Agenda item 20

14 December 2016

Council Tax Reduction Scheme 2017/18

Portfolio: Councillor D Coughlan – Social Care

Service: Money Home Job

Wards: All

Key decision: No

Forward plan: No

1. Summary

1.1 In September 2016 Cabinet approved a public consultation exercise on the options summarised in Table 1 below to establish a new Council Tax Reduction Scheme (CTRS) for introduction from April 2017 for working age claimants. Legislatively 100% protection for pensioners is retained.

Table 1 CTRS Options used in Consultation

Option	**A**	**B**	**C**	**D**
Overall % CTR reduced by	25%	30%	35%	40%
Maximum award of CTR	75%	70%	65%	60%
Increase in council tax for Walsall Council*	£0	£420,000	£797,500	£1,132,000
Revised increase in council tax for Walsall Council if single claimants under 35 are protected at current level*	£0	£290,000	£655,000	£945,000
Additional increase in council tax for Walsall Council for other changes to CTR scheme*				
Removal of income disregard for child benefit for 2nd and additional children	£233,500	£210,000	£175,000	£130,000
Introduce a £6,000 capital limit	£33,000	£32,000	£29,000	£28,000
Limit CTR awards to Band C levels	£67,000	£61,000	£47,000	£38,000
Removal of second adult rebate	£35,000	£32,000	£24,000	£19,000

*Less bad debt provision and increased costs

1.2 The consultation period ended on 18 November 2016 and a summary of the results is contained in this report. This report recommends to cabinet that it considers the results of the consultation, alongside the equality impact assessment, before making recommendations to Council about the preferred Council Tax Reduction Scheme for Walsall from 1 April 2017.

2. Recommendations

2.1 The report recommends that Cabinet carefully considers both the feedback received during the consultation period and the equality impact assessment, before **recommending to Council:**
Adoption of the preferred Council Tax Reduction Scheme option, to commence from 1 April 2017 in line with the key features of 3.3 below including but not limited to the scheme being adopted for future years until such time as the Council considers a change to the scheme is necessary.

3. Report Detail

3.1 Members are are asked to refer to the report to cabinet in September 2016 for useful background about;

- the National Independent Review of the Council Tax Reduction Scheme (CTRS)
- National Comparisons on Council Tax Support Schemes
- Options for Council Tax Reduction Schemes

3.2 As highlighted in 1.1 and 1.2 above consultation on options for a new Council Tax Reduction Scheme has taken place.

3.3 Key features included in all the proposed options are:

- Continuing the same level of support for people of pensionable age (in accordance with the Government's Regulations through a means tested reduction equivalent to their entitlement under the previous council tax benefit system);
- Continuing support for people of working age, provided through a means tested reduction that will take into account similar criteria to the previous council tax benefits scheme in deciding who is eligible;
- Any amendments or annual up rating notified by the Department for Works and Pensions in relation to Housing Benefit be adopted in the CTRS
- Continuing the same disregard in full war disablement pensions and pensions for war widows and widowers as the existing CTRS.
- The scheme be adopted for future years until such time as the Council considers a change to the scheme is necessary.

3.4 The Council has a duty to consider if transitional arrangements should be put in place to help support CTRS recipients affected by any reduction in CTRS discount. In recognition of this it is recommended that the small cash-limited discretionary scheme that exists continues to assist the most vulnerable in exceptional circumstances.

3.5 Evidence from commissioned work by Policy in Practice on the impact of Welfare Reform on residents of Walsall highlighted that single claimants under 35 are between 2 and 3 times more likely to be highly effected by the government's wider welfare reform program.

3.6 The council tax collection rate is currently around 98%. The budgeted collection for the extra income resulting from the current reduction in award of council tax reduction is 80%. It is envisaged that it may be difficult to collect money from

some households affected by changes to the CTRS. As a consequence, financial provision for bad debt and costs associated with postage, staffing, telephone, banking and court costs have been increased. Table 2 below shows the details by Option.

Table 2 Collection

Option	**A**	**B**	**C**	**D**
Overall % CTR reduced by	25%	30%	35%	40%
Extra collection costs	N/A	£30,000	£60,000	£90,000
Budgeted collection rate	80%	77%	74%	71%
Budgeted collection rate if single under 35 claimants protected	N/A	78%	76%	78%

3.7 The figures in Table 3 below provide a breakdown of the estimated charges based on each council tax band (it does not include the 25% single person discount which if applicable would reduce the amount further). The figures are calculated based on the council tax levels for 2016/17. The effect of any other changes will vary from case to case so it is not possible to give an estimated average effect.

Table 3 Estimated extra council tax to pay per week for option B, C and D

Option B Extra 5% cut in CTR (Weekly)	**Option C** Extra 10% cut in CTR (Weekly)	**Option D** Extra 15% cut in CTR (Weekly)
£1.07	£2.13	£3.20
£1.24	£2.49	£3.73
£1.42	£2.84	£4.26
£1.60	£3.20	£4.80
£1.95	£3.91	£5.86
£2.31	£4.62	£6.93
£2.67	£5.33	£8.00
£3.20	£6.40	£9.60

The figures above do not include the 25% single person discount given where there is only one adult in a household (if applicable that will reduce the amount further).

4. Council Priorities

4.1 Increasing the funds received by the council from Council tax has a direct positive impact on the Council's abilities to deliver to its priorities:

1. Lifelong health, wealth and happiness
2. Safe, resilient and prospering communities
3. Sustainable change and improvement for all

However it is noted that the effect of Options B to D could result in a disproportionate negative effect on the Council's customers including the most vulnerable.

5. Risk management

5.1 If the Council does not reduce the amount of support provided via the Council Tax Reduction Scheme, the extra money will have to be found by changing, reducing, or ceasing other services. Cutting other services disproportionately could pose a financial and reputational risk to the Council.

6. Financial implications

6.1 The Options for Cabinet and Council to consider provide a range of additional income that can be potentially raise through the adoption of a new council tax reduction scheme. This ranges from £0 to £1.3m depending upon option chosen. This will help the council potentially reduce cuts to other services.

7. Legal implications

7.1 The legislation relating to council tax reduction schemes includes:

- Section 13A of the Local Government Finance Act 2012 - introduced the council tax reduction scheme.
- The Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012 (Statutory Instrument 2012 / 2885) contains the mandatory elements for any local scheme and details the scheme that must be adopted for pensioners.

7.2 The Council must make any revision to its discount scheme no later than 31 January in the financial year preceding that for which the revision or replacement scheme is to have effect.

8. Procurement reporting

8.1 There are no procurement implications.

9. Property implications

9.1 There are no property implications.

10. Health and wellbeing implications

10.1 There are complex interconnections between living conditions, lifestyles, and health problems; high unemployment, low pay, and reductions in public support make it more likely that there will be an adverse effect on health and wellbeing for the residents of Walsall. Implications will vary depending on the size of the reductions in support.

11. Staffing implications

11.1 None.

12. Equality implications

12.1 The Government has stated that local schemes should provide support for the most vulnerable; however they have not prescribed the protection that local authorities should provide for vulnerable groups other than pensioners.

12.2 In designing local schemes authorities are reminded of their responsibilities in relation to vulnerable groups and individuals and the Department for Communities and Local Government consultation response makes specific reference to the following Acts.

a) The Child Poverty Act 2010, which imposes a duty on local authorities and their partners, to reduce and mitigate the effects of child poverty in their local areas.

b) The Disabled Persons (Services, Consultation and Representation) Act 1986, and Chronically Sick and Disabled Persons Act 1970, which include a range of duties relating to the welfare needs of disabled people.

c) The Housing Act 1996, which gives local authorities a duty to prevent homelessness with special regard to vulnerable groups.

12.3 All the options being considered will ensure that these groups continue to receive some council tax support. In reducing the maximum discount across all working age recipients, the Council will not be disproportionately targeting any one of these client groups.

12.4 An equality impact assessment has been completed. The equality impact has been updated to help to identify any unintended consequences for vulnerable groups to ensure that the scheme is fair and equitable. A copy of the Equality Impact Assessment is attached as Appendix 1.

13. Consultation

13.1 The council has fully adhered to the statement of intent issued by the Department for Communities and Local Government which specifies that it must:-
a. Consult any major precepting authority (Police and Fire)
b. Publish a draft scheme in such a manner as it thinks fit, and
c. Consult other such persons as it considers are likely to have an interest in the operation of the scheme.

13.2 Consultation took place between 10 October and 18 November 2016. Three phases of public consultation were carried out consisting of:

- Phase 1 – Controlled 10,000 household postal survey (5,000 working age claimants and 5,000 other);
- Phase 2 – Online questionnaire (a letter was sent to every claimant not included in the first phase to encourage them to participate);
- Phase 3 – Leaflet campaign to community groups and partners publicising the consultation.

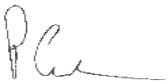
13.3 The results of the consultation are currently being collated and an analysis of the results will be forwarded to members prior to the Cabinet meeting.

Background papers

None

Author

David Lockwood – Interim System Lead, Money Home Job
☎ 01922 658459
✉ davidlockwood@walsall.gov.uk



Signed
Paul Gordon
Head of Business Change

6 December 2016

Signed
Councillor D Coughlan
Portfolio holder Social Care

6 December 2016

Appendix 1
Equality Impact Assessment (EqIA) for Policies, Procedures and Services

Proposal name	Council Tax Reduction Scheme 2017/18		
Directorate	Change and Governance		
Service	Money Home Job		
Responsible Officer	David Lockwood		
EqIA Author	David Lockwood		
Proposal planning start	1/10/16	Proposal start date (due or actual)	1 April 2017

1	**What is the purpose of the proposal?**	**Yes / No**	**New / revision**
	Policy	**Yes**	**Revision**
	Procedure		
	Internal service		
	External Service		
	Other - give details		

2	**What are the intended outcomes, reasons for change? (The business case)**
	In April 2013 the government abolished the national council tax benefit scheme replacing it with a new local council tax reduction scheme for working age claimants which is to be designed and administered by local authorities. Under the legislation pensioners are 100% protected from any changes. At the same time the government reduced the amount of money paid to local authorities to fund such schemes. The funding is now part of the government financial settlement and is no longer separately identifiable. There are currently circa 18,600 (58%) working age claimants out of the total of 32,200 on council tax reduction. The remaining 13,600 are pensioners and will be exempt from any changes to the scheme. If the current CTRS scheme was kept for 2017/18 it is anticipated that the total amount of reduction awarded would be £24,241,000 split between £11,963,000 for working age and £12,278,000 for pensioners. Walsall currently has to save £86m over the next 4 years to produce a balanced budget.

3	**Who is the proposal potential likely to affect?**		
	People in Walsall	**Yes / No**	**Detail**
	All		
	Specific group/s	**Y**	Currently 18,600 working age claimants receive council tax reduction totalling £11,963,000. The proposals could directly impact those.
	Council employees	**Y**	If they are currently in receipt of council tax reduction from the council
	Other		
4	**Evidence, engagement and consultation (including from area partnerships, where relevant)**		
4.1	Consultation took place between 10 October and 18 November 2016. Three phases of public consultation were carried out consisting of: • Phase 1 – Controlled 10,000 household postal survey (5,000 working age claimants and 5,000 other); • Phase 2 – Online questionnaire (a letter was sent to every claimant not included in the first phase to encourage them to participate); • Phase 3 – Leaflet campaign to community groups and partners publicising the consultation.		
4.2	**Concise summary of evidence, engagement and consultation (including from area partnerships, where relevant)**		

5	**How may the proposal affect each protected characteristic or group?** **The effect may be positive, negative or neutral.**			
	Characteristic	**Effect**	**Reason**	**Action needed Y or N**
	Age	Negative	Pension age – this group is protected by the government's national scheme Working age – option A – would be no changes for this group. Option B, C + D would be affected as the amount of CTRS would be further reduced by up to 15% Families with children – households with children receive a higher applicable amount and child benefit is currently excluded from the assessment of income. This would alter if the option to remove the disregard for 2nd and additional child benefit payments was chosen.	N

			Option A – there would be no change for these customers. Options B to D the level of the award of CTRS would be further reduced by up to 25 % If the option to protect single under 35 claimants is chosen then those customers would see no change.	
	Disability	Negative	People with disabilities receive a higher applicable amount and therefore receive a higher award of CTR than others. In addition disability living allowance (and its replacement – personal independence payments PIP.) is excluded in the means tested income calculation. Unemployment rates are shown to be higher for the disabled groups and this group tends to rely on benefits and they receive additional benefits to help meet the costs of their disability. Mental health, learning disabilities, visual and hearing impairments may all have an adverse impact on the person accessing the service/support. Options B to D –as the level of the award would be reduced by up to a further 15% then this group would have to pay an increased level of council tax. Option A – no groups would be affected as it proposes no change.	N
	Gender reassignment	Neutral	The current CTR scheme does not differentiate for this characteristic; nor do any of the options considered.	N
	Marriage and civil partnership	Neutral	Current data suggests that same sex couples are very much underrepresented in benefits claims compared to heterosexual couples. There is no evidence available to indicate that there could be an adverse impact to this group as a consequence	N
	Pregnancy and maternity	Neutral	The current CTR scheme does not differentiate for this characteristic; nor	N

			do any of the options considered. Only changes of income related to changed circumstances would be assessed.	
	Race	Neutral	The current CTR scheme does not differentiate for this characteristic; nor do any of the options considered.	N
	Religion or belief	Neutral	The current CTR scheme does not differentiate for this characteristic; nor do any of the options considered.	N
	Sex	Neutral	The current CTR scheme does not differentiate for this characteristic; nor do any of the options considered.	N
	Sexual orientation	Neutral	The current CTR scheme does not differentiate for this characteristic; nor do any of the options considered.	N
	Other (give detail)	N/A		
	Further information	N/A		

6	**Does your proposal link with other proposals to have a cumulative effect on particular equality groups? If yes, give details below.**	(Delete one) **Yes**
	It links to all proposals relating to the overall budget consultation. For example if the new CTR scheme is not approved additional savings will be needed in other Council services.	

7	**Which justifiable action does the evidence, engagement and consultation suggest you take?** (Bold which one applies)	
	A	No major change required
	B	Adjustments needed to remove barriers or to better promote equality
	C	**Continue despite possible adverse impact**
	D	Stop and rethink your proposal

Action and monitoring plan				
Action Date	**Action**	**Responsibility**	**Outcome Date**	**Outcome**
Update to EqIA				
Date	**Detail**			

m·e·l research

Council Tax Reduction Scheme Survey Findings

Walsall Council

Draft Report v1

December 2016

Contents Page

Project details and acknowledgements

Title	Council Tax Reduction Scheme Survey Findings
Client	Walsall Council
Project number	PR16154
Client reference	Mark Fearn
Author	Jennifer Uddin
Research Manager	Kate Green

M·E·L Research

2nd Floor, 1 Ashted Lock, Birmingham Science Park Aston, Birmingham. B7 4AZ

Email: **info@melresearch.co.uk**

Web: **www.melresearch.co.uk**

Tel: 0121 604 4664

MRS Evidence Matters™ Company Partner

Executive Summary

Background

The purpose of the survey was to understand residents' views on the proposed changes to the Council Tax Reduction Scheme (CTRS).

Method

10,000 postal questionnaires were posted out to a random sample of Walsall residents. The sample consisted of 5,000 residents who were on the CTRS and 5,000 who were not.

In total, 2,315 residents returned the questionnaire producing a response rate of 23% of the sample. This means with the achieved sample size we can be 95% certain that the overall results are between ±2.04% of the calculated response, so the 'true' response could be 2.04% above or below the figures reported (i.e. a 50% agreement rate could in reality lie within the range of 47.96% to 52.04%).

Results

- Option A is the most popular choice for claimants of the CTRS, with 83% choosing this, whilst 52% of non-claimants choose options B-D
- Option 1 was the most popular choice for non-claimants (74%) and Option 2 was the most popular choice for claimants (55%)
- 64% of those who are currently on the CTRS feel that single under 35s should be protected compared to 41% of those not on the scheme
- Results show that the majority of claimants feel that paying a bit more council tax, for example £1 more a week, would have a 'big impact' (52%), whilst non-claimants felt that it would have 'some impact' (51%) on them
- Groups that appear to be particularly against changes to the CTRS include females, those limited 'a lot' by a disability, those with the council tax Band A, BME groups and those living in a single person household

Introduction

Background

The Council Tax Reduction Scheme (CTRS) reduces the amount of council tax low income households have to pay. Since April 2013, the government has reduced the amount of funding available to support the scheme year on year. Due to government cuts, Walsall Council made the decision to reduce the award to working age claimants by 25% for the years 2015-16 and 2016-17. However, due to continuing significant financial challenges, like all local authorities in England, Walsall Council now need to decide whether to reduce the award further. This would contribute to the £86m savings that need to be made over the next four years.

There are just over 114,000 households in the borough, of these approximately 18,300 households are of working age and could potentially be affected by changes to the CTRS. In addition, there are approximately 13,750 pensioners in the borough, who although receive a reduction, are protected and will not be directly affected by any changes to the scheme.

The purpose of the survey was to:

- Give residents the opportunity to share their views regarding the proposed change
- Understand the views of both claimants and non-claimants of the CTRS i.e. those who would both directly and indirectly affected by any changes to the scheme in terms of their preferred options, their reasons why and the impact the changes would have for them
- Identify any statistically significant differences in views between demographic groups

Method

10,000 postal questionnaires were posted out to a random sample of Walsall residents provided by the council. The cover letter used in the initial mailing and the questionnaire can be found in Appendix A. The cover letter also provided an option to complete the survey online. Where requested by residents, support was provided over the phone by M·E·L Research and Walsall Council staff to complete the survey.

The sample consisted of 5000 residents who were on the CTRS and 5000 who were not. The consultation period took place between October and November 2016 for a period of six weeks, with a reminder mailing being sent three weeks after the initial mailing to help boost response rates. In total, 2,315 residents returned the questionnaire producing a response rate of 23% of the sample. A full demographic breakdown of the respondents can be found in Appendix B.

Analysis and reporting

Owing to the rounding of numbers, percentages displayed visually on graphs in the report may not always add up to 100% and may differ slightly when compared with the text. The figures provided in the text should always be used. For some questions, respondents could give more than one response (multi choice). For these questions, the percentage for each response is calculated as a percentage of the total number of respondents and therefore percentages do not add up to 100%.

Within the report, responses are split by those who are, and those who are not on the CTRS. For 87 cases, it was not possible to determine whether or not they were on the scheme. This most frequently happens if the resident for example returns the survey with their ID number omitted which means we are unable to link them back to this additional demographic information. These responses were therefore excluded from the analysis although are included in the overall frequencies provided in a separate document. All 'Don't know' responses were also excluded from results.

Where relevant (and where sample sizes are 30+), sub-group analysis has been carried out by:

- Council tax banding
- Age
- Ethnicity
- Gender
- Working status
- Disability
- Children vs. no children
- Single person households vs. multiple people households

Where there are any relevant significant differences (at 95% confidence level), these have been drawn out in the report. Crosstabs by a range of demographics including the nine protected characteristics has also been provided as a separate document to the Council as well as a raw data file.

Results

1. Council Tax Reduction Scheme Options

Residents were provided with a list of four options in terms of how the council tax reduction scheme (CTRS) could change for 2017/18:

- Option A– Retain the current council tax reduction level of 25%, meaning a maximum award of 75%
- Option B – Reduce the level of council tax reduction by a further 5% (overall a 30% reduction)
- Option C – Reduce the level of council tax reduction by a further 10% (overall a 35% reduction)
- Option D – Reduce the level of council tax reduction by a further 15% (overall a 40% reduction)

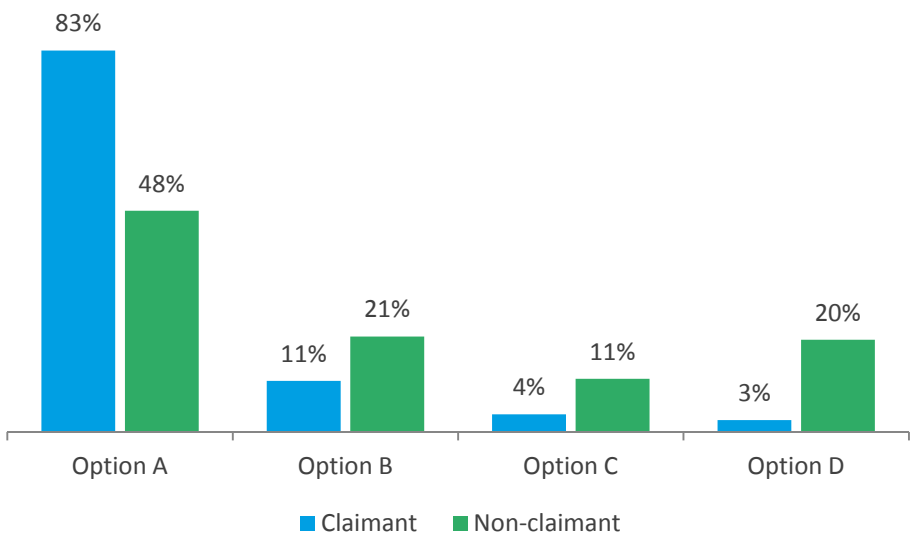
Information was also provided on the amount of additional savings each option could make. Residents were asked to select the option that they most preferred. They were therefore only allowed to pick one option.

Results show that Option A is the most popular choice for claimants of the CTRS, with 83% choosing this. In other words, the vast majority of claimants would prefer not to have any further reductions being made to the scheme than already planned. Non-claimants appear to be more open to reductions, with 52% choosing options B-D. Options B (21%) and D (20%) appear to be more popular compared to Option C (11%) for non-claimants. The difference between claimants and non-claimants for each option is statistically significant.

'Don't know' responses were removed from the analysis however it is worth noting that 18% chose this option. Reasons for this include not understanding the options, or feeling that it was not relevant to them for example due to being a pensioner.

Figure 1.1 Preference for council tax reduction scheme options by claimants and non-claimants

Percentage of respondents– base size 814 & 992 ('don't know' removed)



Claimant analysis

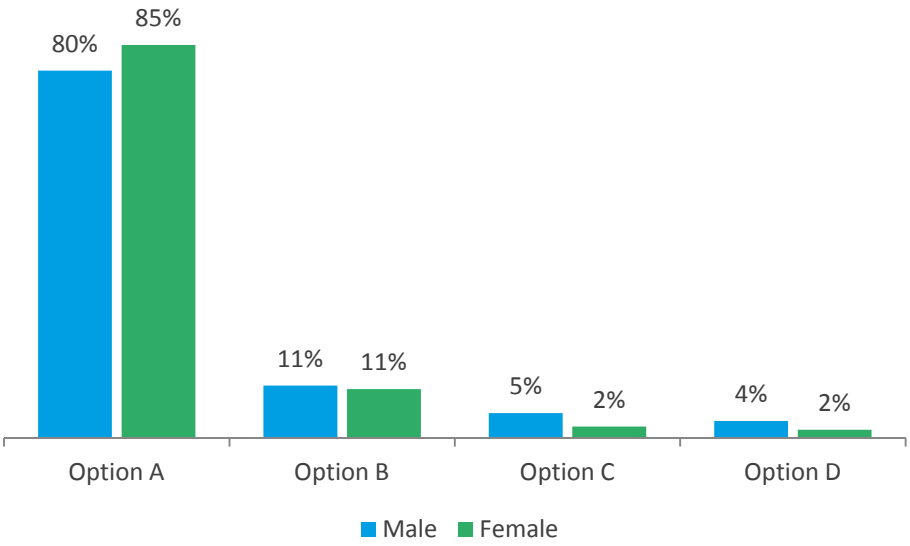
Sub-group analysis was carried out to see if there are any statistically significant differences in views by a range of demographics for those who are on the CTRS. Key differences are reported below:

Gender

Whilst support for Option A is high for both males and females, sub-group analysis shows that a significantly higher proportion of females (85%) support this option compared to males (80%).

Figure 1.2 Preference for council tax reduction scheme options by gender (claimants only)

Percentage of respondents– base size 352 & 443 ('don't know' removed)



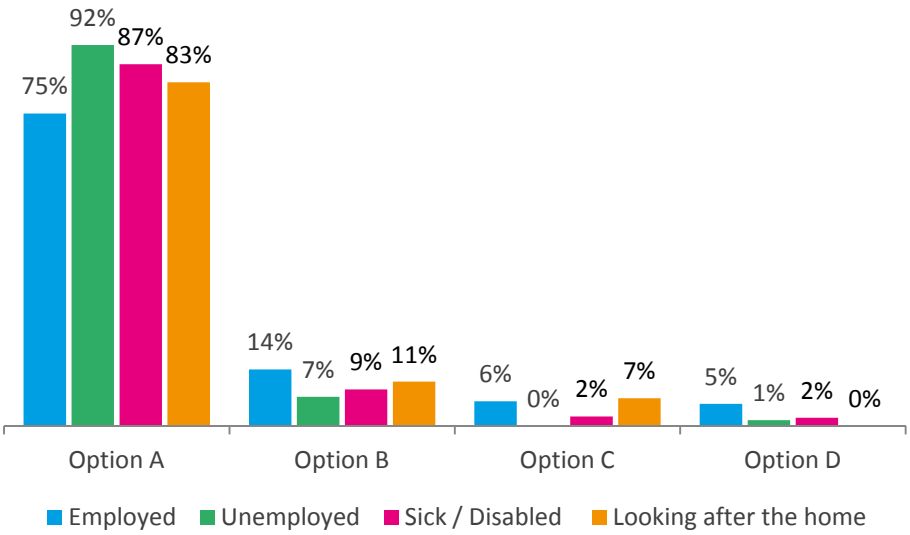
Working status

A significantly lower proportion of retired residents chose Option A (63%) compared to those who are unemployed (92%), sick/disabled (87%) or looking after the home (83%). A significantly lower proportion of employed residents chose Option A (75%) compared to those who are unemployed (92%) or sick/disabled (87%).

Those in education were excluded from analysis due to a small base size.

Figure 1.3 Preference for council tax reduction scheme options by working status (claimants only)

Percentage of respondents– base size 169, 143, 308, 32 & 75 ('don't know' removed)

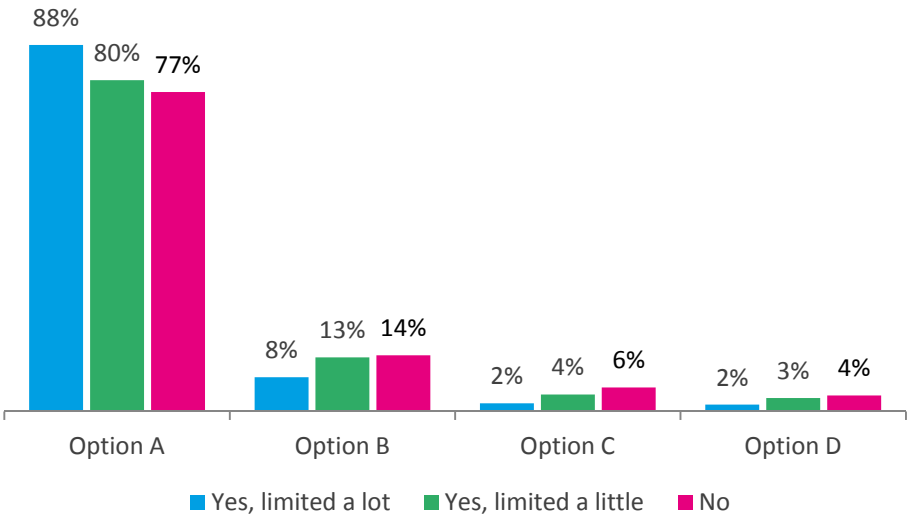


Disability

Those whose day-to-day activities are limited 'a lot' by a disability or health problem are significantly more likely to prefer Option A (88%), compared to those limited 'a little' (80%) or who do not have a disability (77%).

Figure 1.4 Preference for council tax reduction scheme options by disability (claimants only)

Percentage of respondents– base size 304,123 & 311 ('don't know' removed)



Non-claimant analysis

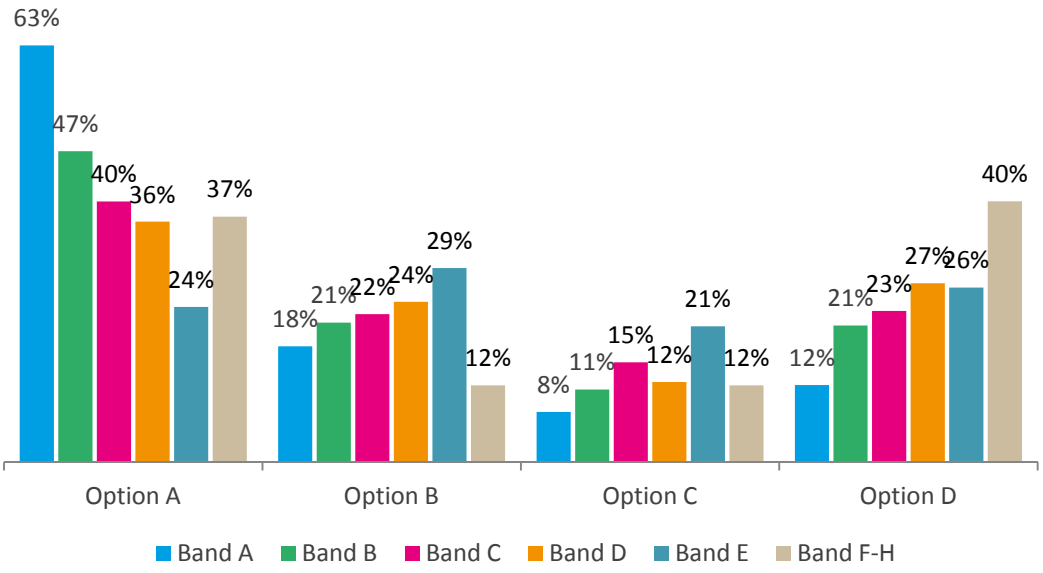
Sub-group analysis was carried out to see if there are any statistically significant differences in views by a range of demographics for those who are not on the CTRS. Key differences are reported below:

Council tax banding

A significantly greater proportion of those on Band A prefer Option A (63%), compared to those in higher bandings (average 37%). In turn, they are significantly less likely to choose option D (12%) compared to residents who fall within higher council tax bands (average 27%). Those in Band F or above are significantly more likely to choose Option D (40%) compared to those in Band A-C (average 18%).

Figure 1.5 Preference for council tax reduction scheme options for by council tax banding (non-claimants only)

Percentage of respondents– base size 342, 277, 205, 107, 68 & 43 ('don't know' removed)

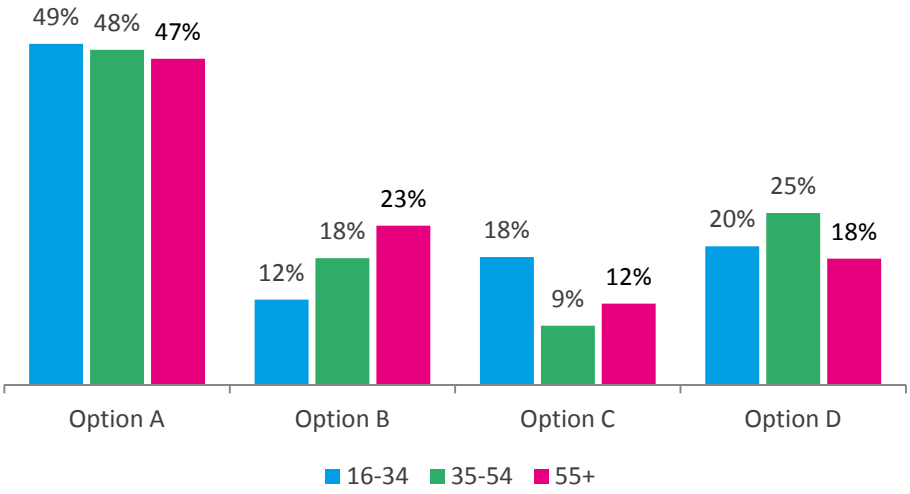


Age

A quarter of those aged 35-54 preferred Option D (25%), compared to nearly a fifth (18%) of those aged 55 or above. This is a significant difference.

Figure 1.6 Preference for council tax reduction scheme options by age (non-claimants only)

Percentage of respondents– base size 65, 246 & 631 ('don't know' removed)

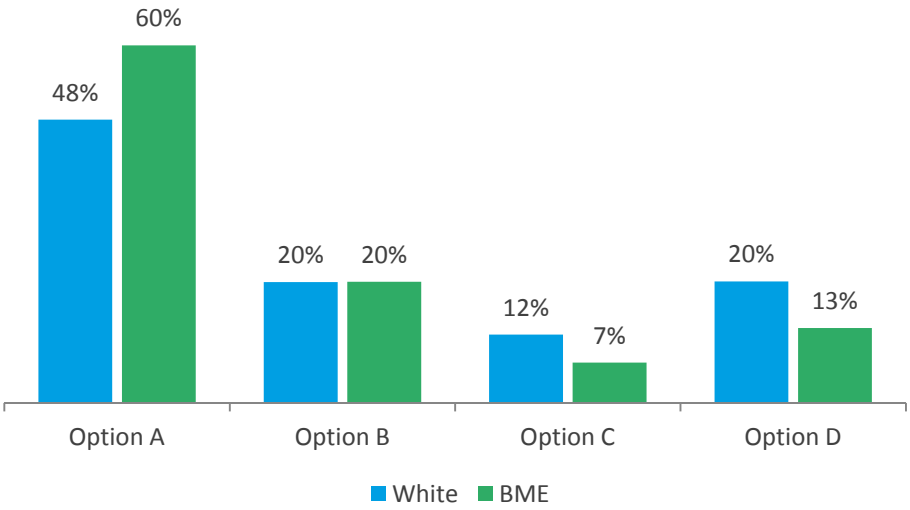


Ethnicity

BME residents are significantly more likely to prefer Option A (60%) compared to white residents (48%).

Figure 1.7 Preference for council tax reduction scheme options by ethnicity (non-claimants only)

Percentage of respondents– base size 826 & 103 ('don't know' removed)

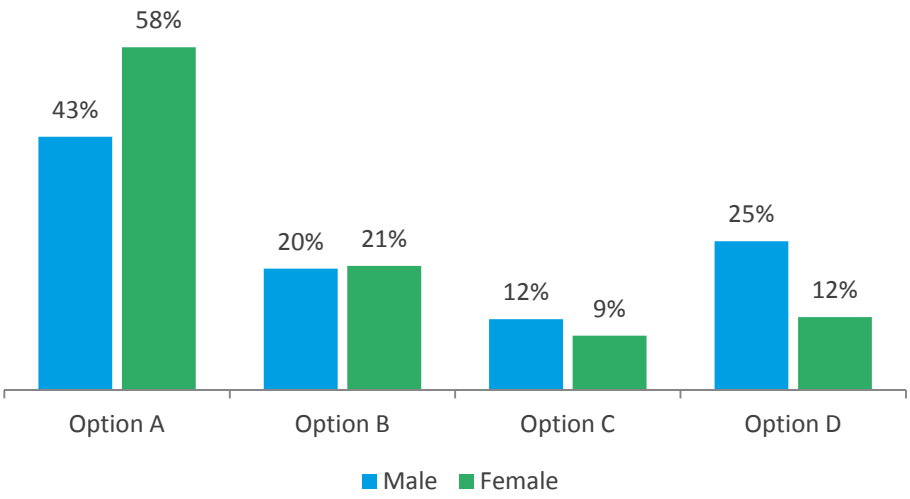


Gender

Females are significantly more likely to prefer Option A (58%) compared to males (43%). In line with this, a greater proportion of males (25%) prefer Option D compared to females (12%).

Figure 1.8 Preference for council tax reduction scheme options by gender (non-claimants only)

Percentage of respondents– base size 563 & 383 ('don't know' removed)



Working status

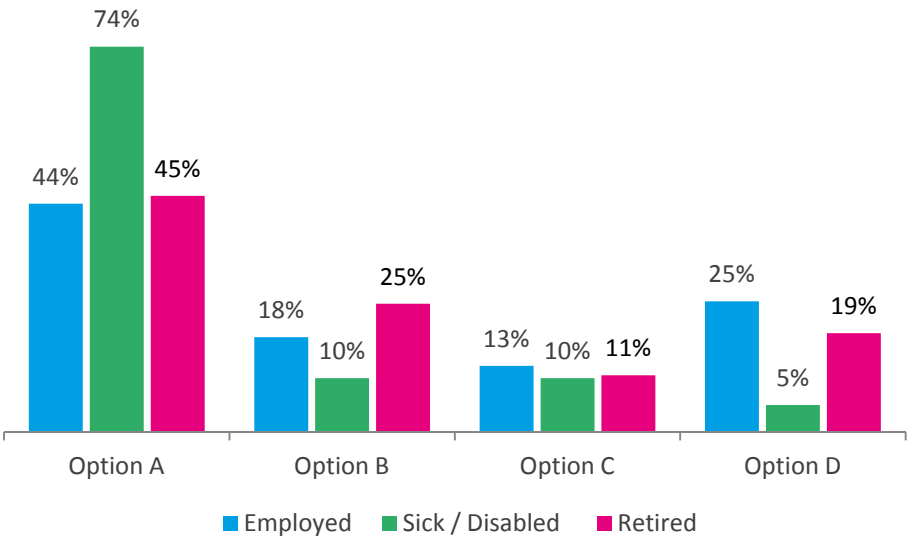
Residents who are sick/disabled are significantly more likely to prefer Option A (74%), in comparison to retired (45%) and employed residents (44%).

A quarter (25%) of retired residents preferred Option B which is significantly higher compared to sick/disabled (10%) and employed residents (18%).

A quarter (25%) of employed residents preferred Option D which is significantly higher compared to sick/disabled (5%) and retired residents (19%).

Figure 1.9 Preference for council tax reduction scheme options by working status (non-claimants only)

Percentage of respondents– base size 362, 58 & 458 ('don't know' removed)

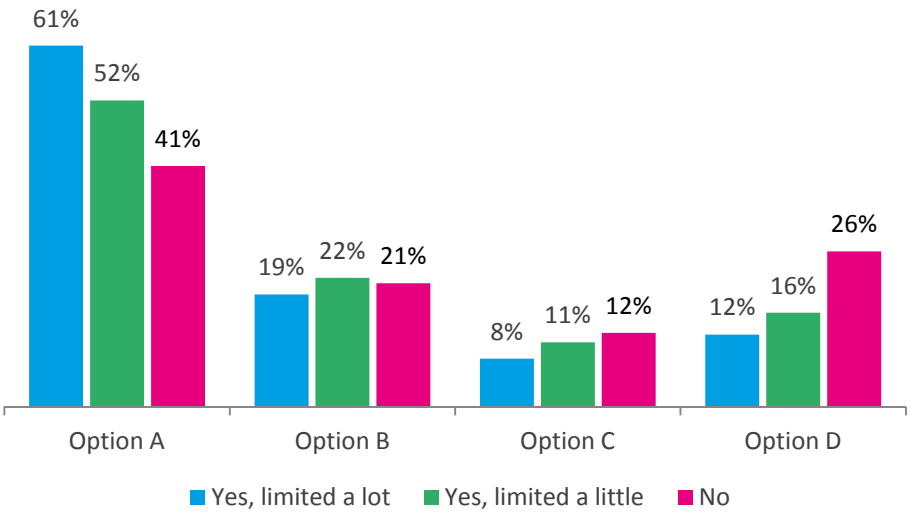


Disability

Residents who stated that they have a limiting health problem or disability are significantly more likely to prefer Option A (average 56%) compared to those without a disability (41%). In turn, a significantly greater proportion of those who do not have a limiting condition prefer Option D (26%) compared to those that do (average 14%).

Figure 1.10 Preference for council tax reduction scheme options by age (non-claimants only)

Percentage of respondents– base size 222, 221 & 466 ('don't know' removed)

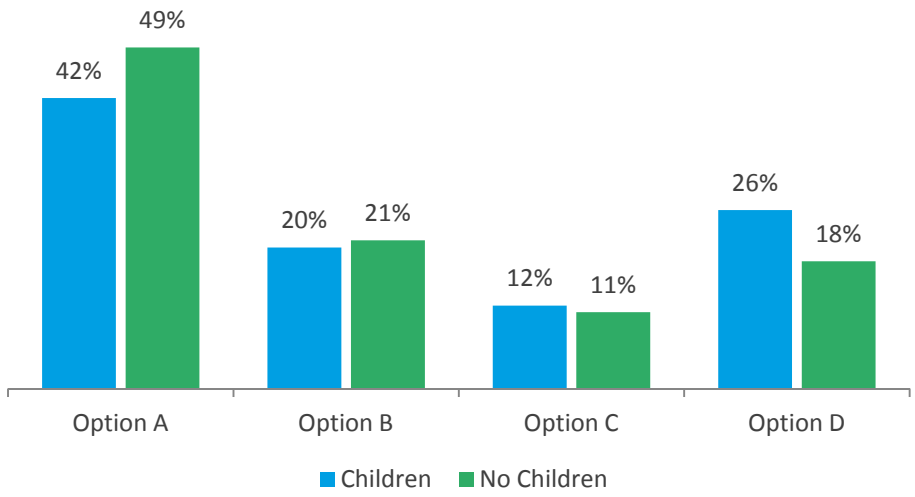


Children vs. no children

A quarter of people living in a household with children preferred Option D (26%) compared to 18% of those living in a household without children. This is a significant difference.

Figure 1.11 Preference for council tax reduction scheme options by children (non-claimants only)

Percentage of respondents– base size 167 & 762 ('don't know' removed)

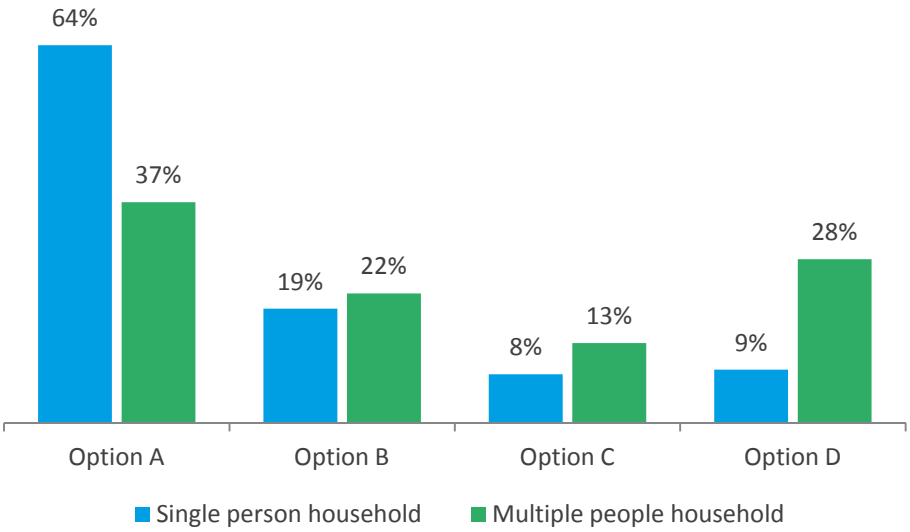


Single person household vs. multiple people household

Those living in a single person household are significantly more likely to prefer Option A (64%), compared to those who are not living alone (37%). Those not living alone are significantly more likely to prefer option C (13% vs. 8%) and Option D (28% vs. 9%) compared to those who are living with other household members.

Figure 1.12 Preference for council tax reduction scheme options by household (non-claimants only)

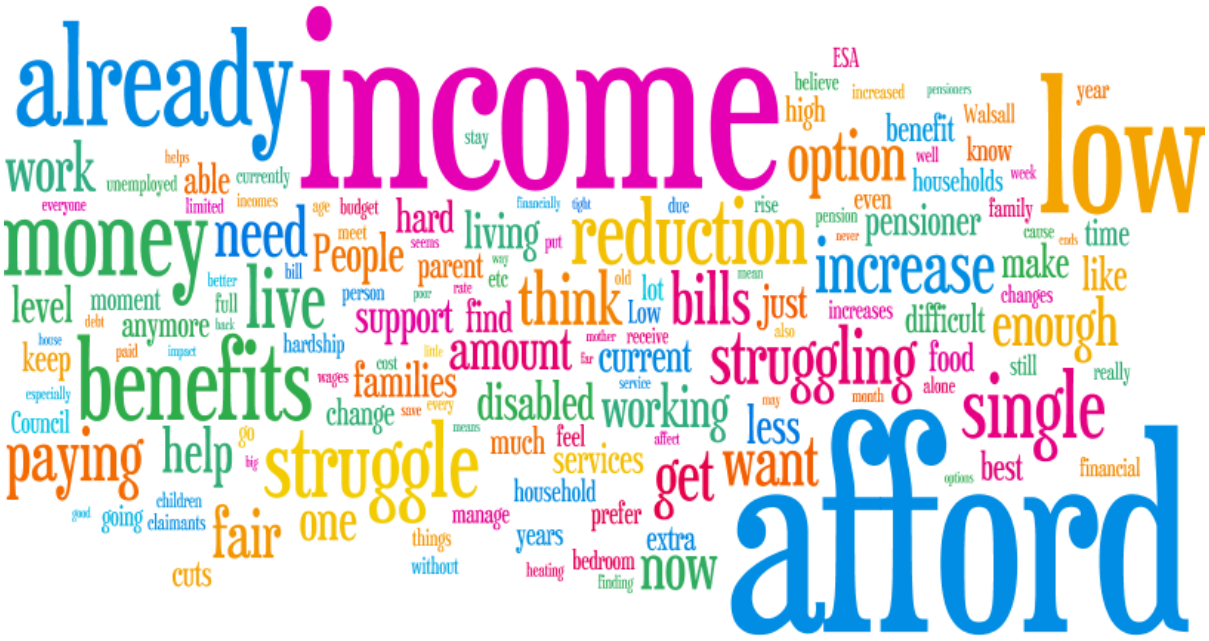
Percentage of respondents– base size 390 & 573 ('don't know' removed)



Respondents were subsequently asked why they selected their preferred options. Figure 1.13 illustrates the responses from those who selected Option A. The larger the word, the more frequently it was mentioned. Reasons for choosing Option A include feeling that they cannot afford to pay anymore as a result of already being on a low income and financially struggling.

Figure 1.13 Reasons for preferring Option A

Base size 938



Below are some examples of responses given for this question. A full list of comments has been provided to Walsall Council in a separate document.

> As a single parent council tax is high already, any additional increase would cause further

> It is a struggle for people who are on a low income

> I think reducing it even further will cause even more hardship

Figure 1.14 is a word cloud of responses relating to reasons for choosing Option B-D. Reasons include the recognition that the Council needs to save money, to protect other services, and due to the view that everyone uses the same services and therefore should be contributing to it. Some highlighted that their chosen option was a balance between making savings, whilst not making it too financially burdensome on residents.

Figure 1.14 Reasons for preferring Option B-D

Base size 572

Below are some examples of the reasons behind choosing Option B-D. A full list of comments has been provided to Walsall Council in a separate document.

Option B- A 5% reduction will not hit claimants as hard as a higher reduction. And they may appreciate that we all have to do our bit. Whether we claim or not.

Option C- This option is a fair one, as in times of austerity it is essential that important services, which at some time the whole of the community will use are maintained.

Option D- All Walsall residents have to pay their share.

2. Other changes

Residents were given a list of other changes which could also be made to the CTRS. These were:

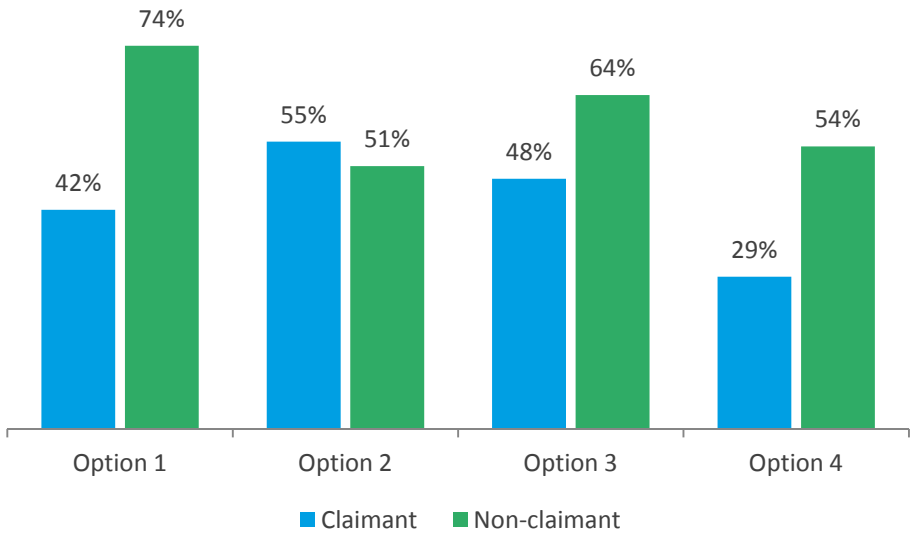
- Option 1: Remove income disregard for child benefit for second and additional children. Currently all income from child benefit is ignored when calculating a person's council tax reduction.
- Option 2: Reduce the savings and other investments limit to £6,000. Currently a person with savings and other investments worth £16,000 or more do not qualify for council tax reduction.
- Option 3: Limit award to Band C levels. This would mean the reduction awarded to people living in Band D to H would be based on a Band C charge.
- Option 4: Remove the reduction currently awarded under the second adult rebate scheme.

Information was also provided on the amount of additional savings each option could make. Residents were asked whether or not each of the changes should be introduced within CTRS. Results show that Option 1 was the most popular choice for non-claimants (74%). Option 2 was the most popular choice for claimants (55%). This was also the only option where a greater proportion of claimants were in favour of the change, compared to non-claimants. With the exception of Option 2, there is a significant difference between claimants and non-claimants for each option.

Whilst 'don't know' was removed from the analysis, it may be worth noting that 20-29% selected this option for these four questions, suggesting that a fairly large proportion of those who responded were perhaps unsure or unclear about the options being proposed by Walsall Council.

Figure 2.1 Agreement that change should be introduced as part of the scheme by claimants and non-claimants

Percentage of respondents– base size 351-761 ('don't know' removed)



Claimant analysis

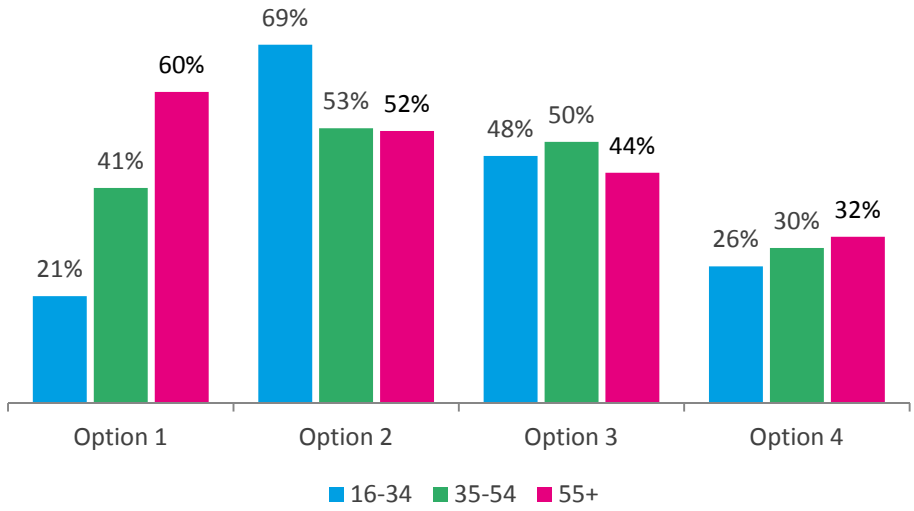
Sub-group analysis was carried out to see if there are any differences in views by a range of demographics for those who are on the CTRS. Key differences are reported below:

Age

Preference for Option 1 varied greatly by age group, with a greater proportion of older residents being in favour of it compared to younger residents. The differences between each of the three age bands are statistically significant. In regards to Option 2, a significantly greater proportion of younger residents aged 16-34 (69%) agree with the proposal, compared to those aged 35+ (average 53%).

Figure 2.2 Agreement that change should be introduced as part of the scheme by age (claimants only)

Percentage of respondents– base size 57-244 ('don't know' removed)

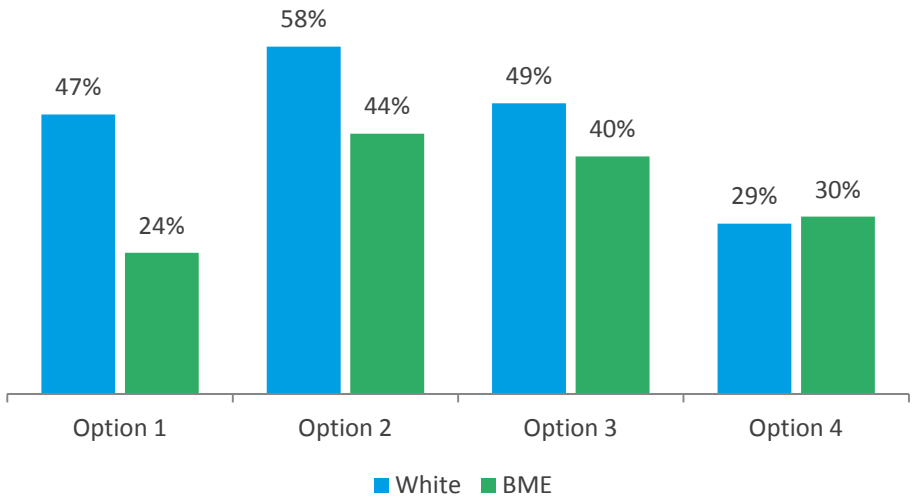


Ethnicity

A significantly greater proportion of white residents are in favour of Option 1 (47% vs. 24%) and Option 2 (58% vs. 44%), compared to those from a BME residents.

Figure 2.3 Agreement that change should be introduced as part of the scheme by ethnicity (claimants only)

Percentage of respondents– base size 55-389 ('don't know' removed)



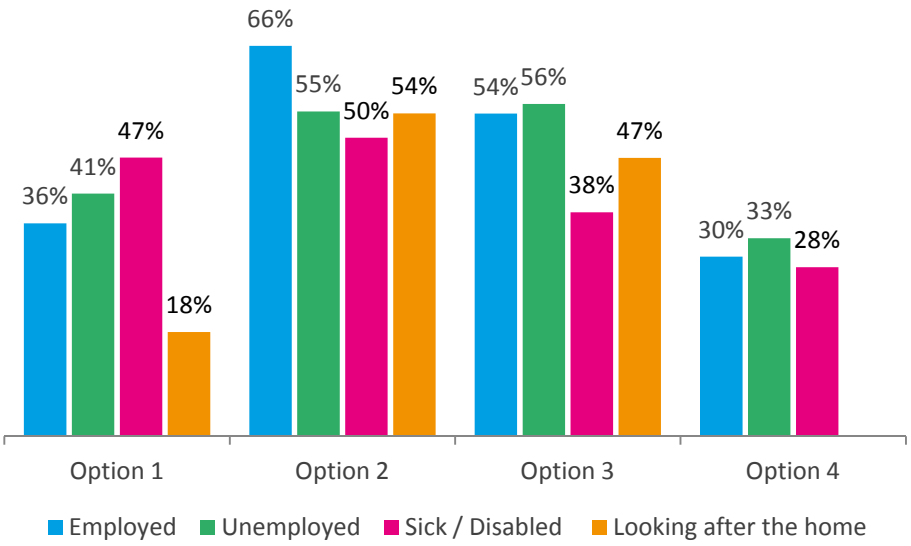
Working status

A significantly lower proportion of residents who are looking after the home are open to Option 1 (18%) compared to those who are employed (36%), unemployed (41%) or sick/disabled (47%). 66% of those who are employed feel that Option 2 is something that should be introduced, compared to 50% of those who are sick/disabled. This is a significant difference. Residents who are sick/disabled are significantly less likely to be in favour of Option 3 (38%), compared to those who are both employed (54%) and unemployed (56%).

Please note that those who are in education or retired have been removed from analysis due to small base sizes. Residents looking after the home have been removed from analysis for Option 4.

Figure 2.4 Agreement that change should be introduced as part of the scheme by working status (claimants only)

Percentage of respondents– base size 32-194 ('don't know' removed)



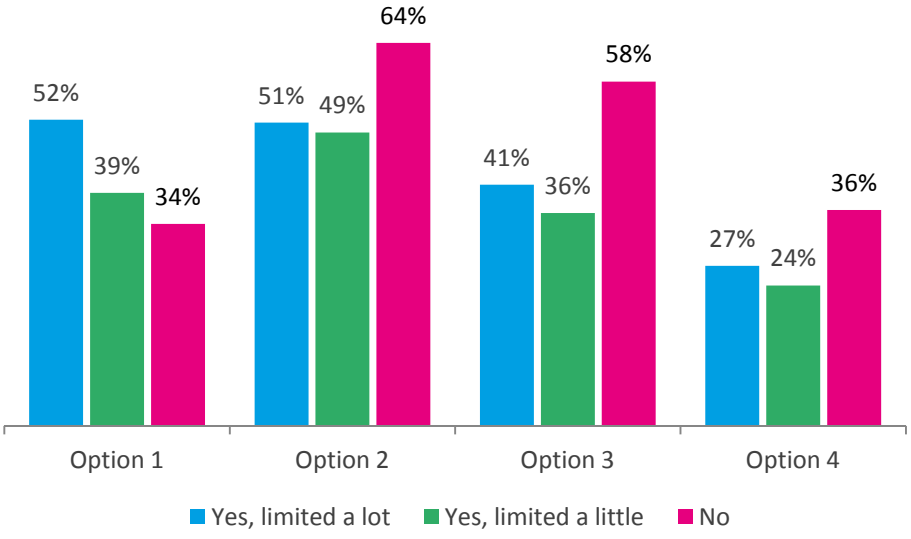
Disability

A significantly lower proportion of those who do not have a limiting health condition are in favour of Option 1 (34%) compared those limited by a health problem or disability 'a lot' (52%).

Those who are limited 'a lot' or 'a little' by a health condition of disability are significantly less likely to approve of Option 2 (49-51% vs. 64%) and Option 3 (36-41% vs. 58%) compared to those who do not have a limiting health problem.

Figure 2.5 Agreement that change should be introduced as part of the scheme by disability (claimants only)

Percentage of respondents– base size 53-197 ('don't know' removed)

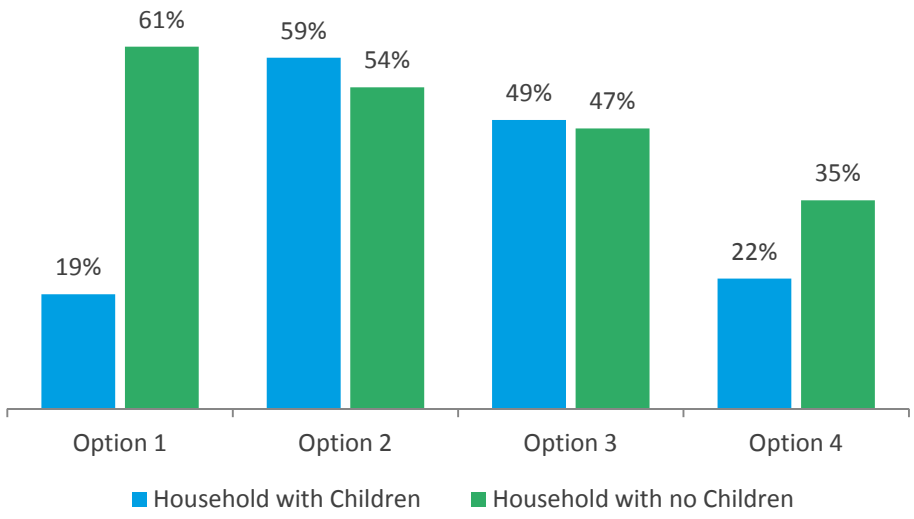


Children vs. no children

Only 19% of those who are living in a household with children are in favour of Option 1, compared to 61% of those who live in a household without children. This is a significant difference. Similarly, residents with children living in their household are significantly less likely to support Option 4 (22%) compared to those without children within their household (35%).

Figure 2.6 Agreement that change should be introduced as part of the scheme by children (claimants only)

Percentage of respondents– base size 137-279 ('don't know' removed)

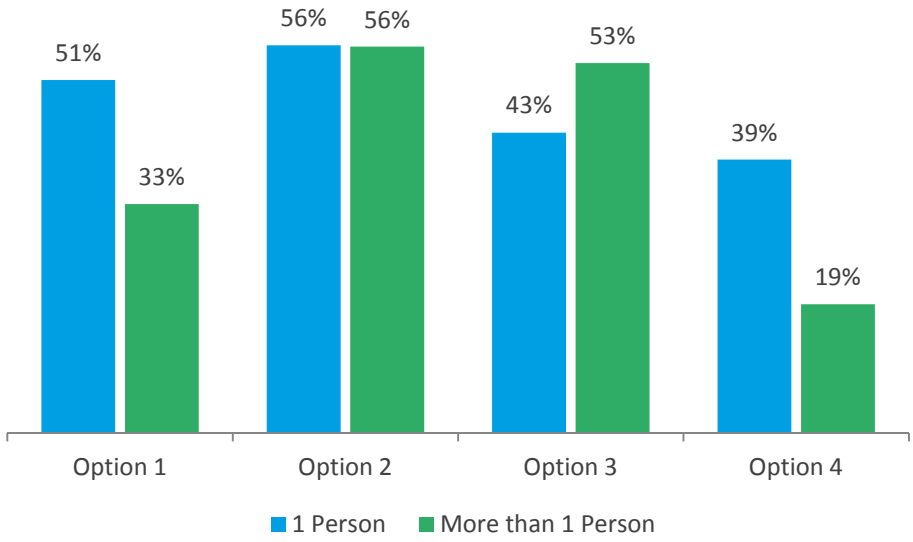


Single person household vs. multiple people household

A significantly lower proportion of those living with at least one other person are in favour of Option 1 (33% vs. 51%) and Option 4 (19% vs. 39%) compared to those living in a single person household.

Figure 2.7 Agreement that change should be introduced as part of the scheme by household (claimants only)

Percentage of respondents– base size 163-269 ('don't know' removed)



Non-claimant analysis

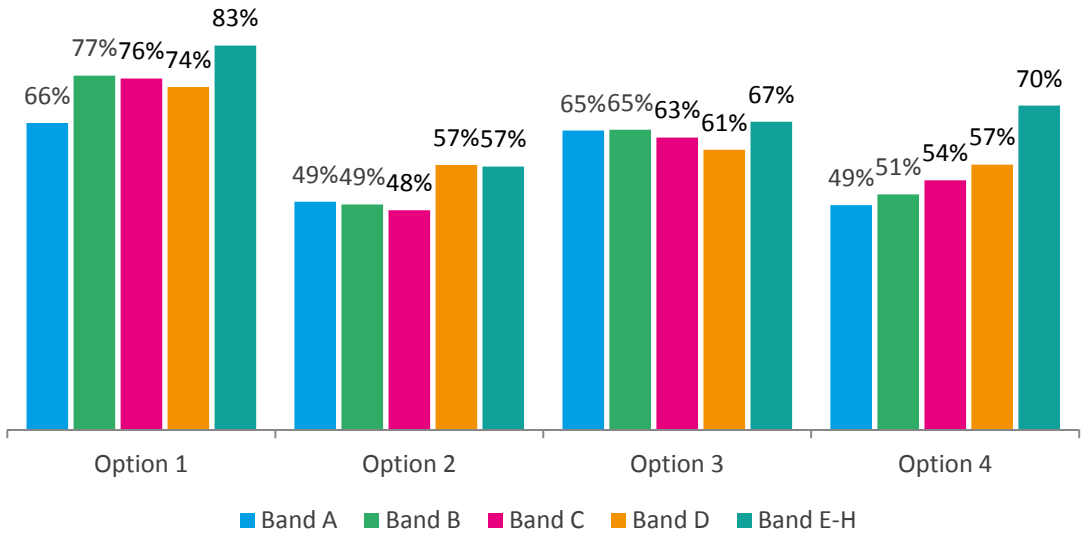
Sub-group analysis was carried out to see if there are any differences in views by a range of demographics for those who are not on the CTRS. Key differences are reported below:

Council tax banding

Band A residents are significantly less likely to be in favour of Option 1 (66%) compared to those in Band B (77%), Band C (76%) and Band E-H (83%). Those within Band A, B Or C are significantly less likely to be in favour of Option 4 (average 51%) compared to those in Band E-H (70%).

Figure 2.8 Agreement that change should be introduced as part of the scheme by council tax banding (non-claimants only)

Percentage of respondents– base size 61-241 ('don't know' removed)

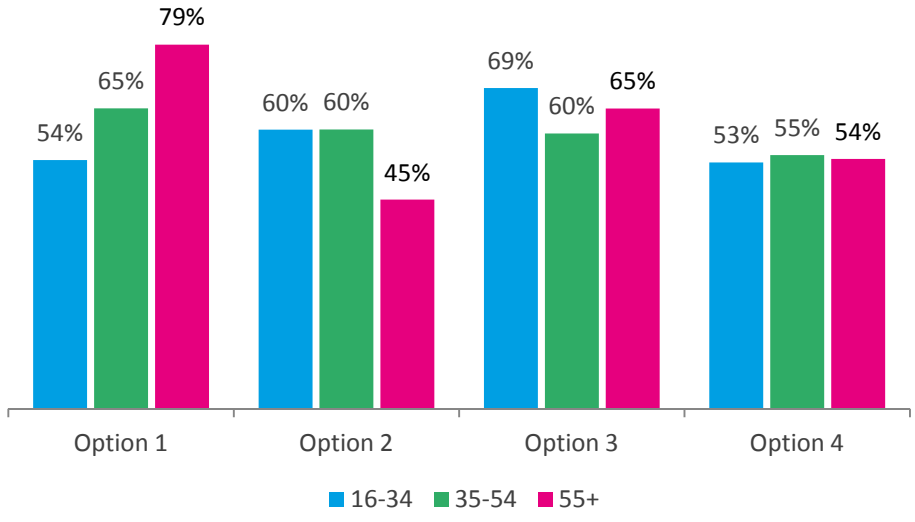


Age

Younger residents aged under 55 are significantly less likely to be in favour of Option 1 (average 59%), compared to those aged 55 and over (79%). Those aged 55 and over are significantly less likely to be in favour of Option 2 (45%) compared to the 35-54 age group (60%).

Figure 2.9 Agreement that change should be introduced as part of the scheme by age (non-claimants only)

Percentage of respondents– base size 30-491 ('don't know' removed)

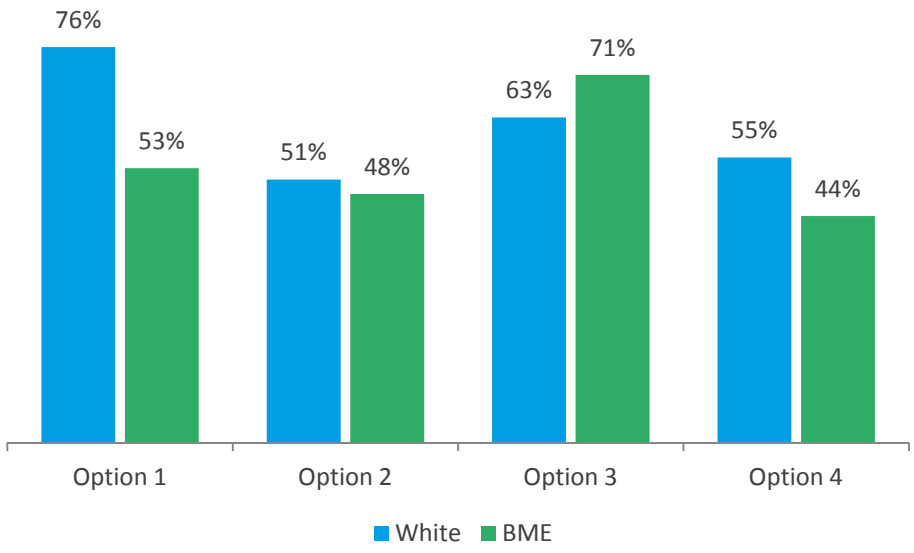


Ethnicity

A significantly lower proportion of BME residents state that they support Option 1 (53%) compared to white residents (76%).

Figure 2.10 Agreement that change should be introduced as part of the scheme by ethnicity (non-claimants only)

Percentage of respondents– base size 39-636 ('don't know' removed)

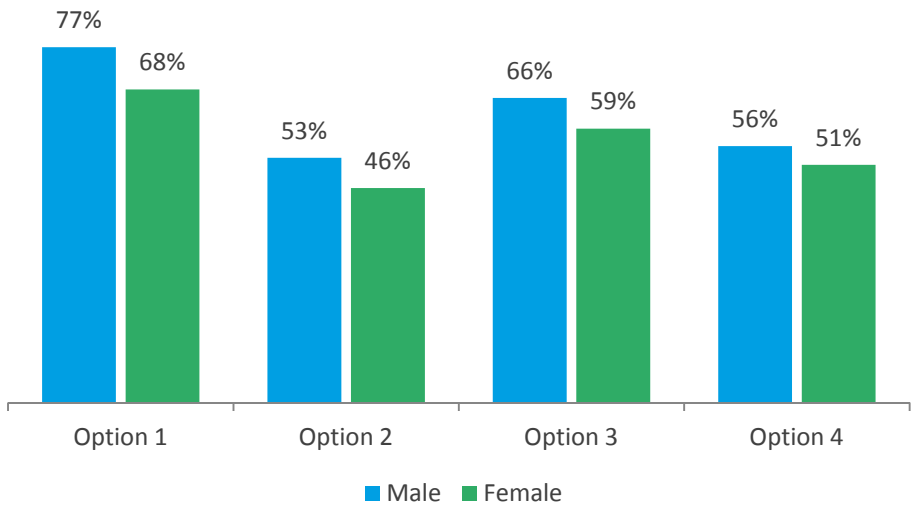


Gender

Females are significantly less likely to be in favour of Option 1 (68%) compared to males (77%).

Figure 2.11 Agreement that change should be introduced as part of the scheme by gender (non-claimants only)

Percentage of respondents– base size 173-446 ('don't know' removed)



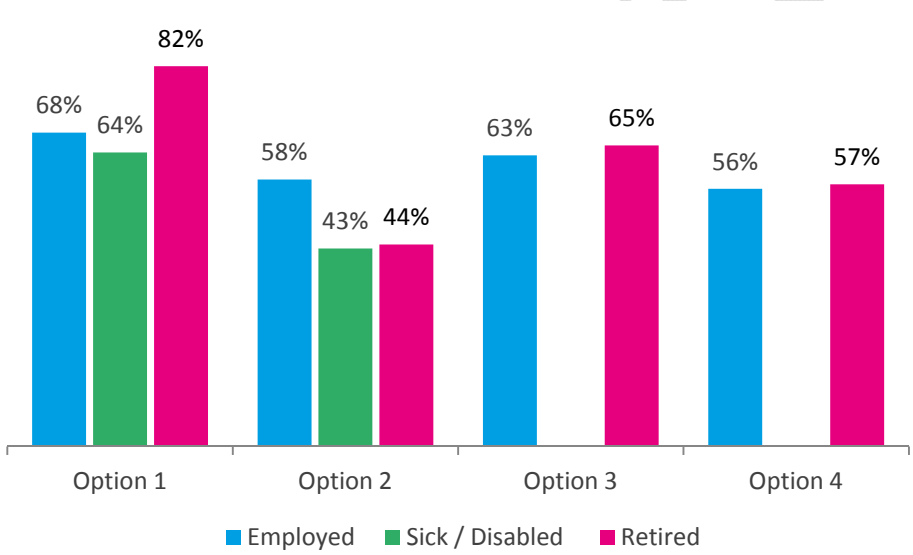
Working status

Those who are employed (68%) or sick/disabled (64%) are significantly less likely to be in favour of Option 1, compared to retired residents (82%). Employed residents are significantly more likely to be in favour of Option 2 (58%) compared to retired residents (44%).

Please note those in education, unemployed and those looking after the home have been removed from the analysis due to small sample sizes. The sick/disabled group have also been removed from Option 3 and 4 due to this reason.

Figure 2.12 Agreement that change should be introduced as part of the scheme by working status (non-claimants only)

Percentage of respondents– base size 35-351 ('don't know' removed)

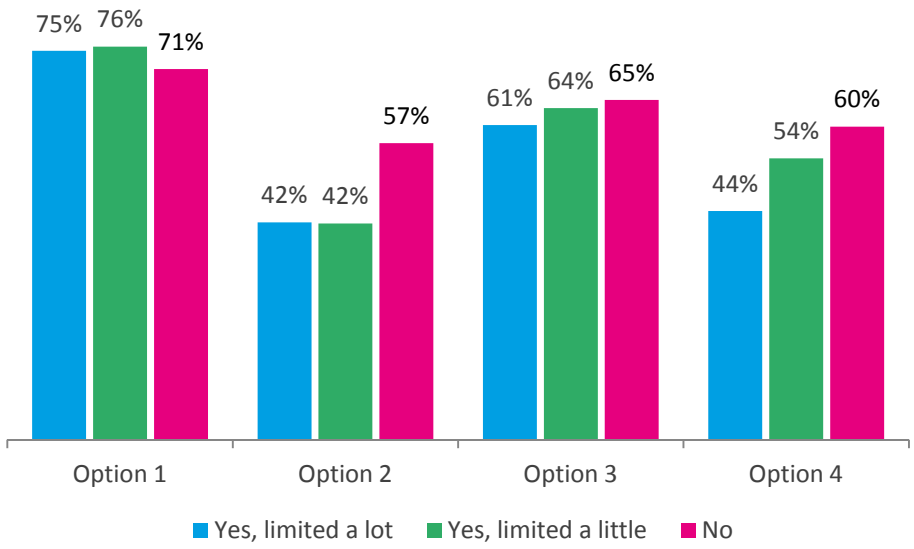


Disability

Those limited by health problem or a disability either 'a lot' or 'a little', are significantly less likely to be in favour of Option 2 (both 42%) compared those who do not have a limiting health condition (57%). Those who are limited 'a lot' by a health problem or disability are significantly less likely to be in favour of Option 4 (44%) compared to those who do not have a limiting health condition (60%).

Figure 2.13 Agreement that change should be introduced as part of the scheme by disability (non-claimants only)

Percentage of respondents– base size 100-373 ('don't know' removed)

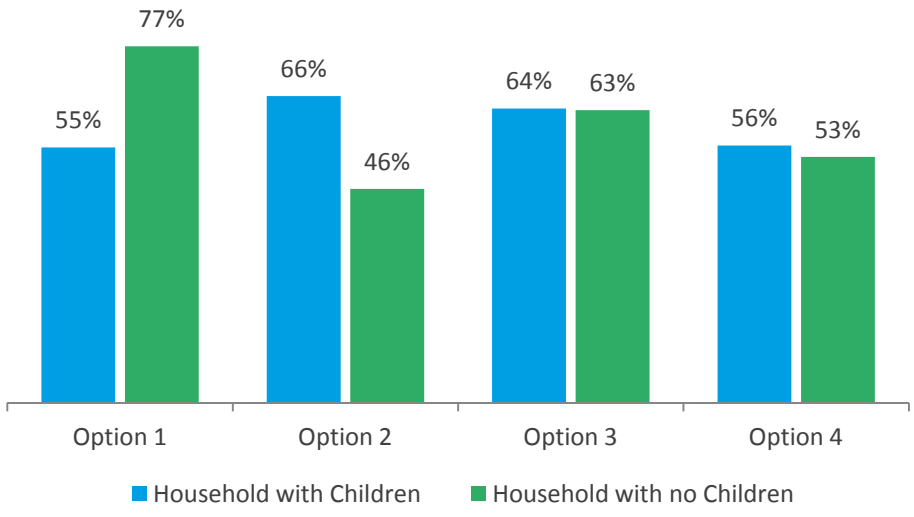


Children vs. no children

55% of people who do have children are in favour of Option 1. This compares to 77% of those who do not live in a household with children. This difference is statistically significant. Those without children on the other hand are significantly less likely to be in favour of Option 2(46%) compared to those who do have children in their household (66%).

Figure 2.14 Agreement that change should be introduced as part of the scheme by children (non-claimants only)

Percentage of respondents– base size 79-583 ('don't know' removed)

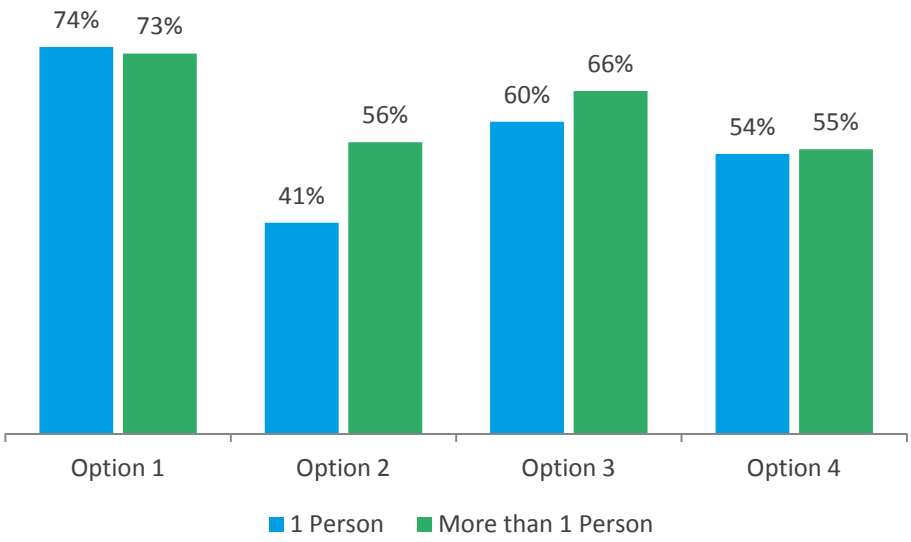


Single person household vs. multiple people household

56% of those living in a house which is occupied with at least one other person are in support of Option 2 (56%) compared to those in a single person household (41%). This is a significant difference.

Figure 2.15 Agreement that change should be introduced as part of the scheme by household (non-claimants only)

Percentage of respondents– base size 171-465 ('don't know' removed)

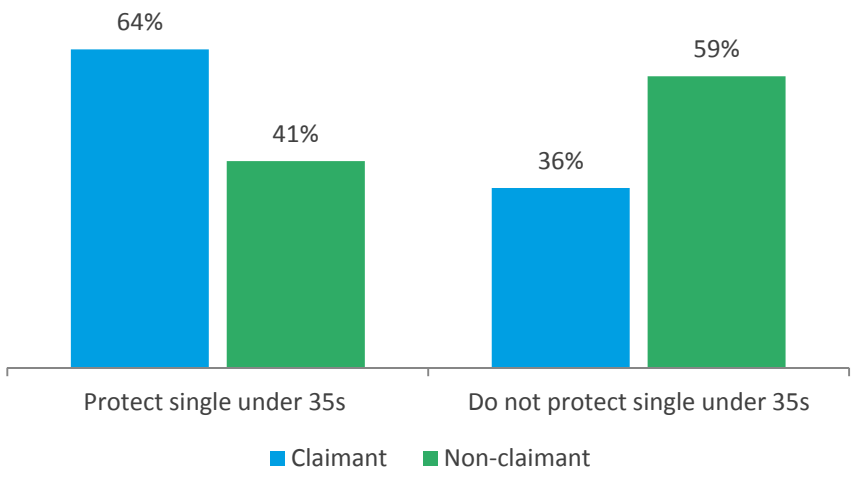


3. Protecting single under 35s

Residents were asked if they thought that those who are single and aged under 35 should be protected from any further reductions in council tax support. Results show that 64% of those who are currently on the CTRS feel that this group should be protected compared to 41% of those who are not on the scheme. This is a significant difference.

Figure 3.1 Protecting single under 35s by claimants and non-claimants

Percentage of respondents– base size 510-723 ('don't know' removed)

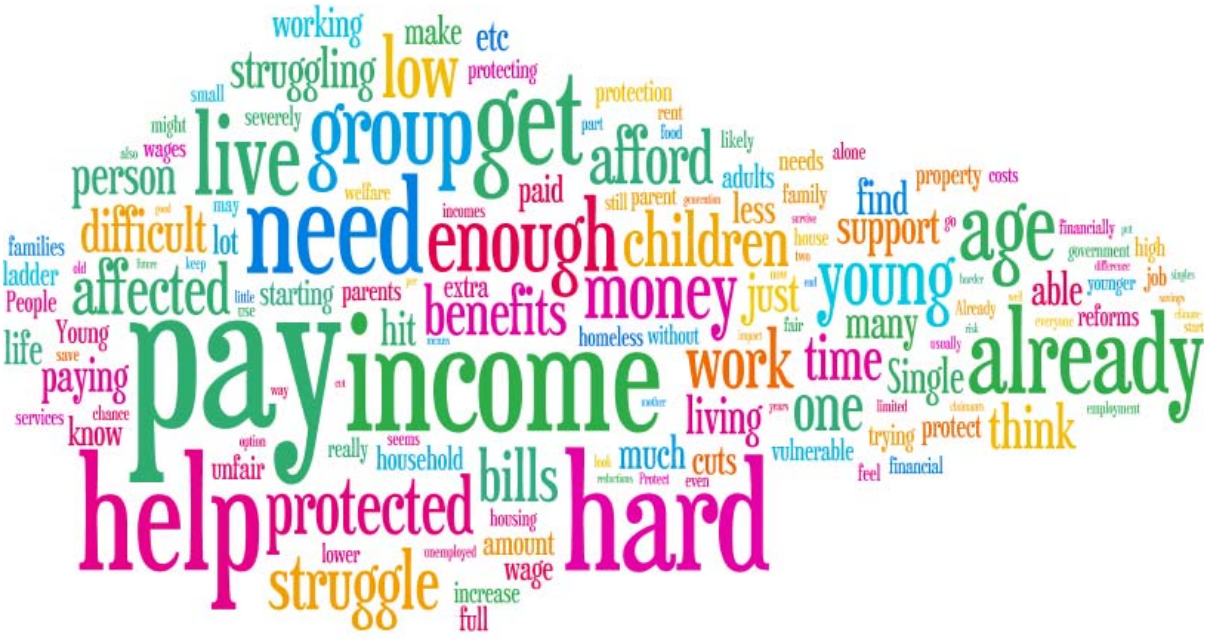


Whilst those who stated that they 'don't know' were removed from the analysis, it was worth noting that 943 people (43%) selected this option. Some of the residents who chose this option gave a reason why they selected this and this mostly included not understanding the question. Others also mentioned that being over 35, the policy was not directly relevant to them. Some highlighted that they didn't feel that there should be a blanket approach but rather dependent on individual circumstances.

Residents were asked why they felt that single under 35s should or shouldn't be protected. Figure 3.2 below illustrates the responses from those who stated that single under 35s should be protected. Responses indicate that a common reason that people felt that this group should be protected is due them already financially struggling.

Figure 3.2 Reasons single under 35s should be protected

Base size 483



Below are some examples of responses given for this question. A full list of comments has been provided to Walsall Council in a separate document.

> Single under 35's often have additional overheads (university fees / loans / high rents / mortgage fees). Difficulty getting onto the housing ladder.

> Because single people can just about afford to live as it is.

> As many will have student loans to repay as well as being unemployed or seeking job opportunities so wouldn't be able to afford

Figure 3.3 illustrates the responses from those who stated that single under 35s should not be protected. Responses indicate that a common reason that people felt that this group should be not be protected is due to the fact that they felt that everyone should have to pay regardless of their age and that this age group are most likely to be working.

Figure 3.3 Reasons single under 35s should not be protected

Base size 478

Below are some examples of responses given for this question by claimants. A full list of comments has been provided to Walsall Council in a separate document.

We need to encourage under 35 claimants to get work with the new living wage directive they

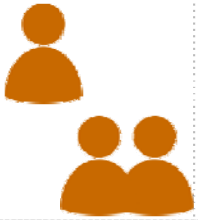
Single people have less overall expenses than families with children

Everyone should pay the same

Claimant analysis

Sub-group analysis was carried out to see if there are any differences in views by a range of demographics for those who are on the CTRS. Key differences are reported below:

As would be expected, under 35s are significantly more likely to be in favour of the proposal (86%) compared to those aged 35+ (average 56%). However, it is worth noting that those aged 35-54 are also significantly more likely to be in favour of the proposal (62%) compared to those aged 55+ (49%).

	A significantly greater proportion of females are in favour of the proposal (69%) compared to males (59%).
	Those looking after the home are significantly more likely to be in favour of the proposal (79%) compared to those who are sick/disabled (62%). *Please note that the 'education' and retired groups were excluded from the analysis due to the small sample sizes.*
	Those living in a household with children (72%) are significantly more likely to be in favour of the proposal compared to those who do not live with children (59%).

Non-claimant analysis

Sub-group analysis was carried out to see if there are any differences in views between demographics for those who are on the CTRS. Key differences are reported below:

	Females are significantly more likely than males to be in favour of the proposal (48%) compared to males (36%).

4. Alternatives suggestions

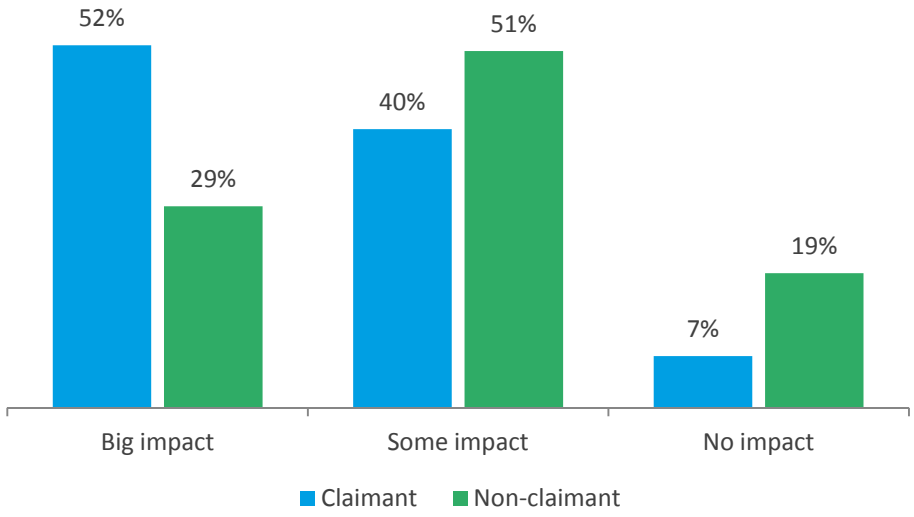
Residents were asked if they had any alternative suggestions for how the council tax reduction scheme could be amended or how savings could be made. Common suggestions included the Council reviewing their internal staffing, wages and processes. For example, residents suggested cutting the wages of the most senior level staff as well as reducing the amount of manager and councillors. Others suggested cutting or reducing services particularly those that were deemed 'unnecessary'. For example, several people referred to the art gallery and others mentioned the speed bumps. Many questioned the way benefits were allocated with some residents feeling that that access to benefits should not be given to certain groups of people for example, those that have not contributed financially, new immigrants and the unemployed. Others felt that there needed to be tighter control in terms of chasing those who had not paid their council tax and ensuring those who do receive benefits or allowances from the council such as the CTRS are legitimate cases. Residents also highlighted that people on higher income should be paying higher council tax and council tax should be calculated on factors such as level of income or number of people within the household. A full list of comments has been provided to Walsall Council in a separate document.

5. Changing tax for all households

Residents were asked how paying a bit more council tax, for example £1 more a week, would impact on them. Results show that the majority of claimants feel that it would have a 'big impact' (52%), whilst non-claimants felt that it would have 'some impact' (51%) on them. The differences between claimants and non-claimants are significantly different.

Figure 5.1 Impact of paying a bit more council tax by claimants and non-claimants

Percentage of respondents– base size 843 & 1076 ('don't know' removed)



Residents were subsequently asked why they felt this way. Figure 5.2 illustrates the responses from those who stated that an increase in their Council tax would have an impact. Responses included the fact that people are already on a limited income (for example pension, low wage and having other bills to pay).

Figure 5.2 Reasons for small increase in council tax having a 'big' or 'some' impact

Base size 1362

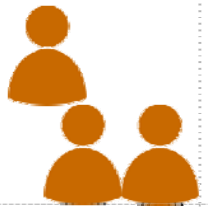
Claimant analysis

Sub-group analysis was carried out to see if there are any differences in views by a range of demographics for those who are on the CTRS. Key differences are reported below:

	A significantly higher proportion of unemployed (55%) and sick/disabled (58%) residents report that any additional payment would have a 'big impact' on them compared to retired residents (32%). Those who are employed are also relatively less likely to state that this would have a big impact on them with 45% stating that it would. This is significantly lower than the sick/disabled (58%) group. *Those who are in education have been removed from analysis due to the small sample size.*
	Those who are limited ' a lot' as a result of a health problem or disability are significantly more likely to report that paying a bit more council tax would have a 'big impact' (61%) on them compared to those who are limited 'a little' or who do not have a limiting condition (both 46%).

Non-claimant analysis

Sub-group analysis was carried out to see if there are any differences in views between demographics for those who are not on the CTRS. Key differences are reported below:

	Council tax Band A residents are significantly more likely to feel that it would have a big impact (35%) compared to those in a Band D property (24%). Band A residents are also significantly less likely to feel that it would have 'some impact' (47%) compared to those living in a Band C property (56%).
	Younger residents aged under 16-34 (41%) or 35-54 (35%) are significantly more likely to state that it would have a 'big impact', compared to those aged 55+ (25%). Those aged 55+ are significantly more likely to state that it would have 'some impact' (55%) compared to 16-34 year olds (34%).
	Half (50%) of BME residents indicate that it would have a 'big impact', compared to around a quarter (26%) of White residents. In turn a significantly higher proportion of White residents report that it would have some impact (54%) compared to BME residents (34%).
	A significantly greater proportion of females state that it would have a 'big impact' (37%) compared to males (23%). In turn, a greater proportion of males state that it would have no impact (22%) compared to females (14%). In each case around half state that it would have 'some impact' (55%, males and 49%, females)
	Retired residents are significantly less likely to report that it would have a 'big impact' (24%) compared to those who are employed (31%), sick/disabled (43%) or looking after the home (42%). *Those in education or unemployed have been excluded from analysis due to small sample sizes.*
	Those who are limited 'a lot' are significantly more likely to feel that it would have a 'big impact' (38%), compared to those limited 'a little' (24%) and those who do not have a limiting condition (26%).
	A third (33%) of single-person households state that paying a bit more would have a 'big impact' on them compared to around a quarter (26%) of those living with at least one other person. This is a significant difference.
	A significantly greater proportion of those living in a household with children (36%) report that it would have a 'big impact' compared to those who do not have children living within their household (28%).

Residents were asked how much more council tax a year (%) they would you be willing to pay to help keep cuts to a minimum and protect services. There were 1,317 valid responses (57% of all respondents) that ranged from 0-10% (please note there were a few outliers that were removed). The most common response was in favour of no increase with nearly four in ten (38%) respondents indicating 0%. It is likely that many of the blank responses were also in favour of no increase and chose to leave the field empty. The next most popular responses were a 1% increase (36%), followed by a 2% increase (8%).

Appendices

Appendix A: Cover letter and questionnaire

Appendix B: Demographic breakdown

Appendix A : Cover letter and questionnaire

Walsall Council

BENEFITS SERVICE

My Ref: CTRS Consultation
Date: October 2016
M·E·L ID: XX

Name
Address 1
Address 2
Address 3
Post code

Have your say on proposed changes to the Local Council Tax Reduction Scheme

In April 2013, the Government abolished the national council tax benefit scheme, replacing it with new local tax support schemes which are designed by local authorities themselves. The council tax reduction scheme reduces the amount of council tax low income households have to pay to the council.

Since April 2013 the government has reduced the amount of funding available to support the council tax reduction schemes year on year. For the first two years Walsall Council fully funded the new scheme resulting in the same level of council tax support for low income households as under the old scheme. However due to government cuts Walsall Council had no option but reduce the award to working age claimants by 25% for the years 2015-16 and 2016-17.

Due to continuing significant financial challenges, like all local authorities in England, Walsall Council now needs to decide whether to amend the level of support we offer to low income households.

Whether you receive council tax reduction or not, please take time to read on and have your say on proposed changes to Walsall's Council Tax Reduction Scheme.

There are just over 114,000 households in the borough, of these approximately 18,300 households are of working age and could potentially be affected by changes to the council tax reduction scheme. In addition there are approximately 13,750 pensioners in the borough, who although receive a reduction, are protected and will not be directly affected by any changes to the scheme.

In response to Government cuts to Local Authority funding Walsall Council has seen a reduction of £90m since 2010. We now need to set a 4 year budget and must cut a further £86m over the next four years. Combined with pressures from Children's Services and Adult Social Care, £40m of savings must be found in 2017/18 alone, with the remainder over the following 3 years.

If we continue to provide the same level of council tax support as in the current scheme, extra money will have to be found by changing, reducing, or ceasing other important council services and / or by increasing fees and charges or increasing council tax.

Consultation

Walsall Council is required to consult with local residents and other interested parties before making changes to the local council tax reduction scheme. Any changes made will be implemented in April 2017.

The options for a new council tax reduction scheme

The Council is considering the options set out below. None of the options will affect pensioners who are protected from any changes.

Option A– Retain the current council tax reduction level of 25%, meaning a maximum award of 75%

Option B – Reduce the level of council tax reduction by a further 5% (overall a 30% reduction). This will mean claimants will have to pay more council tax

Option C – Reduce the level of council tax reduction by a further 10% (overall a 35% reduction). This will mean claimants will have to pay more council tax

Option D – Reduce the level of council tax reduction by a further 15% (overall a 40% reduction). This will mean claimants will have to pay more council tax

Other Changes

In addition to a further overall % reduction certain other changes could also be made to the council tax reduction scheme which would mean some people would have to pay more. These proposed changes are:

- Remove income disregard for child benefit for 2nd and additional children. Currently all income from child benefit is ignored when calculating a person's council tax reduction
- Reduce the savings and other investments limit to £6,000. Currently a person with savings or investments worth more than £16,000 do not qualify for council tax reduction
- Limit award to band C levels, This would mean the reduction awarded to people living in band D to H would be based on a band C charge
- Remove the reduction currently awarded under the second adult rebate scheme

Protection of Single Under 35 Year Old Claimants

In addition to any potential financial effect of changes to council tax reduction, single under 35 year old claimants have been more severely affected by the wider welfare reforms carried out by central government than any other group. The authority is therefore looking into the possibility of protecting this group against any further changes to its reduction scheme.

Finances

Currently a total of £24.2m is paid in council tax reduction by Walsall Council, £11.9m to working age claimants and £12.3m to pensioners. Allowing for the Police and Crime Commissioner and Fire Authority portion and extra costs, the extra income to Walsall Council for each option would be:

	Option A	Option B	Option C	Option D
Increase in Income	N/A	£420,000	£797,500	£1,132,000
Increase if single under 35 claimants protected	N/A	£290,000	£655,000	£945,000
Increase in net income if other changes also adopted	£368,500	£335,000	£275,000	£215,000

Assuming no council tax increases in 2017/18, the table overleaf indicates the amount of extra council tax that could be payable by working age households currently entitled to Council Tax Reduction (CTR) for Option B to D. It is calculated based on the council tax levels for 2016/17. The effect of any other changes will vary from case to case so it is not possible to give an estimated average effect.

Estimated extra council tax to pay per week for option B, C and D			
Property Band	**Option B** Extra 5% cut in CTR (Weekly)	**Option C** Extra 10% cut in CTR (Weekly)	**Option D** Extra 15% cut in CTR (Weekly)
A	£1.07	£2.13	£3.20
B	£1.24	£2.49	£3.73
C	£1.42	£2.84	£4.26
D	£1.60	£3.20	£4.80
E	£1.95	£3.91	£5.86
F	£2.31	£4.62	£6.93
G	£2.67	£5.33	£8.00
H	£3.20	£6.40	£9.60
The figures above do not include the 25% single person discount given where there is only one adult in a household (if applicable that will reduce the amount further).			

Have your say

If you do not receive Council Tax Reduction the council tax you pay will not change (apart from the annual rise in council tax), however you may be indirectly affected by the level of cuts to other council services, which will vary depending on which option is decided upon.

Included with this letter is a questionnaire that has been sent to 10,000 randomly selected households (including both residents eligible for council tax reduction and those required to pay their council tax in full). **Please have your say by completing the questionnaire and returning it in the prepaid envelope provided by 23rd November 2016.** Alternatively, you can complete the survey online at www.melresearch.co.uk/page/Walsall or by scanning the QR code and entering your 'M·E·L ID' number (both found on the first page).

If you have any questions about the Council Tax Reduction Scheme or wish to check the legitimacy of this communication, please contact Walsall Council on 0300 555 2855.

If you would prefer the questionnaire in a different format, such as a large print version, please email **bianca.murray@m-e-l.co.uk**, or call the **M·E·L Freephone hotline** on 0800 0730348.

Draft budget proposals for 2017/18

In late October Walsall Council will publish its draft budget proposals for the financial year 2017/18, outlining approximately £40m worth of savings across a wide range of services. Consultation on the council's draft budget will then begin and continue into December. In preparing the draft budget every effort has been made to minimise the impact cuts may have on individuals, particular groups and communities, however the scale of the savings required mean that the impact of cuts on frontline services may be unavoidable. To find out more on draft budget proposals and have your say visit; www.walsall.gov.uk/budgethaveyoursay

Thank you in advance for taking the time to participate in the consultation, your views are very important.

Yours sincerely,

Councillor Sean Coughlan
Leader of the Council

Consultation on draft options for Council Tax Reduction 2017/18

This questionnaire should be completed by the addressee only. Please read the information contained in the accompanying letter before completing this questionnaire.

Please tick the answers that apply to you. If you would like support to help you complete this questionnaire please contact M·E·L Research on 0800 073 0348 or ask a friend or family member to help you. The deadline for responses is 23 November 2016.

This survey is being administered by M·E·L Research in adherence to the MRS code of conduct on behalf of Walsall Council. The information that you provide in this survey, along with your postcode and other information held on the council tax register will be used to analyse opinions on options for the Council Tax Reduction Scheme. When analysing the results neither your name or your address will be linked to your responses. Any information that you supply will be treated as confidential. It will be held securely and used only in accordance with the Data Protection Act 1998. Any information published will not identify you or your household.

Council Tax Reduction Scheme Options

Walsall Council needs to save £86m over the next four years. We now need to decide whether to reduce the level of council tax support we offer to low income households in 2017/18. If we continue to provide the same level of council tax support, as in the current scheme, extra money will have to be found by changing, reducing, or ceasing other important council services and / or by increasing fees and charges or increasing council tax.

The council is considering a number of possible options and changes which may see a reduction in the level of council tax support given to working age claimants from 1 April 2017. (Pensioners on low incomes are automatically protected and cannot be asked to pay more in council tax.)

1. **Which ONE of the following options do you prefer? Tick ONE only.**

- ◯ **Option A.** Retain the current council tax reduction level of 25%, meaning a maximum award of 75%.
- ◯ **Option B.** Reduce the level of council tax reduction by a further 5% (overall a 30% reduction) meaning claimants will have to pay more council tax. This option will raise £420,000, helping towards the overall cuts required.
- ◯ **Option C.** Reduce the level of council tax reduction by a further 10% (overall a 35% reduction) meaning claimants will have to pay more council tax. This option will raise £797,500, helping towards the overall cuts required.
- ◯ **Option D.** Reduce the level of council tax reduction by a further 15% (overall a 40% reduction) meaning claimants will have to pay more council tax. This option will raise £1,132,000, helping towards the overall cuts required.
- ◯ Don't know

2. **Why do you prefer the option you ticked in Question 1? Please write below.**

Other Changes

Other changes could also be made to the council tax reduction scheme which would mean some people would have to pay more. These other changes are;

- Remove income disregard for child benefit for 2nd and additional children. Currently all income from child benefit is ignored when calculating a person's council tax reduction

- Reduce the savings and other investments limit to £6,000. Currently a person with savings and other investments worth £16,000 do not qualify for council tax reduction

- Limit award to band C levels, This would mean the reduction awarded to people living in band D to H would be based on a band C charge

- Remove the reduction currently awarded under the second adult rebate scheme

If all four of these changes are introduced as part of the scheme, the extra income raised would be as follows:

Estimated amount raised by these other changes if they are adopted...			
Option A	Option B	Option C	Option D
£368,500	£335,000	£275,000	£215,000

**These amounts are in addition to those raised through changes to the overall level of support detailed in Q1.*

3. Do you think that the following changes should be introduced as part of the scheme? Tick ONE only for each row.

		Yes	No	Don't know
a)	Remove income disregard for child benefit for 2nd and additional children.....	◯	◯	◯
b)	Reduce the savings and other investments limit from £16,000 to £6,000.....	◯	◯	◯
c)	Limit award to band C levels.....	◯	◯	◯
d)	Remove the reduction currently awarded under second adult rebate scheme	◯	◯	◯

Protecting under 35s

In addition to any potential financial effect of changes to council tax reduction, single under 35 year old claimants have been more severely affected by the wider welfare reforms carried out by central government than any other group. Currently in Walsall there are approximately 4,500 single claimants aged under 35 who currently get a reduction in their council tax. In order to help minimise any further financial impact on this group, the council could choose to protect them from any reductions in council tax support. The table below shows the impact this may have on the amount of income raised:

	Amount raised if single under 35s are protected or not protected under the scheme			
	Option A	Option B	Option C	Option D
Protected	*Does not apply*	£290,000	£655,000	£945,000
Not protected		£420,000	£797,500	£1,132,000

4. If option B, C or D in Question 1 is adopted, do you think that council tax reduction claimants who are single and aged under 35 years should be protected from any further reductions in council tax support? i.e. not be required to pay any more in Council tax under the Council Tax reduction Scheme. Tick ONE only.

◯ Protect single under 35s ◯ Do not protect single under 35s ◯ Don't know

5. Why do you say this? Please write below,

6. Do you have any alternative suggestions for how Walsall's Council Tax Reduction Scheme could be amended or how savings could be made? Please tell us.

Changing tax for all households

Currently 16% of the council's income comes from Council Tax. Raising council tax for all households would generate additional funding which would be used to keep cuts to a minimum and help protect services. Any increase in council tax would also apply to those who receive council tax reduction.

7. How would paying a bit more council tax impact on you (e.g. £1 more a week)? Tick ONE only.

◯ Big impact ◯ Some impact ◯ No impact ◯ Don't know

8. Why do you say this? Please write below.

9. How much more council tax a year would you be willing to pay to help keep cuts to a minimum and protect services? Please write in the number as a % increase. (e.g. an 1% increase for a Band D property for 2016/17 would be £16.63 a year).

About you and your household

Some of the following questions may seem irrelevant to you, however this section is really important as it helps us to gain a better understanding of the views of different people and how they could be impacted by any changes. This information will remain confidential and will be used for analysis purposes only. Your personal information will not be published and individuals or households will not be identified in any part of the analysis or reporting process. These questions are voluntary.

10. Including yourself, how many adults aged 18 or over live at this address? Please write in the box on the right.

11. And how many children aged 17 or under live at this address? Please write in the box on the right.

12. How old are you? Please write in the box on the right.

13. Are you...? Tick ONE only.

- ◯ Male (Go to Question 15)
- ◯ Female (Go to Question 14)
- ◯ Prefer not to say (Go to Question 15)

14. Are you currently pregnant or providing care for a baby up to 26 weeks old? Tick ONE only.

- ◯ Yes
- ◯ No
- ◯ Prefer not to say

15. Is your gender identity the same as the gender you were assigned at birth? Tick ONE only.

- ◯ Yes
- ◯ No
- ◯ Prefer not to say

16. How would you describe your sexual orientation? Tick ONE only.

- ◯ Heterosexual
- ◯ Bisexual
- ◯ Gay man
- ◯ Gay woman
- ◯ Don't know
- ◯ Other (please specify below)
- ◯ Prefer not to say

Other (please specify below)

17. Are your day-to-day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months? Tick ONE only.

- ◯ Yes, limited a lot
- ◯ Yes, limited a little
- ◯ No
- ◯ Prefer not to say

18. What is your ethnic group? Tick ONE only.

- ◯ White: English/Welsh/Scottish/Northern Irish/British
- ◯ White: Irish
- ◯ White: Gypsy or Irish Traveller
- ◯ White: Other White
- ◯ Mixed: White and Black Caribbean
- ◯ Mixed: White and Black African
- ◯ Mixed: White and Asian
- ◯ Mixed: other Mixed
- ◯ Asian/Asian British: Indian
- ◯ Asian/Asian British: Pakistani
- ◯ Asian/Asian British: Bangladeshi
- ◯ Asian/Asian British: Chinese
- ◯ Asian/Asian British: Other Asian
- ◯ Black/Black British: African
- ◯ Black/Black British: Caribbean
- ◯ Black/Black British: Other Black
- ◯ Other ethnic group: Arab
- ◯ Other ethnic group (Please specify below)
- ◯ Prefer not to say

Other (please specify below)

19. What is your religion? Tick ONE only.

- ◯ No religion
- ◯ Christian (All denominations)
- ◯ Buddhist
- ◯ Hindu
- ◯ Jewish
- ◯ Muslim
- ◯ Sikh
- ◯ Other (please specify below)
- ◯ Prefer not to say

Other (please specify below)

20. Which of these activities best describes what you are doing at present? Tick ONE only.

- ◯ Employed working over 16 hours a week
- ◯ Employed working under 16 hours a week
- ◯ In full time education or training
- ◯ Unemployed and available for work (claiming out-of-work benefits)
- ◯ Unemployed and available for work (not claiming out-of-work benefits)
- ◯ Permanently sick/disabled
- ◯ Wholly retired from work
- ◯ Looking after the home
- ◯ Doing something else

21. What is your marital status? Tick ONE only.

- ◯ Single, that is, never married and never registered in a same-sex civil partnership
- ◯ Married
- ◯ Separated, but still legally married
- ◯ Divorced
- ◯ Widowed
- ◯ In a registered same-sex civil partnership
- ◯ Separated, but still legally in a same-sex civil partnership
- ◯ Formerly in a same-sex civil partnership which is now legally dissolved
- ◯ Surviving partner from a same-sex civil partnership
- ◯ Prefer not to say

Thank you for completing this questionnaire

Please return in the FREEPOST envelope provided by M·E·L Research

Appendix B: Demographic breakdown

	Claimants		Non Claimants	
	Frequency	Percentage	Frequency	Percentage
Gender				
Male	415	43%	692	59%
Female	547	57%	486	41%
Age				
16-24	35	4%	7	1%
25-34	140	15%	68	6%
35-44	183	19%	111	9%
45-54	278	30%	162	14%
55-59	145	15%	80	7%
60-64	127	13%	90	8%
65-74	19	2%	325	28%
75+	15	2%	327	28%
Disability				
Yes, limited a lot	356	40%	296	26%
Yes, limited a little	146	17%	284	25%
No	379	43%	546	48%
Work status				
Employed	206	23%	416	36%
Education	5	1%	2	0%
Unemployed	176	20%	24	2%
Sick / Disabled	363	41%	80	7%
Retired	39	4%	612	52%
Looking after the home	97	11%	35	3%
Ethnicity				
White	749	79%	1039	89%
BME	195	21%	128	11%
Council tax band				
Band A	774	79%	457	37%
Band B	154	16%	291	23%
Band C	34	3%	255	21%
Band D	18	2%	124	10%
Band E	4	0%	71	6%
band F	1	0%	36	3%

Band G	0	0%	9	1%
Band H	0	0%	0	0%

m·e·l research

Update for Cabinet: Council Tax Reduction (CTR) Scheme

Consultation Results Summary

Background

- There are 31,713 CTR claimants in total
  - 13,581 are pensioners and are protected in full from any changes
  - 18,132 will be affected by any overall change to the scheme
  - 988 would be additionally protected (at current rate of 25%) if the protection for single under 35 was introduced
  - 6,157 would be affected if the child benefit disregard was removed
  - 300 would be affected by the reduced capital limit (moving from £16,000 to £6,000)
  - 373 would be affected by the Band C limit being introduced
  - 182 would be affected by the removal of second adult rebate

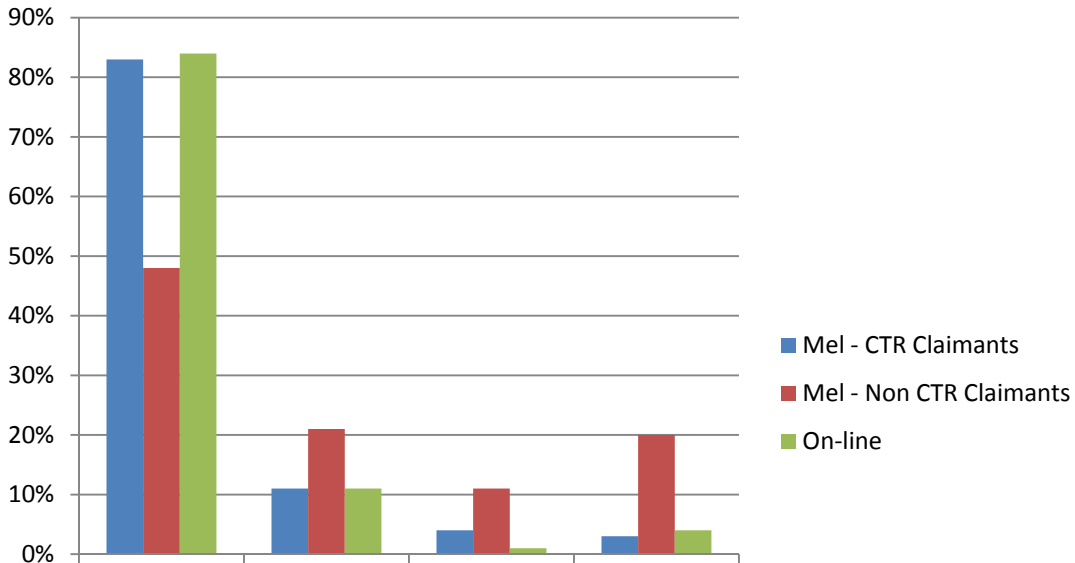
Two key consultation exercises:

- On-line
  - 216 completed of which 92% currently receive CTR
- Postal questionnaires delivered by M·E·L Research Ltd for the Council:
  - 5,000 letters to random sample of working age CTR claimants and
  - 5,000 letters to random sample of all other council tax payers (including non-working age).
  - 2315 returns in total

Questions

1 The overall reduction in the level of award for CTR in 2017

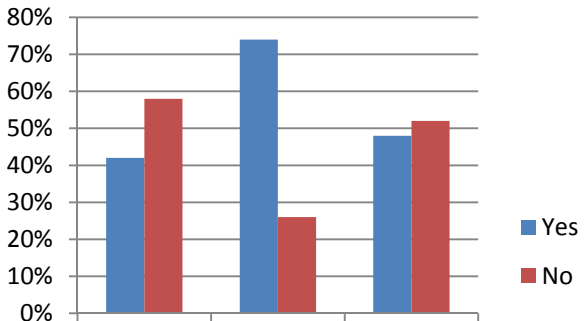
- Option A - Stay the Same at 25%
- Option B – Extra 5% reduction (30% overall)
- Option C – Extra 10% reduction (35% overall)
- Option D – Extra 15% reduction (40% overall)



	Stay the Same	Extra 5% cut (overall 30%)	Extra 10% cut (overall 35%)	Extra 15% cut (overall 40%)
Mel - CTR Claimants	83%	11%	4%	3%
Mel - Non CTR Claimants	48%	21%	11%	20%
On-line	84%	11%	1%	4%

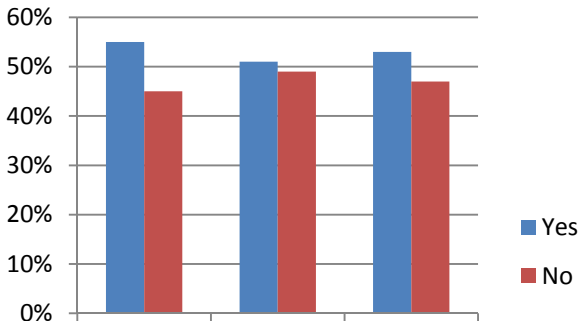
2 Should other changes to the CTR scheme be introduced?

Removal of disregard for child benefit for 2nd and subsequent children



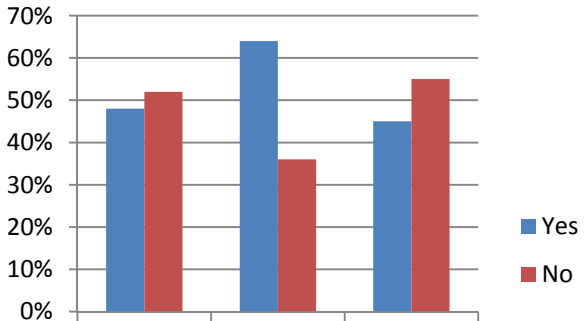
	Mel - CTR Claimants	Mel - Non CTR Claimants	On-line
Yes	42%	74%	48%
No	58%	26%	52%

Introduce a capital limit of £6,000



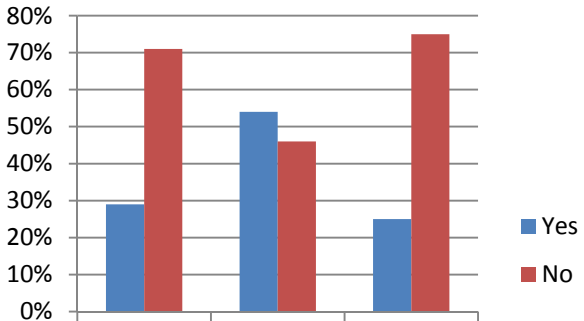
	Mel - CTR Claimants	Mel - Non CTR Claimants	On-line
Yes	55%	51%	53%
No	45%	49%	47%

Limit CTR awards to Band C level



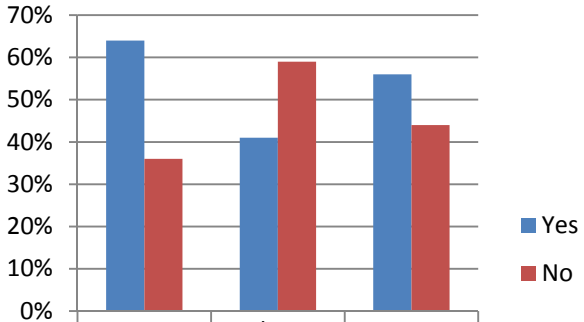
	Mel - CTR Claimants	Mel - Non CTR Claimants	On-line
Yes	48%	64%	45%
No	52%	36%	55%

Remove Second Adult Rebate



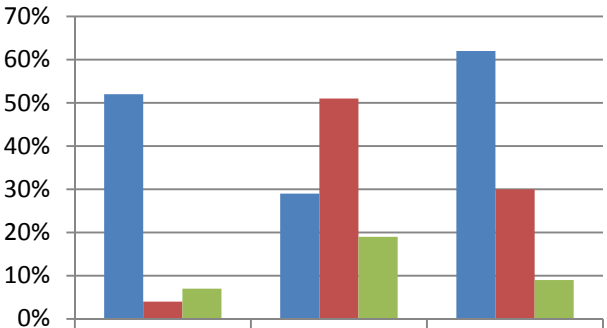
	Mel - CTR Claimants	Mel - Non CTR Claimants	On-line
Yes	29%	54%	25%
No	71%	46%	75%

3 Should single under 35 claimants be protected to the current award levels?



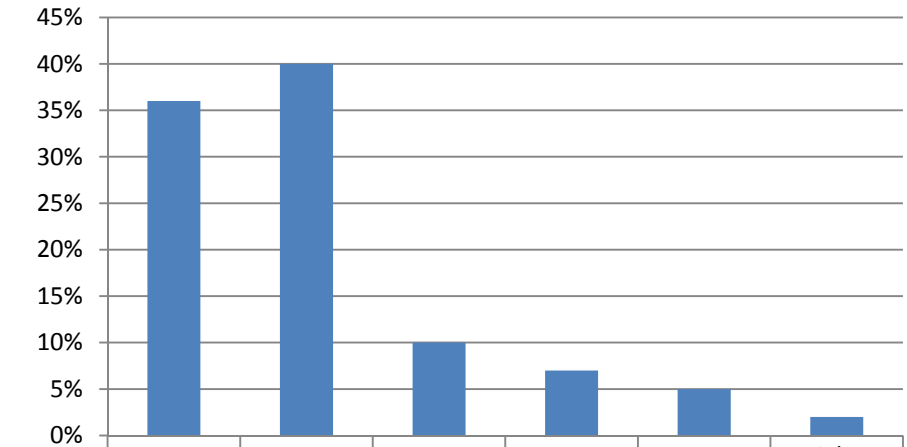
	Mel - CTR Claimants	Mel - Non CTR Claimants	On-line
Yes	64%	41%	56%
No	36%	59%	44%

4 If council tax was increased (for example £1 per week) instead of amending the CTR scheme, what effect would that have?



	Mel - CTR Claimants	Mel - Non CTR Claimants	On-line
Big Impact	52%	29%	62%
Some Impact	4%	51%	30%
No Impact	7%	19%	9%

5 What % increase in Council Tax would you accept to keep other cuts to a minimum?



	None	1% or less	1% to 2%	2% to 4%	5%	Higher than 5%
Increase	36%	40%	10%	7%	5%	2%

Produced by Mark Fearn IRRV (Hons)
Project Lead, Change and Governance