

Torbay Council
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Council Tax Support Vulnerable Policy

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Version Control

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1	17 October 2012	Draft
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3	January 2013	Final Approved

1. Introduction

Section 13A of The Local Government Finance Bill 2012 requires all local councils, working within this legislative framework, to design their own Council Tax reduction scheme. Torbay Council's scheme is called the Council Tax Support scheme.

With effect from 1 April 2013 a local Council Tax Support scheme will replace the national Council Tax Benefit as the method of supporting low income households to pay their council tax. In designing this new scheme, the Council has adopted the core elements of the council Tax Benefit scheme, which is a proven and robust system of support and which affords financial support to the most vulnerable.

The Government has been clear that, in developing local Council Tax Support schemes, vulnerable groups should be protected. Other than providing statutory protection for low income pensioners, the Government has not prescribed the other groups that local councils should support. Each council must tailor their scheme to take into account the various legislation that currently protects vulnerable people.

2. Purpose of the Vulnerability Policy

This policy sets out the council's approach to defining and assisting those deemed vulnerable. In doing so it seeks to:

- Protect those who have reached state pension credit age
- Help those who are trying to help themselves
- Encourage and support people in and into employment

3. Accessibility of the Council Tax Support Scheme

To ensure that all customers have equal access to Council Tax Support, the Council has utilised the principles from its internal Communications and Consultation Policy. This policy has been adapted so that we are able to engage with all vulnerable and hard to reach customers in our communities.

In doing this, we will ensure that:

- All information about Council Tax Support is available in alternative formats and languages.
- Application forms for Council Tax Support will be available on line or by visiting one of our offices or remote offices.
- Customers can contact us by telephone or email.
- Additional information about Council Tax Support will be available on our website and will be publicised in leaflets.
- We will work closely with all agencies that support vulnerable clients, including welfare agencies, to ensure that they assist us in ensuring that customers can access their maximum level of Council Tax Support.

4. Statutory Framework and Other Considerations

In developing this policy the council has taken into account the following statutes:

- Local Government Finance Bill 2012 (protection for low income pensioners)
- Equality Act 2010 (public sector Equality Duty)
- Child Poverty Act 2010 (the duty to mitigate the effects of child poverty)
- Housing Act 1996 (the duty to prevent homelessness)

It also takes into account:

- The Welfare Reform Act 2012, which seeks to provide work incentives to benefit recipients
- Armed Forces Covenant 2011

5. Local Government Finance Bill 2012 - Pensioners

5.1 Definition

The Local Government Finance Bill 2012 sets out that the requirement to fully protect the support provided to low income pensioners in the Council Tax Support Scheme:

5.2 Eligibility Under the Local Government Finance Bill

- Those applicants in receipt of Guaranteed Pension Credit will receive full Council Tax Support, subject to non-dependent deductions
- If a pensionable age applicant's income exceeds their applicable amount, 20% of the excess income will be deducted from the maximum support and will also be subject to non-dependent deductions. This is in line with the current Council Tax Benefit Regulations for Persons who have attained State Pension Age

6. Equality Act 2010 (Protected characteristics including applicants defined as Chronically Sick and Disabled)

6.1 Definition

As part of the Equality Act 2010 (section 149) the council has paid 'due regard' to the following in designing its Council Tax Support scheme:

- Eliminate unlawful discrimination (harassment, victimisation and any other prohibited conduct)
- Advance equality of opportunity between those people who share a relevant protected characteristic and people who do not share it
- Foster good relations between those who share a relevant protected characteristic and people who do not share it

The relevant protected characteristics, as defined by the Equality Duty, are:

- Age (including children and young people)
- Disability
- Gender reassignment

- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation
- Marriage or civil partnership status (in respect of the requirement to have due regard to eliminate discrimination)

In developing the council Tax Support scheme and this policy the council has undertaken an Equality Impact Assessment (EIA) (<http://www.torbay.gov.uk/index/yourcouncil/equalopportunities/eia.htm>) and given due regard to its findings to ensure it does not lead to unlawful discrimination

The definition of disability is set out in the following statutes:

- Disabled Persons (services, consultations and representation) Act 1986
- Chronically Sick and Disabled Persons Act 1970
- Equality Act 2010

6.2 How the Council's Policy Addresses the Issues of Disability

Torbay Council's Council Tax Support scheme will maintain the key elements of the Council Tax Benefit scheme and, as such, provides protection in the overall calculation of support for disabled customers.

Our support scheme will not include income received specifically relating to disability in the financial assessment, as is the case currently. This means that all income received from Disability Living Allowance and Personal Independence Payments will be disregarded. The effect of this is that more disability related income will be retained before their Council Tax Support is reduced.

In addition to this, the calculation of support will also include all of the premiums which existed under Council Tax Benefit, these are:

- Disability Premium – awarded when a customer or their partner (if any) is disabled
- Severe Disability Premium – awarded when both customer or their partner (if any) are both severely disabled in accordance with the scheme
- Enhanced Disability Premium – award where either the customer or their partner (if any) are in receipt of the High Rate of the Care Component of Disability Living Allowance (DLA High Care), or where the customer receives the support component of Employment and Support Allowance;
- Work related activity component – where a similar component is awarded within a customer or partner's Employment and Support Allowance
- Support component – where a similar component is awarded within the customer or partner's Employment and Support Allowance

No non-dependant deductions will be made where the customer or partner is blind or where they are in receipt of the care component of Disability Living Allowance/Personal Independence Payments.

7. Child Poverty Act 2010

7.1 Definition

The Child Poverty Act 2010 places the following duties on local authorities and their partners to:

- Cooperate to tackle child poverty in their area
- Prepare and publish a local child poverty needs assessment
- Prepare a joint local child poverty strategy
- Take child poverty into account when preparing or revising their Sustainable Communities Strategy

In developing the Council Tax Support scheme and this policy the council has taken into account our local child poverty needs assessment and draft Child Poverty Strategy.

Furthermore, the council has taken account of the Government's National Strategy for tackling child poverty: *Tackling the causes of disadvantage and transforming families' lives published in April 2011*. The Council Tax Support scheme therefore supports the key measures within this strategy to strengthen families, encourage responsibility, promote work and guarantee fairness and provide support to the most vulnerable.

Under the Act and from 2011 each local strategic partnership is required to have a Child Poverty Strategy to meet the targets and report on annual progress.

The definition used within this policy (which will be subject to change as Central Government) is as follows:

Households with children in which income is less than 60% of the national median

The authority is mindful of the proportion of dependant children within its area who live in households whose income is below 60% of the national median.

7.2 How the council's policy addresses the issue of child poverty

The Council recognises the importance of maintaining the components within the Council Tax Benefit scheme which afford additional protection to families.

These allow for the following income types to be disregarded in the financial assessment of Council Tax Support:

- All Child Benefit
- All Child maintenance
- All other income payable to dependant children*
- Up to £175.00 per week for one child and £300.00 per week for two or more children towards childcare payments, for working families.

*there may be some, very rare, exceptions

When assessing a claim for Council Tax Support a family's income will be compared with the specific applicable amounts (living allowances). The applicable amounts (living allowances) will mirror the provisions within the Council Tax Benefit scheme and are higher for people with children. The living allowances will contain the following elements:

- Dependants Additions – an allowance for each child is used within the calculation
- Family Premium – where a customer has at least one child

- Disabled Child Premium – where a child is in receipt of any component of Disability Living Allowance or a comparable component of Personal Independence Payments or is blind or is treated as blind.
- Enhanced Disability Premium – where a child is in receipt of the highest rate of the care component of Disability Living Allowance.

Child Care Disregards

To support families in work and into work, allowances will be made from earnings and other benefits in respect of eligible childcare costs provided by registered childcare providers or after school clubs.

If the customer is a lone parent this will be applied if they work 16 hours or more a week. If the customer is part of a couple then the childcare disregard will be applied if they both work 16 hours or more, or where one member of the couple is incapacitated and the other works 16 hours. A maximum level of weekly disregard will be set annually.

Where a customer is lone parent or part of a couple and either the lone parent works 16 or more hours or both members of the couple work 16 hours or more or where one of the couple is incapacitated. A maximum weekly disregard will be set annually.

8. Housing Act 1996

8.1 Definition

Taking into account the threat of homelessness is not a prerequisite of the local Council Tax Support scheme, but the Council has given consideration to the potential impact on the Torbay area.

The Act gives local authorities the duty to prevent homelessness with special regard to vulnerable groups. Where people apply to local authorities for assistance, the authority must give careful consideration to the circumstances that have led to homelessness before deciding whether they are intentionally homeless. There is a limited duty to support those found to be intentionally homeless. Further information can be found in the Council's Homelessness Policy.

Under the legislation a person becomes homeless intentionally or threatened with homelessness intentionally if:

- The person's occupation of the accommodation ceases as a direct result of a deliberate act or omission on behalf of the person
- If the accommodation is available for the person to occupy
- If it would have been reasonable for the person to continue to occupy the accommodation

8.2 How the Council's Policy Addresses the Issues within the Housing Act

- Torbay Council will ensure that any applicant who is found to be unintentionally homeless as part of our duty will be encouraged and supported in their application for Council Tax Support once they have secured accommodation
- The council will ensure that any applicant at risk of homelessness and who is vulnerable are assisted with any application for Council Tax Support

9. Armed Forces Covenant 2011

9.1 Definition

In 2011 the Government launched the tri-service Armed Services Covenant which is intended to enshrine in the Armed Forces Bill

The covenant is a statement of the moral obligation which exists between the Government and the Armed Forces. Its core principle is that members of the Armed Forces Community do not suffer disadvantages as a result of their service. Special treatment may be provided as appropriate in order to improve the support to the Armed Forces Community.

Torbay Council has signed up to the Armed Forces Covenant and has considered this obligation in developing the Council Tax Support scheme

9.2 How the council's policy meets the Armed Forces Covenant

Applicant or partner in receipt of War Disablement Pension or War Widows payment will have this payment disregarded in the calculation of income when assessing entitlement to Council Tax Support. This mirrors the provisions of the local scheme within Council Tax Benefit.

10. Work incentives

10.1 Definition

As part of the Council Tax Support scheme, the council wishes to provide incentives for applicants to return to work or to increase the hours they work and to support those who do, wherever possible.

The principles of work incentives are as follows and these are reflected in the Council Tax Support scheme:

- People should get more overall income in work than out of work.
- People should get more overall income from working more and earning more.
- People should be confident that support will be provided whether they are in or out of work; will be timely and correct and that claiming will not be a complicated and frustrating experience.

10.2 How the Council's Policy Provides Work Incentives

Torbay Council is keen to support applicants back into work. The Council Tax Support scheme does this in supporting all customers on a low income, not just those in receipt of benefits.

The council is retaining core elements of the Council Tax Benefit scheme. This means support is reduced based upon a 20% withdrawal rate; where a customer's income exceeds their living allowance a deduction of 20p for every £1 will be made from Council Tax Support.

- When calculating weekly earnings only the income less tax, National Insurance and half of any pension contributions will be taken into account.

- In addition to this further amounts of earnings will not be taken into account in the weekly assessment of earnings. These are:
 - First £5.00 of weekly earnings for single customers
 - First £10.00 of weekly earnings for couples
 - First £20.00 of weekly earnings for people who are disabled or long term sick, carers or part-time fire fighters, auxiliary coast guards, part-time life boat workers and member of the Territorial Army
 - First £25.00 of weekly earnings for lone parents

- Where the applicant or their partner is able to undertake work for an increased number of hours per week then an additional earnings disregard may be applied;

- Where the applicant incurs childcare charges to allow them to go to work, the council will make a disregard from weekly earnings of up to £175.00 for childcare for one child or up to £300.00 for two or more children in childcare

- Where a customer moves into work of 16 hours per week or more and certain conditions of entitlement prior to employment are met, an additional 4 weeks of support at the rate prior to employment.

11 Council Tax Support Exceptional Hardship Fund

The council recognises that there may be exceptional circumstances where customers are unable to meet the shortfall between their Council Tax Support and their Council Tax liability.

Those in greatest need can access additional financial assistance from the Exceptional Hardship Fund. Additional information about this fund is contained with the council's Exceptional Hardship Fund Policy.