

HORSHAM DISTRICT COUNCIL
COUNCIL TAX SUPPORT SCHEME

Background

The Government's Resource Review abolished Council Tax Benefit with effect from 01/04/13 and required local authorities to either develop their own Council Tax Support Scheme or adopt the national Default Scheme. In doing so, the Government reduced funding available to local authorities by between 10 – 14%.

For 2013 Horsham District Council adopted the Default Scheme. For 2014 the Council has developed its own local Council Tax Support Scheme, the details of which are contained in the remainder of this document.

Policy

The scheme has 2 overarching principles:
Protect pensioners (a legal requirement)
Protect those who are unable to or not expected to work

The Horsham District Council's Council Tax Support Scheme reduces the financial support available to those who are able to and/or are actively seeking work.

The Council Tax Support Scheme

The Horsham District Council's Council Tax Support Scheme is based on the "Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (and all subsequent amendments). Unless otherwise stated, these regulations will be applied to all claims to a reduction under the Horsham Council Tax Support scheme with effect from 01/04/13.

Protected Groups

The regulations (and any subsequent amendments) will apply to groups protected from a reduction in Council Tax support. These Protected groups are:

Pensioners (as defined in Part 2(3) of 'default scheme' regulations)
Those unable (or not expected) to work, including lone parents with children under age 5 (see Appendix 1)

[War Widows, t](#)Those in receipt of War Widows Pension (in respect of whom the authority will continue to exercise the right that existed under the previous Council Tax Benefits Scheme to protect from any reduction in support).

Additional Disregards

Compensation payments through any UK Armed Forces Compensation Scheme will be wholly disregarded in calculating an applicant's eligibility for support. The £10 disregard will be extended to a complete disregard of sums that fall under Schedule 6 paras 1(b)(c) and (d) and para 6 of the 'Default Scheme)

Working Age Claimants who are not in the Protected Group

Bands E-H

Council Tax Support will be restricted to a maximum of Council Tax band D liability. Anyone whose property is in a [Council Tax](#) band higher than D will have their support calculated using band D liability and be liable for all additional Council Tax over and above Band D. Those in bands A-D will have their support calculated using their actual liability

All non-protected Council Tax Payers

All Working Age non-protected Council tax payers will have to pay at least 10% of their Council tax liability [\(in addition to the band D restriction\)](#)

Capital

There is a £10K capital limit which replaces the previous £16K limit. Anyone with capital in excess of £10K [and who is not in a protected group](#) will not qualify for Council Tax Support

Second Adult Rebate

There is no Second Adult Rebate allowed under the Horsham Council Tax Support Scheme [for people under state pension credit age](#).

A. Protected Groups under the Local Government and Finance Act 2012 Pensioners

A Pensioner household is one consisting of –

A single person who has reached state pension credit age

A couple where BOTH have reached state pension credit age

A couple where one person has reached state pension age and the other is of working age and not in receipt of Income Support, JSA or ESA.

B. Protected Groups under the Local Council Tax Support Scheme Those unable to work (Working Age)

It is proposed that entitlement to protection is, as a general rule, based on entitlement to specific national benefits or tax credit awarded by the DWP and/or HMRC to support those unable to work. These are as follows:

1. Lone parents with children under the age of 5

2. Those in receipt of:

(a) Disability Living Allowance and Attendance Allowance

(b) Employment Support Allowance with a Support Component

(c) Disability element or Severe Disability element of Working Tax Credit

(d) Those in receipt of a War Widows Pension

(e) Any Disability Premium.

(f) ~~carers~~ Income Support with Carers Allowance

See FAQs on website for more detail and examples