9 June 2017

Dear {Salutation}{Surname}

IMPORTANT – Proposed changes to council tax support from 2018 that could affect you

Since the government abolished council tax benefit in 2013, and asked local councils to introduce their own council tax support schemes, government funding for the scheme has declined each year. The scheme now costs us £4.8 million a year more than in 2013 (and the cost grows each year).

We are proud that our scheme, developed through consultation with council tax payers, protects 30,000 people every year, including pensioners, registered disabled people, carers, families subject to the benefit cap, and war widows. While we continue to lobby government to reinstate the full cost of council tax support, we also have to reduce the cost of our scheme so we can support those who most need it.

As a result of an estimated 56% cut to the council’s funding from central government, we need to save £55 million more over the next three years. This is a part of some of the deepest cuts in the country, £238m of savings that have either been made or identified since 2010. Our recently agreed 2017/18-2019/20 Medium Term Financial Strategy approved significant savings across all areas of spending, including major efficiencies, changing the way that the council works and raising council tax.

It is not possible to identify further savings to ensure our council tax support scheme can continue as it is. Nor is it possible to use the council’s financial reserves to help cope with the pressures. This would not be sustainable in delivering a budget as reserves, like your savings, can only be spent once. Using our reserves simply puts off the tough choices for another year when the financial situation is likely to be even worse and put at risk our ability to meet any unforeseen emergency in future.

If we want to make changes to our council tax support scheme we must, by law, ask you about it. As a person who receives council tax support we particularly want to hear what you think about the following proposed changes to our council tax support scheme from April 2018, changes that would see it mirror housing benefit and universal credit rules:
Proposed changes

- Add new non-dependant charges for adult children, relatives or friends
- Liability reduction - changing the way we calculate council tax support
- Increase the amount of the council tax you will need to pay if you are not in a protected group
- Reduce council tax support backdating to four weeks
- Reduce the capital cut-off to £6,000

You can have your say any time up to Sunday 3 September 2017 by:

- Completing our online questionnaire at www.lambeth.gov.uk/consultations
- Email infoservice@lambeth.gov.uk
- Writing to Council Tax Support Scheme Consultation, Lambeth Council, Council Tax Support Scheme Consultation, Lambeth Council, FREEPOST PLUS RTTG-SZLT-RCZJ, Third Floor, Olive Morris House, Brixton Hill, LONDON SW2 1RD

It is particularly important that you find out how the proposed changes might affect you. If you don’t have access to the Internet, more information about these changes and a paper questionnaire are available from your local library and our customer contact centres on 034 5302 2312.

I encourage you to take part in our consultation to help shape our new council tax support scheme.

Yours sincerely,

Tim Hillman-Brown
Head of Revenue and Benefits