

**Modelling showing the potential options for reductions in working age claimants  
Council Tax Support (CTS) based on July 2016 data**

<b><u>Description of reduction</u></b>	<b><u>Total amount of reduction for claimants £</u></b>	<b><u>No. claimants affected</u></b>
No Second Adult Rebate	12,689	88
Max 90% CTS	334,944	3745
Max 85% CTS	499,644	3745
Max 75% CTS	822,691	3745
25% taper	83,903	3745
30% taper	141,153	3745
40% taper	217,043	3745
Remove Family Premium	93,535	1863
Restrict to band D	27,568	3745
Restrict to band C	55,690	3745
Restrict to band B	164,157	3745
No HBRO	625	53

It is proposed that eligibility under the new local scheme mirrors what had already been set out in legislation relating to the old Council Tax Benefit scheme, other than the annual uprating of premiums, allowances, non-dependant deductions and any changes to the national pension age scheme that need to be reflected in the local working age scheme.

Our scheme will also mirror any changes made to the HB regulations after the CTB regs ended including:

- Backdating will be limited to a maximum of one month.
- Removal of the family premium from 1 May 2016 for new claims and changes of circumstance for existing claimants who have a child or become responsible for a child after 30 April 2016.
- Match the removal of allowances for third and subsequent children born after April 2017
- The restrictions in tax credits to two children and the removal of the family element from 2017
- restrictions for those claimants leaving the UK for longer than one month

**HBRO** = Housing Benefit Run On, an additional award of benefit for the first four weeks of employment where the customer was previously unemployed for a continuous period of 26 weeks

**CTS** = Council Tax Support

**Taper** = the rate at which benefit is reduced as income increases

**Second Adult Rebate** = an award of benefit based on the income a second person in a property

## **What are the differences between the old Council Tax Benefit Scheme and the new local Council Tax Support Scheme?**

There are some things, aside from the name, that will be different under the new local scheme. However, these are factors that will not generally affect the main qualifying criteria.

These differences are:

- **Discretionary Housing Payments** – Where someone did not receive full benefit (Housing Benefit or Council Tax Benefit) and there was the risk of financial hardship; the Council had a discretionary budget that it could use to top up Housing and/or Council Tax Benefit. Under the new local Council Tax Support scheme this discretionary allocation of money is not available and there will not be any payment of discretionary support. This has not caused wide-ranging difficulties as we have been operating a Council Tax Support Scheme since April 2013.
- **Fraud** – The previous Council Tax Benefit scheme operated under Benefit Legislation and the Council had powers to investigate and prosecute fraudsters accordingly. The new scheme is not a benefit. It is a discount under Council Tax legislation and benefit investigation powers do not apply. However, under the Fraud Act 2006 the Council has very similar powers to investigate and prosecute those that fraudulently claim Council Tax Support.
- **Appeals** – The current appeals system (and processes) changed from those we had in place in relation to Council Tax Benefit. The Valuation Tribunal Service will be responsible for hearing appeals against Council Tax Support.
- **Universal Credit** – The introduction of Universal Credit may change the level of evidence and information that we require from applicants. Currently, for claimants of such benefits as Income Support and Job Seeker's Allowance, we receive information from the Department for Work and Pensions that reduces the duplication for the claimant. The DWP will only tell us of Universal Credit amounts if the claimant gives their permission, otherwise we will need to contact them like any other claimant. .