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22 January 2024

To: Members of the Cabinet

Dear Member

Cabinet – Thursday, 25 January 2024

Further to the agenda for the above meeting, please find attached the following documents:

1. Supplement - 2024-25 Council Tax Reduction Scheme and Housing Benefit modified scheme 3 - 6

Jane Eaton
Chief Executive

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CABINET – SUPPLEMENTARY INFORMATION

25 January 2024

Item 13 - 2024-25 Council Tax Reduction Scheme and Housing Benefit modified scheme

Executive Summary

Following the publication of the Cabinet report, the Department for Levelling Up, Housing and Communities (DLUHC) notified Horsham District Council (HDC) on the afternoon of Friday 19 January 2024 that new legislation will come into effect on 9 February 2024 which has implications for the proposed Council Tax Reduction scheme, as proposed in the original report.

As a result, recommendation i), as published in the original report, has been amended. Recommendation ii) remains unchanged. The recommendations are set out in full below for completeness.

Revised Recommendations

That the Cabinet is recommended to recommend to full Council:

- i) no changes in the Council Tax Reduction scheme for 2024/25, other than the updates prescribed by Government as detailed in paragraph 1 of this paper and the Appendix to this supplementary paper.
- ii) The adoption of, with no changes to, the existing modified schemes under Housing Benefit subsidy for 2024/25 whereby the Council locally and voluntarily disregards war disablement pensions or war widow pensions in the housing benefit calculation.

1. Details

The provisions of the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2024 (“the Regulations”) were laid before Parliament on 12 January 2024 and come into force on 9 February 2024. The Regulations amend the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 to ensure that pension age Local Council Tax Support (LCTS) schemes are updated in line with changes in the wider benefits system. The annual update also provides an opportunity to ensure that the residency requirements for accessing both pension age and working age LCTS remain consistent with the UK’s immigration policy. Billing authorities must ensure that the requirements of the updated regulations are reflected in their LCTS schemes for 2024-25 by 11 March 2024. The detail is set out in the Appendix.

2. Legal Implications of amendment

- 2.1 The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (“the 2012 Regulations”) prescribe matters which must be included in such a scheme in addition to those matters which must be included in such a scheme by virtue of paragraph 2 of Schedule 1A to the Local Government Finance Act 1992.

- 2.2 The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2024 amend the 2012 Regulations and such provisions are contained in the Appendix.

3. Equalities and Human Rights implications / Public Sector Equality Duty of amendment

- 3.1 With no changes proposed to the current Council Tax Reduction scheme aside from the updates prescribed by Government as are contained in paragraph 1 and the Appendix, there is no change to the implication on equalities or human rights.

Appendix Updated Government prescribed requirements for the Council Tax Support Scheme 2024

Uprating

Reflecting the latest [annual review of benefits and pension rates](#) announced by the Department for Work and Pensions on 22 November 2023), the Regulations uprate the following amounts which must be included in pension age LCTS schemes from 2024-25:

- Non-dependant deductions – the adjustments made to the maximum amount of council tax reduction an applicant can receive to reflect non-dependant adults living in the property.
- Applicable amounts – the amount against which a person’s income is compared to determine the amount of reduction to which they are entitled.
- Premiums – the additional amounts of income which persons with particular characteristics – such as those with disabilities – can have without their eligibility for a council tax reduction being affected.
- The amount which may be disregarded where the applicant is the parent of a specified student under the age of 25 and makes an eligible contribution to their maintenance.
- The alternative maximum council tax reduction – this allows an LCTS recipient whose income or savings exceed the usual eligibility threshold to obtain up to a 25% reduction in their bill where they share their home with one or more adults who do not pay rent, are not their partner, and who have a combined weekly income below the specified amount.

Income and capital disregards

Consistent with changes to the wider benefits system, the Regulations now require that the following new or revised payments must be disregarded when assessing a person’s income or capital:

- payments from a deceased person’s estate to their son, daughter, step-son or step-daughter, deriving from an Infected Blood compensation scheme
- a 52-week disregard for Bereavement Support Payment and Widowed Parent’s Allowance payments which are made to cohabiting parents with dependent children following the death of their partner
- Grenfell Tower compensation payments
- Post Office compensation payments
- the Vaccine Damage Payments Scheme
- the Victims of Overseas Terrorism Compensation Scheme

Demonstrating ‘habitual residence’

The Regulations also provide that the following persons of working or pension age will not need to demonstrate “habitual residence” in Great Britain in order to receive LCTS:

- those who left Sudan in connection with the violence which rapidly escalated on 15 April 2023
- those who left Israel, the Occupied Palestinian territories or Lebanon in connection with the Hamas terror attack in Israel on 7 October 2023

