Contents

1. Introduction
2. The Support Scheme: Law and legal context
3. Overall provisions: Universal Credit
4. The LCTSS Scheme: Maximum entitlement
5. The LCTSS scheme: other determinations
6. Vulnerable People
7. Claims for Council Tax Support
8. Payment and overpayments
9. Appeals
10. General Up-rating
11. Further reductions
12. Appendices
1. Introduction

This document sets out the Council’s legal position with regard to the new Local Council Tax Support Scheme (LCTSS) for working age households.

The Government has prescribed a national scheme for pensioner households which fully protects pensioners from the impact of transfer from Council Tax Benefit to Council Tax Support. The prescribed scheme for pensioners is not included in this document.

2. Local Council Tax Support Scheme: Law and legal context

The scheme explained here is the LCTSS for Derby City Council, which in its capacity as the Billing Authority for Derby City Council under Section 13A(2) of the Local Government Finance Act 1992.

This LCTSS will apply from 1st April 2013.

The LCTSS is subject to the Council’s duties for local welfare support under provisions including:

- The Welfare Reform Act 2012
- The Localism Act 2011
- The Equalities Act 2010
- The Local Government Finance Act 2012
- Other legislation in relation to Vulnerable Groups including but not limited to the Child Poverty Act 2010
- Data Protection Act 1998.

In addition to the above requirements, the Council also takes account of guidance and advice which has been published by the Department of Communities and Local Government, and which includes:

- Localising support for Council Tax Taking work incentives into account
- Localising support for Council Tax Vulnerable People- key local authority duties
- Localising support for Council Tax A statement of intent;
- Localising support for Council Tax Funding arrangements consultation;

Please refer to useful information section at Appendix A

3. Overall provisions: Universal Credit

From October 2013, the national implementation of Universal Credit begins. The Council’s LCTSS delivers consistency with national schemes of welfare benefit including Universal Credit. The provisions the Council include within the LCTSS scheme are for but not limited to:

- the basis under which entitlement to Universal Credit is treated as a valid claim for LCTSS in accordance with the Council’s scheme;
- the treatment of Universal Credit as income within the LCTSS;
- the operation of the LCTSS with the Universal Credit systems, including but not limited to the provision of work incentives; and
- the means by which the Council sends and receives information in relation to successful claims for Universal Credit, and the basis on which that exchange of information is treated as valid for the purposes of the Council’s scheme.
4. The LCTSS Scheme: Maximum entitlement

The LCTSS is a means-tested discount calculated within the framework of means-testing provided by the previous Council Tax Benefit system. Unless otherwise provided for by the Council’s LCTSS, or by the provisions above including the Local Government Finance Act, the rules which apply under the Council Tax Benefit calculation apply for the council’s administration and calculation of LCTSS, including but not limited to:

- the eligible person
- the time and manner of claim
- the calculation and determination of income
- the calculation and determination of capital
- non-dependant deductions
- extended payment of benefit
- benefit periods
- treatment of passported claims
- the value and application of tapers
- the value and application of premiums and allowances and disregards
- changes in entitlement
- change of circumstance
- the calculation and recovery of overpayments
- the management and administration of fraud and error
- the management and administration of subsidy and reporting
- other matters under the calculation determination and payment and recovery of Council Tax benefit.

The LCTSS will apply a maximum eligible amount of Council Tax and will apply to all applicants for LCTS. The maximum amount of Council Tax support which may be awarded under the LCTSS will be:

1. Capped at the yearly rate of a Band B property charge due under the Local Government Finance Act 1992
2. The maximum amount of Council Tax which is eligible for the LCTSS and which may be the maximum award under the Council’s LCTSS is set at a percentage of the total Council Tax due as calculated at (1) above. The percentage is set at 80%.

5. The LCTSS: other determinations

The LCTSS additionally makes provisions in relation to the award of support in the following circumstances:

1. The amount of capital held. The LCTSS sets a limit of capital to be held of £6000.00. Capital held in excess of £6000.00 would prevent an award of support.
2. Second Adult Rebate. The LCTSS makes no provision for the award of Second Adult rebate.
3. Minimum weekly award. The LCTSS makes specification of a minimum weekly award of support of £4.00 per week. In the event that the calculation of award shows that the award will be less than £4pw, then no award of support under the Council’s scheme will be payable.

6. Vulnerable People

Within the LCTSS consideration for ‘Vulnerable People’ will be provided by continuing to disregard certain types of income within the calculation of awards, including Child Benefit; Disability Living Allowance; and War Widows Pensions/disablement benefits; and separately by continuing the allowances within the calculation for Carers.

Assessed income and needs will be in accordance with the previous Council Tax Benefit regulations affording consideration to particular vulnerable households and families. Additionally the council will provide for the extension of the local scheme for war widows and war disablement payments to afford the same treatment of that income under the LCTSS.

The Council’s scheme will provide the rules by which people are to be considered within this paragraph, which may include their qualification for identified benefits; their domestic circumstances; their qualification for compensation payments; or otherwise under the Council’s CTS scheme.
7. Claims for Council Tax Support

Claimants in receipt of Council Tax Benefit immediately prior to 1st April 2013 shall be treated as having made an application for Council Tax Support under the LCTSS.

Where a claim has been made for Council Tax Benefit prior to 1st April 2013 and not yet decided, the claimant will be treated as having made a claim for Council Tax Support under the LCTSS.

A person may apply for Council Tax Support in the following ways...

- In writing using the Council’s application form
- A relevant application via the Department for Work and Pensions for support

Any application made through these channels (detailed above) or through other channels made available may be subject to additional validation, as required by the Council, to confirm entitlement and to calculate the amount of Council Tax Support due.

The Council shall not determine entitlement where a claim is incomplete until all relevant information is provided. This information must be provided by the claimant within one month of any written request from the Council. This period may be extended if the Council determines the circumstances to be reasonable.

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

8. Payment and overpayments

Payments and overpayments of Council Tax Support shall reflect the previous Council Tax Benefit regulations. A Council Tax payer’s bill will be reduced by way of a credit or increased by way of a debit for the amount of Council Tax Support granted or withdrawn depending on the circumstances.

9. Appeals

A Claimant may appeal under Section 16 of the Local Government Finance Act 1992 against the Council’s decision regarding their eligibility for, or entitlement to support in the first instance by writing to the council – within one month of the date of decision - to request that it be reconsidered. The Council will then reconsider its decision and notify the claimant of its considerations and reasons for its decision.

The claimant can request a subsequent and independent review of their appeal by the Valuation Tribunal for England following the above process.

The Council’s LCTSS itself, as set by the Council, shall not be subject to appeal under these arrangements.

10. General Up-rating

Any figures set out in the LCTSS may be up-rated, to take effect 1st April every year. The amount of up-rating will be determined by the Council and will link as closely to other welfare benefit changes. This may be linked to the consumer price index, retail price index of inflation set in the preceding September or by another rate determined with reference to provisions made for Housing Benefit and Universal Credit.

Notification of uprating will be published on the Council’s website as soon as practicable.

11. Further Reductions

Applications in writing can be made by the Council Tax payer to the Head of Benefits and Exchequer Services where exceptional and demonstrable hardship is caused. This discretionary reduction is under Section 13A (1) (c) of the Local Government Finance Act 1992 (as amended). A policy applies with the Council’s decision final.
Appendix A

This section sets out some useful web-sites and links to websites where you can find more detailed information about both the regulatory framework and the guidance issued to local authorities: