



# **Local Council Tax Reduction Scheme (LCTRS) Consultation Results**

**5 January 2021**

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## 1. Executive Summary

The Local Council Tax Reduction Scheme (sometimes known as Council Tax Support) helps people on low income pay their Council Tax. Local Council Tax Reduction Schemes (LCTRS) were introduced from April 2013 when Council Tax Benefit was abolished and replaced by locally agreed schemes for working age people. Each year Councils need to approve a LCTRS by 31<sup>st</sup> January for the following 12 months. Where there are changes proposed, it is necessary for a public consultation to take place.

Those of pensioner age are protected by the prescribed regulations set out by central government

The current two-tier system of local government in Northamptonshire is changing from 1st April 2021. On 1st April 2021 there will be a new council called West Northamptonshire, replacing the County Council, Northampton Borough Council, Daventry District Council and South Northamptonshire Council.

Currently in Northamptonshire, each District or Borough Council has a different LCTRS that give different levels of Council Tax Support for working age people. The introduction of the new unitary Council means that the current LCTRS will cease and a new scheme will need to be agreed.

The four existing Councils worked together on draft proposals for a new West Northamptonshire Council. The proposals apply to people of working age who are on low income and currently reside in Daventry District, Northampton Borough or South Northants District council areas.

### Summary of consultation

A six-week consultation period ran from Monday 2<sup>nd</sup> November 2020 until midnight on Sunday 13<sup>th</sup> December 2020.

368 responses were received of which 309 were fully completed. 159 responses were from Local Council Tax Reduction recipients and 123 from other Council Taxpayers. The remaining responses were from people representing organisations and housing associations or from people who preferred not to say.

There was an even split of responses from residents across all three councils 29.73% from Daventry District , 38.51% from Northampton Borough and 29.39% from South Northants.

Respondents made over 400 comments. We also received 341 calls to the dedicated phone line and 34 emails were received.

## 2. Introduction

The current two-tier system of local government in Northamptonshire is changing from 1 April 2021. On 1 April 2021 there will be a new council called West Northamptonshire, replacing the County Council, Northampton Borough Council, Daventry District Council and South Northamptonshire Council.

Currently in Northamptonshire, each District or Borough Council has a different LCTRS that gives different levels of Council Tax Support for working age people. The introduction of the new council means that all the current LCTRS will cease and a new scheme will need to be agreed.

From April 2021 we want the new West Northants Council to have one LCTRS, which is affordable, consistent and fair to all our residents, wherever they live.

The four existing Councils worked together on draft proposals for a new West Northamptonshire Council. The proposals apply to people of working age who are on low income and currently reside in Daventry District, Northampton Borough or South Northants District council areas

Views on the Councils' proposals were sought through a full consultation process. Respondents were asked for their input on the following proposals:

- The level of minimum contribution for working age claimants
- Disregard of War Widows and War Disablement
- Removal of Family Premium for new claims from April 21
- Restriction of child allowance to two children for new claims from April 21
- Application of a minimum value to the income of those people who are self-employed when assessing LCTRS
- To harmonise the rates of non-dependant deduction to the prescribed amounts set by Government

## 3. Consultation Methodology

The consultation ran from Monday 2<sup>nd</sup> November 2020 until midnight on Sunday 13<sup>th</sup> December 2020 and it consisted of a formal survey to understand overall views and opinions of residents and key stakeholders.

The survey asked for respondents' opinions on their strength of agreement, or disagreement, with the proposals for the Local Council Tax Reduction Scheme for 2021-2022 as well as for any further comments.

The consultation was widely communicated and promoted including:

- Updates on all council websites
- Social media updates
- Press releases
- Internal staff communications
- Liaison with voluntary sector, money advice services and with stakeholders such as DWP
- Liaison with housing options teams
- Direct emails to Major Preceptors, MPs and Town and Parish Councils
- Letters were sent to all recipients of LCTRS
- A dedicated email address for enquiries
- A dedicated phone line to help the public to complete the on-line form to mitigate any access issues.

#### 4. Profile of respondents

**Question: Which Local Authority area do you currently live in?**

	<b>Number</b>	<b>Percentage</b>
Daventry District Council	88	29.73%
Northampton Borough Council	114	38.51%
South Northants Council	87	29.39%
None of the above	2	0.68%
Prefer not to say	4	1.35%
Other, please specify	1	0.34%
<b>Total</b>	<b>296</b>	<b>100.00%</b>

**Question: Are you currently in receipt of Local Council Tax Reduction?**

	<b>Number</b>	<b>Percentage</b>
Yes	159	53.72%
No	123	41.55%
Prefer not to say	14	4.73%
<b>Total</b>	<b>296</b>	<b>100.00%</b>

**Question: What age band do you fall in?**

	<b>Number</b>	<b>Percentage</b>
16-24	1	0.34%
25-66	208	70.27%
67+	65	21.96%
Prefer not to say	22	7.43%
<b>Total</b>	<b>296</b>	<b>100.00%</b>

**Question: Do you consider yourself to have a disability in line with the definition set out in section 6 of Equality Act 2010?**

	<b>Number</b>	<b>Percentage</b>
Yes	85	28.81%
No	172	58.31%
Prefer not to say	38	12.88%
<b>Total</b>	<b>295</b>	<b>100.00%</b>

## 5. Questionnaire findings

Respondents were provided with an outline of the six proposals for the Local Council Tax Reduction Scheme for 2021-2022 and were asked for their views.

They were also invited to make comments and provide alternative suggestions. A summary of all the comments and suggestions has been shared with the Leader and Portfolio holder

A summary of the responses to each proposal is shown below.

**1. Level of contribution for working age:** the current councils have different levels of minimum Council Tax contribution that working age claimants must pay ranging from a minimum of 8.5% to a maximum of 31% of Council Tax. The proposal for consultation is to harmonise the minimum contribution to 26.5% of Council Tax liability for working age people.

- **43.28% answered that they strongly or tend to agree with the proposal.**
- **43.27% answered that they strongly or tend to disagree with the proposal.**
- **13.45% answered that they didn't know or answered neither agree nor disagree**

**2. War Widows and War Disablement:** the three districts currently disregard 100% of War Pension income under local schemes. This has a beneficial impact on customers and the support they receive. Our proposal for consultation is to continue to protect this group and to disregard 100% of the income from War Pensions.

- **74.62% answered that they strongly or tend to agree with the proposal.**
- **6.04% answered that they strongly or tend to disagree with the proposal.**
- **19.34% answered that they didn't know or answered neither agree nor disagree.**

**3. Family Premium:** Our proposal for consultation is to remove the award of a family premium when assessing new claims for LCTRS.

- **50.47% answered that they strongly or tend to agree with the proposal.**
- **15.89% answered that they strongly or tend to disagree with the proposal.**
- **33.64% answered that they didn't know or answered neither agree nor disagree.**

**4. Child allowance in the calculation of LCTRS:** Our proposal is to limit the child allowance to two children when assessing new claims for LCTRS in line with DWP Regulations.

- **57.82% answered that they strongly or tend to agree with the proposal.**
- **15.62% answered that they strongly or tend to disagree with the proposal.**
- **26.56% either did not answer, answered that they didn't know or answered neither agree nor disagree**

**5. Minimum self-employed income:** Our proposal is to apply a minimum value to the income of those people who are self-employed when assessing LCTRS.

- **44.34% answered that they strongly or tend to agree with the proposal.**
- **18.87% answered that they strongly or tend to disagree with the proposal.**
- **36.79% answered that they didn't know or answered neither agree nor disagree.**

**6. Non dependant deductions:** Our proposal is to harmonise the rates of non-dependant deduction to the prescribed amounts set by Government.

- **59.05% answered that they strongly or tend to agree with the proposal.**
- **7.94% answered that they strongly or tend to disagree with the proposal.**
- **33.01% answered that they didn't know or answered neither agree nor disagree.**

## **6. Summary**

The consultation process considered the full range of service users who may be impacted by the proposed changes. The consultation was well publicised and tailored to meet the needs and preferences of groups with different methods of access including online, telephone and email.

A total of 368 respondents completed the survey. The responses were evenly split over the three sovereign Councils which is encouraging and demonstrates a level of engagement across the new West Northants area.



Of the responses received there was a good balance between those on LCTRS and other taxpayers with over 70% of the respondents of working age.

The number and range of responses means that the survey may be considered robust and provides a meaningful insight to the proposals and helps the Council to understand further the possible impact of the changes.

### Results table

<b>To what extent do you agree or disagree with proposals</b>	Proposal 1	Proposal 2	Proposal 3	Proposal 4	Proposal 5	Proposal 6
<b>Agree</b> (strongly agree, tend to agree)	43.28%	74.62%	50.47%	57.82%	44.34%	59.05%
<b>Disagree</b> (tend to disagree, strongly disagree)	43.27%	6.04%	15.89%	15.62%	18.87%	7.94%
<b>Other</b> (neither agree nor disagree, don't know)	13.45%	19.34%	33.64%	26.56%	36.79%	33.01%

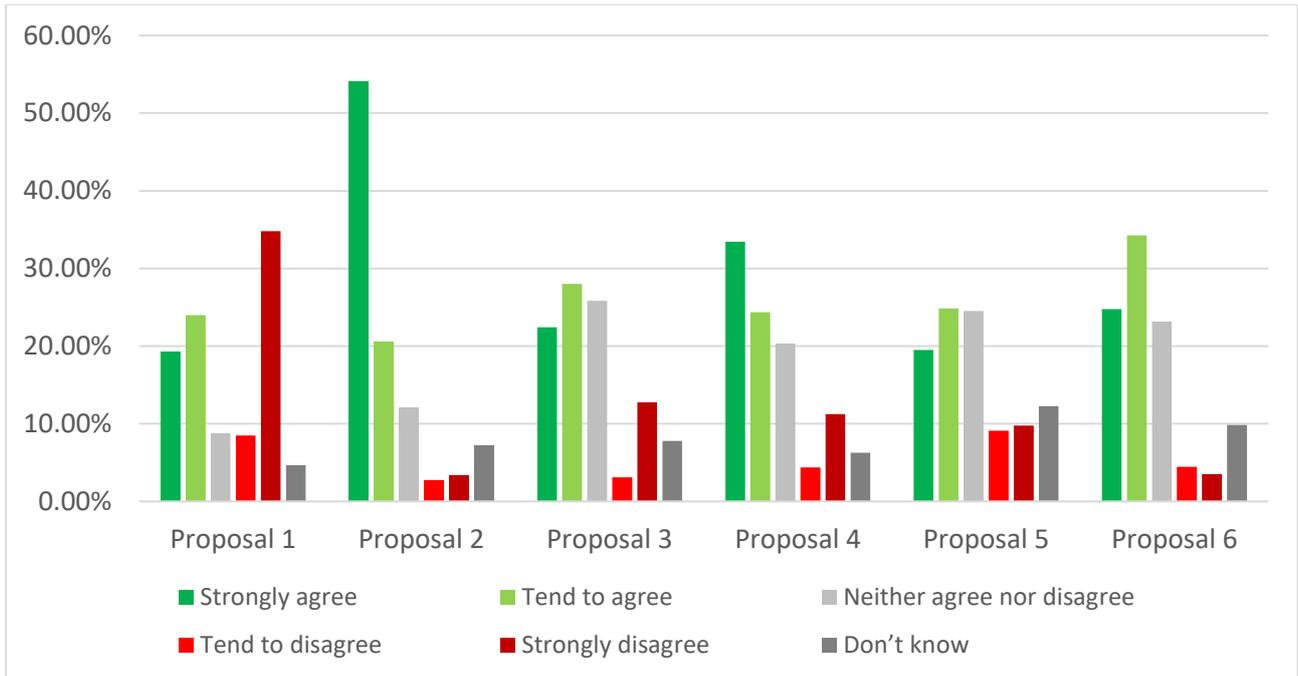
In summary the greater level of feedback was received in response to proposal 1 which is the minimum level of contribution of 26.5% to be paid by working age customers. Of the 342 responses received 43.28% strongly agreed or tend to agree and 43.27% strongly disagree or tend to disagree. This offers a moderate level of support for the proposal.

There was a high level of support for proposal 2 which is to continue to disregard War Pensions when assessing LCTRS with 74.62% strongly agreed or tend to agree.

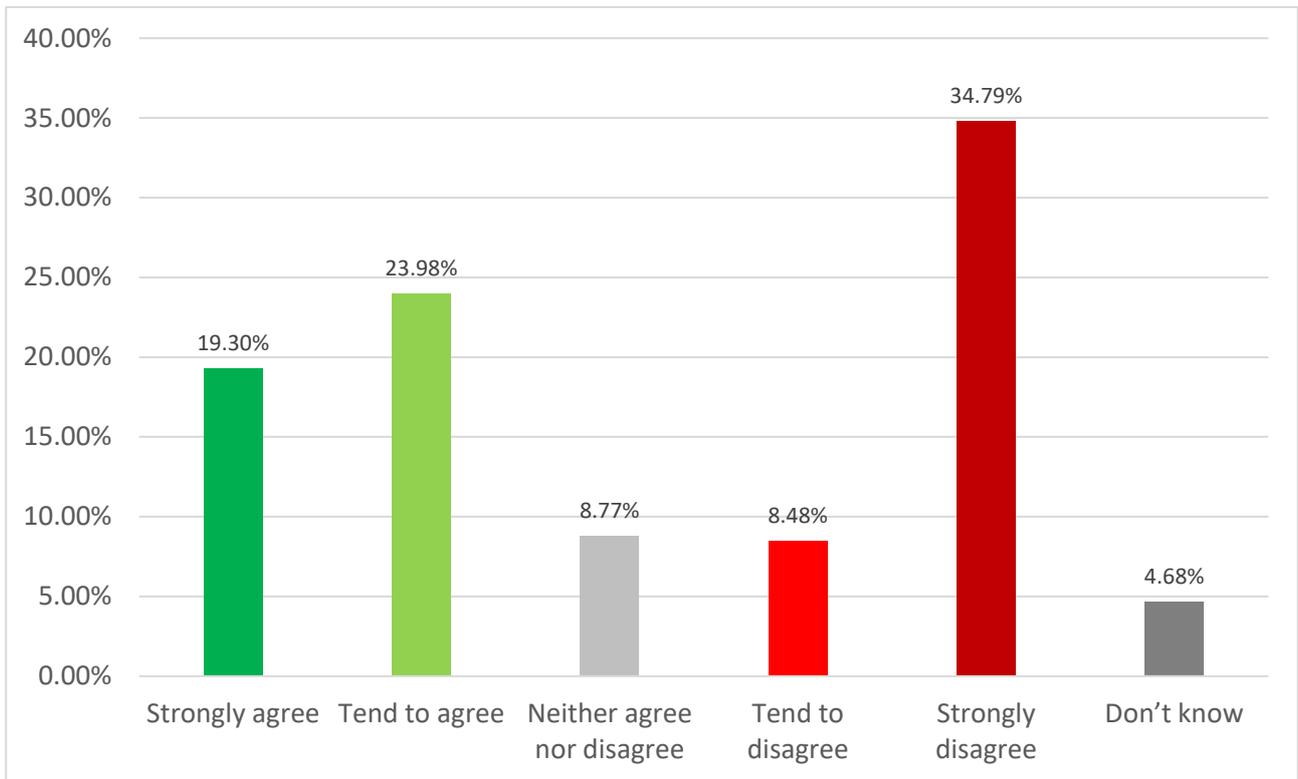
Proposals 3 to 6 had moderate levels of support.

## Appendix 1: Summary of responses

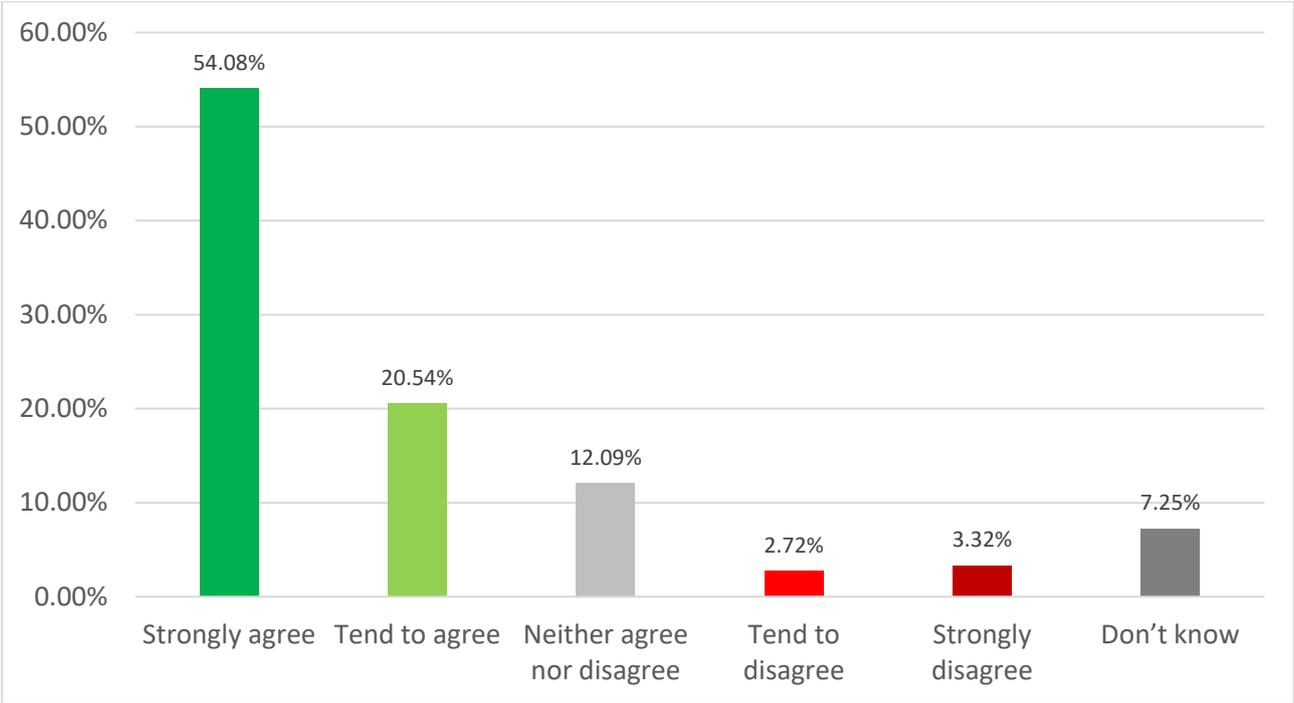
**Table1: All proposals**



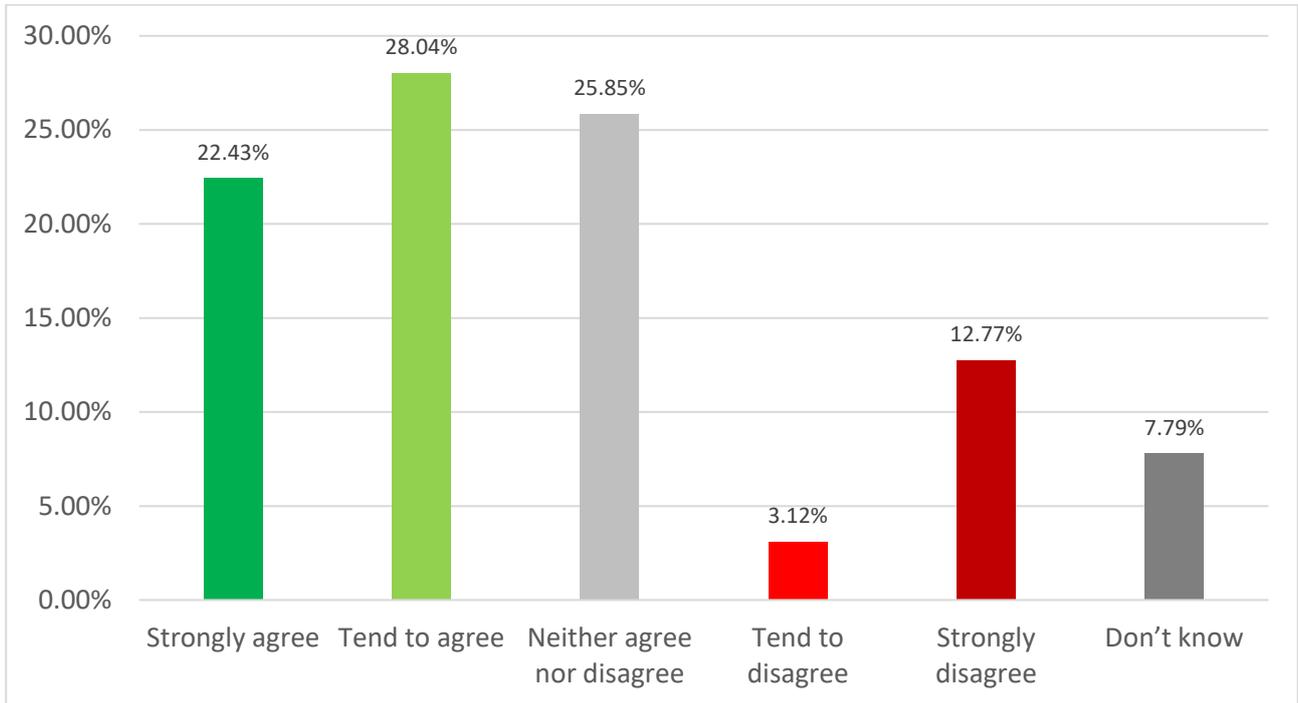
**Table 2: Proposal 1: minimum contribution for working age of 26.5%**



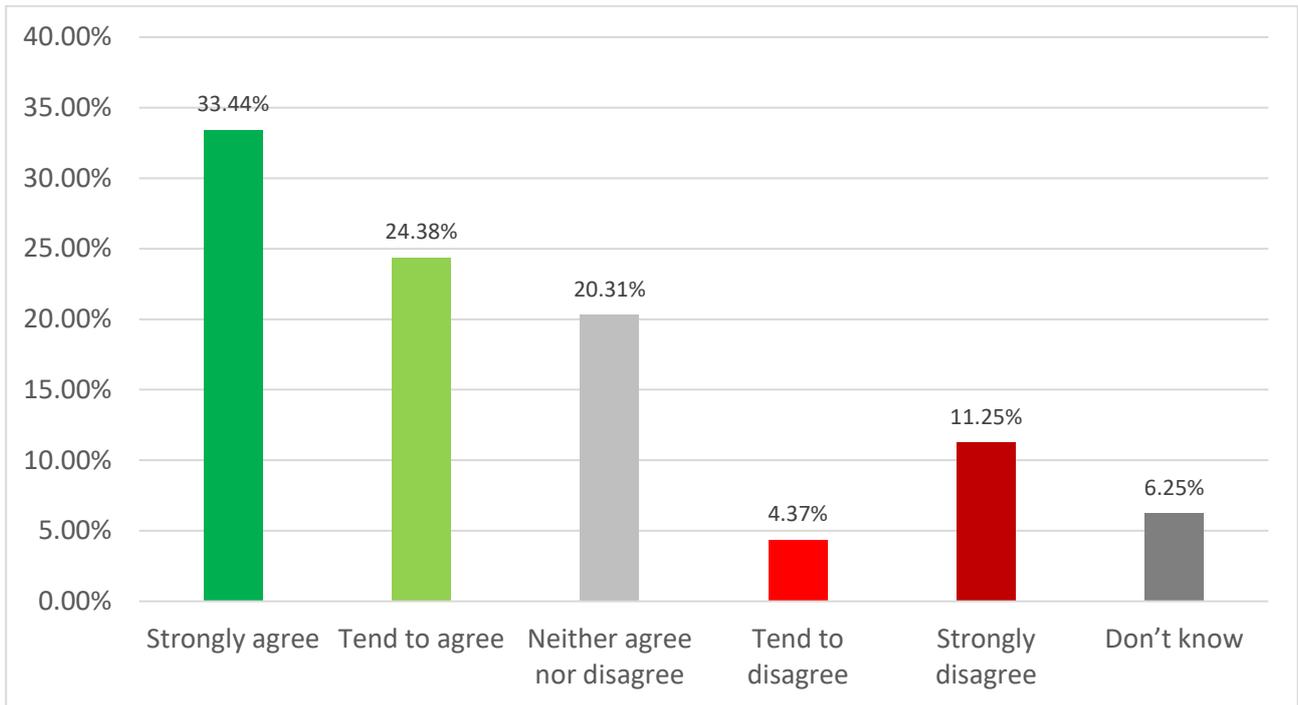
**Table 3: Proposal 2: to continue to protect this group and to disregard 100% of the income from War Pensions.**



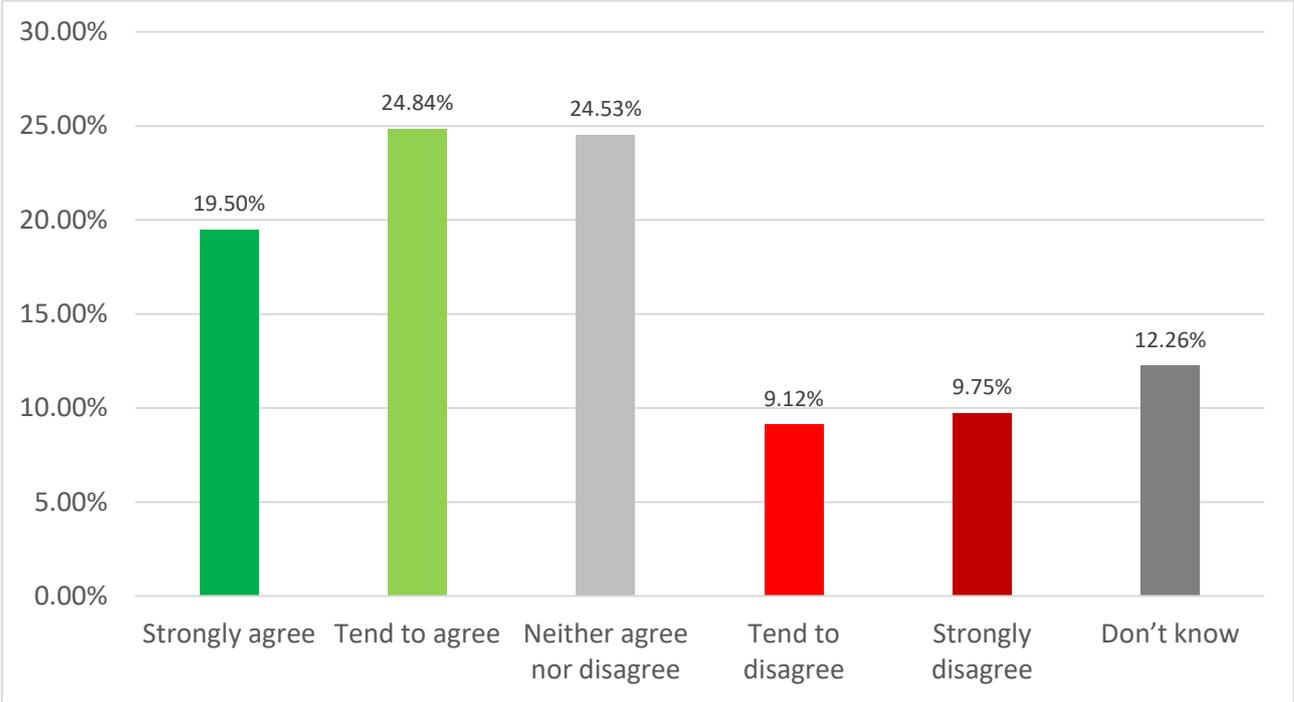
**Table 4: Proposal 3: to remove the award of a family premium when assessing new claims for LCTRS.**



**Table 5: Proposal 4: to limit the child allowance to two children when assessing new claims for LCTRS in line with DWP Regulations.**



**Table 6: Proposal 5: to apply a minimum value to the income of those people who are self-employed when assessing LCTRS.**



**Table 7: Proposal 6: to harmonise the rates of non-dependant deduction to the prescribed amounts set by Government.**

