
Local Council Tax Support Scheme Summary

Effective from 01 April 2025



Elmbridge
Borough Council

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Protected Groups

This scheme defines the following two protected groups for whom their maximum entitlement to LCTS will remain at 100% of their council tax charge.

Pensioners

Pension age claimants have statutory protection from any losses between the old scheme and the current local scheme. This means they can continue to receive assistance based on 100% of their council tax charge and will mean those on the lowest incomes do not have to make any contribution. This also applies to any new claims since April 2013 who meet the means testing qualifying conditions.

A pensioner is a household consisting of either:

- A single person who has reached state pension age, or
- A couple where both individuals have reached state pension age or
- A mixed age couple where one partner is over state pension age and the other is under state pension age and are not in receipt of working age benefits

Vulnerable Groups

Low-income vulnerable claimants are also entitled to full protection from any losses between the previous council tax benefit default scheme and the current local scheme. This means they can continue to receive assistance based on 100% of their council tax charge and those on the lowest incomes will not have to make any contribution.

This also applies to any new claims since April 2013 who meet the means testing qualifying conditions.

This definition applies to both legacy and post-legacy benefits whilst managed migration is being completed for UC.

The qualifying criteria is that a claimant's household are in receipt of certain disregards, incomes or premiums to be considered a vulnerable group.

- Armed Forces Compensation Payment
- Carer Premium
- Carers Element (UC)
- Disabled Child Element (UC)
- Disability Single
- Disability Couple
- Disability Child
- Disabled Earnings Disregard
- Enhanced Disability Single
- Enhanced Disability Couple
- Enhanced Disability Child
- *Limited Capability Work Related Activity Group Component (UC)
- Severe Disability
- War Disablement Pension
- War Widows Pension

**This is not to be confused with the Limited Capability Work Component within (UC) which is different and is not treated as a protected group within this scheme.*

This is particularly important for 'working age' households as there will be a minimum contribution to make if they are not a vulnerable group.

Main variations to statutory default scheme (not affecting protected groups above)

The five following variations to the statutory default scheme make up the Elmbridge local scheme and will apply to all claimants except those in the two protected groups.

1. Everyone who currently receives LCTS should pay something, or pay more than under the statutory scheme

Claimants will be expected to contribute towards their council tax liability of 10% except for the protected groups within the local scheme.

There are two exceptions detailed below.

Families with children under five

For families with young children under the age of five the maximum level of assistance is set at a slightly higher level than for everyone else to minimise the impact on these households. The maximum cap on assistance is 95% for families with children under five years old and would face a contribution of 5%.

People in paid work

For households in receipt of an amount of paid work the maximum level of assistance is set at a slightly higher level than for everyone else to ensure that low income working households will be slightly better off than those on out of work benefits. The maximum cap on assistance is 95% for people in that are in paid work and would face a contribution of 5%.

Note about households fitting into both groups

It should be noted that if a household qualifies for a reduced cap by having children under five *and* by being in low paid work then they would only receive the advantage once, so the maximum cap would still be 95%.

2. No eligibility for LCTS for households in the highest Council Tax Band Properties, Bands G and H

Households who are liable for council tax on homes banded as council tax band G or H will not be entitled to LCTS. These are the two highest Bands representing the most expensive homes in the Borough.

3. The Maximum LCTS that can be awarded will be capped at the level of a medium range council tax band property (Band D)

Households who are liable for council tax on homes rated as bands E or F will face a restriction of maximum entitlement of support to that of a council Tax band D property.

4. Limit backdating for late claims

Claimants who make late applications for support may not be able to receive any support for a previous period prior to their claim date. As well as having to show a good cause for why a claim is being made late, claims will be limited to a maximum period of one month prior to the date of claim.

This provision will not apply to households who have been awarded UC who will be treated differently as determined elsewhere in the scheme.

5. No rebate given in respect of other low-income adults in the household

Whilst pensioners may still qualify for Second Adult Rebate due to other low-income adults in the household. Claimants who have a second adult living with them who would have qualified for a 'second adult rebate' under the previous council tax benefit default scheme will no longer be entitled to this.

Appeals

Provision for making appeals over decisions on the amount of support to be awarded or whether an applicant has any entitlement to support, and the process for dealing with these is set out as part of the draft Council Tax Reduction Scheme (Prescribed Requirements) Regulations.

In summary, a person unhappy with the decision of the council under Elmbridge' LCTS scheme must provide an appeal request in writing stating the grounds for this.

The council must then consider the matter and notify the claimant of the steps taken to resolve the matter and the outcome. Should the claimant remain unhappy they may appeal to an independent Council Tax Valuation Tribunal.

Variations and Clarification of Scheme Adopted into the Scheme from 1 April 2020

Method of Application

An application for LCTS should be made on the council's prescribed form for doing so.

Electronic Applications for LCTS are acceptable providing they are made using the council's prescribed method as detailed on the Electronic Communications Order specifically the council's online application form which is freely available on their website or data transfer from the Department of work and Pensions (DWP).

Other methods may be accepted at the discretion of the council.

Any application for LCTS will not be considered complete until all relevant information and required evidence has been provided to allow a decision to be made. The council reserves the right to determine an award once all conditions are satisfied.

In all cases the person(s) making a claim will have one calendar month to supply all relevant information and evidence. If this is not supplied within one month the claim will be refused and new claim will be required.

Treatment of Joint Applications

Applications from couples will be considered as joint claims for support from the scheme. This means if one member of the couple vacates the property for any reason the claim can continue without the need for a new application provided all other aspects of entitlement can be verified and are reported correctly.

In circumstances where the one of the couples vacates the property and the financial and household circumstances are so complex the council reserves the right to request a person to complete a new application to ensure all information held in respect of the claim is correct.

Method of notifying a Change in Circumstances

Notification of changes in circumstances should be made using the council's prescribed methods as detailed on the Electronic Communications Order specifically; the online form freely available on the council's website or data transfer made from the Department of Work and Pensions (DWP).

Other methods may be accepted at the discretion of the council.

It is the claimant's responsibility to notify the council of all relevant changes in circumstances which affect the assessment of entitlement or eligibility for the scheme.

A change of circumstance will not be considered duly made until it contains all of the following;

- a) Sufficient information to identify the claimant and the person(s) the information relates to
- b) All relevant information to identify the nature of the change and the date the change took place
- c) Evidence to a sufficient standard to verify the detail of the change which is being reported

Start date of an award where UC has been awarded

Households who are in receipt of UC will not be subject to backdating restrictions of one month. To overcome complex issues of claiming relevant entitlements and inconsistency in data transfer with the DWP the start date of an award of LCTS will be either.

- a) The date of their entitlement to UC for any point in the current financial year; or
- b) The date of entitlement to UC for up to four months in the immediately preceding financial year; or
- c) The date they became liable for council tax if this is later than a) or b) above

Calculation of income and capital; persons who have an assessment of UC

In determining the income of a person(s) who have claimed UC and had an assessment of that benefit the council will use the calculation of income and capital as determined by the DWP to assess any entitlement to support from this scheme.

The amount of UC paid to the claimant may be reduced for a number of different situations. For the assessment of LCTS support the only disregarded amounts which will be considered is a reduction in the amount paid due to the application of the Benefit Cap.

Any other amount causing a reduction such as the repayment of an overpayment or other debt will be included in the assessment and treated as income of the person(s) claiming LCTS support.

No further disregards will be applied to the income calculated by the DWP in the assessment of UC.

Non-Dependant Deductions

When a non-dependant lives with you, the council assumes they should contribute to the household expenses, including council tax. So, the LCTS is reduced by a fixed amount based on their circumstances.

Refer to Appendix A table of non-dependant deductions

Treatment of the Minimum Income Floor in the assessment of income from UC

The minimum income floor is a notional income applied to some self-employed awards of UC after they have been claiming for a period however their declared earnings from that self-employment remain below the minimum wage level for the hours they work.

The DWP treat this as an income in the assessment of UC and therefore will be included in the assessment of the LCTS award.

Circumstances where the UC Assessment will not be used

There are two circumstances where the UC Assessment of income and Capital may not be used:

1. Circumstances where the capital and income of the non-dependent is to be treated at the claimants

Where it appears to the council that the non-dependent and applicant have entered into arrangements in order to take advantage of the scheme and the income and/or capital of the non-dependent is higher than that of the person(s) claiming the income and capital may be substituted between the parties involved and the assessment of LCTS made on the higher income and/or capital.

2. Circumstances where the council has information indicating the assessment of UC is incorrect

Where the council is in receipt of information which indicates that an award of UC has been incorrectly awarded the council reserves the right to substitute the data provided by the DWP with its own information in the following circumstances.

- a) Where the evidence means the household would not meet the eligibility qualifying conditions of the scheme
- b) Where an award of LCTS would be made at a higher rate than would otherwise be awarded if the UC assessment considered the information held by the council

If there is an error identified in the assessment of UC which is resulting in a lower award of LCTS the claimant must liaise with the DWP for the error to be rectified. The council will revise the award of LCTS when updated information has been provided in respect of the revised UC award.

Claims for UC where there is no award made

When information is received that a claim for UC has been assessed however there no award made the council will use the assessment of income, capital and household membership as determined by the DWP in consideration of any entitlement to LCTS. This condition is subject to the provision to override assessment of the DWP as defined within this scheme.

Claims for UC where they are not considered a relevant change

Where the council receive a UC change in circumstances from the DWP there will be certain circumstances where they are not treated as a relevant change and therefore not automatically included.

- a) Where the amount of UC awarded changes by more than £100 when compared to the latest amount of UC held in the existing assessment of LCTS
- b) Where the award of UC assessment period start date is greater than 50 days from receipt

This means in both (a) and (b) that the changes will be by default not recalculated however this can be done so upon request of the customer.

The council applies a de minimis policy to minor account changes to avoid unnecessary rebilling and reduce administrative burden.

Effective date of Changes in Circumstances

Changes which affect the calculation of the LCTS will take place from the following dates

- a) Changes affecting liability

Where the change in circumstances affects the amount, a person is liable to pay in respect of council tax the change in the calculation of any award made under this scheme will take effect from the day of the change in the liability.

- b) Changes affecting the assessment of UC

UC is assessed based on fixed calendar monthly periods regardless of the date within that period that any change occurred. For the purpose of this scheme LCTS will be revised in line with the dates of change of the UC award and will take effect from the first day of the benefit week after the day of that change.

- c) Changes in other income or capital

With the exclusion of UC all other changes in income or capital of household members will take effect from the first day of the benefit week after the date on which the change occurred.

- d) More than one change in the same week

If two or more changes occur in the same week which would otherwise be effective in different reduction weeks the change will take effect from the day of the earliest change and take effect in line with the most relevant paragraph above.

Termination of an award

a) No longer eligible

Where a change in circumstances means that the claimant no longer fulfils the eligibility criteria for receiving an award their claim will be terminated from the day before the change took effect

b) Nil qualification based on the means-test

When the person is no longer eligible for support because based on the means-test their financial circumstances have changed entitlement will end from the last day of the reduction week that change occurred subject to the provision of more than one change occurring in the same week

c) Failure to supply information

The council required the person(s) claiming to provide relevant information and evidence to ensure their claim assessed on the correct basis and will be given one calendar month to supply that information or evidence. In circumstances where the information is not supplied either in full or to the level required to ensure the claim is calculated correctly the claim will be terminated. The date of termination will be the earlier of;

- I. The day before an identified change in circumstances the information request related to or;
- II. The day before the first request for information was made or;
- III. The day before any change is made to the liability to pay council tax as a result of the review being undertaken to establish the circumstances of the household.

Temporary exclusion from the scheme where capital has previously exceeded £16,000

The scheme is designed to help low income households who do not have the means to meet their council tax liability. A capital threshold of £16,000 exists which does not allow anyone with capital above this limit to receive support from the scheme.

In order to prevent a household spending high levels of capital to make themselves eligible for support an exclusion time period will be applied on the following basis where it is expected the capital will supplement other forms of income in a reasonable manner until time has elapsed where provision of support would be appropriate. The exclusion periods are;

- a) Where the level of capital is greater than £16,000 and less than £20,000 the period of exclusion will be 6 months
- b) Where the level of capital is greater than £20,000 and less than £25,000 the period of exclusion will be 12 months
- c) Where the level of capital is greater than £25,000 the period of exclusion will be 24 months

The council may override this provision in exceptional circumstances and to avoid hardship.

Appendix A: Non-Dependant Deductions

| | |
|---|------|
| Circumstance: Claimant or partner is or is in receipt of | CTRS |
| Is blind (registered with LA Social Services) | Nil |
| Recently regained their sight – if ceased to be registered will continue to be treated a blind for further 28 weeks from date removed from register | Nil |
| Receives Disability Living Allowance at any rate | Nil |
| Receives Attendance allowance at any rate | Nil |
| Receives Personal Independence Allowance – Daily living component at any rate | Nil |

| | |
|---|--------|
| Circumstance: Non-Dependent | CTRS |
| Under 18, passported benefit, Pension Credit (Guarantee or Savings), UC without earned income, in hospital more than 52 weeks, under 20 and child benefit still payable, youth trainee receiving training allowance | Nil |
| 18 or over – Gross weekly income under £266, or UC earnings | £5.00 |
| Others not in remunerative work not in receipt of UC or passported benefit | £5.00 |
| Gross weekly income £266 to 462.99 | £10.20 |
| Gross weekly income £463 to £576.99 | £12.80 |
| Gross weekly income £577 and above | £15.35 |