

Gloucester City Council – Local council tax reduction scheme

Introduction

From 1 April 2013 the Government abolished the national Council Tax Benefit scheme, and gave local authorities the freedom to design and set in place their own local Council Tax Reduction schemes. Billing authorities had to adopt their own scheme or be required to use a scheme designed by the Government which is known as the Default Scheme.

Local authorities were required to adopt a local scheme before 31 January 2013 or the default scheme would apply. Gloucester City Council adopted its local scheme at Council on 29 November 2012, and the new scheme is called Council Tax Support ('CTS').

This document sets out the local Council Tax Support scheme. In designing the scheme we have consulted local people and have taken into account the Government's policy priorities.

The principles of the Council Tax Support scheme are:

- Local authorities received a 10% reduction in subsidy by Government to operate the new local scheme compared to Council Tax Benefit. Regulations are in place to protect claimants of state pension credit age
- Local authorities must consult on their schemes with precepting authorities (such as the County Council, the Police) and the public.
- Local authorities may collaborate to develop joint schemes.
- Local authorities should aim to protect vulnerable groups.
- In developing schemes, local authorities should consider incentivising claimants into work.

Legislative requirements

The Government has set out rules in the following Regulations:

- Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, which protect claimants of state pension credit age;
- Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012, to be used by local authorities that fail to adopt a scheme.
- Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No 2) Regulations 2014, and various other Regulations introduced since 2012 to take account of inflation and make other minor changes.

The 'Prescribed Requirements' regulations detail how Council Tax Support will be worked out for people of state pension credit age. In designing a local Council Tax Support scheme for people of state pension credit age, local authorities must include the provisions of the council tax reduction schemes 'Prescribed Requirements' regulations.

The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012, which were adopted by the City Council, include all of the provisions of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012. This ensures that claimants of state pension credit age are protected, and they also make provision for deciding entitlements for working age claimants.

Gloucester City Council CTS scheme

The local Council Tax Support scheme is designed to provide local people with broadly the same level of support they would have received had the Council Tax Benefit scheme remained in place. We have not passed the 10% reduction imposed by Government on to claimants.

We have based the local Council Tax Support scheme on the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012, for both pension age and working age claimants. We have made some specific additional provisions to support our aim that claimants should receive broadly the same level of benefits they would have received had the Council Tax Benefit scheme remained in place. The additional provisions are:

- **War pensions income** - We will continue to disregard £10 of the War disablement pensions and war widows pensions and in addition will disregard the remainder of the War disablement element of a war pension and the war widows element of a war widows pension, when assessing a reduction under the local Council Tax Support scheme.
- **Overpayment of a reduction** - When we calculate whether we have overpaid a recipient for a reduction under the local Council Tax Support scheme, we will offset any Council Tax Support that would have been due for the same period as the overpayment, had we been aware of the true circumstances of the claimant at that time (this is called 'underlying entitlement'). It is the responsibility of the claimant to request offsetting and to provide the information necessary to enable a calculation of underlying entitlement to be made.

When we consider a reduction under our local Council Tax Support scheme we will also consider any entitlement, under Section 13A(1)(c) of the Local Government Finance Act 1992, for any further reduction in Council Tax. We will make decisions for further discretionary reductions, having due regard to our duties under The Child Poverty Act 2010, The Housing Act 1996, and The Equality Act 2010.

When we consider an application for a further reduction we will review all relevant matters including, but not limited to:

- The circumstances of any other person with whom the applicant is jointly and severally liable for Council Tax.
- The overall financial situation of the applicant and the applicant's family.
- The effect we believe making an award will have on the applicant and any members of the applicant's family.
- Protecting the public purse and maintaining financial budgets.

A person who applies for a discretionary reduction may request that we review our decision. Any request for a review must be made in writing and received within one

month of the date we notified the decision. A review will be conducted by a different officer to the one that made the original decision, and the outcome notified in writing. A review could lead to a reduction or increase in any award.

A copy of the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 is available on the following website: <http://legislation.gov.uk/browse>

Gloucester City Council scheme for 2015/16

The City Council is not substantially changing its council tax support scheme in 2015/16.

However, as in 2014/15, some changes are required by law, and the Council will also make some further minor changes.

The Government has amended the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations as they apply to pension age applicants to take account of inflation.

For working age applicants, most of the changes the Council is making to its council tax support scheme are being made as a way of taking account of inflation, and mirror the changes being made in the statutory housing benefit scheme.

Details of the Council's CTS scheme are on the Council's website, here: <http://www.gloucester.gov.uk/resident/council-tax/Pages/council-tax-support.aspx>