

Simon Hendey
Chief Officer: Housing
Bracknell Forest Council
Time Square
Market Street
BRACKNELL
RG12 1RE

18 September 2015

Dear Simon

Consultation on Local Council Tax Reduction Scheme

Thank you for your letter of 22 July 2015, regarding the proposed changes to the Bracknell Forest Council Local Tax Reduction Scheme. We appreciate the opportunity to comment and understand the Council's aim to achieve cost reductions.

The increase in working income disregards by £5 is welcomed. It is a positive aspect of the proposals, as it will help improve income levels for working households.

We do however have concerns about the proposed reduction to the maximum discount of 91.5% to 80% of council tax liability. We have undertaken our own analysis based on customers we know to be in receipt of full housing benefit. This shows at least 875 customers, depending on the property band, will need to pay an extra £1.17 to £3.77 per week

The groups most affected will be single people, families who are subject to the current benefit cap and those in receipt of child maintenance. In our view, the impact of these proposals combined with the current and forthcoming welfare reforms, will cause financial hardship. Many households will find it difficult to budget for the additional council tax payment, as well as other essential costs including housing, food and fuel costs. The risk arising from these proposals is that more households will struggle with debt and this may lead to increased tenancy breakdowns and possible homelessness. We are already seeing more households dependent on food vouchers.

We are concerned about the proposal to take child maintenance into account when calculating household income and particularly in scenarios when the CSA is involved and where payments are not made or have been reduced. In our experience families rely on child maintenance to pay for food, fuel bills and school uniforms etc.

With regard to the proposal to assess self employed income at national hourly minimum rates, our view is that this will have a detrimental impact on seasonal workers such as gardeners, roofers and those involved in outdoor work, as their income is more directly affected by weather conditions. For this group, their average

income at the national hourly rate should assume for a six rather than a 12 month period and require more frequent self employed assessments.

In relation to the recovery of outstanding council tax, our understanding is that two reminders are sent to residents before a summons is issued and that once the summons is issued, the option to pay by instalments is unavailable and summons charges are also imposed. We would urge the Council to publish more information about the recovery procedures, including when the council tax is due for payment and how and where it can be paid. This might reduce the risk of summons and costs to already stretched households but also to the Council.

In conclusion, based on our own analysis of the changes to the local council tax reduction scheme, we see a clear detrimental impact on families and single people with low incomes; our preference would be for Bracknell Forest Council to retain the 91.5% maximum discount.

Please find attached some case illustrations and our analysis of the weekly impact of the proposals for 875 households, which I hope you will find useful.

Thank you for inviting our comments. I would appreciate further information on the outcome of the consultation. It would also be helpful if you could send further information about the council tax recovery process.

I look forward to hearing from you.

Yours sincerely

Surinder Bains
Head of Housing Operations

Encs .

Appendix D

<u>Band</u>	<u>Family Size</u>		<u>No of Claimants</u>	<u>Weekly amt diff</u>	<u>Total amt lost</u>
	<u>Adults</u>	<u>Children</u>			
A	1	0	368	£1.17	£430.56
B	1	1	160	£1.34	£214.40
B	1	2	96	£1.34	£62.98
C	1	3	47	£1.51	£70.97
C	1	4	7	£1.51	£10.57
C	1	5	1	£1.58	£1.58
B	2	0	77	£1.57	£120.89
C	2	1	34	£1.78	£60.52
C	2	2	24	£1.78	£42.72
D	2	3	21	£2.01	£42.21
E	2	4	13	£3.77	£49.01
E	2	5	3	£3.77	£11.31
C	3	0	7	£1.78	£12.46
D	3	1	7	£2.01	£14.07
D	3	2	5	£2.01	£10.05
E	3	4	1	£3.77	£3.77
D	4	1	1	£2.01	£2.01
E	4	2	1	£3.77	£3.77
E	4	3	1	£3.77	£3.77
E	5	1	1	£3.77	£3.77
	Total		875		£1,171.39