

# Horsham District Council – Council Tax Reduction Scheme 2020/21

## Background

The Government's Resource Review abolished Council Tax Benefit with effect from 01/04/2013 and required local authorities to either develop their own Council Tax Reduction Scheme or adopt the national Default Scheme. In doing so, the Government reduced funding available to local authorities by between 10-14%.

## Aims of the Scheme

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 Reduction Scheme reduces the financial support available to those who are able to and/or are actively seeking work.

## The Council Tax Reduction Scheme

The Horsham District Council's Council Tax Reduction 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 Reduction Scheme with effect from 01/04/2013.

## Protected Groups

The regulations (and any subsequent amendments) will apply to groups protected from a reduction in Council Tax Support.

The protected groups are:

### 1. Pensioners (as defined in Part 2(3) of 'default scheme' regulations)

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

## **2. Those unable (or not expected) to work**

- Lone parents with children under the age of 5
- Those in receipt of :
  - ❖ Disability Living Allowance and Attendance Allowance
  - ❖ Employment Support Allowance (with a support component)
  - ❖ Disability element or Severe Disability element of Working Tax Credit
  - ❖ War Widows Pension
  - ❖ Any disability premium
  - ❖ Income Support with Carers Allowance
  - ❖ Universal Credit with Carers Allowance

## **Additional Disregards**

Compensation payments through any UK Armed Forces Compensation Scheme will be wholly disregarded when calculating an applicant's eligibility to Council Tax Reduction. 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 a Protected Group**

### **Council Tax Bands E-H**

Council Tax Reduction will be restricted to a maximum of Council Tax band D liability. Anyone whose property is in a band higher than D will have their Council Tax Support calculated using band D liability. The customer will be responsible for all additional Council Tax over and above Band D. Those in bands A-D will have their support calculated using their actual liability.

### **10% Baseline reduction**

All Working Age non-protected applicants will have to pay at least 10% of their Council Tax liability. This is in addition to any band D restriction.

### **Capital limits**

Anyone with capital of £10,000 or higher, and who is not in a protected group, will not qualify for Council Tax Reduction.

### **Second Adult Rebate**

There is no Second Adult Rebate for Working Age customers.