

Local Council Tax Support

Draft Scheme for The Royal Borough of Greenwich

November 2012

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Introduction

1. From April 2013 Council Tax Benefit (CTB), will be abolished. This will be replaced by a new local scheme, Council Tax Support (CTS) designed and managed by each council.
2. The Government has stated that pensioners will be protected and support for their Council Tax will be similar to CTB and governed by national rules and eligibility.
3. This draft local scheme only applies to **working age** applicants and sets out the rules that govern the proposed local scheme. The scheme set out here is subject to public consultation and may change.
4. A working age applicant is someone who has not reached the age for claiming state pension credit.
5. The eligibility conditions under the new scheme will be mostly in line with the existing CTB scheme as set out at Statutory Instrument 2006/215 and the Social Security Contributions and Benefits Act 1992, the Social Security Administration Act 1992 and the Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001. These regulations set out how Council Tax Benefit is claimed, how it is calculated and how it is paid.
6. The draft scheme proposes that the principles and methods set out in those regulations be used to determine Council Tax Support, together with the Council Tax Reduction schemes (Prescribed Requirements) regulations (these are currently in draft form), except where amendments are set out in this draft scheme or by statute under the Local Government Finance Act and accompanying legislation.
7. **Local Council Tax Support** (from here on referred to as **CTS**) provides financial help to low income households who have to pay Council Tax. It is decided and granted by the local authority in which the applicant's dwelling is situated and to whom they are liable for council tax.
8. The rules governing the scheme are set down by the local authority, subject to certain **prescribed requirements** set down by the Government.

Definition of terms used in this document:

Council Tax Support (CTS)

Council Tax Support, which will be replacing Council Tax Benefit from 1st April 2013.

Council Tax Benefit (CTB)

The current scheme for giving people help with paying their Council Tax, this will be replaced by Council Tax Support in from 1st April 2013

Local authority – The Royal Borough of Greenwich.

Council Tax –Means only the Council Tax levied by the Royal Borough of Greenwich Benefits

State benefits such as Income Support, Job Seekers Allowance and Tax Credits. Council Tax Support is not a state benefit.

Prescribed requirements

Rules that the local authority must include in its scheme by law.

Applicant

A person who applies for a Council Tax Support this replaces the term 'claimant' used for Council Tax Benefit claims.

Application

This is the means by which a person applies for Council Tax Support, this replaces the term 'claim' used for Council Tax Benefit.

SI 2006/215

These are the regulations which govern Council Tax Benefit Scheme, since the local Council Tax Support Scheme replicates many aspects of the local authority Tax Benefit scheme; these are used as reference to the parts that are included in the local scheme. .

Universal Credit

The benefit that will replace Income Support, Income Based Job Seekers Allowance, Income Related Employment and Support Allowance, Tax Credits and Housing Benefit.

Universal Credit will be treated differently to the benefits it replaces. The full regulations for Universal Credit have not yet been completed. Universal Credit will not be introduced until October 2013. Because the scheme cannot be changed more than once a year, the draft scheme makes some provision for the introduction of Universal Credit based on the information we have now.

Pensioner

A person will count as a pensioner when they reach the age for claiming State Pension Credit. On the 1st April 2013 this will be anyone born before 1st October 1951. A table showing the expected dates, based on your birthday is shown in Appendix 2.

A Person(s) of Working Age.

A person who has not yet reached the age for claiming state pension credit.

'The Scheme'

Means the local Council Tax Support Scheme for the Royal Borough of Greenwich.

Prescribed Requirements of any scheme.

9. There are a number of prescribed requirements that must be included in the scheme. The full details can be found in the Draft Council Tax Reduction Scheme.

(Prescribed Requirements Scheme) Regulations, published by the Department for Communities and Local Government. These are summarised on next page.

10. The prescribed requirements regulations are currently in draft form and have not yet been agreed or finalised by the Secretary of State. It is assumed that any changes to the prescribed requirement will mean the local authority has to change its scheme.

Definition of terms used in the scheme

11. The prescribed requirements include a number of definitions of terms (e.g. Couple, Non dependant etc.) that may be used in the regulations. The definitions intend to keep the same meaning as they do now for Council Tax Benefit.

The scheme for pensioners

12. A 'pensioner' is defined as a person who has reached the age for claiming pension credit. They do not have to be claiming pension credit. There are a few exceptions that already apply to this rule.
13. The first part of the prescribed requirements set out how the scheme should apply to pensioners. This requirement ensures that pensioners will have their income, savings and maximum benefit treated in the same way as it is now.
14. When a working age person reaches the age to claim state pension credit, they will be treated as a pensioner.
15. The next part of the prescribed requirements will apply to pensioners and non-pensioners

Other requirements for all schemes

Applying for Council Tax Support

16. Council Tax Support requires a person to make an application in writing on an approved, form and provide documents and evidence in support of the claim. The procedures for identifying the date from which CTS is awarded, will be in line with those for Council Tax Benefit. The local authority will also retain the provisions for backdating. The Council Tax support scheme will keep the same information requirements that currently exist for Council Tax Benefit.

Duty to notify Change in Circumstances

17. A person receiving CTS will be under the same duty to notify the local authority of changes in their circumstances that could affect their entitlement to CTS. This is in line with the current requirements for Council Tax Benefit.

Persons from abroad

18. The Government intends to apply the same restrictions that exist under the current benefit rules, to exclude from receiving Council Tax reductions, any nationals with limited immigration status and EEA nationals who do not have the right to reside because they are not exercising EU treaty rights.

Refugees

19. Those persons that have recognised refugee status humanitarian protection, discretionary leave or exceptional leave to remain in the country outside of the immigration rules who are exempt from the habitual residence test will be entitled to apply for CTS as long as their status has not been revoked.

Permitting a person to act for another person

20. Regulations will allow current arrangements for a person to act on behalf of another to continue. For example, where a person has been granted a power of attorney over a liable council tax payer or in cases where a couple wishes to make an application.
21. They will also allow in the case of a couple, for an application to be made by whichever one of them they agree should so apply or in default of agreement, the one chosen by the authority.

Extended payments - state pension credit

22. Where an individual is approaching pension credit eligible age, and who is in receipt of Council Tax Support and not in receipt of working age benefits (income support, income related jobseeker's allowance, income related employment and support allowance), or whose partner has claimed state

pension credit: will continue to receive an extended payment of their Council Tax Support for a prescribed period of four weeks whilst they or their partner apply for the state pension credit eligible scheme (See SI 2006/215).

Extended payments for movers

23. Where an applicant or their partner is in receipt of an extended payment from another authority, the local authority must reduce any reduction to which the applicant is entitled under its scheme by the amount of that extended reduction.

Person to whom a reduction is made

24. Regulations will set out the person to whom a reduction is made; this replicates the existing Council Tax Benefit regulations.

Payment on the death of the person entitled

25. Regulations will prescribe that where the person entitled to a reduction under an authority's scheme has died and it is not possible to make the reduction, the authority must make payment of the amount of the reduction to his executor or administrator.

Discretionary Support

26. A Council Taxpayer may apply for a reduction under Section 13A (1) (b) of the Local Government Finance Act 1992. An application for discretionary support must be made in writing to the Council at its designated office giving such details as are reasonable and necessary to enable the Council to properly consider the application. Details should include but not be limited to the reason for the application, the circumstances and context in which the application is made and the period for which the application is made.

The Council may set aside a fund of a total annual sum to be determined, for discretionary reduction under Section 13A (1) (c) out of which awards may be made and this fund shall not be exceeded in a year.

Changes to the prescribed requirements

27. If the prescribed requirements are changed by the Government, the scheme will have to be amended to reflect the changes.

The Scheme for people of working age

28. The following provisions will apply to the scheme operated by The Royal Borough of Greenwich. For the year 2013/14, Greenwich intends to retain almost all of the existing provisions of Council Tax Benefit (CTB) in its Local Scheme. Below is a summary of the main features of the scheme.

The maximum Council Tax Support (CTS) under the local scheme

29. For working age people, the maximum support allowable will be not less than 85% of the net Council Tax liability in respect of a dwelling for which the applicant is regarded as resident for Council Tax purposes. CTS will be awarded after any other discounts or reductions have been applied to the Council Tax liability
30. For people who reach the age for claiming state pension credit, the maximum support will be 100% of the net Council Tax liability in respect of a dwelling for which the applicant is regarded as resident for Council Tax purposes. CTS will be awarded after any other discounts or reductions have been applied to the dwelling.

Occupancy of a home

31. Unless any specific exceptions apply, CTS can only be awarded in respect of one Council Tax Liability.
32. CTS is awarded in respect of the Council Tax liability for the dwelling occupied as the applicant's main and principal home, where they are regarded as **resident** for council tax purposes.

Occupation and liability on two homes for CTS

33. Where the applicant is liable for Council Tax on two homes and is temporarily absent from their main home due to fleeing violence and intends to return within 52 weeks and liable on the temporary accommodation: CTS may be awarded in respect of the council tax liability on the applicant's main home and any temporary accommodation they occupy within the borough.
34. In addition Council Tax can be paid on nearby two properties if they are occupied by one household as one home. This can occur if a Household is too large to house in one property.

Joint and Several liability

35. Anyone who is jointly and severally liable for Council Tax with someone other than their partner will have their CTS based on their share of the maximum liability (explained in para 29).

Classes of person who may entitled to a reduction under the scheme

36. Class 1 - The applicant must:

- Be a person who has not yet attained the qualifying age for state pension credit;
- Be a person whose partner has not yet attained the qualifying age for state pension credit, except where the applicant is in receipt of income support, income-based jobseeker's allowance or income-based employment and support allowance;
- Be liable to pay Council Tax in respect of a dwelling in which they are resident;
- Be somebody in respect of whom a maximum Council Tax reduction amount can be calculated and awarded;
- Not have capital savings above £16,000;
- Have applied for the scheme;
- Be a person in respect of whom a day in which the person's income is less than or equal to their applicable amount (as defined in the regulations).

Class 2 - The applicant must:

- Be a person who has not yet attained the qualifying age for state pension credit;
- Be a person who has not yet attained the qualifying age for state pension credit, except where the applicant is in receipt of income support, income-based jobseeker's allowance or income-based employment and support allowance;
- Be liable to pay Council Tax in respect of a dwelling in which they are resident;
- Be somebody in respect of whom a maximum Council Tax reduction amount can be calculated and awarded
- Not have savings above £16,000
- Have applied for the scheme
- Be a person for whom Class 1 is not fulfilled, but amount A exceeds amount B, where amount A is the appropriate maximum Council Tax liability in his case and amount B is a prescribed percentage (20%) of the difference between his income in respect of the week in which the day falls and the appropriate applicable amount in his case.

Reductions attracted by classes: working age awards

Class 1 Reduction

37. If an individual matches the criteria in Class 1, including that income is less than their applicable amount in their case, that person qualifies for a maximum reduction on their net Council Tax liability, subject to any relevant non-dependant deductions.
38. An individual in receipt of income support, income related jobseeker's allowance or income related employment and support allowance will have income, earnings and capital counted as zero. This means that the individual's income will automatically be less than their applicable amount, and they will qualify for the maximum Council Tax support (see para 29) subject to any relevant non-dependent deductions.

Class 2 Reduction

39. If an individual matches the criteria in Class 2, it will mean that the individual's income is greater than his/her living allowance. 20% of the difference between the two will then be subtracted from this individual's maximum Council Tax Support (see para 29), after discounts have been awarded
40. This will mean that the maximum Council Tax support will be reduced by the amount explained above in para 39, and further subject to any relevant non-dependent deductions.

Determination of class and award

41. Decisions regarding the class the individual is put into and the reduction they will receive shall be determined in respect of Classes 1 and 2 through means testing that will be applied using the same rules and criteria as currently applied for the purposes of the CTB scheme set out in Statutory Instrument 2006/215.

Universal Credit

42. When Universal Credit regulations have been issued, the local authority will decide which Class of reduction will apply to Universal Credit recipients, depending on the amount of income they have.
43. Apart from references to Universal Credit and any figures that are subject to an annual up-rating, from here on the same rules and criteria as currently applied for the purposes of the CTB scheme set out in Statutory Instrument 2006/215, will apply to CTS

Definitions

44. In dealing with the means test it is intended that the intent and effect of definitions currently applied for the purposes of the existing CTB scheme (in SI 2006/215) including those in respect of Regulations 1 to 111 shall be replicated within the CTS scheme.

Means test for Class 1 and 2

45. The means test will be aligned with existing regulations for CTB (SI 2006/215). It is based on a comparison of income and a deemed living allowance (currently known as the applicable amount). 20% of the excess figure will be deducted from the maximum eligible CTS.

Applications and transitional arrangements

46. The Government will bring forward transitional regulations that state that an application has been made for CTS where:
- Someone is in receipt of CTB on 31st March 2013; and
 - Where an application for CTB has been made and yet to be determined by 31 March 2013.
47. Local authorities will be able to use existing information to calculate reductions for 2013-14 bills, based upon the levels of CTB granted.
48. Where this information is not sufficient the authority can seek supplementary information from the applicant.

- 49. If the applicant has a relevant change of circumstances, on or after 1st April 2013, the amount CTS will be reviewed.
- 50. An application will be required for all new claims from the 1st April 2013. Once CTS is in payment the local authority may review entitlement at any time.
- 51. If a person claims Housing Benefit via a gateway office (Job Centre or Pensions Service) and is liable for Council Tax for the home on which HB is claimed, the Housing Benefit claim will be treated as an application for CTS, provided there is enough information to make a decision on CTS entitlement.
- 52. All claims must be in writing and signed by the applicant.

Documents and information in support of an application

- 53. As a condition of entitlement, the applicant must provide any documents and other information reasonably required by the local authority to decide entitlement or continued entitlement.
- 54. As a condition of entitlement, the applicant must provide documents and any other information which verify the identification of the applicant and their partner (if they have one). The applicant may also be required to provide documents which verify the identification of other household members.
- 55. As a condition of entitlement, the applicant must also provide documents which verify their UK national insurance number for themselves and their partner if they have one, or provide enough information to enable a number to be traced or issued.

Where the form is not signed or other information is incomplete

- 56. The applicant will be given one month to provide the missing information or documents, or where it is reasonable the local authority can grant an extension of this time.
- 57. If the information has not been provided after the time has expired, the local authority will decide that the claim does not meet the conditions of entitlement.

Applicable Amounts

- 58. The applicable amounts are the living allowances used to calculate CTS. They will be the same as those currently used for CTB.
- 59. They consist of personal allowance dependant on the applicant's age and the numbers of people in their family and any additional amounts, known as premiums awarded in respect of children or disability related benefits received by the applicant or any one in his family.
- 60. Any premiums awarded under the current rules for CTB, will continue to be awarded if same conditions continue to apply under CTS.
- 61. The scheme proposes that the personal allowances described above used to determine basic living needs for an applicant and their family when calculating entitlement to CTS for 2013/14 will be the rates used to calculate CTB in 2012/13.
- 62. While the scheme co-exists with Housing Benefit, this scheme will retain the current allowances and premiums as used for Housing Benefit and CTB. Unless changes to the prescribed requirements cause us to do otherwise. The proposed allowances are shown in appendix I.
- 63. We expect that those who get Universal Credit in 2013/2014 may be entitled to maximum CTS. Since only people getting out of work benefits will be making claims from October 2013.

Calculation of income and capital

- 64. Until universal credit is introduced, income and capital will be calculated for a person who has not attained the qualifying age for state pension credit in the same way as for CTB under Statutory Instrument 2006/215.

65. The income and capital of an applicant's partner or partners in the case of a polygamous marriage will continue to be treated as the income of the applicant.
66. The income or capital of any child or young person will not be treated as income or capital of the applicant.
67. The income and capital of a non-dependant will be treated as if it were the income or capital of the applicant when it appears to the local authority that the two have entered into arrangements to take advantage of the CTS scheme, except where the applicant is on Income Support, Income based jobseekers allowance or an income related employment and support allowance.

Income and capital

Income and capital for those on prescribed income related benefits (Income Support, Income based jobseekers allowance and income related employment and support allowance).

68. For those in receipt of these benefits, the whole of their income and capital will be disregarded. This means for CTS entitlement equivalent to a maximum of their weekly Council Tax liability (after discounts and any other relevant deductions), under class I before being subject to any non-dependant deduction.
69. In future Universal Credit will replace some of the existing income related benefits mentioned in this scheme. Universal Credit will not be fully disregarded as income. Full consideration will be given as to how to determine income from Universal Credit when regulations have been issued, taking into account any changes to the prescribed requirements.

The calculation of income for those not in receipt of a prescribed income related benefits. (Income Support, Income based jobseekers allowance and income related employment and support allowance).

70. The existing arrangements under the CTB scheme for the treatment of income other than the benefits mentioned above will continue under CTS, until Universal Credit is introduced for those who are not receiving out of work benefits.

This will include

- The way in which weekly income is calculated.
- Disregards from wages and the conditions under which they are applied.
- Benefits that are fully or partially disregarded
- Other income that is fully or partially disregarded.
- The way changes to income are treated
- The effective date from which benefits are uprated
- The way in which income derived from capital is treated

People in receipt of War Pensions

71. The current local arrangement to disregard war widow's pension, war widower's or war disablement pension in full, when assessing weekly income for CTB will continue under CTS.

Universal Credit

72. It is expected that Universal Credit will be introduced for most people of Working Age who make a new claim for state benefits from April 2014. Universal Credit will be taken into account as an income, and certain amounts disregarded. Namely amounts in respect of Housing Costs and Childcare.
73. The Universal Credit decision notice may not specify amounts in respect of housing costs or childcare.

Should this be the case, the amounts will be estimated using the applicant's eligible rent and the amount paid in respect of childcare.

74. A single applicant or a couple, whose level of income indicates that they could be entitled to Universal credit and is/are not claiming it, will be treated as having sufficient resources to be entitled to the minimum amount of CTS, after 3 months of being advised to claim Universal Credit.
75. When Universal Credit is introduced for Working applicants, self-employed income will be calculated for CTS in the same way as Universal credit, before any CTS disregards are applied.

Capital

Calculation of capital where this is not disregarded

76. It is proposed that the capital savings limit (after which individuals will not be eligible for Council Tax reductions), will remain at £16,000.
77. Other provisions relating to capital, including what is to be regarded as capital and what is to be disregarded as capital will operate in the same way as in Section 6 and Schedule 5 of the Council Tax Benefit Regulations.
78. Regulation 63 of the Council Tax Reduction Scheme regulation, currently in draft form, (Income treated as capital: persons who are not pensioners) will be replicated in the CTS scheme.

Tariff Income from Capital

79. Once an amount of capital is calculated, net of any amounts to be disregarded, the applicant will be treated as having an income from their capital of £1 for every £250 (or part of £250) in excess of £6000. This amount of tariff income will be added to the initial income calculation to give a total income amount.

Notional Capital

80. CTB regulations treating individuals as possessing capital of which they have deprived themselves for the purposes of securing Council Tax Support and exceptions to this rule will be replicated in the CTS scheme.

Non dependant Deductions

81. Once the reduction award is calculated, it will continue to be subject to a downwards adjustment to take into account non-dependant adults that normally reside in the dwelling who would be expected to contribute to Council tax.
82. Deductions for such non-dependants will be calculated in the same way as under the CTB regulations, with differing prescribed amounts being deducted according to individual circumstances and the same exceptions applying.
83. There will be no non-dependant deductions in CTS when the applicant or any partner:

- Is blind or has recently regained their sight
- Is in receipt of the care component of a disability living allowance at any rate
- Is in receipt of attendance allowance

There will be no non-dependant deductions in CTS when the non-dependant is:

- under 18
- in receipt of Pension Credit, Job Seekers Allowance Income Based, Income Support or Income Related Employment and Support allowance

- a full time student
- a youth trainee
- in prison
- have been in hospital for 52 weeks or more
- whose normal home is elsewhere
- severally mentally impaired
- an adult aged over 18 for whom child benefit is still payable

Table 1 Amounts of non dependent deductions

Description of Non Dependant	Proposed amount of weekly deduction for 2013/14
In receipt of Pension Credit, Job Seekers Allowance Income Based, Income Support or Income Related Employment and Support allowance	Nil
Adult in receipt of Job Seekers Allowance (Contribution Based) or Employment Support Allowance (Contribution Based)	£3.30
Gross income of adult in remunerative work is less than £183	£3.30
Gross income of adult in remunerative work is greater than or equal to £183 but less than £316	£6.55
Gross income of adult in remunerative work is greater than or equal to £316 but less than £394	£8.25
Gross income of adult in remunerative work is greater than £394	£9.90
Adult working less than 16 hours per week	£3.30
Any other person aged 18 or more not included in the above descriptions	£3.30

If the government increases the deduction for Housing Benefit, the local authority may increase the deductions in respect of Council Tax Support by the same percentage.

Students

84. The treatment of students in part 5 of the CTB regulations 2006 that relate to whether students are eligible for CTB and how their income is treated will be replicated in the local authority's CTS scheme

Extended payments

85. It is proposed that existing provisions concerning extended payments for working age applicants shall continue as currently set out within the existing CTB scheme. The maximum award of Council Tax Support made as an extended payment will be subject to the overall limit of not less than 85% of the net Council Tax liability.

When entitlement starts

86. Entitlement to a working age Council Tax reduction will begin on the first day of the first week after the application is made.
87. In terms of backdating, people of working age will be able to back-date their applications by up to six months, provided they are able to prove that from a day (up to six months) in the past, they had continuous good cause for failing to make an application.
88. Where an applicant becomes liable for Council Tax at their home in the same week that they apply for CTS, any entitlement shall be awarded from the date that their liability for Council Tax commences. For the purposes of CTS, a week in this context shall comprise a Monday to Sunday.
89. If an applicant notifies the local authority of an intention to claim CTS and submits their claim form using one of the specified approaches for claiming within one month of when it was sent out or such longer period as may be reasonable in the circumstances, the date of the claim shall be the date of notice of their intention and any entitlement to CTS shall be awarded from the Monday following that date.
90. If an applicant applies for CTS within one month of the death or separation from their partner who was in receipt of CTS at the time of their death or separation, the date of claim shall be awarded from the Monday following the date of claim.
91. CTS may be backdated for up to six months prior to a written request being received, if continuous good cause can be shown as to why the claim was not made earlier. In such circumstances, the CTS rules prevailing at the date the claim is backdated shall apply.
92. An applicant may apply for CTS up to 13 weeks prior to an event that would entitle them to CTS.
93. An applicant may apply for CTS up to eight weeks prior to becoming liable for Council Tax at their home.
94. Where a Council Tax is set after 31st March and an application for CTS is made within four weeks following the date the Council Tax was set, the date of claim shall be treated such that entitlement begins either on the 1st April in the year concerned or from the week in which their entitlement begins if this is between the 1st April and the date their claim was received.

Decisions

95. The local authority will notify the applicant in writing of its decision within 14 days from the date that all relevant information and evidence relating to the application has been received or as soon as reasonably practicable thereafter. This will include how an appeal can be made.

Notification

96. The decision notice may be notified as part of the Council Tax bill or separately. Or with a decision

notice for Housing Benefit.

The minimum amount of CTS payable

97 The minimum amount of CTS payable will be 52 pence per year or 1p per week.

Suspension and Termination of Council Tax Support

98 The local authority may suspend Council Tax support if any of the following situations apply:

- There is a doubt concerning whether the entitlement conditions for Council Tax Support are met,
- There may be a recoverable overpayment of Council Tax Support,
- The applicant or another person acting on their behalf has failed to provide information or evidence required for changing a decision concerning Council Tax Support,
- An appeal has been made or leave to appeal has been sought against a decision of the Valuation Tribunal for England or another organisation designated by English law to consider such appeals concerning Council Tax Support. This includes but is not limited to appeals to higher courts such as the High Court, Court of Appeal and House of Lords. This provision will also apply to a case where similar cases are subject to appeal that may affect the case concerned.
- Council Tax Support may be reinstated when the local authority is satisfied that there are no outstanding matters to be resolved, the local authority decides not to make an appeal or further appeal, or the appeal or request for leave has been decided, or the applicant has provided the information or evidence required as the case may be.

Notice of suspension

99 Where applicable, a notice of suspension should contain a list of the information required to resolve any outstanding issues, and the time limit in which it should be provided. The time limit is one month from the date the notice was issued. The applicant may be granted an extension of this time limit where it is reasonable to do so.

Termination of CTS

100 CTS will be terminated where

- The applicant or their partner requests it
- The applicant has received a suspension notice and has not provided the required information within one month (or a longer period where the applicant has been given extra time) of being requested to do so.
- Entitlement has been reduced to zero
- The applicant is no longer regarded as a resident in the for council tax purposes
- The applicant does not meet one or more of the conditions of entitlement for Council Tax Support

101 These provisions are intended to replicate as far as reasonably practicable those currently applied for the purposes of the existing national Council Tax Benefit scheme.

Reinstatement of CTS after termination

102 Where CTS has been terminated, a further award of CTS can only be granted when a new claim is made and that claim is successful.

CTS can be reinstated if the decision to terminate CTS is reviewed.

Time and manner of granting relief and recoveries/over-payments

103 Matters relating to the time and manner of granting relief, persons paid and dealing with over and

underpayments shall operate in the CTS scheme in a similar way to how they currently operate under the existing CTB scheme.

Appeals and Reviews

- I04 An applicant or a person acting on their behalf may appeal against the local authority's decision concerning entitlement to a reduction under the local CTS scheme or the amount of a reduction by writing to the local authority at its designated office specifying the nature of the appeal and the grounds on which the appeal is made.
- I05 The local authority will consider the appeal and notify the applicant in writing of the outcome of their appeal and the reasons for the decision.
- I06 Where the local authority has considered the appeal and notified the applicant of the outcome in writing but they remain dissatisfied, or a response has not been given within a period of two months from the date of the written appeal, the applicant may further appeal in writing to the Valuation Tribunal for England or such other organisation as may be provided for within statute. 34
- I07 Where a response is not provided by the local authority within two months of the appeal being made, any subsequent appeal to the Valuation Tribunal for England shall be made within four months of the date that the original appeal was sent to the local authority.

The following specific matters shall not be the subject of an appeal under these provisions:

- The local CTS scheme provisions as set by the local authority.
- Any discretion applied to recover an overpayment of Council Tax Support
- Who to recover an overpayment of Council Tax Support from
- Suspending or restoring Council Tax Support
- Any decision to refuse the grant of a reduction under Section 13A (1) (b) of the Local Government Finance Act 1992 or any other discretionary grant of Council Tax Support.

An applicant may also at any time in writing request the local authority to review their entitlement to CTS Support or the amount of any reduction to CTS Support outside of the provisions for appeals detailed above. The Local Authority will not be required to consider or carry out a review if the request is received more than 13 months after the original decision on which the review is being requested.

- I08 Where an applicant has change in their circumstances, which would increase the amount of CTS, they must notify the local authority within one month of the date of change. Otherwise the effective date of change will be the date of notification.
- I09 The applicant may request a review of a decision within one month of the date of the decision.
- I10 All requests for a review must be in writing.
- I11 The local authority can extend the time limit up 13 months, if the applicant can show continuous good cause for not requesting a review at an earlier date.

Other matters Annual Updates

- I12 The Local Government Finance Bill stipulates that a local authority must, each financial year 'consider whether to revise its scheme or replace it with another scheme' This means that the local authority will be able to address this issue for working age applicants after year one by making any changes.
- I13 When making this decision the local authority will include any transitional provision relating to that reduction or removal as it thinks fit.

- 114 The scheme will include an annual assessment of income.

Department for Work and Pensions changes to state pension credit age criteria

- 115 The Department for Work and Pensions is intending to make changes to the way in which new applicants comprising couples of mixed age (i.e. where one member of the couple has attained state pension credit qualifying age and one has not) are treated for new applications. Currently, such couples would generally be treated under pension credit age regulations apart from a few exceptions.
- 116 It is anticipated that in future (from the point of change and for new pension credit applicants only) that it will not be possible for a couple to claim pension credit until both members have reached the qualifying age. It is anticipated that such couples will have access to Universal Credit if they meet all the other eligibility criteria.
- 117 The Government proposes to align this change for new applicants to CTS schemes on the same basis once it takes effect, so that Councils do not find themselves defining an individual in a mixed age couple differently from the way they are defined by the Department for Work and Pensions.
- 118 It is the Government's intention that mixed age couples already applying for or receiving a Pension Credit age Council Tax reduction at the point of change (whether or not they are also receiving Pension Credit), will retain Pension Credit age Council Tax reduction whilst entitlement continues.

Fraud and Error

- 119 The scheme will include a process to determine fraud and error. And where appropriate prosecute cases where Council Tax support is applied for with the intent to commit fraud.

Amendments

- 120 It is proposed that this scheme may be amended to take into account any circumstances subsequently identified, whether through statute, public consultation or any other means.

Second Adult Rebate (2AR)

- 121 The Council Tax Support scheme intends to keep Second adult rebate as an alternative to CTS.

When second adult rebate can be awarded

- 122 Second adult rebate can be awarded when the applicant has a second adult living in his or her home who is on Pension Credit, Income Support, Income-based Job Seekers Allowance or Income-related Employment and Support Allowance or has a low income below the prescribed amounts. The level of the applicant's income or capital is not taken into account.

The people who count as second adults

- 123 A 'second adult' is somebody over the age of 18 living in the applicant's household on a non-commercial basis (i.e. not paying rent). A second adult can be:

- adult son or daughter
- a relative
- or a friend
- or a certain type of carer
- people who are classed as non-dependents for Council Tax Support

- 124 **The people who do not count as second adults:**

- a partner

- a tenant/boarder
- a joint tenant

125 **A 'second adult' cannot be a person normally disregarded for council tax purposes such as:**

- a person under the age of 18 or someone over 18 years if child benefit is still in payment
- a full time student
- a person on a youth training scheme
- an apprentice on a NCVQ/SVEC course
- a person who is severely mentally impaired
- certain types of carers
- people in prison or other forms of detention
- people who have been in hospital for more than six weeks
- people actually or normally resident elsewhere

This is because the applicant may be able to get a Council Discount if the second adult falls into one of these categories.

126 **Situations where people cannot claim Second Adult Rebate**

- Where an applicant who has a partner
- Where the second adults have a commercial liability to pay rent
- Where the applicant is getting Council Tax Support

The amounts allowable for Second Adult Rebate

127 The amount of Second Adult Rebate payable depends on the circumstances and income of the second adult or adults living with the applicant.

No matter how many second adults you have, the applicant can only get one amount of second adult rebate.

Second adult rebate is paid as a percentage deduction in your council tax bill. There are three bands:

- 25% reduction in the bill
- 15% reduction in the bill, and
- 7.5% reduction in the bill

128 **The percentage of council tax met by second adult rebate**

Second adult(s) in receipt of Pension Credit, Income Support, Income-based Job Seekers Allowance or Income-related Employment and Support Allowance	25%
Gross income of second adult (s) less than £180	15%
Gross income of second adult(s) £180 to £234.99	7.5%

I29 If there is more than one second adult, the income of the second adults is added together.

'Student-only' Second Adult Rebate

Full time Students and Second Adult rebate

I30 All full time students (including the ineligible ones) can claim second adult rebate if they share their home with another adult who is not a partner or a joint tenant or sub tenant.

I31 Most full-time students will not be entitled to Council Tax Support,

I32 There is a special kind of 'student-only' Second Adult Rebate which is only for students, as well as general Second Adult Rebate.

Second Adult Rebate for full time students.

I33 Where a student can't claim an exemption from having to pay Council Tax because there is another adult in the household who is not a student.

I34 Claim 'student-only' Second Adult Rebate if all the other second adults in the home are either full time students or get one of the following benefits:

- Income Support;
- Pension Credit;
- income-related Employment and Support Allowance; or
- Income-based Jobseeker's Allowance.

I35 If a person qualifies for student only second adult rebate, 100% of the bill will be reduced.

Better off calculation.

I36 Where a person could be eligible to receive Council Tax Support or Second adult rebate, the applicant can be awarded the higher of the two awards.

Second Adult Rebate - Other issues

Prescribed requirements Same as for Council Tax Support.

Eligibility conditions

I37 The same as for Council tax support, except all full time students can claim if they meet the other conditions of eligibility.

Entitlement periods

I38 The same as for Council Tax Support.

Claims and Evidence

I39 The same as for Council Tax Support.

Appeals and reviews

I40 The same as for Council tax support.

Appendix I Applicable Amounts

These are the amounts used to calculate Local Council Tax Support for people who do not receive Income Support, Income Based Job Seekers Allowance, Income Related Employment and Support Allowance or State Pension Credit. The allowances have the same qualifying conditions as for Council Tax Benefit

Personal Allowances

£

Single applicant aged less than 25	56.25
Single applicant aged not less than 25	71.00
Single applicant aged 60 to 64	142.70
Single claimant aged 65 or over	161.25
Lone parent aged less than 18	56.25
Lone parent aged not less than 18	71.00
Lone parent aged 60 to 64	142.70
Lone parent aged 65 or over	161.25
Couple both aged less than 18	84.95
Couple at least one aged 18	111.45
Couple at least one aged 60 to 64	217.90
Couple at least one aged 65 or over	241.65
Child from birth to first Monday in September following the 16th birthday	64.99
Child or young person aged more than 16 but younger than 20 for whom Child benefit is payable.	64.99

Appendix I

Premiums other elements used to calculate Local Council Tax Support

Premiums	£
Family Premium (applicants with children who live with them)	17.40
Family Premium -Transitional allowance for Lone Parents protected since 1st April 1998	22.20
Disability Premium for single person	30.35
Disability Premium for couple	43.25
Enhanced Disability Premium for single person	14.80
Enhanced Disability Premium for couple	21.30
Enhanced Disability Premium for child	22.89
Severe Disability Premium for single person	58.20
Severe Disability Premium for couple where one qualifies	58.20
Severe Disability Premium for couple where both qualify	116.40
Carer Premium	32.60
Disabled Child Premium	56.63

Appendix 2
The age for claiming State Pension Credit

The date you were born The age at which you could claim state pension credit

Before 5 April 1951	Now
6 April to 5 May 1951	6 May 2012
6 May to 5 June 1951	6 July 2012
6 June to 5 July 1951	6 September 2012
6 July to 5 August 1951	6 November 2012
6 August to 5 September 1951	6 January 2013
6 September to 5 October 1951	6 March 2013
6 October to 5 November 1951	6 May 2013
6 November to 5 December 1951	6 July 2013
6 December to 5 January 1952	6 September 2013
6 January to 5 February 1952	6 November 2013
6 February to 5 March 1952	6 November 2014