North Northamptonshire Council Local Council Tax Support Scheme (LCTSS) Consultation 2021-22

Frequently Asked Questions (FAQs)

The answers to some of the most frequently asked questions about the proposed changes to the council tax support schemes across North Northamptonshire can be found below.

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Who will this affect?

Council tax payers who are of working age and currently receive support with their council tax bills in North Northamptonshire (currently receiving support from Corby, East Northamptonshire, Kettering and Wellingborough district/borough councils).

Customers of pensionable age are not affected by these changes.

What is Council Tax Support?

Council tax payers who have a low income can apply for Local Council Tax Support, which, if they are eligible will give them a discount on their council tax bill. How much support people get is based on their situation and income.

Who pays for the Council Tax Support Scheme?

The scheme is funded by the current district and borough councils and will be funded by the new unitary North Northamptonshire Council from April 2021.

Who currently gets help with their council tax bill?

Support is currently awarded to low income households. This includes people of working age, pensioners and vulnerable people. The proposed changes do not affect pensioners, who are protected by law.

The amount of support varies, depending on the claimant's financial circumstances and the district/borough council area they live in. The maximum amount of council tax support that a working age claimant can currently be awarded towards their council tax liability is shown below by district/borough council area.

	Corby	East	Kettering	Borough
	Borough	Northamptonshire	Borough	Council of
	Council	Council	Council	Wellingborough
Maximum amount of support awarded for working age people	91.5%	80%	55%	80%

Please see our <u>Council Tax Support Headline Rate Comparison document</u> that illustrates the impact of changing the headline Council Tax Support discount rate will have on the residents of each District and Borough Council in North Northamptonshire.

How has the proposals been developed for the new North Northamptonshire Council's scheme to help people pay their council tax?

We have used the following principles to develop the proposals for this change.

The new Council Tax Support scheme will:

- be fair and apply to all working age residents in North Northamptonshire

- be developed by bringing together the current four schemes and continue to include elements that apply to the majority of the current district/borough councils where possible
- be broadly cost neutral
- be administered using the current software systems
- require all council tax payers to make a contribution towards their Council Tax Bill

What other options were considered?

We looked at a number of options for how to create one scheme for North Northamptonshire.

We reviewed the four current schemes in line with the principles listed above. The following options were also considered as part of this work and have been discounted at this stage.

- Continuing with the four current schemes after April 2021. This was considered but at present is not legally feasible, discussions are taking place with the Ministry of Housing, Communities and Local Government (MHCLG) regarding the ability to either defer the implementation of a single Local Council Tax Support Scheme (LCTSS) or for harmonisation to take place over a period of time. Even if MHCLG allowed either option, it is worth noting that residents would not be treated the same across the new North Northamptonshire Council area. This would lead to confusion and result in differing levels of support for residents based on where you live. To ensure that people with the same circumstances get the same level of help we need to bring the current schemes together to make the best new scheme for the whole of North Northamptonshire.
- Setting the level of contribution for working age customers to a lower than breakeven level. This option was considered but would mean the scheme is more expensive and this would impact on wider service delivery, residents and the finances of the new Council.
- Introduction of a new banded scheme. This would be based on levels of income grouped into bands. With the wider roll out of Universal Credit having taken place, this scheme could be seen as a simpler way to support people on low income. This has been discounted at this stage as the councils have no experience in administering this type of scheme and also use different software applications which would make this change very difficult in the timescale available.

• Introduction of a Discretionary Council Tax Support Fund. At present none of the district and boroughs operate a Discretionary Council Tax Support Fund for those in receipt of Council Tax Support to apply to if they are having difficulty making their council tax payments. This option was considered however it was felt that the new North Northamptonshire Council would instead commit to working with customers to provide them with a robust money and debt advice service, with a view to educate customers about money management and for this to be sustainable.

Where can I find out further information about how this might affect me?

Further information is below:

- North Northamptonshire Shadow Executive meeting paper 24.09.20
- Supplementary information
- Further explanatory information is provided under each of the proposals within the <u>questionnaire</u>

I don't live in North Northamptonshire. Will this affect me?

These proposals are about changes happening within North Northamptonshire. It is anticipated similar harmonisation of the Local Council Tax Support Scheme will occur within West Northamptonshire in the near future. However, this consultation is only regarding the proposals for the new council for North Northamptonshire, which will replace Corby Borough Council, East Northamptonshire Council, Kettering Borough Council and the Borough Council or Wellingborough and Northamptonshire County Council for this area.

How can I give you my views?

You can give us your views by completing our <u>online questionnaire</u>. Or by typing <u>https://futurenorthants.citizenspace.com/lctss-north/2021-22</u> into your browser. Please contact us if you have any queries about this consultation or require it in another format or another language. Our contact details are as follows:

- Email: futurenorthants@northamptonshire.gov.uk
- Telephone: 01832 742330

When is the deadline for giving my views?

The consultation started on 5th October 2020 and will close at midnight on 30th November 2020.

What will happen with my response?

Once the consultation closes, we will collate all the feedback received and present this information for the North Northamptonshire's Shadow Executive to consider when making their decision on how to harmonise the Local Council Tax Support Scheme for North Northamptonshire. We expect this to happen on the 28 January 2021. We will then publish full details of the up-dated scheme in early 2021, with the changes coming into effect in April 2021.