

## Council Tax Reduction FAQs

### **1. Why have you introduced a Council Tax Reduction Scheme?**

As part of The Welfare Reform Act 2012, the Government has abolished Council Tax Benefit and asked all local councils to manage a Council Tax Reduction Scheme with a reduced amount of funding.

### **2. What is the difference between Council Tax Benefit and Haringey's Council Tax Reduction Scheme?**

Support for council tax is no longer a type of benefit, but a reduction that is applied to your council tax bill.

Haringey's Council Tax Reduction Scheme ensures pensioners and those in receipt of specified disability benefits will continue to receive the same level of council tax support as before.

Everyone else will have to pay something towards their council tax. If you previously received 100% support and paid nothing, you will now receive a maximum of 80.2% in council tax support and you will have to pay the remaining 19.8%. This is in addition to any other amounts you may have to pay due to your individual circumstances.

### **3. What other changes are being made that may affect the amount of Council Tax Reduction I receive?**

- If you are not a pensioner and have savings of £10,000 or more you will not qualify for a Council Tax Reduction.
- If you are not a pensioner and the amount of Council Tax Reduction you are entitled to is less than £1 a week you will not qualify for an award.

Child Benefit and war pensions will continue to be disregarded when calculating entitlement.

### **4. Who is protected from the changes?**

Applicants of pension credit age and those in receipt of specified disability benefits will continue to receive the same level of support as before.

People in these groups are not subject to the 19.8% reduction in support but non-pensioners are still subject to the £10,000 capital limit and the £1 minimum award.

A £16,000 capital limit applies to pensioners who do not receive the guarantee credit element of pension credit.

Applications from people in these groups are still assessed based on individual circumstances so some people may not receive full council tax support even though the 19.8% reduction does not apply.

**5. What disability benefits do I need to be in receipt of to be protected from the changes?**

- Attendance Allowance (including Constant Attendance Allowance)
- Disability Living Allowance\* (including Care/Mobility components)
- Severe Disablement Allowance (including Exceptionally Severe Disablement Allowance)
- Long Term Rate Incapacity Benefit
- Mobility Allowance/Supplement
- Working Tax Credit – Disability element

\*DLA will be replaced by Personal Independence Payment (PIP) from April 2013

However, if you receive disability benefits that have not been listed in the Haringey Scheme e.g. the Support Component of Employment and Support Allowance, your application for a reduction will be positively considered to see if the 19.8% reduction should not apply.

**6. I am not of pension credit age but my partner is, am I still protected from the changes?**

If only one person is of qualifying pension credit age that person must be the main applicant. However, that person must be liable for council tax otherwise they will not be eligible for an award.

**7. I am not disabled but my partner is, am I still protected from the changes?**

If only one person receives a specified disability benefit that person must be the main applicant. However, that person must be liable for council tax otherwise they will not be eligible for an award.

**8. I am not disabled but I look after a disabled child, am I protected from the changes?**

If you receive Disability Living Allowance for a disabled child you are responsible for, and who lives in your household, the 19.8% reduction will not apply.

**9. I have a non-dependant living with me who is in receipt of disability benefits, am I protected from the changes?**

If there are non-dependants living with you who receive disability benefits the 19.8% reduction will apply.

**10. How much will I be expected to pay?**

This will vary according to your individual circumstances. Your bill will detail the amount due for the year and monthly instalments required. If you pay by direct debit you can choose to pay on the 1<sup>st</sup> or 15<sup>th</sup> of the month. Other instalments are due by the 1<sup>st</sup> of the month. The table below gives an indication of the amount you may be expected to pay from April. It is based on the amounts of council tax per band in respect of 2013/14

Band	Annual Council Tax (including GLA precept)	Amount payable if 100% reduction was previously awarded	Amount to pay if 80.2% reduction awarded
A	£991.56	£0	£196.33
B	£1156.81	£0	£229.05
C	£1322.06	£0	£261.77
D	£1487.32	£0	£294.49
E	£1817.72	£0	£359.90
F	£2148.37	£0	£425.38
G	£2478.87	£0	£490.82
H	£2974.65	£0	£588.99

### **11. What should I do if I can't afford to pay?**

You can request to make payments over 12 months (April to March) instead of 10 months (April to January). If you make this request mid-year, your payments will be spread until March.

You should consider what you can afford to pay, taking into account other essential outgoings, and contact us if you are in difficulty. You will be required to meet the amounts due as stated on your bill.

### **12. Can the Council Tax Reduction Scheme be changed in the future?**

The Council can change the Scheme each year if it wishes. However, we must consult residents before any changes are made. The Council is not allowed to change the Scheme for people of pension credit age, nor are we allowed to change the Scheme in-year.

### **13. Why is your level of council tax support different to neighbouring London boroughs?**

Every Council has had to consult and devise its own local Council Tax Reduction Scheme so there will be differences between boroughs. As well as pensioners, Haringey has chosen to protect applicants in receipt of specified disability benefits which has affected the level of support that we can give to all other applicants.