverty and the wider implications that this might come from the proposed changes. Respondents also felt that there was a need to ensure that the council tax reduction scheme reflects the individual circumstances of the applicants and claimants. Respondents also wanted the council to carefully consider the impact on claimants. There was concern that the scheme should be fair between different groups; some of these concerns related to specific circumstances for example home owners and those in rented properties whereas others were broader.

## Background

Medway Council has a Council Tax Reduction scheme to help people on low incomes with payment of their council tax. This scheme is separate to other discounts such as single persons, students or young people, empty or second homes or disabled persons.

There are two groups in the current Medway Council Tax Reduction scheme:

- Claimants of pensionable age, or those in receipt of a war widow or war disablement pension, can claim, and may be entitled to a maximum reduction of 100 per cent of their council tax liability
- Claimants of working age can claim and may be entitled to a maximum of 65 per cent of their council tax liability from the 1 April 2016.

The rules that apply to the Council Tax Reduction scheme for working age people are set by Medway Council, whilst the rules that apply to the pension age scheme are set by the government.

When the Council Tax Reduction scheme for working age people was set up it was based on the rules and allowances that were set for Housing Benefits and the pension age Council Tax Reduction scheme.

Since then the government has made a number of changes to Housing Benefits and the pension age Council Tax Reduction scheme. There has been a review of the Council Tax Reduction Scheme (CTRS) for working age people and Medway Council is proposing to include these changes in the working age Council Tax Reduction scheme.

The proposed changes will affect the following parts of the scheme:-

- Backdating of claims
- The family premium
- Temporary absences
- The number of children who can be included in a claim
- Employment Support Allowance components
- The Severe Disability Premium
- Bereavement Support payments
- Introducing a De-minimis limit

Before making any decisions about the proposed changes the council has consulted with council tax reduction claimants and other residents to allow them to let us know what they think about the proposals the council is making.

## Consultation methodology

The consultation was a survey enabling respondents to give their views on the proposals for the working age Council Tax Reduction Scheme, as well as enabling respondents to make their own suggestions. The survey was available to members of the public and organisations for a period of 12 weeks between 11 August 2017 and 5pm on 6 November 2017.

The consultation was made available in the following ways:-

- A letter was sent to every household (18,121) who receive council tax reduction, both working age and pension age.
- A letter was sent to a sample of 2,700 council tax payers as the scheme is funded from locally raised council tax.
- There was an automated message on the Council's telephone system giving details of the survey, how it could be accessed online and that it could be accessed from community hubs and libraries.
- The survey was made available via the Council's website (medway.gov.uk) where respondents could complete the survey online.
- Information and a link to the survey was included in the Medway Matters email newsletter and sent to individuals who are signed up to Medway's mailing list.
- The autumn 2017 version of Medway Matters contained a notice informing residents of the consultation and gave the web link to the survey and could be picked up for their local library or hub.

## Who responded

There were 487 responses received to the survey; 2 responses were excluded as they were received nearly two weeks after the end of the consultation period. Therefore the analysis is based upon 485 responses.

The overall consultation had a margin of error of +/- 4.4% at a 95% confidence level.

It should be noted that sub groups will have larger margins of error, therefore only statistically significant differences between respondents are noted within the analysis. Some sub groups were too small for there to be any statistically significant differences.

### Respondent Profile

All respondents were asked a series of questions to help determine if they paid council tax locally, if they were in receipt of CTRS and if they were in receipt of a state pension or pension credits.

Do you pay council tax to Medway Council – 479 respondents answered this question.

Yes	No	Don't know
451 94.2%	24 5.0%	4 0.8%

Do you currently receive Council Tax Reduction – 477 respondents answered this question.

Yes	No	Don't know
315 66.0%	141 29.6%	21 4.4%

Do you receive a state pension or pension credits – 474 respondents answered this question.

Yes	No	Don't know
122 25.7%	346 73.0%	6 1.3%

All respondents were asked a series of demographic questions to better understand who was responding.

Sex- 476 respondents answered this question.

Female	Male	I prefer not to say
246 51.7%	210 44.1%	20 4.2%

Age- 479 respondents answered this question

16-24	25-34	35-44	45-54	55-64	65-74	75 and over	I prefer not to say
7 1.5%	54 11.3%	73 15.2%	95 19.8%	112 23.4%	85 17.7%	30 6.3%	23 4.8%

Disability – 473 respondents answered this question

Yes	No	I prefer not to say
247 52.2%	191 40.4%	35 7.4%

Ethnicity – 474 respondents answered this question

White	Black and Minority Ethnic	I prefer not to say
418 88.2%	23 4.9%	33 7.0%

## Backdating CTR Claims

The first set of questions asked about the backdating of council tax reduction claims. In Medway's current scheme a claim for Council Tax Reduction (CTR) from a person of working age can be backdated for up to 6 months, if there is a good reason for the delay in making a claim (this is normally for health or personal reasons). This was in line with the Housing Benefit Regulations at the time that the Council Tax Reduction scheme was introduced.

From April 2016 the Government changed the Housing Benefit Regulations so that the maximum period that a housing benefit claim can be backdated for working age people is 1 month.

The proposal being consulted on was should Medway's Council Tax Reduction scheme be changed to match the Housing Benefit Regulations. Which would mean that from 1 April 2018 the maximum amount of time a claim can be backdated for is 1 month from the date a claim is made, as long as there is a good reason.

Respondents were asked if they agreed with the proposal and to explain the reason why.

Question 1 - Do you agree that the amount of time that Council Tax Reduction claims can be backdated for should be reduced from 6 months to 1 month?

There were 480 respondents who answered this question; 5 respondents did not provide an answer. The percentages below are based on 480 respondents.

Just over half of respondents (51.7%) did not agree that the amount of time should be reduced, just over a third (35.6%) agreed and a further 12.7% did not know.

Do you agree that the amount of time that Council Tax Reduction claims can be backdated for should be reduced from 6 months to 1 month?	Number of respondents	Percentage
Yes	171	35.6%
No	248	51.7%
Don't know	61	12.7%

The following statistically significant differences were noted in the analysis:-

- Male respondents were more likely to agree that the amount of time should be reduced to 1 month than females (41.3% : 30.2%)
- Respondents aged 65 to 74 were more likely to agree that the amount of time for backdated claims should be reduced than respondents aged 45 to 54 (48.2% compared to 28.4%) and respondents aged 55 to 64 (48.2% compared to 27.9%).
- Respondents aged over 75 were more likely to agree that the amount of time for backdated claims should be reduced than respondents aged 45 to 54 (58.6% compared to 28.4%) and respondents aged 55 to 64 (58.6% compared to 27.9%).
- Respondents aged 35 to 44 were more likely to disagree that the amount of time for backdated claims should be reduced than those aged 65 to 74 (58.9% compared to 37.3%).

- Respondents aged 55 to 64 were more likely to disagree that the amount of time for backdated claims should be reduced than those aged 65 to 74 (58.9% compared to 59.5%).
- Respondents who were of pension age (65 and over) were more likely to agree that the amount of time claims can be backdated should be reduced than working age respondents (16 to 64); 50.9% compared to 29.7%.
- Respondents who were of working age (16 to 64) were more likely to disagree that the amount of time claims can be backdated should be reduced than pension age respondents (65 and over); 56.5% compared to 37.5%.
- Those in receipt of council tax reduction were less likely to agree that the amount of time for backdating claims should be reduced than those who were not in receipt of council tax reduction (32.2% compared to 42.6%).
- Working age council tax reduction recipients were less likely to agree the amount of time should be reduced than pension age recipients (27.9% compared to 48.5%); working age council tax recipients were more likely to disagree than pension age recipients (56.2% compared to 35.3%).

There were no other statistically significant differences between the characteristics of respondents.

Question 2 - Please explain why you agree or disagree that the amount of time that CTR claims can be backdated for should be reduced from six months to one month.

Respondents were asked to explain why they agreed or disagreed that ‘the amount of time CTR claims can be backdated for should be reduced from six months to one month’. Their comments have been grouped and analysed by whether they agreed or disagreed.

There were 210 responses from those who believed that the backdating time window should not be reduced to one month. Many of the comments emphasised how people’s physical and mental health could impact on their ability to complete the required backdating paper work in just one month.

“Illness or personal reasons remain valid reasons for why a claim may be delayed by more than 1 month. The council has a duty of care towards its constituents and to not penalise them for not being able to claim within the first month of potential eligibility.”

“Because when people are under pressure and facing difficulties in life, they require more time to be able to do their personal administrative tasks. For example, they might have been involved in a serious road traffic accident and be severely disabled or bed-bound, or they might be recently bereaved or acutely depressed. They might have lost their own home and now require assistance. Moving house and sorting out children's school take time. These life-changing circumstances mean that a person needs more time.”

“Someone with health issues, particularly mental health issues may not be aware that they can claim or how to claim”

Commonly responses mentioned that delays in the Council review process could leave residents out of pocket if there was only a month of backdating time.

“It always takes longer than 4 weeks to have any response from the council when applying for benefits. People should not be penalised for a slow response from you.”

“If you made a claim for help with payments and have had to wait for the claim more than a month how will you be able to pay your council tax arrears if you don't have the money to, it does not make sense?”

“There is always such a backlog of claims that it takes a lot of weeks or months before the council sorts it out. People accrue debts whilst waiting especially if their financial circumstances have suddenly changed.”

Quite frequently comments mentioned that, by no fault of their own, claimants may not realise they can get their Council Tax reduced, these claimants could then lose out if there was only a month long window to backdate claims, as they may only learn about the existence of the CTRS months after paying full Council Tax.

“I wasn't aware that this scheme even existed, and no doubt many others are in the same boat. Any change that puts a person into the position of being able to claim may well be traumatic, and expecting people who don't even know of this scheme to find out about it and get a claim made within one month under traumatic circumstances is ridiculous.”

“It takes quite a while before people even find out about what their rights are and sometimes people, especially the elderly need to find someone to help them with their application.”

Other comments focussed on how delays in receiving other benefits could mean claimants face additional hardship, were the backdating window reduced to a month.

“Other benefits such as disability don't start for several months after the event which caused it so through no fault of their own the claimant would have had several months of hardship already making them lose even more is unfair.”

Occasionally comments mentioned how changing the backdating period from six months to one month would increase the chances of residents experiencing long term hardship, which would require additional Council funding to support.

“Sometimes circumstance cannot be helped. If the time is reduced and people have a legitimate reason for not claiming straight away it will result in these people suffering serious debt and maybe eviction. The council is supposed to help not hinder”

Some comments mentioned that claimants often have “to wait for weeks for an appointment to see someone who can help with filling out the forms”. Now and again comments recommended three months as a possible backlog period whilst slightly less recommended keeping it a six months.

A respondent working with vulnerable people living in new housing developments found there to be delays in property valuations by the Valuation Office Agency. The respondent added a month backdating window would have meant these vulnerable residents would have been over charged when, delayed, their property valuation and historic Council Tax debt arrived.

There were 121 responses from those who had agreed with question 1. The majority of comments focused on how the move from six months to one month would be ‘fair’ and confer ‘responsibility’ on the claimant to submit their claim at a reasonable time.



“One month is enough whatever the excuse for delaying the application for backdated reduction”

“Hopefully, a reduction to one month would encourage people to take more responsibility, and take action in a timely manner.”

Some comments, whilst backing a reduction to one month, noted there could be exceptional circumstances ‘beyond the individual’s control’ and that ‘support needs to be in place’ for such occurrences.

“One month seems like a fair enough period of time, however, there should be support in place for people who face difficulties such as those with learning disabilities, Autism, physical disabilities or mental health problems etc. There should also be a relevant appeals process for those with extenuating circumstances.”

A three, instead of one, month period was the most frequent example of support that could be provided to people in such circumstances.

There were a number of other comments about how back payment conditions should reflect national welfare back payment conditions. Housing Benefit as an example was frequently mentioned within such comments.

“It makes sense that CTR rules are in line with HB regs, this would cause less confusion if rules are the same for both benefits.”

There were a number of comments discussing how saving time and money is a council priority that justifies the reduction of back payments.

“Just back dating the council tax reduction to 1 month, would save the council money, to be used in other areas. i.e.:- clearing rubbish that is being dumped on our streets.

Other comments discussed how a reduction from six months to one month would reduce the chance of people abusing the system.

“It is difficult to verify whether the claimant was in the particular state of disability or condition.”

A handful of comments requested there to be no back payments.

Those who said they didn’t know if the backdating window should be reduced to one month often erred on the side of disagreeing. The need to consider the time it takes Medway Council to process claims and the requirement to be considerate of personal circumstances, were the most common comment topics.

## Temporary Absences

The second set of questions asked about temporary absences. As long as they plan to return home the current Council Tax Reduction scheme allows a working age person to be away from home for 13 weeks whilst still receiving Council Tax Reduction. This is in line with the Housing Benefit Regulations that were in force at the time the scheme was introduced.

On 28 July 2016, the government changed the Housing Benefit Regulations for temporary absences. From this date the amount of time someone could be away from home and outside of Great Britain, was reduced from 13 weeks to 4 weeks. The prescribed Council Tax Reduction scheme for pensioners was updated to reflect these changes from 1 April 2017.

The proposal being consulted on was should Medway’s Council Tax Reduction scheme be changed from 1 April 2018 so that working age people cannot continue to receive Council Tax Reduction if they are away from their home and outside of Great Britain for a period of 4 weeks or more.

The proposed change to the working age scheme would not affect someone who is away from their home but remains in Great Britain; they will still receive Council Tax Reduction for up to 13 weeks.

Respondents were asked if they agreed with the proposal and to explain the reason why.

Question 3 - Do you agree that the amount of time a claimant can be away from home and outside of Great Britain before their Council Tax Reduction claim is stopped should be changed from 13 weeks to 4 weeks?

There were 480 respondents who answered this question; 5 respondents did not provide an answer. The percentages below are based on 480 respondents.

Nearly two thirds of respondents (63.5%) agreed that the amount of time someone could be away from home and outside Great Britain should be reduced to 4 weeks, nearly a quarter (23.8%) disagreed and 12.7% didn’t know.

<b>Do you agree that the amount of time a claimant can be away from home and outside of Great Britain before their Council Tax Reduction claim is stopped should be changed from 13 weeks to 4 weeks?</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	305	63.5%
No	114	23.8%
Don’t know	61	12.7%

The following statistically significant differences were noted in the analysis:-

- Respondents aged 35 to 44 were less likely to agree that the amount of time a claimant can be away from home and outside Great Britain should be reduced than respondents aged 55 to 64 (53.4% compared to 69.4%).

- Respondents from BME communities were more likely to disagree that the amount of time a claimant can be away from home and outside Great Britain should be reduced than respondents from White communities (56.5% compared to 22%).

There were no other statistically significant differences between the characteristics of respondents.

Question 4 - Please explain why you agree or disagree that the amount of time a claimant can be away from home and outside of Great Britain before their CTR claim is stopped should be changed from thirteen weeks to four weeks.

Question 4 asked respondents to explain why they agreed or disagreed that the amount of time a claimant can be away from the home and outside of Great Britain before their CTR claim is stopped should be changed from thirteen weeks to four weeks. There were 330 responses to this question. Their responses have been grouped by whether they agreed or disagreed.

There were 218 responses from those who had agreed with question three. The largest group of comments were people reiterating a cap of four weeks travel outside the UK was reasonable.

“If people are living outside the UK for more than 4 weeks then they should not get council tax reduction”

“Four weeks is plenty to cover normal absences such as work trips and vacations.”

Many of comments added that to travel abroad for longer than four weeks demonstrated the claimant’s ability to pay full council tax.

“If you can afford to be out of the country for that length of time it would suggest you don't need or require a reduction”

“I can't afford a weekend away and I work full time, if they can afford to go away for a month they don't need council tax reduction!”

A sizeable group of comments mentioned how extenuating circumstances should be taken into consideration. Popular examples included recovering from an illness or accident and bereavement. Being a member of the Army on tour abroad was also mentioned.

“If you can be out of the country for more than 4 weeks you shouldn't be claiming. However extenuating circumstances have to be considered i.e death of a relative or hospitalization of the claimant”

Several comments mentioned how an out of the country limit of a month would reduce the number of residents inappropriately taking advantage of the CTRS.

“I feel if they are out of the country that long they are probably financially better off than they say and don't need the help as much as others.”

A handful of comments mentioned that any travel abroad demonstrated an ability to pay full council tax.

“Council tax reduction is given to people that are either too sick or not earning a wage and therefore it is ridiculous to give reductions in council tax if someone has the funds to travel outside the U.K. or is fit enough to travel abroad.”

It was also mentioned by a small number of responders that the time limit should match other legislation such as Housing Benefit.

There were 90 responses from those who disagreed that the maximum time out of the country should be reduced from thirteen to four weeks. Those who disagreed often cited family health issues as the reason why.

“Someone forced to spend time abroad caring for an elderly relative outside of the UK should no more be punished for that than someone caring for an elderly relative in Durham, Edinburgh or Swansea.”

“There can be very good reasons why someone may need to be abroad for a longer period, particularly nowadays when many people have family members abroad, e.g. a pregnant daughter or a severely ill relative.”

Work was sometimes offered as a reason for why the period of time abroad should be extended.

“Medway is home to several multinational companies who often second staff abroad, often at quite junior levels, often for extended periods. These companies bring substantial value into Medway's economy through their international trade, it is inappropriate to punish their staff for being part of delivering that value.”

Occasionally comments would doubt the positive impact such a change would have, sometimes mentioning that there would be added financial burdens on the council to process additional claims and financial returns could be minimal.

“One assumes that an impact study has been undertaken in regard to the number of people likely to be affected and anticipated savings including the costs of increased administration”

Other comments suggested alternative time scales, most commonly 6 weeks. Other comments suggested older people don't deserve to have the time they can have abroad reduced to four weeks, particularly if they wish to visit family.

Of the 21 people who commented and said they didn't know if the maximum time abroad should be reduced to a month, the most popular comments suggested claims should be judged on their individual merits and, if enacted, there could be exceptions to the four week rule.

## Family Premium

The third set of questions asked about the family premium. The family premium is an allowance that counts towards a claimant's applicable amount. As part of the council tax reduction scheme unless a claimant is in receipt of income related benefits the amount of Council Tax Reduction received is based on a comparison of the claimant's income to an applicable amount. The applicable amount is based on the allowances and premiums a claimant can get and will change depending on their age, health, family circumstances, and any other qualifying benefits.

The higher the difference between a claimant's income and the applicable amount the more Council Tax Reduction a claimant can get.

In the current working age Council Tax Reduction scheme a family premium of £17.45 is included in the applicable amount where a claimant is responsible for one or more dependent children.

This amount was set in line with the amount the government set for Housing Benefit Regulations and the prescribed Council Tax Reduction scheme for pensioners at the time that Medway's Council Tax Reduction scheme was introduced. However, from the 1 May 2016, the Government changed the Housing Benefit Regulations and the prescribed Council Tax Reduction Regulations for pensioners. From that date a family premium was not granted for any new claims received and on existing claims where the claimant becomes responsible for a child for the first time.

The proposal being consulted on was should Medway's working age Council Tax Reduction scheme be changed so that a Family Premium is not granted for any new claims made on or after 1 April 2018 or where a person becomes responsible for a child for the first time on or after 1 April 2018.

There were three sets of questions asked about the family premium; if new claimants should get the premium, if existing claimants who become responsible for a child after 1 April 2018 should get the premium and if existing claimants in receipt of the premium should continue to receive it until they make a new claim.

Respondents were asked if they agreed with the proposals and to explain the reason why.

Question 5 - Do you agree that from 1 April 2018 the family premium should no longer be awarded for any new Council Tax Reduction claims?

There were 478 respondents who answered this question; 7 respondents did not provide an answer. The percentages below are based on 478 respondents.

More than two fifths of respondents (43.9%) disagreed that the family premium should no longer be awarded to new claimants, 28.9% stated they didn't know and 27.2% agreed.

<b>Do you agree that from 1 April 2018 the family premium should no longer be awarded for any new Council Tax Reduction claims?</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	130	27.2%
No	210	43.9%
Don't know	138	28.9%

The following statistically significant differences were noted in the analysis:-

- Respondents aged 25 to 34 were more likely to disagree than those aged 55 to 64 and those aged 65 to 74 (61.1% compared to 32.4% and 27.7%).
- Respondents aged 35 to 44 were more likely to disagree than those aged 55 to 64 and those aged 65 to 74 (59.7% compared to 32.4% and 27.7%).
- Respondents aged 45 to 54 were more likely to disagree than those aged 55 to 64 (55.8% compared to 32.4%).
- Those of working age were more likely to disagree than pension age respondents (50.4% of working age, 26.8% pension age).
- Respondents in receipt of council tax reduction were less likely to agree than those who are not in receipt (22.8% compared to 38.6%).
- Respondents not in receipt of pension credit or a state pension were more likely to disagree than those who were in receipt (48.4% compared to 27.1%)

There were no other statistically significant differences between the characteristics of respondents.

Question 6 - Do you agree that the family premium should no longer be awarded to existing Council Tax Reduction claimants who become responsible for a child for the first time on or after 1 April 2018?

There were 477 respondents who answered this question; 8 respondents did not provide an answer. The percentages below are based on 477 respondents.

More than two fifths of respondents (44.7%) disagreed that the family premium should no longer be awarded to existing claimants who become responsible for a child after 1 April 2018, 28.5% agreed and 26.8% stated they didn't know.

<b>Do you agree that the family premium should no longer be awarded to existing Council Tax Reduction claimants who become responsible for a child for the first time on or after 1 April 2018?</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	136	28.5%
No	213	44.7%
Don't know	128	26.8%

The following statistically significant differences were noted in the analysis:-

- Respondents aged 25 to 34 were more likely to disagree than those aged 55 to 64 and those aged 65 to 74 (62.3% compared to 36.9% and 26.2%).
- Respondents aged 35 to 44 were more likely to disagree than those aged 55 to 64 and those aged 65 to 74 (61.6% compared to 36.9% and 26.2%).
- Respondents aged 45 to 54 were more likely to disagree than those aged 55 to 64 and those aged 65 to 74 (53.8% compared to 36.9% and 26.2%).
- Those of working age were more likely to disagree than pension age respondents (51.6% of working age, 24.8% pension age).
- Respondents in receipt of council tax reduction were less likely to agree than those who are not in receipt (22.9% compared to 42.1%).
- Respondents not in receipt of pension credit or a state pension were more likely to disagree than those who were in receipt (50.6% compared to 25.2%)
- Respondents who were in receipt of pension credit or a state pension were more likely to say the 'didn't know' than those who were not in receipt (38.7% compared to 23.5%)
- Working age recipients of council tax reduction were more likely to disagree than pension age recipient of council tax reduction (51.1% compared to 24.3%)

There were no other statistically significant differences between the characteristics of respondents.

Question 7- Do you agree that any claimant who is in receipt of the family premium as of 31 March 2018 should continue to get the family premium until they make a new claim or they no longer have responsibility for a child or young person?

There were 476 respondents who answered this question; 9 respondents did not provide an answer. The percentages below are based on 476 respondents.

Respondents were more likely to agree that existing claimants should continue to receive the family premium with more than half of respondents (55.7%) agreed that the family premium should no longer be awarded to new claimants, 26.9% stated they didn't know and 17.4% agreed.

<b>Question 7- Do you agree that any claimant who is in receipt of the family premium as of 31 March 2018 should continue to get the family premium until they make a new claim or they no longer have responsibility for a child or young person?</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	265	55.7%
No	83	17.4%
Don't know	128	26.9%

The following statistically significant differences were noted in the analysis:-

- Respondents aged 45 to 54 were more likely to agree than those aged 55 to 64 and those aged 65 to 74 (69.6% compared to 49.1% and 48.2%).

There were no other statistically significant differences between the characteristics of respondents.

Question 8 - Please explain why you agree or disagree with the proposed changes to the family premium as part of Council Tax Reduction claims

Of the 485 respondents 244 explained the reasons for the choices they made with regards to proposed changes to the family premium as part of council tax reduction claims; those comments often covered more than one topic generating 352 responses.

As this question asked residents to explain their answers to the three previous questions – questions 5, 6 and 7 – there were a range of different combinations that were possible. In all respondents answered in 28 different combinations, however the top 7 combinations represent nearly 90% of all respondents. The comment analysis therefore concentrates on the replies from these 7 groups.

Q5-No, Q6-No, Q7-Yes	137
Q5-Don't know, Q6-Don't know, Q7-Don't know	101
Q5-Yes, Q6-Yes, Q7-Yes	74
Q5-No, Q6-No, Q7-No	39
Q5-Yes, Q6-Yes, Q7-No	39
Q5-Don't know, Q6-Don't know, Q7-Yes	18
Q5-No, Q6-No, Q7-Don't know	14
Other	63
Total	485

There were 137 respondents who disagreed with the proposals for new claimants and existing claimants who become responsible for a family, whilst agreeing with the proposal for the existing claimants with a family. This group was most likely to think things should stay as they are. The most common comment was that families 'can't afford it, need help or are in poverty' and expressed concerns that the proposed changes would effect that further.

"It's hard enough managing already with so many people having to use food banks etc.. Wages not going up and working people still having to live in poverty. The children are the ones that suffer going hungry and not getting decent clothes."

"Benefits and the new universal credit are making it harder and harder for those who have to rely on benefits with the costs of everything going up but benefits not in line. The local authority should be supporting those in need not making it even harder"

"If someone has a baby that person's expenses are to increase so therefore if that reduction is taken away the effect of paying a higher rate of council tax will impact on the wellness of the child, as there is not much choice for the parent, they have to pay the Council tax, which means less funds for providing for their children plus the other bills"

"Adults, parents or guardians taking care of children carry out a very important role in society and should get all the help possible, irrespective of when they became child guardians. They are already making a big financial sacrifice to bring the kids up. What about foster carers of people who decide to adopt a child? Should they not be helped by society? I think so."



“These people needed the help before so they should continue getting it. It's absurd that all of a sudden you can just decide they no longer need help with no real grounds. As for new claims they are in exactly the same situation as the people already receiving the help so they should get it too.”

“Low-paid families with children are already struggling to make ends meet and it seems counterproductive to me to put them under further financial strain by withdrawing the family premium.”

“Austerity related welfare reform was a government attack on those least able to afford a reduction in income in order to allow tax cuts for those most able to afford a reduction. This is a reason for Medway Council to reject the changes, not ape them.”

Other comments made by respondents was that there needed to be more consideration of individual circumstances, making alternative suggestions (the most common related to paying the premium until a child becomes an adult), the need for families in receipt of the premium to continue receiving it, that there have been other government cuts, there shouldn't be different rules for different applicants, it wasn't fair, the changes are only to save money and that it should stay as it is.

The next biggest group responded that they 'did not know' to each of the questions, most respondents did not give any reasons why. Where there were reasons given the most common was that respondents did not know enough about the family premium or it was not applicable to them. A handful did not understand the proposal and a similar number of comments referred to the fact that families 'can't afford it, need help or are in poverty'.

The third largest group agreed with all three of the proposals; of the 74 respondents who selected this option only 39 gave a reason why. The most common reasons were responsible family planning and the need for people to support themselves, not rely on benefits and manage their budgets.

“I think there are sufficient benefits such as child tax credits, housing benefits and child benefits that already support people on low incomes and people need to rethink having more children if they cannot afford them,”

“Having a child is a choice. Tax payers should not be forced to subsidise families who choose to have children when they cannot afford to do so without state benefits. Equally, it would be unfair to punish families who now rely on this reduction to make ends meet.”

“People shouldn't have children unless they are financially secure.”

The other comments talked about the need to align the Medway Scheme with other government changes, the need for families who are getting the premium to continue to get it, some who simply agreed and others who made an alternative suggestion (change the council tax system, an alternative start date for individuals who are currently expecting, keep it fair and no one receive the premium, align all benefits). There were a broad range of other comments made.

There were 39 respondents who said 'no' to all three proposals, around half (19) made no comment. Of the remaining 20 respondents the highest area of concern was that families 'can't afford it, need help or are in poverty'.

“I disagree as families who need the reduction scheme generally are in some sort of hardship”

“I don't agree on this matter as the Government has been cutting many benefits that affect people on benefits and families, so more cuts are going to create more poverty.”

Other comments focussed on the need to make decisions based on individual circumstances and made alternative suggestions about elements of the scheme (eligibility should be consistent as long as there is responsibility for a child, others suggested specific vulnerable groups who should receive the premium). There were a range of other comments made but each category was mentioned by one respondent.

There were a further 39 respondents who agreed with the first two proposals but disagreed with the third proposal to allow existing claimants with a family to keep the premium. There were 14 respondents who didn't comment, of the remaining 25 around half included a comment that that families 'need to support themselves, not rely on benefits and manage their budgets'.

“I think far too many are relying on benefits now. People need to support their own. Benefits are being abused and money needs to be put into important resources.”

“Families receive a great deal of financial help these days and I do not believe this should extend to Council Tax. They are far better off than the single working person who is struggling with rental payments and the costs of going to work. The size of one's family is a personal choice - and this comes with costs.”

There were comments made by more than one respondent that covered the need to contribute to local services, that there shouldn't be different rules for different applicants, made an alternative suggestion (need for fairness across all groups with no family getting the premium), that council tax is based on adults / the property and that families are already getting other support. There were a range of other comments made but each category was mentioned by one respondent only.

The next group of respondents were unsure of the changes to new claims and existing claimants with a new family, whereas they agreed that existing claimants with a family should keep the premium. Half of the 18 respondents provided a comment. Most of these were that existing claimants should keep the premium; “If they are already getting it then it shouldn't be taken off them that's unfair as it's already been agreed.”.

The final group of respondents disagreed with the first two proposals and were unsure about the final proposal affecting existing claimants. There were similar areas of focus to other comments groups that families 'can't afford it, need help or are in poverty'. With a range of alternative suggestions focusing on the need for all families to receive the premium as long as there were children in the household and basing the issues on individual circumstances. However, within this the comments raised concerns about existing claimants may be forced into making a new claim through circumstances outside of their control and this would cause them to lose the premium e.g. being made to move properties by their housing association or change in private rental.

## Limit on the number of children as part of claims

The fourth set of questions asked about limiting the number of children as part of claims. The child premium is an allowance that counts towards a claimant's applicable amount. As part of the council tax reduction scheme unless a claimant is in receipt of income related benefits the amount of Council Tax Reduction received is based on a comparison of the claimant's income to an applicable amount. The applicable amount is based on the allowances and premiums a claimant can get and will change depending on their age, health, family circumstances, and any other qualifying benefits.

The higher the difference between a claimant's income and the applicable amount the more Council Tax Reduction a claimant can get.

In the current working age Council Tax Reduction scheme there is a child premium of £66.90 included in the applicable amount for every dependent child who lives in the claimant's household. This amount was set in line with the amount the government set for Housing Benefit Regulations and the prescribed Council Tax Reduction scheme for pensioners at the time that Medway's Council Tax Reduction scheme was introduced.

However, on 6 April 2017 the government changed the Housing Benefit Regulations so that the maximum number of children a child premium could be granted for was 2, unless the third or subsequent children are included in the child tax credit assessment. The changes only affect new claims or existing claims where a third or subsequent children was born on or joined the household from 6 April 2017.

The proposal being consulted on was should Medway's working age Council Tax Reduction scheme be changed to bring it into line with the Housing Benefit Regulations; meaning that a child premium will not be given for a third or subsequent child for all new claims, and will not be given as part of existing claims for a third or subsequent child who was born or joins the household from 1 April 2018.

Anyone with three or more children on their existing claim will continue to receive a child premium for each dependent child, as long as the child was born or joined the household before 1 April 2018.

There were two sets of questions asked about limiting the number of children as part of claims; if new claimants should be limited to only two children and if existing claimants who become responsible for a third or subsequent child after 1 April 2018 should be limited to two children on the claim.

Respondents were asked if they agreed with the proposals and to explain the reason why.

Question 9 - Do you agree that the number of children who can be included in a Council Tax Reduction assessment should be limited to 2 for all new claims from 1 April 2018?

There were 478 respondents who answered this question; 7 respondents did not provide an answer. The percentages below are based on 478 respondents.

Respondents were more likely to agree that new claimants should be limited to two children as part of their claim with nearly two-third of respondents (63.0%) agreeing, a quarter disagreed (24.7%) and 12.3% stated they didn't know.

<b>Question 9- Do you agree that the number of children who can be included in a Council Tax Reduction assessment should be limited to 2 for all new claims from 1 April 2018?</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	301	63.0%
No	118	24.7%
Don't know	59	12.3%

The following statistically significant differences were noted in the analysis:-

- Respondents aged over 75 were more likely to agree than those aged 25 to 34 (75.0% compared to 50.0%).
- Respondents from BME communities were more likely to disagree that new claims should be limited to two children than respondents from White communities (56.5% compared to 22.3%)

There were no other statistically significant differences between the characteristics of respondents.

Question 10 - Do you agree that the number of children who can be included in a Council Tax Reduction assessment should be limited to 2 for any existing claims where a third or subsequent child is born or joins the household from 1 April 2018?

There were 476 respondents who answered this question; 9 respondents did not provide an answer. The percentages below are based on 476 respondents.

Respondents were more likely to agree that existing claimants should be limited to two children where a third or subsequent child joins the household from 1 April 2018 with nearly two-thirds of respondents (61.3%) agreeing, just over a quarter disagreed (25.8%) and 12.8% stated they didn't know.

<b>Question 10 - Do you agree that the number of children who can be included in a Council Tax Reduction assessment should be limited to 2 for any existing claims where a third or subsequent child is born or joins the household from 1 April 2018?</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	292	61.3%
No	123	25.8%
Don't know	61	12.8%

The following statistically significant differences were noted in the analysis:-

- Respondents aged 25 to 34 were less likely to agree than those aged 55 to 64 and 65 to 74 (44.4% compared to 68.2% and 65.5% respectively).
- Respondents aged 55 to 64 were more likely to disagree than those aged 25 to 34 (15.5% compared to 42.6%)
- Those respondents who were in receipt of council tax reduction were less likely to agree than those who were not (59.1% compared to 69.5%)

There were no other statistically significant differences between the characteristics of respondents.

Question 11 - Please explain why you agree or disagree with the proposed changes to the number of children who can be included as part of Council Tax Reduction claims

Of the 485 respondents 282 explained the reasons for the choices they made with regards to limits on the number of children as part of council tax reduction claims; those comments often covered more than one topic generating 407 responses.

As this question asked residents to explain their answers to the two previous questions – questions 9 and 10 – there were a range of different combinations that were possible however, respondents were most likely to answer in the same way for both questions i.e. yes, no or don't know. The comment analysis therefore concentrates on the replies from these three groups as they represent 90% of all respondents.

There were 276 respondents who agreed with both of the proposals. The most common comment was that families 'need to support themselves, not rely on benefits and manage their budgets' there were a range of comments that focused around people being able to afford children and the impact of offering unlimited benefits for children:-

"The responsibility of parents in producing in children is their responsibility NOT the state. If you cannot afford to provide for your children don't have them. Paying for more children causes very bad feeling amongst those that are responsible."

"If you have more than 2 children you should aim to have the finances to support having more than 2 children."

"I believe that having additional children where the family are unable to independently financially support them should be discouraged. It is not fair on those council tax payers who either do not have children or have managed their family responsibly."

"I don't think people choosing to have additional children should result in additional benefits. I think having children is a choice and the financial impact of having a child should be measured and weighed up before having additional (or any) children."

"Stops people having children to get more money"

"Some families take advantage of the scheme and abuse it by having more children to increase their benefits."

"If you cannot afford children, then don't have them. Any benefit scheme should be for people who unfortunately find themselves in severe difficulties due to no fault of their own."

A different but interrelated theme relates to responsible family planning:-

"If any family has more than 1 child, then they need to make sure they can afford it, as lots of ways not to have children if you can't afford to look after them. Yes situations do change

ie loss of job, briefement in family but they have chosen to have more than 1 in there family.”

“Encourages responsible family making.”

“yes there needs to be a limit to what people can claim for. it then becomes their choice how many children they have”

Another common theme of responses was that two children was enough / fair:-

“I believe that a maximum of 2 X 66.90 per child premium is more than sufficient, no matter how many children you have. This would make a fair system for all parents, and there would be no prejudice to any family.”

“Because if everyone knows about it, then they can decide if they can afford it by having more children. I think allowing up to two children and existing ones before 1st April 2018 is quite fair.”

“I think two children premium is enough even though I'm a parent to more than two children myself I understand that there has to be a cut off point”

Respondents were also likely to say that the proposed changes would align the Medway scheme with the other regulations in place (housing benefit, tax credits)

“Aligns all the changes in welfare reform”

“It makes sense that CTR rules are in line with HB regs, this would cause less confusion if the same.”

There were a range of other comments made; saying that the changes would be fair for all, again recognising that there are different family circumstances, saying that savings need to be made, there needs to be a cap, council tax should be based on the property, that families would be restricted with personal choice of how many children they have, the need to contribute to local services, families need help, fairness, continuation of the rules for families in receipt, that circumstances for families might change and there is limited housing locally.

There were 104 respondents who disagreed with both of the proposals. The most common comment was that ‘families can’t afford it, are in poverty or need help’ there were a range of comments that focused around changes to benefits or low wages and the impact on families:-

“It is unfair to families as Benefits have already been cut severely for these people who fall through the extremely stringent government benefits rules, leaving many families destitute and homeless!!”

“Cuts already made by the government have made life harder for families and there are already families using foodbanks.”

“I believe that going along with this government's changes to any welfare payments is causing hardship to many and should be resisted by all councils.”

“.....Those with children are the financially weaker members of our society and need help. If they are taking care of more children, they should be helped more.”

“This measure will only increase the strain on families. I don't think that making these families poorer is in the interest of society at large.”

“this is punishing people that have more then 2 children and the children are the ones that will suffer. its no ones place to tell someone how many children they can have.”

“People's circumstances are diverse. Cutting this would harm large families who find themselves in difficult circumstances the most.”

Another common category of comment was that people’s family situations are very diverse and there should be recognition of this within any rules the council adopts.

“Why should children be made to suffer? What if the family with 2 children adopted or fostered a child?”

“Families are already under financial pressure and low income families suffer more than most. Families can assume responsibility of a child through other circumstances other than giving birth. Families should not be penalised for circumstances outside their control if they take on responsibility for a family member to prevent that child being placed in care.”

“Because some people have more than 2 children and they're not always planned. Some people don't use contraceptives for religious reasons. They shouldn't be penalised for the number of children they have. Things shouldn't change.”

“I think this is alright for new claimants generally, but should take into account multiple births. I.e if a family has one child and the second pregnancy results in twins or a greater number of children, each of the children should be able to be claimed for as this cannot be planned or predicted and the children should not suffer for this.”

Respondents also felt that this would restrict personal choice as it should be nobody else’s choice other than the individual families as to how many children they have.

“Again, this would put undue stress on families with children. It should not be decided by government how many children you have, and the new regulations would be just as unfair as the new Housing Benefit regulations and the DWP restrictions.”

“We cannot place limits on how many children people have. More to the point, the child or additional children should NEVER be penalised for the decisions of their parents”

Some respondents just felt this proposal would not be fair on the families affected.

“Just because some families have more then 2 children why should they be discriminated”

“.....Why should younger children not have the same allowance paid as their older siblings Unfair!”

There were a range of other comments with respondents suggesting that there should be a limit but it should be higher than 2 (three children was the most common suggested).

“Despite best intentions you sometimes have unexpected pregnancies and limiting the claim to only 2 is unfair a maximum of 4 or even 3 would reduce the risk of child poverty”

A handful of other comments mentioned; the need to consider changing circumstances / individual circumstances, responsible family planning, not having different rules based upon when you applied, the need for claimants to support themselves, to contribute to local services, a limit of only one child and the need for more information.

There were very few people who said don't know, those who said don't know were most likely to say it didn't apply to them or were not sure.

## **Employment and Support Allowance**

The fifth set of questions asked about stopping the additional employment and support allowance as claimants are no longer receiving additional income. The employment and support allowance counts towards a claimant's applicable amount. As part of the council tax reduction scheme unless a claimant is in receipt of income related benefits the amount of Council Tax Reduction received is based on a comparison of the claimant's income to an applicable amount. The applicable amount is based on the allowances and premiums a claimant can get and will change depending on their age, health, family circumstances, and any other qualifying benefits.

The higher the difference between a claimant's income and the applicable amount the more Council Tax Reduction a claimant can get.

In the current Council Tax Reduction scheme, when a person is placed in the Employment and Support Allowance Work Related Activity group by the Department for Work and Pensions (DWP) they get an extra allowance added to their applicable amount. This extra allowance offsets the additional income they get from being in the Work Related Activity group. This means their Council Tax Reduction stays at the same level despite receiving additional income. This extra allowance was set in line with the allowance the government set for Housing Benefit Regulations at the time the Council Tax Reduction scheme was introduced.

However, from 3 April 2017 anyone who is placed in the Employment and Support Allowance Work Related Activity Group by the DWP no longer receives additional income, therefore the Housing Benefit regulations have been changed so that an extra allowance is no longer included in the applicable amount.

Medway's Council Tax Reduction scheme still gives an extra allowance in the applicable amount, meaning someone who is placed in the Work Related Activity Group will receive an increased amount of Council Tax Reduction although they now do not get any additional income.

The proposal being consulted on was should Medway's working age Council Tax Reduction scheme be amended from 1 April 2018 to bring it into line with the Housing Benefit scheme so that an extra



allowance is not added to the applicable amount when a person is placed into the Employment and Support Allowance Work Related Activity Group by the DWP.

Respondents were asked if they agreed with the proposals and to explain the reason why.

Question 12 - Do you agree that an extra allowance should no longer be added to the applicable amount when a person is placed into the Employment and Support Allowance Work Related activity Group by the DWP?

There were 476 respondents who answered this question; 9 respondents did not provide an answer. The percentages below are based on 476 respondents.

Respondents were more likely to disagree that claimants should no longer get the additional employment and support allowance with more than two-fifths of respondents (44.5%) disagreeing, just over a quarter each didn't know (28.2%) and agreed (27.3%).

<b>Question 12 - Do you agree that an extra allowance should no longer be added to the applicable amount when a person is placed into the Employment and Support Allowance Work Related activity Group by the DWP?</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	130	27.3%
No	212	44.5%
Don't know	134	28.2%

The following statistically significant differences were noted in the analysis:-

- Respondents aged 65 to 74 were less likely to disagree than those aged 25 to 34, 45 to 54 and 55 to 64 (24.4% compared to 51.9%, 58.5% and 48.6% respectively).
- Working age respondents (16 to 64) were more likely to disagree than pension age respondents (65 and over), 51.2% compared to 25.2%.
- Respondents with a disability were more likely to disagree that the allowance should be stopped than those without a disability (52.0% compared to 35.4%)
- Respondents not in receipt of a state pension or pension credits were more likely to disagree that the allowance should be stopped than those who were in receipt of a state pension or pension credits (50.3% compared to 26.9%).
- Following the trends above working age council tax reduction recipients were more likely to disagree than pension age council tax recipients (54.8% compared to 29.4%).

There were no other statistically significant differences between the characteristics of respondents.

Question 13 - Please explain why you agree or disagree that an extra allowance should no longer be added to the applicable amount when a person is placed into the Employment and Support Allowance Work Related Activity Group by the DWP

Of the 485 respondents 256 explained the reasons for their answer; those comments often covered more than one topic generating 320 responses.

There were 212 respondents who disagreed that the extra allowance should be removed. The most common reason given was that it would cause additional hardship-

“People on ESA are having their very small income reduced and under this proposal at the same time will be expected to pay additional Council Tax making them even worse off. Any small savings the Council makes are likely to be offset by increasing costs in other areas as result of increasing poverty and more Council Tax defaults”

“If a claimant is on ESA then they will still have health conditions. Their income isn't high and losing this premium would impact them even more”

“I do not agree because of the high cost of having a disability (although not necessarily self-inflicted) is often difficult to supplement. As a result the extra allowance means that these individuals are able to support themselves with their needs.”

“If they are not getting extra income and may even have more expenditure then they need more help not less.”

“This is grossly unfair! Disabled people are far less likely to find work than an able bodied jobseeker. They are also far less likely to be able to hold a job down long term. Disabled people should be fully supported at least until they find waged work that fully covers their basic living needs. Most disabled people have higher living costs than general society so this also puts them at a financial disadvantage to start with.”

“Yet again this is not fair. If someone is on ESA it is usually because they are ill. It is unfair that they be penalised for being ill. This will result in more debt for claimants which makes illness for stressful. Especially if you can't afford to live or have been signed off work for some reason. Most people are genuinely ill and need the help!”

The need to support vulnerable people was a common theme in the reasons given:-

“Because people on a low income need help and the income does not cover it”

“This is obvious! Because people in this category require more help!”

“We disagree as this extra allowance can be an incentive to seek work through the work related group by the dwp, and can support them with their living costs while they are not gaining a full income.”

“People in the Work Related Activity Group still need the help, particularly those who suffer from mental health.”

“You've just stated that the claimants income has been reduced so they actually need more support not less”

The feeling that the changes would be unfair and penalise claimants was clear in a number of the comments:-

“These people have already been hit by the drop in ESAWRA, to reduce their allowance would mean they get hit a second time.”

“I disagree with this proposal as it becomes a 'double whammy' reduction.”

“People in the ESA WRAG have been penalised enough by this Government, they all suffer from either health related issues or disabilities which cause them additional difficulties finding employment, punishing them further financially through no fault of their own would be grossly unfair & cause even further financial hardship, to them and their families.”

“anyone placed in the ESA WRAG by the DWP is already disadvantaged and is unlikely to be able to get a job. Reducing the amount of council tax help they get would be grossly unfair.”

“Its not fair on us who have an mental illness that mean its hard for us to cope with all the paperwork and making payments.”

There was also concern that it should more accurately reflect a claimant’s individual circumstances;

“There should be a more thorough investigation into the person's circumstances as every case is different.”

“This is not fair because even if someone is in employment, surely their families can't rely on their wages only as there will be money being spent on bills e.g. tv license. Medway Council should help those if employment and unemployment by assessing the way they live for example; visiting homes, seeing the condition they live in, what type of budgeting are they doing to make sure that everyone stays happy. If Medway Council listen to the people by visiting them then this will put the community in good faith as they know Medway Council is here for them and not to make them suffer in financial difficulties.”

Respondents thought that this may also be a disincentive to those who are willing to work;

“Removing this allowance will be a disincentive to people who are willing to push themselves and make themselves more employable.”

“People should be encouraged to work and by cutting people's allowances it is making life harder. I feel that people that work and are on low incomes should be given this as an incentive. There is too many people that don't work because they receive more by not working. What is this teaching people?”

Those who ‘don’t know’ were the next largest group, of the 134 respondents 101 made no comment. Respondents were likely to state that they did not understand the proposal/question, did not know about the benefit and state they didn’t know or were not sure. The other comments were similar to those seen in that vulnerable people should be supported, it should be based upon individual circumstances and loss of the allowance would not incentivise people to go back to work.

There were 130 who agreed that the additional allowance should be removed of those 73 respondents explained why. The most common comment category was that entitlement should be fair.

“If an individual is no longer receiving the extra amount from DWP then they should not be given the extra allowance, this will leave them off in a worse financial position than there

were in previously. This also seems to penalise people for being in the ESA Work Related Activity Group and could possibly act as a deterrent regards to gaining employment.”

“If I understand this correctly, to give someone a benefit which offsets something that they are not actually receiving sounds like money for nothing to me. On the other hand, incentives to get people back into work should be encouraged where it makes sense.”

“Entitlement should be fair across the board”

Others felt that claimants were already in receipt of additional income or benefits :-

“Why do they need an extra allowance? They are getting their benefits. Being in a work related activity group does not mean they need more money.”

“Employment must be sought by everyone that can. If it's being sought out and correct support provided then no extra allowance should be added here. It will be made up elsewhere anyway.”

“If you are gaining income why should you be allowed to get additional allowances.”

Some felt that those in the group should be able to work / incentivised to work:-

“I agree the allowance should be stopped for people in the wrg as they have more chance of gaining employment than those in the support group.”

“To encourage the claimant to find employment as quickly as possible.”

Other comments included that it would align the rules, it should be based upon individual circumstances, vulnerable people should be supported and it was a sensible reform. Despite agreeing some still felt it may be unfair, cause additional hardship and some were not sure about the proposal / question.

## Severe Disability Premium

The sixth set of questions asked about stopping the severe disability premium for claimants if they receive care from someone who gets Universal Credit that includes a carer element for caring for them. The severe disability premium counts towards a claimant’s applicable amount. As part of the council tax reduction scheme unless a claimant is in receipt of income related benefits the amount of Council Tax Reduction received is based on a comparison of the claimant’s income to an applicable amount. The applicable amount is based on the allowances and premiums a claimant can get and will change depending on their age, health, family circumstances, and any other qualifying benefits.

The higher the difference between a claimant’s income and the applicable amount the more Council Tax Reduction a claimant can get.

In the current working age Council Tax Reduction scheme there is a Severe Disability Premium of £62.45 included in the applicable amount for someone who receives Disability Living Allowance, Personal Independence Payment or Attendance Allowance, lives alone, and where nobody receives

Carers Allowance for caring for them. For those receiving Universal Credit, a carer element is included in their award where the person is providing care, regardless of whether they are receiving Carers Allowance.

To ensure equal treatment between the rules for these previous benefits and Universal Credit the government changed the Housing Benefit Regulations and the prescribed Council Tax Reduction Regulations for pensioners from 1 April 2016. This meant that a Severe Disability Premium would not be included in a person’s applicable amount if they received care from someone who was in receipt of Universal Credit with a carer’s element for caring for the Housing Benefit / Council Tax Reduction recipient.

The proposal being consulted on was should the Council Tax Reduction scheme be amended with effect from 1 April 2018 to come into line with the government’s changes so that a working age Council Tax Reduction claimant is not granted a Severe Disability Premium if they receive care from someone who gets Universal Credit that includes a carer element for caring for them.

Question 14 - Do you agree that the Severe Disability Premium should not be included when calculating the amount of council tax reduction if someone receives Universal Credit with a carers element for caring for the Council Tax Reduction claimant?

There were 477 respondents who answered this question; 8 respondents did not provide an answer. The percentages below are based on 477 respondents.

Respondents were more likely to disagree that claimants should no longer get the severe disability allowance with more than two-fifths of respondents (43.4%) disagreeing, 30.2% agreed and just over a quarter didn’t know (26.4%).

<b>Question 14 - Do you agree that the Severe Disability Premium should not be included when calculating the amount of council tax reduction if someone receives Universal Credit with a carers element for caring for the Council Tax Reduction claimant?</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	144	30.2%
No	207	43.4%
Don’t know	126	26.4%

There were no statistically significant differences between the characteristics of respondents.

Question 15 - Please explain why you agree or disagree that the Severe Disability Premium should not be included when calculating the amount of council tax reduction if someone receives Universal Credit with a carers element for caring for the Council Tax Reduction claimant

Of the 485 respondents 245 explained the reasons for their answer; those comments often covered more than one topic generating 321 responses.

There were 207 respondents who disagreed that the extra allowance should be removed. The most common reason given was that disabled people need support:-

“People with severe disability need as much support as possible.”

“Disabled people, the genuine ones that is,, should never be deprived in any way from receiving proper financial, other help. The quality of life for them is low enough already.”

“Again punishing individuals with a severe disability is grossly offensive, they rely on the care they are receiving and taking this premium away from them will further cause financial hardship. Their care plans may have already been affected by cuts to Social Services, and Medway Council want to punish them even further. Disgraceful!!!”

“You should be giving more help to these people not less”

“These people are probably in need of the most help in our society. If a disabled person is in receipt of lifetime awards from an insured payment maybe additional benefit is not needed in these cases”

“Someone with a severe disability relies on others for care and support and also they are unable to source income from elsewhere.”

Respondents were also concerned that the changes would cause additional hardship for disabled people.

“Many people on DLA are finding that the PIP replacement is paying them less so again people who are already experiencing a cut in their small income and going to have that situation made even worse by expecting them to pay more Council Tax on top.”

“For some carers, including myself we have no other income but for the carers allowance. We already struggle to make ends meet (especially when we have worked all our lives and have over the savings limit to claim other benefits), and now want to look after our 'elderly parents'. If you took the severe disability premium away then not only does the carer struggle more but the person with the severe disability premium also suffers and would lead them to have to go into a care home which the council would end up funding and costing you much more in the long term.”

“I think for disabled people their living costs are higher, i.e. Heating and additional expenditure, this could put them at poverty level”

“The person with the disability does not receive carers allowance, the person caring for them does so taking this allowance from them would make them worse off”

“The level of benefits for disabled and carers is pitiful. This would ensure they struggle even more and would hit them disproportionately.”

There were also similar comments about the need to support carers.

“It is hard enough to get a carer, If you have a carer they too have a right to an income, as they are saving the council money by not having to take them into care”

“Carers allowance is to cover the fact that that person could be working full time if not caring, it shouldn't have an impact in the disabled persons income.”

Some respondents stated that Medway Council should be resisting following the government's changes.

"To cut the allowance of sick and disabled people further will cause harm and hardship to an already penalised group of Medway citizens. The UN recently published the results of its investigations into the governments own systematic abuse of vulnerable group. Medway Council should not consider implementing such action."

There were 126 respondents who said don't know, with the majority of them, 92, making no comment. Those that did comment were equally likely to say that they did not understand the system or benefit and they did not understand the proposal / question.

"I cannot comment, as I do not have severe physical disability, and I have insufficient knowledge of how disability allowances are spent beyond paying for help at home."

"I don't understand all these different payments. I have trouble with my disability benefits . If it gives an even playing field than yes of if it is just to save money by hitting the disabled again then no"

"This seems a complex issue and the above information is not clear enough for me to judge the issue."

"Again not sure about what the question means I receive Disability Allowance but do not know if I also receive the premium some of the forms are really difficult to understand"

A smaller number of respondents stated that it should be based on the individual circumstances.

"I think you would have to look at a case to case basis. It may end up by taking this away the council may find themselves having to fund care homes due to the carer being unable to care for these people due to lack of any funding and in turn costing the Council a vast amount of money."

There were 144 respondents who agreed that the extra allowance should be removed, 64 of whom made no comment. The most common reason given was that recipients were getting money twice or getting an extra benefit or income:-

"If some one is being payed to look after the claimant getting a council tax reduction is like being payed twice for the same thing"

"If someone does not have to pay for care out of their own pocket because it is being provided for them by someone who is receiving benefits to do so, then they should not also receive benefit personally. This would amount to double benefit being awarded. This doesn't seem like a fair use of already stretched council tax finances."

Other respondents thought that it was a fair proposal ensuring equal treatment:-

"Equal treatment between the rules seems fair"

"Disabled council tax claimants like myself who has a carer who gets carers allowance cannot get SDP. It would be unjust to those like myself and many thousands in the same

position for SDP to be awarded to disabled council tax claimant whose carer gets universal credit with a carers element. You do not get carers allowance given to you, you have to make a claim for it just like a claim has to be made for all other benefits, so to give to one and not give to another just because the benefits which are the same have different names is discrimination. If you are going to grant SDP then it should be to a council tax claimant who does not have someone to care for them or they have a carer who can prove that they are not getting benefit monies to care for that person.”

There were other broad themes similar to earlier comments stating that disabled people should be supported although there were some concerns about fraud and people having contributed to the wider system. There were concerns still that changes may be unfair or penalise recipients and changes might cause additional hardship. Others felt there should be an element of individual assessment as part of the process. Others felt it would align the benefits.

## **Bereavement Support**

From 6 April 2017 a new benefit was introduced by the Department for Work and Pension for people whose spouse or civil partner dies on or after 6 April 2017, replacing a number of other previous benefits.

Recipients of Bereavement Support Payments are entitled to a lump sum payment of either £3,500 or £2,500 and a monthly payment of either £350 or £100 for up to 18 months. The higher amounts are granted to people who are pregnant or have dependent children, and the lower amounts are granted to people who have no dependants.

The Housing Benefit Regulations and the prescribed Council Tax Reduction Regulations for pensioners were changed to take Bereavement Support Payments into consideration. This change meant that the lump sum payments should not be included when calculating entitlement to Housing Benefit or Council Tax Reduction for pension age claimants. It also meant that the monthly awards should not be included for 1 month, and any amount that was not spent at the end of the month should be treated as capital and included when calculating entitlements. The result of these changes is that Bereavement Support Payments, in almost all cases, are not included when calculating either Housing Benefit or Council Tax Reduction for pension age claimants.

As this is a new benefit there are no rules about it within Medway’s current Council Tax Reduction scheme. This means any Bereavement Support Payments, whether it is the lump sum or monthly income, would be included when calculating the amount of council tax reduction. As a result the claimant would receive a lower amount of council tax reduction.

The proposal being consulted on was should the Council Tax Reduction Scheme be amended with effect from 1 April 2018 so that Bereavement Support Payments are not included when calculating the amount of council tax reduction for working age claimants.



Question 16 - Do you agree that bereavement support payments should not be included as income when working out how much Council Tax Reduction someone can get?

There were 477 respondents who answered this question; 8 respondents did not provide an answer. The percentages below are based on 477 respondents.

Respondents were most likely to agree with the proposal to exclude bereavement support payments with nearly two thirds agreeing (63.1%), about a fifth disagreed (20.5%) and 16.4% were not sure.

<b>Question 16 - Do you agree that bereavement support payments should not be included as income when working out how much Council Tax Reduction someone can get?</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	301	63.1%
No	98	20.5%
Don't know	78	16.4%

The following statistically significant differences were noted in the analysis:-

- Female respondents were more likely to agree than male respondents (67.3% compared to 57.5%)
- Respondents who do not receive council tax reduction were more likely to agree that bereavement support payments should not be included as income than those in receipt of council tax reduction (73.4% compared to 58.8%)

There were no other statistically significant differences between the characteristics of respondents.

Question 17 - Please explain why you agree or disagree that bereavement support payments should not be included as income when working out how much Council Tax Reduction someone can get

Of the 485 respondents 248 explained the reasons for their answer; those comments often covered more than one topic generating 318 responses.

There were 301 respondents who agreed that bereavement support payments should not be included as income. The most common reason given was that support should be given at a difficult time.

“Bereavement payments are to help people overcome their grief not fill council coffers”

“If someone is bereaved they should receive as much financial assistance as possible as the last thing they need is to be worrying about how to pay for things following the death of a loved one /partner /spouse.”

“Bereavement support is supposed to be extra help for a person in a difficult emotional and perhaps financial situation. It should not affect the amount of the reduction they get, otherwise it is not extra help anymore, is it? That would appear to be a case of giving with the right hand while taking away with the left!”

“The loss of a loved one is a difficult time. People should not be punished financially at such a time. Presumably, the bereavement support payments are intended to be used to cover funeral and other such expenses.”

Other respondents stated that these are only short term payments in exceptional circumstances and should not be income.

“As this payment is only got 18 months I don't think you should reduce any benefit”

“Bereavement payments aren't a permanent income and is there to help so should not be included.”

“The point of the benefit is that people should get something extra, if the extra was included in the amount considered it would negate the benefit.”

“Because it is for limited time and exceptional circumstances.”

The increased costs following a bereavement were a key consideration for other respondents

“If it is counted as income their Council Tax Reduction would decrease leaving them with less money after they have been bereaved. They may have had to pay funeral cost etc. and have extra expenses. This is not income it is a support payment. It would be better to treat it as capital as the first £6,000 or £10,000 over pensionable age is not counted.”

“The loss of a loved one is a difficult time. People should not be punished financially at such a time. Presumably, the bereavement support payments are intended to be used to cover funeral and other such expenses.”

A range of other comments received including that it is not income, it would help cover lost income and that it was a fair proposal.

There were 98 respondents who disagreed that bereavement support payments should not be included as income. The most common reason given was that support should be given at a difficult time. The comments given suggest that some respondents felt the exclusion of bereavement support payments would mean that claimants would get less, not more.

“It is unfair and cruel to bereaved people who are struggling with the extra costs of losing a loved one.. Benefits have already been cut severely for people who fall through the extremely stringent government benefits rules, leaving many destitute and homeless !!”

“Widows should be exempt from this. Assuming their spouse worked it would be hard to adjust to losing their income. It also comes across as heartless to remove it at what will be a difficult time for them and their families. It could be reviewed if their circumstances change though”

Others though were certain that bereavement support should be included as income:-

“Income is income. We're asked about savings etc when applying for IN or Council tax help”

“Income is income, from whatever source. Total income should be compared to an applicable amount.”

“You take into consideration when someone is claiming tax credits and other benefits so why not these. At the end of the day it is still a benefit and should be treated like all the others.”

Other comments were that the proposal would be unfair, would make the situation worse and it was not income.

Those respondents who stated ‘don’t know’ were the smallest group, and relatively few respondents made a comment. Where there was a comment it was that they were unsure, there needed to be consideration of circumstances, uncertainty over what bereavement support payments are and that support should be given at a difficult time.

## De-minimis Limit

In the current Council Tax Reduction scheme and Council Tax Regulations every time there is a change in an award of Council Tax Reduction a notification letter and a revised council tax bill must be produced.

Due to the nature of the Council Tax Reduction assessment process entitlement often changes by small amounts and results in instalments being revised regularly. When Universal Credit fully rolls out these changes will become more frequent because changes to income can be monthly.

Frequent changes are very confusing for claimants as they will regularly get paperwork from the council showing very minimal changes in their Council Tax reduction entitlement or instalment plans. Changing monthly instalments will also make it difficult for claimants to budget. For the Council if someone has a lot of changes in their council tax reduction it could delay collecting council tax owed.

A de-minimis limit helps protect Council Tax Reduction claimants from small changes in their entitlement amount. It would mean:-

- If a claimant was entitled to more they would still get it.
- If a claimant was entitled to less, but that change was less than £1, they would still get the same amount they had been getting. A new Council Tax bill and payment schedule will not be sent.
- If a claimant was entitled to less, but that change was by £1 or more, their Council Tax Reduction award would be reduced and a new Council Tax bill and payment schedule sent.

The proposal being consulted on was that a negative de-minimis limit of £0.99 per week should be introduced to changes in the level of Council Tax Reduction.

### Question 18 - Do you agree that Council Tax Reduction payments should include a de-minimis limit?

There were 475 respondents who answered this question; 10 respondents did not provide an answer. The percentages below are based on 475 respondents.

Respondents were more likely to agree that a de-minimis limit should be introduced with nearly two-thirds of respondents (64.4%) agreeing, just over a quarter didn't know (27.8%) and only 7.8% disagreeing.

Question 18 - Do you agree that Council Tax Reduction payments should include a de-minimis limit?	Number of respondents	Percentage
Yes	306	64.4%
No	37	7.8%
Don't know	132	27.8%

The following statistically significant differences were noted in the analysis:-

- Respondents who do not receive council tax reduction were more likely to agree that a de-minimis limit should be introduced than those in receipt of council tax reduction (74.3% compared to 61.6%)

There were no other statistically significant differences between the characteristics of respondents.

Question 19 - Please explain why you agree or disagree that Council Tax Reduction payments should include a de-minimis limit

Of the 485 respondents 215 explained the reasons for their answer; those comments often covered more than one topic generating 318 responses.

There were 306 respondents who agreed that a de-minimis limit should be introduced. The most common reason given was that it would save money (although it should be noted that this was often mentioned in combination with a number of other categories).

“Save money on postage and stationary and post room staff to sort the extra letters. However you should emailing to the claimants instead of using snail mail.”

“It will save the council a great amount on not producing extra letters and also no postage.”

“This would be highly helpful for both residents and the council officers, as there would be less paperwork, less wastage, and less time spent on the phone trying to sort out claims.”

“Absolutely. I would go further and suggest that any change for which providing notification would be more expensive than leaving things as they are should be treated this way. Why send out a notification at all if a claimant is entitled to more if this is explained in advance? I can't imagine too many people will complain if they receive more money and this will cut down on unnecessary paperwork saving both money and helping the environment.”

“For the reasons stated by this proposal. Less paperwork sent out, less paper used, less waste paper, less confusion to claimants. Less council time wasted.”

“Saves confusion and loads of paperwork and postage.”

A common theme was that it was a sensible decision with some respondents simply saying that it was ‘fair’ or ‘made sense’. Others expanded on this:-

“At last a common sense change.”

“Makes financial sense and less confusing”

“Sounds good to me. I often get unnecessary bills which just add to more confusion. I much prefer it when my amount is stable and I know what I'm getting and what I owe each month etc”

“Seems a logical approach, however its just different parameters, those that may get confused now may still get confused when this change happens... This will not address that in my opinion.”

The reduction of confusion and bringing an element of simplicity to the system was also a common feature of comments made by respondents.

“Because its not worth the cost of all the paperwork. It can be sorted at the end of the financial year. The bills are too confusing anyway. You send twenty pages re every change, most people don't understand any of it anyway.”

“The paperwork sent after any changes are very very confusing even to the knowledgeable”

“This simplifies the process for everyone”

“Constantly sending new notice of entitlement makes you very worried each time you open the letter, then confusion when you can't see why it was sent as the difference is so small and you also end up with so much useless extra paperwork.”

The amount of paperwork received was another theme that appeared strongly within the comments received.

“It makes good sense to limit unnecessary paperwork.”

“I agree that receiving multiple letters which look the same can be very confusing.”

“Seems a good idea. Anything that reduces paperwork and workforce use of time must be more workable.”

“Makes sense and saves paperwork not everyone has a computer so they can receive and email about changes.”

Saving time was also a benefit that those who agreed with the proposal commented on.

“Saves confusion and saves local authority time when dealing with changes”

“Could save a lot of time and unnecessary paperwork”

The comments highlighted the mutual benefits to both claimants and the council

“I feel this is fair on both parties and would reduce administration for the council”

“I would say the new proposals would be more efficient for the council and simpler for the claimant”

Some respondents felt that the limit could be set higher to reflect the actual cost of making a change:-

“But the limit could be set at £5 . When taking into account the savings on administration and postage costs this may be more cost effective as notices will not have to be sent out so often an claimants would have time to adjust.”

“Administratively this seems a very sensible decision for all parties and i would suggest the limit could be set slightly higher.”

Other comments made included that there was a need to simplify bills, that if this was introduced there would need to be an easy explanation of the rules and what it meant, some respondents wanted the option of online communications, there were still concerns about the vulnerability of families and individuals and the cost of the paperwork and time is more than the reduction.

There were 132 respondents who stated that they did not know, the majority of those respondents (103) did not provide a comment. Of the remaining respondents the majority stated that they did not understand the proposal.

The respondents who disagreed with the proposal were most likely to make no comment at all with no significant trends amongst the comments made.

## Final Considerations

Question 20: - Do you have any alternative suggestions for changes to the Council Tax Reduction scheme?

There were 240 comments received although 100 of these were that there was no further suggestion. The majority of comments were about making an individual assessment of circumstances, leaving the scheme as it is, the vulnerability of families and individuals, simplifying paperwork and applications, the need to save money elsewhere and checking for and prevent fraud. As the suggestions are so varied they are listed in full in Appendix 2.

Question 21 - Is there anything else we should consider about the Council Tax Reduction scheme before making a final decision?

Of the 485 respondents 154 suggested something else about the Council Tax Reduction scheme that should be considered; those comments often covered more than one topic generating 201 responses.

The most common response was that families and / or individuals are vulnerable people can't afford it, need help or are in poverty and the wider implications that this might come from the proposed changes.

"I cannot believe that this council is yet again is proposing changes that will bring yet more hardship on people who want the most help. While I agree that savings must be sort I certainly don't agree on all these proposals. Shame on Medway council."

"Yes the likelihood of sending many families into poverty and expenses one household may have just on bills and food, not forcing families to have to choose between paying their council tax or feeding their children"

"could the scheme in fact cost the council more money in the long run, will it reduce or increase the amount of arrears, will it reduce or increase the cost of recovering arrears. Will it penalise those who are vulnerable, low income families who are already struggling to meet bills."

"Low income single parents are struggling financially and working hours part time that they can and are not benefiting from working at all. They should be able to work part time and not have to pay council tax & rent that is all they are working for"

"council tax is a major expense. for those on some benefits or a low income it is a large part of their monthly/ annual income gone. Great care should be taken to make sure it is a fair system where people who try to help themselves or are vulnerable get all the help they need."

"Try not to financially punish people for being ill and unable to work or unemployed. Taking away more money from benefits will lead to greater poverty, more food bank numbers, rent and council tax arrears and increase crime, shoplifting, muggings, theft etc."

Respondents also felt that there was a need to ensure that the council tax reduction scheme reflects the individual circumstances of the applicants and claimants.

"Please consider that every persons circumstances are different. It's not easy to fit yourself into a 'category' or tick box when it comes to dishing out money or taking it away for whatever reason. I understand that changes have to be made and money obviously can't be doled out in every which way, but reductions are there to help for a reason and a lot of people are incredibly grateful for said reductions."

"Treat every claim/case as an individual one, and not as a generic one."

“Yes having questions on the claims forms asking questions about difficulties the claimants have to be considered.”

“Just to have plans in place for individual cases/exceptional circumstances where a personal may not be physically or cognitively able to deal with council tax benefits for any amount of time.”

“Only that personal financial circumstances and history can vary enormously from one claimant to another. The system should be as flexible as possible to deal with a multitude of different personal situations.”

Respondents also wanted the council to carefully consider the impact on claimants.

“It is easy for those of us who don't struggle financially to not empathise with those on low incomes who struggle. Put yourself in the claimants shoes and consider the implications of any changes to their already tight family budgets”

“Just stop and think carefully before implementing these changes, they may be small and insignificant to you but they could mean a lot to a person on benefits who depend and rely on this money.”

“The council should bear in mind that successful claimants under this scheme are often old or underprivileged; it is morally wrong and cruel to reduce benefits that help their lives be as pleasant as yours and mine.”

“Please consider the residents of medway as human beings and not spreadsheet numbers. Please be fair and reasonable when suggesting changes. Many of the residents have not have pay for increases in line with living costs.”

“Be more empathetic and really take note of the life you are making struggle”

There was concern that the scheme should be fair between different groups; some of these concerns related to specific circumstances for example home owners and those in rented properties whereas others were broader.

“council tax is a major expense. for those on some benefits or a low income it is a large part of their monthly/ annual income gone. Great care should be taken to make sure it is a fair system where people who try to help themselves or are vulnerable get all the help they need.”

“It does seem a bit unfair that pensioners get 100% but as working age people we only get 65%, regardless of circumstances.”

There was a range of other comments made by respondents these covered a range of topics summarised below.



Prevent fraud	Means test council housing	Change the income assessment levels
Medway Council should adopt more caring policies	Medway Council is greedy	Stop providing council tax reduction
Consider the consultation responses	Supporting people will prevent future costs	Reduce the cost of council tax
As previous answers	Need to make savings	Simpler consultation
Make savings elsewhere	Tax based on the number of people living in the property	Support those who are made redundant
Limit who can get benefits	Support recipients with the changes	Save money through digital approaches
More engagement with recipients	Other	Consultation comment
Make things simpler	Medway Council should support people to pay their mortgage	Increase council tax by more than 2%
Leave it alone / don't change	Consult with organisations to determine the impact	Increase the CTRS discount for working age people
Too many cuts	Make it easier to check eligibility	Support low paid worker with no rent and council tax
Not to follow government decision making	Medway Council will make the decision regardless	Increased reduction for single people
Fair representation / covered issues / fair consultation process	Alternative start date	Charge additional council tax for second home owners / multi-private landlords
Need further details about the impact	Give Council tax reductions for volunteering	Re-introduce 100% reduction for long term health problems / disability
Ensure there is good communication with recipients	Changes seem fair	
Changes could increase costs elsewhere e.g. arrears	Scrap tax	
Medway Council should support people to pay their council tax	Increase income from elsewhere	

**Title page:-**

**Council Tax Reduction**  
**Scheme 2018-19**

We want to hear your views on proposed changes to Medway Council's working age Council Tax Reduction scheme.

### **Introduction**

Medway Council has a Council Tax Reduction scheme to help people on low incomes with payment of their council tax. This scheme is separate to other discounts such as single persons, students or young people, empty or second homes or disabled persons.

There are two groups in the current Medway Council Tax Reduction scheme:

- Claimants of pensionable age, or those in receipt of a war widow or war disablement pension, can claim, and may be entitled to a maximum reduction of 100 per cent of their council tax liability
- Claimants of working age can claim and may be entitled to a maximum of 65 per cent of their council tax liability from the 1 April 2016.

The rules that apply to the Council Tax Reduction scheme for working age people are set by Medway Council, whilst the rules that apply to the pension age scheme are set by the government.

When the Council Tax Reduction scheme for working age people was set up it was based on the rules and allowances that were set for Housing Benefits and the pension age Council Tax Reduction scheme.

Since then the government has made a number of changes to Housing Benefits and the pension age Council Tax Reduction scheme. Medway Council is proposing to include these changes in the working age Council Tax Reduction scheme.

The proposed changes will affect the following parts of the scheme:-

- Backdating of claims
- The family premium
- Temporary absences
- The number of children who can be included in a claim
- Employment Support Allowance components
- The Severe Disability Premium
- Bereavement Support payments
- Introducing a De-minimis limit

Each proposed change is explained throughout the survey and you will have the opportunity to give your views on why you agree or disagree with the proposed changes.

### **Completing the survey**

This survey runs from **Friday 11 August 2017 to 5pm on Monday 6 November 2017**. Only surveys received back during this period will be considered.

You can complete the survey online at [www.medway.gov.uk/ctssurvey](http://www.medway.gov.uk/ctssurvey)

You can return your completed paper survey to your nearest library or Community Hub, or return it by post to the address at the end of this survey.

**Please complete the survey using black / blue ink and ensure any written comments are in BLOCK CAPITALS.**

Your personal data will be processed in accordance with Medway Council's Data Protection Notice as published on the Council's website  
<http://www.medway.gov.uk/thecouncilanddemocracy/dataprotection/privacynotice.aspx>

## Backdating CTR Claims

In Medway's current scheme a claim for Council Tax Reduction (CTR) from a person of working age can be backdated for up to 6 months, if there is a good reason for the delay in making a claim (this is normally for health or personal reasons). This was in line with the Housing Benefit Regulations at the time that the Council Tax Reduction scheme was introduced.

From April 2016 the Government changed the Housing Benefit Regulations so that the maximum period that a housing benefit claim can be backdated for working age people is 1 month.

We are proposing that Medway's Council Tax Reduction scheme should be changed to match the Housing Benefit Regulations. Which would mean that from 1 April 2018 the maximum amount of time a claim can be backdated for is 1 month from the date a claim is made, as long as there is a good reason.

- 1. Do you agree that the amount of time that Council Tax Reduction claims can be backdated for should be reduced from 6 months to 1 month?  
(PLEASE TICK ONE BOX ONLY)**

Yes	No	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 2. Please explain why you agree or disagree that the amount of time that Council Tax Reduction claims can be backdated for should be reduced from 6 months to 1 month**

**(PLEASE COMMENT IN THE BOX BELOW AND USE CAPITAL LETTERS)**

## Temporary Absences

As long as they plan to return home the current Council Tax Reduction scheme allows a working age person to be away from home for 13 weeks whilst still receiving Council Tax Reduction. This is in line with the Housing Benefit Regulations that were in force at the time the scheme was introduced.

On 28 July 2016, the government changed the Housing Benefit Regulations for temporary absences. From this date the amount of time someone could be away from home and outside of Great Britain, was reduced from 13 weeks to 4 weeks. The prescribed Council Tax Reduction scheme for pensioners was updated to reflect these changes from 1 April 2017.

We are proposing that Medway's Council Tax Reduction scheme should be changed from 1 April 2018 so that working age people cannot continue to receive Council Tax Reduction if they are away from their home and outside of Great Britain for a period of 4 weeks or more.

The proposed change to the working age scheme will not affect someone who is away from their home but remains in Great Britain; they will still receive Council Tax Reduction for up to 13 weeks.

- 3. Do you agree that the amount of time a claimant can be away from home and outside of Great Britain before their Council Tax Reduction claim is stopped should be changed from 13 weeks to 4 weeks?  
(PLEASE TICK ONE BOX ONLY)**

Yes

No

Don't know

- 4. Please explain why you agree or disagree that the amount of time a claimant can be away from home and outside of Great Britain before their Council Tax Reduction claim is stopped should be changed from 13 weeks to 4 weeks**

**(PLEASE COMMENT IN THE BOX BELOW AND USE CAPITAL LETTERS)**

## Family Premium

Unless a claimant is in receipt of income related benefits the amount of Council Tax Reduction received is based on a comparison of the claimant's income to an applicable amount. The applicable amount is based on the allowances and premiums a claimant can get and will change depending on their age, health, family circumstances, and any other qualifying benefits.

The higher the difference between a claimant's income and the applicable amount the more Council Tax Reduction a claimant can get.

In the current working age Council Tax Reduction scheme a family premium of £17.45 is included in the applicable amount where a claimant is responsible for one or more dependent children.

This amount was set in line with the amount the government set for Housing Benefit Regulations and the prescribed Council Tax Reduction scheme for pensioners at the time that Medway's Council Tax Reduction scheme was introduced. However, from the 1 May 2016, the Government changed the Housing Benefit Regulations and the prescribed Council Tax Reduction Regulations for pensioners. From that date a family premium was not granted for any new claims received and on existing claims where the claimant becomes responsible for a child for the first time.

We are proposing that Medway's working age Council Tax Reduction scheme is changed so that a Family Premium is not granted for any new claims made on or after 1 April 2018 or where a person becomes responsible for a child for the first time on or after 1 April 2018.

5. Do you agree that from 1 April 2018 the family premium should no longer be awarded for any new Council Tax Reduction claims?  
(PLEASE TICK ONE BOX ONLY)

Yes	No	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. Do you agree that the family premium should no longer be awarded to existing Council Tax Reduction claimants who become responsible for a child for the first time on or after 1 April 2018?  
(PLEASE TICK ONE BOX ONLY)

Yes	No	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. Do you agree that any claimant who is in receipt of the family premium as of 31 March 2018 should continue to get the family premium until they make a new claim or they no longer have responsibility for a child or young person? (PLEASE TICK ONE BOX ONLY)

Yes	No	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. Please explain why you agree or disagree with the proposed changes to the family premium as part of Council Tax Reduction claims

(PLEASE COMMENT IN THE BOX BELOW AND USE CAPITAL LETTERS)

### Limit on the number of children as part of claims

Unless a claimant is in receipt of income related benefits the amount of Council Tax Reduction received is based on a comparison of the claimant's income to an applicable amount. The applicable amount is based on the allowances and premiums a claimant can get and will change depending on their age, health, family circumstances, and any other qualifying benefits.

The higher the difference between a claimant's income and the applicable amount the more Council Tax Reduction a claimant can get.

In the current working age Council Tax Reduction scheme there is a child premium of £66.90 included in the applicable amount for every dependent child who lives in the claimant's household. This amount was set in line with the amount the government set for Housing Benefit Regulations and the prescribed Council Tax Reduction scheme for pensioners at the time that Medway's Council Tax Reduction scheme was introduced.

However, on 6 April 2017 the government changed the Housing Benefit Regulations so that the maximum number of children a child premium could be granted for was 2, unless the third or subsequent children are included in the child tax credit assessment. The changes only affect new claims or existing claims where a third or subsequent children was born on or joined the household from 6 April 2017.

We are proposing that Medway's working age Council Tax Reduction scheme is changed to bring it into line with the Housing Benefit Regulations. This will mean that a child premium will not be given for a third or subsequent child for all new claims, and will not be given as part of existing claims for a third or subsequent child who was born or joins the household from 1 April 2018.

Anyone with three or more children on their existing claim will continue to receive a child premium for each dependent child, as long as the child was born or joined the household before 1 April 2018.

**9. Do you agree that the number of children who can be included in a Council Tax Reduction assessment should be limited to 2 for all new claims from 1 April 2018? (PLEASE TICK ONE BOX ONLY)**

Yes	No	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**10. Do you agree that the number of children who can be included in a Council Tax Reduction assessment should be limited to 2 for any existing claims where a third or subsequent child is born or joins the household from 1 April 2018? (PLEASE TICK ONE BOX ONLY)**

Yes	No	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**11. Please explain why you agree or disagree with the proposed changes to the number of children who can be included as part of Council Tax Reduction claims**

**(PLEASE COMMENT IN THE BOX BELOW AND USE CAPITAL LETTERS)**



## Employment and Support Allowance

Unless a claimant is in receipt of income related benefits the amount of Council Tax Reduction received is based on a comparison of the claimant's income to an applicable amount. The applicable amount is based on the allowances and premiums a claimant can get and will change depending on their age, health, family circumstances, and any other qualifying benefits.

The higher the difference between a claimant's income and the applicable amount the more Council Tax Reduction a claimant can get.

In the current Council Tax Reduction scheme, when a person is placed in the Employment and Support Allowance Work Related Activity group by the Department for Work and Pensions (DWP) they get an extra allowance added to their applicable amount. This extra allowance offsets the additional income they get from being in the Work Related Activity group. This means their Council Tax Reduction stays at the same level despite receiving additional income. This extra allowance was set in line with the allowance the government set for Housing Benefit Regulations at the time the Council Tax Reduction scheme was introduced.

However, from 3 April 2017 anyone who is placed in the Employment and Support Allowance Work Related Activity Group by the DWP no longer receives additional income, therefore the Housing Benefit regulations have been changed so that an extra allowance is no longer included in the applicable amount.

Medway's Council Tax Reduction scheme still gives an extra allowance in the applicable amount, meaning someone who is placed in the Work Related Activity Group will receive an increased amount of Council Tax Reduction although they now do not get any additional income.

We are proposing that Medway's working age Council Tax Reduction scheme should be amended from 1 April 2018 to bring it into line with the Housing Benefit scheme so that an extra allowance is not added to the applicable amount when a person is placed into the Employment and Support Allowance Work Related Activity Group by the DWP.

**12. Do you agree that an extra allowance should no longer be added to the applicable amount when a person is placed into the Employment and Support Allowance Work Related activity Group by the DWP?  
(PLEASE TICK ONE BOX ONLY)**

Yes

No

Don't know

**13. Please explain why you agree or disagree that an extra allowance should no longer be added to the applicable amount when a person is placed into the Employment and Support Allowance Work Related Activity Group by the DWP**

**(PLEASE COMMENT IN THE BOX BELOW AND USE CAPITAL LETTERS)**

### **Severe Disability Premium**

Unless a claimant is in receipt of income related benefits the amount of Council Tax Reduction received is based on a comparison of the claimant's income to an applicable amount. The applicable amount is based on the allowances and premiums a claimant can get and will change depending on their age, health, family circumstances, and any other qualifying benefits.

The higher the difference between a claimant's income and the applicable amount the more Council Tax Reduction a claimant can get.

In the current working age Council Tax Reduction scheme there is a Severe Disability Premium of £62.45 included in the applicable amount for someone who receives Disability Living Allowance, Personal Independence Payment or Attendance Allowance, lives alone, and where nobody receives Carers Allowance for caring for them. For those receiving Universal Credit, a carer element is included in their award where the person is providing care, regardless of whether they are receiving Carers Allowance.

To ensure equal treatment between the rules for these previous benefits and Universal Credit the government changed the Housing Benefit Regulations and the prescribed Council Tax Reduction Regulations for pensioners from 1 April 2016. This meant that a Severe Disability Premium would not be included in a person's applicable amount if they received care from someone who was in receipt of Universal Credit with a carer's element for caring for the Housing Benefit / Council Tax Reduction recipient.

We are proposing that the Council Tax Reduction scheme is amended with effect from 1 April 2018 to come into line with the government's changes so that a working age Council Tax Reduction claimant is not granted a Severe Disability Premium if they receive care from someone who gets Universal Credit that includes a carer element for caring for them.

**14. Do you agree that the Severe Disability Premium should not be included when calculating the amount of council tax reduction if someone receives Universal Credit with a carers element for caring for the Council Tax Reduction claimant? (PLEASE TICK ONE BOX ONLY)**

Yes	No	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**15. Please explain why you agree or disagree that the Severe Disability Premium should not be included when calculating the amount of council tax reduction if someone receives Universal Credit with a carers element for caring for the Council Tax Reduction claimant**

**(PLEASE COMMENT IN THE BOX BELOW AND USE CAPITAL LETTERS)**

## Bereavement Support

From 6 April 2017 a new benefit was introduced by the Department for Work and Pension for people whose spouse or civil partner dies on or after 6 April 2017, replacing a number of other previous benefits.

Recipients of Bereavement Support Payments are entitled to a lump sum payment of either £3,500 or £2,500 and a monthly payment of either £350 or £100 for up to 18 months. The higher amounts are granted to people who are pregnant or have dependent children, and the lower amounts are granted to people who have no dependants.

The Housing Benefit Regulations and the prescribed Council Tax Reduction Regulations for pensioners were changed to take Bereavement Support Payments into consideration. This change meant that the lump sum payments should not be included when calculating entitlement to Housing Benefit or Council Tax Reduction for pension age claimants. It also meant that the monthly awards should not be included for 1 month, and any amount that was not spent at the end of the month should be treated as capital and included when calculating entitlements. The result of these changes is that Bereavement Support Payments, in almost all cases, are not included when calculating either Housing Benefit or Council Tax Reduction for pension age claimants.

As this is a new benefit there are no rules about it within Medway's current Council Tax Reduction scheme. This means any Bereavement Support Payments, whether it is the lump sum or monthly income, would be included when calculating the amount of council tax reduction. As a result the claimant would receive a lower amount of council tax reduction.

We are proposing that the Council Tax Reduction Scheme should be amended with effect from 1 April 2018 so that Bereavement Support Payments are not included when calculating the amount of council tax reduction for working age claimants.

**16. Do you agree that bereavement support payments should not be included as income when working out how much Council Tax Reduction someone can get? (PLEASE TICK ONE BOX ONLY)**

Yes	No	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**17. Please explain why you agree or disagree that bereavement support payments should not be included as income when working out how much Council Tax Reduction someone can get**

**(PLEASE COMMENT IN THE BOX BELOW AND USE CAPITAL LETTERS)**

### De-minimis Limit

In the current Council Tax Reduction scheme and Council Tax Regulations every time there is a change in an award of Council Tax Reduction a notification letter and a revised council tax bill must be produced.

Due to the nature of the Council Tax Reduction assessment process entitlement often changes by small amounts and results in instalments being revised regularly. When Universal Credit fully rolls out these changes will become more frequent because changes to income can be monthly.

Frequent changes are very confusing for claimants as they will regularly get paperwork from the council showing very minimal changes in their Council Tax reduction entitlement or instalment plans. Changing monthly instalments will also make it difficult for claimants to budget. For the Council if someone has a lot of changes in their council tax reduction it could delay collecting council tax owed.

We are proposing that a negative de-minimis limit of £0.99 per week is introduced to changes in the level of Council Tax Reduction.

A de-minimis limit helps protect Council Tax Reduction claimants from small changes in their entitlement amount. It would mean:-

- If a claimant was entitled to more they would still get it.
- If a claimant was entitled to less, but that change was less than £1, they would still get the same amount they had been getting. A new Council Tax bill and payment schedule will not be sent.
- If a claimant was entitled to less, but that change was by £1 or more, their Council Tax Reduction award would be reduced and a new Council Tax bill and payment schedule sent.

**18. Do you agree that Council Tax Reduction payments should include a de-minimis limit? (PLEASE TICK ONE BOX ONLY)**

Yes	No	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**19. Please explain why you agree or disagree that Council Tax Reduction payments should include a de-minimis limit**

**(PLEASE COMMENT IN THE BOX BELOW AND USE CAPITAL LETTERS)**

### **Other Considerations**

**20. Do you have any alternative suggestions for changes to the Council Tax Reduction scheme?**

**(PLEASE COMMENT IN THE BOX BELOW AND USE CAPITAL LETTERS)**

**21. Is there anything else we should consider about the Council Tax Reduction scheme before making a final decision?**

**(PLEASE COMMENT IN THE BOX BELOW AND USE CAPITAL LETTERS)**

### About you

**22. Do you pay Council Tax to Medway Council? (PLEASE TICK ONE BOX ONLY)**

Yes	No	Don't Know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**23. Do you currently receive Council Tax Reduction? (PLEASE TICK ONE BOX ONLY)**

Yes	No	Don't Know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**24. Do you receive a State Pension or Pension Credits? (PLEASE TICK ONE BOX ONLY)**

Yes	No	Don't Know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

We collect the following information to help us better understand the communities that we serve so that services and policies can be delivered to meet the needs of everybody. Please feel free to leave questions that you do not wish to answer. All of the information gathered in this questionnaire is confidential.

**25. Sex - are you? (PLEASE TICK ONE BOX ONLY)**

Female	Male	I prefer not to say
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**26. How old are you? (PLEASE TICK ONE BOX ONLY)**

Under 16	<input type="checkbox"/>	35 to 44	<input type="checkbox"/>	65 to 74	<input type="checkbox"/>
16 to 18	<input type="checkbox"/>	45 to 54	<input type="checkbox"/>	75 and over	<input type="checkbox"/>
19 to 24	<input type="checkbox"/>	55 to 59	<input type="checkbox"/>	I prefer not to say	<input type="checkbox"/>
25 to 34	<input type="checkbox"/>	60 to 64	<input type="checkbox"/>		

**27. Do you have a long-standing health problem or disability? Long-standing means anything that has lasted, or is expected to last, at least 12 months. (PLEASE TICK ONE BOX ONLY)**

Yes	No	I prefer not to say
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Go to Q28</b>	<b>Go to Q29</b>	<b>Go to Q29</b>

**28. If yes, what is the nature of your health problem or disability? (PLEASE TICK ALL THAT APPLY)**

Health diagnosis	<input type="checkbox"/>	Sight impairment	<input type="checkbox"/>
Hearing impairment	<input type="checkbox"/>	I prefer not to say	<input type="checkbox"/>
Learning disability	<input type="checkbox"/>	Other, please specify below	<input type="checkbox"/>
Mental health	<input type="checkbox"/>		
Physical impairment	<input type="checkbox"/>		

**29. What is your ethnic group? (PLEASE TICK ONE BOX ONLY)**

White - English / Welsh / Scottish / Northern Irish/ British	<input type="checkbox"/>	Any other Black/African/Caribbean background, please specify below	<input type="checkbox"/>
White - Irish	<input type="checkbox"/>	Asian/Asian British - Indian	<input type="checkbox"/>
White - Gypsy or Irish Traveller	<input type="checkbox"/>	Asian/Asian British - Pakistani	<input type="checkbox"/>
Any other White background, please specify below	<input type="checkbox"/>	Asian/Asian British - Bangladeshi	<input type="checkbox"/>
Mixed - White and Black Caribbean	<input type="checkbox"/>	Asian/Asian British - Chinese	<input type="checkbox"/>
Mixed - White and Black African	<input type="checkbox"/>	Any other Asian background, please specify below	<input type="checkbox"/>
Mixed - White and Asian	<input type="checkbox"/>	Other – Arab	<input type="checkbox"/>
Any other Mixed/multiple ethnic background, please specify below	<input type="checkbox"/>	Any other ethnic group, please specify below	<input type="checkbox"/>
Black/Black British - African	<input type="checkbox"/>		
Black/Black British - Caribbean	<input type="checkbox"/>	I prefer not to say	<input type="checkbox"/>

**Survey Completed**

Thank you for taking the time to give your views about Medway's Council Tax Reduction Scheme

All surveys should be returned by **5pm on 6 November 2017**

Completed surveys will be kept until 7 November 2022 and will then be destroyed.

Your personal data will be processed in accordance with Medway Council's Data Protection Notice

<http://www.medway.gov.uk/thecouncilanddemocracy/dataprotection/privacynotice.aspx>

You can return your survey to your nearest library or Community Hub.

Or, please send your completed survey back to:-

Council Tax Reduction Scheme Survey,  
Revenue and Benefits,  
Gun Wharf,  
Dock Road,  
Chatham,  
ME4 4TR

Please contact 01634 332222 if you would like the survey in another format or language.



## Appendix 2

These are the verbatim responses of respondents to question 20, which asked for alternative options to the proposals suggested by the Council.

You are TAXING people that cannot afford to pay, as usual!	Please dedicate more staff to get support these changes, it is all good and well making changes however of a medway council do not employ enough staff nothing will fundamentally improve!
Increase it to Cover at Least 85% of Council Tax Bill For the Poor	No
No	No nothing occurs to me. I am glad that the significant changes (imo) will apply to new claimants only as far as I can ascertain.
No.	No.
Make claimants more aware of what they could be entitled to by post or email regularly even if they aren't in receipt of housing or dwp benefit	None
See Q20 response. [We would like the council to consider that the rules for local housing authority tenants and private landlord tenants should be the same. Currently, private landlord tenants of pensionable age are penalised for having an additional bedroom. To put the situation on a par with that of local housing authority tenants there should be an adjustment in the council tax/housing benefit to reflect this discrimination.]	Yes, keep things as they are.
Consider helping those who work and who are on low income	Within notification letters, could you give greater clarity. By this I mean, you include the amount of reduction, but could you set out the amount that has to be paid.
no	If you are going to make people of working age liable for a percentage of the council tax putting people on the lowest income in severe poverty, I feel this burden could be shared by all in society including pensioners.
No	No
NO	No.
no	Claims should always be carefully reviewed. I have had to claim the reduction, on and off, for a number of years but am happy to pay the full amount when I return to work and earn more than average national wages.

Any changes that are under consideration should always take into serious account of all the costs to the council, including excessive consultation fees and 'red tape'.	Scrap it
Single occupancy reduction should be more than 25%	no
Reduce the capital limit threshold to £10k for working age. Introduce a minimum entitlement amount e.g. £1 per week	No
No thanks .	As below. [In your in working age reduction is unfair to those who like it or not will never be able to return work after becoming disabled and are getting the severe disability should still receive a full rebate to help with the costs of running disability aids]
Just stop the people who do not need it.	How about making your services actually better rather than worse for more money. Stop wasting money on yourselves and use it on the area as it should be
No	no
N/A	No.
Yes introduce these changes but make the DCTR easier to access instead of turning the majority of people down and wasting everyone's time processing something you have no intention of paying. The scheme needs to be much more realistic	I think everyone should get council tax benefit with low income <u>[comment redacted and replaced]</u> but there should be restrictions for certain groups
I may have misunderstood this, but I'm under the impression that if someone from elsewhere has a holiday home in Medway they get charged reduced rates for the time they are not in occupation. If they can afford a holiday home then they can afford to pay full rates all year. And if they can't afford the extra rates, then they will have to sell up and the house will be available for someone who will actually live here.	Single persons allowance should be increased. If calculations factor in 2 adults then single persons at 25% seems to not be equitable.
If a person loses their partner and lives in the same house still, they only get a 25% reduction I believe. This should be 50% in fairness.	Yes reduce the amount people on benefits have to pay as they don't have a life just an igsistance
It would be a great help to housebound claimants if the forms could be scanned and emailed to you from home due to limitations in being able to get to your offices.	Make it easier for the remaining potential claimants to apply for a reduction.

Reduction for working families above the maxi freshold, I feel as a family that earns more than the max we probably struggle more than the people that earn less. As they are likely to be entitled to more financial support where as we are not, yet have more tax taken from my partners wages, pay bills and rent ect with what's left but struggle with purchasing essential items.	reduce it entirely, it is our main expense along with food.
I think the council tax reduction scheme is totally unfair to low paid high mortgage payers who have very little income and no help.	Backdating ctr claims reduce from 6 months to perhaps 2 or 3 months
-	It should be more clear. To be honest i found the lot rather confusing. Plus the language you use in your letters is found hard to be understood by many people
Make sure the people claiming it live only in this country and no other dwelling abroad, do regular spot checks to make sure the situation is the same as the beginning of claim	Students being seconded by employers and receiving full pay whilst training e.g. Nurses should not be disregarded and pay full council tax. Student households of more than two individuals in full time study should be required to pay council tax.
Singke parents ir sole xarers should be intightled to a reduction regardless of whether they receive benefits or not	None
Check applications with other agencies for fraud	N/A
The reduction scheme should only be for size of property with number of occupants. <u>[Part of comment redacted and replaced to keep the meaning as may be identifiable]</u> We have a <u>large family in a 3 bed house and cannot afford to move</u> . If two workers only a reduction per child in property. If no workers then they should get no help unless they have children then a small reduction for each child. Grown adults can pay for themselves. One adult should not be in a 3/4 bed property. Downsizing would make their bills cheaper	To return to more civilised times when the poorest were not obliged to pay any 'council tax' at all! Why are you wasting our council tax money on removing street furniture such as, the marble seating with their nautical theme - which were much used by residents, and the compass! What's the point of removing items, which have already been paid for. I'd also like to see a reduction in <u>[Part of comment redacted]</u> local council executive's vast salaries, which sums could be used to assist the poor in the area!
Leave it alone!!! It's fine how it is!!! Stop trying to change things that are fine how they are!!!! PLEASE!!!!	More should be done to get people off the Council Tax Reduction scheme
No	no
Until increases in income and benefits are in line with inflation the percentage all have to contribute be reduced	It should be treated on a case by case basis as many persons when they are back in work are finding it difficult to pay the higher council tax when employed

Yes, dont mess with it!	Look at pensioners rights where they're pension exceeds the limits by a tiny amount ie a few pounds
Think of each household differently, think of each person differently, you can not put us into groups when we differ and not made from the same mold.	asa carer on benefits i am struggling to pay the council tax payments now. how on earth can i pay when you decide to scrap all help to those who cannot go out to work.
Just as people are assessed by the Finance Department on income and savings etc when someone goes into a Care Home I think people who consider they need a reduction in their Council Tax should be financially assessed each year.	No
Properly use a system of Identity Proof to cut fraud.	No
No not really	No.
Those lucky enough to have 2 properties should pay for those 2 properties Why should everyone else pay for them If they are lucky enough to afford a second home then they are financailly capable of paying for both Those that leave their houses empty regardless of if its because eg. They are renovating for several months or go abroad etc for severls weeks at a time still use the local services Often see houses that are being renovated still using eg. The bins collection therefore why should other people foot their bill	This would be a wast of time as this council does not listen.
People with high powered cars should pay a local pollution tax	NO But thanks for including your Medway clients,
no	The council should ensure that where a single person reduction is claimed, there is in fact only one person resident there. I am aware of <u>[Part of comment redacted and replaced to keep the meaning] properties where this is not the case.</u>
Keep Medway Council's current scheme as it is	Larger bills for those in society who can afford it.
No	No leave well alone but make sure that it is applied fairly and loopholes are closed and everyone pays their fair share
STOP increasing council tax every year.	No
No	no

Disabled and ill people who cannot get benefit due to extremely strict benefit rules should get a significant discount to their Council Tax Bill, especially if another working adult is solely responsible to support them financially as government benefits don't.	Bring back 100% allowances for sick/disabled people which have added to the financial pressure of living on benefits with health problems
Yes bigger properties tenancies need more, as to entitlements, benefits and council tax rates this survey has made sense.	No
N/A	No
Make sensible administration decisions - if it costs more in administration than you are gaining in council tax don't make the changes	Yes stop picking on the ill and disabled
More money would be available if the Council stopped wasting money on their vanity projects and totally excessive salaries for those at the top	No
PAPER AND MONEY BEING WASTED WHEN YOU KEEP SENDING ME A REDUCTION IN MY COUNCIL TAX, I HAD THREE OF THE SAME NOTIFICATION IN THE SPACE OF ONE MONTH. MAY I SUGGEST THAT IF SOMEONE HAS OVERPAID THEIR COUNCIL TAX BY SAY UP TO 5 POUNDS PER WEEK FOR EXAMPLE 2017/2018, THEN YOU DEDUCT THE AMOUNT OVERPAID FROM THEIR 2018/2019 BILL, SAVING ADMINISTRATION AND PAPER COSTS. I WOULD RATHER BE TOLD IF I AM PAYING NOT ENOUGH COUNCIL TAX AS OPPOSED TO TOO MUCH.	No
At this time, no.	there needs to be a simpler way of explaining all the changes and figures when awards change
Yes stop the changes.	Pay mimimun CTR so money can be used for core services! If the area becomes reliant on claimants no money in the coffers - We are all in it together!
Shouldn't have to pay council tax on benefits for a reason and that is to get by not to pay out more	No
No	I only found out that I could claim housing benefit and reduced council tax through a friend, previously I was told that I couldn't get this, and it was a struggle, more information in leaflets might help
no	no
No	No

none that I can think of	If reductions are to change out should be a more gradual process to allow those affected time to rebudget accordingly
No	Please see previous answers. [It is not clear if the respondent is referring to some or all of their previous answers]
They should stay as they are.	No
I would like to know that people on noincome, low income or disability shouldn't pay a lot or any council tax. If you earn more you should pay more	None
yes, some things you can save money on, some you cannot, if the government financed basic council services properly out of taxes they collect, council tax could be abolished but i will not hold my breath?	Can't think of any
I would do this - I would CANCEL THE ENTIRE SCHEME. NO money is to be taken from the poorest. I would then add a small amount to those who can afford to pay (Not hundreds) IF there was to be a payment from the poorest it would be a MINIMAL payment of £10 PER MONTH MAXIMUM, Even that will hurt some poor families badly - But that is better than stealing £40 a month off them and £10 a week off of someone who only gets £70 a week is dreadful! I suggest YOU sit down and try to work out how YOU would pay your BILLS on £75 a week - Gas elec water - Things people have to pay to be able to live - and then see what is actually left for food <u>[Part of comment redacted as may be identifiable]</u> . I am sickened by you people who have zero care for anyone.	No

Indeed, alcoholism is not a illness no is being addicted to drugs, it's a lifestyle choice, reductions should not be granted to those in this situation, they should be given to parents single or in partnerships, to help a child grow without poverty that is what matters, children matter most not alcohol or drugs, they are of course still people and they matter but they made a choice they have a choice, many of us don't, like widows/widowers you are placed in front of a final situation and we need to know we can rely on our local authority for support no matter which form it may come in	If it is not already the case, reductions should not automatically roll over from year to year - claimants should have to prove eligibility each year to minimise inadvertent fraud.
Leave it as it is	No.
Treat every claim individually, not everyone can manage on benefits and the added stress of council tax demands can cause serious stress and anxiety.	No
NO.	No.
Yes - make a threshold before full payment when starting work. ie Job seeker £70 per week full benefits - start work earn £75 pw pay full council tax still keep some housing benefit. Better off not taking job. example unemployed £70 pw full benefit - CT is £20 pw. Start work earns £71 pw at present pays full council tax - should be pay £1 pw. Earns £75 pw pay £5 pw CT £80 pw earned pay £10 pw etc until £91 per week is earned. This should be done on Nett Income not gross.	I believe that what ever the rules for working age people are, this should apply to old age people. pensioners get more from their pensions, private pensions and their additional benefits and have less outgoings than working age people, disabled people on ESA, and families.
My suggestions are in the answers at least you could do would be to stop putting people into more hardship	No
No it's fair those on ESA pay something	No
Yes don't change it	Check claimants out thoroughly make sure who deserve the reduction gets it not enough is done checking claimants there are genuine people who put in claim to get help then receive letter saying not entitled to any reduction but others get it when they have enough money coming in the household.
YES, send out surveys to ALL RESIDENTS, and get back True and Honest feedback, that can be used with 100% confidence!	No
It would be nice to have a 100% reduction as I used to get its hard to pay it .	No

People who work shouldn't get council tax reductions as they get plenty of money as it is	Child benefit and its inclusion as an income for very low income families
try and be fair.	All people that are genuinely on a low income & have responsibility for a child should not have to pay huge amounts off council tax as they cannot afford to on a low income. More help should be given to single parents that are working on part time basis earning a low wage.
no	Yes Pensioners should receive more when they are receiving state pensions only.
No	Just try to make it as fair as possible.
Just make sure that only people in genuine financial difficulty gets council tax reductions e.g. all people who receive some form of health related benefit and cannot work as a result .	No
There should be additional Council tax payable by people earning over £100,000 after tax rather than reducing for the poorest and disabled people in the community.	No
I think every one should pay at least 50% of there council tax. That includes disabled, pensioners, single mum's etc.	You haven't mentioned age related reductions are they for over 70year olds?
Yes a simple one! Stop changing things for the sack if change. During the last ten years we have been told 'austerity' is the key we have to live within our means' I fully support this but it is always the very young, struggling young families and the old who I will call the exceptions, the ones who slip through the net that suffers the most. Put an extra 10p in the pound on social security, increase tax by 5p in the pound and put more people in a safety zone not keep finding how to reduce the safety zone for people. I would respectfully suggest that we put you in to the position of responsibility, you should be working to better the conditions of people not make people's lives harder.	Don't. It is so hard to live on the little money we receive. <u>[Part of comment redacted and replaced to keep the meaning as may be identifiable]</u> We did not ask to be disabled and no longer able to work!!!! <u>[Part of comment redacted and replaced to keep the meaning as may be identifiable]</u> We get no support. If this reduction goes ahead we will loose our home and our live's.
Perform an in-depth budget audit into Council spending, particularly in house, and it may be found that any tinkering with the Council Tax unnecessary.	You have already hit the disabled with a withdrawal of help several years ago, if you need more income put up the rates, STOP picking on the sick, disabled & disenfranchised, As we are unable to earn a living & barely have enough to live on.



No if needs doing then we should pay and have the money to pay for it ,no more cut backs	A think take?
Get rid of council tax	Increase tax on high earners
No	Once again I do not feel qualified to comment
No	No
No	No
No	Make the forms easier to read I am confused every time I get mine a clear this is what you receive and this is what we are allowing you so this is what you pay would be nice
Yes - for carers who have no other income other then carers allowance please can you give a 100% reduction to them. If they were not caring for their elderly relatives <u>[Part of comment redacted and replaced as it may be identifiable]</u> many would be looking to the council to fund their care homes. Please also when setting these reduction schemes do not penalise those people who have worked all there lives and have over £16k in savings it simply is demoralising that people find themselves in this position.	none
As the government have put the woman's OAP up and that person is ill and can not get a job it's not fare that they only have £73 a week coming in and still have to pay council tax and top up there housing benefit theirs means you are going to have a lot of OAPs who are homeless not able to buy food how can any one survive on £73 a week when they have to pay council tax there part of the rent so unfare	Whatever changes may or may not be made there must be clear explanations and information to all those effected and in simple language..
stop spending so much on events and your wages and leave the sick and vunrable alone... you never do but you should stop.	NoNo
No	I don't know enough about the ins and outs of council tax schemes. But I don't think job shy or people with to many children should think they should be entitled because of their situation

NOT REALLY, JUST HELP THE PEOPLE WHO NEED IT	Why aren't the mentally unwell and elderly not aware of any council tax reductions? Please make it more aware. Medway council do not promote reductions and make it very ambiguous on the Medway.gov.co.uk website. It is very difficult to find information and it is not specific. Help is needed for carers and the general public about coping with this if it is your daily life.
Yes, I think that people or families below a certain income who rent their homes should automatically get a council tax reduction and the cost (i.e. their saving) should be passed on to their landlord!	Don't make the situation worse for people being disadvantaged by benefit changes targeted at those least able to oppose them.
No reductions for disabled people as life is a struggle that includes families relying on these reductions whilst caring for a disabled child or children.	Yes, the council should Change the reduction amount give at this time to single occupation of a house the reduction should be 100% not as now only 50% should you be single,as when someone dies your still pay that person council tax,so single should mean that you only pay singles rate, this would help a lot of people who are on low incomes and make sense.
Nope.	Please see above [The council tax is necessary to pay BUT when you physically have to choose to eat for the week to live paying council tax is not in your remit]
no	Yes, the council reduction scheme needs a point based system to be more effective. There are more diversified households occurring more and more
Discretion be applied to every individual application.	YEs more effort/focus should be on those that get the single occupancy allowance when a partner is clearly residing there. Its not right.
Reduce council tax if someone is paying Bedroom tax! We're turning into a Feudal Society! If you can't get money one way, we'll take it another! (The State)	making all claims easier to understand such as and 'this is your reduction' and 'this is the amount you need to pay' reducing the paperwork sent out, which some people find difficult to understand
No	No.
No	Yes, according with London, out of London like ruler area should be less council tax then London. Now I surprised out of London the property price also low then London but council tax too much high, but why ?
Help people who are having a bad time ( losing their job ) try not to make the whole paperwork to hard to work out , try to help Carers more	No. Best of luck!

Nothing that I can think of. I am trying to get my head around the questions put to me. I have never made a claim in my whole life and am astonished at what can at the moment be claimed by people. I am retired now but can cope and would have no idea how to claim anything anyway.	no
No	No
I do think anyone in receipt of PIP or DLA should have 100 per cent reduction in council tax do you not think they suffer enough with a disability on a day to day basis an having to pay the same as a normal healthy unemployed person.	Helping people who work part time basic hourly rate have to pay full council tax. The money earned is only £5 more than JSA but they have to pay travel & other work related expenses, it makes it very hard to be working. If you are over 25 & single, living alone, debt is increasing. I know a lot of women my age who are in debt & on anti depressants You are not better off working....part time, zero hours contract or low income families. I don't think anyone who has not had true experience living on or with benefits, knows the full impact of how it effects you.
Yes make the councillors take a pay cut and then stop your suggested changes as these will directly affect children already living in high deprivation	I think that people should be treated equally and fairly regarding the child element of the reduction. It's not fair that someone who has been claiming for years can claim for more children than someone with the same amount of children but has put in a new claim or there first claim. If people need to claim they are suffering financially. Why should some get more benefit than others just because of a cut off date!??
No	None.
Reducing it even further for people trying to live on a pension.	No
no	This would be very difficult to change due to your scheme.
I find claims for benefit very confusing and would like to have an appointment system whenever changes are made to my claims	It would be a lot better if you took the average over the year then at the end of the year work out if money is owed the add it to the next years tax. if money is owed to the claimant then take it off of next years council tax.
Stop all benefits make the buggers work !	All Very Sensible Desicions well thought out. Congratulations to those who came up with them.
NO	No.
No, that's why you at the council get paid all the mega bucks to work the problems out	If unemployed and on Jobseekers Allowance I get £73.10 per week a lower allowance.

Look into tax avoidance by wealthy individuals looking to take what they can from the country and give back as little as possible. Perhaps look at diverting money from obscene payrises for councillors (if applicable) to ensure that disadvantaged people are protected and looked after.	None
No, you have been a fair council.	People who ge free childrens care should not have children taken into account on any reductions they get enough anyway.
I can only talk as I find and as I am of working age I have to pay a proportion of council tax but due to my personal illness I will never be able to work, so some question on the claim form should be asked and then investigated. This would show a council interested in the welfare of thier community and not just money grabbers.	Where does council tax go. Police/Fireman. There are lots of things that don't get looked after properly. All the recycling we have to do & the money the council earn from that. where does that go we never seem to hear about this.
Please can you help Carers who care for <u>elderly relatives</u> [Part of comment redacted and replaced to keep the meaning as may be identifiable]. [Part of comment redacted and replaced to keep the meaning as may be identifiable]I care for elderly relatives have no income but carers allowance. Due to the fact that I have worked all of my life and have savings [Part of comment redacted as may be identifiable] I still have to pay for my council tax [Part of comment redacted as may be identifiable]. Please change this for people in my position as it I were to go back to work, I would be looking at the council to fund their care homes which would cost the government a lot more money then what I am expected to live on.	No.
No	Not Applicable.
Didn't understand even thow I read it because sum of the changes didn't even know that happen	No.
no	Don't make changes.
Bedroom tax	No

## Appendix B

<b>TITLE</b> Name / description of the issue being assessed	Council Tax Reduction Scheme (CTRS)
<b>DATE</b> Date the DIA is completed	27 November 2017
<b>LEAD OFFICER</b> Name, title and dept of person responsible for carrying out the DIA.	Jon Poulson

### 1 Summary description of the proposed change

- What is the change to policy / service / new project that is being proposed?
- How does it compare with the current situation?

The CTRS aims to help people on low incomes with payment of their council tax by allowing a reduction in the amount they pay. This reduction varies (up to a maximum of 65%) and is based on the make-up of the household, the household income/savings and the Council Tax charge. Customers on certain benefits for a period of 26 weeks or more can continue to receive the reduction for up to 4 weeks on return to work.

The changes proposed are to:

- Reduce the amount of time that Council Tax Reduction claims can be backdated from 6 months to 1 month
- Reduce the amount of time a claimant can be away from home and outside of Great Britain before their Council Tax Reduction claim is stopped from 13 weeks to 4 weeks
- No longer award the family premium for any new Council Tax Reduction claims from 1 April 2018
- No longer award the family premium to existing Council Tax Reduction claimants who become responsible for a child for the first time on or after 1 April 2018
- Ensure any claimant who is in receipt of the family premium as of 31 March 2018 should continue to get the family premium until they make a new claim or they no longer have responsibility for a child or young person
- Limit the number of children who can be included in a Council Tax Reduction assessment to 2 for all new claims from 1 April 2018

- Limit the number of children who can be included in a Council Tax Reduction assessment to 2 for any existing claims where a third or subsequent child is born or joins the household from 1 April 2018
- No longer add an extra allowance to the applicable amount when a person is placed into the Employment and Support Allowance Work Related activity Group by the DWP
- Exclude the Severe Disability Premium when calculating the amount of council tax reduction if someone receives Universal Credit with a carers element for caring for the Council Tax Reduction claimant
- Not to include bereavement support payments when working out how much Council Tax Reduction someone can get
- Include a de-minimis limit for Council Tax Reduction payments

These changes are to bring the working age CTRS scheme in line with other benefits

## **2 Summary of evidence used to support this assessment**

- Eg: Feedback from consultation, performance information, service user records etc.
- Eg: Comparison of service user profile with Medway Community Profile

Mosaic, a customer profiling tool, has been used to understand the makeup of current CTRS recipients. The Mosaic profile within the work age employed group showed a predominance of four groups that were more likely to be in receipt of council tax reduction than the Medway population as a whole:-

Group O - Municipal Challenge  
Group M - Family Basics  
Group L - Transient Renters  
Group J - J Rental Hubs

These four groups represent 65% of all working households in receipt of Council Tax Reduction.

A consultation available to all Council Tax customers took place between 11.08.17 and 06.11.17. This consisted of:

- A letter was sent to every household (18,121) who receive council tax reduction, both working age and pension age.
- A letter was sent to a sample of 2,700 council tax payers as the scheme is funded from locally raised council tax.
- There was an automated message on the Council's telephone system giving details of the survey, how it could be accessed

# Diversity impact assessment

online and that it could be accessed from community hubs and libraries.

- The survey was made available via the Council’s website (medway.gov.uk) where respondents could complete the survey online.
- Information and a link to the survey was included in the Medway Matters email newsletter and sent to individuals who are signed up to Medway’s mailing list.
- The autumn 2017 version of Medway Matters contained a notice informing residents of the consultation and gave the web link to the survey and could be picked up for their local library or hub.

There were 485 responses received with two in three responses from current Council Tax Reduction recipients.

### 3 What is the likely impact of the proposed change?

Is it likely to :

- Adversely impact on one or more of the protected characteristic groups?
- Advance equality of opportunity for one or more of the protected characteristic groups?
- Foster good relations between people who share a protected characteristic and those who don’t?

(insert  in one or more boxes)

Protected characteristic groups (Equality Act 2010)	Adverse impact	Advance equality	Foster good relations
Age	YES	YES	YES
Disability	YES	NO	YES
Gender reassignment	NO	NO	YES
Marriage/civil partnership	NO	YES	YES
Pregnancy/maternity	NO	NO	YES
Race	YES	YES	YES
Religion/belief	NO	NO	YES
Sex	NO	NO	YES
Sexual orientation	NO	NO	YES
Other (eg low income groups)	YES	YES	YES

## 4 Summary of the likely impacts

- Who will be affected?
- How will they be affected?

**There is the potential for adverse impact on the following protected characteristics:**

**Age:** Pensioners are protected from the changes as the Government has set out national rules about how Council tax Reduction should be calculated which means the changes proposed will not apply. However, young people may be adversely affected as they are more likely to be on lower incomes.

**Disabled:** The scheme is designed to help those in need whilst encouraging people into employment. However, some households may contain only those unable to work (disabled, carers etc) who therefore do not have the option of increasing their income to meet the additional council tax payments required under the amended CTRS.

**Marriage/civil partnership:** Bereavement support is only payable to spouses/civil partners and thus excluding it from CTRS calculations will impact positively.

**Low income groups:** By its very nature the CTRS is designed to protect low income groups, therefore any reduction in that protection will adversely affect them.

**Race:** Mosaic profiling of current CTRS recipients shows us that the majority of working age CTRS recipients are within three wards – River, Strood South and Chatham Central and they are more likely to be from diverse backgrounds with a lower than average number from an English background.

**Families:** Moving forward the CTRs scheme will be less generous for families who have more than two children in line with Government welfare reforms.

**Mosaic profiling of current CTRS recipients shows us that a higher than average number are single and in rented accommodation.**

**All Groups:** The introduction of a de-minimus limit will cut down on minimal changes in benefits awarded and payments to be made simplifying the scheme for both claimants and administrators.



## 5 What actions can be taken to mitigate likely adverse impacts, improve equality of opportunity or foster good relations?

- What alternative ways can the Council provide the service?
- Are there alternative providers?
- Can demand for services be managed differently?

The effects of the reduced discount can be mitigated by the Council's Council Tax Discretionary Relief scheme designed to assist those facing hardship as a result of the amendments. Claimants across all mosaic groups will have an equal opportunity to apply for this relief and can receive additional help of up to 100% of their bill. An award is based on an examination of their income and expenditure without any other criteria differentiating between claimants.

Examples of other housing support that the Council provides to those on low income or seeking work include housing benefit and discretionary housing payments which are contributions towards rent.

## 6 Action plan

- Actions to mitigate adverse impact, improve equality of opportunity or foster good relations and/or obtain new evidence

Action	Lead	Deadline or review date
Implement CTRS changes	Revenues & Benefits	01 April 2018
Review overarching impact of further welfare reforms	Revenues & Benefits	Ongoing
Monitor recovery action to identify any disproportionate increase arising from the change in discount level The number of CTRS cases being issued recovery notices will be compared to previous years and the number of CTDR applicants and successful claimants will also be compared to previous years. Any detrimental effects can then be reconsidered for the 2018/19 scheme prior to which the CTDR scheme will be a mitigating factor.	Revenues & Benefits	Ongoing

## 7 Recommendation

The recommendation by the lead officer should be stated below. This may be:

- to proceed with the change, implementing the Action Plan if appropriate
- consider alternatives
- gather further evidence

If the recommendation is to proceed with the change and there are no actions that can be taken to mitigate likely adverse impact, it is important to state why.

Implement the changes and proceed with the action plan seeking Cabinet approval on the basis that the outcome of the consultation supports implementation.

## 8 Authorisation

The authorising officer is consenting that:

- the recommendation can be implemented
- sufficient evidence has been obtained and appropriate mitigation is planned
- the Action Plan will be incorporated into the relevant Service Plan and monitored

**Assistant Director**

**Date**

Contact your Performance and Intelligence hub for advice on completing this assessment

RCC:	phone 2443	email: <a href="mailto:annamarie.lawrence@medway.gov.uk">annamarie.lawrence@medway.gov.uk</a>
C&A (Children's Social Care):	contact your usual P&I contact	
C&A (all other areas):	phone 4013	email: <a href="mailto:jackie.brown@medway.gov.uk">jackie.brown@medway.gov.uk</a>
BSD:	phone 2472/1490	email: <a href="mailto:corppi@medway.gov.uk">corppi@medway.gov.uk</a>
PH:	phone 2636	email: <a href="mailto:david.whiting@medway.gov.uk">david.whiting@medway.gov.uk</a>