



your council working for you

Council Tax Support Scheme

Have your say





Introduction

In April 2013 the national Council Tax Benefit scheme (CTB) will be replaced by a local scheme called Council Tax Support (CTS).

What is council tax benefit?

Council tax benefit is a means tested benefit that helps people on low incomes pay their council tax. It is administered by your local council (South Kesteven District Council) using rules that have been set nationally and is fully funded by central government.

What is council tax support?

Council tax support will also be a means tested benefit that helps people on low incomes pay their council tax. It will be administered by your local council using rules that have been set locally and will not be fully funded by central government.

Why is the scheme changing?

Because it has to. Central government is abolishing the council tax benefits system and asking us to introduce a local scheme based on local needs and priorities. This scheme will start on 1st April 2013.

The amount of funding we get from central government will also change. It is likely to drop by at least 10% (estimated at around £1million) and this gap will increase further if the number of people claiming support goes up or if council tax increases.

The reduction in funding means that we will have to make some difficult decisions about who will get help with paying their council tax and how much help they will get. Some groups of people will be protected from these changes and will not have to pay more, but others will.

How can I help?

To help us take these decisions we would like your views on our scheme. Your feedback will help us to shape our local scheme to reflect your needs and those of the community as a whole. To assist you in this process we have divided the survey into sections. These are:

- **The principles of the new scheme**
- **Who will be affected**
- **What the new scheme means to you**
- **Your views**
- **Personal information**

The principles of the new scheme

These are:

1 Most people (of working age) should pay something towards their council tax

If you claim council tax support (unless you are protected) you will only be eligible for help with paying up to a maximum of 80% of your weekly council tax charge. This means you will be required to pay a contribution towards your weekly council tax of at least 20% and are likely to see the amount of council tax support you get go down.

2 Those with disabilities should be protected from any reduction in support

If you claim council tax support and we consider you to be disabled you will be eligible for help with paying up to 100% of your weekly council tax charge. This means that you will not be asked to make any more of a contribution towards your weekly council tax than you do at the moment and are likely to see no change in the amount of council tax support you receive.

3 Those with caring responsibilities should be protected from any reduction in support

If you claim council tax support and are in receipt of a carer's allowance you will be eligible for help with paying up to 100% of your weekly council tax charge. This means you will not be asked to make any more of a contribution towards your weekly council tax than you do at the moment and are likely to see no change in the amount of council tax support you receive.

4 War pensioners should be protected from any reduction in support

If you claim council tax support and are in receipt of a war disability or a war widow's pension, you will be eligible for help with paying up to 100% of your weekly council tax charge. This means you will not be asked to make any more of a contribution towards your weekly council tax than you do at the moment and are likely to see no change in the amount of council tax support you receive.

5 The scheme should make work pay

This will be achieved by letting those of you claiming council tax support that are working keep more of your earnings before the means test is applied. This means we will take a lower level of earnings into account when calculating council tax support entitlement. If you are in work and have the same amount of income as someone out of work, you will receive more help towards paying your council tax as you will keep more of the money you have earned from working before your entitlement is reduced. This will increase by £5 across the board, from £5 to £10 for a single person and from £10 to £15 for a couple, £20 to £25 if disabled, and from £25 to £30 for a lone parent.

6 The scheme should be available to all those who pay council tax, regardless of the size of the property they live in

We think the amount of council tax support you get should be based on your income and ability to pay, not on the size of the property you live in. Not placing a restriction on the size of the property recognises that different sized families need different sizes of accommodation. This means the council tax band your property is in will not have an impact on the amount of council tax support you will get.

These principles will sit alongside those already in operation under the current scheme. These are:

7 Second adults living in the property should contribute

By second adult we mean someone who lives with you and is over 18, is not your partner and does not pay you rent. Examples include adult children, other relatives and friends. If you are in receipt of council tax support and have a second adult living with you, in most cases the amount of support you receive will be reduced by a set amount depending on the income they have.

8 Benefits should not be paid to those with capital above set limits

If you have more than £16,000 you will not be entitled to receive any council tax support, irrespective of the amount of income you have.

9 Benefits can be paid based on the income of a second adult with a low income

By second adult, we mean somebody who lives with you and is over 18, is not your partner and does not pay you rent. If the second adult is on a low income we can award council tax support based on their income regardless of the level of your own income.

10 Those with relatively more income should pay more than those with less income

Council tax support looks at the amount of income you have and determines the amount of help you need with your bill. Those with higher incomes will be asked to pay a greater proportion of their bill than those with lower incomes.

Who will be affected?

If you are currently getting council benefits and are of working age, you are likely to see the amount you receive go down.

If you are a pensioner, you will be protected from any changes to the amount of council tax support you receive.

If we consider that you or a member of your household are disabled or if you are in receipt of a carers allowance or a war disability or war widows pension, you will also be protected from any changes to the amount of council tax support you receive.

What the new scheme means to you

To help you understand how the new scheme will affect you and your household, we have developed a number of case studies designed to show the impact of these changes. These will vary according to your personal circumstances and if you are working or not.

Case studies

CASE STUDY ONE

Not working - Single person in receipt of Jobseekers Allowance (income based)

| Current Council Tax Benefit Scheme | | Proposed Council Tax Support Scheme | |
|--|--------|--|--------|
| Weekly Council Tax charge | £14.06 | Weekly Council Tax charge | £14.06 |
| Council Tax used in calculation | £14.06 | Council Tax used in calculation | £11.25 |
| As in receipt of Jobseekers Allowance (income based) automatically gets the full amount of Council Tax used in the calculation | | As in receipt of Jobseekers Allowance (income based) automatically gets the full amount of Council Tax used in the calculation | |
| Entitlement | £14.06 | Entitlement | £11.25 |



Like most people of working age this customer will only be eligible for help with paying up to 80% of their weekly council tax charge. That means the amount of council tax they will be entitled to get help with paying will go down by 20% and the customer will be asked to pay more towards their bill.

CASE STUDY TWO

Not working - Single person in receipt of Jobseekers Allowance (income based) with another adult in household who is working

| Current Council Tax Benefit Scheme | | Proposed Council Tax Support Scheme | |
|---|--------|---|--------|
| Weekly Council Tax charge | £15.60 | Weekly Council Tax charge | £15.60 |
| Council Tax used in calculation | £15.60 | Council Tax used in calculation | £12.48 |
| As in receipt of Jobseekers Allowance (income based) automatically gets the full amount of Council Tax used in the calculation less deductions for other adults | | As in receipt of Jobseekers Allowance (income based) automatically gets the full amount of Council Tax used in the calculation less deductions for other adults | |
| Deductions | £9.90 | Deductions | £9.90 |
| Entitlement | £5.70 | Entitlement | £2.58 |



Like most people of working age this customer will only be eligible for help with paying up to 80% of their weekly council tax charge. That means the amount of council tax they will be entitled to get help with paying will go down by 20% and the customer will be asked to pay more towards their bill.



CASE STUDY THREE

Not working - in receipt of Jobseekers Allowance (contribution based) with £7,500 of savings

| Current Council Tax Benefit Scheme | | Proposed Council Tax Support Scheme | |
|------------------------------------|--------|-------------------------------------|--------|
| Weekly Council Tax charge | £20.00 | Weekly Council Tax charge | £20.00 |
| Council Tax used in calculation | £20.00 | Council Tax used in calculation | £16.00 |
| Income | £77.00 | Income | £77.00 |
| Allowances | £71.00 | Allowances | £71.00 |
| Disregards | £0.00 | Disregards | £0.00 |
| 20% of Excess Income | £1.20 | 20% of Excess Income | £1.20 |
| Entitlement | £18.80 | Entitlement | £14.80 |



Like most people of working age this customer will only be eligible for help with paying up to 80% of their weekly council tax charge. That means the amount of council tax they will be entitled to get help with paying will go down by 20% and the customer will be asked to pay more towards their bill.

CASE STUDY FOUR

Not working - Lone Parent in receipt of Income Support

| Current Council Tax Benefit Scheme | | Proposed Council Tax Support Scheme | |
|---|--------|---|--------|
| Weekly Council Tax charge | £15.41 | Weekly Council Tax charge | £15.41 |
| Council Tax used in calculation | £15.41 | Council Tax used in calculation | £12.33 |
| As in receipt of Income Support automatically gets the full amount of Council Tax used in the calculation | | As in receipt of Income Support automatically gets the full amount of Council Tax used in the calculation | |
| Entitlement | £15.41 | Entitlement | £12.33 |



Like most people of working age this customer will only be eligible for help with paying up to 80% of their weekly council tax charge. That means the amount of council tax they will be entitled to get help with paying will go down by 20% and the customer will be asked to pay more towards their bill.



CASE STUDY FIVE

Not working - Couple with 2 children in receipt of Jobseekers Allowance (contribution based) and tax credits giving a total weekly income of £265.00

| Current Council Tax Benefit Scheme | | Proposed Council Tax Support Scheme | |
|------------------------------------|---------|-------------------------------------|---------|
| Weekly Council Tax charge | £20.40 | Weekly Council Tax charge | £20.40 |
| Council Tax used in calculation | £20.40 | Council Tax used in calculation | £16.32 |
| Income | £265.00 | Income | £265.00 |
| Allowances | £258.83 | Allowances | £258.83 |
| Disregards | £0.00 | Disregards | £0.00 |
| 20% of Excess Income | £1.23 | 20% of Excess Income | £1.23 |
| Entitlement | £19.17 | Entitlement | £15.09 |



Like most people of working age this customer will only be eligible for help with paying up to 80% of their weekly council tax charge. That means the amount of council tax they will be entitled to get help with paying will go down by 20% and the customer will be asked to pay more towards their bill.

CASE STUDY SIX

Not working - Lone parent with 2 children in receipt of Income Support and Disability Living Allowance

| Current Council Tax Benefit Scheme | | Proposed Council Tax Support Scheme | |
|---|--------|---|--------|
| Weekly Council Tax charge | £15.74 | Weekly Council Tax charge | £15.74 |
| Council Tax used in calculation | £15.74 | Council Tax used in calculation | £15.74 |
| As in receipt of Income Support automatically gets the full amount of Council Tax used in the calculation | | As in receipt of Income Support automatically gets the full amount of Council Tax used in the calculation | |
| Entitlement | £15.74 | Entitlement | £15.74 |



Because we consider this person to be disabled they fall within a protected group so see no reduction in support and will not be asked to pay more towards their bill.



CASE STUDY SEVEN

Working - Single person earning £90 per week

| Current Council Tax Benefit Scheme | | Proposed Council Tax Support Scheme | |
|------------------------------------|--------|-------------------------------------|--------|
| Weekly Council Tax charge | £15.60 | Weekly Council Tax charge | £15.60 |
| Council Tax used in calculation | £15.60 | Council Tax used in calculation | £12.48 |
| Income | £90.00 | Income | £90.00 |
| Allowances | £71.00 | Allowances | £71.00 |
| Disregards | £5.00 | Disregards | £10.00 |
| 20% of Excess Income | £2.80 | 20% of Excess Income | £1.80 |
| Entitlement | £12.80 | Entitlement | £10.68 |



Like most people of working age this customer will only be eligible for help with paying up to 80% of their weekly council tax charge. That means the amount of council tax they will be entitled to get help with paying will go down by 20% and the customer will be asked to pay more towards their bill. Because the amount of money they keep from earnings has increased the amount they will be asked to pay towards their bill is less than if they weren't working.

CASE STUDY EIGHT

Working - Couple, both working and total earnings of £200 per week

| Current Council Tax Benefit Scheme | | Proposed Council Tax Support Scheme | |
|------------------------------------|---------|-------------------------------------|---------|
| Weekly Council Tax charge | £21.26 | Weekly Council Tax charge | £21.26 |
| Council Tax used in calculation | £21.26 | Council Tax used in calculation | £17.01 |
| Income | £200.00 | Income | £200.00 |
| Allowances | £111.45 | Allowances | £111.45 |
| Disregards | £10 | Disregards | £15 |
| 20% of Excess Income | £15.71 | 20% of Excess Income | £14.71 |
| Entitlement | £5.55 | Entitlement | £2.30 |



Like most people of working age this customer will only be eligible for help with paying up to 80% of their weekly council tax charge. That means the amount of council tax they will be entitled to get help with paying will go down by 20% and the customer will be asked to pay more towards their bill. Because the amount of money they keep from earnings has increased the amount they will be asked to pay towards their bill is less than if they weren't working.



CASE STUDY NINE

Working - Lone Parent with 2 children having a total income of £270 working less than 30 hours per week (made up of wages and tax credits)

| Current Council Tax Benefit Scheme | | Proposed Council Tax Support Scheme | |
|------------------------------------|---------|-------------------------------------|---------|
| Weekly Council Tax charge | £15.86 | Weekly Council Tax charge | £15.86 |
| Council Tax used in calculation | £15.86 | Council Tax used in calculation | £12.69 |
| Income | £270.00 | Income | £270.00 |
| Allowances | £218.38 | Allowances | £218.38 |
| Disregards | £25.00 | Disregards | £30.00 |
| 20% of Excess Income | £5.32 | 20% of Excess Income | £4.32 |
| Entitlement | £10.54 | Entitlement | £8.37 |



Like most people of working age this customer will only be eligible for help with paying up to 80% of their weekly council tax charge. That means the amount of council tax they will be entitled to get help with paying will go down by 20% and the customer will be asked to pay more towards their bill. Because the amount of money they keep from earnings has increased the amount they will be asked to pay towards their bill is less than if they weren't working.

CASE STUDY TEN

Working - Couple with 1 child having a total income of £310 working more than 30 hours per week (made up of wages and tax credits)

| Current Council Tax Benefit Scheme | | Proposed Council Tax Support Scheme | |
|------------------------------------|---------|-------------------------------------|---------|
| Weekly Council Tax charge | £20.62 | Weekly Council Tax charge | £20.62 |
| Council Tax used in calculation | £20.62 | Council Tax used in calculation | £16.50 |
| Income | £310.00 | Income | £310.00 |
| Allowances | £193.84 | Allowances | £193.84 |
| Disregards | £27.10 | Disregards | £32.10 |
| 20% of Excess Income | £17.81 | 20% of Excess Income | £16.81 |
| Entitlement | £2.81 | Entitlement | £0.00 |



Like most people of working age this customer will only be eligible for help with paying up to 80% of their weekly council tax charge. That means the amount of council tax they will be entitled to get help with paying will go down by 20% and the customer will be asked to pay more towards their bill. Because the amount of money they keep from earnings has increased the amount they will be asked to pay towards their bill is less than if they weren't working.



CASE STUDY ELEVEN

Working - Vulnerable couple with 2 children and husband is in receipt of Disability Living Allowance (DLA) having an income of £420 per week (made up of earnings and tax credits, but excluding DLA)

| Current Council Tax Benefit Scheme | | Proposed Council Tax Support Scheme | |
|------------------------------------|---------|-------------------------------------|---------|
| Weekly Council Tax charge | £21.29 | Weekly Council Tax charge | £21.29 |
| Council Tax used in calculation | £21.29 | Council Tax used in calculation | £21.29 |
| Income | £420.00 | Income | £420.00 |
| Allowances | £302.00 | Allowances | £302.00 |
| Disregards | £37.10 | Disregards | £42.10 |
| 20% of Excess Income | £16.18 | 20% of Excess Income | £15.18 |
| Entitlement | £5.11 | Entitlement | £6.11 |



Because we consider this person to be disabled they fall within a protected group so see no reduction in support. In addition, because they are working they are allowed to keep more of their earnings so less income is taken into account. Overall this customer is better off.

Your views

Please let us know what you think of the proposed council tax support scheme by completing the following questionnaire.

The closing date for this consultation is 4 November 2012.

Please use the pre-paid envelope provided to return the survey to us by the 19 October 2012. You can hand it in at our customer services centre in Grantham, or our area offices in Bourne, Stamford or Market Deeping or you can complete the survey on line. Please go to www.southkesteven.gov.uk/counciltaxsupportscheme

We are also running a number of drop-in sessions throughout our area where you can come along and find out more. Staff will be available to answer any questions you may have about the new scheme.

See opposite for where the drop in sessions will be held.

All sessions will run from 4pm through to 7.30pm

If you would like to know more about these changes, please contact our helpline on **01476 406227**

**The Small Hall,
St James Hall, Long
Bennington - 18th
September**

**The Lionel Beck
Room, The
Deepings
Community
Centre – 24th
September**

**The Blue Room,
Stamford Arts
Centre –
8th October**

**The Cree Centre,
Aire Road,
Grantham –
10th October**

**The Newton Room,
Guildhall Arts
Centre, Grantham
– 17th October**

**Harrowby
Methodist Church
Hall, Harrowby
Lane, Grantham
– 24th October**

**The Methodist
Church Hall,
Bourne – 29th
October**

Questionnaire

Q1 Are you responding as an individual or on behalf of an organisation/ group?

Please tick ✓ one only

Individual Voluntary Organisation Housing Association Private Landlord Other, please state

Q2 If you are responding on behalf of an organisation or group, please tell us the name of the organisation and who you represent in the space below.

PRINCIPLE ONE

Q3 How strongly do you agree or disagree that most people of working age should pay something towards their council tax bill?

Please tick ✓ one only

Strongly agree Tend to agree Neither agree nor disagree Tend to disagree Strongly disagree

Q4 Would this change have an effect on your household or client group?

Please tick ✓ one only

Yes No Don't know

Q5 How strongly do you agree or disagree that most people of working age should pay a minimum of 20% of their council tax charge?

Please tick ✓ one only

Strongly agree Tend to agree Neither agree nor disagree Tend to disagree Strongly disagree

Q6 Would this change have an effect on your household or client group?

Please tick ✓ one only

Yes No Don't know

PRINCIPLES TWO, THREE AND FOUR

Q7 How strongly do you agree or disagree that the following groups of people should be protected from these changes?

Please tick ✓ one only for each category

| | a. Those that have been assessed as being disabled by us | b. Those in receipt of a carer's allowance from the DWP | c. Those in receipt of a war disability or a war widow's pension |
|----------------------------|--|---|--|
| Strongly agree | | | |
| Tend to agree | | | |
| Neither agree nor disagree | | | |
| Tend to disagree | | | |
| Strongly disagree | | | |

Q8 Would any of these have an effect on your household or client group?

Please tick ✓ one only

Yes No Don't know



PRINCIPLE FIVE

Q9 How strongly do you agree or disagree that people who are working should keep more of their earnings before the means test is applied and their entitlement to council tax support is calculated?

Please tick ✓ one only

- Strongly agree Tend to agree Neither agree nor disagree Tend to disagree Strongly disagree Don't know
-

Q10 Would this change have an effect on your household or client group?

Please tick ✓ one only

- Yes No Don't know
-

PRINCIPLE SIX

Q11 How strongly do you agree or disagree that the amount of council tax support awarded should not be linked to the size of the property lived in?

Please tick ✓ one only

- Strongly agree Tend to agree Neither agree nor disagree Tend to disagree Strongly disagree Don't know
-

Q12 Please use the space below to make any additional comments about the new scheme.

ABOUT YOU

To help us measure the impact of the proposed changes, we would like to ask you some questions about you and your household.

Q13 How would you describe your household?

Please tick ✓ all that apply

- | | |
|---|--|
| <input type="checkbox"/> A family with one or more dependent children | <input type="checkbox"/> A lone parent household with one or more dependent children |
| <input type="checkbox"/> A carer | <input type="checkbox"/> A household with full or part time workers |
| <input type="checkbox"/> A household that includes someone who is disabled | <input type="checkbox"/> A household that includes someone entitled to a war pension |
| <input type="checkbox"/> A single person household or a couple without children | <input type="checkbox"/> None of these – please state below |

Q14 Are you

Please tick ✓ one only

- Male Female Prefer not to say
-

Q15 How old are you?

Please tick ✓ one only

- Under 18 19-24 25-34 35-60 61 or over Prefer not to say
-



Q16 To help us understand issues which relate to specific areas of our district could you please state your postcode:

Postcode:

Q17 What is your current employment status?

Please tick ✓ all that apply

- In paid employment
- Not in paid employment
- Seeking work
- Wholly retired from work
- Looking after the family/home
- Permanently sick or disabled
- In full time education
- A volunteer

Q18 What is your ethnic background?

Please tick ✓ only one

- White British
- White Irish
- White gypsy or Irish traveller
- White other
- Mixed – white and black Caribbean
- Mixed – white and black African
- Mixed – white and Asian
- Mixed – other
- Asian or Asian British – Indian
- Asian or Asian British – Pakistani
- Asian or Asian British – Bangladeshi
- Asian or Asian British – any other Asian origin
- Black or Black British – Caribbean
- Black or Black British - African
- Black or Black British – any other black origin
- Chinese
- Other, please state

Q19 Are you

Please tick ✓ only one

- Lesbian or gay
- Bisexual
- Straight (heterosexual)
- Prefer not to say

Thank you for completing our survey. Please return it using the pre-paid envelope provided by the 19 October 2012.



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