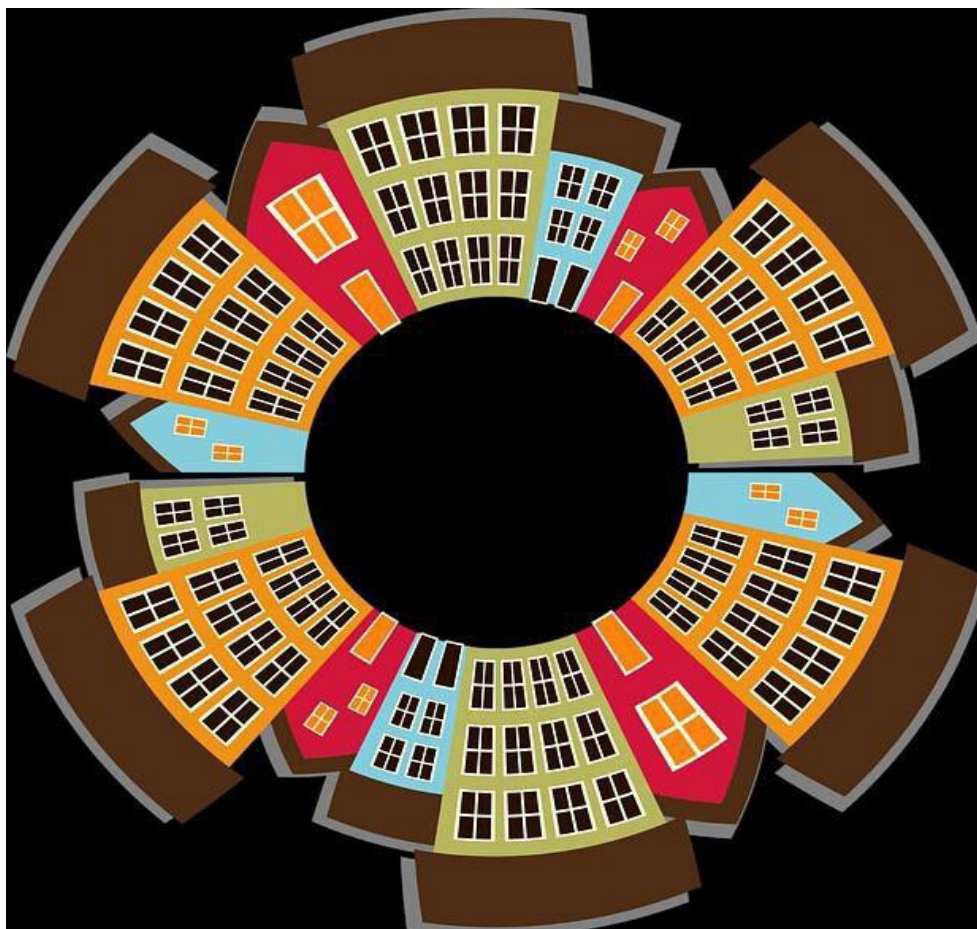


Ealing Council's Council Tax Reduction Scheme

Effective April 2025



Good, genuinely
affordable homes

Opportunities and
living incomes

A healthy,
great place

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1. Introduction to the Council Tax Reduction Scheme

Council tax benefit, a national scheme, was abolished by the government in April 2013.

From this time, local authorities in England have been required to operate their own scheme, subject to the council tax reduction schemes (prescribed requirements) (England) Regulations 2012 (SI 2885) which prescribes elements that must be included within a local reduction scheme.

Persons of pension age must be protected by local authorities and receive no less benefit than they received under the council tax benefit scheme.

[The Council Tax Reduction Schemes \(Prescribed Requirements\) \(England\) Regulations 2012](#) as amended prescribe a number of matters which must be included in a scheme and this scheme is to be interpreted and applied in accordance with those regulations. The council has based its local council tax reduction scheme for working age persons on [The council tax reduction schemes \(Default scheme\) England regulations 2012 SI 2886](#) but has replaced the calculation methodology with one of its own.

Ealing Council's council tax support scheme and amendments between 2013 and 2019 have been based around the original council tax benefit regulations due to the continued administration of housing benefit within local authorities which duplicates much of the original council tax benefit regulations.

The gradual introduction of Universal Credit across the United Kingdom, which replaces housing benefit has meant that the council is administering fewer and fewer housing benefit cases.

This has allowed the council to move away from the old system based on needs, allowances and tapers and move to a simpler and more streamlined system of support.

The new scheme is based on income bands, and it will greatly reduce the number of recalculations required if a change in the applicant's income does not result in them moving to a different income band.

Non-dependant deductions are still applied within the scheme, but the number of bands have been reduced to three.

2. Glossary of Terms

| Term | Definition |
|--|--|
| 1992 Act | The Local Government Finance Act 1992 |
| AFIP | Armed Forces Independence Payment |
| All classes | Classes A to E pension and working age |
| Affected person | The applicant, official appointed to act for the applicant or person agreed to act for the applicant by the council |
| Applicant | A person applying for council tax reduction (CTR) |
| Application | An application for CTR made in the approved manner |
| Assessment period | The applicant's income is assessed |
| Authority (local) | Ealing Council |
| Backdating | Requests by a CTR applicant for the commencement of a claim to begin prior to the application date |
| Banded scheme | The calculation of council tax reduction for working age applicants using income bands |
| Capital | Money or other assets singly or jointly held by a person |
| Child | A person under the age of 16 |
| Circumstances in which a person is to be treated as responsible or not for another | As defined by regulation 7 of the prescribed scheme |
| Council | The London Borough of Ealing |
| Council Taxpayer | Person liable to pay council tax on a dwelling |
| Couple | As defined by regulation 4 of the prescribed scheme regulations |
| CTS | Ealing council's council tax support scheme |
| CTR | Ealing council's council tax reduction scheme |
| Default regulations | The council tax reduction schemes (Default scheme) England regulations 2012 SI 2886/2012 (as amended) |
| Designated office | Ealing council may select one or more offices as its designated office for written council tax Reduction claims and notification of changes including but not limited to Ealing's benefit office, offices of the Department of Works and Pension (DWP), or the office of a |

| Term | Definition |
|---|---|
| | hostel or social landlord. |
| Dispute | A state where a CTR applicant disagrees with the award of CTR or its refusal |
| Dwelling | As defined in Part 1 chapter 1 regulation 3 of the 1992 act |
| Earned income | As defined by schedule 1 of the prescribed scheme regulations for pensioners and chapter 5 paragraphs 51 and 53 of the default regulations |
| Family | As defined in Part 1 regulation 6 of the The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 |
| General interpretation of terms in the scheme | As described in The Council Tax Reduction Schemes (Prescribed Requirements)(England)Regulations 2012 |
| Households | As defined in by Part 1 paragraph 8 of The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 |
| Income (taken into account) | The income used for the calculation of any award |
| Living expenses | Food, ordinary clothing, and footwear, household fuel, rent or other housing costs including Council Tax |
| Lone Parent | A person without a partner who is also responsible for a member of the same household as a child or young person. |
| Maximum Council Tax reduction | The amount determined by the application of this scheme. |
| Maximum liability | The band used for calculation entitlement to CTR after any council tax discounts or band reductions under the 1992 Act |
| Non-dependant | Any member of the applicant's household who is not the applicant's partner, dependent child or tenant |
| Non-dependant deduction | An amount deducted from any CTR award |

| Term | Definition |
|-----------------------------|--|
| Overpayment | Any amount of CTR to which there is no entitlement to under then scheme |
| Passported Benefits | Income support, job seekers allowance (income based), employment and support allowance (income related) and pension credit (guarantee credit) |
| Pension Age/ Pensioner | As defined by Part 1 regulation 3(a) The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 Generally, someone who has reached the qualifying age for state pension Credit |
| Prescribed requirements | CTR schemes (prescribed requirements) England) Regulations 2012 SI 2885 2012 (and as amended) |
| Qualifying person | As defined in regulation 2 of the prescribed scheme |
| Remunerative work | As defined by the The Council Tax Reduction Schemes (Prescribed Requirements)(England)Regulations 2012 |
| Polygamous marriage | As defined in part 1 regulation 5 of The Council Tax Reduction Schemes (Prescribed Requirements)Regulations 2012 |
| Single applicant | A person who does not have a partner nor is a lone parent |
| SSCBA | The Social Security Contributions and Benefits Act 1992 |
| Universal Credit | As defined by section 1 of the welfare reform act |
| Week | A period of 7 days commencing on a Monday |
| Work | A person who is either employed or self employed |
| Working Age / Non-pensioner | As defined by Part 1 regulation 3(b) The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 generally, someone who has not reached the qualifying age for state pension credit. |
| Young Person | A person who falls within the definition of qualifying young person in section 142 of the SSCBA |

3. Applications

The procedure for applications applies to all classes (pension and working age) and will follow the prescribed requirements.

Who can claim

- In the case of a single adult that person
- In the case of a couple or polygamous marriage the person agreed between them or if no agreement has been reached the council will determine who the applicant shall be
- Where a person is unable to act, and someone has officially been appointed to act on their behalf, that person can apply. Where there is no official appointment, the council may, upon written request, appoint that person who may then claim. The council will advise the appointee of their responsibilities.

Where the council has made an appointment, it can revoke this at any time and will accept resignations by appointees after 4 weeks' notice.

Time and manner of claiming

Applications must be made either in writing to the council's designated office(s), electronically (in accordance with schedule 7 part 4 of the prescribed regulations and the council's [electronic collection of data](#) process) through the councils customer portal or by telephone to the telephone number published for that purpose.

Where a claim has been made for housing benefit and the person is also liable for council tax at the same address the housing benefit claim will be treated as a claim for council tax reduction.

Defective claims

Where an application is considered defective by the council because:

- (a) the form is incorrectly completed
- (b) it is not on an approved form
- (c) information and evidence requested on the form/ at the time of the telephone claim has not been fully provided

The council will inform the applicant of the defect and allow them one calendar month of being asked to remedy the defect.

Withdrawal of claims

Where the applicant does not correct defects in the claim notified to them within the designated timescales, and the council has not agreed further time to remedy the defect, the council will determine that the applicant no longer wishes to claim council tax reduction.

Where a housing benefit claim has been treated as a claim for council tax reduction the applicant may withdraw their claim within 14 days of receipt of their council tax reduction decision.

Date of application

The date on which a claim is made at the council or designated office will be taken in accordance with schedule 8, part 2 paragraph 5 of the prescribed requirements and the council's electronic collection of data process.

4. Evidence and Information

The requirements for evidence and information applies to pensioners and working age applicants.

National Insurance numbers

The applicant and partner (if present) are required to provide either

- their national insurance number(s)
- information to allow the Council to ascertain it
- proof that an application for a national insurance number has been made with evidence that would allow it to be allocated

This requirement shall not apply in the following circumstances:

- (a) in the case of a child or young person in respect of whom an application for a reduction is made;
- (b) to a person who:
 - (i) is a person treated as not being in Great Britain for the purposes of these regulations;
 - (ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
 - (iii) has not previously been allocated a national insurance number

Claims and questions arising

- (A) any person making an application or who is in receipt of a reduction under the council tax reduction scheme must provide any certificates, documents, information and evidence as the council may require in order to determine initial or ongoing entitlement.
- (B) any requests made under (A) above must be fulfilled within one month of being asked to do so, unless the council has agreed to an extension before the completion of the initial month.

Changes of circumstances

The applicant must, within one calendar month of a change they can reasonably expect to affect their entitlement, notify the council in writing, electronically or to the published telephone number.

5. Classes of Persons Within the Scheme

Classes of persons excluded from the scheme

The government has prescribed those persons to be excluded from local schemes. This includes persons not treated as in Great Britain and persons subject to immigration control. These are defined within the prescribed requirements.

Any person falling within the definition are not eligible for a reduction under the Ealing CTR scheme.

Classes of persons entitled to a reduction under this scheme

Persons of pensionable age

The government has described those persons considered to be of pensionable age within the prescribed requirements.

Any applicant falling under the definition within the prescribed requirements, classes A, B and C, will have any entitlement administered in accordance with the prescribed requirements.

Payments of war pensions, war disablement pensions, war widows' pensions, war widower's pensions and payments made under the armed forces compensation scheme will be disregarded.

Working age persons only

Class D: Working age, non-protected persons

The applicant and or partner must:

- be liable to pay council tax, in respect of a property within the borough, in which the person is solely or mainly resident
- be of working age who has not reached the qualifying age for state pension credit
- have made a claim for council tax reduction
- not be in receipt of pension credit
- not fall within a class of person not entitled to a reduction under this scheme or the prescribed regulations
- not have capital equal to or in excess of £6000
- be a person in receipt of a passported benefit or have income (taken into account) of less than the weekly limit shown in band 8
- not be a lone parent with a child, in their household, under 5 years of age

- not be in receipt of a disability benefit, carers allowance, employment and support allowance, personal independence payment or disability living allowance
- not be in receipt of Universal Credit which includes one of the following elements: limited capability for work, limited capability for work related activity, disabled child or carer
- not be a care leaver under the age of 25
- not be in receipt of an Armed Forces Independence Payment
- not to be a carer in receipt of carers allowance or have an underlying entitlement to it
- not be in receipt of Attendance Allowance

Class E Working Age, protected persons

The applicant and or partner must:

- be liable to pay council tax, in respect of a property within the borough, in which the person is solely or mainly resident
- be of working age who has not reached the qualifying age for state pension credit
- have made a claim for council tax reduction
- who does not fall within a class of person not entitled to a reduction under this scheme or the prescribed regulations
- not be in receipt of pension credit
- not have capital equal to or in excess £6000
- be a person in receipt of a passported benefit or income (taken into account) of less than the weekly limit shown in band 9
- be one or more of the following:
 - a lone parent with a child under 5 years of age
 - in receipt of a disability benefit, carers allowance, employment and support allowance, personal independence payment, attendance allowance or disability living allowance
 - In receipt of Universal Credit which includes one of the following elements: limited capability for work, limited capability for work related activity, disabled child or carer
 - a care leaver under the age of 25
 - In receipt of an armed forces independence payment
 - a carer in receipt of carers allowance or have an underlying entitlement to it

6. Income

For pensioners, income will be calculated in accordance with the prescribed requirements.

For working age customers, earned income will be calculated in accordance with the default regulations.

Where the applicant has unearned income, the following will be taken into account:

- (a) retirement pension
- (b) payments made towards the maintenance of the person by their spouse, civil partner, former partner, former civil partner under a court agreement
- (c) a payment received under an insurance policy to insure against -
 - (1) The risk of losing income due to illness, accident or redundancy or
 - (2) The risk of being unable to make payments on a loan, but only to the extent that payment is in respect of owner occupier payments where an amount has been added for Housing Costs
- (d) income from an annuity (other than retirement pension income) unless disregarded for personal injury
- (e) income from a trust unless disregarded for personal injury compensation or special schemes compensation
- (f) capital deemed to be income
- (g) income from subtenants and/or borders
- (h) income not included above which is taxable under part 5 of the income tax act 2005

Other income

Other unearned income not included in (a) to (h) above will be disregarded.

Earnings disregard

The default regulations on earnings disregards will not be applied to working age claims.

The following in relation to earnings disregards will apply instead. There is no earnings disregard for single applicants.

A single £37.13 per week deduction will be taken from earnings in all other cases.

No earnings disregards will be applied to Universal Credit cases as the earning disregards would have already been applied by the DWP.

Self-employed minimum income floor

For council tax reduction purposes once you have been self-employed for 12 months and your income is below the minimum hourly wage, your council tax reduction will be calculated in one of the following ways:

- **for single people and members of couples** – hourly minimum wage (25 years +) x 35 hours per week
- **for lone parents** – hourly minimum wage (25 years +) x 16 hours per week
- **Couples with dependent children where both are self-employed** - hourly minimum wage (25 years +) x 35 hours per week for one member and hourly minimum wage (25 years +) x 16 hours per week for the other member.

The earnings figures resulting from these calculations will be reduced by the appropriate tax and national insurance amounts.

If your self-employed income is higher than the hourly minimum wage, then we will use your actual income to calculate your council tax reduction.

The self-employed minimum income floor figure will be aligned with the national living wage on April 1 each year and the tax and National insurance rates used will be those current on the previous day -31 March in the same calendar year.

Start-up period

- (A) a start-up period is a period of 12 months during which the applicant first commenced gainful self-employment, in the 12 months preceding the beginning of the assessment period
- (B) no start-up period will be applied in relation to an applicant where a start-up period has previously been applied in the last five years, whether in relation to the current or previous award
- (C) a start-up period will be terminated if the person is no longer in gainful self-employment

Universal Credit

Where the person is on Universal Credit the council will take into account the income used in the Universal Credit calculation unless the council has evidence that the person has income different to that used within the Universal Credit calculation in which case the council may at its own discretion use that income in calculating any CTR.

Where DWP have calculated Universal Credit entitlement that includes earned income, no additional earnings disregard will be applied under the local scheme as the DWP would have already applied one.

Capital

Capital is to be calculated for pensioners under the prescribed requirements and for working age under the default regulations and in addition to include any charitable disregarded capital or compensation payments provided for under the prescribed pensioner regulations.

Capital limit

For classes A to C (pensioners) the capital limit is as the prescribed requirements

For classes D and E there will be no entitlement to council tax reduction where the applicant(s) capital exceeds £6000.

7. Non-Dependants

Non-dependant deductions for pensioners are as the prescribed requirements.

Non-dependant deductions for working age will be made according to the table below.

Non-dependant deductions

| Category | Amount |
|---|--------|
| Full time student | £00.00 |
| Not in employment | £8.04 |
| Working with gross earnings less £226.55 per week | £14.86 |
| Working with gross earnings more £226.55 per week | £22.28 |

Non-dependant deductions will not be taken where no deduction would be due to the applicant's circumstances, within the prescribed scheme. (For example where the claimant/partner receives DLA or PIP then no non-dependant deduction will be made).

8. Students

Pensioner and working age students will be administered in accordance with the default regulations unless the contrary is indicated.

9. Extended reductions

The following applies to both pensioners and working age

Where an application is made to the council for council tax reduction and the applicant or partner of the applicant is in receipt of an extended reduction from another billing authority in England or Wales.

The council will reduce any reduction to which the applicant is entitled under this scheme by the amount of that extended reduction.

10. Calculating Council Tax Reduction

The maximum council tax Reduction for classes A to C (pension age) are set out in the prescribed scheme.

Working age awards are as follows:

For **Class D** the CTR will be:

The maximum council tax liability

- (1) Less the class D contribution level for band 1 where the person is in receipt of a passported benefit **or**
 (2) Less the class D contribution level applicable to the band in which the persons income falls

Less any non-dependant deduction Less capping For **Class E**, the reduction will be:

The maximum council tax liability

- (1) less the class E contribution level for band 1 where the person is in receipt of a passported benefit **or**
 (2) less the class E contribution level applicable to the band in which the persons income falls.

Less any non-dependant deductions Less or plus any transitional capping

Council Tax Reduction Calculation Table

| Band | Protected Income Bands £ | Protected Customer's contribution to council tax | Protected CTR Award | Non-protected Income Bands | Non-protected Customer's contribution to council tax | Non-protected CTR Award |
|------|--------------------------|--|---------------------|----------------------------|--|-------------------------|
| 1 | 0.00 -148.54 | 0% | 100% | 0.00 -148.54 | 20% | 80% |
| 2 | 148.55 - 173.30 | 25% | 75% | 148.55 - 173.30 | 40% | 60% |
| 3 | 173.31 - 198.05 | 40% | 60% | 173.31 - 198.05 | 50% | 50% |
| 4 | 198.06 - 222.82 | 50% | 50% | 198.06 - 222.82 | 60% | 40% |
| 5 | 222.83 - 247.58 | 60% | 40% | 222.83 - 247.58 | 70% | 30% |
| 6 | 247.59- 272.32 | 70% | 30% | 247.59- 272.32 | 80% | 20% |
| 7 | 272.33 - 297.10 | 80% | 20% | 272.33- 297.10 | 90% | 10% |
| 8 | 297.11 – 321.85 | 90% | 10% | 297.11+ | 100% | 0.00 % |
| 9 | 321.86+ | 100% | 0.00% | - | - | - |

11. Minimum Council Tax Reduction

No reduction will be awarded to an applicant if their entitlement is less than £2 per week.

12. Temporary Absence

For pensioner cases temporary absence will be administered under the prescribed requirements.

For working age, there will be no entitlement to CTR where the applicant is absent from the dwelling for more than 13 weeks.

13. Date on Which Awards Begin

A person who makes a claim for CTR, and who is determined to be entitled, will be entitled from the Monday following the date on which their claim is made or treated as made.

Backdating

Backdating for pensioners is applied under the rules of the prescribed scheme. There is no backdating of applications for working age persons.

Effective date of change of circumstances

The effective date of change of circumstances for pensioners will follow the prescribed scheme.

The effective date of change of circumstances for working age will follow the default regulations except where the applicant is required to notify a change and:

- (a) the change has been notified more than one month after the change occurred, or as long as the council considers to be reasonable and
- (b) it was reasonable to notify the change within the period and
- (c) the new CTR determination advantageous to the applicant the effective date of change will be, the Monday following, the date of notification by the applicant

14. Decisions

The following applies to pensioners and working age:

Decision

The council will decide on properly completed applications within 14 days or as soon as possible thereafter.

Notifications

Persons will be notified of the decision on a claim as soon as possible, in other

cases the council will aim to provide a decision within 14 days or as soon as possible thereafter.

CTR awards

Where the council determines an award of CTR, the person affected will be advised of:

- (A) their duty to report appropriate changes of circumstances, the consequences of failing to do so and guidance on changes likely to affect entitlement
- (B) how the CTR will be paid
- (C) all decisions will inform of the appeals process
- (D) the right to request a written statement of reasons, within a month.

15. Excess Council Tax Reduction

In all cases where a person has received CTR to which there is no entitlement, the excess CTR will be recovered through their council tax account.

The person will be written to and advised of the amount, dates and method of recovery and provided with a substitute council tax bill.

16. Appeals

The following applies to pensioners and working age.

If a person disagrees with the Council's decision in relation to whether there is an entitlement to CTR or the amount of CTR the affected person must write to the council stating, why they believe the decision is wrong.

The council will within two months consider the appeal and notify the person as to why the appeal is considered unfounded or what steps are being taken to deal with the appeal.

- where the person remains aggrieved or has not heard within 2 months from the council the person may appeal to the Valuation Tribunal.

Information relating to how to appeal to the Valuation Tribunal will be posted on the council's website.

17. Discretionary Reductions

The following applies to pensioners and working age.

A person may apply for a discretionary reduction under section 13A (1) (c) of the 1992 Act.

Any request must be made:

- (a) in writing
- (b) electronically in accordance with part 4 of schedule 7 of the prescribed

requirements, or
(c) to the council's published phone number

The person must state why the request is being made and supply any evidence and information that the council requires to decide the request.

18. Uprating

The following items will be increased by the September CPI (or equivalent replacement) each year and applied to CTR calculations from the following April.

Earnings disregard

Non-Dependant deductions

Banded incomes