

## Local council tax benefits scheme consultation

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### 1. Background

As part of Spending Review 2010 the government announced that it would localise support for council tax from 2013-14, reducing expenditure by 10 per cent (subsequently increased to 11.48%). The Local Government Finance Bill was introduced to Parliament in December 2011. The Bill imposes a duty on billing authorities to make a localised council tax reductions scheme by 31 January 2013 and **to consult with major precepting authorities and such other persons as it considers likely to have an interest in the scheme about the scheme.**

### 2. Current guidance on consultation

In May 2012, the government published '**Localising Support for Council Tax: A Statement of Intent**'. This document sets out policy statements of intent for the regulations to be provided under the Bill and, as well as informing debate when the Bill is discussed in Parliament, the policy statements are intended to help billing authorities in the preparation of local schemes, ahead of publication of regulation.

Consultation is covered in Chapter 2 under *Requirements for preparing a scheme* paragraphs 2.7 – 2.24.

Key guidance to local authorities includes:

1. *The billing authority must in the following order:*
  - i. **Consult any major precepting authority which has a power to issue a precept to it**
  - ii. *Publish a draft scheme in such manner as it thinks fit*
  - iii. **Consult such other persons as it considers are likely to have an interest in the operation of the scheme**
2. *When consulting on reduction schemes billing authorities should ensure **all** interested parties are able to give their view and influence the design of the reduction scheme (2.9)*
3. *The consultation feedback should help identify where there may be any **adverse** impacts on any particular group (2.10)*
4. *The public consultation should be carried out as early as possible to ensure feedback can influence the scheme and allow sufficient time for the feedback to be gathered, impacts to be understood and a scheme to be shaped (2.12)*
5. *... a realistic time frame must be put in place to ensure feedback can be sought from all appropriate individuals and groups in the community. The length of any consultation should also reflect the changes proposed (2.14)*
6. *... billing authorities may wish to consider the appropriate length of their consultation depending on the impact of their proposal and the ability to complete the consultation exercise within budgetary timetables (2.15)*
7. *where timing is restricted ... any documentation should be clear for the reasons for the shorter timetable (2.16)*

Government guidance recommends a 12 week consultation period

8. *The content of any consultation will depend on the complexity of the reduction scheme that is proposed to be introduced. (2.19)*

9. *... if the default scheme is imposed ... there is not a duty to consult (2.24)*

This guidance, therefore, provides a framework within which to develop Watford BC's approach to consultation as part of its programme to develop a local council tax benefits scheme. It highlights the two key areas for consideration: timing and extent

### 3. Current discussions on approach to developing scheme

#### 1. Countywide approach

There are currently countywide discussions underway to explore the possibility of developing, and agreeing, a scheme that could be adopted across all ten districts in Hertfordshire. If this is agreed, Watford's consultation proposals and programme will need to coordinate with what is agreed at the county level. In particular, consultation with the precepting authority will only need to be done once and can be administration of this can be shared across the districts. However, Watford BC will need to demonstrate that it has consulted with local interests even if the scheme is developed on a countywide basis.

**Agreement of a Hertfordshire wide scheme will be known by the end of June/ early July 2012.**

#### 2. Watford BC approach

If countywide agreement cannot be reached then each district will be responsible for developing its own scheme and Watford will be fully responsible for the delivery of its consultation programme.

- In order to be fully prepared, at this stage the draft proposed timetable has been designed on the basis of Watford developing an individual scheme.

### 4. Draft proposed timetable

See Appendix A. This has been developed based on some key dates:

|                             |  |
|-----------------------------|--|
| 5 November 2012             | Agreement of final scheme by Watford BC Cabinet  |
| 23 October 2012             | Recommendation of final scheme by Budget Panel including feedback from consultation and Equality Impact Analysis |
| 8 -12 October 2012          | Consultation analysis  |
| 5 October 2012              | Consultation closes  |
| 11 September 2012           | Interim consultation results to Budget Panel and draft Equality Impact Analysis – see 6 below                    |
| 6 August 2012               | Consultation on proposed scheme starts   |
| End of June – 6 August 2012 | Design of consultation – including survey, focus groups  |

## 5. Consultees

Proposed consultees and suggested method of consultation are:

| <b>Consultee</b>                          | <b>Methodology</b>      |
|---|-------------------------|
| Hertfordshire County Council              | - Interview<br>- Survey |
| Hertfordshire Police                      | - Interview<br>- Survey |
| Watford Community Housing Trust           | - Interview<br>- Survey |
| Other social landlords                    | - Survey                |
| Citizens Advice Bureau                    | - Interview<br>- Survey |
| Current recipients of council tax benefit | - Survey                |
| Vulnerable groups                         | - Focus groups          |

## 6. Equality Impact Analysis

The development of an Equality Impact Analysis (EIA) is closely linked to the consultation programme. It needs to be informed by feedback from consultation. This does not mean work on the EIA should wait until the consultation is completed or even underway. It needs to be started as soon as proposals for a scheme are identified.

Budget Panel will need to consider the EIA as the scheme develops and in light of consultation results.

## 7. Delivering the consultation

Watford BC has the capacity and skills to deliver the consultation in-house with the exception of data inputting. It is envisaged the latter will be necessary as a survey of current council tax benefit recipients will need to be postal (the council does not hold email addresses). This will incur a small cost.

Although not clear at the moment, it is more likely that a Hertfordshire wide scheme will recommend an external company conduct the necessary consultation as many districts do not conduct consultation in-house. This will be more costly, although less demanding on staff resources.

## **8. Next steps**

1. Update consultation proposals and timetable following feedback from Budget Panel
2. Confirm approach (Hertfordshire v Watford)
3. Confirm proposed scheme for consultation
4. Develop detailed consultation plan + survey
5. Provide update to Budget Panel on 11 September 2012 – including consultation feedback and progress on the EIA

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