

# **CABINET**

### **Agenda**

TUESDAY, 4 DECEMBER 2012 at 5.30pm

in the

Committee Suite King's Court Chapel Street King's Lynn PE30 1EX



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# Borough Council of King's Lynn & West Norfolk

King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX

Telephone: 01553 616200

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#### **CABINET AGENDA**

DATE: CABINET – TUESDAY, 4 DECEMBER 2012

VENUE: COMMITTEE SUITE, KING'S COURT, CHAPEL

STREET, KING'S LYNN

TIME: 5.30 pm

This agenda gives notice of items to be considered in private as required by Regulations 5 (4) and (5) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

#### 1. MINUTES

To approve the Minutes of the Meeting held on 30 October 2012.

#### 2. APOLOGIES

To receive apologies for absence.

#### 3. URGENT BUSINESS

To consider any business, which by reason of special circumstances, the Chairman proposes to accept, under Section 100(b)(4)(b) of the Local Government Act 1972.

#### 4. DECLARATION OF INTEREST

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not already declared on the Register of

Interests) and the agenda item to which it relates. If a disclosable pecuniary interest is declared, the member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on an item or simply observing the meeting from the public seating area.

#### 5. CHAIRMAN'S CORRESPONDENCE

To receive any Chairman's correspondence.

#### 6. MEMBERS PRESENT PURSUANT TO STANDING ORDER 34

To note the names of any Councillors who wish to address the meeting under Standing Order 34.

#### 7. CALLED IN MATTERS

To report on any Cabinet decisions called in.

#### 8. FORWARD DECISIONS LIST

A copy of the Forward Decisions List is attached (Page 5)

# 9. <u>MATTERS REFERRED TO CABINET FROM OTHER COUNCIL BODIES</u>

To receive any comments and recommendations from other Council bodies some of which meet after the dispatch of this agenda. Copies of any comments made will be circulated as soon as they are available.

- Resources and Performance Panel and Audit Committee
   –27 November 2012
- Regeneration, Community and Environment Panel 28 November 2012

#### 10. REPORTS

#### 1) LOCAL COUNCIL TAX SUPPORT SCHEME (PAGE 8)

The Welfare Reform Act 2012 abolishes the current system of Council Tax Benefit (CTB) on 31 March 2013. The Local Government Finance Act 2012 then introduces a statutory requirement for Billing Authorities to devise their own local schemes for Council Tax Support (CTS) for those in their area on low incomes. The new schemes start from 1 April 2013. The report summarises the draft scheme for CTS, responses to the

consultation and makes recommendations for the final CTS scheme for Year 1 (2013/2014).

# 2) COMMUNITY INFRASTRUCTURE LEVY – EARLY STAGE CONSULTATION ON METHODOLOGY FOR VIABILITY ASSESSMENT (PAGE 76)

Officers are engaged in the collection of the background material necessary for a Community Infrastructure Levy (CIL). Consultants are preparing a viability assessment to inform Members future decisions on the level of CIL charges. There is a need to undertake consultation with interested parties as part of the viability work to inform the process.

#### **EXCLUSION OF PUBLIC**

The Cabinet is asked to consider excluding the public from the meeting under section 100A of the Local Government Act 1972 for consideration of the items below on the grounds that they involve the likely disclosure of exempt information as defined by Paragraphs 1 & 3 of Part 1 of Schedule 12A to the Act, and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

#### **PRIVATE ITEMS**

Details of any representations received by the Executive about why any of the following reports should be considered in public – none received

- 3) KING'S LYNN ENTERPRISE AND INNOVATION CENTRE (PAGE 80)
- 4) ASSET MANAGEMENT- DOWNHAM MARKET- POTENTIAL SALE OF LAND (PAGE 92)
- 5) COST REDUCTION PROGRAMME APPLICATION FOR EARLY RETIREMENT (PAGE 100)

To: Members of the Cabinet Councillors N J Daubney (Chairman), A Beales, Lord Howard, A Lawrence, B Long, Mrs E A Nockolds, D Pope and Mrs V Spikings.

Cabinet Scrutiny Committee

For further information, please contact:

Samantha Winter
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Borough Council of King's Lynn & West Norfolk

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#### **FORWARD DECISIONS LIST**

Date of meeting	Report title	Description of report	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
4 December 2012	King's Lynn Enterprise and Innovation Centre (KLIC)	Report on the provision of a new KLIC	Key	Council	Regeneration Exec Dir Regen and Planning		Private - Contains exempt Information under para 3 — information relating to the business affairs of any person (including the authority)
	Asset Management - Downham Market - Potential Sale of Land	Report on the sale of land	Non	Cabinet	Regeneration Dep Chief Exec		Private - Contains exempt Information under para 3 — information relating to the business affairs of any person (including the authority) a third
	Local Council Tax Support Scheme – end of consultation period	Outcome of consultation process on the proposed new Local Council Tax Support Scheme	Key	Council	Leader Deputy Chief Executive		Public
	Cost Reduction Programme  – Application for early retirement	Application for early retirement		Council	Leader Chief Executive		Private - Contains exempt Information under para 1 – information relating to any individual.

	Community Infrastructure	Report seeking	Non	Cabinet	Development	Public
L	_evy	authority to carry			Exec Dir Regen and	
	-	out consultation			Development	

Date of meeting	Report title	Description of report	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
8 January 2013	Staff Pay Settlement 2013/14		Key	Cabinet	Leader Exec Dir Central Services		Public
	Timetable of meetings 2013/14	Seeking approval for the timetable of meetings	Non	Cabinet	Leader Exec Dir Central Services	Previous timetables	Public
	Review of Capital Programme		Key	Council	Leader Deputy Chief Executive		Public
	Social Housing Allocation Policy Review	Review of policy	Key	Council	Community Exec Dir Environmental Health & Housing		Public
	Holiday Caravan Sites/Touring Caravan Sites/Residential Caravan Sites – Licensing Procedures & Standard Conditions	Review of the Policies and procedures	Non	Council	Community Exec Dir Environmental Health & Housing		Public
	Council Tax Technical Reforms to exemptions and Discounts for empty properties and second homes.	Technical changes to the schemes.	Key	Council	Leader Deputy Chief Executive		Public
	Budget 2012/2013 – Monitoring (background papers)		Key	Council	Leader Deputy Chief Executive	Financial Plan 2011-2015 and monthly monitoring reports issued to members April to October 2012	Public
	CNC / Norse Joint Venture	Building Control	Non	Cabinet	Development		Private

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services	Exec Director Regeneration	
	and Environment	

Date of meeting	Report title	Description of report	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
5 February 2012	Local Authority Leisure Trust  – Project Plan and Follow Up report	Update on discussions re Leisure Trust	Key	Cabinet	Leader/ Assets Chief Executive		Public
	Budget		Key	Council	Leader Deputy Chief Executive		Public
	Materials Recycling Facility (MURF) Contract	Report on the outcome of the of the MURF contract negotiations	Key	Cabinet	Dep Leader Exec Dir Leisure and Public Space		Private - Contains exempt Information under para 3 — information relating to the business affairs of any person (including the authority) a third

#### REPORT TO CABINET

Open/ <del>Exempt</del>		Would a	Would any decisions proposed :				
Any especially	Mandatory/			ninet's powers to deci	de <del>YES</del> /NO YES/ <del>NO</del>		
affected Wards	Discretionary /	(b) Nee	ed to be recomme	indations to Council	TES/ <del>NO</del>		
				endations to Council	<del>YES</del> /NO		
	<del>Operational</del>	and par	tly within Cabinet	s powers –			
Lead Member: C	Ilr Nick Daubney	1	Other Cabinet	Members consulted	:		
E-mail: cllr.nick.da	aubney@west-						
norfolk.gov.uk			Other Members consulted:				
			R&P Panel				
Lead Officer: Jo	anne Stanton, Re	venues Other Officers consulted:					
and Benefits Man	ager		Ray Harding				
E-mail: joanne.sta	anton@west-		David Thomason				
norfolk.gov.uk							
Direct Dial:01553	616349						
Financial	Policy/Personi	nel Sta	atutory	Equal Impact	Risk Management		
Implications	Implications	lm	plications	Assessment	Implications		
YES <del>/NO</del>	<del>YES</del> /NO	YE	S/ <del>NO</del>	YES/ <del>NO</del>	YES/ <del>NO</del>		
				If YES: <del>Pre-</del>			
				screening/ Full			
				Assessment			

Date of Meeting: 4 December 2012

#### 1 LOCAL COUNCIL TAX SUPPORT SCHEME

#### Summary

The Welfare Reform Act 2012 abolishes the current system of Council Tax Benefit (CTB) on 31 March 2013. The Local Government Finance Act 2012 then introduces a statutory requirement for Billing Authorities to devise their own local schemes for Council Tax Support (CTS) for those in their area on low incomes. The new schemes start from 1 April 2013.

To reduce the Welfare bill by over £450million the Government have cut the funding for CTS by 10 per cent compared to estimated CTB expenditure for 2013/2014. Billing Authorities must decide how to manage this reduction in income and distribute the funds available between its residents. The Government have also set certain other parameters around the scheme to be taken into consideration.

Local schemes for CTS for Year 1 (2013/2014) must be agreed by the Council and be in place by 31 January 2013. The Council agreed a draft CTS scheme for consultation on 21 August 2012 and consulted between 23 August 2012 and 18 October 2012.

This report summarises the draft scheme for CTS, responses to the consultation and makes recommendations for the final CTS scheme for Year 1 (2013/2014). The full Equality Impact Assessment is also included.

This report should be read in conjunction with the Cabinet Report of 21 August 2012.

#### Recommendations – Members are asked to:

#### 1. Agree:

- 1.1. The existing scheme of Council Tax Benefit is adopted as the full Council Tax Support scheme for 2013/2014
- 1.2. The draft Council Tax Support scheme outlined in this report is adopted for 2014/2015 subject to the addition of those in receipt of Carers Allowance being treated as a protected group in addition to those previously specified
- 1.3. To claim the Transitional Grant announced by the Department of Communities and Local Government in October 2012
- 1.4. To use £85,000 of the additional income raised through Technical Changes to Council Tax to meet the funding shortfall for CTS in 2013/2014
- 2. Consider the Notice of Motion proposed at the Council meeting of 27 September 2012; however the proposal to retain the existing scheme for 2013/2014 will overcome the issued raised in the notice of Motion for this period.

#### **Reason for Decision**

The existing scheme of CTB will end on 31 March 2013 and the Council must have a replacement scheme of CTS agreed by 31 January 2013.

#### 1. INTRODUCTION

- 1.1 People in receipt of welfare benefits and those on low incomes currently receive help with their Council Tax bill in the form of Council Tax Benefit (CTB). CTB is a national scheme administered locally by Local Authorities on behalf of the Department for Work and Pensions (DWP), is means tested and eligibility rules are common throughout England. The cost of CTB is funded by the DWP.
- 1.2 The Welfare Reform Act 2012 legislates for the abolition of CTB on 1 April 2013. The Local Government Finance Act 2012 introduces a replacement in the form of Local Support for Council Tax (CTS).
- 1.3 Each Billing Authority must design and consult on its own CTS Scheme. Full Council must then approve the final CTS scheme before 31 January 2013. Billing and Precepting Authorities will receive a fixed grant at the start of the year from Government to fund their CTS schemes instead of CTB Subsidy from the DWP.
- 1.4 To realise over £450million of savings on the national welfare bill the total fixed grant available for CTS schemes will be based on the estimated CTB expenditure for each Billing Authority for 2013/2014, less 10 per cent. As the Government predict CTB caseloads will start to fall the reduction in real terms is likely to be greater than 10 per cent.
- 1.5 Councils will then have to decide how to manage the reduction in their funding whilst continuing to assist those on low incomes with their Council Tax costs. The Cabinet Report of 21 August 2012 explored these options and Members agreed to a draft CTS scheme that falls within the reduced grant.
- 1.6 CTS applies to Working Age claims only. The Government have stated Pension Age claims must remain unaffected and will see no change in their level of support. Councils must also seek to protect vulnerable groups and promote incentives to work. Localisation of Council Tax support is also part of a wider set of reforms of the welfare system, including the introduction of Universal Credit, and reflects the Government's aims of:
  - Improving the incentives to work, and
  - Ensuring resources are used more effectively,
  - So reducing worklessness, and
  - Ending a culture of benefit dependency

#### 2. PROGRESS TO DATE

#### 2.1 Timetable

2.1.1 The timescales for approving a CTS scheme are extremely challenging and the timetable for implementation of CTS is shown below. However the project is on track with the items in italics still to be completed:

DCLG consultation issued	October 2011
DCLG response to consultation responses	December 2011
DCLG Policy Statements of Intent	May 2012
Potential Scheme modelling	June / July 2012
DCLG Draft Regulations	July 2012
Provisional Grant allocations published	July 2012
Consultation with Major Preceptors	July 2012
Equalities Impact Assessment	July / August 2012
Cabinet Report deadline	3 August 2012
Cabinet for approval of Draft Scheme for consultation	21 August 2012
Consultation with affected groups (8 weeks)	23 August 2012 – 18 October 2012
Local Government Finance Bill - Royal Assent	31 October 2012
Regulations laid	November 2012?
Actual Grant allocations published	December 2012
Cabinet for consultation responses and approval of full scheme	4 December 2012
Full Council for final approval	24 January 2013
Deadline for CTS Scheme to be in place	31 January 2013

#### 2.2 Cabinet Report 21 August 2012

2.2.1 The Cabinet Report of 21 August 2012 contains the full details of the Draft Scheme used in the consultation process including the options considered and the financial impacts and should be read in conjunction with this report.

#### 2.3 Draft CTS Model

2.3.1 At the Cabinet meeting of 21 August 2012 Members agreed that Model B would be the draft CTS scheme taken to public consultation. Model B is a scheme that reflects the current needs assessment within CTB but makes an equal cut to everyone apart from those in a protected group.

- 2.3.2 The principles of Model B are:
  - Pensioners are protected and see no change in their level of support
  - People entitled to a Disability Premium as part of their needs calculation for CTB are protected from any reduction in support
  - Households with at least one child under 5 are protected from any reduction in support
  - War Pensions will continue to be disregarded in full when calculating income
  - Child Benefit and Child Maintenance are no longer disregarded and are included as income in the needs calculation
  - The maximum amount of capital that can be held is reduced from £16,000 for CTB to £6,000 for CTS
  - Every adult in the household contributes towards the Council Tax by applying a weekly £10 deduction for each non-dependent
  - CTS for those not in a protected group will be limited to 75 per cent of their weekly entitlement
  - Work is encouraged by allowing those in work to keep an extra £10 a week of their earnings
- 2.3.3 For simplification minor changes will also be made to the treatment of income for the self- employed and the little used Second adult Rebate will be removed.
- 2.3.4 A Hardship Fund will be set up to assist anyone who has been affected by the changes and who is vulnerable or in severe financial difficulties.

#### 2.4 Consultation Process

- 2.4.1 The Council must take the following steps before finalising the CTS Scheme:
  - Consult with Major Precepting Authorities, then
  - > Publish a draft scheme, then
  - Consult with other people likely to have an interest in the scheme
- 2.4.2 The Local Government Finance Act 2012 states a Billing Authority must consult on its CTS Scheme with any authority with the power to issue a precept to it, with all interested parties and any with affected group in its area.
- 2.4.3 Norfolk County Council and Norfolk Police Authority both sat on the Norfolk-wide working group for CTS and have also been individually approached. Both have indicated they will accept a CTS Scheme that falls within budget.

2.4.4 The draft CTS scheme was approved by Members on 21 August 2012 and went out to an eight week public consultation. The full report on the consultation responses is included at **Appendix A**.

#### 2.5 Equalities Impact Assessment

2.5.1 A full Equalities Impact Assessment has been completed and is included along with the Pre-Screening Form at **Appendix B**.

#### 3 FUNDING

- 3.1 In 2011/2012 the Borough Council of King's Lynn & West Norfolk received £11,193,120 in Benefit Subsidy for its 13,550 CTB claims.
- 3.2 Provisional CTS grant allocations have been published and the Council has a shortfall of over 10 per cent at £1,133,508. Pension Age claims account for 53 per cent of the caseload so the cut required increases from 10 per cent and becomes over 23 per cent for Working Age customers. As Members agreed to a draft CTS scheme that falls within the reduced funding level, after protecting Pension Age claims and accounting for the CTB not met through Subsidy the Council has an estimated balance of £3,776,819 to spend on CTS for Working Age claimants.
- 3.3 CTS will be treated as a discount and as with other Council Tax discounts it will affect the Council Taxbase. The funding from DCLG will be needed to offset this reduction. Full grant allocations will not be published until later in the year.

# 4 GOVERNMENT INITIATIVE – CAPPED SCHEME AND TRANSITIONAL GRANT

- **4.1** On 13 October 2012 Government announced an additional £100million will be made available as a transitional grant for 2013/2014 to Councils implementing a CTS scheme meeting the following criteria:
  - Those who would be on 100% support under current council tax benefit arrangements pay between zero and no more than 8.5% of their council tax liability;
  - The taper rate does not increase above 25%; and
  - There is no sharp reduction in support for those entering work for claimants currently entitled to less than 100% support, the
    taper will be applied to an amount at least equal to their
    maximum eligible award.
- 4.2 If the Council agrees a CTS scheme that meets these criteria a one off grant of £28,178 would be received in addition to the funding noted above (£825,000 provisional figure for 2013/2014). However the net shortfall for the Council would still be approximately £85,000.

- 4.3 As a consequence of agreeing to a 'capped scheme' eligible for the transitional grant Norfolk County Council and Norfolk Police Authority will also receive a fixed grant of £208,198 and £35,804 respectively as the cost of the CTS scheme is shared in proportion to the Council Tax levies. They they will also be required to meet their residual funding shortfall.
- 4.4 The Council must apply for the grant on behalf of Norfolk County Council and Norfolk Police Authority. Applications for the grant can only be made between 31 January 2013 and 15 February 2013. Payments will be made in March 2013.
- 4.5 The Council has already received a one off grant of £86,000 from Government towards the cost of implementing the CTS scheme. This will be used towards the cost of the new software (£65,000 one off cost plus £7,000 a year support costs) and the balance towards pro-active activities.

# 5. ACTIONS RESULTING FROM THE CONSULTATION AND EQUALITIES IMPACT ASSESSMENT

- 5.1 Both the Consultation responses and the Equalities Impact Assessment (EIA) confirmed the importance of protecting certain vulnerable groups from the impact of any cuts. The full reports are shown at **Appendix A** and **Appendix B**.
- 5.2 Both also highlighted the need to consider including Carers as a protected group as they provide an invaluable service to those they care for. Due to this responsibility are also often unable to increase their income by working more hours.

#### 5.3 Recommendation: Members are asked to:

Agree that those in receipt of Carer's Allowance are a Protected Group for the purpose of the new CTS scheme from 2014/2015.

#### 6. FULL COUNCIL TAX SUPPORT SCHEME FOR 2013/2014

- 6.1 The Council must now consider the position it will take in adopting a local CTS scheme. The Government, through its additional funding, is providing for a longer period of transition to a new local scheme. However, at some stage, unless the County Council, Police Authority and Borough Council can between them cover the loss of £1.1m of reduced grant, then a new local scheme must come into force.
- 6.2 It is proposed that the Council takes advantage of the Government's transitional grant for 2013/2014 and maintains support for council tax at the current benefit payments levels throughout 2013/2014 without making any reductions. If the Council were to adopt the proposed cap on reductions of 8.5% then it would bring about the production of very small Council Tax bills of around £85 a year which brings with it

- difficulties in collecting lots of smaller amounts. The cost of administering such debt would outweigh the income gained.
- 6.3 However, it is also proposed that the local CTS scheme that has undergone the consultation exercise, including the proposed amendment for Carers Allowances, in adopted by Council and comes into force in April 2014 for the 2014/2015 financial year.
- 6.4 Recommendation: Members are asked to:
- 6.5 Agree that the existing scheme of Council Tax Benefit is adopted as the full Council Tax Support scheme for 2013/2014 with the same level of spend. No customer will see a change in the amount of help they receive with their Council Tax bill in 2013/2014.
- 6.6 Agree to claim the Government's transitional grant of £28,187 as the CTS scheme now falls within the requirements
- 6.7 Agree that the draft Council Tax Support Scheme outlined in this report and the Cabinet Report of 21 August 2012 is adopted as the CTS scheme for 2014/2015, subject to the addition of those in receipt of Carers Allowance being treated as a protected group in addition to those previously specified.

#### 7 FUTURE YEARS

- 7.6 The draft regulations state Councils must ratify their scheme each year and cannot make in year revisions to their CTS Scheme. Councils are free to change their schemes between years and may make transitional provisions for annual changes to the level of support.
- 7.7 A more fundamental review of how support for Council Tax is given to those on low incomes in future years will be conducted.

#### 8 FINANCIAL IMPLICATIONS

- 8.6 As the funding for CTS is fixed, increases in demand on the CTS scheme during the year may result in an overspend. This would have to be met by the Council and would be drawn from balances or reserves.
- 8.7 Failure to collect the additional amounts due will have an adverse effect on the Council's In Year Collection Rates. The additional amount to be collected in Council Tax as a result of the reduction in budget equates to 1.66 per cent of the overall Council Tax to be collected. The assumed collection rate used to calculate the Taxbase will be reviewed before the final budget for 2013/2014 is set.
- 8.8 A Hardship Fund has been agreed to assist with any cases of severe Hardship or to mitigate the impact on vulnerable groups. The Fund will

be financed from additional income raised through Council Tax Technical Reforms.

- 8.9 If the Council takes advantage of the additional funding from Government and accepts the proposal that the CTS scheme for 2013/2014 is one that fully replicates the existing CTB scheme with the same level of spend then the overall shortfall for the Borough due to the reduction in funding is £1.13million of which the Council would have to find £113,000 (the balance being met by the precepting authorities). The additional grant of £28,178 leaves a shortfall of nearly £85,000.
- 8.10 Members will be considering the setting of the new council tax base for budget purposes at the January 2013 Council. This council tax base will include the impact of proposed changes to the level of council tax charged to certain properties. It is likely that there will be agreement at county level by all authorities that the changes be adopted across Norfolk. For example, the current reduction in council tax given to second homes will be reduced and a higher charge levied. A paper giving full details of the proposals will come to the 8 January 2013 Cabinet. Current estimates are that additional income to the Council from council tax amounting to £114,000 could be raised in 2013/2014 through these 'Technical' changes to Council Tax discounts and exemptions. If approved by Council it is proposed that £85,000 of this additional income is used to make up the funding shortfall for the CTS scheme in Year 1.
- 8.11 Recommendation: Members are asked to agree to meet the costs of £85,000 of the funding shortfall for CTS in 2013/2014 from income raised through Technical Changes to Council Tax in that year

#### 9. NOTICE OF MOTION FROM COUNCIL

- 9.1 At the Council Meeting of Thursday 27 September 2012 Council were asked to consider the following Notice of Motion, proposed by Councillor J Collop and seconded by Councillor G Howman:
- 9.2 "This Council notes that the combined effect of the 10 per cent cut and the requirement to protect vulnerable pensioners equates to an average 23 per cent cut in support for working-age claimants in West Norfolk and, if this council is unable to find savings elsewhere and pass on the cuts to Council Tax Benefit claimants, it is inevitable that the poorest will be hit; This Council believes that the advantages of localisation seem to be strongly outweighed by the disadvantages and struggles to think of reasons why the government's original plan to integrate Council Tax Benefit into Universal Credit was inferior to what is now being proposed.

This Council believes that the decision to require this council to not only make these cuts but also to have to decide the criteria for implementation will hit the most vulnerable of our citizens of working

age, in both urban and rural parts of West Norfolk, and create inevitable anomalies between neighbouring local councils that will create a feeling of unfairness in the wider Norfolk Communities.

We urge the Coalition government to think again and to listen to the voice of local councils."

- 9.3 In proposing the Notice of Motion, Councillor Collop made reference to the cost to the Council of the proposals made by the Coalition Government. The scheme would require the collection of small amounts from low income households, which would prove difficult, therefore bringing down the Council's good level of recovery rates. He drew attention to the concerns of the LGA on the matter and commented that the Motion had received cross party support elsewhere.
- 9.4 Councillor Daubney proposed that under Standing Order 14.6 the matter be referred to Cabinet for consideration, seconded by Councillor Long.
- 9.5 Recommendation: Members consider the Notice of Motion proposed at the Council meeting of 27 September 2012 however the proposal to retain the existing scheme for 2013/14 will overcome the issues raised in the Notice of Motion for this period.

#### 10. RISKS

- 10.1 The funding of the scheme remains the responsibility of the Council and any changes in demand could represent a significant risk.
- 10.2 There is a risk that any local scheme will be subject to a legal challenge by equal rights groups. The Equality Impact Assessment (Appendix B) has been completed to ensure the Council is fully compliant with its Equality duties.
- 10.3 As help with Council Tax is no longer a 'benefit' there is a risk take up will increase as some of the stigma is removed. This would place even more pressure on the limited funds available and any overspend would have to be met by the Council.
- 10.4 Every Billing Authority has to devise its own CTS Scheme creating a 'postcode lottery' as there are bound to be variations between different areas. Councils with schemes which are more attractive to certain groups may find people move to their area from areas with less generous schemes increasing take up on their CTS Scheme.

#### 11. STATUTORY IMPLICATIONS

11.1 CTB will be abolished from 1 April 2013 and Billing Authorities must develop and agree a CTS Scheme by 31 January 2013 to be implemented from 1 April 2013. Failure to develop a CTS scheme

- results in the Default CTS Scheme being imposed by Government. The Default Scheme mirrors the old CTB scheme with the same level of awards of support but still with the reduced funding.
- 11.2 Any Billing Authority subject to the default CTS scheme must ensure it has the resource to meet the shortfall in funding due the 10 per cent reduction.
- 11.3 A Prescribed Scheme for Pension Age claimants will be developed by Government to ensure they continue to receive the same level of support as under the existing CTB Scheme.

#### LOCAL COUNCIL TAX SUPPORT SCHEME: CONSULTATION RESPONSES - App A

#### **SECTION 1: INTRODUCTION**

From April 2013 the Government are abolishing the national scheme of Council Tax Benefit (CTB) and replacing it with provision for locally devised schemes for Council Tax Support (CTS).

Billing Authorities must each devise their own CTS scheme to assist residents in their area on low incomes with the cost of their Council Tax. Funding will still be provided by Central Government but only at 90 per cent of the estimated future cost of CTB so Billing Authorities must decide how to manage this reduction in income and distribute the funds available between its residents. The Government have also set certain other parameters around the scheme to be taken into consideration.

Local schemes for CTS for Year 1 (2013/2014) must be agreed by Members and be in place by 31 January 2013. The Council must consult on a draft CTS scheme before deciding the final scheme.

This paper details the consultation undertaken across the Borough, summarises the responses received and makes recommendations for further actions.

#### **SECTION 2: SUMMARY OF THE DRAFT CTS SCHEME**

At the Cabinet meeting on 21 August 2012 Members agreed a draft CTS scheme for 2013/2014 that falls within the reduced funding level. The draft scheme mirrors the needs and income calculation used for CTB and has seven key principles:

- **Principle 1** All working age claimants should pay a minimum of 25% of their council tax
- **Principle 2** Protect claimants with at least one child under 5 from the 25% minimum contribution
- **Principle 3** Reduce the savings cut-off limit to £6,000 from the current £16,000
- Principle 4 Child benefit and child maintenance should be included as income
- **Principle 5** Make a £10 deduction for all non-dependent adults living in the property, regardless of their income
- **Principle 6** Increase the amount of disregarded income for claimants who are in work by £10, meaning they get to keep more of their earnings and are better off in work than not working
- **Principle 7** Customers classed as disabled should be protected from the changes

Full details of the draft CTS scheme can be found in the 21 August 2012 Cabinet Report.

#### **SECTION 3: CONSULTATION ACTIVITIES**

Cabinet Members agreed to an eight week consultation period to allow local residents and interested parties the opportunity to review and comment on the draft CTS scheme.

The consultation opened on 23 August 2012 and closed on 18 October 2012.

A number of different approaches were taken to contact local residents and interested parties. The tables below show the Stakeholder Analysis and Consultation Activities, dates and contact methods.

#### Stakeholder Analysis

				Co	ntact M	lethod		
Stakeholder	Contact			Press	Web	Social	Drop In	
Name	Date	Letter*	Email	Release	site	Media	Session	Briefing
NCC	15/08/2012		$\sqrt{}$					
NPA	15/08/2012		$\sqrt{}$					
Council Tax	w/c							
Benefit Recipients	10/09/2012			$\sqrt{}$			$\sqrt{}$	
	23/08/2012							
Council Tax	to				,	,		
Payers	18/10/2012				V	√	√	
	23/08/2012							
O I D Is i' -	to			. 1	.1	.1	. 1	
General Public	18/10/2012			√	V	√	ν	
WN Disability Forum	12/09/2012							
		.1					.1	V
CAB	31/08/2012	√ ,					√ /	
MIND	31/08/2012	√					V	
FCH (inc Credit Union)	31/08/2012	$\sqrt{}$					$\sqrt{}$	
Broadland HA	31/08/2012	$\sqrt{}$					$\sqrt{}$	
Hyde Minster	31/08/2012	V					V	
St Matthews (Genesis) HA	31/08/2012	<b>√</b>					V	
Flagship	31/08/2012	√ √					√ √	
Longhurst HA	31/08/2012	<b>√</b>					7	
Wherry	31/08/2012	<b>√</b>					√ √	
Progress Care HA	31/08/2012	<b>√</b>					V	
Shelter	31/08/2012	<b>√</b>					<b>√</b>	
KLARs	31/08/2012	√ √					V	
Stonham	31/08/2012	√					√ V	
Purfleet Trust	31/08/2012	√					√ V	
Julian Housing	31/08/2012	√					V	

Housing Team	30/08/2012						$\sqrt{}$
Revs & Benefits	30/08/2012					$\checkmark$	$\sqrt{}$
NNDC	30/08/2012						$\sqrt{}$
All Council staff	30/08/2012		$\sqrt{}$				
WNVCA	31/08/2012	$\checkmark$		$\sqrt{}$		$\checkmark$	
Members(via							
Bulletin)	24/08/2012			$\sqrt{}$			

\*letter to direct stakeholder to online consultation or to request paper copy if no online access Consultation Drop In Sessions to be held:

11/09/2012 King's Lynn 08/10/2012 Hunstanton

10/10/2012 Downham Market

11/10/2012 King's Lynn

#### **Consultation Activities**

Date	Activity
15/08/2012	Letter to NCC
15/08/2012	Letter to NPA
23/08/2012	Consultation launched
23/08/2012	Website live- ongoing advert on front page
24/08/2012	Press Release
30/08/2012	Global email to all staff
31/08/2012	Email to NPA with website
31/08/2012	Email to NCC with website
31/08/2012	Letters to Stakeholders
31/08/2012	Message on Twitter page
04/09/2012	Flyer to CTB recipients with Bills and Benefit Letters
07/09/2012	EIA emailed to NCC
11/09/2012	Drop in session King's Lynn
12/09/2012	Presentation to West Norfolk Disability Forum
01/10/2012	Letter to all CTB recipients (13700)
08/10/2012	Drop In session Downham Market
10/10/2012	Drop In Session Hunstanton
11/10/2012	Drop in session King's Lynn
12/10/2012	Press Release re end of consultation
18/10/2012	Consultation closes

#### **SECTION 4: CONSULTATION RESPONSES**

Full details of all the consultation responses are included in Section 6. The comments and responses by common themes are summarised below.

#### 'About You'

101 people completed the consultation questionnaire. An analysis of respondents who answered the questions in the 'About You' section shows:

- > 92 were individuals and there was only one response from an organisation
- ➤ There was a fairly even split between the genders with 39 male and 42 female respondents
- ➤ The most respondents came from the age 61+ age group and there were no responses from anyone aged under 25
- 21 people who responded are of pension age so are unaffected by the changes
- 51 people who responded pay Council Tax and 72 receive Council Tax Benefit
- > 28 respondents have parenting responsibilities

In addition seven letters were received in response to the consultation. Six of these came from individuals and one from an organisation.

#### Importance of Key Principles

The majority of respondents ranked their Key Principles as most 'Most Important' in the following order:

Principle 7	Protection for the Disabled
Principle 3	Reduced savings cut off limit
Principle 1	Must pay a minimum of 25% of council tax
Principle 6	£10 extra earnings disregard
Principle 4	Income includes Child Benefit and Child Maintenance
Principle 5	£10 non-dependent deduction
Principle 2	Protect households with a child under 5

The majority of respondents ranked their Key Principles as 'Least Important' in the following order:

Principle 4 Income includes Child Benefit and Child Maintenance

Principle 1 Must pay a minimum of 25% of council tax

Principle 5 £10 non-dependent deduction

Principle 6 & 2 £10 extra earnings disregard & protect under 5s

Principle 7 Protection for the Disabled Principle 3 Reduced savings cut off limit

#### **Fairness of Key Principles**

The majority of respondents 'Strongly Agreed' the Key Principles are fair (shown in highest scoring order) in the following order:

Principle 7	Protection for the Disabled
Principle 6	£10 extra earnings disregard
Principle 4	Income includes Child Benefit and Child Maintenance
Principle 3	Reduced savings cut off limit
Principle 2	Protect households with a child under 5
Principle 5	£10 non-dependent deduction
Principle 1	Must pay a minimum of 25% of council tax

The majority of respondents 'Strongly Disagreed' the Key Principles are fair in the following order:

Principle 1 & 4 Income includes Child Benefit and Child Maintenance

& must pay a minimum of 25% of council tax

Principle 2 Protect households with child under 5

Principle 7 Protection for the Disabled
Principle 5 £10 non-dependent deduction

Principle 3 & 6 £10 extra earnings disregard & Reduced savings cut off limit

#### Question 3: Other groups to be protected and why

48 comments were received – some comments covered more than one topic and some were not relevant to this question.

Group to be protected	Number
Long term sick/disabled/on ESA	9
Carers	7
Working Age Unemployed	6
Working Age on low incomes	5
Lone parents	3
No-one	2
Foster Carers	2
People affected by the State Pension Age Equalisation	2
Should be based on ability to pay only	2
Pensioners	2
Don't protect children under 5	2
Households with no income	1
Households with a child under 10 years old	1
Those on less than £200	1
Households with two adults where only one is able to work	1
None – tax a percentage of income for the better off	1
Savers	1

#### **Question 4: Additional Comments and Suggestions for Alternative Options**

45 comments were received – some comments covered more than one topic and some were not relevant to this question.

Suggestions for Alternatives	Number
Don't count Child Benefit and Child Maintenance as income	6
Make everyone liable for something, even if only a small amount	4
Base the scheme solely on ability to pay	3
Protect Carers	3
Include Pensioners in the scheme	2
Test if disabled claims are genuine	2
Don't help people from abroad	2
Change the capital limit as it is unfair	2
Tax those with more money rather than those without	2
Protect those on low rate benefits including JSA	2
Protect people with disabilities	2
Make everyone pay in full	1
Force the unemployed to pay	1
Keep support as it is now and pay for the shortfall from elsewhere	1
Increase the earnings disregard for Housing Benefit	1
Help those suffering temporary incapacity	1
Protect working lone parents	1

Other Comments	
Not a work incentive as there are no jobs	2
Carers on low incomes will struggle to pay	1
Bring in over two years – will clash with other welfare changes	1
Sounds like Poll Tax – not good	1
Not all working age people will be able to pay more	1

#### Question 5: Effect on particular groups or individuals and how addressed

43 comments were received – some comments covered more than one topic and some were not relevant to this question.

Effect on group/individual	Number
Single parents without children under 5	5
(Single) working age people	3
Low income working families	3
Working age carers	3
Those on low pay without children under 5	2
The poorest and those on benefits	2
Long term unemployed and disabled	2
People affected by State Pension Age equalisation	2
Honest People	1
People on Passported Benefits	1
Working age people	1
No-one should be protected as it is unfair on all the others	1
Low benefits	1
How Addressed	
Don't protect young people with children under 5	2
More money received in benefits means you pay more	1
Don't protect people with disabilities as they receive an extra	1
premium	
Don't create exceptions – this will then make it fairer for all	1
Take non- dependent income into account	1
Not a work incentive	1
Tax all second homes	1
Bring in over two years	1
Don't include Child Benefit and Child Maintenance	1
Don't help single people	1
Ability to pay is the only point	1

### **Question 6: Additional Comments on the Proposals**

40 comments were received – some comments covered more than one topic and some were not relevant to this question.

Comment	Number
Only use ability to pay / means testing	4
Need jobs for people to be able to apply for	2
Don't exempt pensioners	2
Encourages people to have more children; does not encourage work	2
Take all incomes- non-dependents, benefits in kind into account	2
Only help UK residents – don't give to persons from abroad	2
Concerned about the unemployed and those with disabilities	1
Spread the changes over all taxpayers	1
Don't give help to those who cannot be bothered to work	1
Working single parents better of claiming more benefits	1
Totally unfair and does not encourage work	1
Will cause unavoidable hardship	1
Fund from cutting non-essentials e.g. flowers on roundabouts	1
Unfair to reduce capital limit	1
Affects those on low incomes most	1
Don't agree about Child Benefit being included	1
Won't be able to pay heating bill	1
Support encouragement of work	1
Fair scheme	1
The system needs to be readjusted	1
Only protect children under the age of 1 and the first child	1
Stop waste by withdrawing translation services and cutting pay, pensions and staff	1
Hits part time workers who cannot increase their hours	1
Council waste money but people are going to have to pay for that waste	1
Phased introduction	1
Hits carers	1

#### Question 7: Effects due to membership of a protected group

21 comments were received – some comments covered more than one topic and some were not relevant to this question.

Effect due to membership of a protected group	Number
Discriminated against as not in a protected group	4
Cares need protection	2
No box for carers	1
British should get priority	1

#### **General comments from written responses**

8 letters were received in response to the consultation and summary of the relevant responses is show below.

Comment	Number
No jobs available	1
Can't cut means tested benefits	1
Those on high incomes should pay more	1
Disproportionate effect on the less well off	1
Fund through Technical Changes to Council Tax	1

#### **SECTION 5: ANALYSIS AND RECOMMENDATIONS**

Despite wide reaching publicity regarding the changes the response rate for the consultation remained low. There was no representation from any voluntary groups and only two Housing Associations responded. Norfolk County Council and Norfolk Police authority commented earlier on the provisions for funding the scheme but gave no responses to the consultation questionnaire.

A range of views were expressed by those who did respond and these are summarised below by principle:

# Principle 1 - All working age claimants should pay a minimum of 25% of their council tax

This was ranked as the least fair aspect of the scheme. Several people commented that everyone should pay something whilst others felt certain groups should be protected. Other comments made included finding funding for the shortfall from elsewhere. A number of responders felt that the only test of what should be paid should be an assessment of how much people could afford to pay. A small number of people agreed that this is a sensible option to keep the scheme within budget.

# Principle 2 - Protect claimants with at least one child under 5 from the 25% minimum contribution

This was ranked as the last of the 'Most Important' principles and many did not agree this was fair. A range of comments were made regarding protection based on families, lone parents, working status and the child's age. There was no strong opinion for one particular group and some agreed that households with at least one pre-school child should be protected.

# Principle 3 - Reduce the savings cut-off limit to £6,000 from the current £16,000

Reducing the savings limit to £6,000 was the second highest principle people agreed was the 'Most important' and there was no strong feeling whether it was fair or not fair. Only a few responses were received on this topic with some people arguing that those who have worked hard and saved should not be penalised and others agreeing that this change should be made. An alternative higher limit was also suggested.

# Principle 4 - Child Benefit and Child Maintenance should be included as income

This was ranked as the 'Least Important' of the principles and was the one most people agreed was the 'Least Fair'. Many comments were made including Child Benefits and Maintenance is for spending on children, not on council tax.

# Principle 5 - Make a £10 deduction for all non-dependent adults living in the property, regardless of their income

This was not ranked as particularly important and people were divided over whether it is fair. There were very few comments on this principle with main ones advocating taking all household income into account, including that of non-dependents.

# Principle 6 - Increase the amount of disregarded income for claimants who are in work by £10, meaning they get to keep more of their earnings and are better off in work than not working

Again many people did not see this as particularly important but agreed it was fair. No-one disagreed with people being able to retain more of their income but many commented that it is only effective as a work incentive if there are jobs available for people to take. Working age people and people on low incomes were mentioned numerous times as those who will be affected by the change from CTB to CTS.

# Principle 7 - Customers classed as disabled should be protected from the changes

This was ranked the 'Most Important' principle and the majority of people strongly agree it was fair. This is reflected in the other questions where people with disabilities were regularly highlighted as needing to be a protected group.

#### Other comments

Carers were highlighted within the consultation with a number people commenting that this group should be protected.

A few people commented that the shortfall should be met by increasing taxes for those on higher incomes.

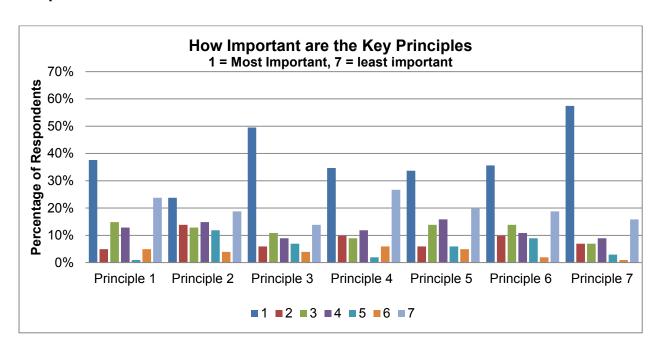
#### Recommendations:

The principles of the draft CTS scheme remain as detailed in the cabinet report of 21 August 2012,

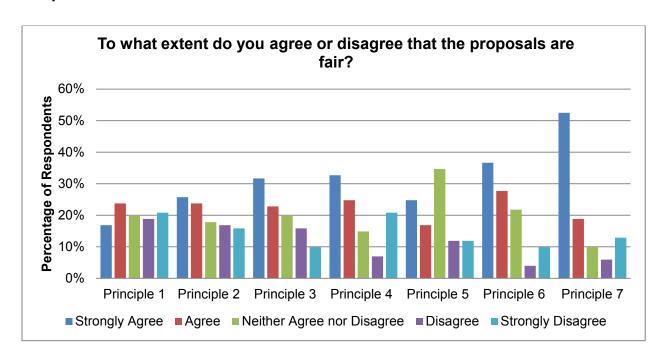
A recommendation is made to Members that those entitles to Carers Allowance should also be a protected group and see no reduction in their support as a result of the new scheme.

#### **SECTION 6: FULL CONSULTATION RESPONSES**

#### **Responses to Question 1:**



#### **Responses to Question 2:**



#### **Responses to Question 3:**

With reference to Principle 2 and further explained in the consultation document, please give details of any other groups that you believe should be protected and give reasons why.

People of working age on low incomes - they often have less disposable income than folk in receipt of benefits/pensions

#### Carers

No one should be protected as to do so places an unfair burden on others.

Foster carers, due to the high levels of mental and emotional and physical care this group has to give, I feel that any increase in benefit reduction will impact on peoples ability to foster for financial reasons, this will come at a time when there is a high demand for new carers, and will further impact on peoples willing to do this role, HMRC already considers this in their calculations with the allowances pre-tax as they understand that children in care require a higher financial commitment.

People of working age who are unemployed but doing EVERYTHING they can to find work. This can be confirmed by contact with Job Centre Plus. Speaking personally, I know people who are unemployed and do nothing to change that and in one case the person has managed to get changed to ESA rather than JSA (when there is NOTHING wrong with them) and do not get chased to apply for jobs! This I feel is unfair. As a single person living on my own, I am not able to get a council house and therefore pay MORE for rent as it is...this new system will force me to live on the streets!!!

Men between ages of 63 and 65 who receive Pension credit and have less than £6000 savings and have no partner or any other income

In any household where there is no income full exemption should apply - whether they have children under five or not. For example I have three children - why should I be taxed more than a women that has just one just because her child is under five?

I do not believe that any customers whose income would otherwise entitle them to make a contribution should have any more protection than any other person. The basic entitlement calculation includes the variables of income and outgoings that separate one household's circumstances from another and I can see no reason for then allowing any extra benefit [or if you prefer, penalty]for any household over another purely because one or more member of that household belongs to a particular interest group. It is the relationship between a household income and its expenses that solely determine its ability to pay and this should be the only decisive factor.

People who regularly work but only receive low income (Minimum Wage) must be made to feel that it is worth working. The Current lack of Employment opportunities is keeping wages low, and this should be reflected in Council Tax allowances.

You should not be looking at groups, that is totally irrelevant. It is the ability to pay council tax that is the only point. By reducing help by 25% regardless is preposterous; where are we expected to get that money from to make up the shortfall????? please answer this ..... I agree with incentivising to work..... but where there is no work available, you can have all the incentives you like???? there should only be a reduction in financial help when work is offered to an individual and that individual fails to take up that offer without a valid reason....

I believe that all long term sick (people who cannot work for a very valid reason) and disabled people should be protected because they are vulnerable and probably receive benefits and can not afford to pay towards their council tax bill, it would be so unfair to them and cause a considerable amount of distress and worry to them, I am disabled myself and cannot work b because of serious illness and do not have a lot of money to live on and would find having to pay towards my council tax bill very worrying and it would leave me with less money to live on

Carer's. It is not plain as whether a Carer has to pay or not pay.

Foster carers on housing benefit and council tax support as they are helping to look after and support needy children in their homes and the allowance that they receive will not cover the cost of the spare room that is needed for the child at a cost of £14 a week, some of these children can stay with carers for extremely long periods but because they are not officially registered at the property then the Foster carer has to fund this so by cutting benefits will only force some carers to cease Fostering

People who can not alter there income through health or disability.

People with children under 10 - why only help when a child is 5 makes no difference they are still a child at 10 there should still be help when a child is slightly older at 5 the child is still young \_ you still need help regardless of them being 5 0r 10

Those with low income £200 or under

Lone parents should NOT have to pay its hard enough as it is with out you taking any more money.

Working families on low incomes that are already finding it very hard to make ends meet!

Can't think of any now

People on jobseekers who generally want work and can prove they have been trying to find work because they can't afford an extra bill. 71 pound a week doesn't go far as it is.

There maybe 2 adults in one house but only one at work due to children and the cost of child care or for other reason like illness so should be looked in to like ourselves my husband works between us we have 3 children but only 2 live with us 1 under 6 months I'm also been on sick for over 2 years and they are now say they are not going to pay my benefits anymore but I still cant work due to my back. so I stay at home with help from my mum to look after baby. its not fair.

People that have worked and contributed all there lives then become unable to do the work they have always done

Young people who care for disabled parents. Reasons are obvious

I believe vulnerable people/ on benefits disabled or with disabled children should be protected especially carers

The severely disabled and housebound who cannot get out and about.

People on ESA- I Can't work, Not my Choice.

People in their fifties who cannot find work because of their age and therefore have to claim J.S.A. also people with long term ailments who are covered by their doctor and are on E.S.A

I Think a far fairer scheme would be for working people to pay a percentage of their income before tax - as I see it a couple earning 100k each pays the same as a couple earning 15K each but if they were to pay say 5% of gross pay it would give you enough to maintain full support to people who need it, people who are already struggling on benefits that are too low. After all, the utility companies charge the same whether you are a doctor or chief executive on 150K a year or on benefits of 15k a year. and while I have got pen to paper, and am having a good moan, what bright spark thought up the 'bedroom tax', it seems a bit contradictory because whilst you say you encourage people who ae over housed to move to smaller places, it seems you are also saying if a couple in a 4 bed house can afford to pay extra for the 3 spare rooms they have then that's OK? We live in a 2 bed bungalow because my fiancé is severely disabled, I also have health problems and use both bedrooms, are we to be charged for a spare room? Seems to be bite the poor they cannot afford to bite back. I await a response.

I think that people on carers allowance should not be affected by the changes as they can not work due to the nature of their occupation.

Disabled people on long term sick i.e. disabled

People who were due to get their pensions when they turned 60 this yr. 2012 and not cannot claim their pensions should be given more help until they reach the age when they can claim their pension. Also for people who are widowed. It seems there are individuals who are now in limbo due to the government changes to the pension age who now have to wait a further two yrs. to claim and who are only receiving a small amount of financial help who are living in poverty

Single parents struggling to cope with raising kids and working

People on JSA live alone and have lots of health problems, I cant afford to live on my money

I don't believe you should put on an age of 5 on households with children as it's like saying that someone on benefits with a child of 5 is more important in society then my child is at 8

very low paid workers because of the financial state of this country

Carers are the only group that save the Council money; do a very hard job for very little money; have unsociable hours and sometimes travelling expenses.

Not just people with children under 5, too many people have more children to keep more benefits, but also people with mental health problems

Low income. Although I work I earn a very small amount. It is unlikely that I earn enough to cover the shortfall.

Carers on income support they not in a position to earn because carer is erratic but often 24/7 they aren't lazy and often have given up jobs they love due to situation

I think people who are classified as "disabled" should be reassessed and proof given from professionals that they are incapable of any kind of work before full benefit is to be given and

that income earns as a carer should be taken into consideration.

Pensioners, terminally ill, disabled

As a sufferer of Asperger's syndrome which is a form of autism this condition can often make employment difficult employment can often be intermittent due to sufferers not be able to cope with certain conditions in work and the lack of understanding by employers having to be responsible for paying a percentage of council tax, may make things difficult as coping with work alone is quite stressful.

Single parents who work and have children in school

People who have saved should be protected as others are profligate

Sadly some people are good with money and some are not If claimants are poor money manager's they should be given lessons. Not budgeting that is boring but info on veg from veg and fruit stalls cloths from charity shops etc.

Unemployed and sick people on £71 a week are already on the breadline. I know lots of poor people that already go cold and hungry in the winter.

All senior citizens. The state pension is not sufficient to provide nourishing food and maintain comfortable living. I.e., rents, energy cost etc.

School children uniforms: shoes and bus passes for holidays: less problems happier families and children

#### **Responses to Question 4:**

Please add any additional comments to support your responses to sections A and B on our proposed changes or any alternative options you would like us to consider and your reasons

Pensioners should be included as it is a mistaken believe that all pensioners are poor.

Consider keeping the benefit levels as they are now. Find the resources to pay for it from other areas of the council.

I think that everyone should be liable to pay Council Tax - even single parent families on Income Support. Even if it is only 1 to 2% at least they are contributing and learning that they have to pay and budget their money. Many families on passport benefit get more disposable income than working families due to the other benefits that come with the passported benefit (i.e. free prescriptions, food coupons, rent paid etc). I believe that this will not only help the Council but it will also help families to realise that they have to contribute even if they are not working.

I agree with all the principles put forward, however I do think more responsibility should be given to people to pay their bills and maybe people on a passported benefit and lone parents should still be expected to contribute, even if this is a small percentage. Protecting families with children under 5 may result in an increase in larger families in order to stay on the scheme and receive benefits, this sounds extreme but quite classic of the growing benefits culture. Also the capital limit of £6000 seems a little harsh maybe £10,000 would be more suitable.

This is not the way to conduct a consultation. Most of the questions cannot be properly addressed in the context of the subject. This type of "quiz" cannot lead to proper conclusions'

Everyone should pay Council Tax in full, if necessary through deductions from their benefits.

Disabled persons, must produce evidence, as have one so many in the town, who appear disabled, that are not, if you stand and watch.

I agree if you have savings of six thousand pounds or more you should pay more in tax, but most people on benefit do not, and are already struggling to cope with rising living costs and stagnating benefit allowances. Why not try taxing those that have money for a change rather than those that do not? It seems that you feel that you can get away with whatever proposals you like because if you are on benefit you should feel guilty and ashamed-and therefore bear the burden of a disorganised and wasteful council. This is not going to encourage people back into work as you claim (as there is very little to be had anyway) and seems only a device to beat people when they are already down.

I am of pension age ,but continue to work for my own [not very profitable] business, my wife works part time, our oldest son is an apprentice full time and there are two dependant children. Our income is variable and not entirely within our control and our basic living expenses are modest but largely unavoidable. The calculation that you make on our ability to pay council tax should only reflect our economic circumstances at the time. My age or that of my wife may affect our earning capacity in which case our income will reflect this, but there is no justifiable reason for then reducing our liability over that of others merely because of a difference in age. The only pertinent question is do I have enough money to pay council tax or not. If yes I should pay and if not you should try to reduce our liability to the genuinely

irreducible minimum. If you decide an amount unfairly you are failing in your duty of care and might well be called into question. So if you make my neighbours pay even £1 more council tax because you have given me 100% protection just because of my date of birth, this may not be good governance.

As Pensioners, neither in the best of health, my Wife and I are very grateful for the assistance we get with our Council Tax. To be honest, we could not survive without it; I am sure many others feel the same.

People claiming long term sick that are on it for drinking, drugs, obese, should be helped to get back to work or have the money cut.

Just because an individual who has worked all their lives has bothered to save and invest, why are you proposing to reduce the savings entitlement to £6000 from £16,000? Unfair and again hits the people who have bothered to work and save and whose money and entitlements will go towards helping the people who have never bothered to work or save!

It is the ability to pay council tax that is the only point. By reducing help by 25% regardless is preposterous; where are we expected to get that money from to make up the shortfall????? please answer this ..... I agree with incentivising to work..... but where there is no work available, you can have all the incentives you like???? there should only be a reduction in financial help when work is offered to an individual and that individual fails to take up that offer without a valid reason....

I am in two minds about the change and feel that certain working age people should be made to pay towards the council tax, i.e. people who cannot be bothered to work, lay about, alcoholics, druggies, it would, in theory, force them to work

A voluntary Carer (relative/friend etc) earns a maximum of £105 per week made up of Carer's Allowance and Income Support. This is well below the National Minimum wage.

If an increase is large for some people could it be brought in over two years, the new bed room tax will hurt people before they have time to adjust their expenses, to do a large amount is not right.

Not counting child mantaince and child benefit

Strongly oppose child maintenance and child benefit being taken into account. it can't be used to calculate a mortgage as its supposed to be used to clothe and feed your children, but now its ok to use it to pay your council tax???!!!

Do not give any person entering from abroad any form of benefit. They should have been working for at least ten years in this country before the are entitled to any form of benefit.

"Principle 6 - The scheme will incentivise work (this could cost £38,396) Incentives to work will be achieved by allowing claimants who are working to keep more of their money before the benefits means-test is applied. The draft scheme proposes an increase of £10 per week in the amounts that claimants are allowed to keep for a single person, couple, disabled or carer and single parent earnings (currently set at £5, £10, £20 and £25 respectively)." That's a very good idea and I agree with it wholeheartedly. But surely this disregard of income should also be applied equally to Housing Benefit as well, otherwise there's not a lot of incentive to be doing part time work? For a single person to know they would have their first £15 of earnings disregarded with respect to HB & Council Tax Support that's and extra £60 a month for them. otherwise I cannot see it as being much of an incentive if the disregard for HB is s till only left at £5? I think the £5 earnings disregard for both HB & CTB should still apply to single people claiming Income-based JSA and working under 16 hours a week. As an incentive to get single people even only into part-time work (which could eventually lead to a full time working job) I feel the earnings disregard should be set (at least) at the new level of £15 per week, for both Housing benefit and the new Council Tax support. This would help get people off the dole and into the work place again, so even if they are claiming HB & CTB(S) they would no longer be claiming JSA, which would be a good saving for the government, and will lower unemployment figures as well.

If people on jobseekers have to pay towards the council tax it'll push them into debt and poverty. They have the right to food, water, heating etc just like everyone else. It is very hard to find work these days especially with company's closing down.

Was it is hard to get a council property and many people renting are in private rent we should be help to as might have to pay more than people in council property and us with family have to have bigger property have to pay more just to get roof over our heads.

This affects me as I'm a pensioner and suffer ill health my husband has just had a major heart attack and now has other big health problems rendering him unable to work due to stress

Principle sounds like going back to Poll Tax. Not a good idea

Those on health related benefits should be protected also single parents with children with special needs who are carers

People on limited benefits cannot afford to pay the 25% as they are struggling with bills now and cannot afford more.

I think you have got it right, but I do feel that foreign nationals should be here 1 year sna supporting themselves for that time instead of landing here and coming straight to your office for hand outs. If we go to another country we have to be able to support ourselves so it should work both ways.

I agree with most of the changes but with no.2 there has to be some more leeway for people who have temporary incapacity re accident/sickness with no.1 it should be for the parents to budget for the fact they have children ir if for some reason they need extra help it should come from the government.

Disabled people are ignored - not thought of - yet retired are why?

Child benefit and child maintenance should NOT be taken into account. This money is there to provide clothes, shoes, school items, lunches and trip for the child. This money is rightfully theirs owed to them by fathers who have disappeared leaving mothers to pay and provide!!!!!

I would like to know how all these people are better off than me I don't smoke or drink

I think everyone should be made to make payments except people on state pension, as even an disability benefits can get more in a week than some people working full

PLEASE RINGFENCE CARERS COUNCIL TAX. They perform a vital function, work hard (unlike most recipients) and sometimes have extortionate and unavoidable travel expenses,

I don't think it will be an incentive to work as I know I don't earn as much as people on benefits. £19 extra won't make much difference to most people. The vulnerable i.e. disabled, need protecting.

Child Benefit & Child Maintenance are for the children - not council tax! Children should not be paying tax!

why is it proposed poorer carers pay when they save the state money by looking after relatives they would be a burden on the carersofern cant work through a lot would like to

I don't think child maintenance should be taken into account as council tax is not part of the calculation though agree that child benefit should and it should be linked to earnings

Not all working age people are able to pay any extra bills if they cannot work for genuine reasons

Principle 2 should be means tested. 25% could be a lot for someone on a low income.

Single parents who work should only have to pay 25% of the tax.

All should contribute a little without affecting them too much

As jobs are thin on the ground at present with many rural bus services lost, how on earth are more people (without transport) going to find jobs.

The entire burden of your savings fall on the poorest in society. The richest should pay more and you should reduce your bloated staff levels.

I feel that my ticked boxes reveal my opinions and feelings. Lets be honest its already fact. What we say will have no bearing on decisions.

I don't agree with if people have a spare bedroom they should have to take in a lodger

#### **Responses to Question 5:**

Please comment if you feel that our proposed changes will affect particular individuals or groups more than others and if so, how you think we may address these

You will affect the single people of working age more.

Lower paid working age without children under 5 seem to be targeted as able to pay more. Often in low paid jobs where it maybe more beneficial not to work!

I think it will hurt working families on lower incomes.

As with any scheme it will be working families that will be most affected by this.

It is obvious that the people most adversely affected will be amongst the poorest which in my view is unjust and will only confirm the view that the Tory party is "the nasty party"

No one should be protected as this places an unfair burden on others.

I don't mean to be harsh or rude. But the younger persons with several children under 5, must be looked at. Because you hear them talking and they say. I will have another child the council will support me. I feel sorry for some children in town. when you see the parents smoking and drinking.

Work with Job Centre Plus and make those who get more money in the form of benefits pay more towards Council Tax. Single women with lots of children are getting a lot more money than a single man living alone and yet it is the single man who appears to be losing out in this.

Men over the age of 63 who will not yet qualify for state pension and either receive Pension credit or jobseekers type allowance and have less than £6000 savings and no partner or any other income. This group should be treated on equal terms as Women of the same age who will be receiving state pension and will be element from these changes.

These changes will effect honest people and sadly others will still claim all they can.

It is a concern that there appears to be culture among some young people to have babies just to claim benefits and not work. Whilst it is a good thing that you are protecting those with young children under 5 it is a risk that some people may then feel the need to breed more once the youngest hits 5 years old just to keep the benefits.

This proposal will massively affect families with no or low incomes at a time when they are already struggling. It is widely known that around 3.6 million children in the uk are already living in abject poverty with charities that normally fund schemes in other countries asking for help here, this new scheme can only inflate this problem further.

If a two parent family has the same entitlement as a single parent family, they should not have to pay more. If a household with a pensioner in has the same circumstances as one without they should pay the same. You already favour single parents with your earned income allowance and they also get extra child benefit and a lower threshold for free school meals, so there is no need to give them up to 30% more council tax relief than their two parent equivalent[100% is 30% more than 75%, honestly]. If disability allowances are not counted towards income then the disabled do not need extra protection and if all such distortions are removed from your scheme the savings would allow almost all your clients to have almost all of their benefit and your scheme would be fairer and less discriminatory as well as being easier and therefore cheaper to run. It is extremely unlikely that people on Council Tax Relief will even consider the fact that their eligibility would rise by ten pounds a week if they were to take a job let alone use that to galvanize them into employment which they would not otherwise consider. If you accept that to be the case this so called incentive is not an incentive and need not be made and need cost the borough nothing and its absence would further increase the proportion of benefit that could be paid to all. In other words by not creating special exceptions you could be more fair and equitable to all your customers and reduce all our liabilities for council tax to a truly token sum. If you were to consider the income of the additional non dependant adults in assessing entitlement you might obtain a fair reduction in the numbers of households entitled to benefit and reduce the level of benefit payable to some others thus increasing modestly the amount available for all. Please consider if any group of citizens, all of whom are already by definition poor, should be treated less favourably by the council than other rs with no less means. Surely while central government have already allocated income to each based upon need taking into account factors such as age, disability, number of dependants and number of parents etc. the council does not need to increase or create other levels of differentiation but could more fairly proceed by treating all its customers alike.

Seems pretty well thought out to me.

You seem to be targeting family's. Nobody with a large income should be given, any benifit's. If you have 6 children now . Why should they have the money cut. They can not give a child up just so they can have more money. Why not tax all the 2nd homes, that could free up more homes to live in.

It is the ability to pay council tax that is the only point. By reducing help by 25% regardless is preposterous; where are we expected to get that money from to make up the shortfall????? I only receive £50 per week working tax credit, I do not claim unemployment I am trying to earn a living as self employed, in these initial stages the working tax credit is the only income I get, how am I going to be able to pay the extra money that you will demand from me????? please answer this ..... I agree with incentivising to work.... but where there is no work available, you can have all the incentives you like???? there should only be a reduction in financial help when work is offered to an individual and that individual fails to take up that offer without a valid reason....

As above can cost be brought in over two years

If your are a single parent with a child over 5

If you are a single working mother who receives child maintenance to support your children, it seems you will be far worse off, its frightening to think how I will manage to pay.

Expecting single people households on current passporting benefits to contribute 25% towards Council Tax, will leave many of them in financial difficulties, as this could represent an fair amount of their weekly income.

If maintenance and child benefit is included & I have to pay anything towards my council tax bill I will not be able to put my heating on.

What about single people like myself on Income-based JSA that are only receiving £71 a week to live on. If we have to pay 25% of our Council Tax bill, even after the 25% reduction, does this mean our JSA would increase to cover this extra expense? The government currently says that £71 a week is the minimum amount a single person needs to live on, without taking into account the reduction in the new CTS scheme of only paying 75% of the CT bill.

Will push them into debt and poverty

Don't think single people should get help its up to them if they want to live on there own. I agree old people should get help.

Under working age this could effect us as my husband is still 2 years from retirement age

Live in carers who look after disabled people (wives /husbands) may be of working age .ls it necessary to take from them the little they get

Vulnerable members of society send those long-term unemployed due to health reasons should be protected and those who are registered carers

People on Itd benefits living on outskirts of town, as it costs to travel to town to shop and have less facilities.

No I don't think so you look as if you have thought about what you plan to do.

Same as before disabled are ignored yet retired given allowances

How will the changes affect carers, My husband is my full time carer, but he is still of working age, so will proposed changes Principle 1 affect him

As said above the people who were due to claim their pensions this yr. 2012.

Child maintenance should not be counted. In my opinion this is a payment made by the absent parent to support his/her children.

All the young people will be more anti social because as they wont be able to cope

I know as a single working mum it will strongly effect people like me but I think that people who don't work will either have more children to combat the 5 year old age cap or just try and claim disability to get out of paying for it

I am struggling as a carer. If you make me pay some Council Tax I will struggle to carry on -affecting my family and the community.

Working people will suffer more than non-workers.

As a carer I look after my mother at odd hours no two days are the same it is hard work and stressful the carers money is tight and I have always worked previous and when I can I will again

I think that consideration should be given to single parents so happy that the 25% is not affected and I think that households who agree to fortnightly refuse collections and who don't have street lighting, very rural etc. should be given an additional discount - accept that this may be an administrative nightmare to begin with, but once the system is set up it should work.

It will affect all those on benefits severely lets be fair to the underdogs

Good money managers will adjust bad money managers will suffer.

A single parent with school age children on low pay will pay more. How can that be right while the richest pay no more.

As always there will be undeserving couples and individuals who will be allowed. They tend to be dishonest and prosper. The system is sick.

#### **Responses to Question 6:**

## Please provide any other additional comments you wish to make concerning the proposals

Spread the changes over all taxpayers of that the decrease is less significant

Fund any shortfall by cutting out some of the non-essentials e.g. do we really need hanging baskets or flowers on roundabouts?

Sick and tired of the Government and subsequently the local authority encouraging people to a) have more children that us tax payers support financially and b) free houses to house those children and c) do not encourage people to work by rewarding people financially to the point they never need to work, do something in the opposite direction for a change!

While I understand the desire to protect people with disabilities and pensioners, I feel this is a political decision not based on fairness (refer to my answer at the top of the page. If it was based on income, taking into account all earnings, benefits, access to free prescriptions, it would be a lot fairer.

People fit for work who just don't bother shouldn't get any help. People should only have children if they can support them and should not get any help. Only people who are residents of the UK and pay towards pensions etc. should be entitled to anything all other people should have all benefits stopped and if they can't afford to stay here go back and be supported by their own government

These are difficult economic times and the Benefit System needs to be overhauled. The number of fraudulent claims seems uncontrollable and I welcome any changes which could help prevent these claims. I am concerned about how a person, unemployed and disabled, will be able to contribute any monies when, the allowance for living is £71 per week. The person is a non smoker and a non drinker? Fuel and water costs are approx. £28's per week, TV License is £2.75 per week, providing the payments are made regularly. Bus fares into King's Lynn are a consideration (£5.40approx)I know I could not live on this money . There is no Contents Insurance, no car, no hope. I do not envy the task you have been given.

Sufficient income should be the only factor taken into account when council tax benefits are given. Savings should be considered in the same light as income.

Many pensioners are the wealthiest in our society; they have had the luxury of good investment returns, wealth from property and full employment all their lives. They should not all be exempt from paying full council tax.

Looking at my replies above I do think that the group referred to and indeed other pensioners should contribute a very small amount if they have savings over £6000 rising on each £1000 to £10000 and thereafter current rules being applied.

Since my husband left me I've been a working single parent, I have been advised that the less I work the more I get given in benefits and I am in favour of earning my money not claiming it! I am concerned about the message it is sending out to the future generations, the message of being richer for working less. However in reality I had to drop my working hours as I have found that child care is too expensive or not available with in many working hours (not everybody can find a job that has child friendly hours, especially in West Norfolk!) I would love to work full time again, I love earning money and giving back to society not taking

all the time. But the system is not set up in a way that makes ideals an achievable goal.

I feel that the proposals are in the most part totally unfair. If you are only allowing people 75 per cent of their entitlement (bearing in mind to most people entitlement is what they are expected by law to receive)then you are stealing from the most deprived to cover your shortfall. This will not encourage people into work, especially if you have children because your options are less than limited (especially where I live, on the coast), and can serve only to deepen poverty further. although I live in a housing association house it is in a high tax band area the bill I receive will be huge, and one that I cannot pay! we also receive very few of the services that the money is meant to pay for - only having the bin collection service, maybe in your thinking you should charge those that directly benefit more e.g. those that actually live in Kings Lynn and therefore can take advantage of the street lighting and the extra police presence.

If there are limited resources distribute those resources according to demonstrated need in a fair and non discriminatory fashion. People who have income and or capital that affords them the means to pay should pay. If there is more income flowing into a household from additional members who do not happen to be liable for council tax themselves, then that income should be included in the calculation of benefit eligibility to a degree commensurate with its extent. A house that has a high earning adult and one or two low paid pensioners should pay the same council tax whichever member of that household is the "householder". If the family income is sufficient it should not matter which name is on the bill and giving Council Tax relief to wealthy household at 100% while charging full tax to an identical family because in one case the pensioner parent holds the house and in the other the well funded "child" is one nonsensical anomaly that the new circumstances give West Norfolk an opportunity to remove

Unavoidable hardship is going to be caused to people and Families, due to the very poor job the Government is currently doing in the management of the Country's finances (my opinion). Had they managed as well as 'West Norfolk Council' has in the twenty five years I have lived here, I think things could have been so different.

Stop cutting the poorest people in the community. Hay have a hard time as it is. Seems the poorest keep the rich, rich. Why should people with a small saving that might have taken them a life time to get suffer? I know the government want people back at work but you do need jobs for them to apply for.

Just because an individual who has worked all their lives has bothered to save and invest, why are you proposing to reduce the savings entitlement to £6000 from £16,000? Unfair and again hits the people who have bothered to work and save and whose money and entitlements will go towards helping the people who have never bothered to work or save!

It is the ability to pay council tax that is the only point. By reducing help by 25% regardless is preposterous; where are we expected to get that money from to make up the shortfall????? I only receive £50 per week working tax credit, I do not claim unemployment I am trying to earn a living as self employed, in these initial stages the working tax credit is the only income I get, how am I going to be able to pay the extra money that you will demand from me????? please answer this ..... I agree with incentivising to work..... but where there is no work available, you can have all the incentives you like???? there should only be a reduction in financial help when work is offered to an individual and that individual fails to take up that offer without a valid reason....

I don't think it will make the slightest difference to drug addicts, alcoholics and layabouts. I have worked in this industry and the Supporting People and Human Rights Acts prevent any impetus for the individual to change. This will not encourage them to go to work. However; it will affect those on a low income through no fault of their own who are already on the bread line.

Don't agree with including child benefit with in calculation of your council tax as anyone can get that benefit depending or your salary

I think its disgusting that people who have been in there homes for many years raised there family's there are being forced to leave there homes because of this scheme...they either cough up and struggle to feed themselves and there family's, move to a new house or be forced into debts that will in the end cost them there homes anyway. These people will be rehoused somewhere they don't know anybody and forgotten about...I think crime will go up when this scheme comes into action because people will turn to shop lifting, and burglary which takes place every 40 secs in the uk.

I was born in this country I worked from the day I left school till the day I had my son that was twenty years. Now because off poor management of this country we have to suffer. If this goes ahead I will be in trouble I will not be able to pay my heating bill. Thanks for nothing.

Yes: With regards to Principle 3 - The amount of money held in savings and investments will affect the amount of Council Tax Support you are able to receive (this could save £46,900) ... "It is proposed to reduce the amount of capital people can have before they qualify for Council Tax Support to £6,000. Therefore anyone with savings over £6,000 will not be eligible to receive Council Tax Support under the proposed new scheme." Should this not read something like: (my suggested additions in square brackets) "It is proposed to reduce the amount of capital people can have before they [are exempt to] qualify for Council Tax Support to £6,000. Therefore anyone with savings over £6,000 will not be eligible to receive Council Tax Support under the proposed new scheme."

If there is less money available. All claimants should be treat as equal i.e. why should pensioners, disabled or the unemployed be treated differently If you have no money you have no money

By all means we support the encouragement back to work of people young enough to earn a living and hope that all cases can be looked at on an individual basis

People who WANT to work, but cannot work through illness or disability or simply cannot find a job, should not be victimised. STOP GIVING HOUSING & JOBS TO FOREIGNERS who send their benefit home, they have NOT contributed into tax/na system

I do think young persons with young babies should be checked more often as you can sit cafe having coffee or they are always discussing when on who is go to have another baby then they will go to the council for more help which is not fair as there are single mums out these not working and trying to make end meet, with others just lazing around.

I've said it all.

I think all the proposals seem to be fair I'm a pensioner with very little savings if I had £16,000 I wouldn't expect any benefits to lower it to £6,000 is a far adjustment

To many people rely on the benefit system, which leaves people who truly need help out in the cold. I agree the system needs to be adjusted, but taking from Peter to pay Paul is not the way to go about it.

I was told they take my council tax and my rent from my JSA so how can I manage to live

I think if you are going to bring a child age into it, it should protect children of 1 year old and under only for the 1st child as the more children you have the more money you received and then you can afford to pay the council tax.

If the Council had any decency it could save the money by withdrawing services such as translation(for people who refuse to learn English) or reduce exorbitant pay and pensions for its employees and especially many unnecessary managers. Still, far better to hit vulnerable people instead, isn't it. You must be so proud.

I know only being part time employed and not able to fit another job in with the times I work, I will struggle more than ever if I lose more Council Tax benefit.

The council waste a lot of money yet the people are going to be made to pay for that waste.

Hitting carers may force them to give up caring which at the moment costs the state very little for the more expensive to the state council & nursing home

Please see above - also I think this should be a phased introduction with a proper appeals process.

I do not feel I understand enough to make any comments

Its good of you to test opinions You have also already saved money by online forms & no stamps no envelopes.

Unemployment is a matter for central government not local council. They are getting you to take the blame for this attack on the poorest. This is class warfare.

As in preceding years, there will be graving examples of unfairness. This year rather than being squeezed- I have been crushed!! My life is very MISERABLE!!

We do not receive any benefits as we both work and I feel it's too easy for some people not to work and claim as much as possible in benefits

#### **Responses to Question 7:**

Please add any additional comments if you feel the proposed Council Tax support changes will affect you more because of your membership of any of the above groups

I fail to understand what sexual orientation has any relevance in this connection, This confirms my view that the ""quiz"" has been culled from another totally irrelevant source. I also fail to see what racial groups or religion has any relevance.

I will be discriminated against as I do not fall into any of the 'protected' groups but will be expected to subsidise those that do.

I do feel the changes will affect me and my family as not everybody has the option to just up their working hours or change jobs which is what is needed to make up the short fall in income. There are many factors to consider such as childcare and whether the hours are available in the first place. But having said that I am all in favour of encouraging people to work for their money, I just think the people in power need to realise that its sometimes easier said than done and that not everybody who are claiming benefits want to!

I do not see any possible relevance of my gender [by birth or otherwise], or my race, or my religion, or my sexual orientation, can possibly have in this regard and I would think it would save us all a good deal of angst and perhaps even a certain amount of money if as a society we could stop obsessing about such matters and just accept that people are people and that everyone who lives here has an equal right to be heard and to keep private those things that they prefer not to talk about and that we each of us should only be asked by any public body questions that have a direct and pertinent bearing on the matter in hand. Just consider this. "If you do not know what my colour or creed or sexual preferences are then you cannot and nor can anyone else now or ever discriminate against or for my opinions because of some preconceived idea about what an elderly white protestant male might or might not say." If my words do not stand on their own they deserve vit her more nor less consideration if I am one of many or even the sole representative of some bracket that has been given a category in your list. Please before you ask such questions ask first if it could possibly matter.

Why do you ask stupid questions about sex etc. it has nothing to do with you

It will again give money to those not born or working in this country and have no jobs or are willing to get jobs. Those that have bothered to work ALL their lives (like me) and save a bit here and there are again being PENALISED and get no help. Not only am I going to have to pay lots more for my contribution to council tax but I have been bumped up twice in the recent Pension Age increases and will lose out on 4.5 years of pension amounting to approx. £24,000! So yes, I do feel penalised for being a BRITISH WHITE!

You do not have a box for Carer's

Working single parents will be crucified by these changes.

I am a single parent I CAN NOT pay another bill

Yes because I'm white British and last the list!

I'm concerned about the shortfall for single people on Income Based JSA and not getting an extra JSA to cover the missing 25% we are expected to pay, if the government does not take this into account working out our benefit.

People from other countries get more help even though they haven't paid into the system. British people should get priority over them

People who are carers and on benefits NEED to be protected from extra stress

Being British, we are now a minority in this country! The government should now realise the amount of foreigners here are taking our cash, it is not being re-distributed in this country. Which is why we are in this mess. The next GUY FAWKES should have better luck! The British are VERY BITTER!! to have their lives at the mercy of this government.

I don't see what ethnic origin, sex, or sexual orientation has to do with it except it appears that some of the other groups get favouritism due to previous prejudices that they play on, as it affects their human rights, but I don't get any!

The above is the sort of nonsense you would rather spend our money on than helping genuine people in need

Part-time working single parent - I will be working for nothing if I have to pay council tax.

I am a carer looking after my 86 year old mother I didn't ask for this. I claim carers allowance income support and council tax we save councils money on nursing homes and other care and are under a lot of stress do we need added stress when times are hard carers cant all work

I feel the above is intrusive what reslionship does this have to council tax.

The above questions with the prefer not to say ticked all had N.O.Y.B. written next to them.

As many times over the years, more bureaucratic red tape with form filling but no beneficial change to my lifestyle and many like me; us pensioners are poor relations of Europe. The decision makes in Whitehall, should be burnt alive. Lets hope they have much misery in their retirement!!

#### General responses received as written correspondence:

It would be nice to think that at a future date councils such as yours reviewed various matters if the economic state changes.

All this talk of work etc. is very well but without reflecting the real problems, good jobs, full time and decent pay rates.

Cutting even means tested benefits for those on modest incomes or putting people into situations of lesser quality of life cannot be acceptable in a so-called modern state.

I don't think I can endorse what seems necessary or have alternatives

Surely people earning very high incomes should be asked to pay more council tax. This would not penalise them if it was organised carefully – they'd probably not notice the difference in their income!

I cannot see how reducing assistance to working age people who have no jobs will encourage them to work since in the current high unemployment era there are no jobs to be had.

Response from Freebridge Community Housing:

Our concern is that the combined impact of cuts to both Council Tax Benefit and Housing Benefit will have a disproportionate impact on those less well off.

The Board's view is that Option B, whilst increasing the amount that the poorest in society pay, does spread the cost across a greater number of people. However, we felt it imperative that the billing authority should, in addition to the hardship Fund, consider some of the other aspects of the Council Tax reform to reduce the impact on recipients. For instance:

- 100% council tax on Second Homes
- Abolish Class A exemptions
- Abolish Class C exemptions
- Levy an empty homes premium

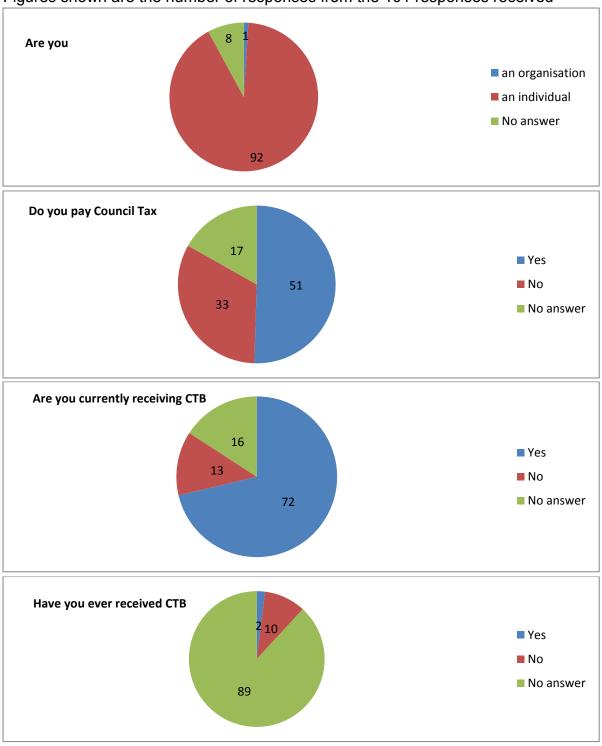
We understand this would only generate income that could be redistributed if the precepting authorities allowed this income to be retained specifically for this purpose. The Board feel this action would both mitigate the impact of the cuts on low income households and support the Borough Council's Empty Homes Strategy.

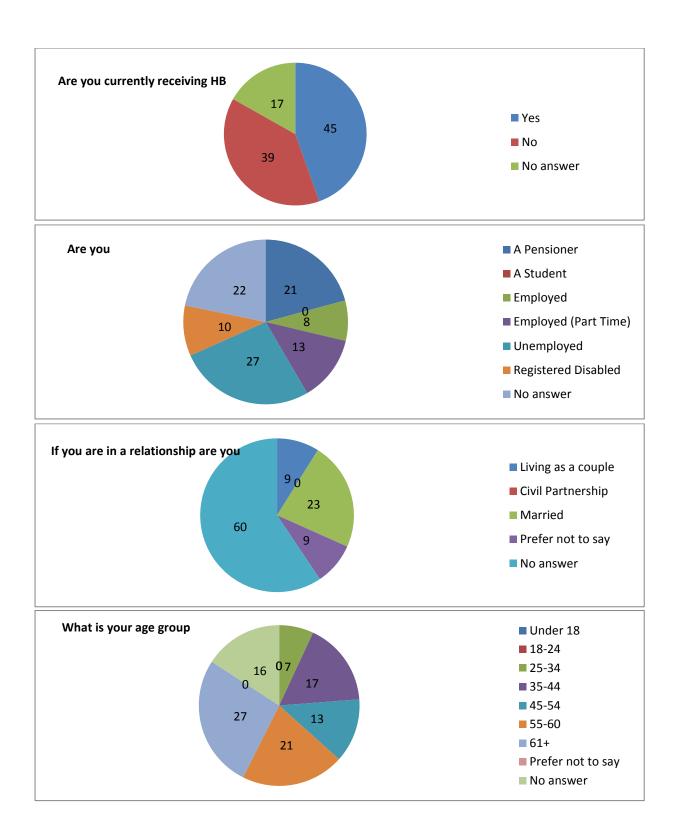
The board would urge the Borough Council to lobby the precepting authorities for these changes and keep the scheme under review to assess its impact.

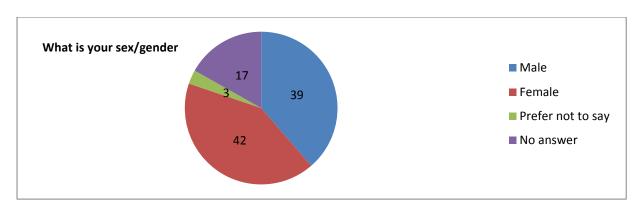
### **Respondent Details**

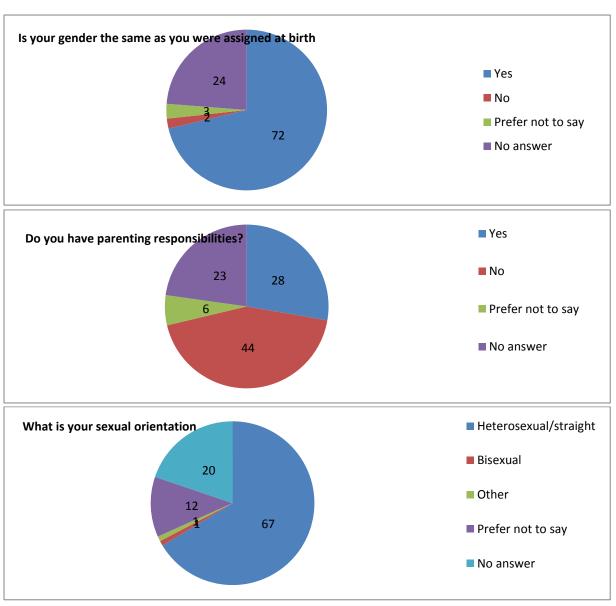
# Demographics including Equality Questions as recommended by the Equality Act 2010

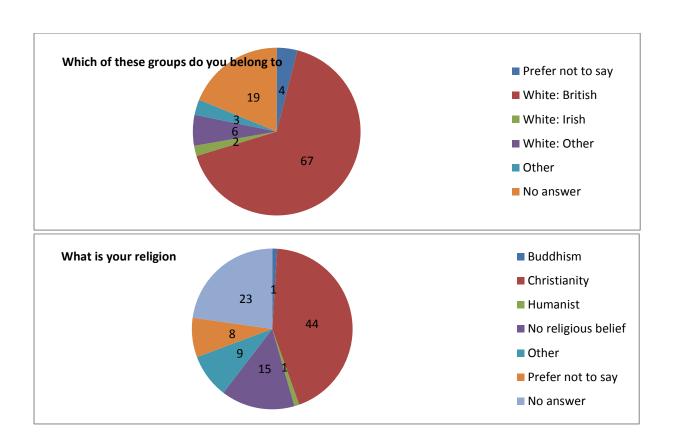
Figures shown are the number of responses from the 101 responses received











# App B - Equality Impact Assessment West Norfolk

Full Impact Assessment Form: Local Council Tax Support Scheme

#### 1. What is the service area(s) and who is the lead officer?

#### Service Area:

Finance and Resources

#### Lead Officers:

David Thomason – Executive Director of Finance and Resources

Joanne Stanton – Revenues and Benefits Manager

Laura Leicester – Benefits Manager

#### Current Service Provision:

Council Tax Benefit is currently paid to over 13,800 claimants on low incomes to help them meet the cost of their Council Tax. The level of benefit awarded is dependent on the income and circumstances of the applicant. At present the cost to the Council of providing this support is fully funded by way of subsidy from the Department of Work and Pensions (DWP).

#### 2. What change are you proposing?

The Welfare Reform Act 2012 has abolished the current system of Council Tax Benefit (CTB) for those on low incomes from 31 March 2013.

The Local Government Finance Bill introduces a statutory requirement for Billing Authorities to design and implement their own local schemes for Council Tax Support (CTS) for those in their area on low incomes. The new schemes start from 1 April 2013.

Whilst Councils are free to design their own schemes to meet local needs, funding for CTS has been reduced by 10 per cent based on the estimated future cost of CTB. For the Borough this is a provisional reduction of £1.13m. The Government have also specified certain parameters that CTS schemes must operate within:

- Pensioners must be protected from any reduction in support
- Vulnerable groups must be considered for protection from any reduction in support
- Work incentives should be promoted

A draft CTS scheme was approved by members on 21 August 2012 and the consultation period has now closed. Full details of the change are shown at Q7 and in the <u>Cabinet Report</u>.

The CTS Scheme will be a new policy and will require approval by Full Council before 31 January 2013.

## 3. How will this change help the council achieve its corporate business plan objectives (and therefore your Directorate/service objectives)?

This is a statutory requirement to introduce a new local scheme of Council Tax Support in time for 1 April 2013.

#### 4. What is your evidence of need for change?

The current CTB Scheme funded by the DWP will end on 31 March 2013.

Legislation then requires the Council to introduce a new CTS scheme from 1 April 2013. If the Council fails to do so a 'default' CTS scheme will be imposed by Government which carries a financial penalty for the Council.

## 5. How will this change deliver improved value for money and/or release efficiency savings?

The change is a statutory one and the limitations on funding and the way the CTS scheme can be administered restrict any scope to realise value for money or efficiency savings.

There is a financial risk for the Council if it fails to agree a local scheme of CTS as the 'default' scheme will apply. The default scheme will cost the same as the existing CTB scheme and as funding has been reduced by 10 per cent - equivalent to £1.13m - the shortfall would have to be met from elsewhere. All the Council Tax preceptors bear the cost in the same proportion to their Council Tax precept and as the major preceptors to the Borough have indicated they are not prepared to meet any shortfall the Council would have to find the £1.13m itself. At its Cabinet meeting on 21 August 2012 Members resolved to agree a draft scheme for CTS that falls within the new, lower budget avoiding the need to meet the shortfall.

Customers will still be able to apply for assistance with help in paying their Council Tax bill but may not receive as much as they did previously. An additional discretionary fund will be available for those who are suffering hardship and are disadvantaged by the new scheme.

Some parts of the new scheme have been introduced to simplify the scheme and generate small efficiencies.

#### 6. What geographical area does this proposal cover?

The change will affect all areas of the Borough.

There are no cross boundary implications but as each Council is likely to have variations in its schemes there may be a 'postcode lottery' where someone with the same circumstances would receive a different level of CTS from one Council than another.

#### 7. What is the impact of your proposal?

The 10 per cent reduction in funding equates to an actual reduction of £1.13m for the Borough. Protecting pensioners means the full cut has to fall on working age people and becomes a 23% reduction in the amount of funding available to support this group

A draft scheme of CTS was agreed by Members on 21 August 2012. The draft scheme has the following principles:

- Pensioners are protected and see no change in their level of support
- People entitled to a Disability Premium as part of their needs calculation for CTB are protected from any reduction in support
- Households with at least one child under 5 are protected from any reduction in support
- War Pensions will continue to be disregarded in full when calculating income
- Child Benefit and Child Maintenance are no longer disregarded and are included as income in the needs calculation
- The maximum amount of capital that can be held is reduced from £16,000 for CTB to £6,000 for CTS
- Every adult in the household contributes towards the Council Tax by applying a weekly £10 deduction for each non-dependent
- CTS for those not in a protected group will be limited to 75 per cent of their weekly entitlement
- Work is encouraged by allowing those in work to keep an extra £10 a week of their earnings

These principles deliver a draft CTS scheme within the reduced funding level. The draft scheme went to public consultation between 23 August 2012 and 18 October 2012 and the results are shown in the Cabinet Report for 4 December 2012.

In accordance with Government requirements, protection from the reductions has been put in place for pensioners. As part of the draft scheme the Council has also included a provision to protect households with at least one child aged under 5 from any reduction in support. One of the principles of the Government's overall welfare reform package is to encourage people to increase their income through work so in line with Universal Credit rules the draft scheme only expects people to take up employment once their children reach school age. 1,912 households will be protected from any reduction under this measure.

Following the original draft Equality Impact Assessment and representations by Members during the consideration of the draft scheme, 440 people who are entitled to receive the Disability Premium as part of their needs calculation are now also a protected group and will see no reduction in their level of support. War Pensions will continue to be fully disregarded as income when calculating income for CTS.

The earnings disregard will be increased by £10 per person per week to help encourage work and support the aim that customers should be better off in employment.

Following responses from the consultation, carers will now also be recommended for approval as a protected group and, if agreed, anyone entitled to Carers Allowance would be protected from any reduction in their level of support.

The principles of the draft scheme mean xx customers not in a protected group will see a reduction in the amount they receive under CTS and will have to start making payments, or make increased payments, towards their Council Tax bill. Of 6,513 working age claimants 4,670 previously received full CTB and did not have to pay anything towards their council tax. A significant proportion of these will now have something to pay.

The table at **Appendix A** contains a full analysis of the impact of the draft CTS scheme on each of the groups with a Protected Characteristic.

## 8. What data have you used to support your assessment of the impact of your proposal?

The full CTB caseload has been analysed in October 2012 and a breakdown is shown at **Appendix B**. The impact of the draft CTS scheme has also been modelled onto the caseload is also included at **Appendix C**.

Of a total caseload of 13,812, 53 per cent are pensioners. Pensioners are protected from any reduction in their level of support so the cuts fall on the 6,513 working age people.

There are 440 CTB claimants who receive a Disability Premium, representing 3.2% of all CTB claimants, whereas the proportion of registered disabled people in the Borough is higher at 5.6%. Therefore it is acknowledged that those who are disabled will continue to receive an additional premium as part of their needs calculation to reflect their higher cost of living and they will also be a protected group under CTS.

Households with a child under 5 are another protected group and make up 29 per cent of the working age CTB caseload.

# 9. What consultation has been undertaken with stakeholders/groups directly or indirectly impacted by the proposals and how do you intend to use this information to inform the decision?

The draft CTS scheme was agreed by Members on 21 August 2012 and went to public consultation between 23 August 2012 and 18 October 2012. The Stakeholder Consultation Analysis is included at **Appendix D**.

All the people currently in receipt of CTB received an individual letter informing them of the changes and asking them to contribute to the consultation. In addition local voluntary groups and organisations who may deal with or represent affected parties were contacted and invited to comment.

The effect of the draft scheme on people with disabilities had already been identified by Members as part of the draft Equalities Impact Assessment and during initial consideration of the draft CTS scheme. In response protections were introduced for those who are entitled to the Disability Premium as part of their needs analysis. Following the consultation carers will now also be recommended as a protected group.

A total of 101 consultation responses were received and a full analysis is included as part of the Cabinet Report of 4 December 2012 for approval of the final CTS scheme.

#### 10. Are there any implications for other service areas?

The new CTS scheme is a major new policy and a significant change from the existing CTB scheme. The following departments are likely to be affected:

- Council Information Centre
  - Increase in volume of customer enquiries
  - Dealing with more angry / unhappy customers
  - Dealing with more customers with financial difficulties
- Housing / Homelessness
  - Increase in customers unable to afford their housing costs as they have to pay more Council Tax
  - Possible increase in demand for housing if adult nondependents have to move out of the family home
  - Combined effect of the new CTS scheme with other welfare reforms affecting people's ability to pay their housing costs
- Finance and Resources
  - Reduction in collection rates and income to the Council affecting cash flow

## 11. What impact (either positive or negative) will this change have on different groups of the population?

A full analysis of the impacts is shown at **Appendix A**.

The change will have an impact on most working age households. The Government has already directed that pensioners must be protected. Child Benefit and Child Maintenance will now be taken into account but those with a child under 5 will be protected from any reduction in support. This is in line with the new Universal Credit rules where parents are not expected to increase their income through work until their children are attending school.

An additional earnings disregard has been included as a work incentive so those in, or taking up, employment will keep an extra £10 a week of their earnings. People with disabilities will continue to receive the additional premiums as part of the calculation of their needs calculation and those entitled to the Disability Premium in CTB will be protected from any reduction in support. War Pensions will continue to be disregarded in full when income is calculated for CTS. Carers are also recommended for protection.

The only way of making the savings required is to make cuts to the level of assistance that customers receive with help in paying their Council Tax bill. The changes will mean that some customers will now have to make payments towards their Council Tax charge for the first time. The collection of these small amounts from more people may also have an effect on the Council Tax collection rates.

There is also a potential that the caseload could increase as some people who would not have applied for 'benefit' will now apply for a reduction under the new scheme.

# 12. What actions could be taken to mitigate the adverse impacts identified in question 11? Please clearly state if any actions cannot be mitigated.

Due to the funding reductions and the resolution to design a CTS scheme that falls within the lower budget there are people who are negatively affected by the changes and who will receive less support.

The draft CTS scheme applies an equal 25 per cent reduction to all working age claimants however certain vulnerable groups are protected from any reduction in the support they receive. These include households with young children, people with disabilities and carers.

Other people may be affected and a Hardship Fund will be available to assist any vulnerable person experiencing difficulty paying their Council Tax.

The CTS scheme will be monitored closely by the Revenues and Benefits Manager and reported to Members. Any impacts that can be mitigated will be fed into the scheme design for Year 2.

#### 13. How will you monitor the impact of this change?

CTS schemes must be ratified annually by the Council. This allows for an annual review and update of the scheme.

Customer feedback will be encouraged and will be monitored and applications for payments from the Hardship Fund will be analysed to establish if any group is suffering extreme detriment under the new CTS scheme.

Caseload figures will be constantly monitored as will the cost of the scheme.

Council Tax collection rates are currently monitored and the effect of the new scheme will be visible in the collection rates as they are reviewed.

Overall the new CTS scheme will be monitored regularly and reported to Members.

# 14. Other Staff Involved in Assessment (including Corporate Equality Group Representatives), and comments from Equality Work Group Reps

Laura Leicester, Benefits Manager

Honor Howell, CIC Manager / Corporate Equalities Group

Becky Box, Vicki Jackson, Barry Brandford, Ian Burbidge – Corporate Equalities Group

Assessment Completed By: Jo Stanton

**Job Title:** Revenues and Benefits Manager

Date: 29 October 2012

### Appendix A: The Equality Act 2010 – Analysis of Impact

The table below details how the change fits with the Public Sector Equality Duty in s149 of the Equality Act 2010:

Equality Act 2	Equality Act 2010 s149					
Protected Characteristic		How does it help to 'eliminate unlawful discrimination, harassment and victimisation'?	How does it help to 'advance equality of opportunity between people who share a protected characteristic and those who do not'?	good relations between those who share a protected		
Age	Older People (60+)	None identified	People who have attained state pension age are protected from any reduction in their level of support so will not see a change under the proposed scheme	None identified		
	Young People (17- 25)	None identified	There are no proposals to change the applicable amounts and premiums for families with children. The current levels of disregard for Child Care costs also remain unchanged.	None identified		
	Children (5- 16)	None identified	There are no proposals to change the applicable amounts and premiums for families with children. The current levels of disregard for Child Care costs also remain unchanged.	None identified		

	Children (<5)	Households with at least one child under five are a protected group and will not see a reduction in their support under the proposed scheme.  This prevents households who are caring for young children being discriminated against as they are not expected to increase their income through work.  Protection is not limited to lone parent households so as not to adversely affect households with two adults by giving them less support.	and are not expected to increase	None identified
Disability	Physical		People entitled to a Disability	None identified
	Sensory	and premiums people with a disability are entitled to. Disability Benefits will continue	group are included in the work	None identified
	Learning			None identified
	Mental Health			None identified

		The Disability Premium can also be awarded for a child so parents of a child with a disability will also be a protected group.  People with a Disability Premium in their applicable amount are a protected group and will not see a reduction in their level of support under the proposed scheme to ensure there is no discrimination	characteristic.	
Ethnicity	White	None identified	None identified	None identified
	Black	None identified	None identified	None identified
	Chinese	None identified	None identified	None identified
	Mixed	None identified	None identified	None identified
	Gypsy and Traveller	None identified	None identified	None identified
Language	English not first language	None identified	None identified	None identified
Gender Reassignment		None identified	None identified	None identified

Pregnancy and Maternity	are pregnant or who have given birth in	Households with at least one child under five are a protected group and will not see a reduction in their support under the proposed scheme.  This prevents households who are caring for young children being discriminated against as they are not expected to increase their income through work.  Protection is not limited to lone parent households so as not to adversely affect households with two adults by giving them less support.	the applicable amounts and premiums for families with children.	None identified
Race		None identified	None identified	None identified
Religion or Belief	People with (or without) religious beliefs	None identified	None identified	None identified

Sex	Men	None identified	Households with at least one child under five are a protected group, including lone parent households where statistically the carer for the dependent child(ren) is more likely to be to be the mother. Ensuring households, rather than just lone parents, are protected ensures equality of opportunity for both parents	None identified
	Women	Households with at least one child under five are a protected group, including lone parent households where statistically the carer for the dependent child(ren) is more likely to be to be the mother eliminating discrimination.	None identified	None identified
Sexual Orientation	Lesbian, Gay and Bisexual	None identified	None identified	None identified
Marriage and Civil Partnership	People who are single, married or in a civil partnership	None identified	None identified	None identified

Equality Act 2010 s149					
Protected Ch	naracteristic	Positive (P) Negative (N) or no (-) impact?	Explain how it could benefit or disadvantage the group		
Age Older People (60+)		Р	People who have attained pension age are a protected group and will see no reduction in their level of support as a result of the changes		
	Young People (17-	N	Child Benefit and Child Maintenance will be included as income meaning households containing young people may have to pay more		
25)  Children (5- 16)  Children (<5)			A deduction of £10 will be made for non-dependants regardless of their income. This will include adult sons and daughters still living at home who will be expected to contribute to the council tax bill		
		N	Child Benefit and Child Maintenance will be included as income meaning households containing children may have to pay more		
		Р	Households with at least one child under five are a protected group and will see no reduction in their level of support as a result of the changes.		
			Protection is not limited to lone parent households so as not to adversely affect households with two adults by giving them less support.		
Disability	Physical	Р	People who receive the Disability Premium as part of their applicable		
	Sensory	Р	amount are a protected group and will see no reduction in their level of support as a result of the changes.		
	Learning	P	The Disability Premium can also be awarded for a child so parents of a		
	Mental Health	P	child with a disability will also be a protected group.		

Ethnicity	White	-	No impact identified
	Black	-	No impact identified
	Chinese	-	No impact identified
	Mixed	-	No impact identified
	Gypsy and Traveller	-	No impact identified
Language	English not first language	N	Those who do not have English as a first language may be less able to access additional employment to increase their income and may not be able to benefit from the work incentives in the proposed scheme
Gender Reassignment		-	No impact identified
Pregnancy and Maternity	Women who are pregnant	Р	Households with at least one child under five are a protected group and will see no reduction in their level of support as a result of the changes.
	or who have given birth in the last 26 weeks		Protection is not limited to lone parent households so as not to adversely affect households with two adults by giving them less support.
Race		-	No impact identified
Religion or Belief	People with (or without) religious beliefs	-	No impact identified

Sex	Men	-	No impact identified
	Women	-	No impact identified
Sexual Orientation	Lesbian, Gay and Bisexual	-	No impact identified
Marriage and Civil Partnership	People who are single, married or in a civil partnership	-	No impact identified

A Hardship Fund will be available to assist those suffering extreme detriment as a result of the changes.

### Appendix B: Caseload Breakdown

The tables below show the profile of the current Council Tax benefit caseload for the Borough Council of King's Lynn & West Norfolk as at October 2012:

All cases	Number	Percentage
Total Caseload	13,815	
Pensioners	7,299	53%
Working Age	6,513	47%

Working Age cases	Number	Percentage
Households with a child under five	1,912	29%
Receiving Disability Premium	440	7%
Total working households	1,775	27%
Working households with children	1,349	21%
Working households without children	379	7%
Total non-working households	4,738	73%
Non-working households with children	2,253	35%

Non-working households without children	2,485	38%
Households with non-dependants	796	12%
Households receiving Full Benefit	4,670	72%
Households receiving Carers Allowance	258	4%
Households contributing to Council tax bill	1,843	28%
Council Tax Band A	4,440	68%
Council Tax Band B	1,348	21%
Council Tax Band C-H	725	11%
Moving to Pension Age in 2013	56	0.9%
Moving to Pension Age in 2014	74	1.1%
Moving to Pension Age in 2015	103	1.6%

### Appendix C: People affected by the draft CTS scheme

Total people affected Of which:		4,741
	- · · · · · · · · · · · · · · · · · · ·	
Weekly support reduced by:	Between £0 and £5	3,544
	Between £5 and £10	701
	Between £10 and £15	362
	Over £15	134
No entitlement to support		536
Total in protected groups		1,512
Affected groups	Single	2,302
	Lone parent	1,262
	Couples	523
	Families	654

### Appendix D: Consultation Stakeholder Analysis

Stakeholder Name	Contact Date	Stakeholder Letter*	Email	Press Release	Website	Social Media	Drop In Session	Briefing
NCC	15/08/2012		V					
NPA	15/08/2012		V					
Council Tax Payers	23/08/2012 to 18/10/2012				√	V	V	
General Public	23/08/2012 to 18/10/2012			V	√	V	V	
WN Disability Forum	12/09/2012							√
CAB	31/08/2012	$\sqrt{}$					√	
MIND	31/08/2012	$\sqrt{}$					√	
FCH (inc Credit Union)	31/08/2012	$\sqrt{}$					√	
Broadland HA	31/08/2012	$\sqrt{}$					√	
Hyde Minster	31/08/2012	$\sqrt{}$					√	
St Matthews (Genesis) HA	31/08/2012	V					V	
Flagship	31/08/2012	√					√	
Longhurst HA	31/08/2012	$\sqrt{}$					√	
Wherry	31/08/2012	$\sqrt{}$					√	
Progress Care HA	31/08/2012	√					√	
Shelter	31/08/2012	$\sqrt{}$					√	
KLARs	31/08/2012	$\sqrt{}$					√	
Stonham	31/08/2012	$\checkmark$					√	
Purfleet Trust	31/08/2012	V					√	
Julian Housing	31/08/2012	V					√	
Housing Team	30/08/2012							√

Revs & Benefits Team	30/08/2012						√	√
NNDC	30/08/2012				$\sqrt{}$			V
All Borough Council staff	30/08/2012		V					
WNVCA	31/08/2012	√		√			√	
Council Tax Benefit Recipients	w/c 10/09/2012	V		V	V	√	V	
Members(via Bulletin)	24/08/2012			V				
		*letter to direct sta online access	akeholder to or	nline consultation	on or to requ	uest paper co	by if no	
			11/09/2012		on or to requ	uest paper co	oy if no	
		online access Drop In			on or to requ	uest paper co	oy if no	
		online access Drop In	11/09/2012	Kings Court  Downham	on or to requ	uest paper co	by if no	
		online access Drop In	11/09/2012	Kings Court  Downham  Market	on or to requ	uest paper co	oy if no	

#### REPORT TO CABINET

Open/ <del>Exempt</del>		Would a	any decisions pro	posed :			
Any especially affected Wards None	Mandatory/ Discretionary / Operational	Be entirely within Cabinet's powers to decide Need to be recommendations to Council  Is it a Key Decision			YES/NO YES/NO YES/NO		
Lead Member: C E-mail: cllr.vivienn norfolk.gov.uk Lead Officer: Ala E-mail: alan.gom Direct Dial: 0155	e.spikings@west- in Gomm m@west-norfolk.g	ov.uk	Other Cabinet Members consulted: All Other Members consulted: None Other Officers consulted: Management Team, Housing Strategy Manager				
Financial Implications YES/ <del>NO</del>	Policy/Personr Implications YES/ <del>NO</del>	lm	atutory plications S/ <del>NO</del>	Equal Impact Assessment YES/NO If YES: Pre- screening/ Full Assessment	Risk Management Implications YES/NO		

Date of meeting: 4 December 2012

### 2 COMMUNITY INFRASTRUCTURE LEVY – EARLY STAGE CONSULTATION ON METHODOLOGY FOR VIABILITY ASSESSMENT

#### **Summary**

Officers are engaged in the collection of the background material necessary for a Community Infrastructure Levy (CIL). Consultants are preparing a viability assessment to inform Members future decisions on the level of CIL charges. There is a need to undertake consultation with interested parties as part of the viability work to inform the process.

#### Recommendation

That Cabinet:

- 1. Agrees to a consultation exercise being carried out of in connection with the preparation of a Viability Assessment by our consultant as part of the preparation of a draft CIL Charging Schedule.
- 2. Notes that the results of the consultation will be reported back to Cabinet before proceeding to the next stage in the process.

#### **Reason for Decision**

In order that the Council undertakes an effective preparation process for this part of the CIL.

#### 1 Background

1.1 The Government has decided that a tariff based charge on new development known as the Community Infrastructure Levy (or CIL) provides the best framework to fund new infrastructure required to support growth. From April 2014 the Council's ability to pool S106 agreements

- towards the provision of infrastructure will be effectively removed leaving CIL as the appropriate mechanism if we are to help support the infrastructure needs of development in West Norfolk.
- 1.2 As part of introducing CIL, the Council must identify the scale of infrastructure needed to support growth and then set a rate that will seek to raise a contribution whilst striking an appropriate balance between the desirability of funding infrastructure and the potential effects of the imposition of the levy upon the economic viability of development across the area. This draft schedule will be subject to an extensive process of public consultation and to a public inquiry at which an Inspector will consider if the charges set are reasonable and based upon sound evidence of viability.
- 1.3 Cabinet agreed in October 2011 that the Council should work to prepare a draft CIL charging schedule setting out the type of development for which CIL will be sought and the rates that would apply. The first stage of this work is to prepare a viability assessment as to what levels of CIL could be afforded by development in the Borough. This will then inform the judgement as to what level of CIL will actually be proposed by the Borough Council.
- 1.4 A specialist consultant has been appointed by the Council to prepare a viability assessment, and work is continuing on this. There is a very strong emphasis on working with the development industry and other interested parties to ensure the appropriate economic data is being used as the basis for CIL. As part of this process it is necessary to establish a robust methodology to be used. Clearly by establishing this at the outset can help avoid involved discussion at the Examination. Experience from other authorities ahead of us in the process shows the value of careful consultation at the early stages.
- 1.5 The consultant has reached a stage where he needs to test certain assumptions and outline the methodology used in order to finalise a viability assessment report. This report recommends that Cabinet agree to the consultation exercise being undertaken and the results fed into a finalised viability assessment. There will then be an opportunity for Cabinet to consider the outputs and outline a set of CIL rates for the first stage of wider consultation.
- 1.6 At the same time as considerations of viability are being addressed we are preparing an update of our infrastructure study. This is the list of items required to support the growth of the Borough over the next 15 years. CIL Regulations stipulate that the amount needed to provide the infrastructure must exceed the amount likely to be raised by CIL charges. The infrastructure study is not the same as (but clearly informs) a prioritised list which will need to be put in place when a CIL is finally adopted.
- 1.7 Although much of the evidence that will go into drawing up the CIL will be of a technical nature, based upon an assessment of both need and viability, there will be a clear need for a political judgment on how the balance between growth and investment is to be struck.

- 1.8 This entire process will be subject to a process of public consultation and to a public inquiry where the inspector will examine the CIL to be satisfied that:
  - The document is supported by robust evidence of the need for infrastructure investment; and
  - That the rate set will not undermine the viability of development coming forward in the area.
- 1.9 These 'tests' are matters that Members would wish to be satisfied in any event and provides a high degree of discretion over how and where to set the CIL levy.
- 1.10 The consultation with interested parties in the development industry is a necessary part of the preparation of a viability assessment. The consultation responses will be considered and as appropriate fed into the final assessment document.

#### 2 Options Considered

2.1 The previous Cabinet report considered the implications of not implementing a CIL charging schedule locally. Essentially there are no realistic funding options as an alternative to CIL.

#### 3 Policy Implications

3.1 Consideration of the report and its recommendation at this stage does not constitute the adoption of a particular level of CIL charges; that decision is for a later date.

#### 4 Financial Implications

4.1 There is no specific budget for preparing the CIL or carrying out the assessments needed to assess the impact of CIL on the viability of schemes. Much of the work associated with preparing CIL will be carried out internally using existing staff resources from within the LDF, Regeneration, and Housing Strategy teams although the cost of the consultants work is being met from LDF budgets.

#### 5 Personnel Implications

5.1 There are no direct staffing implications since this work will be taken on by the LDF, Regeneration and Housing Strategy teams. This will however have an impact upon capacity that will require a reprioritisation of work across both teams. At the point at which we formally adopt a CIL charging schedule we will have to have in place mechanisms for administering the CIL collection and the governance of prioritisation and spending decisions. An element of the money collected by CIL can be used to administer it, so there should be a neutral effect overall.

#### 6 Statutory Considerations

6.1CIL will be prepared in accordance with the relevant Regulations referred to below and subject to an Examination.

#### 7 Equality Impact Assessment (EIA)

7.1 There are no equalities considerations in relation to this proposal.

#### 8 Risk Management Implications

- 8.1 The Government has signalled their intention that Councils should use CIL to help meet the infrastructure requirements in their area. From April 2014, the Council will not be able to use S106 agreements to pool infrastructure contributions across developments for investments in infrastructure, although they can still be used for items within an individual site.
- 8.2 If the Council fails to introduce a CIL regime, it remains unclear how investment in wider infrastructure will be funded. The lack of proper investment in infrastructure is likely to have negative impacts on the economy and quality of life for people living within or moving to the district.

#### 9 Declarations of Interest / Dispensations Granted

9.1 None.

#### 10 Background Papers

The CIL schedule will be prepared in accordance with the CIL regulations that came into force in April 2010, and subsequently amended 2011 and proposed for further amendment in 2012.

Links to these documents are:

2010 http://www.legislation.gov.uk/uksi/2010/948/contents/made

2011 http://www.legislation.gov.uk/uksi/2011/987/made

2012(Draft)

http://www.legislation.gov.uk/ukdsi/2012/9780111529270/pdfs/ukdsi\_9780111529270 en.pdf

CLG Guidance document

http://www.communities.gov.uk/documents/planningandbuilding/pdf/1995794.pdf