

Council Tax Support Scheme Summary 2019 - 2020

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Glossary of Terms

Definition of Pensionable Age

When we talk about pensionable age customers we mean someone who:

- Has reached the qualifying age for state pension credit, and
- They, or any partner, do not receive Income Support, Income Based Job Seekers Allowance or Income Related Employment Support Allowance.

Definition of Working Age

When we talk about working age customers we mean someone who:

- Has not yet reached the qualifying age for state pension credit, or
- Has reached the qualifying age for state pension credit but they, or any partner, receive Income Support, Income Based Job Seekers Allowance or Income Related Employment Support Allowance.

Definition of 'partner'

When we talk about a customer's partner we mean a person they are married to or a person they live with as if they were married to them, or a civil partner or a person they live with as if they were civil partners.

Definition of 'Living Allowance'

The 'Living Allowance' (sometimes called the 'applicable amount') is a weekly figure used to calculate the basic living needs of a customer based on their household size and accounting for any disabilities or special circumstances. The elements and amounts of the living allowance are decided by the Government and the Council and are made up of:

- personal allowances (for the claimant, partner and any children)
- premiums (based on certain qualifying conditions, for example disability)

The living allowance is used in a means tested calculation and compared to a customer's assessed income in order to work out how much support they may be entitled to.

Qualifying Rules for Disabled Child Premium

The disabled child premium is added to a customer's living allowance where a disabled child in the household is:

- registered blind, or
- receiving Disability Living Allowance or Personal Independence Payment

Qualifying Rules for Severe Disability Premium

In the case of a single customer or lone parent the severe disability premium may be included in the living allowance where:

- they receive the care component of Disability Living Allowance at the highest or middle rate, Attendance Allowance or Constant Attendance Allowance or the daily living component of Personal Independence Payment, and
- they live alone (see below), and
- no-one receives Carer's Allowance for looking after them

In the case of a couple the severe disability premium may be included in the living allowance where the claimant and partner both:

- receive the care component of Disability Living Allowance at the highest or middle rate, Attendance Allowance or Constant Attendance Allowance or the daily living component of Personal Independence Payment,
- or the partner is blind and the claimant receives the care component of Disability Living Allowance at the highest or middle rate, Attendance Allowance or Constant Attendance Allowance or the daily living component of Personal Independence Payment, and
- no-one else lives with them (see below), and
- no-one receives Carer's Allowance for looking after either one or both of them

Other people living in the household

For the purposes of the severe disability premium, customers are still classed as living on their own if other people in the household are:

- children
- aged 16-17
- a person who is registered blind
- a person receiving the care component of Disability Living Allowance at the highest or middle rate, or Attendance Allowance or the daily living component of Personal Independence Payment
- a carer who is employed by a charity that makes a charge for this service
- co-owners or co-tenants

1. Introduction

- 1.1 Since April 2013, the Local Government Finance Act has required Huntingdonshire District Council to operate a local Council Tax Support scheme to help households on low incomes with their Council Tax.
- 1.2 Although the council is required to design a local scheme the Government has placed a number of restrictions on what we can do. The council also has to consider how a local scheme impacts on the most vulnerable in society and must consider its statutory duties under the following regulations:
- The Equality Act 2010
 - The Child Poverty Act 2010
 - The Housing Act 1996
 - The Armed Forces Covenant 2011
- 1.3 People of pensionable age have any reduction in their Council Tax assessed under a national framework of rules. However, working age households are assessed under the local scheme rules which places limits on the amount of support that can be awarded and therefore, most working age customers will need to pay something towards their Council Tax.
- 1.4 Huntingdonshire District Council's scheme is based on the following principles:
- everyone of working age should pay something towards their Council Tax (unless they qualify for some protection – more information is explained about this later in this document)
 - the scheme should provide some protection for the most vulnerable in society
 - the scheme should incentivise and support people moving into work, and help those in low paid work

2. Outline of the Scheme

2.1 The complete rules relating to Huntingdonshire District Council's local Council Tax Support Scheme are set out in a separate document. However, a summary of those people entitled to a reduction in their Council Tax is set out below.

2.2 People of Pensionable Age

The Council has to use rules set by the Government when dealing with Council Tax Support claims from people of pensionable age and the level of award is means tested.

2.3 People of Working Age

Support is provided through a means tested reduction, and the amount of help people will be entitled to is calculated in a similar way to the rules for pensioners, i.e. a customer's income is compared against a 'Living Allowance' but, generally the amount of support that can be awarded is restricted (see below).

2.4 Huntingdonshire District Council's local scheme is based around the three principles as set out in paragraph 1.4 and contains the following features:

2.5 Restrictions applied to Council Tax liability

All working age customers (except those who are severely disabled, those with disabled children and families with children under 5), have their entitlement to Council Tax Support based on 80% of their Council Tax charge. However, the actual amount someone has to pay depends on the makeup of their household, their income and savings and any other discounts that may apply but this does mean that most working age customers have to pay at least 20% of their Council Tax bill.

Working age customers with children under 5 years of age have their entitlement to Council Tax Support based on 85% of their Council Tax charge.

Those working age customers who qualify for a severe disability premium or a disabled child premium in their applicable amount have their entitlement to Council Tax Support based on 100% of the Council Tax Charge.

More information about vulnerable groups can be found in section 3.

Note – if a customer is jointly liable for the Council Tax charge with one or more people (excluding their partner), the Council will divide the liability equally between all liable persons. The working age customer's Council Tax Support will then be based on a percentage (dependant on their circumstances) of their share of the Council Tax charge.

2.6 Living Allowance

The living allowance rates are reviewed every April and reflect the basic living needs of a customer and their household.

2.7 Income

Generally, all income is taken into account when assessing entitlement to Council Tax Support; however certain types of income are disregarded. These disregards may be different depending on whether the person claiming Council Tax Support is a pensioner or of working age and are looked at in more detail below.

Earned income: Some of the earned income received by a person is not counted as income and is disregarded. More details about this are shown in the table below.

Earnings Disregard	Pensioner	Working Age*
Single person	£5	£10
Couple	£10	£20
Lone parent	£25	£25
Certain people with disabilities	£20	£20

*Where a working age person works 16 hours or more each week, or is in receipt of Working Tax Credit, an additional £10 of their weekly earned income is not included in the assessment of their income.

Other incomes: A list of some other common income types which are not counted is shown below.

Income Type	Pensioner	Working Age
Attendance Allowance	Not Counted	Not Counted
Child Benefit (Eldest Child)	Not Counted	Not Counted
Child Benefit (Except Eldest Child)	Not Counted	Counted
Child Maintenance	Not Counted	Not Counted
Disability Living Allowance	Not Counted	Not Counted
Personal Independence Payment	Not Counted	Not Counted
War Pensions (Service Attributable)	Not Counted	Not Counted

2.8 Capital and savings

Unless a customer receives Guaranteed Pension Credit, Income Support, Income-based Jobseeker's Allowance or Income-related Employment Support Allowance, the amount of savings and other capital held is taken into account when working out Council Tax Support entitlement. Some savings may not be counted in the calculation but, if the total amount held is £16,000 or more, there is no entitlement to any Council Tax Support. If savings are below £16,000 we may use something called 'tariff income' which is an amount that is added onto the weekly income depending on the amount of capital held. The table below gives more information about this.

Customer Type	Capital not Counted	Tariff Income*	Capital Limit
Pensioner	£10,000	£1 for every £500 over £10,000	£16,000
Working Age	£6,000	£1 for every £250 over £6,000	£16,000

*£1 is added to a customer's weekly income when working out the Council Tax Support award.

2.9 Non-Dependants (Other people who live in the household)

Where a working age person has other people living in their home who are not dependant on them (such as children who have left school, parents, other relatives or friends), a deduction will be made from any Council Tax Support award. Generally, the deduction will be set at £7 per week for each non dependant that is working 16 hours or more each week, and £5 for each non dependant not in work or working less than 16 hours per week. Where two non-dependants live in the same property and are a couple only one deduction is made. However, a deduction will not be made where the customer (or their partner) is:

- registered blind,
- in receipt of the care component of Disability Living Allowance or Personal Independence Payment.

Where a pensioner has a non-dependant living with them, the deduction made from their Council Tax Support award is set by the Government and will depend on the level of their income. Details of the deductions can be found on the Council Tax Support pages of the Council's website.

2.10 Second Adult Rebate

For customers of pensionable age only, Second Adult Rebate can be awarded where a Single Person Discount cannot be granted because other adults are living in the property. This rebate assesses the income of the second adult(s) and allows for a reduction in the Council Tax charge of up to 25%.

2.11 Universal Credit

The Government is in the process of merging payments of Income Support, Income Related Job Seekers Allowance, Income Based Employment Support Allowance, Child Tax Credit, Working Tax Credit and Housing Benefit for customers of working age into a single payment called Universal Credit. Generally, this income will be included in the assessment of Council Tax Support.

3. Vulnerable groups

3.1 Most working age customers will have their entitlement to Council Tax Support based on 80% of their Council Tax charge. However, one of the key principles of Huntingdonshire District Council's local Council Tax Support scheme is to support the most vulnerable members of our society.

The Council believes its scheme makes provision for the most vulnerable because the figure used to calculate the basic living needs of a customer (the 'living allowance') includes extra amounts to cater for disabilities, children or other special circumstances as well as disregarding certain types of income.

3.2 However, the scheme also provides extra support for working age customers with children under 5 years of age, as their entitlement to Council Tax Support is based on 85% of the Council Tax charge.

- 3.3 In addition, working age customers who qualify for a severe disability premium or a disabled child premium in their living allowance amount for the assessment of Council Tax Support or is included their assessment for Income Support, Income Based Job Seekers Allowance or Income Related Employment Support Allowance will have their entitlement to Council Tax Support based on 100% of the Council Tax charge.

4. Who can apply?

- 4.1 Eligibility for Council Tax Support is set out in Huntingdonshire District Council's Council Tax Support Scheme Rules. Claimants must be at least 18 years old, liable to pay Council Tax and the property must be their sole or main residence.
- 4.2 Those not eligible to claim will include those not liable to pay Council Tax, customers with savings of £16,000 or more, most students and persons from abroad who have no recourse to public funds.

5. How to make a claim and supporting evidence

- 5.1 Applications for Council Tax Support should be made by an electronic form which is available from the council's website or via public access computers at the Customer Service Centre in Huntingdon or most local libraries. The application form will also collect information regarding housing costs for those wishing to apply for Housing Benefit.
- 5.2 Some customers may complete an application form for Housing Benefit via Job Centre Plus or the Pension Service. Receipt of such applications will be treated as a request to claim Council Tax Support but, the Council's electronic application form will still need to be completed before any entitlement to Council Tax Support can be assessed.
- 5.3 Customers applying for Council Tax Support will be required to verify their identity, national insurance number, income, and capital. The Council may be able to use other sources to confirm some details but customers will be notified as to what documentation is required to support their application.

6. Date of claim

- 6.1 In general, entitlement to Council Tax Support for working age customers will be assessed from the Monday following the date a customer first contacts the Council to make an application, providing a form is received at Huntingdonshire District Council's offices within one calendar month of the date the Council was first contacted.
- 6.2 However, working age customers will be able to apply for backdated support for up to 6 months in the past if they can prove 'good cause' as to why they had not made an application earlier.
- 6.3 In general, entitlement to Council Tax Support for customers of pensionable age will be automatically backdated for three months prior to the date the claim was made.

7. Notification of entitlement

- 7.1 All customers will be notified of the outcome of their application. The notification will also explain their appeal rights if they are unhappy with the decision.
- 7.2 Where a customer is entitled to Council Tax Support a new bill showing the amount of the reduction awarded and the revised amount to pay will be issued.

8. Change of Circumstances

- 8.1 Once an application for Council Tax Support has been made, customers have a duty to notify the Benefits Service of any changes in their circumstances.
- 8.2 Changes of circumstance should be notified straight away to ensure the correct amount of Council Tax Support is being paid. A form for reporting changes in circumstances is available on the Council Tax Support pages of the Council's website.

9. Council Tax Support Adjustments

- 9.1 Council Tax Support will be paid in the form of a reduction against the Council Tax account and calculated up to the end of March in each financial year. However, where a customer's circumstances change in the year, a revised award may be created.
- 9.2 Any adjustments to Council Tax Support entitlement will be posted to the Council Tax account and a new bill will be issued.

10. Appeals

- 10.1 Customers will have the right to appeal against decisions made.
- 10.2 The Council will review the original decision and notify the customer of the outcome. If the customer is still not satisfied with the outcome a further appeal may be made to The Valuation Tribunal.

11. Claim Reviews

- 11.1 From time to time the Council may need to check the details of a claim for Council Tax Support to see if any of the details held on our records have changed. If we need to do this we will contact you or we may visit you at home.

12. Fraud

- 12.1 Anyone that makes a false claim for Council Tax Support or fails to tell us about changes in their circumstances when they occur, will not only have to repay any support incorrectly claimed but may also be liable to prosecution or a fine.