

Gloucester City Council – Local Council Tax Support scheme 2019/20

Introduction

Gloucester City Council adopted the Council Tax Reduction Scheme (Default Scheme)(England) Regulations 2012 when Council Tax Benefit was abolished in 2013. Since then, Gloucester City have run a Local Council Tax Support Scheme which broadly supports claimants at the same level that would have been available under Council Tax Benefit.

A Local Council Tax Support scheme which included some alignment of reforms to Housing Benefit and Universal Credit changes was approved by Council in January 2017 to come into place from 1st April 2017.

Gloucester City Council is to continue with this scheme for 2019/20. This document outlines the amendments that have been made to the scheme since 2013 which lie outside of the Council Tax Reduction Scheme (Default Scheme)(England) Regulations 2012.

Gloucester City Council scheme for 2019/20

Our local Council Tax Support scheme for 2019/20 will continue to be based on The Council Tax Reduction Scheme (Default Scheme) (England) Regulation 2012 and The Council Tax Reduction Schemes (Prescribed Requirements) (England) 2012 for those of state pension credit age.

- Personal allowances and premiums will be increased in line with the changes in the statutory housing benefit scheme for working age claimants each year,
- Earned income disregards will be increased in line with the statutory housing benefit scheme,
- For non-dependant deductions, both the 'income brackets' for non-dependants' incomes, and the amounts of non-dependant deductions, will be increased in line with the increases in the prescribed requirements for pension age claimants.
- For 'alternative maximum second adult reduction' the 'income brackets' for the income of second adults will be increased in line with the increases in the prescribed requirements for pension age claimants.

Universal Credit

Universal Credit full service was introduced in Gloucester on 21st February 2018. This implementation has not required Gloucester City Councils scheme to change as The Council Tax Reduction Scheme (Default Scheme) (England) Regulation 2012 and Universal Credit Regulations 2013 continue to apply in the same way.

However regarding a change in circumstances, if in receipt of Universal Credit, Gloucester City Council has introduced a tolerance level by which changes in circumstances that affect Universal Credit entitlements of up to £40 a month will be ignored for the purposes of reassessing any Council Tax Support entitlement. This

includes both increases and decreases in entitlement and these changes will not be actioned by default. The claimant can request at any time that changes of this level in their Universal Credit are processed for the purpose of Council Tax Support if required, and recalculation of their Council Tax billing be processed.

This has been introduced to help create simplicity for the customer and avoid unnecessary administrative complications to those whose Universal credit entitlement may fluctuate regularly and by small amounts which will generate recalculation of Council Tax Support and a rebilling of Council Tax.

Some specific provisions were added to our LCTS scheme in 2013/14. These additional provisions remain unchanged since then and remain present as part of the scheme for 2018/19:

- **War pensions income** - We will continue to disregard the statutory £10.00 per week of the War disablement pensions and War widows pensions, and in addition the Council will disregard the remainder of the 'War Disablement Pension' element of a war pension and the 'War Widows pension' 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.

Some changes are required by law and are set by government. Most of the changes the Council has decided to make to its working age council tax support scheme to date are intended as a way of taking account of inflation and mirroring changes being made in the statutory Housing Benefit regulations 2006 and the Universal Credit Regulations 2013.

Some changes cannot be automatically adopted into the scheme and the changes we have adopted into the Local Council Tax Support scheme for 2017/18 were consulted on and approved by Council. No changes that require consultation are being made for 2018/19.

Changes to the scheme from 1st April 2017

Restrictions on Amounts for Children and Qualifying Young persons

From 1st April 2017 a limit to the number of personal allowances which can be included in the applicable amount for Council Tax Support in respect of children and young people will be introduced. These changes are in line with Child Tax Credit reductions announced in the Summer Budget of 2015 which in turn affect the applicable amounts for Housing Benefit.

The limit to support no more than 2 children will apply to all new entitlements to Council Tax Support arising on or after 1st April 2017, or where in an existing case, a new child or young person becomes part of the family on or after that date, they are not included in the assessment for Child Tax Credits.

The restriction only applies to the personal allowances for the children/young people to be included in the applicable amounts for Council Tax Support. If there are more than 2 children as part of an existing decision for Child Tax Credits, the restriction will not apply and the Council Tax Support decision will follow the Child Tax Credit award. As the general rule, there will be no cases where the applicable amount is more or less than that Child Tax Credit award.

Abolition of the Family Premium and limiting backdating

In April 2016 Housing Benefit regulations were amended to remove the family premium for all new Housing Benefit entitlements and restrict all working age backdated claims to 1 calendar month.

From 1st April 2017 our Council Tax Support scheme will incorporate the restriction to the family premium for all new claims (including those of state pensionable age) and those who become responsible for a child (under 16) or young person (under 20) for the first time after 31st March 2017. This change also means that those who cease to have responsibility for any children or young people will then not be able to regain the family premium in the future if they become responsible again for any children or young persons.

Backdating will be restricted to 1 month for all working age claims. The good cause provisions remain in place and claimants will need to continue to demonstrate good cause throughout the period which they are requesting backdating in all cases.

Temporary Absence Amendments

Continuing alongside the changes to Housing Benefit regulations, in July 2016 a reduction of the allowable period of temporary absence outside of Great Britain was reduced from 13 weeks to 4 weeks.

Following this, from 1st April 2017 this restriction will also apply to those who claim Council Tax Support and who are temporarily absent from Great Britain for more than 4 weeks. The entitlement to Council Tax Support will cease from the date they depart Great Britain in line with Housing Benefit regulations if the date they intend to return home is outside these provisions.

Note: GB includes England, Scotland and Wales. Northern Ireland, the Channel Islands and the Isle of Man are not part of GB for HB or LCTS purposes and therefore, any absences to those areas should be considered under the new absence from GB provisions.

Legislative requirements

The Government has also 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 (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012;
- Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013

These Regulations are available on the following website: <http://www.legislation.gov.uk>

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) 2012 Regulations include all of the provisions of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, ensuring that claimants of state pension credit age are protected, and they also made provision for deciding CTS entitlement for working age claimants.

If you have any questions about our scheme please contact the Council on benefits@gloucester.gov.uk, or on 01452 396396.