Citizens Advice Waverley



Enquiry Line 0844 8487969

Graeme Clark
Finance Director
Waverley Borough Council
The Burys
Godalming
Surrey GU7 1HR

30 October 2012

Dear Graeme

LOCAL COUNCIL TAX REDUCTION SCHEME

- 1. Thank you for involving Citizens Advice Waverley in the consultation process in connection with your formulating and implementing a Council Tax Reduction (CTR) Scheme by April 2013, and for explaining the issues faced by the Council in doing so at the meeting held at your offices on 10th October 2012.
- 2. This letter comprises our formal response to the consultation based on the discussion at that meeting and the current Draft for Consultation document published by the Council. As explained at that meeting, nothing in this letter should be taken as our formal endorsement of any individual option.
- 3. We note that in addition to effecting a 10% reduction in the grant given compared with the existing Council Tax Benefit Scheme it is the government's intention that local CTR schemes shall:
 - i) give councils increased financial autonomy, whilst retaining council tax support for the most vulnerable, including vulnerable pensioners
 - ii) provide incentives to ensure that people are better off in work rather than on benefits.
- 4. We believe that any reforms should align with other key principles set by government at national and local level, including reducing child poverty, achieving defined levels of Absolute and Relative Poverty by 2020 and safeguarding those who have protected status as defined by the Equality Act 2010.

Village Way Cranleigh GU6 8AF Montrose House South Street Farnham GU9 7RN New Montrose House 36 Bridge Street Godalming GU7 1HP Well Lane House Well Lane Haslemere GU27 2LB



- 5. With that in mind we welcome the proposal to protect support for Working Age Class 1 customers.
- 6. We think it would be helpful to define some of the terms used in the guidance provided by the Government as you decide on the principles to adopt in your CTR scheme and in particular
 - i) the "most vulnerable"
 - ii) what constitutes a "low income household.".
- 7. Any of the measures taken individually should not be considered in isolation from:
 - the aggregate effect of the implementation of more than one measure under the CTR scheme and
 - ii) the effect of other reforms being implemented nationally such as the cap on benefits and the introduction of Universal Credit.
- 8. We also feel that clarity is important for claimants, both in terms of entitlement and in transitional arrangements when first starting work, or reinstatement of CTR following a short break in entitlement.
- 9. It is critical, in our view to bear in mind that means tested benefits are set by government at a minimum level deemed necessary to cover the most basic of living costs.
- 10. We believe that measures which result in reductions in council tax support for those in low paid work could run counter to the aim of "supporting people back to work."
- 11. We note that the timescale for the Council to consult and to implement any agreed changes is very tight and that further changes will have to be made over the next few years to accommodate the impact of further welfare reform on any CTR scheme.
- 12. We would point out that a household can be affected by loss of income due to unemployment regardless of the size of the property it occupies.
- 13. We did not discuss the take up in the number of claimants with entitlement to Council Tax Support you have assumed in your estimated saving when we met. We would urge you to assume the maximum possible take up and to take all possible measures to ensure that this is achieved.

- 14. We also believe that it is important to consider the costs of enforcement on any measures taken, to ensure that these are not disproportionate.
- 15. We hope that you will find our comments helpful. Should you require any clarification on them please feel free to contact me.

Yours sincerely

Phil Davies

District Manager