

Appendix A

Brent's Council Tax Reduction Scheme 2022/23

1. Summary and commencement

- 1.1 Brent's new Council Tax Reduction Scheme (CTRS) from 1st April 2020 replaced its Council Tax Support (CTS) scheme which was in place between 1st April 2013 and 31st March 2020.
- 1.2 From 1 April 2022, this Council Tax Reduction Scheme will continue to apply subject to the prescribed requirements made by central government that are set out in paragraph 4.2 below regarding the disregard of any payments made under the Energy Rebate Scheme 2022.

2. Classes of person entitled to a reduction under this scheme

- 2.1 Classes of person entitled to a reduction under this scheme are;
- 2.2 Class A: Pensioners whose income is no greater than the applicable amount.
- 2.3 Class B: Pensioners whose income is greater than the applicable amount
- 2.4 Class C: Alternative maximum council tax reduction – pensioners
- 2.5 Class D: Working age claimants
- 2.6 Pensioners in Classes A – C will claim CTRS under the national scheme as set out in the The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (hereafter referred to as “the 2012 Prescribed Regulations”).
- 2.7 Class D Working-age claimants will claim under the local Brent scheme (see below).
- 2.8 Couples who have one partner of pension age and one of working-age are classed as working-age as set out in Regulation 3 of the 2012 Prescribed Regulations.

Local scheme for working age claimants

3. Purpose of scheme

- 3.1 To provide financial assistance for Brent Council Tax (CTAX) Payers who are financially vulnerable and require assistance to meet their Council Tax liability.

4. Eligibility

- 4.1 Any person who is liable for Council Tax to Brent Council will be eligible to claim CTRS if they come within classes A to D as set out in section 2 above unless –
- (a) They do not have recourse to public funds (this includes persons who are subject to immigration control as set out in Regulation 13 of the 2012 Prescribed Regulations), or
 - (b) They are not resident in the property (an award of CTRS during any period of absence from the property are to be decided based on paragraph 5 of Schedule 1 to the 2012 Prescribed regulations and persons treated as not being in Great Britain as defined in Regulation 12 of the 2012 Prescribed Regulations will not be eligible to claim CTRS), or
 - (c) They are a student (with exceptions below), or
 - (d) They possess capital of over £6000 (capital will be calculated and treated as set out in paragraphs 31 – 36 of Schedule 1 of the 2012 Prescribed regulations)
- 4.2 From 1 April 2022, any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining: (a) an applicant's entitlement to a reduction under this CTRS scheme; or (b) the amount of any reduction to which the applicant is entitled.

5. Council Tax liability and maximum Reductions

- 5.1 CTRS will be calculated on the claimant's net CTAX liability after the granting of any other Council Tax discounts (e.g. Single Person Discount).
- 5.2 If the claimant is jointly liable for CTAX with another person (other than their partner), their CTRS will be calculated based on their share of the liability.

For example, should three siblings be sharing a property and equally liable for their share of the Council Tax, the CTRS would be calculated to take 33.3% of the total liability onto account for each sibling.

6. Meaning of "family" and household

- 6.1 The people that live with together as an immediate family unit are deemed to be a household as set out in the definition of "family" in Regulation 6 of the 2012 Prescribed Regulations. This will usually consist of:
- The claimant.
 - Another adult the claimant is part of a couple with
 - Their immediate family and their children.
 - Their grown up children or relatives, assuming the circumstances are non-commercial.
- 6.2 Regulation 7 of the 2012 Prescribed Regulations shall apply regarding circumstances in which a person is to be treated as responsible or not responsible for another.

- 6.3 Regulation 8 of the 2012 Prescribed Regulations shall apply regarding households.
- 6.4 A partner, in relation to a person, means—
- (a) where that person is a member of a couple, the other member of that couple; or (b) where that person is polygamously married to two or more members of his household, any such member to whom he is married;
- 6.5 Couple means - (a) two people who are married to, or civil partners of, each other and are members of the same household; or (b) two people who are not married to, or civil partners of, each other but are living together as a married couple or living together as if in a civil partnership.
- 6.6 Polygamous marriage means any marriage to which regulation 5 of the 2012 Prescribed Regulations applies.

7. Non-dependants

- 7.1 Other adults living in the household but not part of the claimant's family unit (i.e. "non-dependants" as described in Regulation 9 of the 2012 Prescribed Regulations) will result in a deduction being made to the claimant's maximum possible CTRS entitlement, based on their employment status and net earned income –
- Not working
 - Employed earning up to £150 per week
 - Employed earning between £150 and £200 per week
 - Employed earning over £200 per week

8. CTRS calculation and reductions

- 8.1 There are two parts to the calculation of CTRS entitlement:
- (1) The maximum level of discount which can be awarded is expressed as a percentage of the net CTAX liability (i.e. after any other discounts or exemptions are applied), based on the claimant and partner's total income;
 - (2) The maximum discount is then reduced by any charges which are appropriate in respect of any non-dependants in the household.

(i) Calculation of maximum potential CTRS discount

Claimant and partner's income*	CTS award (% of net liability)
£0 - £80	100%
£81 - £110	80%
£111- £150	50%
£151 - £250	30%

*excluding any DWP or HMRC benefits

All income from DWP and HMRC benefits and payments in respect of caring for a Foster Child are ignored for the purpose of the CTRS calculation.

(ii) Non-dependant deductions

Non-dependant deductions are made to the maximum CTRS entitlement amount quoted in (1) above, as appropriate from the table below

Working Age – Non Dependant Income	Deduction per week
Not working	£5.00
Working - net income up to £150 per week	£10.00
Working – net income between £150 and £200 per week	£15.00
Working – net income over £200 per week	£20.00

9. Claimant and partner's income and capital

9.1 All income from DWP and HMRC benefits and payments in respect of a Foster Child are ignored for the purpose of the CTRS calculation.

9.2 Any other income including earnings from the claimant and / or partner's work is included in the calculation of the claimant's CTRS entitlement (see below for calculation). Regulation 10 of the 2012 Prescribed Regulations shall apply with regard to treating a claimant as being engaged in remunerative work.

9.3 Any capital or savings held by the claimant or partner will be disregarded if it totals less than £6000. Claimants and partners with more than £6000 capital will not be entitled to CTRS. As for what will be disregarded as capital, this is set out in Schedule 6 of the 2012 Prescribed Regulations. With regard to calculation of capital, this is set out in paragraphs 31 to 36 of Schedule 1 of the 2012 Prescribed Regulations.

9.4 Where a claimant is receiving Universal Credit (UC) and also working or has other income or capital, the Council will use the earnings, other income and capital figures from their UC assessment in the CTRS assessment unless there is satisfactory contradictory evidence available providing more accurate earnings and capital information.

9.5 Income from earnings calculation

- (a) Net income is used in the CTRS calculation. (Net income is defined as gross income reduced by tax and National Insurance contributions, and 100% of contributions to any occupational pension scheme).
- (b) Self-employed income will be treated in exactly the same way. Net income will be calculated either by ourselves or using information calculated by UC, whichever is the more accurate.
- (c) Where possible, the CTRS calculation will use whatever earned income or self-employed income the Secretary of State uses for the claimant's UC calculation.

9.6 Capital

- (a) There is no entitlement to CTRS if the claimant and their partner jointly hold capital of £6000 or more.
- (b) Capital means the value at date of assessment of any of the following:
 - Bank accounts including all types of savings account
 - Building Society accounts including all types of savings account
 - PEPs, TESSAs or ISAs
 - Premium Bonds or National Savings Certificates
 - Shares
 - Property (other than the home for which Council Tax Support is being claimed for). This will be the value of the property minus any outstanding mortgage or secured loan attached to the property in question.
- (c) Where possible, the Secretary of State's calculation of capital in the claimant's UC assessment will be used in the CTRS calculation.
- (d) As for what will be disregarded as capital, this is set out in Schedule 6 of the 2012 Prescribed Regulations. With regard to calculation of capital, this is set out in paragraphs 31 to 36 of Schedule 1 of the 2012 Prescribed Regulations.

10. Non-dependant income

- 10.1 The non-dependant's net earned income is taken into account in deciding which non-dependant charge is made to the claimant's maximum possible entitlement.

Effective dates

11. Date on which entitlement begins

- 11.1 CTRS entitlement will begin from the earliest of the following dates –
- (a) The Monday following the date the claim was received via the Council website
 - (b) The Monday following the date that a claim to UC was received by the DWP
 - (c) The earliest date (within the financial year in which the claim was received) from which the claimant's circumstances were continuously the same as those applying at the time the claim was received. (i.e. the claim may be treated as made at any date back to 1st April of the current financial year, if the claimant's circumstances have not changed since this date)
- 11.2 If any of the above dates is before the date that CTAX liability commenced, then entitlement will commence from the date CTAX liability commences.
- 11.3 Paragraph 5 of Schedule 8 of the 2012 Prescribed Regulations shall apply regarding the date on which an application is made.

12. Date on which changes of circumstances (CIC's) take effect

- 12.1 CIC's are effective from the Monday following the date of change.
- 12.2 The only exception is where the change is a change in Council Tax Liability, in which case the change is effective from that same day.

13. Evidence and information

- 13.1 It is the claimant's responsibility to report any **relevant** changes of circumstances.
- 13.2 **Relevant changes** are **changes of income** or **changes in the occupation of the home** relating to:
- (a) Claimant or partner
 - (b) Dependants (i.e. children within the family unit, dependant on the claimant)

- (c) Non-dependants (i.e. grown up children aged over 18 or other adults residing in the property)

13.3 Paragraph 7 of Part 2 of Schedule 8 of the 2012 Prescribed Regulations shall apply regarding the provision of information and evidence.

14. Evidence required for earned income

14.1 Where possible, the CTRS assessment will use the net income calculated by the Secretary of State (DWP) in determining the claimant's entitlement to UC.

14.2 Alternatively evidence of income may be accepted via wage slips, P60 or any other documentation deemed appropriate by the Council.

15. Evidence required for non-dependant's income

15.1 Evidence of non-dependants' earnings may be accepted via wage slips, P60 or any other documentation deemed appropriate by the Council.

15.2 Evidence is not required for non-dependants with gross income of over £250.00 per week.

15.3 If no evidence of a non-dependant's income is available to the decision maker after enquiries have been made, an income of a weekly net earned income in excess of £250 will be assumed.

16. Evidence of occupation of the home

16.1 The Council may require evidence to verify occupation of the home (or an alternative address, if an occupier has moved out). This may include official correspondence, utility bills or any other documentation deemed appropriate

17. How changes are to be reported

17.1 Changes in circumstance must be reported directly to the Benefit Department at Brent Council. The responsibility to report changes to the Benefit Department at Brent Council lies unequivocally with the Claimant.

17.2 In relation to the duty to notify the Council of change in circumstances, paragraph 9 of Schedule 8 of the Prescribed Regulations shall apply.

18. Amendment and withdrawal of application

18.1 The claimant can withdraw claim at any time in writing or via phone or online. Paragraph 8 of Part 2 of Schedule 8 of the 2012 Prescribed Regulations shall apply regarding amendment and withdrawal of applications.

19. Overpayments

- 19.1 Retrospective changes in circumstances will result in a debit or credit to the claimant's CTAX account in all circumstances, thereby increasing or reducing the amount of Council Tax due.

20. Discretionary payments

- 20.1 If a CTAX payer is experiencing exceptional and extenuating circumstances they may apply for a Council Tax reduction under Section 13A of the Local Government Finance Act (LGFA) 1992. Each application is considered on its own merits.
- 20.2 Examples where applications may be considered could include properties affected by natural disasters such as fire, flood or storm that were beyond the control of the occupier, or where the Authority considers that a CTRS claimant requires further assistance towards their CTAX liability and is facing exceptional hardship or extraordinary circumstances
- 20.3 Part 3 of Schedule 7 of the 2012 Prescribed Regulations regarding the procedure for an application to the Council for a discretionary reduction under section 13A(1)(c) of the Local Government Finance Act 1992 shall apply.

21. Appeals

- 21.1 CTRS claimants can dispute a decision concerning the assessment of their CTRS. In the first instance an internal review or reconsideration will be carried out; if the claimant still wishes to challenge the decision, an appeal must be lodged by the Claimant themselves with the independent Valuation Office. Part 2 of Schedule 7 of the 2012 Prescribed Regulations regarding the procedure by which a person may appeal against certain decisions of the Council in relation to the CTRS shall apply.

22. Transitional Protection (TP)

- 22.1 The Council has considered whether transitional protection (TP) should be given to CTRS claimants experiencing large reductions in their entitlement between the old (CTS) and the new (CTRS) schemes. It proposes not to provide a TP scheme for the following reasons:
- (a) The majority of changes in entitlement are in fact positive for the claimant (6,912) or of no financial impact (4,551), compared with 5,717 who will receive a reduced discount;
 - (b) The largest reductions are those relating to claimants who have non-dependants in their household, where an increased charge will be applicable to the non-dependant. It is not considered appropriate to provide TP in these cases as it is a policy intention of the scheme that non-dependants in the household should all contribute towards the household CTAX liability, subject to their income;
 - (c) In the event that a claimant experiences exceptional hardship as a result of the new CTRS scheme, a discretionary payment can be considered (as

explained above). It is considered unnecessary to provide both a discretionary element and transitional protection within the scheme.

23. Other Matters

- 23.1 Part 1 of Schedule 7 of the 2012 Prescribed Regulations regarding the procedure by which a person may apply for a reduction under the Council's scheme shall apply.
- 23.2 Part 4 of Schedule 7 of the 2012 Prescribed Regulations regarding electronic communication shall apply.
- 23.3 Part 1 of Schedule 8 of the 2012 Prescribed Regulations regarding extended reductions for movers into the Council's area shall apply.
- 23.4 Part 2 of Schedule 8 of the 2012 Prescribed Regulations shall apply regarding further provisions regarding applications (including making an application, the date on which an application is made, backdating of applications for pensioners, information and evidence and amendment and withdrawal of application) and the duty to notify the Council regarding a change of circumstances.
- 23.5 Part 3 of Schedule 8 of the 2012 Prescribed Regulations regarding decisions by the Council and notification of decisions by the Council shall apply.
- 23.6 Part 4 of Schedule 8 of the 2012 Prescribed Regulations regarding circumstances in which a payment may be made where there is joint and several liability shall apply.