

Local council tax support scheme- survey 2012

Analysis of qualitative feedback / Comments

Question 20: Please add any additional comments if you feel the proposed council tax scheme changes will affect you more because of your membership of any of the above groups.

- The largest group of those who responded to this question were those with disabilities. Some are permanently unable to work, others are only able to work periodically and comment that work is difficult to find.
- The next largest group who commented is lone parents. Those with young children either feel unable to work or say that the cost of childcare is too high to make it a feasible prospect. Several are making efforts to support themselves and one is studying to improve his or her job prospects.
- A small number of people (3) are concerned about the continuation of the discount for single person occupancy
- 2 people plead the case of those whose properties are in a higher council tax band, while 1 person says higher band properties should be taxed in full.
- 2 people commented on the “extremely personal” questions, while most people have answered them.

Those expressing concern about the possibility of a reduction in council tax support are:

- concerned about this being introduced at the same time that some of them may experience a reduction in housing benefit if their accommodation has more capacity than required
- concerned about the rising cost of food, fuel and rent. Several indicate that they will be unable to juggle resources to absorb any reduction in income.

Question 21: Do you have any additional comments on the proposed local council tax scheme you would want us to consider?

Some of the comments respondents make echo the points bulleted above. Other remarks include the following:

- A small number of respondents suggest the council saves money elsewhere, by cutting staff numbers or doing without an elected Mayor, for instance.
- Several people suggest that if adult non-dependants are not working the benefit recipient should not be penalised.
- Several people do not believe that empty unfurnished properties should be liable for council tax if uninhabitable.
- 1 person thinks it would be better to “allow property owners a tax break to make a home habitable in order that someone can live there and then pay tax.”
- A few people think it odd that pensioners should be exempt from any reduction in support, while other needy groups, particularly disabled people, are not protected.
- One person makes the point that he or she has spent 2 years looking for work, exhausting their savings in the attempt, and only then claimed council tax benefit and housing support.

Responses from organisations are reproduced here in full:

- We estimate that, across our business, if all our partner local authorities were to require us to pay full council tax in these circumstances, the cost to Paradigm would be in the region of £120,000. This would need to be paid for ultimately by tenants via rental income, clearly resulting in a reduction in the amount of money available for maintaining property. One argument some local authorities are putting forward is to dissuade landlords from keeping property empty. This is not really relevant to us – we already work hard to minimise void turnaround times to increase the supply of property and to minimise our rent loss. If LAs wish to maintain pressure on landlords, they could do this perhaps by introducing charging after an initial 4 week period. Our void turnaround time is 21 days for general needs property – surely it is not cost effective for LAs to collect such small sums of money. [Paradigm]
- The council should be looking to apply the reduction in the simplest manner across all claimants. Alternatives are complex and waste taxes in the cost of administration. Complex rules are also difficult for claimants to understand and increase the chance of error or fraudulent claim. In question 16, why is there no reference to married individuals, living with spouses, who are also the majority of council tax payers? [It is assumed that this is a response from an organisation, although there is nothing to identify the source.]
- The proposal to cut entitlement for working age claimants by 17% might realise the 10% saving the government are expecting councils to make in respect of spending on CTB/CTS. However, in my opinion this proposal will result in an increase in the cost of Council Tax recovery and it is unlikely the council will ever collect much of the debt created by restricting CTS entitlement. A single person in receipt of JSA or ESA, for example, will not be able to afford to pay their £200 Council Tax bill (based on the current charge for a Band B property), especially if they have also had their Housing Benefit cut due to the LHA changes. It is likely the council will end up writing off at least some of the debt that will accrue, as the cost of going through the recovery process will cost as much as the original bill (probably more in some cases) with no guarantee of getting the money back. Even if the council can do an AOB, the debt will only be paid off at less than £4.00 per week. Doubling non-dependent charges relies on the liable person in the household being able to get their non-dependants to contribute their share of the increased bill. This is not a guarantee and could land some claimants with a huge debt they cannot afford. I agree with most of the proposals to amend empty property discounts, and with the restriction to a Band D charge when calculating CTS. Instead of the other changes proposed, I would prefer to see the abolition of Second Adult Rebate; an end to the disregards in respect of Child Benefit and Child Maintenance; a restriction on backdates to 3 months; an end to backdating beneficial changes in circumstances; a cut in the capital limit to £10,000 rather than £8,000; and an increase in tariff income to £2.00 for every £250. [This is assumed to be the response from an organisation, although not identified.]
- Having to pay council tax on empty properties would be an additional cost which takes from the money to maintain our properties. Also concerned the effects of an across the board reduction in Council Tax Support for working age tenants. This will be an additional amount for tenants to pay who may also have reductions of income due to [the] affects (sic) of welfare reform changes such as the under occupancy rules and benefit cap. [Assumed to be the response of an organisation, although not identified.]
- Increasing Council Tax when an adult lives with the occupier is a sound principle. However, in many cases this could lead to young people becoming a greater financial burden to the occupier. Given the significant and increasing issue of

Appendix C. Local council tax scheme survey comments

parental eviction causing homelessness in young people, the YMCA would strongly oppose such a move.