

District Councils' Network

The one voice of district councils in the LGA

Close to people, focused on place



**District councils Network
Local Government House
Smith Square
London
SW1P 3HZ**

Elise Laker
Council Tax Benefit Reform Team
Department for Communities and Local Government
Zone 5/H2,
Eland House,
Bressenden Place
London
SW1E 5DU

13 October 2011

Dear Lord Freud

The District Councils Network represents the interests of 180 districts across the country. We are a special interest group of the Local Government Association and provide a single voice for districts to government and other national organisations. The DCN has fully consulted and engaged with its members to develop this response. This response compliments that of the Society of District Council Treasurers.

The DCN fully supports the policy of simplifying the benefits system though we have some serious concerns about the proposals including;

Timescales:

The intention to implement the scheme by 2013 is overly ambitious and risks a system being in place which does not meet the government's objectives. It is highly unlikely that a sound system can be designed, fully consulted on, built and implemented in the timescales. The DCN strongly urges a implementation date of 2014 to be considered.

Protection of pensioners:

This could cause a number of risks firstly it risks the intention of the scheme to support working age council tax payers into employment. The protection of pensions means that working age residents will face the brunt of the 10% reduction. When analysing the current caseloads it has been found that most Authorities will have in excess of 55% of their case load included within the two protected groups. This could push the working age claimants further into poverty and away from seeing the benefits of working.

Secondly it runs the risk of creating multiple schemes, one prescribed by government run on a national level, an in work scheme in parallel with the universal credit scheme, and local schemes supporting vulnerable people and one that delivers the 10% reduction.

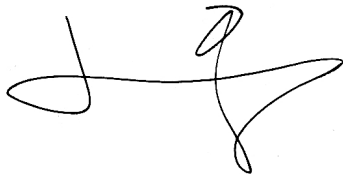
Financial risk:

The scheme presents a serious financial risk to district councils which have previously been shared with central government. If demand for benefits increases it could expose district council budgets. It is difficult to accurately forecast the demand for the service. Increase in demand will impact districts budgets.

We have outlined these concerns in more detail in the attached response. We are not against the proposals and are keen to work with government further to ensure the success of these proposals.

If you do requires further discussion, please contact Emma Tucker, the DCN Manager, on emma.tucker@local.gov.uk 0207 664 3049, who will make the necessary arrangements.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Peter Fleming', written in a cursive style.

Cllr Peter Fleming
DCN Welfare Reform Lead