

News Release

Changes to the Council Tax Support scheme

COUNCIL tax benefits are set to change in the district from April next year.

The current system, which is standard across the country, will be replaced by local tax support schemes.

The new scheme and the rules on who can get help will be decided at a local level rather than national regulations.

The change is in response to a new way of providing support to people on low incomes and the vulnerable, introduced by the Government in the Local Government Finance Bill currently going through Parliament.

Currently £50m is spent annually on Council Tax Benefit in Lincolnshire. Nearly 66,000 households get some financial reduction in their Council Tax through this benefit. The new scheme will be funded by a fixed grant that is 10 per cent lower, which means that savings of about £5m per year have to be made across the county.

Local councils are working up their own schemes to continue providing support while responding to the reduced grant. Each one will publish its options for public consultation over the next couple of months. They can either reduce the amount of benefit awarded to residents or fund the shortfall in other ways such as reducing services, using reserves or increasing income from other sources.

Pensioners are protected from the savings. Under the new scheme they will receive at least as much in Council Tax Benefit as they do now. This does mean that savings have to be found elsewhere and people of working age may be the most affected. This could affect the 33,000 working-age households who currently get some Council Tax Benefit.

By December, councils will need to have put together their finalised support schemes into their budget plans. Each one will be providing further information about their proposals and how they are carrying out their consultations shortly.

Notes to Editors

Lincolnshire has seven District Councils who are responsible for billing residents for Council Tax – these are Boston Borough Council, East Lindsey District Council, City of Lincoln Council, North Kesteven District Council, South Holland District Council, South Kesteven District Council and West Lindsey District Council.

Most of the money raised through Council Tax is passed over to Lincolnshire County Council and also the Police Authority who will be consulted by each billing authority about their local support scheme.

Further information about the Council Tax Support scheme is provided by the Department for Communities and Local Government on their website at <http://www.communities.gov.uk/localgovernment/localgovernmentfinance/counciltax/counciltaxsupport/>

Current expenditure on national Council Tax Benefit scheme for each billing authority

	Estimated CTB subsidy 2012/13, £
Boston	4,739,384
East Lindsey	12,172,340
North Kesteven	6,025,000
Lincoln	7,976,382
South Kesteven	7,453,200
South Holland	5,807,987
West Lindsey	6,306,285
Total Lincolnshire	50,480,578

Number of households getting Council Tax Benefit in each Council Tax billing authority and working age and pensioner caseload figures

	Total CTB caseload	Working age	Pensioners	Pensioner caseload percentage
Boston	6,422	3,040	3,382	52.66%
East Lindsey	15,916	6,958	8,958	56.28%
North Kesteven	7,363	3,533	3,830	52.02%
Lincoln	10,623	7,218	3,405	32.05%
South Kesteven	9,927	5,013	4,914	49.50%

South Holland	7,403	3,037	4,366	58.98%
West Lindsey	8,154	4,189	3,965	48.63%
Total Lincs	65,808	32,988	32,820	49.87%

Reporters needing further information should contact their local Council's Communications Unit

The public should be directed to the website above

<http://www.communities.gov.uk/localgovernment/localgovernmentfinance/counciltax/counciltaxsupport/>

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For further information contact:

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