



If you need help or advice please telephone -  
During office hours only:  
8.30am - 5.00pm Mon-Thurs  
8.30am- 4.30pm Fri  
[www.westberks.gov.uk](http://www.westberks.gov.uk)

## Council Tax Reduction Scheme 2022/23



**Customer Services,**  
West Berkshire Council,  
Market Street, Newbury, RG14 5LD  
[benefits@westberks.gov.uk](mailto:benefits@westberks.gov.uk)  
01635 519258

## The Reason For a Local Scheme

On 1 April 2013, the Government abolished the national Council Tax Benefit scheme which previously provided assistance towards Council Tax. In its place central Government asked councils across the country to develop their own schemes for Council Tax Reduction (CTR).

From April 2013 we have continued to use the same allowances and premiums for calculating Council Tax Reduction as the amounts which are supplied by Department for Work and Pensions for the purposes of assessing Housing Benefit. This means that CTR assessments are updated each financial year.

Due to changes in funding we needed to make some difficult decisions about who can continue to get financial support, and how much assistance can be provided in these already challenging times. The following features have been part of the CTR scheme for West Berkshire since 1 April 2017 and will continue into 2022/23.

## Alternatives to our CTR Scheme

### **Use of financial reserves**

We maintain a sensible level of financial reserves to reduce the impact of unexpected financial pressures that may occur. An option could be to use resources for a limited time to fund part of the cost of CTR or to protect the scheme; however the use of reserves is not a long term solution to protecting recurrent spending on Council Tax Reduction.

### **Making cuts to other services**

As an alternative to the existing CTR Scheme, West Berkshire Council, the Police and Crime Commissioner and Fire Authority could cut spending in other areas. If spending on Council Tax Reduction is to be protected or increased, this will increase the amount that needs to be saved from other budgets, already facing the need for significant savings as we seek to meet budget shortfalls.

## Key Features of West Berkshire's CTR Scheme

Following consultation with customers, the Council introduced a number of changes to its CTR scheme which are designed to minimise cuts to other services and the need to use financial reserves. Note that numbers 1 to 6 which follow, only apply to working age claimants who do not fall within the Council's vulnerable category\*\*.

### **1. Reduce the capital threshold for working age claims from £16,000 to £6,000**

- Where the sum of capital held by claimant and/or their partner exceeds £6,000, either on 1 April 2022 or on the date of a new claim for CTR (whichever is the later), there will be no entitlement to CTR for the entire remainder of the billing year.
- If capital has reduced from a sum in excess of £6,000 prior to 1 April 2022, or prior to making a new claim for CTR, you will be asked to provide evidence and information to establish that expenditure was necessary at the time it was incurred.
- This revised capital threshold will not apply to a working age claim for any period where the claimant or partner are in receipt of Income based Job Seekers Allowance, Income Support, or Income Based Employment and Support Allowance
- We will assess Council Tax Reduction, using the records we hold relating to your capital.
- If you need to update us with the current amount of capital held by you and your partner (if applicable) please notify us in writing as soon as possible. Our address is at the top of this leaflet or alternatively you can email [benefits@westberks.gov.uk](mailto:benefits@westberks.gov.uk). You will also be required to provide evidence.
- **Although we understand that capital balances can fluctuate, working age claimants need to report any significant changes in your capital balance, and particularly if your capital exceeds £6,000 at any stage. Promptly reporting changes to your capital, minimises the risk of large increases in Council Tax instalments later in the financial year.**

### **2. The amount of reduction is restricted to the amount for a Band C property**

- Claimants living in properties in Council Tax bands D to H will, if entitled, receive reduction, but this will be limited to the amount the household would have been awarded if living in a Council Tax band C property within the same parish.

### **3. A minimum contribution of 30% is payable by working age claimants**

- The maximum Council Tax Reduction for which a working age claimant will qualify, will be 70% of their liability (after deductions have been taken for any other discounts or reductions).
- Council Tax Reduction will therefore only be deducted from 70% of a working age customer's liability.

### **4. A taper of 30% is used in the means-test calculation.**

- If a claimant and/or their partner is not receiving Income based Job Seekers Allowance, Income Support, or Income Based Employment and Support Allowance, the amount they are asked to contribute towards Council Tax from their income is calculated by comparing their income with their applicable amount. An applicable amount is the minimum weekly income set by Central Government which a household sharing the same circumstances is considered to require to live on.
- A claimant will be required to contribute 30% of the difference between their applicable amount and the amount of their weekly income (that which is not disregarded for benefit purposes) towards their Council Tax.

### **5. Reduction is only awarded where an entitlement of £10 per week or more is assessed.**

- If remaining weekly entitlement is assessed to be less than £10 we will not grant any reduction.

### **6. Cease to allow Second Adult Rebate**

- Second Adult Rebate is a rebate which could be awarded where a second adult, who is not a partner, lives within a household
- If you're entitled to second adult rebate, it means the amount of Council Tax you have to pay is reduced by a certain amount. The amount of the reduction will depend on the income of the adult living with you and will be between 7.5% and 25% of the Council Tax bill
- This type of Council Tax Reduction is not available to working age claimants. Council Tax Reduction is only awarded according to the income, capital and household circumstances of the charge-payer and partner.

## **Protection from change:**

Pension age\* and vulnerable persons\*\* will not be subject to the above provisions and will continue to have Council Tax Reduction deducted from their full liability for Council Tax.

Depending upon their income, pension age and vulnerable customers will continue to be potentially entitled to full Council Tax Reduction, which may leave no Council Tax to pay in a number of instances.

### **\* Pension age**

The government set the Scheme for pension-age applicants, who will not be directly affected by changes to the local scheme. For CTR, we treat you as being of pension age if you and/or your partner are old enough to receive Pension Credit and neither of you are in receipt of a working age benefits such as Universal Credit, Jobseekers Allowance or Employment and Support Allowance. You can check the date you reach pensionable age at: <https://www.gov.uk/state-pension-age>

### **\*\* Vulnerable persons**

A vulnerable person is defined within West Berkshire's CTR Scheme as a claimant, partner, child or young person receiving a disability related benefit or war pension. A list of the types of income which protect a claimant from the above numbered variations within the local scheme can be found at [www.westberks.gov.uk/counciltaxreduction](http://www.westberks.gov.uk/counciltaxreduction)

In designing the scheme, the Council has recognised that vulnerable people are less able to contribute and has therefore provided protection to customers identified as suffering from a defined level of disability. Regrettably it is inevitable that any definition of disability will involve some customers, falling just outside the boundaries of the protection we are able to provide.

## **Exceptional Hardship Fund**

This is a fund which the Council operates in order to alleviate instances of hardship. Funding is only available for short term awards where hardship arises as a direct consequence of the Council Tax Reduction Scheme.

If you believe that you are experiencing hardship, a form can be completed in order to apply for additional assistance in paying your Council Tax. Forms are available from the West Berkshire Benefits Section on 01635 519528 or online at <https://info.westberks.gov.uk/CHttpHandler.ashx?id=45515&p=0>