

# **Swindon Borough Council**

## **Council Tax Support Scheme**

## VERSION CONTROL

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17	23/1/24	Andy Stevens	Annual uprating for 2024/25 and clarification of Non Dependent deduction for adults with family member with disability and not earning
18	20/1/2025	Andy Stevens	Armed Forces Compensation Payments disregarded & annual uprating

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## **1.0 Introduction**

In April 2013 Council Tax Benefit was replaced with a localised Council Tax Support scheme, set by Local Authorities (or a national default scheme). Pensioner's support (persons of pension credit age) continues to follow a national framework of rules and eligibility, but the schemes for 'working age' claimants will be agreed locally.

The Swindon Local scheme helps meet the needs of Swindon residents in the following ways

Council Tax Support helps in achieving the following aims.

- Prevent homelessness and alleviate poverty.
- Reduce worklessness by encouraging residents of the Borough to obtain and sustain employment.
- Support the vulnerable in the local community.
- Keep families together.
- Help claimants through personal crises and difficult events.
- Help those who are trying to help themselves.

## **2.0 Prescribed Requirements**

The Regulations prescribe a number of requirements that apply to all local schemes, in addition to the scheme for persons of State Pension Credit eligible Age. The following apply to both working age and non-working age claims alike.

### **2.1 Persons from Abroad**

The national regulations prescribe restrictions to local schemes.

### **2.2 Refugees**

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exempt from the habitual residence test are entitled to apply for Council Tax Support (as long as their status has not been revoked).

### **2.3 Permitting a Person to Act for Another Person**

Current arrangements for a person to act on behalf of another continue. For example, where a person has been granted a power of attorney for a Council Tax Payer or in cases where a couple wishes to make an application.

## **Pension Age Claimants**

### **3.0 Groups of persons who are entitled to a reduction under the scheme**

There are three main classes under the prescribed pension credit age scheme, for each of which there are a number of qualifying criteria. In all cases individuals must not be of a prescribed class exempted from support defined within statute, such as a person from abroad with limited leave to remain.

The 3 groups are:

- Class A - Pensioners whose income is less than the applicable amount
- Class B - Pensioners whose income is greater than the applicable amount
- Class C - Alternative Council Tax reduction (second adult rebate) – pensioners

#### **3.1 Class A - Pensioners whose income is less than the applicable amount**

The individual must (on the day concerned):

- a) Be liable to pay Council Tax in respect of a dwelling in which they are resident
- b) Not be absent as described under the regulations
- c) Be somebody in respect of whom a maximum council tax reduction amount can be calculated
- d) Who does not fall within a class of person not entitled to a reduction under this scheme
- e) Whose income (if any) for the relevant week does not exceed his or her applicable amount (as defined in regulations),
- f) Has applied for the scheme.
- g) Have attained the qualifying age for state pension credit,
- h) Not be someone or have a partner who is in receipt of Income Support, income based Jobseeker's Allowance or income based Employment and Support Allowance or Universal Credit (except those migrated from Working Tax credits and falling within DWP definition of pensioners) .
- i) Not have capital savings above £16,000 (or amount specified in regulations).

#### **3.2 Class B - Pensioners whose income is greater than the applicable amount**

The individual must (on the day concerned):

- a) Be liable to pay Council Tax in respect of a dwelling in which they are resident
- b) Not be absent as described under the regulations
- c) Be somebody in respect of whom a maximum Council Tax reduction amount can be calculated
- d) Who does not fall within a class of person not entitled to a reduction under this scheme
- e) Whose income (if any) for the relevant week is greater than his or her applicable amount (as defined in regulations),
- f) In respect of whom amount A exceeds amount B where—
  - i. Amount A is the maximum council tax reduction in respect of the day/week in the applicant's case; and

- ii. Amount B is  $2\frac{6}{7}$  % of the difference between his income for the relevant week and his/her applicable amount (this equates to 20% reduction per £1 of income above the applicable amount), and
- g) Has applied for the scheme.
- h) Has attained the qualifying age for state pension credit,
- i) Not be someone or have a partner who is in receipt of Income Support, income based Jobseeker's Allowance or income based Employment and Support Allowance,
- j) Not have capital savings above £16,000 (or amount specified in regulations).

### 3.3 Class C - Alternative maximum council tax reduction – pensioners ☐

The individual must:

- a) Be liable to pay Council Tax in respect of a dwelling in which they are resident
- b) Not be absent as described under the regulations
- c) Be somebody in respect of whom a maximum council tax reduction amount can be calculated
- d) Who does not fall within a class of person not entitled to a reduction under this scheme
- e) Has applied for the scheme
- f) Has attained the qualifying age for state pension credit,
- g) Be somebody who has at least one second adult living with them who is not their partner, not somebody who pays rent, and who is on a prescribed low wage and / or prescribed benefit, as set out in regulations

## 4.0 The reduction to which persons in each class are entitled:

For A to C the reductions are specified in Regulations.

### 4.1 Class A Reduction

If an individual matches the criteria in Class A, including that income is less than their applicable amount (as set out in regulations) in their case, that person qualifies for 100% reduction on their Council Tax liability, subject to any non-dependent deduction (see section 4.4) or any other deduction specified in regulations.

### 4.2 Class B Reduction

If an individual matches the criteria in Class B, it will mean that their income is greater than their living allowance / applicable amount (as defined in the regulations). The regulations specify the amount of the reduction in Council Tax Support equate to a 20% per cent reduction for each £1 of income above the applicable amount. This is subject to any non-dependant deductions and any other adjustments as specified in the regulations.

## 4.3 Class C Reduction

Under the existing national Council Tax Benefit scheme, the class 3 reduction is known as second adult rebate. This may be awarded in respect of a second adult sharing the household who would normally be expected to contribute towards the council tax bill but who cannot afford to do so based on their low income as indicated by prescribed low wages bands or prescribed working-age benefit indicators.

This reduction will equate to the existing second adult rebate and may be awarded at 25%, 15% or 7.5% (or as specified in regulations) of the council tax liability, depending upon individual circumstances.

## 4.4 Non Dependent Deductions

Once a reduction amount is calculated, it will continue to be subject to a downward adjustment to take into account non-dependent adults that normally reside in the dwelling who would be expected to contribute to Council Tax. Deductions for such non-dependent adults will be calculated with differing prescribed amounts being deducted according to individual circumstances, and with the same exceptions applying.

## 4.5 Determination of Class and Award

Determination of the class an individual is put into and the reduction they will receive will continue to be determined in two ways:

1. In respect of Class A and Class B, through means testing which will continue according to the rules and criteria and
2. Through application of rules for calculation of Class C known as the Alternative Council Tax reduction calculation.

## 4.6 Means Test for Class 1 and Class 2

The means test is defined within the regulations and aligned with the previous regulations for council tax benefit for those of state pension age.

The means test is based upon a comparison of income defined in regulations and a deemed living allowance also defined in regulations. The way in which these elements will be defined and evaluated for the pension age scheme is set out below.

#### 4.7 Living Allowance (Applicable Amount)

The individual's living allowance or applicable amount will be made up of four elements. The amounts are specified in regulations. The elements are:

1. A personal allowance in respect of the applicant,
2. An amount in respect of any child or young person who is part of their family,
3. A family premium element (where the applicant is part of a family of which at least one member is a child or young person. This is not added or included for new claimants since 2016, and
4. Any premium amount set out in regulations that is applicable to the individual.

#### 4.8 Calculation of Income and Capital

Income and capital will be calculated for a person who has reached the qualifying age for state pension credit in line with previous provisions. The income and capital of a claimant's partner or partners in the case of a polygamous marriage will continue to be treated as income of the claimant.

Income or capital of any child or young person will not be treated as income or capital of the claimant, unless it appears to the Council that the two have entered into arrangements to take advantage of the system.

#### 4.9 Income and capital for those on State Pension Credit

The regulations instruct Councils to disregard income and capital for those in receipt of state pension credit.

For those in receipt of the savings credit element of state pension credit, the Council will be able to use the Department for Work and Pensions' Pension Service's assessment of the income and capital of the individual, and adjust this to take into account income from this benefit and any other relevant requirements.

#### 4.10 Calculation of Income where a Person is not in Receipt of State Pension Credit

For those who have reached the qualifying age for state pension credit, but are not in receipt of this benefit themselves, provisions relating to income, its calculation on a weekly basis, what is to be regarded as income and what is to be disregarded as income are specified in the regulations and replicate the operation of Council Tax Benefit.



## 4.11 Income and Wider Welfare changes

In relation to income, wider welfare changes mean new working age benefits will be introduced to replace some of the existing working age benefits.

Despite these changes being mainly to working-age benefits, they may have relevance for individuals living with a person of pension-credit age and consequently, it may be taken into consideration in the assessment.

New applicants will be migrated onto these benefits over time, so both benefits will co-exist for a number of years (for example, the Universal Credit migration will take place over a number of years). Where such benefits are mentioned in these regulations, an equivalent approach for an individual on the new benefit will be identified and agreed. Draft regulations will mark the points where such arrangements will need to be set out. These changes may be formalised in regulations to be laid before Parliament.

## 4.12 Calculation of capital

Calculation of capital where a person is not in receipt of state pension credit  
Provisions relating to capital – for example, the capital savings limit of £16,000 (after which individuals will not be eligible for council tax reductions) what is to be regarded as capital; what is to be disregarded as capital and other capital calculations are contained in the regulations.

## 4.13 Notional capital

Regulations will continue to stipulate that individuals will be treated as possessing capital of which they have deprived themselves for the purposes of securing council tax reductions.

The notional capital will continue on the same basis, for example, disregarding the value of any holding in a company where the applicant is the sole owner or partner, but will include an amount of capital equal to the value (or their share of the value of) the capital of such a company. This notional capital (which the individual is treated as in possession of) will be reduced over time as set out in regulations, to reflect payment of additional council tax liabilities incurred.

## 4.14 Tariff income on capital

Once an amount of capital is calculated, net of any amounts to be disregarded, this will be treated as if it is income as prescribed in the regulations. The amounts specified in the 2012 regulations are £1 for every £500 (or part of £500) in excess of £10,000. This amount of tariff income will be added to the initial income calculation to give a total income amount.

#### 4.15 Calculation of Reduction

Once the total income amount has been calculated, it will be compared with the living allowance / applicable amount, to determine whether the individual falls into Class A (income less than applicable amount) or Class B (income greater than applicable amount).

Persons in Class A will receive 100% council tax reduction against their council tax liability. (This liability will be net of any council tax discounts under the Local Government Finance Act 1992 and non-dependent deductions under the regulations for persons of pension credit eligible age).

Persons in Class B will receive a reduction equivalent to 20% of the difference between their income and applicable amount on their net council tax liability.

# **Working – Age Claimants Local CTS Scheme**

## **5.0 Introduction**

The amount of support will be based upon individual circumstances and changes of circumstances will also be taken into account.

There will be four main working age groups for each of which there will be a number of qualifying criteria.

## **Claimant Groups**

### **5.1 Class D: Income is less than the Applicable Amount**

The individual must be:

- a) Liable to pay council tax in respect of a dwelling of which he is a resident;
- b) Not be absent as described under the regulations
- c) Be somebody in respect of whom a maximum council tax reduction amount can be calculated
- d) Who does not fall within a class of person not entitled to a reduction under this scheme
- e) Whose income (if any) for the relevant week is less than his/her applicable amount
- f) Has applied for the scheme
- g) Has not attained the qualifying age for state pension credit or has reached this age but has a partner claiming income support, income-based jobseeker's allowance or income-based employment support allowance or universal credit.
- h) Not have capital savings above £6,000.
- i) Is not a person or household that is entitled to one of the following themselves or has a dependant in the household entitled to one of the following. Disability premium, enhanced disability premium, disabled earnings disregard, Disability Living Allowance or Personal Independence Payment, Disabled Persons Reduction for Council Tax purposes, War Disablement Pension and War Widow's Pension or their equivalents under Universal Credit and/or Personal Independence Payment regulations.

### **5.2 Class E: Income is greater than the Applicable Amount**

The individual must be:

- a) liable to pay council tax in respect of a dwelling of which he is a resident;
- b) Not be absent as described under the regulations
- c) be somebody in respect of whom a maximum council tax reduction amount can be calculated
- d) who does not fall within a class of person not entitled to a reduction under this scheme
- e) whose income for the relevant week is greater than his/her applicable amount
- f) In respect of whom amount A exceeds amount B where—

- i. Amount A is the maximum council tax reduction in respect of the day in the applicant's case; and
- ii. Amount B is 2 6/7 % of the difference between his/her applicable amount (and this equates to a 20% reduction per £1 of income above the applicable amount)
- g) Has applied for the scheme.
- h) Has not attained the qualifying age for state pension credit or has reached this age but has a partner claiming Income Support, income-based Jobseeker's Allowance or income-based Employment Support Allowance or Universal Credit.
- i) Not have capital savings above £6,000.
- j) Is not a person or household that is entitled to one of the following themselves or as dependant in the household is entitled to one of the following. Disability premium, enhanced disability premium, disabled earnings disregard, Disability Living Allowance or Personal Independence Payment, Disabled Persons Reduction for Council Tax purposes, War Disablement Pension and War Widow's Pension or equivalent under Universal credit and/or Personal Independence Payment regulations.

### 5.3 Swindon No Class F: Alternative Council Tax reduction

### 5.4 Class G – Households with Persons with Disabilities & Income below the Applicable Amount

The individual must be:

- a) Liable to pay council tax in respect of a dwelling of which he is a resident;
- b) Not be absent as described under the regulations
- c) Be somebody in respect of whom a maximum council tax reduction amount can be calculated
- d) Who does not fall within a class of person not entitled to a reduction under this scheme
- e) Whose income (if any) for the relevant week is less than his/her applicable amount
- f) Has applied for the scheme &
- g) Has not attained the qualifying age for state pension credit or has reached this age but has a partner claiming Income Support, income-based Jobseeker's Allowance or income-based Employment Support Allowance or Universal Credit.
- h) Not have capital savings above £16,000
- i) Be a person who is either entitled to one of the following themselves or as dependant in the household is entitled to one of the following. Disability premium, enhanced disability premium, disabled earnings disregard, Disability Living Allowance or Personal Independence Payment, Disabled Persons Reduction for Council Tax purposes, War Disablement Pension and War Widow's Pension and/or Personal Independence Payment regulations and/or Personal Independence Payment regulations.
- j) An Adult child of the claimant with disabilities is included in the definition of the household for the purposes of Class G

## 5.5 Class H – Households with Persons with Disabilities & Income above the Applicable Amount

The individual must be:

- a) liable to pay council tax in respect of a dwelling of which he is a resident;
- b) Not be absent as described under the regulations
- c) be somebody in respect of whom a maximum council tax reduction amount can be calculated
- d) who does not fall within a class of person not entitled to a reduction under this scheme
- e) Whose income for the relevant week is greater than his/her applicable amount
- f) In respect of whom amount A exceeds amount B where—
  - i. amount A is the maximum council tax reduction in respect of the day in the applicant's case; and
  - ii. amount B is 20 per cent of the difference between his income for the relevant week and his applicable amount, and
- g) Has applied for the scheme
- h) Has not attained the qualifying age for state pension credit or has reached this age but has a partner claiming Income Support, income-based Jobseeker's Allowance or income-based Employment Support Allowance or Universal Credit.
- i) Not have capital or savings above £16,000
- j) Be a person who is either entitled to one of the following themselves or as dependant in the household is entitled to one of the following. Disability premium, enhanced disability premium, disabled earnings disregard, Disability Living Allowance or Personal Independence Payment, Disabled Persons Reduction for Council Tax purposes, War Disablement Pension and War Widow's Pension and/or Personal Independence Payment regulations.
- k) An Adult child of the claimant with disabilities is included in the definition of the household for the purposes of Class H.

## 6.0 Calculation of Council Tax Support (Determination of award)

Determination of the class the individual is put into, and the reduction they will receive, shall be determined in respect of Classes D-H through means-testing that will be applied using similar rules and criteria as was applied for the purposes of the previous national Council Tax Benefit scheme and where specified in accordance with the new regulations. The local scheme will specify some differences to the amounts awarded and these will apply to classes D and E.

### 6.1 Differences

The main differences with the existing or previous national scheme are that for classes D and E. Support will be limited to a maximum of 80% of Council Tax liability; the calculation will be based on a maximum Council Tax Band D liability; persons with capital over £6,000 will not be eligible for support; Child Benefit will be included as an income (and not disregarded); and non-dependent deductions will be increased by £5 per week. There will be no Second Adult Rebate scheme for working age residents.

## 6.2 Living allowance (known as the applicable amount).

The claimant's living allowance or applicable amount will be made up four elements. These will be:

- (i) A personal allowance in respect of the claimant (and partner, where relevant);
- (ii) An amount in respect of any child or young person who is part of their family;
- (iii) A family premium element (where the claimant is part of a family of which at least one member is a child or young person. Not added or included for new claimants since 2016 and
- (iv) Any premium amount, which is applicable to the individual as set out in the local Council Tax Support scheme and appears in the national Default Scheme.

The applicable amounts used in the calculations will be those set out in the national Default Scheme and updated each financial year in accordance with those set nationally. If no changes are made nationally, increases will be made in line with the Consumer Prices Index (CPI) increases as at the end of September previous for the following financial year.

## 6.3 Calculation of Income and capital

Income will be calculated for a person who has not attained the qualifying age for state pension credit in accordance with the Prescribed Requirements Regulations and the Default Scheme, and in line with the previous national Council Tax Benefit provisions, except that in respect of classes D and E, Child Benefit income will be treated as income in the calculation (and will not be disregarded). The only other exception may be where the income recorded for income support, income-related jobseekers' allowance, income-related employment and support allowance, and the basic amount of Universal Credit is shown to have been incorrectly calculated as other income is being received and not recorded by the Department of Works and Pensions.

The income and capital of a claimant's partner or partners in the case of a polygamous marriage will continue to be treated as income of the applicant.

Income or capital of any child or young person will not be treated as income or capital of the claimant. The Council shall be permitted to treat the income or capital of a non-dependent as if it were the income or capital of the applicant in a case where it appears to the Council that the two have entered into arrangements to take advantage of the system.

Income for those in receipt of income support, income-related jobseekers' allowance, income-related employment and support allowance, and the basic amount of Universal Credits is disregarded. Provided that capital held is less than £6,000, this shall also be disregarded. Such persons will automatically qualify, under Class D, for an 80% council tax reduction subject to any non-dependent deductions.

At the Council's Cabinet Meeting on 13<sup>th</sup> November 2024 it was determined that all Armed Forces Compensation payments would be disregarded income and or

capital from all Council Tax support assessments, from the financial year 2025/26 onwards.

## 6.4 Calculation of capital where this is not disregarded

Provisions relating to capital – other than the revised £6,000 capital savings limit proposed for classes D and E, including for example, what is to be regarded as capital and what is to be disregarded as capital; will be those shown in the Prescribed Requirement Regulations 2012 and the National Default Scheme, or if not will be those that operated in the previous Council Tax Benefit regulations.

There is also provision for certain elements of income to be treated as capital (for example, in relation to certain lump sum payments or tax credit arrears).

Individuals may be treated as possessing capital of which they have deprived themselves for the purposes of securing council tax reductions. This notional capital (of which the individual is treated as in possession) will be reduced over time to reflect payment of additional council tax liabilities incurred.

## 6.5 Tariff Income for Working Age Claimants

Tariff income for capital held will apply to claims for persons within class G & H.

Once an amount of capital is calculated, net of any amounts to be disregarded, this will be treated as if it is income of £1 for every £250 (or part of £250) in excess of £6,000. This amount of tariff income will be added to the initial income calculation to give a total income amount.

## 6.6 War Widows & Widowers & War Disablement Pensions

Existing arrangements whereby £10 of weekly war widow's pension, war widower's pension and war disablement pension and certain other guaranteed income payments including for example under the Armed Forces and Reserve Forces Compensation Scheme is disregarded, continue to apply.

Additionally, the Council is replicating existing local arrangements whereby the remainder of any weekly war widow's pension, war widower's or war disablement pension are also disregarded in full in the assessment of a claimant's income within the local Council Tax Support scheme.

At the Council's Cabinet Meeting on 13<sup>th</sup> November 2024 it was determined that all Armed Forces Compensation payments would be disregarded income and or capital from all Council Tax support assessments, from the financial year 2025/26 onwards.

## 6.7 Calculation of Income where not in Receipt of a Prescribed Working-Age Benefit

Other provisions relating to income, its calculation on a weekly basis, what is to be regarded as income and what is to be disregarded as income will operate in accordance with the Prescribed Requirements Regulations 2012, the Default Scheme and in line with the previous national Council Tax Benefit regulations. In particular, earnings of employed earners and earnings of self-employed earners (both net of tax and contributions) will be taken into account as currently.

These regulations specify which earnings or amounts are to be disregarded, but for Swindon's scheme Child Benefit is included as an income and not disregarded.

Unless specified in national regulations Personal independence payments are to be treated in the same manner as disability living allowance (i.e. fully disregarded) and the following are to be fully disregarded : income received for War Disablement Pension, War Widower's Pension and War Widow's Pension.

Treatment of other income (in relation to which the applicant has deprived themselves of) will be calculated according to the rules as under the 2012 regulations or in accordance with previous relations as applied under the former national Council Tax Benefit scheme.

## 6.8 Child Benefit

Child benefit income will be included as income in the calculation for classes D & E (and will not be disregarded).

## 6.9 Band D Liability

The maximum Council Tax liability for the purpose of calculating the amount of Support to be granted will be based on Band D property charges for claimants that fall into classes D & E.

## 6.10 Students

Generally students and students who are persons from abroad will be excluded from entitlement to Council Tax Support and the Council's scheme shall replicate the provisions in the Default scheme regulations 2012 as regards students.

## 6.11 Welfare Changes

In relation to income, wider welfare changes mean new working age benefits will be introduced to replace some of the existing working age benefits. New applicants will be migrated onto Universal Credit and other new benefits over time, so both old and new benefits will co-exist for a number of years.



## **7.0 Reductions attracted by classes: working age awards**

### **7.1 Class D Reduction**

If an individual matches the criteria in Class D (income is less than their Applicable Amount) that person qualifies for Council Tax Support entitlement equivalent to 80% of their weekly council tax liability after

- Any applicable discounts and/or relevant deductions; and/or:
- Any restriction to Council Tax band D liability has been made.

This amount will subsequently be subject to any non-dependant or other relevant deductions.

An individual in receipt of income support, income-related jobseeker's allowance or income-related employment and support allowance will have income and earnings counted as zero. The same shall apply to capital held that totals less than £6,000. This means that the individual's income will automatically be less than their applicable amount, and they will qualify for Council Tax Support entitlement equivalent to 80% of their weekly council tax liability or a maximum Council Tax band D liability (i.e. after discounts and any other relevant deductions) subject to any relevant non-dependant deductions.

### **7.2 Class E Reduction**

If an individual matches the criteria in Class D (income is less than their applicable amount in their case) that person qualifies for Council Tax Support entitlement equivalent to 80% of their weekly council tax liability after;

- Any applicable discounts and/or relevant deductions; and/or:
- Any restriction to Council Tax band D liability has been made.

For class E applicants a further reduction of 20% of the difference between the claimant's applicable amount and their income will be applied to their Council Tax Support.

This amount will subsequently be subject to any non-dependant or other relevant deductions.

### **7.3 Class G Reduction**

If an individual matches the criteria in Class G, including that income is less than the applicable amount in their case, that person qualifies for protection such that they shall qualify for a 100% reduction of their weekly council tax liability (i.e. after discounts and reductions) subject to any relevant non-dependant deductions. Effectively, they shall be protected from the requirement to meet a minimum 20% of their council tax liability.

## 7.4 Class H Reduction

Claimants who fulfil class H will be entitled to help with up to 100% of their Council Tax liability, subject to reduction by other discounts. A further reduction of 20% of the difference between the claimant's applicable amount and their income will be applied to their Council Tax Support.

## 8.0 Non-dependent deductions

Once the reduction award is calculated, it will continue to be subject to a downwards adjustment to take into account non-dependent adults that normally reside in the dwelling who would be expected to contribute to council tax. Deductions for such non-dependent adults will be calculated with differing amounts being deducted according to the individual's circumstances.

Non-dependant deductions will continue not to be made in the following circumstances:

- The claimant or partner are registered blind The claimant or partner are receiving the care component of a disability living allowance or attendance allowance,
- The non-dependant is receiving pension credit,
- The non-dependant is a prisoner,
- The non-dependant is severely mentally impaired,
- The non-dependant is over 18 but child benefit is still payable for them,
- The non-dependant is a student nurse or apprentice or on Youth Training,
- The non-dependant has been a hospital patient for 52 weeks or more. If the non-dependant leaves hospital but is readmitted to hospital within 28 days, the total number of days in hospital are added together,
- The non-dependant is living in a care home or nursing home,
- The non-dependant is an overnight carer,
- The non-dependant is a resident of a hostel or night shelter for the homeless,
- The non-dependant is a full-time student (even if they work full-time in the summer vacation).

The amounts of the deductions will be increased each year in line with the percentage increase for the national default scheme (or if these are not increased, increased each financial year in line with the Consumer Price Index at the end of the previous September).

The table shown below is updated in accordance with the National Default Scheme and Pensioner amounts, which have then been increased by £5 per week, where applicable (as agreed by Council).

<b>Description of Deduction</b>	<b>Pensioners &amp; Swindon Households with Disabilities</b>	<b>Swindon Borough Council Other working Age claimants</b>
Adult in receipt of pension credit guarantee credit or savings credit	Nil	Nil
Adult in receipt of Job Seekers Allowance (income Based)	Nil	£5.00
Adult in receipt of Income Support or Universal credit if not in remunerative work and no income	Nil	£5.00
Adult in receipt of employment support allowance (income related) main or assessment phase	Nil	£5.00
Adult in receipt of Job Seekers Allowance (Contribution Based) or Employment Support Allowance (Contribution Based)	Nil	£5.00
Gross income of adult in remunerative work is less than £266.00	£5.00	£10.00
Gross income of adult in remunerative work is greater than or equal to £266.00 but less than £463.00	£10.20	£15.20
Gross income of adult in remunerative work is greater than or equal to £463.00 but less than £577.00	£12.80	£17.80
Gross income of adult in remunerative work is greater than or equal to £577.00	£15.35	£20.35
Adult working less than 16 hours per week or is on maternity, paternity adoption or sick leave	£5.00	£10.00
Adult family member with disability benefits and not in remunerative work or	£0.00	N/A

earning less than £100 gross per week		
Any other adult not included in the above descriptions	£5.00	£10.00

## 9.0 Extended payments

Existing provisions concerning extended payments for working age claimants shall continue.

An applicant (or their partner) in receipt of Employment Support Allowance (Income Related), Job Seekers Allowance (Income Based), Job Seekers Allowance (Contribution Based), Income Support, Employment Support Allowance (Contribution Based), Incapacity Benefit or Severe Disablement Allowance or any combination of these continuously for at least 26 weeks, who ceases to receive any of these benefits (other than Job Seekers Allowance (Contribution Based) because they have returned to work, increased their earnings or increased their hours (and where that improvement in their situation is expected to last five weeks or more), will continue to receive a council tax reduction calculated as if they were still in receipt of these benefits for four weeks where the resulting reduction amount is greater than the reduction amount would be if it were re-calculated to take into account their loss of these benefits.

If a person moves from the Swindon area to the area of a new Council during the week where entitlement to the qualifying benefit ceases, Swindon Borough Council will cease to make payment for the extended payment period, unless specified otherwise in regulations.

For persons moving into the Swindon area receiving extended payments from another authority, the support payments due in respect of the Swindon address should be reduced by the same amount being received, as per the regulations.

It is anticipated that Universal Credit will provide for transition into work for claimants. Consequently, the above provision for income related benefits will not apply to Universal Credit claimants that would have met the above conditions had Universal Credit not become effective.

## 10.0 Applications – prescribed regulations

A person may apply for Council Tax Support using the following methods:

- In writing using an application form published by the Council for that purpose
- Online using the online form available on the Council's website

Any application made using the above methods may be subject to additional validation as required by the Council or the Regulations in order to calculate the claimant's entitlement to support. Such validation will include, but not be limited to,

a number of recent pay slips, verification of self-employed income and bank or building society statements.

The Council shall not determine entitlement for an incomplete claim until all relevant information and evidence is provided. This information must be provided by the claimant within one month of the Council's request.

A claimant who is in receipt of Council Tax Benefit immediately prior to 1<sup>st</sup> April 2013 shall be treated as having made an application for Council Tax Support under the provisions of the new scheme from 1<sup>st</sup> April 2013. Any application made before 1<sup>st</sup> April 2013 that is not determined by 1<sup>st</sup> April 2013 will be calculated under the provisions of the new scheme.

DWP may advise the Council when claims for DWP Benefits are made, but this may or may not constitute an application for Council Tax Support. In such cases the Council may encourage the claimant to apply or treat the notification as an application.

A claim for support may be amended or withdrawn by the claimant at any time prior to the Council making a decision regarding entitlement.

## **11.0 Claim Start & End Dates & Backdating**

Entitlement to a working-age council tax reduction will begin on the first day of the first week after the application is made. Any entitlement to Council Tax Support shall normally be awarded from the Monday following the date of receipt of a claim.

In terms of back-dating, people of working age will be able to back-date their applications for up to six months, provided they are able to demonstrate they had continuous good cause for failing to make an application on an earlier date. The National scheme has changed to limit back-dating to a maximum of three months for pensioners and one month for working age claimants, and any backdating after this is at the Council's discretion.

Where a claimant becomes liable for Council Tax at their home in the same week that they apply for Council Tax Support, any entitlement shall be awarded from the date that their liability for Council Tax commenced. For the purposes of Council Tax Support, a week in this context shall comprise a Monday to Sunday.

If a claimant notifies the Council of an intention to claim Council Tax Support and submits their application 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 Council Tax Support shall be awarded from the Monday following that date.

If a claimant applies for Council Tax Support within one month of the death or separation from their partner and the partner was in receipt of Council Tax Support at the time of their death or separation, the date of claim shall be the date of the death or separation in question and any entitlement to Council Tax Support shall be awarded from the Monday following the date of their claim.

A claimant may apply for Council Tax Support up to 13 weeks prior to an event that would entitle them to Council Tax Support or up to 8 weeks prior to becoming liable for Council Tax at their home.

Where a Council Tax is set after 31st March and a claim for Council Tax Support is made within four weeks following the date the Council Tax was set, entitlement starts either on the 1st April or from the week in which their entitlement begins, if this is between the 1st April and the date their claim was received.

There shall be no fixed time limit to an award for Council Tax Support although entitlement may change or cease if there is a change of circumstances or be terminated if the claimant fails to respond to a request for information or evidence within one month or such longer period as may be considered reasonable in the circumstances.

## **12.0 Decisions**

An authority must make a decision on an application under its scheme within 14 days or as soon as reasonably practicable thereafter, providing all relevant information and evidence relating to the application has been received. Notification will be made in writing and this will include information on how an appeal.

## **13.0 Changes of circumstance**

Claimants have a duty to notify the Council of a change of circumstances. Ideally this should be undertaken as soon as the change has occurred, but always within 21 days of the change. Where requested to provide further information a claimant shall have one month to provide additional information and evidence. Where claimants fail to notify the Council of a change this may be considered Fraud and penalties or prosecutions can result from this (see Section 21).

## **14.0 Suspension and Termination of Council Tax Support**

The Council may suspend or terminate 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,
- The claimant 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 to award Council Tax support 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 Council is satisfied that there are no outstanding matters to be resolved, the Council decides not to make an appeal or further appeal, or the appeal or request for leave has been decided, or the claimant has provided the information or evidence required as the case may be. Where Council Tax Support has been suspended for failure to provide information or evidence and the claimant does not respond within one month or such longer period as may be considered reasonable in the circumstances, entitlement may be terminated.

## **15.0 Time and Manner of Granting Relief and Recoveries of Over-Payments**

Matters relating to the time and manner of granting relief, persons paid and dealing with over- and under-payments shall operate in the local Council Tax Support scheme in a similar way to how they currently operate under the existing Council Tax Benefit scheme.

Where the council tax payer is entitled to an increase or decrease in their reductions following a reported change of circumstance, the Council can issue a revised Council Tax bill taking into account the increase or decrease in liability.

If the overpayment is as a result of a Council error then generally the Council will not look to recover the overpayment. If the claimant cannot repay any overpayment that is payable consideration can be given to into granting a Section 13A hardship Council Tax discount. In accordance with the Council's scheme the claimant would need to make an application and complete a financial information form in order for a decision to be made by the Council.

## **16.0 Wider Welfare Changes to Benefits – Universal Credit and Personal Independence Payments**

The Government intends to reflect any relevant changes to the welfare and benefits system in regulations. In particular, Universal Credit has been introduced for many new claimants.

A number of benefits and tax credits (Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance, Housing Benefit, Working Tax Credit and Child Tax Credit) are incorporated within Universal Credit.

It is therefore proposed that treatment of Universal Credit under the Council's proposed local Council Tax Support scheme should wherever possible be made equivalent to the treatment of the corresponding income-related benefits (listed above) in existence prior to the introduction of Universal Credit, subject at all times to any statutory requirements concerning its treatment. A similar principle to this is

intended to be applied to Personal Independence Payments that have replaced Disability Living Allowance from 2013 onwards.

## **17.0 Annual Updates**

The Local Government Finance Bill is anticipated to stipulate that a local authority must, each financial year, 'consider whether to revise its scheme or replace it with another scheme'. Any updates to the scheme as it relates to working age claimants may therefore be considered at that time including for example uprating of allowances and premiums used to determine basic living needs for the purposes of the means test.

In the absence of any changes being made to the scheme each year, allowances, applicable amounts, premiums and non-dependent deductions will be increased in line with the national schemes (or in line with CPI for the previous 30<sup>th</sup> September if there is a failure to increase the amounts under the national scheme- this would only apply to working age claims).

## **18.0 Mixed Age Couples.**

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) in receipt of UC/IS/JSA (IB)/ESA(IR) may be regarded as pension age under the national pension-age scheme and should get maximum support.

## **19.0 Appeals**

A claimant or a person acting on their behalf may appeal against the Council's decision concerning entitlement to a reduction under the local CTS scheme or the amount of a reduction by writing to the Council specifying the nature of the appeal and the grounds on which the appeal is made.

The Council will consider the appeal and notify the applicant in writing of the outcome of their appeal and the reasons for the decision.

Where the Council 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.

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

- The Council Tax Support scheme as set by the Council
- Suspending or restoring Council Tax Support, but terminations can be



A claimant may also at any time in writing request the Council to review their entitlement to Council Tax Support or the amount of any reduction to Council Tax Support outside of the provisions for appeals detailed above.

## **20.0 Publicity**

The scheme will be publicised on Council Tax bills, reminders and other documentation, on the Council's web site and promotion at stakeholder engagement meetings for example with other Local Authority Departments such as Housing, Revenues, Councillors, or organisation such as Citizen Advice.

## **21.0 Fraud**

The Council is committed to the fight against fraud in all forms. Where fraud is suspected in relation to a claim a referral will be made to the Council's Corporate Fraud team who will investigate the matter and this may lead to penalties or criminal proceedings being instigated.

## **22.0 Glossary of Terms**

### **Applicable Amount**

Means the combination of allowances and premiums used to determine a claimant's basic living needs and against which their income is compared for the purposes of the means test performed.

### **CTB**

Means Council Tax Benefit (i.e. the existing or previous national scheme)

### **CTS**

Means Council Tax Support (i.e. the Council's local scheme and prescribed requirements)

### **Excess Income**

Means the amount by which a claimant's weekly income exceeds their applicable amount.

### **Non Dependant**

A non-dependant is a person who is living with the claimant but who is not dependent upon them, and not living in their home on a commercial basis, (i.e. as

a joint tenant or sub tenant). Non-dependants generally include an adult son or daughter, a mother or father, friend, etc. of the claimant.