



Local Council Tax Support Scheme 2018/19

Background

Council Tax Support was introduced in April 2013 to replace Council Tax Benefit, as a result of changes made by central government.

Previously, 100% of the cost of Council Tax Benefit payments was paid to Councils. Under the new scheme the government has reduced the level of funding provided.

As a result of reduced government funding, a new scheme for working age customers was introduced after extensive consultation. The scheme reduced the maximum award of support from 100% to 85% meaning customers had to pay at least 15% of their bill. This was phased in over two years. Following further public consultations this was subsequently changed, initially to 25% in 2015/16 and then 45% in 2016/17 and 2017/18.

The scheme is administered at a local level and is currently split between the following two areas:

- pensioners
and
- working age customers

Pensioners are protected by legislation and their scheme will remain unchanged. **This consultation relates solely to the local working age scheme.**

In 2013/14 certain exemptions on empty properties were amended in order to assist funding of the shortfall in the new scheme. These amended exemptions will remain in place and no further amendments are proposed.

2018/19 Scheme

The Council's Executive Committee has agreed for the scheme to remain at 45%.

There are no other technical changes to be consulted on this year.

Consultation options - see overleaf



Kettering
Borough Council

Local Council Tax Support Scheme

In line with Government legislation Kettering Borough Council is consulting on its Local Council Tax Support Scheme (LCTS). The consultation process will run for 8 weeks ending 20/11/2017 and customer feedback will be considered as part of the decision making process. Any changes to the scheme must be approved by Full Council before the 31st January 2018.

Option 1

A freeze in the level of support for 1 year – maximum support remaining at 55%. Customers would have to pay at least 45% of their Council Tax Bill in 2018/19.

Option 2

A freeze in the level of support for 2 years – maximum support remaining at 55%. Customers would have to pay at least 45% of their Council Tax Bill in 2018/19 and 2019/20.

Impact of proposals

The average Council Tax Band in Kettering is a Band B. The annual bill in 2017/18 is £1,229.69. Currently a customer receiving the maximum LCTS is required to pay £553.36 a year which equates to £10.64 per week. This will remain broadly the same under either proposal, subject to any future Council Tax levels.

Of Council Tax paid, Kettering Borough Council receives 13% of what you pay. The Police and Crime Commissioner receives 13% and Northamptonshire County Council receives 74%.

Consultation Questions

Of the two options, which do you prefer:

- Option 1** – Freeze taper at 45% for 1 year, customers will pay at least 45% of their bill for 1 year.
- Option 2** – Freeze taper at 45% for 2 years, customers will pay at least 45% of their bill for 2 years.

Please indicate your preference above and return by 20 November 2017 to:

**LCTS Officer, Kettering Borough Council, Municipal Offices,
Bowling Green Road, Kettering, NN15 7QX**

Alternatively you can respond to the consultation online at
www.kettering.gov.uk/LCTS