

Consultation on changes to council tax (exemptions and discretionary discounts) and the local council tax support scheme

What is council tax?

Council tax is a local tax set by the council based on the valuation band of your property. Your home is placed in one of eight valuation bands based on its value at 1 April 1991. South Gloucestershire Council is responsible for collecting council tax and this money funds about 20% of local public services, including refuse collection, social services, environmental health and education. Some of the money collected is passed to police and fire services.

Council tax bills may be reduced by the application of discounts and exemptions. A full list of these is available on our website www.southglos.gov.uk/counciltax

PART 1 – Changes to council tax (exemptions and discretionary discounts) from April 2013

Council tax is administered under central government regulations. With the introduction of the Localism Act, new powers have been delegated to local authorities. The government's proposals are to change legislation that relates to some exemptions and discretionary discounts, with a view that they would come into effect from 1 April 2013. The main areas of change being proposed are the:

- removal of the exemption that is currently available for up to 12 months in respect of an empty property which requires or is undergoing major structural repair or alteration to render it habitable (Class A) and replace it with a discretionary discount
- removal of the exemption that is currently available for up to six months after a dwelling becomes unoccupied and unfurnished (Class C) and replace it with a discretionary discount

- amendment to the discretionary discount for second homes (currently 10% to 50% of the charge) to 0% to 50% of the charge
- provision for an additional empty homes levy of up to 50% of the council tax on properties that have been empty for two years or more.

Other discounts and exemptions are not affected by these proposals.

Legislation will still allow South Gloucestershire Council to award discretionary relief to people in exceptional circumstances and each request will be given due care and consideration and assessed on its own merits.

Our proposal

We are proposing, with effect from 1 April 2013 (subject to formal regulations being laid), to:

- not award a discretionary discount for Class A or Class C properties
- remove the discretionary discount for second homes (currently 10% for South Gloucestershire)
- apply an additional levy of 50% on properties that have been empty for two years or more.

What is council tax benefit?

Council tax benefit helps those people on low or no income to pay their council tax. The government sets the rules about who can claim council tax benefit. If somebody meets the criteria then they will receive a contribution towards their council tax bill. This contribution is paid directly into their council tax account – no money is paid directly to the resident.

All existing council tax benefit claims will automatically be transferred to the new local council tax support scheme on 1 April 2013 so no-one will need to make a new application. However, customers are reminded that it is their responsibility to inform the council of any changes in their circumstances.

What are the changes to council tax benefit?

In April 2013, council tax benefit, the current means of helping people on low incomes meet their council tax charge, will be replaced by a new local council tax support scheme.

Under the existing council tax benefit scheme, the council generally receives 100% grant from the government to cover the cost of awards made. However, under the new local scheme the council will only receive a maximum of 90% grant to cover the cost of awards made. The 10% reduction in funding for South Gloucestershire Council is anticipated to be approximately £1.4 million for 2013/14.

The government has said people who have reached the age for state pension credit will not be affected by this change as they will be assessed under a national scheme. The national scheme which will be decided by the government is likely to be very similar to the existing council tax benefit scheme.

Each local authority is required to consult, define and publish their draft scheme. The local council tax support scheme must be agreed by 31 January 2013. If the scheme is not approved by this date, a default scheme will be imposed by the government and in these circumstances the 10% grant reduction will need to be met from other sources, for example, increasing council tax levels or reducing other services.

PART 2 - Our local council tax support scheme proposals (from April 2013)

We propose to adopt a local council tax support scheme which is broadly similar to the current national council tax benefit scheme. This will maintain the premiums and personal allowances for 2012/13 and remove second adult rebate. Second adult rebate can be claimed by people whose own income is too high to receive council tax benefit but who have other adult(s) in the household whose income is low.

This will not meet the shortfall in grant in 2013/14 and will require the council to find savings elsewhere in order to cover the costs of awards. Rather than reduce other services to meet the shortfall in grant, the council is considering using its new powers to review some of the council tax discretionary discounts that apply to second homes and empty properties (as explained in Part 1 above).

Have your say

We welcome your views on the proposals outlined in this document. You can tell us your views by completing our survey online at www.southglos.gov.uk/counciltaxchanges, completing the paper survey attached or sending your comments to:

E-mail: consultation@southglos.gov.uk

Write to: FREEPOST RRZE-CTRG-TJLJ,
South Gloucestershire Council,
Council Tax Consultation,
Council Offices, Castle Street,
Thornbury,
Bristol BS35 1HF

Phone: **01454 868003**
[for council tax changes](tel:01454868003)
01454 868002
[for local council tax support](tel:01454868002)

We want to ensure that your needs are met. If you would like this information in any other format, please contact us. For example, you may wish to receive this document in Braille, audio tape, large print, computer disk or community languages. Telephone: 01454 868002 or Email: equalities@southglos.gov.uk

The consultation is open from 9 July until 7 October 2012.

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1. To what extent do you agree or disagree with the following statements

	<i>Strongly agree</i>	<i>Agree</i>	<i>Neither agree nor disagree</i>	<i>Disagree</i>	<i>Strongly disagree</i>	<i>Don't know</i>
Council tax support should be broadly like council tax benefit 2012/2013	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Second adult rebate should be abolished	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Council tax discounts for empty homes should not be awarded	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Council tax discounts for people who have a second home should not be awarded	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who have a property that has been empty for more than two years should be charged more council tax	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Additional income from council tax changes should be used to fund the budget shortfall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The budget shortfall should be funded by reducing other services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Is there anything else you think we should consider?

3. Please tell us about any impact that you think these changes could have on you or the services you receive

4. Are you responding as:

- | | |
|--|---|
| <input type="checkbox"/> Someone in receipt of second adult rebate | <input type="checkbox"/> A council tax payer |
| <input type="checkbox"/> Someone with a second home | <input type="checkbox"/> A local business |
| <input type="checkbox"/> Someone with a home that has been empty for more than two years | <input type="checkbox"/> A local voluntary or community sector organisation |
| <input type="checkbox"/> Someone in receipt of council tax benefit | <input type="checkbox"/> A parish or town council |
| | <input type="checkbox"/> Other |

Other, please specify

About you

Please answer the following optional questions about yourself. The information you supply will help us to analyse the results of this consultation and to ensure that we understand the views of different people. Responses to these questions will remain confidential. Individuals will not be identified and personal details will not be published.

5. Please tell us your full postcode

6. Are you? Male Female Prefer not to say

7. How old are you

18 and under 25 to 44 65 to 74 Prefer not to say
 19 to 24 45 to 64 75 and over

8. Please tell us your ethnic origin

<input type="checkbox"/> Arab	<input type="checkbox"/> Mixed/multiple ethnic group - White & Asian
<input type="checkbox"/> Asian/Asian British - Bangladeshi	<input type="checkbox"/> Mixed/multiple ethnic group - White & Black African
<input type="checkbox"/> Asian/Asian British - Indian	<input type="checkbox"/> Mixed/multiple ethnic group - White & Black Caribbean
<input type="checkbox"/> Asian/Asian British - Pakistani	<input type="checkbox"/> Mixed/multiple ethnic group - Other
<input type="checkbox"/> Asian/Asian British - Chinese	<input type="checkbox"/> White - English/Welsh/Scottish/Northern Irish/British
<input type="checkbox"/> Asian/Asian British - Other	<input type="checkbox"/> White Irish
<input type="checkbox"/> Black/African/Caribbean/Black British - African	<input type="checkbox"/> White - Other
<input type="checkbox"/> Black/African/Caribbean/Black British - Caribbean	<input type="checkbox"/> Prefer not to say
<input type="checkbox"/> Black/African/Caribbean/Black British - Other	<input type="checkbox"/> Other
<input type="checkbox"/> Gypsy or Traveller of Irish heritage	

Other please specify

9. Do you consider yourself to havin a disability?

- Yes - Physical impairment, such as difficulty using arms or mobility issues which may mean using a wheelchair or crutches
- Yes - Sensory impairment, such as being blind / having a serious visual impairment or being deaf / having a serious hearing impairment
- Yes - Mental health condition, such as depression, anxiety or schizophrenia
- Yes - Learning disability/difficulty (such as Down's Syndrome, dyslexia, dyspraxia) or cognitive impairment (such as autistic spectrum disorder)
- Yes - Long standing illness or health condition, such as cancer, HIV, diabetes, chronic heart disease or epilepsy
- Yes - Other
- No
- Prefer not to say

Thank you for taking the time to complete this survey. Please return it to: FREEPOST RRZE-CTRG-TJLJ, South Gloucestershire Council, Council Tax & Council Tax Support Scheme Consultation, Council Offices, Castle Street, Thornbury, Bristol BS35 1HF