

Localisation of the Council Tax Support Scheme

As part of the Government's reforms of Public Sector finances and its commitment to Localism, the Government has localised the Council Tax Support Scheme.

Previously known as Council Tax Benefit, Government has reduced the size of this fund by 10% nationally, and passed the administration of the scheme over the Local Government. Councils must adopt their own scheme for Council Tax Support from 2013-14.

The anticipated funding that the Council will receive for this scheme as part of the Revenue Support Grant is £6.29m, and so a corresponding cost has been put through into the budget to equal this total. This is the adjustment in the budget for 2013-14

The Council consulted on its proposed scheme during the summer / early autumn 2012; please see the weblink below.

<http://www.westberks.gov.uk/index.aspx?articleid=22286>

Following approval at Council on the 13th December, the Council will produce its own scheme for Council Tax support taking effect from the 1st April 2013. The scheme meets the Government's criteria to enable the Council to receive transitional funding to help implement the scheme. The scheme provides that recipients of Council Tax support will see a reduction in their support of 8.5%.

The impact on the Council's budget is the 'taxbase'¹ decrease. The affect of Council Tax support will be to lower the amount properties available for Council Tax levy in the taxbase calculation. There is a reduction in Council Tax Benefit costs, with an overall reduction in monetary terms to the Council of 10%.

The introduction of this scheme will also impact on Parish Councils; their taxbase will drop but the precept will remain the same. To ameliorate the impact of this, the Council is providing funding to ensure that no parish Council will be required to increase their precept *as a result* of this new scheme.

¹ The number of properties on which the Council levies Council Tax