

### **What is Council Tax Benefit?**

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It helps those people on a low income to pay their Council Tax. At present the Government gives the Council all of the money needed to fund Council Tax Benefit.

The Government sets the rules regarding who can claim Council Tax Benefit. If somebody meets the criteria they will receive benefit towards their Council Tax bill. It is paid directly into their Council Tax account.

In Greenwich last year last year (April 2011 to March 2012) approximately £23million was paid out in Council Tax Benefit.

### **How many people in Greenwich receive Council Tax Benefit?**

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There are approximately 27,500 residents currently in receipt of Council Tax Benefit in the Royal Borough of Greenwich.

Of these, approximately 9,000 are of state pension age and will be protected from the changes.

The remaining 18,500 are working age who would potentially be affected by the changes and will have to pay something towards their Council Tax bill. Thirteen thousand of these residents currently get all of their Council Tax paid from benefit.

### **What's changing and when?**

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Under planned welfare reform, Council Tax Benefit will be abolished from April 2013; instead all Councils must develop a Council Tax Support scheme.

The Government will be giving us less money to provide this new scheme. The requirements for the new scheme are currently going through the Parliamentary process. The Council will be expected to have a scheme in place by 31 January 2013 to enable it to become operational from 1 April 2013.

The Government have advised Councils that they must provide a new scheme to replace Council Tax Benefit. They have also said that any new scheme should include the following:

- No change to the amount of help pensioners currently receive.
- Consideration of the impact on the most vulnerable.
- Encouragement for people to take up work and in particular not act as a disincentive to working.

### **Who counts as a pensioner?**

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A person is counted as a pensioner when they reach the age for claiming pension credit. A person born before 6th October 1951 will have reached the age for claiming Pension Credit when the new scheme comes in on 1st April 2013. There are a few exceptions to this rule.

### **Are you consulting with residents before setting up a new scheme?**

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Yes. We are carrying out a consultation exercise concerning a new scheme which needs to be adopted by 31 January 2013. It will come into force on 1 April 2013.

### **Who should take part in the consultation?**

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It is important that the Council receives the views of Greenwich residents whether or not they are claiming benefits.

## How do I know if I will be affected?

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The Government has said that:

- anyone over state pension age who is entitled to Council Tax Benefit must be protected from the changes and will have their council tax support calculated in the same way as it is now ;
- the impact on the most vulnerable should be considered when councils design their new schemes;
- The new scheme should encourage people to work and in particular should not act as a disincentive to working. This means that if you are of state pension age or not currently entitled to Council Tax Benefit you will not be affected.

Anyone else who receives Council Tax Benefit might be affected. The changes may affect how much support you can claim or whether you receive any support at all, and therefore how much Council Tax you are expected to pay.

## What are you consulting on?

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The consultation asks for your opinions on a new draft scheme or an increase in Council Tax.

You can find the draft scheme, other supporting documents, and have your say on the proposals by going to [www.royalgreenwich.gov.uk/haveyoursay](http://www.royalgreenwich.gov.uk/haveyoursay).

## When does the consultation start and finish?

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The consultation starts on 19th November 2012 and finishes on 10th January 2013.

## How can I take part in the consultation?

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You can complete our online questionnaire. You can find this on our website by clicking on this link or you can complete a paper questionnaire and return it to **Revenues & Benefits Service,  
Local Council Tax Support Consultation,  
35 Wellington Street, London SE18 6HQ.**

## How will Council tax support work?

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Once the consultation closes we will consider all the feedback. A report will then be developed which will be presented to a full Council meeting (involving all Local Councillors) on January 30th 2013, where the final decision on what the scheme will look like will be made. The new scheme will then come into force on 1 April 2013.

## Will I have to re-apply when changes are made in April 2013?

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We anticipate that the new Government regulations will not require people to re-apply under the new scheme.

## I still have some more questions, what should I do?

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We hope this Question and Answer section provides you with a good overview of the proposed changes. The main consultation document provides more detail on the options we have considered together with case study examples.

## If you need further information

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If you need further information about the new proposals before completing the consultation questionnaire, our contact details are given below.

You can contact us about the proposals in the following way:

**Web:** [www.royalgreenwich.gov.uk/haveyoursay](http://www.royalgreenwich.gov.uk/haveyoursay)

**Write:** Revenues & Benefits Service,  
Local Council Tax Consultation,  
35 Wellington Street,  
London SE18 6HQ.

**Email:** [lcts-consultation@greenwich.gov.uk](mailto:lcts-consultation@greenwich.gov.uk)

**Telephone:** 020 8921 2078

