Council tax benefit is changing

Council tax benefit is currently a national system and is paid to those households whose combined income, savings and investments are below a certain level.

The coalition government is planning to abolish the current system of council tax benefit on 31st March 2013 and requires all local councils, including Ashford Borough Council, to set up a new, local system that will replace it from 1st April 2013.

The government believes the changes it is making to council tax benefit will encourage people who are of working age to return to work and show that work pays. It is also trying to reduce the level of national debt.

Therefore the amount of money the government is going to provide to pay for the new local council tax benefit system is being reduced by 10 per cent, so not everyone will receive the same level of support as they do now.
Will everyone who receives council tax benefit be affected?

No. The government has said that pensioners will not be affected by the changes and will continue to receive similar support.

The government has also said that if you live in your property alone then you will still receive your single person discount of 25%.

However, if you are not a pensioner claimant then you will be affected by the proposed changes and you need to read on.

“The council has been working hard to introduce a new local system that is as fair as possible.”

What is Ashford Borough Council’s local system going to be?

The council has been working hard to introduce a new local system that is as fair as possible. It is based on the principles of the current national council tax benefit system (it encourages people to work, asks those people of working age who currently claim council tax benefit to contribute something towards the shortfall, and protects vulnerable groups).

A large number of options have been considered but there is a preferred option proposed. While the council is putting forward a preferred option, all of the people who receive council tax benefit will be asked for their views as part of an eight-week period of consultation.

The council will also be asking for the views of other public-serving organisations and charities who will have an interest in the proposed changes and may wish to comment.
The council’s preferred option

In summary, these are the main points about the council’s preferred option for a new local council tax support system:

• If you are a pensioner you will receive similar support to that which you currently receive and you will not be affected by the change

• If the government determines that you are eligible to receive disability allowances from 1st April 2013 when the local council tax support system begins, you would receive 95% of the support you do now

• The new local scheme will still aim to protect vulnerable groups and will encourage people to return to work

• Neither the council nor parish councils will directly fund the new council tax support scheme, in order to preserve other council services that residents have told us they want us to provide.

“Pensioners will not be affected by the changes and will continue to receive similar support”

In order to reduce the impact on those people of working age who currently receive council tax benefit it is proposed:

• To remove the 10% discount for second homes
• To reduce the council-tax exemption period from six months to six weeks for short-term empty properties
• To apply a 150% council tax premium for long-term empty properties (properties that are empty for more than two years).

Although the new local system proposes to reduce the council tax support that those people of working-age receive by 17.5%, this could have been as much as 25% were it not for these additional proposed changes.
We want your views

Between 6th August and 1st October 2012 the council is asking residents, public-serving organisations and charities who will have an interest in the proposed changes what they think of the council’s preferred option, set out in this leaflet.

To take part in the consultation you need to complete our council tax support questionnaire. If you prefer you can complete the form online at www.ashford.gov.uk/counciltaxsupport

If you have any further questions please:
• Email counciltaxsupport@ashford.gov.uk
• Phone 01233 331111; or
• Visit Ashford Gateway Plus in Church Road, Ashford.

To view more details of the preferred option and consultation there is a brochure on the council’s website that includes some examples that may help you to see how you will be affected. There are also links to sites that contain further information.

These can be viewed at www.ashford.gov.uk/counciltaxsupport

Difficulty in understanding this leaflet? Need it in Braille, large print or on audio tape? For translations or interpretations please contact us and we will do our best to help.

Telephone: 01233 331111 Email: customer.care@ashford.gov.uk