

## **Appendix A – General information**

### **Government proposals**

In April 2013 Council Tax Benefit, the current means of helping people on low incomes meet their Council Tax obligation, will be replaced by a new localised support scheme known as Council Tax Support (CTS).

The Government has said that it wishes to protect pensioners in the scheme. For all other recipients, there is a requirement to agree local eligibility criteria.

This means that for working age people, local councils are required to design their own scheme to provide help with Council Tax.

The Government's proposals have three stated objectives:

- creating the right incentives to get more people into work by ensuring that work always pays,
- protecting the most vulnerable people, and
- delivering fairness to those claiming benefit and to the taxpayer.

Under the existing Council Tax Benefit scheme, the Council generally receives 100 per cent from the Government for the amount of Council Tax Benefit it pays out to local claimants. However, under the new system it will be given a specific sum by the Government to make support payments. This sum will be at least ten per cent less than the amount that is currently paid out as Council Tax Benefit.

This also means that any increases in CTS expenditure during the year, such as an increase in the number of claimants claiming support, will need to be funded by the Council in addition to the immediate ten per cent reduction. This is currently anticipated to amount to £2.5 million for 2013/14.

Each local authority must carry out a consultation exercise concerning their draft scheme proposals and must define and publish its local CTS scheme by 31 January 2013. If the scheme is not defined and published by this date, a default scheme will be imposed by the government and the funding reduction will need to be met from other means including for example, increasing Council Tax levels or reducing other service expenditure.

### **Central Bedfordshire Council local CTS scheme proposals**

The Government has stated that pensioner claimants shall be protected from the effects of any changes by a national framework that addresses eligibility and amounts.

In relation to claimants of working age, consideration has been given by Central Bedfordshire Council to continuing the existing national Council Tax Benefit framework within a new local scheme (i.e. making no changes) and

the funding implications that would apply to this, which would require the Council to find savings elsewhere in order to fund the CTS scheme.

Consideration has also been given to reducing any potential funding shortfall that would arise from the changes by reviewing the Council Tax discounts and exemptions that are currently applied to vacant properties within the district including long term empty homes and second homes. However, this alone would not fully achieve the levels of financial savings needed to meet the funding reduction.

Central Bedfordshire Council is undertaking this consultation between the period 22 August and 14 November 2012. This timescale has been determined following receipt of policy statements of intent published by the Department for Communities and Local Government (DCLG) on 17 May 2012 and to permit sufficient time to evaluate responses received and to meet the Council's budget setting timetable.

Central Bedfordshire Council wants to ensure that everyone who is a resident in the district (including organisations and voluntary groups) has an opportunity to have their say about the Council's proposed future replacement for Council Tax Benefit.

Questionnaires can be obtained from the Council locations listed below during normal opening hours. Access to the Council's draft scheme is also available from the locations below and on the Council's website [www.centralbedfordshire.gov.uk/consultations](http://www.centralbedfordshire.gov.uk/consultations) :

Priory House Monks Walk Chicksands Shefford Beds SG17 5TQ	Watling House High Street North Dunstable Beds LU6 1LF
The Old Court House Woburn Street Amphill Beds MK45 2HX	73 High Street (Located with Jobcentre Plus) Biggleswade Beds SG18 0JH
Bossard House West Street Leighton Buzzard LU7 1DA	Tithe Farm Road Houghton Regis Beds LU5 5HA