Dear «Title» «Surname»

Re: Changing our council tax reduction scheme

You have been sent this important letter because we are currently revising our council tax reduction scheme, which is set to change from 1 April 2020 for the financial year 2020-21. We are consulting with all the affected claimants of council tax reduction and have written to them directly. However, we need to ensure that we represent the views of those taxpayers who do not receive council tax reduction so that we receive a broad range of views from differing perspectives.

Please read this letter, and the accompanying information carefully as we need you to:

- Understand the proposed changes to the scheme
- Tell us what your views are about the proposed changes

Background

Council tax reduction is a discount for council tax and it was previously called council tax support.

Council tax reduction was set up when council tax benefit was abolished in 2013. This was part of the wider welfare reform changes introduced by the government to encourage people to get back into work. Under council tax reduction, some people had to pay a contribution towards their council tax for the first time.

It is a localised system for households whose combined income, savings and investments are below a certain level. The existing scheme has been in place, since 2017. Ashford Borough Council and all other local authorities in Kent have been undertaking a comprehensive review of their scheme and ask claimants and other interested organisations for their views on a revised version of the scheme.

When you pay your council tax to Ashford Borough Council, we only keep 9p from every £1. We distribute the rest to Kent County Council (73p in every £1), Kent Police and Crime Commissioner (11p), Kent Fire and Rescue Services (4p) and if you live in a parished area, your town or parish council (3p).

What are the changes?
It is proposed that most people will receive a similar level of support as they do now, though there will be some winners and losers. The reason for changing the existing scheme is to make the council tax reduction scheme easier for applicants to understand, and to make the administration simpler. Ashford’s borough councillors will ultimately decide how the final scheme will look but want their decision to be informed by the views of existing claimants, other council tax payers from the wider community as well as other organisations affected.

As with the early years of the scheme, pensioners will not be affected by the changes. The council is the only authority in Kent to offer some additional support to disabled applicants and those with caring responsibilities, and this policy will remain in place. Those living alone then will still receive a single person discount. However, applicants of working age will be affected by the proposed changes and may have to pay an additional amount towards their council tax bill.

**What will Ashford Borough Council’s new local scheme be?**
The online leaflet, *‘Changing our council tax reduction scheme’*, tells you in greater detail:

- Why we are reviewing the existing scheme
- What we are proposing to change, bearing in mind the implications for all of the other public-serving authorities, and what we have stated we can and cannot do
- How you can tell us what you think about it

**What is the next step?**
Between **1 August and 30 September 2019** we are asking for your views on the proposed new scheme. To take part in the consultation you need to complete our council tax reduction questionnaire. This will be available online via [www.ashford.gov.uk/counciltaxreduction](http://www.ashford.gov.uk/counciltaxreduction). If you need any help or support to complete the online questionnaire please contact us:

- Email counciltaxreduction@ashford.gov.uk
- Phone 01233 331111
- Visit the council at the Civic Centre, Tannery Lane.

Your comments will help us ensure that our local scheme for the financial year 2020-21 remains fair, incentivises returning to work and offers support for those in Ashford who need it the most.

Yours sincerely,

Revenues and Benefits Manager