

APPENDIX C

Council Tax Support Consultation Findings

1. Methodology

Residents from across the borough were invited to take part in a consultation on the proposals for a new Council Tax Support Scheme for 2016/17 and referred to the potential of agreeing two year scheme. The consultation was available on the Council's website and advertised extensively including through a flyer sent to every home in the borough, emails to 5,000 Council Tax payers and Council Tax Support recipients, flyers included in regular correspondence, at council reception points, libraries and was sent to local voluntary and community organisations. A press release was issued to over 70 media outlets and it was promoted through Facebook and twitter.

Views were submitted via a survey hosted on the Council website. The survey, optimised for viewing from various devices (i.e. laptop, smartphone and tablet), was available from 18 September to 18 December 2015.

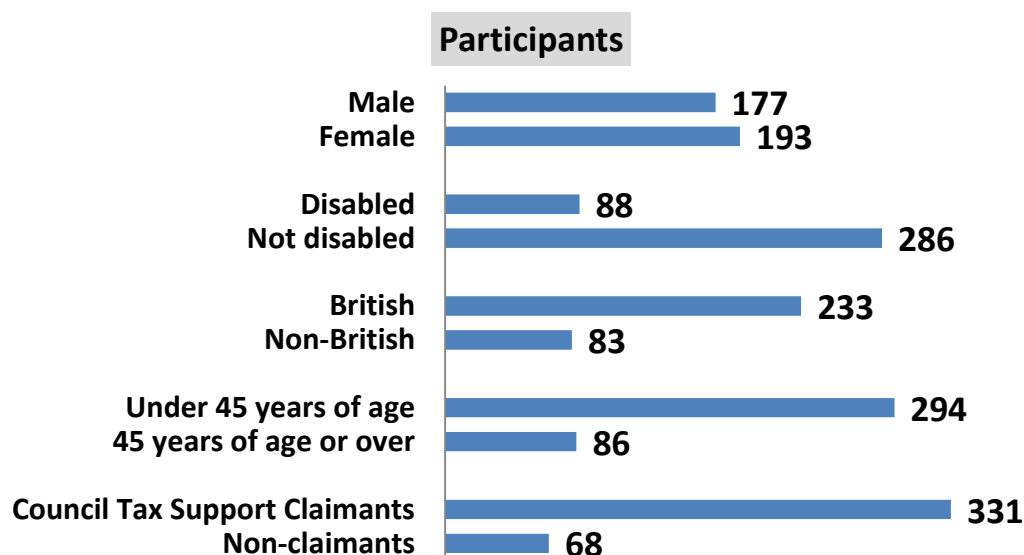
To help residents make an informed judgement on the proposals, they were provided with a summary document containing background information and details of the proposals, as well as link to the Full Cabinet Report relating to the implementation of the previous year's Scheme.

2. Respondents

In total, 402 responses were submitted. Significantly higher than the number of those who participated in the previous year.

The table below provides details of who responded (see Chart 1).

Chart 1



Base size: 402

It should be noted that not all participants were willing to share this information with the Council.

It is particularly encouraging that the proportion of respondents who are disabled, broadly reflect the proportion of residents across the borough who have a disability.

3. Key findings¹

3.1 Working age households who have the ability to work

Around three-quarters (73%) of respondents feel that working age households who have the ability to work should have to pay something towards their Council Tax each year, irrespective of earnings. Around a quarter (24%) said they should not.

This view was shared across the various groups of respondents, with the exception of those who receive Council Tax Support. Those who receive Council Tax Support were split on this issue – 47% said ‘yes’ and 50% said ‘no’.

3.2 Protected groups

For 2015/16, the Council extended the range of people who can still receive 100% Council Tax Support from pensioners and war widows to include foster carers working for the Council, people in receipt of Carers Allowance and people receiving higher rate disability benefits.

When respondents were asked in the latest consultation if they agree with these additional protected groups, almost three-quarters (72%) said ‘yes’, and just over a quarter (28%) did not. Once more, there was a broad consensus across the various groups, with those who currently receive Council Tax Support most in favour (84% said ‘yes’).

Those who did not agree were asked what changes they would make. Of the 95 responses to this open-ended question, a number of key themes emerged (in order of prevalence):

- Foster carers should not receive Council Tax Support as they receive payments to foster children and are not necessarily the most needy
- Level of Council Tax Support should be based on ability to pay
- No household should receive Council Tax Support

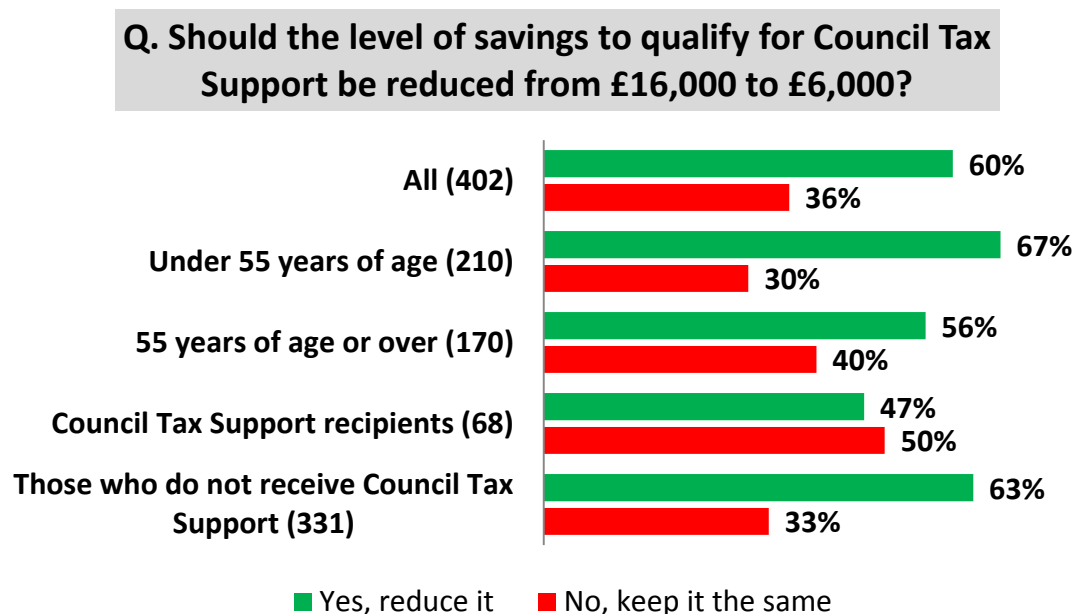
3.3 Minimum level of savings to receive Council Tax Support

In order to qualify for Council Tax Support, people must have less than £16,000 in savings. When they were asked if this should be reduced so that anyone with £6,000 in savings should not receive any financial assistance with their Council Tax through the Council Tax Support Scheme, six out of 10 (60%) said it should be reduced, while two-thirds (36%) want it to stay the same.

¹ NB totals may not always equal 100%. This will be due to computer rounding

Those who receive Council Tax Support and those aged 55 or over were less likely to want it reduced (see Chart 2).

Chart 2



Base sizes are in brackets

Around a half (47%) of Council Tax Support recipients would like to see the savings limit decreased and a similar proportion (50%) would like to see it remain the same. This appears to be lower than the average (60%) across Enfield as a whole. However, the findings do not indicate a rejection of the proposal by those who receive Council Tax Support.

Similarly, those aged 55 or over are not as supportive as respondents as a whole, with 56% in favour of reducing the savings level to £6,000. However, we cannot be confident this is statistically significantly lower than the average (60%) for all respondents.

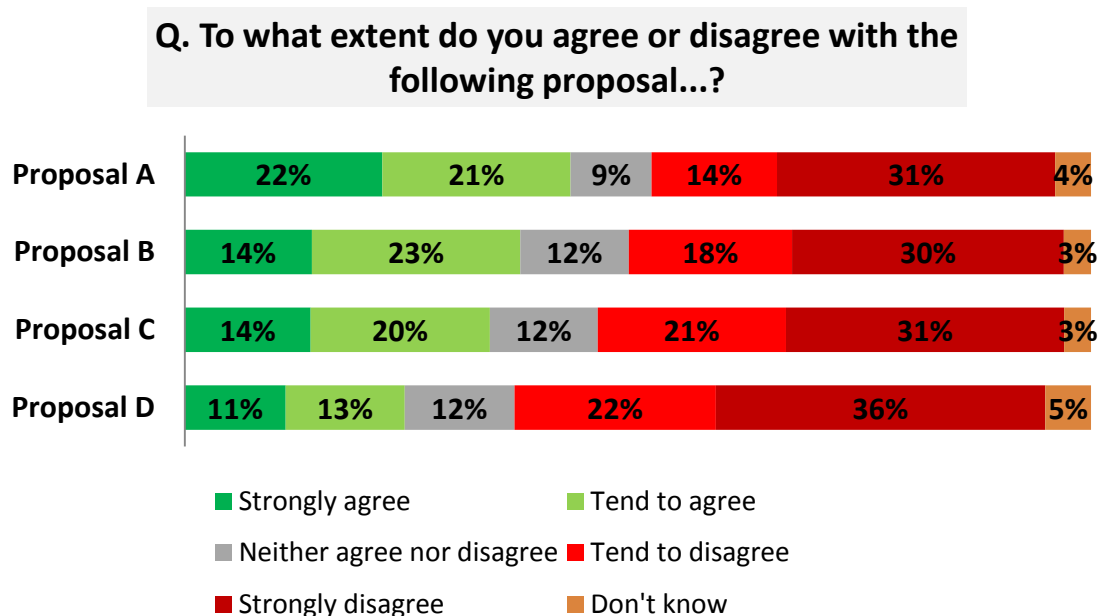
3.4 Level of Council Tax Support that should be provided

Respondents were asked for their views on proposals for the levels of Council Tax Support that should be provided:

- **Proposal A** - Reduce the subsidy provided to claimants in line with the two years of funding reductions (20%) and the extra tax credit costs, increasing the minimum contribution level from 19.5% to 43%
- **Proposal B** - Reduce the subsidy provided to claimants in line with one year's funding reduction (7.5%) and the extra tax credit costs, increasing the minimum contribution level from 19.5% to 30%
- **Proposal C** - Reduce the subsidy provided to claimants in line with the extra tax credit costs only, increasing the minimum contribution level from 19.5% to 23%
- **Proposal D** - Keep the 19.5% contribution rate and fund the reduction through £4m more budget reductions to fund the costs

The preferred approaches are A (43%) and B (37%). The least favoured appears to be D with only a quarter (25%) supporting the proposal to fund the reduction through Council budget savings (see Chart 3).

Chart 3



Base size: 402

The most preferred option is to reduce the subsidy provided to claimants in line with the two years of funding reductions (20%) and the extra tax credit costs, increasing the minimum contribution level from 19.5% to 43% (**Proposal A**). Around two out of five (43%) agree with this proposal, while a similar number (45%) disagree.

The second most preferred option is to reduce the subsidy provided to claimants in line with one year's funding reduction (7.5%) and the extra tax credit costs, increasing the minimum contribution level from 19.5% to 30% (**Proposal B**). Around four out of 10 (37%) agree and around half (48%) disagree.

At the time of the consultation, the Government was also proposing to make changes to the national Tax Credits regime which would have cost the Council an additional £750,000 a year. The Government has since decided not to take this forward. This was unexpected and came at the end of the consultation period. As a result, **Proposal C** is no longer relevant and the percentage reduction in subsidy referred to in Proposals A and B will decrease. However, the findings relating to Proposals A and B retain an indicative value that should be considered.

Proposal D was, overall, the least favoured option – 25% agree, 59% disagree. Respondents' views on this proposal were definitive, with 36% stating that they 'strongly disagree'. It was the most preferred option among Council Tax Support recipients (44% agree) and the least popular with those who do not receive Council Tax Support (22% agree).

In no instance did a majority support any of the proposals. However, in response to the open ended questions in the survey, a substantial number of residents expressed the view that no level of support should be provided. These comments include the following:

I think it is fair that everyone should pay council tax
Disagreed with Proposals A, B, C and D

My suggestion: Remove support for all groups.
Disagreed with Proposals, A, B, C and D

This may, in part, explain why no proposal received support from a majority of respondents. A further consideration is that the majority of respondents do not receive Council Tax Support and may therefore be concerned about the impact on services of the Council needing to make further budget savings.

Cutting services is not an option
Disagreed with Proposals A, C and D

I categorically am against making cuts in other services or using reserves to fund this scheme, or raising the council tax everyone else has to pay to fund the scheme. We live in times of cuts and everyone needs to pull their weight, not just those who are better off.
Disagreed with Proposals B, C and D

3.5 Comparison of views of CTS recipients and non-recipients

Proposal A is the least preferred option of those who receive Council Tax Support, with only 19% stating that they agree and around two-thirds (63%) disagree. This may be expected as it would involve an increase in the minimum contribution. This is the most preferred option among those who do not receive Council Tax Support (48% agree, 40% disagree). Council Tax Support recipients appear to prefer Proposal B (24% agree, 57% disagree). See Table 1.

Table 1

	Proposal A		Proposal B	
	Agree	Disagree	Agree	Disagree
CTS recipients (68)	19%	63%	24%	57%
Non-CTS recipients (331)	48%	40%	40%	46%
<i>Difference</i>	29%	23%	16%	11%

Base sizes in brackets

Around a half (48%) of non-recipients agree with Proposal A. A smaller proportion of non-recipients agree with Proposal B (40% agree). Thus, it would appear that non-recipients prefer Proposal A rather Proposal B.

When comparing the views of those who receive Council Tax Support and those who don't, it is clear that both proposals are favoured more by those who do not receive Council Tax Support. However, it is worth noting that the views of Council Tax Support recipients and those who do not receive such Support appear to be closer in relation to Proposal B rather than Proposal A. This is indicated by the figures in the 'Difference' row. The figures indicate that in relation to Proposal A, the percentage point difference between the proportion of

Council Tax Support recipients who agree and the number of non-recipients who agree, is 29%. When looking at the findings in relation to Proposal B, the difference is 16%.

3.6 Additional comments

Respondents were asked to provide any additional comments they would like the Council to consider. The main theme emerging from the responses to this request was the suggestion to increase Council Tax. In addition to this, a number of residents suggest the Council looks to make further efficiency savings.

Below are a selection of comments relating to requests to increase Council Tax:

Seriously consider increasing Council Tax. This should probably have already happened, but the longer it is delayed, the bigger the increase will need to be.

If a referendum is needed to raise council tax by more than 1.99% then perhaps the council should consider this and if there is agreement to a greater rise introduce this to protect services.

Raise the council tax rate for those like me who can afford it.

I strongly believe that the Council must now increase Council Tax to all Enfield residents, by at least 2%.

Increasing the Council Tax to avoid cutting vital services is the only way forward I suspect. Since moving to Enfield in 2004 I have not experienced any increase in my Council Tax, even though everything else seems to have increased. I would not expect the Council to be able to run services effectively now without increasing the Council Tax.

Council tax should be increased by 1.9%

The council should consider raising council tax

We would prefer LBE to increase Council Tax across the board rather than reduce benefits for the poorest in our community, thereby retaining as many key local services as possible.

Organisation

4. Summary

An overall majority (73%) feel that working age households who have the ability to work should have to pay something towards their Council Tax. A similar proportion (72%) agree with the proposal for the additional protected groups. Most of those who do not agree feel that either foster carers should not receive Council Tax Support, Council Tax Support should be based on ability to pay or that no household should receive any Support.

Respondents have a preference to reduce the limit of savings to qualify for Council Tax Support from £16,000 to £6,000 - in line with other national benefit schemes.

The findings indicate that among all respondents, Proposal D is the least favoured option. Taking into account the fact that Proposal C is no longer relevant, Proposals A and B appear to be the most viable options.

When looking at the views of all respondents, there appears to be a preference for Proposal A rather than Proposal B. However, the views of Council Tax Support recipients and non-recipients appear to be closer in relation to Proposal B than Proposal A.

As stated in this report, Proposal C is no longer relevant and Proposal D is the least preferred option. Taking this into account, along with the findings relating to Proposals A and B, it would appear adopting an approach similar to both A and B would provide a compromise solution.