

Appendix 1

Beneficial Elements of Council Tax Support Scheme for Specific Claimants

Whilst Option 1 is the recommended scheme, all three options for the Council Tax Support Scheme include the following beneficial elements relevant to specific claimant groups. They also provide support for pensioners based on new prescribed requirements that continue to support people of pensionable age in the same way as the current Council Tax Benefit scheme does.

The working age rules are set locally, subject to adherence to any relevant nationally prescribed requirements.

The beneficial elements are -

- Support to families in relation to the calculation of the entitlement to Council Tax support, by continuing to:
 - disregard Child Benefit received;
 - disregard Maintenance received for a child;
 - take into account child care costs as an expense of up to £175 for one child and up to £300 for two or more children per week; and
 - apply a premium** to the *Applicable Amount for families.

Note:

*The Applicable Amount is the level of income under which a claimant would receive maximum Council Tax Benefit entitlement.

**Premiums are additional allowances added to the Applicable Amount.

- Support to those with disabilities by continuing to:
 - disregard Disability Living Allowance (or any equivalent allowance); and
 - apply a premium to the Applicable Amount for certain claimants where either they/their partner or a child is considered as disabled.
- Supporting people back into work by continuing to:
 - apply wage disregards at £5.00 per week for single claimants, £10.00 week for couples and £20.00 per week for certain disabled claimants or carers or those in special occupations, and £25.00 per week for lone parents; and
 - apply an additional wage disregard of £17.10 per week where a family premium or a disabled premium is payable and the claimant is employed for 16 hours or more per week. Couples or single people over 25 qualify for this when working 30 hours or more where these premiums are not applied; and
 - award additional support for the first four weeks of moving into work, in certain circumstances.

- Supporting those with caring responsibilities by continuing to apply a premium to the Applicable Amount.
- Encouraging savings, by continuing to allow claimants to have savings of up to £16,000 and still qualify for help, with the first £6,000 disregarded. A tariff income of £1.00 for every £250.00 (or part thereof) of savings over £6,000 is applied to the working age claimant's income.
- Guardian's Allowance, Adoption Allowance, Foster Allowance, as well as Charitable and Voluntary payments received are disregarded for the purpose of calculating entitlement to support.
- £15.00 from Widowed Parent's Allowance, and Maintenance received by a claimant or their partner, is disregarded for the purpose of calculating entitlement to support.
- Continuing to apply the current 20% withdrawal of support rate when the claimant's income rises above the Applicable Amount. This means that for every £1.00 of income above the Applicable Amount, £0.20 will be reduced from weekly Council Tax Support.
- Scheme Options 1 and 2 would include an additional benefit of disregarding War Disablement Pension, War Widow's Pension and War Widower's Pension for the purpose of calculating entitlement to support. This would not be part of the default scheme (Option 3) and would need to be addressed under a separate discretionary scheme.

Liability eligible for Council Tax Support under the three Options

Under Option 1

The liability eligible for Council Tax Support will be based on 80% of the claimant's Council Tax liability.

Under Option 2

The liability eligible for Council Tax Support will be based on 91.5% of the claimant's Council Tax liability.

Under Option 3

The liability eligible for Council Tax Support will be based on 100% of the claimant's Council Tax liability.