

APPENDIX A – CHANGES TO COUNCIL TAX POLICY

Item	Page Reference	Existing	Proposed
Insertion of new classes	2	<p>Contents – PART 4</p> <p>New classes inserted:</p> <ul style="list-style-type: none"> • Class E • Class G • Class I 	<p>16a – Class E: persons who are not pensioners whose income is less than the applicable amount and are in receipt of a war pension or war widows pension</p> <p>17a – Class G: persons who are not pensioners whose income is greater than the applicable amount and are in receipt of a war pension or war widows pension</p> <p>18a – Class I: alternative maximum council tax reduction – persons who are not pensioners and are in receipt of a war pension or war widows pension</p>
Citation	7	<p>PART 1 – Introduction – Citation</p> <p>This scheme may be cited as the Council Tax Reduction Scheme (Default Scheme) 2013.</p>	<p>PART 1 – Introduction – Citation</p> <p>This scheme may be cited as the South Holland District Council, Council Tax Reduction Scheme (Default Scheme) 2013</p>
Application of the scheme	17	<p>Application of scheme: pensioners and persons who are not pensioners</p> <p>3.—(1) This scheme applies to—</p> <p>(a) pensioners who fall within any of classes A to C(c); and</p> <p>(b) persons who are not pensioners who fall within any of classes D to F(d).</p>	<p>Application of scheme: pensioners and persons who are not pensioners</p> <p>3.—(1) This scheme applies to—</p> <p>(a) pensioners who fall within any of classes A to C(c); and</p> <p>(b) persons who are not pensioners who fall within any of classes D to I(d).</p>
War Disablement Pension, War Widow(er)s pension will be protected	23 – 24	<p>New classes inserted:</p> <ul style="list-style-type: none"> • Class E • Class G • Class I 	<p>Class E: persons who are not pensioners whose income is less than the applicable amount and are in receipt of a war pension or war widows pension</p>

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			<p>16A. On any day class E consists of any person who is not a pensioner—</p> <ul style="list-style-type: none"> (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident; (b) who, subject to paragraph 19 (periods of absence from a dwelling), is not absent from the dwelling throughout the day; (c) in respect of whom a maximum council tax reduction amount can be calculated; (d) who does not fall within a class of person not entitled to a reduction under this scheme, and (e) who is entitled to a war pension or a war widows pension <p>Class G: persons who are not pensioners whose income is greater than the applicable amount and are in receipt of a war pension or war widows pension</p> <p>17A. On any day class G consists of any person who is not a pensioner—</p> <ul style="list-style-type: none"> (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident; (b) who, subject to paragraph 19 (periods of absence from a dwelling), is not absent from the dwelling throughout the day; (c) in respect of whom a maximum

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			<p>council tax reduction amount can be calculated;</p> <p>(d) who does not fall within a class of person not entitled to a reduction under this scheme;</p> <p>(e) who is entitled to a war pension or war widows pension</p> <p>(f) whose income for the relevant week is greater than his applicable amount;</p> <p>(g) in respect of whom amount A exceeds amount B where—</p> <p style="padding-left: 40px;">(i) amount A is the maximum council tax reduction in his case; and</p> <p style="padding-left: 40px;">(ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount, and</p> <p>(h) who has made an application</p> <p>Class I: alternative maximum council tax reduction – persons who are not pensioners and are disabled, carers, or in receipt of a war pension</p> <p>18A.—(1) On any day class I consists of any person who is not a pensioner</p> <p>(a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;</p> <p>(b) who, subject to paragraph 19 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;</p> <p>(c) in respect of whom a maximum council</p>

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			<p>tax reduction amount can be calculated;</p> <p>(d) who does not fall within a class of person not entitled to a reduction under this scheme;</p> <p>(e) who receives a war pension, or a war widows pension</p> <p>(f) who has made an application; and</p> <p>(g) in relation to whom the condition in sub-paragraph (2) is met.</p>
<p>Limit eligible liability to 75% so all non-protected working age claimants must pay 25% of their Council Tax as a minimum</p>	<p>31 - 32</p>	<p>Maximum council tax reduction amount under this scheme: pensioners and persons who are not pensioners</p> <p>28.—(1) Subject to sub-paragraphs (2) to (4), a person’s maximum council tax reduction amount in respect of a day is 100 per cent of the amount A/B where—</p> <p>(a) A is the amount set by the authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and</p> <p>(b) B is the number of days in that financial year, less any deductions in respect of non-dependants which fall to be made under paragraph 30 (nondependant deductions: pensioners and persons who are not pensioners).</p> <p>(2) In calculating a person’s maximum council tax reduction under this scheme any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act (other than a reduction under this scheme), is to be taken into account.</p> <p>(3) Subject to sub-paragraph (4), where an</p>	<p>Maximum council tax reduction amount under this scheme: pensioners and persons who are not pensioners</p> <p>29.—(1) Subject to sub-paragraphs (2) to (5) a person’s maximum council tax reduction amount in respect of a day is:-</p> <p>(i) 100% of the amount A/B for a person within classes A, B, C, E, G, H or I where:-</p> <p>(a) A is the amount set by the authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and</p> <p>(b) B is the number of days in that financial year, less any deductions in respect of non-dependants which fall to be made under paragraph 30 (non dependent deductions: pensioners and persons who are not pensioners).</p> <p>(ii) 75% of the amount (A/B minus C) where A and B have the meanings as set out in paragraph 17)(f) and C is any deductions in respect of non-dependants</p>

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		<p>applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the maximum council tax reduction in his case in accordance with sub-paragraph (1), the amount A is to be divided by the number of persons who are jointly and severally liable for that tax.</p> <p>(4) Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, sub-paragraph (3) does not apply in his case.</p> <p>(5) The reference in sub-paragraph (3) to a person with whom an applicant is jointly and severally liable for council tax, where the applicant is a person who is not a pensioner, does not include a student to whom paragraph 75(1) (entitlement of students to a reduction under this scheme) applies.</p> <p>(6) In this paragraph "relevant financial year" means, in relation to any particular day, the financial year within which the day in question falls.</p> <p>Insertion of new paragraph</p>	<p>which fall to be made under paragraph 30 (non dependent deductions: pensioners and persons who are not pensioners) for a person within class F</p> <p>(iii) 75% of the amount (A/B minus C) where A and B have the meanings as set out in sub-paragraph (1) (i) above and amount C is any deductions in respect of non-dependants which fall to be made under paragraph 30 (non dependent deductions: pensioners and persons who are not pensioners) for a person within class D</p> <p>(2) In calculating a person's maximum council tax reduction under this scheme any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act (other than a reduction under this scheme), is to be taken into account.</p> <p>(3) Subject to sub-paragraph (4), where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the maximum council tax reduction in his case in accordance with sub-paragraph (1), the amount A is to be divided by the number of persons who are jointly and severally liable for that tax.</p> <p>(4) Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, sub-paragraph (3) does not apply in his case.</p> <p>(5) The reference in sub-paragraph (3) to a person with whom an applicant is jointly and severally liable for council tax, where</p>

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			<p>the applicant is a person who is not a pensioner, does not include a student to whom paragraph 75(1) (entitlement of students to a reduction under this scheme) applies.</p> <p>(6) In this paragraph “relevant financial year” means, in relation to any particular day, the financial year within which the day in question falls.</p>
Amount of reduction	34	<p>Amount of reduction under this scheme: Classes A to F</p> <p>31.—(1) Where a person is entitled to a reduction under this scheme in respect of a day, the amount of the reduction to which he is entitled is as follows.</p> <p>(2) Where the person is within class A or D(a), that amount is the amount which is the maximum council tax reduction in respect of the day in the applicant’s case.</p> <p>(3) Where the person is within class B or E(b), that amount is the amount found by deducting amount B from amount A, where “amount A” and “amount B” have the meanings given in paragraph 14(f) or 17(f), as the case may be.</p> <p>(4) Where the person is within class C or F(c), that amount is the amount which is the alternative maximum council tax reduction in respect of the day in the applicant’s case.</p>	<p>Amount of reduction under this scheme: Classes A to I</p> <p>32.—(1) Subject to the provisions of paragraph 29 where a person is entitled to a reduction under this scheme in respect of a day, the amount of the reduction to which he is entitled is as follows.</p> <p>(2) Where the person is within class A, D or E, that amount is the amount which is the maximum council tax reduction in respect of the day in the applicant’s case.</p> <p>(3) Where the person is within class B, F or G, that amount is the amount found by deducting amount B from amount A, where “amount A” and “amount B” have the meanings given in paragraph 14(f) or 17(f), as the case may be.</p> <p>(4) Where the person is within class C, H or I, that amount is the amount which is the alternative maximum council tax reduction in respect of the day in the applicant’s case.</p>
Disregard of war pensions at 100% as in current local schemes under CTB	127	<p>SCHEDULE 6</p> <p>Amounts to be disregarded in the calculation of income other than earnings: pensioners</p> <p>1. In addition to any sum which falls to be disregarded in accordance with paragraphs 2 to 6, £10</p>	<p>SCHEDULE 6</p> <p>Amounts to be disregarded in the calculation of income other than earnings: pensioners</p> <p>1. In addition to any sum which falls to be disregarded in accordance with paragraphs</p>

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		<p>of any of the following—</p> <p>(a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 2 or 3);</p> <p>(b) a war widow's pension or war widower's pension;</p> <p>(c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;</p> <p>(d) a guaranteed income payment and, if the amount of that payment has been abated to less than £10 by a pension or payment falling within article 39(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011(a), so much of that pension or payment as would not, in aggregate with the amount of any guaranteed income payment disregarded, exceed £10;</p> <p>(e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;</p> <p>(f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;</p>	<p>2 to 6, 100% of any of the following—</p> <p>(a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 2 or 3);</p> <p>(b) a war widow's pension or war widower's pension;</p> <p>(c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;</p> <p>(d) a guaranteed income payment disregarding any amount that the payment may have been abated by a pension or payment falling within article 39(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011(a) (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;</p> <p>(f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;</p>
Inclusion of war pension	128	<p>SCHEDULE 6</p> <p>2. The whole of any amount included in a pension to which paragraph 1 relates in respect of—</p>	<p>SCHEDULE 6</p> <p>3. The whole of any amount included in a pension to which paragraph 1 relates in respect of—</p>

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		<p>(a) the applicant's need for constant attendance;</p> <p>(b) the applicant's exceptionally severe disablement.</p>	<p>(a) the applicant's need for constant attendance;</p> <p>(b) the applicant's exceptionally severe disablement.</p>
Inclusion of war pension	137	SCHEDULE 8	SCHEDULE 8 – insert paragraph 15
Disregard of war pensions at 100% as in current local schemes under CTB	138	<p>SCHEDULE 8</p> <p>Sums disregarded in the calculation of income other than earnings: persons who are not pensioners</p> <p>20. Subject to paragraph 40, £10 of any of the following, namely—(a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 13 or 14);</p> <p>(b) a war widow's pension or war widower's pension;</p> <p>(c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;</p> <p>(d) a guaranteed income payment and, if the amount of that payment has been abated to less than £10 by a pension or payment falling within article 31(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005, so much of that pension or payment as would not, in aggregate with the amount of any guaranteed income payment disregarded, exceed £10;</p> <p>(e) a payment made to compensate for the non-payment of such a pension or payment as is</p>	<p>SCHEDULE 8</p> <p>Sums disregarded in the calculation of income other than earnings: persons who are not pensioners</p> <p>20. Subject to paragraph 40, 100% of any of the following, namely—(a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 13 or 14);</p> <p>(b) a war widow's pension or war widower's pension;</p> <p>(c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;</p> <p>(d) a guaranteed income payment disregarding any amount that the payment may have been abated by a pension or payment falling within article 31(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005 (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;</p>

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		<p>mentioned in any of the preceding subparagraphs;</p> <p>(f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in paragraphs (a) to (d) above;</p> <p>(g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.</p>	<p>(f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in paragraphs (a) to (d) above;</p> <p>(g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.</p>
Uprating		<p>This is currently provided through primary legislation to uprate the various allowances and premiums in the HB and CTB scheme. DCLG intend to uprate these in the default scheme in future linking the rates to those set by the DWP in Housing Benefit and intend to provide separate non-dependent deduction rates (because CTB will not exist anymore) uprated by similar percentage amounts as in HB.</p>	<p>It should be specified in the report to Council that the amounts for premia and allowances will be aligned with DWP premia and allowances as they are uprated. Please see my advice to Andrew, if you uprate the figures in your scheme each year in accordance with the Default Scheme you will need to consult on what will be a revised scheme. The alternative is to include a provision in your scheme (not the report) which refers to those figures which are automatically subject to amendment in accordance with the current Default Scheme</p>