

## APPENDIX A

<b>Name:</b>	<b>Leicestershire &amp; Rutland Council Tax Support Scheme</b>
<b>Date:</b>	<b>2 October 2012</b>
<b>Author:</b>	<b>Leicestershire and Rutland Welfare Practitioners Group</b>
<b>Release/Version</b>	<b>Draft V3.3</b>

### Approvals:

This document forms part of the Leicestershire and Rutland Council Tax Support Scheme. Please note this scheme does not include Leicester City Council. The following people are points of contact for the scheme and are the point of contact for the approval of the scheme within each authority.

<b>Name</b>	<b>Authority</b>
Martyn Bowen	Melton BC
Leigh Butler	Hinckley & Bosworth BC, Harborough DC and North West Leicester DC
Jason Firth	Leicestershire County Council
Andrea Grinney	Rutland County Council
Daren Nowlan	Oadby & Wigston BC
Graham Perkins	Blaby DC
David Platts	Charnwood BC
James Rossell	Leicestershire County Council

### Distribution

This document has been distributed to:

<b>Name</b>	<b>Title</b>	<b>Date</b>	<b>Version</b>
LALAT	Chief Accountants group	08-08-12	V2.0
WRPG	Welfare Reform Practitioners Group	15-08-12	V3.0

### Revision History

<b>Version</b>	<b>Date</b>	<b>Summary of Changes</b>
1.0	August 2012	Draft Policy by D Nowlan
2.0	September 2012	Updated version by D Nowlan, A Grinney and M Bowen circulated to WPG
3.0	October 2012	Comments added from D Platts and L Butler
3.1	2 October 2012	WPG policy design team, D Nowlan, M Bowen, D West, J Aimson, S Short.
3.2	2 November 2012	Advice from CIPFA
3.3	7 November 2013	Amended Appendix A – 91.5% to 88%

## Melton Borough Council

### COUNCIL TAX SUPPORT SCHEME

#### Introductory Notes

The Council, in accordance with Section 13A of the Local Government Finance Act 1992 (c. 14), substituted by section 9 of the Local Government Finance Act 2012, requires each billing authority in England to make a scheme specifying the reductions which are to apply to amounts of Council Tax payable by persons, or classes or persons, whom the authority considers are in financial need. This scheme, entitled the Council Tax Support Scheme (the scheme) complies with that requirement. Assistance under said scheme shall be referred to as Council Tax Support (CTS). The Council is under a further duty to comply with all the requirements set out in the Council Tax Reductions Schemes (Prescribed Requirements) Regulations and any other provisions prescribed by law.

#### 1) Introduction

- a) Government legislation has abolished Council Tax Benefit (CTB) from 1 April 2013. Accordingly, all Councils are required to implement new arrangements to replace CTB. The new scheme is called the Council Tax Support Scheme (the scheme). This change is part of a wider set of welfare reforms currently being implemented and the scheme is intended to work closely within the framework of national welfare reform.
- b) The authorities below in 1 b (i) to 1 b (vii) have cooperated and shared best practice to develop the Scheme.
  - i) Blaby District Council
  - ii) Charnwood Borough Council
  - iii) Harborough District Council
  - iv) Hinckley and Bosworth Borough Council
  - v) Leicestershire Combined Fire Authority
  - vi) Leicestershire County Council
  - vii) Leicestershire Police Authority
  - viii) Melton Borough Council
  - ix) North West Leicestershire District Council
  - x) Oadby and Wigston Borough Council
  - xi) Rutland Unitary
- c) The authorities have devised and agreed this shared scheme to allow each Council to tailor its scheme locally to suit its community needs, while ensuring the scheme is effective, affordable and seeks to protect the vulnerable.
- d) The Government has determined that pensioners should be protected from the impacts of these reforms and has developed a prescribed scheme to ensure that pensioners are not adversely affected by these reforms. This scheme fully complies with the prescribed requirements.
- e) The Government has further provided a default scheme that will be applied to all Councils where that Council has not implemented its own CTS scheme by 31 January 2013. The provisions of the default scheme are such that it broadly prescribes to the requirements of the existing CTB scheme and would deliver similar outcomes for recipients. Whilst this would ensure that the impacts of the changes were minimised it would also mean that the Council and its preceptors would have

suffered a loss in income equal to the cut in the Government grant in excess of 10% of prior CTB expenditure.

## 2) Aims

- a) The Council intends where possible to ensure that the scheme will operate in a consistent manner across Leicestershire and Rutland but will permit variation according to local needs and funding arrangements. In doing so the scheme ensures that:
  - i) Residents moving between authorities do not experience significant variations in the available assistance;
  - ii) Vulnerable persons are protected; and
  - iii) Work is incentivised.

## 3) Administration of the Scheme

- a) ***Administration of the scheme is set out in the Prescribed and Default Regulations. Unless specified otherwise, the scheme will be operated in full compliance with these regulations.***
- b) The scheme will include the regular monitoring of expenditure which will include reporting to:
  - i) The Councils 151 officer;
  - ii) The Councils management team;
  - iii) The precepting authorities.
- c) The Council may administer Housing Benefit (HB), other welfare payments and discretionary payments alongside the administration of the scheme.
- d) Personal data obtained by the Council for any lawful purpose may be used in the assessment and management of CTS entitlements.
- e) Personal data obtained by the Council for the purposes of processing or managing CTS and the scheme may be shared in relation to Housing Benefit, Discretionary Housing Payments or any other fund administered under section 13A of the Local Government Finance Act.
- f) Personal data obtained by the Council for the purposes of processing or managing CTS and the scheme may be shared with any other body where:
  - i) The data subject (or their representative) provides formal consent;
  - ii) It is in the beneficial interest of the data subject to do so;
  - iii) To prevent fraud;
  - iv) The law permits sharing of the data, (for example to prevent or detect a crime).
- g) Persons in receipt of CTS shall be deemed to be in receipt of a means tested entitlement for the purposes of any Council policy where entitlement under that policy was linked to the receipt of CTB.

## 4) Legislative Framework

- a) The following legislation and guidance are relevant to this scheme.

- i) Local Government Finance Act 2012 – referred to as the ‘Act’
- ii) Child Poverty Act 2010
- iii) Equality Act 2010 (incorporating the Disabled Persons Act 1986)
- iv) Housing Act 1996
- v) Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (SI 2012 No.2885)– referred to as the ‘Prescribed Scheme’ (including amendments)
- vi) Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 SI 2012 No.2886 – referred to as the ‘Default Scheme’ (including amendments)
- vii) Housing Benefit Regulations 2006
- viii) Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006
- ix) Council Tax Benefit Regulations 2006 – referred to as the ‘CTB scheme’
- x) Council Tax Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 – referred to as the ‘CTB pensioner scheme’
- xi) Housing and Council Tax Benefit (Decisions and Appeals) Regulations 2001 – referred to as the ‘Appeal Regulations’
- xii) Social Security Act 1992
- xiii) Local Government Finance Act 1992 and all subsequent legislation deriving from this Act.
- xiv) Taking Work Incentives into Account (DCLG, May 2012)
- xv) Vulnerable People – Key Local Authority Duties (DCLG, May 2012)

## **5) Savings Provision**

- a) Designing and writing the scheme is inherently complicated and there is a significant risk of omission and error that could lead to significant unintended consequences for both CTS recipients and Council finances. To mitigate and reduce these risks the Council adopts all regulations, provisions and schedules in the default scheme except where these are amended, deleted, supplemented or other provisions are made in this scheme. Furthermore, the Council will:
  - i) Maintain a schedule of the amendments made under paragraph 5a;
  - ii) Publish the scheme including any amendments on its website.

The ‘default scheme’ is the scheme prescribed in the Schedule to the Council Tax Reduction Scheme (Default Scheme) (England) Regulations 2012 SI No 2886, including any subsequent amendment to those Regulations or any re-enactment thereof, with or without amendments.

## **6) Scheme Amendments**

- a) Amendments to the scheme must be made and agreed at Full Council before the 31 January in any year to apply from the following 1 April.
- b) Any changes made under paragraph 6a may be applied from any date from 1 April or a later date as approved by the Council.

## 7) Explanatory Note

- a) The appendices that follow are provided with the following summary scheme intentions. To make provision for:
  - i) The reduction in maximum liability that can be awarded below 100%;
  - ii) The removal of the Alternative Maximum Council Tax Reduction Scheme in respect of non pensioners;
  - iii) The setting of non dependant deductions in respect of non pensioners at rates other than defined in the default scheme;
  - iv) The inclusion of additional provisions required to ensure continuity in the treatment of War Pensions and War Widows Pensions for pensioners and non pensioners;
  - v) Amendment to other rules to limit backdating or temporary absence for working age claimants.

DRAFT

## **Schedule of Scheme Amendments**

The following appendices provide for the changes to the default scheme approved by Full Council. In all cases amendments include the date when this amendment was approved and the date from which the amendment will be effective from.

DRAFT

## Appendix A – Calculation Parameters

Amendment	<b>Maximum Reduction</b>	
Approved	<b>11 December 2013</b>	Applicable From <b>1 April 2014</b>
Paragraph	<b>29 – Amendment</b>	
Description	<b>Maximum Council Tax Reduction amount under this scheme: pensioners and persons who are not pensioners</b>	

Insert

(1A In relation to a person who is not a pensioner, sub-paragraph (1) above shall have effect as if the words '88.0 per cent' were substituted for the words '100 per cent'

DRAFT

## **Appendix B – Alternative Maximum Council Tax Reduction (Second Adult Rebate)**

Amendment	<b>Class F: Alternative maximum Council Tax reduction – persons who are not pensioners</b>	
Approved	<b>12 December 2012</b>	Applicable From <b>1 April 2013</b>
Paragraph	<b>18 – Deleted</b>	
Description	<b>Removal of Second Adult Rebate Scheme (non pensioners only)</b>	
Paragraph	18 - Deleted	



Amendment      **Alternative maximum Council Tax reduction under this scheme:  
pensioners and person who are not pensioners**

Approved        **12 December 2012**                      Applicable From   **1 April 2013**

Paragraph       **31 – Amended**

Description      **Retained for pensioners only**

A: Delete the words ‘and persons who are not pensioners’ from the title to the paragraph

B: In sub-paragraph (1) delete the words ‘or 18 (alternative maximum council tax reduction:  
persons who are not pensioners)

Amendment      **Duty to notify changes of circumstances**

Approved        **12 December 2012**                      Applicable From   **1 April 2013**

Regulation       **Regulation 115**

Description      **Requirement to report changes (non pensioners only)**

Delete sub-paragraph (6) (b)

Amendment **Amount of reduction under this scheme: Classes A to F**  
Approved **12 December 2012** Applicable From **1 April 2013**  
Paragraph **32**  
Description **Amendment to regulation to remove mention of class F**

In the title amend  
**Amount of reduction under this scheme: Classes A to F**

To read  
**Amount of reduction under this scheme: Classes A to E**

A: In sub-paragraph (4) delete the words ' or F'

B: In paragraph 1 (a) of Schedule 4, delete the words 'or 18(2) (class F) (as the case maybe)'

Delete paragraph 49 of schedule 10

DRAFT

## Appendix C - Non Dependant Deductions

Amendment      **Non dependant deductions: pensioners and persons who are not pensioners**

Approved        **12 December 2012**                      Applicable From   **1 April 2013**

Paragraph      **30**

Description     **Non Dependent Deductions**

Insert

At the end of sub-paragraphs (2)(b) and (2)(c) of paragraph 30, prior to the closing punctuation mark in each case, insert 'X1/7'

DRAFT

## **Appendix D - War Pension and War Widow's Pension Additional Disregard Scheme**

Amendment	<b>Amounts to be disregarded in the calculation of income other than earnings: pensioners</b>	
Approved	<b>12 December 2012</b>	Applicable From <b>1 April 2013</b>
Regulation	<b>Schedule 6</b>	
Description	<b>Disregarded in full of War Pension and War Widows Pension (pensioners)</b>	

A. After paragraph 1 of Schedule 6, insert:

“(1A) The whole of any war disablement pension, war widow’s pension or war widower’s pension not disregarded under paragraph (1) above will be disregarded.”

B. After paragraph 20 of Schedule 8, insert:

“(20A) The whole of any war disablement pension, war widow’s pension or war widower’s pension not disregarded under paragraph (20) above will be disregarded.”

Amendment	<b>Sums disregarded in the calculation of income other than earnings: persons who are not pensioners</b>	
Approved	<b>12 December 2012</b>	Applicable From <b>1 April 2013</b>
Paragraph	<b>Schedule 8</b>	
Description	<b>Disregarded in full of War Pension and War Widows (non pensioners)</b>	

A In paragraph 20, delete sub-paragraphs (a) and (b)

B After paragraph 20 insert:

'20A – (1) Subject to sub-paragraph (2), the whole or part of any war disablement pension, war widower's pension not disregarded under paragraphs 1 and 2 above.

(2) The application of sub-paragraph (1) is subject to the authority deciding in its discretion that it should apply'

## Appendix E – Other Changes

Amendment	<b>Capital Disregards</b>	
Approved	<b>12 December 2012</b>	Applicable From <b>1 April 2013</b>
Regulation	<b>Schedule 10</b>	
Description	<b>Disregard of non pensioner capital</b>	

In paragraph 49 amend from  
'(1) Subject to sub-paragraph (2), where an applicant falls within class F...'

Amend to 'Deleted'

Amendment	<b>Periods of absence from a dwelling</b>	
Approved	<b>12 December 2012</b>	Applicable From <b>1 April 2013</b>
Regulation	<b>Regulation 19</b>	
Description	<b>Temporary Absence</b>	

At the end of paragraph 19(2)(b) insert

'(iv) unless the person is a pensioner, he has not had more than two periods of temporary absence from the dwelling in the 52 weeks ending with the date on which the current period of temporary absence begins; and'