

**LUTON BOROUGH COUNCIL**

**LOCAL COUNCIL TAX SUPPORT  
SCHEME**

**JANUARY 2013**

# APPENDIX C

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## Introduction

As part of the Government's spending review in 2010 it was announced that from April 2013 Council Tax Benefit would be replaced by Local Council Tax Support Schemes. The Welfare Reform Act 2012 contained provisions for the abolition of Council Tax Benefit and paved the way for Local Council Tax Support Schemes that were to be designed by Billing Authorities. Each Billing Authority will be responsible for creating a Local Council Tax Support Scheme for its administrative area.

The Government has announced that those of pensionable age will be protected from the Local Council Tax Support Schemes and will continue to be assessed for support with their Council Tax using a national framework. Therefore the Local Council Tax Support Schemes will only affect those who are treated as of Working Age.

This document sets out the Council's Local Council Tax Support Scheme and should be read in conjunction with any supporting documents that are provided and can be found on the Council's website at [www.luton.gov.uk](http://www.luton.gov.uk).

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## 1.0 Prescribed Requirements

- 1.1 There are a small number of prescribed requirements that will apply to all Local Council Tax Support Schemes and the existing national Council Tax Benefit Scheme for persons of State Pension Credit Eligible Age. These will be made under Schedule 1A of the Local Government Finance Act 1992 (inserted by Schedule 4 to the Local Government Finance Act 2012) and will ensure that Local Council Tax Support Schemes operated by Billing Authorities contain any requirements prescribed by the Secretary of State. These are as follows.

### 1.1.1 People from abroad

The Government intends to apply the same restrictions as exist under the existing national Council Tax Benefit Scheme to exclude foreign nationals with limited immigration status and non-economically active European Economic Area individuals who are not exercising EU Treaty rights from receiving Council Tax reductions. The prescribed requirements relating to immigration status will mean that individuals subject to immigration control under Section 115 of the Immigration and Asylum Act 1999 and non-economically active European Economic Area nationals who fall into various categories to be set out in Regulations, will not benefit from Council Tax reductions. New provisions will replicate those in existing Council Tax Benefit Regulation 7 of SI2006/215 and Regulation 7 of SI 2006/216.

### 1.1.2 Refugees

In continuing the policy of restricting access to Council Tax support for foreign nationals with limited immigration status however, the Government does wish to continue the practise already established of allowing those who have recognised refugee status, humanitarian protection, discretionary leave or exceptional leave to remain granted outside the immigration rules and who are exempt from the Habitual Residence Test are to be entitled to apply for Council Tax reduction support as long as his/her status has not been revoked.

## 1.2 Permitting a person to act for another person

- 1.2.1 Regulations will allow current arrangements for a person to act on behalf of another, to continue. For example, where a person has been granted a Power of Attorney over a liable Council Taxpayer or in cases where a couple wishes to make an application.

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- 1.3 A Claimant who has just reached the State Pension Credit Eligible Age will continue to receive an extended payment of his/her Local Council Tax Support for a prescribed period of four (4) weeks, whilst HE/SHE or his/her partner apply for the State Pension Credit Eligible Age (see Regulations 5 and 60 of SI 2006/215) and:-
  - 1.3.1 who is in receipt of a Local Council Tax Support and not in receipt of Working Age Benefits (Income Support, Income-based Jobseeker's Allowance or Income-related Employment and Support Allowance), or
  - 1.3.2 whose partner has claimed State Pension Credit.

## 2.0 Pensionable Age Claimants

- 2.1 Persons treated as of Pension Credit Age will not be covered by the Local Council Tax Support Scheme but will instead be awarded Council Tax Support under the existing national Council Tax Benefit Scheme. This Section outlines some of the basic details around the existing national Council Tax Benefit Scheme.
- 2.2 Classes of persons who are entitled to a reduction under the existing national Council Tax Benefit Scheme.
  - 2.2.1 There will be three (3) main Classes under the State Pension Credit Age in the existing national Council Tax Benefit Scheme, each with its own qualifying criteria. Those Claimants who fall within the Classes outlined in Section 2.0 of this document will be exempt from the Local Council Tax Support Scheme.
  - 2.2.2 Class 1
    - 2.2.2.1 The individual must:-
      - 2.2.2.1.1 have attained the State Pension Credit Eligible Age,
      - 2.2.2.1.2. not be someone with a partner of Working Age in receipt of Income Support, Income based Jobseeker's Allowance or Income-related Employment and Support Allowance,
      - 2.2.2.1.3 be liable to pay Council Tax in respect of a dwelling in which his/her is resident,

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2.2.2.1.4 be somebody in respect of whom a maximum Council Tax reduction amount can be calculated,

2.2.2.1.5 not have Capital savings above £16,000,

2.2.2.1.6 be a person in respect of whom a day in which he/she is liable to pay Council Tax falls within a week in respect of which the person's Income is less than his/her Living Allowance (as defined in Regulations), and

2.2.2.1.7 have applied under the existing national Council Tax Benefit Scheme.

## 2.2.3 Class 2

2.2.3.1 The individual must:-

2.2.3.1.1 have attained the State Pension Credit Eligible Age,

2.2.3.1.2 not be someone with a partner of Working Age in receipt of Income Support, Income based Jobseeker's Allowance or Income-related Employment and Support Allowance,

2.2.3.1.3 be liable to pay Council Tax in respect of a dwelling in which he/she is resident,

2.2.3.1.4 be somebody in respect of whom a maximum Council Tax reduction amount can be calculated,

2.2.3.1.5 not have Capital savings above £16,000,

2.2.3.1.6 be a person in respect of whom a day in which s/he is liable to pay Council Tax falls within a week in respect of which the Claimant's Income is less than his/her Living Allowance (as defined in Regulations),

2.2.3.1.7 have applied under the existing national Council Tax Benefit Scheme, and

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2.2.3.1.8 be a person for whom Class 1 is not fulfilled, but amount A exceeds amount B, where amount A is the appropriate maximum Council Tax liability in his/her case and amount B is a prescribed percentage (20%) of the difference between his/her Income in respect of the week in which the day falls and the appropriate Living Allowance in his/her case (both as defined in Regulations).

## 2.2.4 Class 3

### 2.2.4.1 The individual must:-

2.2.4.1.1 have attained the State Pension Credit Eligible Age,

2.2.4.1.2 not be someone with a partner of Working Age in receipt of Income Support, Income based Jobseeker's Allowance or Income-related Employment and Support Allowance,

2.2.4.1.3 be liable to pay Council Tax in respect of a dwelling in which he/she is resident,

2.2.4.1.4 be somebody in respect of whom a maximum Council Tax reduction amount can be calculated,

2.2.4.1.5 have applied under the existing national Council Tax Benefit Scheme, and

2.2.4.1.6 be somebody who has at least one (1) second adult living with him/her who is not his/her partner, not somebody who pays rent, and who is on a prescribed low wage and/or prescribed Council Tax Benefit, as set out in Regulations.

## 2.3 Reductions in Council Tax to which each Class are to be entitled

### 2.3.1 Class 1

2.3.1.1 Regulations are to be set out that means those in Class 1 will have his/her total Income and Capital

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treated as zero meaning there total weekly Income Amount will be lower than his/her Living Allowance. As a result, he/she will be entitled to a 100% reduction in his/her Council Tax liability.

## 2.3.2 Class 2

2.3.2.1 Claimants in this Class will have Excess Income. This means the reduction in Council Tax liability will be 20% of the difference between his/her total weekly Income (as calculated) and his/her calculated Living Allowance.

## 2.3.3 Class 3

2.3.3.1 This is a reduction in Council Tax liability based on other household members Income and circumstances, who are not treated as the Claimant or his/her partner (if applicable). The reduction will be based on the total weekly Income (as calculated) of the other adults in the property and will be 7.5%, 15% or 25% of the liability.

## 2.4 Non Dependants

2.4.1 Once a reduction in Council Tax liability has been decided and determined by the Claimant's and his/her partner's Class, it may be subject to a deduction for any other adults in the property. These will be known as Non-Dependant deductions and will be calculated in the same way as under Regulation 42 of SI2006/216. This means that an amount will be deducted based on the non dependants gross Income meaning the more Income the Non-Dependant has, the less support the Claimant will have and he/she will get a lesser reduction on his/her Council Tax liability.

## 2.5 Determination of Class and award

2.5.1 Determination of the Class the individual is put into, and the reduction he/she will receive, will continue to be determined in one (1) of two (2) ways:-

2.5.1.1 in respect of Class 1 and Class 2 through means-testing, which will continue according to the same rules and criteria; or



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2.5.1.2 through application of rules for calculation of Class 3; currently known under Council Tax Benefit as the Alternative Maximum Council Tax Benefit calculation under Regulation 46 of SI 2006/16.

## 2.6 Definitions

2.6.1 In dealing with the means-test and Alternative Maximum Council Tax Benefit test, it is intended that the intent and effect of definitions included in Regulations 1 to 11 of SI 2006/216 will be replicated.

## 2.7 Means Test for Class 1 and Class 2

2.7.1 The Means Test will be defined in Regulations, aligned with existing Regulations for Council Tax Benefit for those of State Pension Credit Eligible Age (SI 2006/216). The Means Test is based on a comparison of Income (as defined in Regulations) and a deemed Living Allowance (also known as the Applicable Amount) (as defined in Regulations). The way in which these elements will be defined and evaluated for the pension-credit age existing national Council Tax Benefit Scheme is explained in greater detail below.

## 2.8 Living Allowance

2.8.1 The individual's Living Allowance, will be made up of four (4) elements. These will be:-

2.8.1.1 a personal allowance in respect of the Claimant;

2.8.1.2 an amount in respect of any child or young person who is part of his family;

2.8.1.3 a family premium element (where the Claimant is part of a family of which at least one member is a child or young person); and

2.8.1.4 any premium amount, set out in Regulations, which is applicable to the individual.

2.9 The elements and calculation methodology for the Living Allowance will be as set out in Regulation 12 of and Schedule 1 to SI 2006/216, or as otherwise may be provided for within Statute.

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- 2.10 Where wider welfare reforms necessitate the adjustment of Schedule 1 to SI 2006/216 to recognise new Benefits, any necessary technical amendments will be made.
- 2.11 Calculation of Income and Capital – introduction
  - 2.11.1 Income and Capital will be calculated for a person who has attained the qualifying age for State Pension Credit in line with current provisions under Regulations 13 to 39 of SI 2006/216. The Income and Capital of a person's partner or partners (in the case of a polygamous marriage) will continue to be treated as Income of the Claimant.
  - 2.11.2 Income or Capital of any child or young person will not be treated as Income or Capital of the Claimant. The Regulations will allow for the Council to treat the Income or Capital of a Non-Dependent as if it were the Income or Capital of the Claimant in a case where it appears to the Council that the two have entered into arrangements to take advantage of the system with the same exception to this rule for those on Income-based Jobseekers Allowance and Income-related Employment and Support Allowance.
- 2.12 Income and Capital for those on State Pension Credit
  - 2.12.1 There will be special treatment of Income and Capital for those in receipt of State Pension Credit:
  - 2.12.2 For those in receipt of the guarantee credit element of State Pension Credit, the whole of his/her Income and Capital will be disregarded. This will mean that he/she automatically qualifies, under Class 1, for 100% Council Tax reduction (less any Non-Dependant deductions).
  - 2.12.3 For those in receipt of the savings credit element of State Pension Credit, the Billing Authority will be able to use the Department for Work and Pensions' Pension Service's assessment of the Income and Capital of the individual, and adjust this to take into account Income from this Benefit and/or any other relevant requirements (as set out currently in Regulation 17 of SI 2006/216,).
- 2.13 Calculation of Income where a person is not in receipt of State Pension Credit
  - 2.13.1 For those who have reached the qualifying age for state pension

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credit, but are not in receipt of this Benefit themselves, provisions relating to Income, its calculation on a weekly basis, what is to be regarded as Income and what is to be disregarded as Income will replicate the operation of Council Tax Benefit under Regulations 19 to 39 of SI 2006/216. In particular, earnings of employed earners and earnings of self-employed earners will be taken into account as set out in SI 2006/216.

- 2.14 The Council Tax Benefit Regulations also list a number of elements and amounts which should not be taken into account in the calculation of earnings.
- 2.15 Amounts to be disregarded in this way from a Claimant's weekly earnings are set out in Schedule 2 to SI 2006/216, and such provision will also be included in the new prescribed Regulations for those who have attained the eligible age for State Pension Credit.
- 2.16 Amounts to be disregarded in terms of Income other than earnings under Council Tax Benefit for those who have reached eligible age for state pension-credit are set out in Schedule 3 to SI 2006/216, and these disregards of Income will also be recreated under the new Regulations. Treatment of other Income (in relation to which the Claimant has a right), will be calculated according
- 2.17 Income and wider welfare changes
  - 2.17.1 Finally, in relation to Income, wider welfare changes mean new Working Age Benefits will be introduced to replace some of the existing Tariff Benefits mentioned in SI 2006/216.
- 2.18 Despite these changes being mainly to working-age Benefits, they may have relevance for individuals with whom the person of State Pension Credit Age is living and who may be taken into consideration in their assessment.
- 2.19 New Claimants will be migrated onto these Benefits over time, so both Benefits will co-exist for a number of years (for example, the Universal Credit migration will take place over five (5) years). Where such Benefits are mentioned in these Regulations, an equivalent approach for an individual on the new Benefit will be identified and agreed with the Department for Work and Pensions. Regulations will mark the points where such arrangements will need to be set out. These changes will be formalised in Regulations to be laid before Parliament.
- 2.20 Calculation of Capital
  - 2.20.1 Calculation of Capital where a person is not in receipt of State Pension Credit

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2.20.1.1 Provisions relating to Capital – for example, the Capital savings limit of £16,000 (after which individuals will not be eligible for Council Tax reductions); what is to be regarded as Capital; what is to be disregarded as Capital and other Capital calculations, will operate in the same way as set out in Regulations 33 to 39 of SI 2006/216. Amounts to be disregarded as Capital will be set out under provisions replicating the existing Schedule 4 to SI 2006/216.

## 2.21 Notional Capital

2.21.1 The Regulation will continue to stipulate that individuals will be treated as possessing Capital of which they have deprived themselves for the purposes of securing Council Tax reductions.

2.21.2 The Notional Capital will continue on the same basis, for example, disregarding the value of any holding in a company where the Claimant is the sole owner or partner (or where he holds an analogous position), but will include an amount of Capital equal to the value (or his share of the value of) the Capital of such a company. This Notional Capital (which the individual is treated as in possession of) will be reduced over time as set out in Regulations, to reflect payment of additional Council Tax liabilities incurred.

## 2.22 Tariff Income on Capital

2.22.1 Once an amount of Capital is calculated, net of any amounts to be disregarded, this will be treated as if it is Income of £1 for every £500 (or part of £500) in excess of £10,000. This amount of Tariff Income will be added to the initial Income calculation to give a total Income Amount.

## 2.23 Calculation of Reduction

2.23.1 Once the total Income Amount has been calculated, it will be compared with the Living Allowance, to determine whether the individual falls into Class 1 or Class 2.

2.23.2 Persons in Class 1 will receive 100% Council Tax reduction against his/her Council Tax liability. (This liability will be net of any Council Tax discounts under the Local Government Finance Act 1992 and Non-Dependent deductions under the Regulations for persons of State Pension Credit Eligible Age).

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2.23.3 Persons in Class 2 will receive a reduction equivalent to 20% of the difference between his/her Income and Living Allowance on his/her net Council Tax liability. This amount between the Income and Living Allowance is known as the Excess Income. The amount of entitlement is the maximum Council Tax support amount less 20% of the calculated Excess Income). For example:-

2.23.3.1 Total weekly Income £100.00  
Living Allowance £70.00  
Excess Income £30.00 (£100.00 - £70.00).

Maximum weekly Council Tax support amount £10.00 per week.

Weekly entitlement is £10.00 – (20% of Excess Income)  
Which is £10.00 – (20% of £30.00)  
= £10.00 - £6.00  
= £4.00

2.23.4 Where a person of State Pension Credit Age is jointly liable for Council Tax with a second adult who is not his/her partner and does not pay rent in respect of the dwelling, he/she may fall under Class 3, where conditions to be set out in Regulations (corresponding with Schedule 6 to SI 2006/216) are met.

2.23.5 The table below sets out the possible reductions for this Class on maximum daily Council Tax liability (after discounts, and with reductions varying according to individual circumstances). Note that the Alternative Maximum Council Tax Benefit reduction is calculated in relation to the Income and circumstances of the second adult – the Claimant's Income and Capital is not taken into account.

Second adult	Second Adult Rebate (net of discounts) due in respect of a day.
a) The second adult (or all second adults) are in receipt of Income Support, Income-based Jobseeker's Allowance, Income-related Employment and Support Allowance, or State Pension Credit	25%

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<p>b) Where the gross Income or aggregate gross Income of any second adult(s) – disregarding any Income Support – is:-</p> <p>(i) less than £177.00 per week;</p> <p>(ii) not less than £177.00 but less than £231.00 per week.</p>	<p>(i) 15%</p> <p>(ii) 7.5%</p>
<p>c) If the dwelling is occupied by a second adult/adults on State Pension Credit, Income based Jobseeker's Allowance, Income-related Employment and Support Allowance or Income Support L Living Allowance with a full-time student(s).</p>	<p>100%</p>

- 2.24 If it appears to the Billing Authority that the Claimant is entitled to both a means-tested Council Tax reduction and a Second Adult Rebate or Alternative Maximum Council Tax Benefit reduction, a comparison of the two (2) reductions will be made. The Claimant will be awarded the greater reduction of the two (2).
- 2.25 Extended payments – qualifying contributory Benefits – i.e. severe disablement allowance; incapacity Benefit and contributory employment and support allowance
- 2.25.1 Regulations will set out that a Claimant in receipt of one (1) of the above Benefits, who ceases to receive that Benefit because he/she has returned to work, increased his/her earnings or increased his/her hours (and where that improvement in his/her situation is expected to last five (5) weeks or more), will continue to receive a Council Tax reduction calculated as if he/she were still in receipt of these Benefits for four (4) weeks (where the resulting reduction amount is greater than the reduction amount taking into account his/her loss of these Benefits).
- 2.26 If a State Pension Credit Age person moves to the area of a new Billing Authority, in the period from the Monday following the move to the point where entitlement to the qualifying Benefit ceases (when the extended payment rule applies), the first Billing Authority will pay the second Billing Authority or the Claimant his/her reduction amount for the extended

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payment period.

- 2.27 If the person applies for a Council Tax reduction in the second Billing Authority the second Billing Authority will net off the reduction amount received from the first authority. Any balance of reduction award will be paid to the Claimant (and the full amount will be paid to the Claimant if there is no Council Tax liability in the second Billing Authority). After the extended payment period ends, the first Billing Authority's liability in relation to extended payments will cease and the new Billing Authority's reduction will apply.

## 2.28 Applications

- 2.28.1 Prescribed requirements for those of State Pension Credit Age will continue to provide that the date of the original application will apply where individuals need to amend a properly completed application. If a Billing Authority chooses to accept amendments over the phone, it will have to confirm these with the Claimant.
- 2.29 The Council will also be able to accept withdrawal of applications (where the Billing Authority has not yet made a decision). This will have effect on the same day any notice of withdrawal is received by the Billing Authority.
- 2.30 Provision will also be made for the use of electronic forms.
- 2.31 Entitlement
- 2.31.1 Entitlement to pension-credit eligible age Council Tax reduction will begin on the first day of the first week after the application is made.
- 2.32 In terms of back-dating, Regulations will set out that people of pension-credit eligible age will be able to back-date his/her applications by three (3) months, provided he/she was entitled to Pension Credit Age reduction at the start of the three (3) month back-dated period.
- 2.33 Claimants will be able to notify the relevant Billing Authority of their intent to apply for a reduction, which can then be treated as the date of the application or, where appropriate, the basis for determining the date of entitlement, provided the Claimant submits a completed application in the manner prescribed. These arrangements will include any advance applications made for Council Tax reduction support.

## 2.34 Decisions

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- 2.34.1 The Regulations for the existing national Council Tax Benefit Scheme for persons who have attained the qualifying age for State Pension Credit will require the Council to notify the Claimant in writing of its decision within fourteen (14) days from the date that all relevant information and evidence relating to the application has been received by the Council, and will include information on how an appeal to the Council Tax bill can be made by the Claimant.
- 2.35 Changes of circumstance
  - 2.35.1 It is expected that changes of circumstances for Council Tax Support may follow existing Council Tax Regulations (as amended if applicable). It is currently being considered by the Government as to how this interacts with the proposed amendment to the Local Government Finance Act 2012 to provide additional regulatory powers for the investigation and prosecution of fraud.
- 2.36 Regulations will set out the dates from which various prescribed changes of circumstance are to take effect. In particular, Regulations will set out the dates from which changes of circumstance in relation to awards of State Pension Credit will be taken into account, replicating Regulations 48 to 51 of SI 2006/216.
- 2.37 Regulations will prescribe that Claimants will have one month to provide additional information and evidence when requested by the Council. The Council, under local discretion, may allow more time if it sees fit.
- 2.38 Time and manner of granting relief and recoveries/Excess Council Tax
  - 2.38.1 Matters relating to the time and manner of granting relief, persons paid and dealing with over- and under-payments will, for clarity, be regulated for in the prescribed existing national Council Tax Benefit Scheme for those in receipt of State Pension Credit. Existing Council Tax powers already in place under the Local Government Finance Act 1992 are adequate to deal with these matters.
- 2.39 This will include payments to next of kin where a person in receipt of a Council Tax reduction dies, allowing the Billing Authority to make payment of the reduction amount to his personal representative or next of kin.
- 2.40 Where the Council Taxpayer is entitled to an increase or decrease in his/her reductions following a reported change of circumstance, the



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Billing Authority can issue a substitute demand notice taking into account the increase or decrease in liability.

- 2.41 The Billing Authority already has the scope of authority to:-
  - 2.41.1 recover over-entitlement of Council Tax support – this effectively becomes an Underpayment of Council Tax;
  - 2.41.2 take recovery action according to the circumstances of the Claimant; and
  - 2.41.3 provide a refund of under payment of reductions including as a cash payment.

## **3.0 Working Age Claimants**

### **3.1 Introduction**

- 3.1.1 The Council has a commitment to protect the most vulnerable Claimants and has taken the decision not to make anyone any worse off under the new Local Council Tax Support Scheme from April 2013.
- 3.1.2 Local Council Tax Support will continue to be assessed in the same way as Council Tax Benefit is assessed under the current Local Council Tax Support Scheme. This will include the following.

### **3.2 Maximum Council Tax Support Amount**

- 3.2.1 The maximum amount of Council Tax Support someone will be entitled to will be the lower of the following, whichever are relevant to his/her circumstances:-
  - 3.2.1.1 the weekly Council Tax liability amount,
  - 3.2.1.2 the weekly Council Tax liability amount net of any discounts or exemptions,
  - 3.2.1.3 the weekly Council Tax liability amount net of any discounts or exemptions and Non-Dependant deductions, or
  - 3.2.1.4 a percentage of the above if the Claimant is jointly liable to pay the Council Tax with a person or persons who are not treated as his/her partner. i.e. 50% if

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there is one (1) other jointly liable person, 33.33% if there are two (2) others, 25% if there are three (3) others and so on.

## 3.2.2 Examples 1

3.2.2.1 If someone's weekly Council Tax liability is £20.00 per week and he/she has no discounts, exemptions or Non-Dependants, his/her maximum entitlement to Council Tax Support shall be £20.00 per week.

## 3.2.3 Example 2

3.2.3.1 If someone's weekly Council Tax liability is £20.00 per week and he/she is entitled to a 25% reduction because of a single person discount, his/her net liability will be £15.00 per week so his/her maximum entitlement to Council Tax Support will be £15.00 per week.

## 3.2.4 Example 3

3.2.4.1 If someone's weekly Council Tax liability is £20.00 per week and he/she is awarded an exemption for being a full time student, his/her weekly net liability shall be £0.00. This means his/her maximum entitlement to Council Tax Support will be £0.00 per week.

## 3.2.5 Example 4

3.2.5.1 If someone's weekly Council Tax liability is £20.00 per week and he/she is entitled to a 25% reduction because of a single person discount, his/her net liability will be £15.00 per week. If his/her have a Non-Dependant deduction of £5.00 per week his/her maximum entitlement to Council Tax Support will be £10.00 per week.

3.2.6 Please note, the Non-Dependant deduction there bears no resemblance to current Non-Dependant deduction rates and is only being used for illustrative purposes. For more details around Non-Dependant deduction rates, please see Section 3.7 of this document.

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## 3.2.7 Example 5

3.2.7.1 If someone's weekly Council Tax liability is £20.00 per week and he/she has no discounts, exemptions or Non-Dependants, but are jointly liable with one other person who is not his/her partner, his/her maximum entitlement to Council Tax Support shall be £10.00 per week (50%).

## 3.2.8 Example 6

3.2.8.1 If someone's weekly Council Tax liability is £30.00 per week and he/she has no discounts, exemptions or Non-Dependants, but are jointly liable with two (2) other persons who are not his/her partner, his/her maximum entitlement to Council Tax Support shall be £10.00 per week (33.33%).

## 3.2.9 Example 7

3.2.9.1 If someone's weekly Council Tax liability is £20.00 per week and he/she has no discounts, exemptions or Non-Dependants, but are jointly liable with three (3) other persons who are not his/her partner, his/her maximum entitlement to Council Tax Support shall be £5.00 per week (25%).

3.2.10 Please note, the amounts used in the examples above are for illustrative purposes only and are no reflection on actual amounts.

3.3 There will be two (2) main Classes of persons entitled to Council Tax support under this proposal.

3.3.1 Class 1 – Persons whose Income is calculated as being below or equal to their Living Allowance and

3.3.2 Class 2 – Persons whose Income is calculated as being above their Living Allowance.

3.4 Entitlement for persons treated as Class 1

3.4.1 Persons in this Class shall be entitled to receive the maximum Council Tax Support that their circumstances allow as per Section 4.2 of this document.

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## 3.5 Entitlement for persons treated as Class 2

3.5.1 Persons in this Class will have their entitlement to maximum Council Tax Support (as per Section 4.2 of this document) reduced by 20p for every pound they have over and above their Living Allowance.

3.5.2 This amount between the Income and Living Allowance is known as the Excess Income. The amount of entitlement is the maximum Council Tax support amount less 20% of the calculated Excess Income). For example:-

3.5.2.1 Total weekly Income £100.00  
Living Allowance £70.00  
Excess Income £30.00 (£100.00 - £70.00).

Maximum weekly Council Tax support amount £10.00 per week.

Weekly entitlement is £10.00 – (20% of Excess Income)  
Which is £10.00 – (20% of £30.00)  
= £10.00 - £6.00  
= £4.00

## 3.6 Living Allowance

3.6.1 The individual's Living Allowance, will be made up of four elements. These will be:-

- 3.6.1.1 a personal allowance in respect of the Claimant;
- 3.6.1.2 an amount in respect of any child or young person who is part of his family;
- 3.6.1.3 a family premium element (where the Claimant is part of a family of which at least one member is a child or young person); and
- 3.6.1.4 any premium amount, set out in Regulations, which is

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applicable to the individual.

- 3.6.2 The amounts used will be frozen at the current years rates (2012/13). Appendix C contains the details and amounts.

## 3.7 Non Dependant Deductions

- 3.7.1 When calculating the maximum Council Tax Support amount, there will be a deduction for anyone in the household treated as a Non-Dependent. .
- 3.7.2 The amount of the deduction will vary depending on the Income and circumstances of the non dependant and his/her family. The amounts to be used are detailed in Appendix C.

## 3.8 Calculation of Income

- 3.8.1 Income shall be calculated in accordance with Regulations 36 to 61 of the Council Tax Reduction Scheme (Default Scheme) (England) Regulations 2012 (or any statutory modification thereof for the time being in force).
- 3.8.2 This will include, but not by way of limitation, the following.
  - 3.8.2.1 Calculating all Income as an average weekly amount.
  - 3.8.2.2 When calculating average weekly Income, the Council will apply all disregards as allowed and detailed in Schedule's 6, 7 and 8 of the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (or any statutory modification thereof for the time being in force).
  - 3.8.2.3 In the event of a Claimant being in receipt of Income Support, Income-based Jobseekers Allowance or Income-related Employment and Support Allowance, his/her Income will be disregarded in full (see also Section 4.9 of this document).
  - 3.8.2.4 When calculating earnings, deductions for Tax, national insurance and half of any payments towards a private pension scheme shall be taken into account.
  - 3.8.2.5 When calculating earnings, payments towards child care charges may be taken into account as long as the conditions detailed in Regulation 57 of the Council

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Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (or any statutory modification thereof for the time being in force) are met.

## 3.9 Claimants in receipt of Income Support, Income-based Jobseekers Allowance or Income-related Employment and Support Allowance.

3.9.1 Claimants in receipt of the aforementioned national Benefits shall have their Income and Capital disregarded for the purpose of calculating Council Tax Support. In all instances, they will be entitled to their maximum Council Tax Support amount as prescribed in Section 4.2 of this document.

## 3.10 Claimants in receipt of Universal Credit

3.10.1 When calculating entitlement to Council Tax Support, the Council shall take into account the amount of Universal Credit payable net of any amounts included for the housing element and child care costs. All other Income and Capital disregards shall be applied as appears elsewhere in this document. This is proposed to be in line with Regulation 36 of the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (or any statutory modification thereof for the time being in force).

## 3.11 Claimants not in receipt of Income Support, Income-based Jobseekers Allowance or Income-related Employment and Support Allowance or Universal Credit

3.11.1 When taking into account the Income of such Claimants, the Council shall do so in line with how Income is currently calculated for the purpose of Council Tax Benefit. This is in line with Regulations 32, 33 and 46 to 61 of the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (or any statutory modification thereof for the time being in force).

## 3.12 Calculation of Capital

3.12.1 Anyone who has Capital of £16,000 or more shall not be eligible to claim a reduction in his/her Council Tax under the Local Council Tax Support Scheme. Capital that is taken into account will include things such as cash, money in bank/building society accounts (including current accounts), savings, shares, stocks, bonds, property, land and anything else Council may assess has a Capital value (excluding the home you live in). Certain elements of Capital can be disregarded and the Council will

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disregard any Capital as stipulated in Schedule 10 of the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (or any statutory modification thereof for the time being in force).

3.12.2 The Council will not take into account the first £6,000 of the Capital that is treated as belonging to the Claimant and/or his/her partner.

## 3.13 Tariff Income on Capital

3.13.1 Total Capital value between £6,000 and £16,000 will be taken into account during the Council Tax Support calculation and treated as a "Tariff Income". As already stated, the first £6,000 will be disregarded and anything of £16,000 will mean there is no eligibility for Council Tax Support.

3.13.2 For every full or incomplete £250 between the aforementioned limits, £1 per week Tariff Income will be taken into account. This is in no way a reflection of interest and is a way of taking Capital into account. This amount will be added to your normal weekly Income used in the calculation.

### 3.13.3 Example 1

3.13.1.1 Total Capital £7,000.  
Disregarded Amount £6,000  
Capital to be taken into account £1,000.

£1000 divided by £250 = £4.00. So £4.00 per week Tariff Income will be added to your calculated Income and used to assess Council Tax Support.

### 3.13.4 Example 2

4.13.2.1 Total Capital £10,000.  
Disregarded Amount £6,000  
Capital to be taken into account £4,000.

£4000 divided by £250 = £16.00. So £16.00 per week Tariff Income will be added to your calculated Income and used to assess Council Tax Support.

## 3.14 Students

3.14.1 It is proposed that as far as reasonably practicable, that Regulations 23, 71, 72 and 73 of the Council Tax Reduction

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Schemes (Default Scheme) (England) Regulations 2012 (or any statutory modification thereof for the time being in force) shall be replicated within the Local Council Tax Support Scheme. This will generally mean that full time students and students who are persons from abroad will be excluded from entitlement to Council Tax Support unless he/she meets one (1) of the conditions contained within these Regulations.

## 3.15 Entitlement

- 3.15.1 Entitlement to a working-age Council Tax reduction will begin on the first day of the first week after the application is treated as being made.
- 3.15.2 Please see Section 10 of this document regarding the backdating of applications.
- 3.15.3 Where a Claimant becomes liable for Council Tax at his/her home in the same week that he/she applies for Council Tax Support, any entitlement shall be awarded from the date that his/her liability for Council Tax commences. For the purposes of Council Tax Support, a week in this context shall comprise a Monday to Sunday.
- 3.15.4 If a Claimant notifies the Council of an intention to claim Council Tax Support and submits his/her application form using one of the specified approaches for claiming within one (1) month of when it was sent out or such longer period as may be reasonable in the circumstances, the date of the claim shall be the date of notice of his/her intention and any entitlement to Council Tax Support shall be awarded from the Monday following that date.
- 3.15.5 If a Claimant applies for Council Tax Support within one month of the death or separation from his/her partner and the partner was in receipt of Council Tax Support at the time of his/her death or separation, the date of claim shall be the date of the death or separation in question and any entitlement to Council Tax Support shall be awarded from the Monday following the date of his/her claim.
- 3.15.6 A Claimant may apply for Council Tax Support up to thirteen (13) weeks prior to an event that would entitle him/her to Council Tax Support.
- 3.15.7 A Claimant may apply for Council Tax Support up to eight (8) weeks prior to becoming liable for Council Tax at his/her home.



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3.15.8 Where a Council Tax is set after 31<sup>st</sup> March and a claim for Council Tax Support is made within four (4) weeks following the date the Council Tax was set, the date of claim shall be treated such that entitlement begins either on the 1<sup>st</sup> April in the year concerned or from the week in which his/her entitlement begins if this is between the 1<sup>st</sup> April and the date his/her claim was received.

3.15.9 There shall be no fixed limit to an award for Council Tax Support although entitlement may change or cease if there is a change of circumstances or be terminated if the Claimant fails to respond to a request for information or evidence within one (1) month or such longer period as may be considered reasonable in the circumstances.

## 3.16 Decisions

3.16.1 The Council will notify the Claimant of its decisions within fourteen (14) days of receiving all relevant and supporting information and documents as it seems reasonable. It will notify the Claimant in writing either by post or through electronic mail depending on what process the Claimant has agreed to. All notifications on decisions shall also contain information on how to appeal or ask for the decision to be looked at again if the Claimant disagrees.

## 3.17 Change of Circumstances

3.17.1 In accordance with Regulation 113 of the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (or any statutory modification thereof for the time being in force), the Claimant will have a duty to report all changes in circumstances promptly. The Council will then action those changes as per Regulation 105 of the same legislation and notify the Claimant of its decision accordingly (and in line with Section 6.0 of this document). Failure by the Claimant and his/her representative to promptly declare a change in his/her circumstances may result in further action being taken against him/her.

## 3.18 Suspension and Termination of Council Tax Support

3.18.1 The Council will suspend or terminate entitlement to Council Tax Support of it believes:-

3.18.1.1 there is a doubt over whether the entitlement

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conditions are being met,

- 3.18.1.2 the Claimant or someone action on his/her behalf has failed to provide the information as required by the Council to check the conditions are met,
- 3.18.1.3 it is believed the Claimant is no longer entitled to the support or does not have a liability to pay Council Tax,
- 3.18.1.4 the Claimant or someone acting on his/her behalf has failed to declare a change in his/her circumstances, or
- 3.18.1.5 any other reason as the Council feels necessary that will or may affect entitlement to the support received.

3.18.2 Council Tax Support may be reinstated when the Council is satisfied that there are no outstanding matters to be resolved, the Council decides not to make an appeal or further appeal, or the appeal or request for leave has been decided, or the Claimant has provided the information or evidence required as the case may be.

3.18.3 Where Council Tax Support has been suspended for failure to provide information or evidence and the Claimant does not respond within one (1) month or such longer period as may be considered reasonable in the circumstances, entitlement may be terminated.

3.18.4 These provisions are intended to replicate as far as reasonably practicable those currently applied for the purposes of the existing national Council Tax Benefit Scheme.

## 3.19 Impact of Universal Credit

3.19.1 From October 2013 the Welfare Support of Universal Credit is to be introduced. This will mean the way that the Council treat Income and Capital for the purpose of calculating Council Tax Support may change if someone becomes entitled to Universal Credit.

3.19.2 In such instances, the Council shall take into account the amount of Universal Credit payable net of any amounts included for the housing element and child care costs. All other Income and Capital disregards shall be applied as appears elsewhere in this document. This is in line with Regulation 36 of the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (or any statutory modification thereof for the time being in

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force).

## 3.20 Time and manner of granting relief and recoveries/Excess Council Tax

3.20.1 Matters relating to the time and manner of granting relief, persons paid and dealing with over- and under-payments will, for clarity, be regulated for in the prescribed existing national Council Tax Benefit Scheme for those in receipt of State Pension Credit. Existing Council Tax powers already in place under the Local Government Finance Act 1992 are adequate to deal with these matters.

3.20.2 This includes payments to next of kin where a person in receipt of a Council Tax reduction dies, allowing the Billing Authority to make payment of the reduction amount to his/her personal representative or next of kin.

3.20.3 Where the Council Taxpayer is entitled to an increase or decrease in his/her reductions following a reported change of circumstance, the Council can issue a revised Council Tax bill taking into account the increase or decrease in liability.

## 4.0 Annual Updates

4.1 If there are any significant changes to the Local Council Tax Support Scheme, the Council shall publish its proposals in advance of the new financial year and consult as appropriate. However, changes to upratings such as Living Allowances need not be consulted on.

## 5.0 Changes to State Pension Credit Eligible Age

5.1 The Department for Work and Pensions is intending to make changes to the way in which new Claimants comprising couples of mixed age (i.e. where one member of the couple has attained State Pension Credit qualifying age and one has not) are treated for new applications. Currently, such couples would generally be treated under Pension Credit Age under SI 2006/216 apart from a few exceptions.

5.2 It is anticipated that in future (from the point of change and for new State Pension Credit Claimants only) that it will not be possible for a couple to claim State Pension Credit until both members have reached the qualifying age. It is anticipated that such couples will have access to Universal Credit though if they meet all the other eligibility criteria.

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5.3 The Government proposes to align this change for new Claimants to Local Council Tax Support Schemes on the same basis once it takes effect, so that Councils do not find themselves defining an individual in a mixed age couple differently from the way they are defined by the Department for Work and Pensions.

5.4 It is the Government's intention that mixed age couples already applying for or receiving a State Pension Credit Eligible Age Council Tax reduction at the point of change (whether or not they are also receiving pension credit), will retain State Pension Credit Eligible Age Council Tax reduction whilst their entitlement continues.

## **6.0 How to apply for a reduction under the Local Council Tax Support Scheme**

6.1 A person may apply for Council Tax Support in writing using the Council's application form for that purpose and sending it to the address designated by us for that purpose.

6.2 A person may apply for Council Tax Support online via the Council's website ([www.luton.gov.uk](http://www.luton.gov.uk)).

6.3 A person may apply for Council Tax Support by telephone when the Council publishes a telephone number for that purpose. This is not currently available but may be in the future.

6.4 An application form submitted in writing shall be signed by the Claimant and may also be signed by his/her partner if applicable and shall be supported by such information or evidence as is reasonably required to enable entitlement to be determined.

6.5 An application made online or by telephone shall be subject to such validation as is reasonably necessary to enable a determination of entitlement to be made.

6.6 The Council shall not determine entitlement for an incomplete claim including one that is not signed until the relevant information, signature or both as appropriate is received and provided that at all times, this is within a period of one month from the date of the Council request or such longer period as may be reasonable in the circumstances.

6.7 For the avoidance of doubt, a person who is in receipt of Council Tax Benefit immediately before 1<sup>st</sup> April 2013 or has, prior to 1<sup>st</sup> April 2013, made an application for Council Tax Benefit which has not been determined by 1<sup>st</sup> April 2013, that individual is to be treated as having made an application for a reduction under the Local Council Tax Support

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Scheme.

- 6.8 A claim for Council Tax Support may be amended or withdrawn in writing by the Claimant at any time prior to the Council making a decision regarding entitlement.
- 6.9 The Council shall accept the withdrawal of an application where it has not yet made a decision concerning entitlement. This shall have effect on the same day that the notification was received by the Council.
- 6.10 Failure to provide the information requested in support of an application will result in the Council making a decision on what information they have, and that decision may be that there is no entitlement.

## **7.0 How to appeal a decision**

- 7.1 Details on how to appeal a decision shall be included on all decision notifications.

## **8.0 Alternative Maximum Council Tax Benefit/Second Adult Rebate**

- 8.1 This will be removed from the Local Council Tax Support Scheme for all Working Age Claimants. Anyone who currently receives this Benefit will have it removed from 1<sup>st</sup> April 2013.

## **9.0 Transitional Protection**

- 9.1 There is no protection for anyone who is affected by changes to anything detailed in this document. All changes will be effective from 1<sup>st</sup> April 2013 with no exceptions.

## **10.0 Backdating**

- 10.1 The requesting of Council Tax Support backdating will be as defined in Regulation 109 for Pensioners and Regulation 110 for Working Age Claimants of The Council Tax Reduction Scheme (Default Scheme) Regulations 2013 (or any statutory modification thereof for the time being in force).
- 10.2 Working Age Claimants must show in all instances continuous good cause for not claiming sooner for all those that may have been able to make the application.

## **11.0 Future Changes**

- 11.1 The Regulations mentioned in this document are “as enacted”. This means the Council may have to update this document as and when

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legislation is changed by Central Government but this will not change the underlying principles of this document and the Local Council Tax Support Scheme it represents.

- 11.2 It is not the Council's intention to raise any amounts used to calculate non dependant deductions rates and those used in the calculation of Living Allowances. These shall be frozen at the 2012/13 rates as detailed in Appendix A.

## **12.0 Fraud**

- 12.1 The Council takes the issues of Fraud very seriously and is committed to preventing and detecting fraudulent activity. Anyone who is proven to have dishonestly claimed a reduction in their Council Tax under any Local Council Tax Support Scheme may be liable for prosecution.
- 12.2 The Council will keep and treat the information provided both electronically and in paper records, as confidential and won't pass it on to any unauthorised person or organisation. However, the Council is under a duty to protect the public funds it administers, and to this end may use the information provided in support of any claim for Local Council Tax Support for the prevention and detection of fraud. It may also share this information with other bodies responsible for auditing or administering public funds for these purposes.

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## Definitions

In this document the following words shall have the meanings set out below unless specified otherwise or the context otherwise requires.

**Alternative Maximum Council Tax Benefit** means Second Adult Rebate.

**Billing Authority** means the Local Authority responsible for the setting, raising, billing and collection of Council Tax in its administrative area.

**Capital** means capital can be cash, stocks, shares, bonds, property, land and anything else that may be described as an item of particular value (such as paintings) as well as money held in all types of bank/building society accounts. Capital is not just amounts held in traditional savings account but can also be that which is held in current accounts.

**Council** means Luton Borough Council

**Default Scheme** means the Government's Default Local Council Tax Support Scheme for Local Authorities that do not provide their own Local Council Tax Support Scheme by 31<sup>st</sup> January 2013.

**Dependant Child** means someone for whom the Claimant and/or his/her partner is responsible and for whom that person would normally be receiving Child Benefit and/or Child Tax Credit.

**Employed Earners** means a person who is gainfully employed in Great Britain either under a Contract of Service.

**Excess Council Tax** means an amount of Council Tax Support paid over and above a Claimant's actual entitlement.

**Excess Income** means Income calculated as being above a Claimant's Living Allowance.

**Income Amount** means the total weekly Income for the purpose of claiming Council Tax Support. This may not be the same as the Claimant's actual weekly Income due to the way in which the Council calculates Income and Capital.

**Living Allowance** means the combination of allowances and premiums used to determine a Claimant's basic living needs and against which his/her Income is compared for the purposes of the Means Test performed.

**Non-Dependant** means a person as defined on Regulation 9 of the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (or any statutory modification thereof for the time being in force) being over the age of 18

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who is treated as living with the Claimant and his/her partner in the property upon which they are claiming a Council Tax reduction.

**Notional Capital** means Capital which the Claimant and/or his/her partner and household are treated as being in possession of even if it is not available to them.

**Pension Credit Age** is a term used to describe Claimants treated as of State Pension Credit Age.

**Pensionable Age** is a term used to describe Claimants treated as of State Pension Credit Age.

**Second Adult Rebate** means a reduction in your Council Tax based on the Income and circumstances of other household members, who are not jointly liable for Council Tax and who is not your partner or a dependant child.

**Self Employed Earners** means a person who is gainfully employed in Great Britain otherwise than in employed earner's employment.

**SI 2006/215** means The Council Tax Benefit Regulations 2006 or any statutory modification or re-enactment thereof for the time being in force.

**SI 2006/216** means The Council Tax Benefit (Persons who have attained the qualifying age for State Pension Credit) Regulations 2006 or any statutory modification or re-enactment thereof for the time being in force.

**State Pension Credit Eligible Age** means the age upon someone or a couple is eligible to claim State Pension Credit.

**Tariff Income** means a weekly amount assumed as Income from the Claimant's savings. This is not in any way supposed to reflect interest received and is calculated using the standard calculation as stated in Section 2.29 of this document.

**Underpayment** means an amount of Council Tax Support paid to the Claimant which he/she was entitled to but had not received. This is money owed to the Claimant.

**Working Age** means the age for those not treated as being of State Pension Credit Eligible Age.



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## APPENDIX A

### Premiums and allowances

At present, premiums and allowances are used to determine a Working Age Claimant's basic living needs for the purposes of the means test calculation performed. These are prescribed by statute and the amounts concerned are currently increased annually.

Our proposal is to continue to apply the existing premiums and allowances used for the national Council Tax Benefit Scheme with the relevant amounts retained at the 2012/13 levels and not subject to annual increases. Current premiums and allowances applied for 2012/13 are set out below:

<b>Allowances and Premiums used to determine basic living needs</b>	<b>Weekly Amount in £</b>
Single Claimant aged 18 or over but less than 25	56.25
Single Claimant aged 25 or over	71.00
Single Claimant of any age and entitled to main phase employment support allowance	71.00
Single parent	71.00
Couple	111.45
Amount for a child from his/her date of birth to the day before the first Monday in September following his/her 16th birthday	64.99
Amount for a young person from the first Monday in September following his/her 16th birthday to the day before his/her 20th birthday	64.99
In the case of a polygamous marriage where none of the members of the marriage have reached the age of 60 and for the Claimant and other party to the marriage	111.45
In the case of a polygamous marriage where none of the members of the marriage have reached the age of 60, for each additional spouse who is a member of the same household as the Claimant	40.45
Family premium	17.40
Family premium (single parent rate)	22.20
Disability premium - single	30.35
Disability premium - couple	43.25
Enhanced disability premium - single	14.80
Enhanced disability premium - disabled child rate	22.89
Enhanced disability premium - couple	21.30
Severe disability premium - single	58.20
Severe disability premium - couple (lower rate)	58.20
Severe disability premium - couple (higher rate)	116.40
Disabled child premium	56.63
Carer premium	32.60

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**Components employment support allowance (income related) and contributory.**

Work-related activity component	28.15
Support component	34.05

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## **Non -Dependant deductions**

Currently a deduction is not made from Council Tax Benefit if the:

- Claimant or partner are registered blind or treated as blind
- Claimant or partner are receiving the care component of disability Living Allowance or attendance allowance
- Non-Dependant is receiving State Pension Credit, income support or Income-based Jobseekers Allowance or Income-related Employment and Support Allowance
- Non-Dependant is a prisoner
- Non-Dependant is severely mentally impaired
- Non-Dependant is over 18 but child benefit is still payable for his/her
- Non-Dependant is a student nurse or apprentice or on Youth Training
- Non-Dependant has been a patient in hospital for fifty two (52) weeks or more. If the Non-Dependant leaves hospital but is readmitted to hospital within twenty eight (28) days, his/her total number of days in hospital are added together
- Non-Dependant is living in a residential care or nursing home
- Non-Dependant is a care worker
- Non-Dependant is a resident of a hostel or night shelter for the homeless
- Non-Dependant is a full-time student (even if he/she works full-time in the summer vacation).

Similar rules will apply for the Local Council Tax Support Scheme.

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The rates of Non-Dependant deduction for Council Tax Benefit and proposed Council Tax Support are shown in the table below.

<b>Description of deduction</b>	<b>Council Tax Benefit amount of weekly deduction in 2012/13 &amp; Council Tax Support amount in 2013/14</b>
Adult in receipt of State Pension Credit guarantee credit or savings credit	Nil
Adult in receipt of employment support allowance (income related) main or assessment phase	Nil
Adult in receipt of job seekers allowance (contribution based) or employment support allowance (contribution based)	£3.30
Gross income of adult in paid work is less than £183	£3.30
Gross income of adult in paid work is greater than or equal to £183 but less than £316	£6.55
Gross income of adult in paid work is greater than or equal to £316 but less than £394	£8.25
Gross income of adult in paid work is greater than or equal to £394	£9.90
Adult in receipt of job seekers allowance (income based)	Nil
Adult in receipt of income support	Nil
Adult working less than 16 hours per week or is on maternity, paternity adoption or sick leave	£3.30
Any other adult not included in the above descriptions	£3.30