

# Council Tax Support Scheme 2019/20

## Consultation



Northumberland County Council is primarily consulting on the following proposals to change the existing Council Tax Support Scheme. This would take effect from 1st April 2019 and would reduce the cost of the scheme and make administration savings.

To be part of the consultation and to read the full draft scheme, please visit the NCC Website; click [HERE](#).

The consultation will run until 2<sup>nd</sup> November and will feature on the agenda of the Town Council's Ordinary Meeting on Wednesday 31st October.

### **Proposal 1 - Reduce the maximum level of support for working age applicants from 100% to 92%**

The Council currently allows all working age applicants to receive up to 100% of their Council Tax depending on the level of their income. This option would require all working age applicants to pay a minimum of 8% towards their Council Tax.

Reducing the maximum level of support available is a simple change to the scheme which is easily understood. The Council is conscious that any minimum payment must be affordable given the household's circumstances.

The benefits of this are:

- ~ it is a simple alteration to the scheme which is easy to understand
- ~ it is fair because everyone shares the increase
- ~ all applicants would be able to apply for additional support on a case by case basis where they experience exceptional hardship

The drawback of doing this is:

- ~ all working age households receiving Council Tax Support will be required to pay more



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### **Proposal 2 - Introduce a 'tolerance' level, reducing the need to send you multiple bills**

In the current scheme, each time a household's income changes, Council Tax Support has to be amended. This leads to new Council Tax bills being issued and the monthly installments being recalculated. The roll out of Universal Credit within the county means that a large proportion of working age Council Tax Support applicants will see changes in their income each month which will result in multiple changes to their Council Tax.

To avoid these multiple changes, the Council is looking to introduce a 'tolerance' level of £1 per week. In effect this means that unless a change in the applicant's circumstance would mean a change of either an increase or decrease of £1 per week, no change would be made at that time. Changes will only be made when the total of all of the changes exceed the tolerance level.

The benefit of this is:

- ~ it reduces administration costs
- ~ it will avoid confusion, with applicants receiving fewer changes to their Council Tax bill
- ~ if any applicant would have received less Council Tax Support (but less than the £1 per week tolerance), no change will be made until the total level of change is at least £1 per week or more

The drawbacks of this are:

- ~ if any applicant would have received more Council Tax Support (but less than the £1 per week tolerance), no change will be made until the total level of change is at least £1 per week or more

