

Nottingham and Nottinghamshire Defend Council Tax Benefit Campaign

## **Response to Bassetlaw District Council Local Council Tax Scheme Consultation**

**Nottingham and Nottinghamshire Defend Council Tax Benefits Campaign is writing to you regarding the proposed abolition of Council Tax Benefit Scheme and its replacement by local Council Tax Schemes and regarding your consultation.**

**Please note that our response to question 10 is Don't know, because the list is not exhaustive and we do not wish to allow the local authority to suggest we believe it covers all situations.**

Nottingham and Nottinghamshire Defend Council Tax Benefits Campaign condemns the Con-Dem government's proposals.

Under the misnamed 'Welfare Reform Act', the government is proposing to abolish the national Council Tax Benefit (CTB) scheme which is centrally funded and make all councils in England bring in their own scheme from April 2013. This is with less funding, aiming to save around £410 million in England, approximately 10% of current costs. In Nottingham and Nottinghamshire the cut is around £13.29 million. According to a report by Broxtowe Borough Council (July 2012), they estimate the loss to Bassetlaw District Council as £1,070,000 as the billing authority and £102,000 as receiving authority.

The government wants councils to cut benefits as part of the attack on the welfare state to make the 99% pay for the bankers' and the system's crisis. The government wants to make benefits so awful that people will work for as little as employers want to pay. Hardly surprising, some in the government want to get rid of the National Minimum Wage.

A recent report in the Guardian newspaper (Tuesday 16<sup>th</sup> October) based on Freedom of Information requests by "False Economy" reported that councils were resigned to

## Nottingham and Nottinghamshire Defend Council Tax Benefit Campaign

seeing residents refusing to pay their council tax. Bassetlaw DC's savage proposals mean that many people will not be able to afford to pay their council tax.

- **Nottingham and Nottinghamshire Defend Council Tax Benefits Campaign calls on the council to commit to not pursuing people who cannot afford their council tax.**

The BBC has reported that the Tory, Patrick now Lord Jenkin, who designed what became known as the "poll tax" in the 1980s has warned that Council Tax Benefit cuts risk creating a "poll tax Mark 2".

Bassetlaw DC is proposing amongst other measures:

- that all working age people would have to pay at least 20% of their Council Tax bill with some similarity to the poll tax
- to reduce the upper savings limit to £8,000. Bassetlaw DC is also considering reducing the lower limit to £4,000. Bassetlaw DC is penalising people who are saving up for their retirement or who perhaps receive some redundancy pay or who due to bereavement receive some monies. Bassetlaw DC uses the phrase "relatively large capital or savings"

We would ask the question, relative to whom. It is a distortion to imply that £4,000 or £8,000 are large amounts when compared to the huge salaries of the government, MPs, the private funders of the Conservative Party and the bankers with their bonuses. Bassetlaw DC's proposals are even harsher than the current limits of £6,000 and £16,000.

## Nottingham and Nottinghamshire Defend Council Tax Benefit Campaign

The Guardian newspaper has reported Councils already believe that up to half of people on low incomes will not pay their council tax and there is little the councils can do because it will not be cost effective.

### **Nottingham and Nottinghamshire Defend Council Tax Benefits Campaign**

- **opposes all changes to CTB that are a detriment including the proposals that all working age people would have to pay at least 20% of their Council tax; we oppose the reduction in the savings limits; we oppose the changes proposed for the Second Adult rebate and for non-dependents**
- **calls on the local authority to make clear that it will not pursue those on low incomes including those at work because it would not be cost effective**

### **We note that Bassetlaw DC wants to end backdating.**

This will inevitably affect the vulnerable who may not be able to complete the forms without help. Normal local authority practice is to commence a claim from the Monday after the claim is received. It is unreasonable to expect people to be able to guarantee that who they can make their claim in advance or on the first Monday.

As the local authority has a duty under the regulations to protect the vulnerable, we believe removing backdating is in conflict with this duty.

Situations arise, whereby the claimants may lose their job without much notice. Is Bassetlaw DC to back date claims in these circumstances?

Will Bassetlaw DC backdate a claim if the previous person liable for the Council Tax has died or because an exemption had been removed?

**Nottingham and Nottinghamshire Defend Council Tax Benefits Campaign  
opposes the end of backdating;**

Currently, the government has exempted pensioners (approximately 1/3 of CTB recipients) from this latest attack but we believe that if this government is successful in abolishing the national CTB scheme due to a lack of fight by local authorities, they will look to make further cuts in the funding available and will consider removing the safeguard for pensioners.

Under the government's proposals, any increased demand for CTB e.g. due to job losses or reduced income such as from short time working, has to come from the pot of money already allocated by the government.

- Greater need means less is available for each recipient and year on year, if Bassetlaw DC does not fight, you will be re-assessing claimants income and expected need and looking how to make the savings (e.g. cuts in benefits/increased charges).
- If the Con-Dem proposals are not stopped, if Bassetlaw DC does not build a campaign to prevent these attacks on its local population, there will be further cuts in the money allocated by the government each year and Bassetlaw DC will be faced with making even more draconian cuts in entitlements.

**Bassetlaw DC ( and all other councils) should do everything in their power to refuse to pass on central government cuts on and Bassetlaw DC should stand firm to pay Bassetlaw residents according to their benefit needs based on the existing system.**

Nottingham and Nottinghamshire Defend Council Tax Benefits Campaign would want to campaign with the Labour Council if you are willing to lead a serious fight for funding to

## Nottingham and Nottinghamshire Defend Council Tax Benefit Campaign

retain the current scheme and if you refuse to pass the cuts on either by increased charges and/or cuts in benefit entitlement.

Where available, councils should use reserves to cover any shortfall and to buy time to build a mass campaign for properly funded councils and the return of monies lost due to reductions in central government funding.

If the council does not retain the current scheme, Nottingham and Nottinghamshire Defend Council Tax Benefits Campaign will support those unable to pay their council tax

### **Nottingham and Nottinghamshire Defend Council Tax Benefits Campaign**

[defendcounciltaxbenefits@yahoo.co.uk](mailto:defendcounciltaxbenefits@yahoo.co.uk)

**07521 569 622**

#### **Aim of the campaign**

To oppose the proposed abolition of CTB and its replacement by local Council Tax Schemes; to campaign for councils to refuse to pass on the cuts to its local community; to support those who are unable to pay their council tax due to the proposed changes; to call on councils not to pursue those who are unable to pay their Council tax due to the council's changes