

Draft Council Tax Support Scheme

Manchester City Council

Local Council Tax Support
Scheme 2024

Effective from 1 April 2024

Introduction

The Welfare Reform Act 2012 abolished Council Tax Benefit and the Local Government Finance Act 2012 made provision for local authorities to devise their own schemes for a Council Tax Support discount to assist people on low incomes to pay their Council Tax.

People over pension age are protected by regulations requiring a local scheme to retain most features of the former Council Tax Benefit scheme. People below pension age are covered by a locally defined scheme that is subject to only limited national prescription.

The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (SI 2012/2885) set out the scheme provisions that local authorities must adopt for people over pension age and additionally prescribe a small number of provisions that local authorities must incorporate into their local scheme for people of working age. These regulations will be maintained across time.

The Council Tax Reductions Schemes (Default Scheme) (England) Regulations 2012 (SI 2012/2886) prescribed the scheme that would be a local authority's local scheme if the local authority failed to make a local scheme by 31 January 2013. As such, these regulations will not be maintained beyond that date as any local authority on which the default scheme was imposed will have that as its local scheme and will be responsible for maintaining it.

Both of these regulations were amended for the first year of the scheme by the Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012 (SI 2012/3085) to uprate amounts in line with the general 2013 Social Security uprating. Regulations changing the scheme for subsequent years are set out in the Annex at the end of this Scheme.

Manchester's scheme for people of working age is based on the government's default scheme subject to the modifications specified below. The Council at its meeting of 31 January 2024 decided to make this scheme, applicable from 1 April 2024. It is a revision of the Council's 2013 and subsequent Council Tax Support Schemes. Through powers it delegated to the City Treasurer it has been further revised from 1 April 2023 to incorporate uprated amounts for applicable amounts, disregards and non-dependant deductions. Note that the 2017, 2018 and 2019 upratings reflected the freeze on basic

applicable amounts while amounts for disability and carers were increased in line with inflation and new non-dependant deduction rates and their related income bands equivalent to the prescribed values for people over pension age have been applied.

Part A

Council Tax Support for people of pension age

For a person to whom regulation 3 (a) of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 applies (a “pensioner”), the classes of person entitled to Council Tax Support under this scheme for any week are classes A, B and C as defined in Part 1 of Schedule 1 of those regulations and the provisions of those regulations, amended as may be from time to time, shall apply,

save that

1. In paragraph 1 of schedule 5 of those regulations (disregard of pensions paid for war disablement and to war widows and war widowers), the amount to be disregarded shall be the whole of that income.
2. The amount of the family premium shall continue to align to the equivalent for people of working age unless the government prescribes a higher amount.
3. In matters not prescribed by the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, the provisions of the Council Tax Reductions Schemes (Default Scheme) (England) Regulations 2012 as they relate to pensioners shall apply.

Part B

Council Tax Support for people of working age

For a person to whom regulation 3 (b) of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 applies (a “person who is not a pensioner”), the classes of person entitled to Council Tax Support under this scheme for any week are those prescribed in paragraphs 16 and 17 of the Schedule to the Council Tax Reductions Schemes (Default Scheme) (England) Regulations 2012 (Class D and Class E) and the provisions of

- Parts 1 to 3 and schedules 7 and 8 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 as subsequently amended,
- The Council Tax Reductions Schemes (Default Scheme) (England) Regulations 2012, and
- The Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme)(England)(Amendment) Regulations 2012

shall apply,

save as follows:-

People of Working Age

1. For the avoidance of doubt, a person who is not a pensioner shall be treated as a pensioner if he is one of a couple and the other member of that couple has reached the qualifying age for state pension credit and neither member of the couple is
 - (a) a person on income support, on an income-based jobseeker’s allowance or on an income-related employment and support allowance, or
 - (b) a person with an award of universal credit.

Maximum Council Tax Reduction

2. In paragraph 29 (1) of the Default Scheme, for a person who is not a pensioner and who is not in receipt of Universal Credit, the amount of a person’s maximum council tax reduction in respect of a day is 85% of the amount A/B where—

(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

(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-dependant deductions: pensioners and persons who are not pensioners).

Assessment of income and capital

3. In paragraph 20 of schedule 8 of the Default Scheme (disregard of pensions paid for war disablement and to war widows and war widowers), the amount to be disregarded shall be the whole of that income.

Delay in reporting changes

4. Paragraph 107 of the Default Scheme is subject to the proviso that where an applicant (or any person acting on his behalf) fails to notify a relevant change of circumstances in accordance with paragraph 9 of Schedule 8 to the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (SI 2012/2885)(reproduced in paragraph 115 of the Default Scheme) and that change would result in an increase in the amount of a reduction, the amount of the reduction granted shall not be increased for any day before the day on which the authority received notification of that change.

Uprating

5. The Council shall review the amounts specified in this scheme (these being those set in the 2018 scheme) before 1 April 2019 and thereafter annually, having regard in particular, but not exclusively, to
 - (a) the level of funding to be provided by the Secretary for State for Communities and Local Government,
 - (b) figures prescribed in the Default Requirements for pensioners, and

- (c) comparable figures in the Housing Benefit scheme.

The resulting figures for 2023 are set out in Appendix 1 below.

Alternative maximum council tax reduction

- 6. Paragraph 18, Part 8 and Schedule 4 of the Default Scheme shall not apply.
- 7. For the words “classes D to F” in the Default Scheme there shall be substituted the words “classes D and E”.

Family Premium

- 8. The provisions set out in regulations 2 and 4 of the Housing Benefit (Abolition of the Family Premium and date of claim) (Amendment) Regulations 2015 [SI 1857 of 2015] to exclude the family premium from the applicable amount of a new applicant shall apply to the applicable amount for Council Tax Support from 1 April 2017 for new claims made on or after 1 April 2017 and for existing applicants where a first child is born or a child joins a household that does not include children on or after 1 April 2017.

Applicable amounts for children

- 9. The provisions set out in The Social Security (Restrictions on Amounts for Children and Qualifying Young Persons) Amendment Regulations 2017 [SI 376 of 2017] to exclude, with exceptions, additional applicable amounts in the Housing Benefit scheme for a third or subsequent child born or joining the household on or after 1 April 2017 shall apply equally in the assessment of the applicable amount for Council Tax Support.

[Note that The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017 (SI2017/1305) makes corresponding provision for people of pension age to be included in the scheme.]

Temporary absence from home

10. Where a person of working age is absent from Great Britain for more than four weeks, the provisions of the Housing Benefit scheme set out in the Housing Benefit and State Pension Credit (Temporary Absence) (Amendment) Regulations 2016 (S.I.2016 No.624) shall apply also to Council Tax Support.

[Note that The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016 (SI2016/1262) makes corresponding provision for people of pension age to be included in the scheme.]

Part C

Provisions common to people of pension age and people of working age

Transitional

1. A person entitled to Council Tax Support in respect of 31 March 2024 or who has made a timely claim for Council Tax Support in respect of 31 March 2024 and whose claim has not yet been determined shall be treated as having made an application for a reduction under this scheme from 1 April 2024.

Technical amendments

2. The Council shall review and amend this scheme as appropriate to reflect changes to legislation referenced in this scheme, changes to the Council Tax scheme itself, decisions of the courts, new sources of income, for example allowances paid under government schemes, and such other matters that appear to require technical amendment to maintain the coherence and intentions of this scheme.

Reviews and appeals

3. Where the provisions of this scheme align with those of the Housing Benefit scheme, the Council will apply the findings of a Lower or Upper Tier Tribunal on Housing Benefit as being applicable to the amount of a reduction under this scheme unless a valuation tribunal determines otherwise.
4. The Council may review and change any decision relating to a reduction to correct an accidental error or to take into account new caselaw relevant to the decision in question but shall be under no obligation to do so in respect of entitlement in any previous financial year.

Application of reductions to account and suspension of changes to reductions and of further reductions

5. The Council will apply a reduction under this scheme to the relevant Council Tax account for the remainder of the relevant financial year, thereby reducing the amount of Council Tax payable. The Council may adjust this amount at any time during or after the relevant year as a result of changes to, or the end of entitlement to, the reduction.
6. The Council may suspend any adjustment to the amount of a reduction or the award of a further reduction if there is doubt about a person's entitlement to or the amount of a reduction but in such a case shall take all reasonable steps to resolve such doubts as soon as practical. The Council may also suspend any adjustment to the amount, or further award, of a reduction if an applicant does not provide information or evidence that is reasonably required within one month of the request for such information or evidence and may end the reduction from the date the information or evidence was requested if it is not provided within one month of the date of the suspension.
7. Where the Council decides that the amount of a reduction should be reduced, it will usually reduce the amount applied to the account but reserves the right to waive the application of all or part of that reduction in cases of "official error" where the applicant could not be considered to have caused or contributed to the error, had no reason to doubt the amount of the reduction awarded and could not be expected

to pay the increased liability for Council Tax quickly without difficulty. Adjustments to a reduction for the remainder of the financial year from the date of the decision to change the amount of a reduction will always be applied.

Additional disregards of income and capital

8. Payments made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments) as defined in paragraph 66 of Schedule 5 (sums to be disregarded in the calculation of income other than earnings) and paragraph 61 of Schedule 6 (capital to be disregarded) of the Housing Benefit Regulations 2006 shall be fully disregarded.

Time limit for notifying a change

9. The period of 21 days specified as the period during which an applicant must notify a change likely to affect the amount of a reduction is extended to one month to align with the provisions of the Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001, Regulations 7(2)(a), (3), 8(3)(5) and Regulation 9.

Effective date of change for CTS as a result of an award or increase of a DWP benefit

10. When the Council has awarded a reduction under this scheme and the claimant, or a member of their family, becomes entitled to a DWP benefit or has an increase in the amount of a DWP benefit from a date after the start of the claim, the provisions of The Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001 Regulations 7(2)(i) and 8(14) will apply to the award of CTS as they would to an award of Housing Benefit.

Cases where income equals the applicable amount

11. For the avoidance of doubt, the entitlement of an applicant whose assessed income is the same amount as their applicable amount is to be treated according to the provisions of Class A in the case of a person who is a pensioner or class D for a person who is not a pensioner.

Energy Bills Rebate

12. Where a resident is entitled to and receives an Energy Bills Rebate payment this will be disregarded in determining their entitlement to a reduction under the Council Tax Support Scheme. This is in accordance with The Council Tax (Demand Notices and Reduction Schemes) (England) (Amendment) Regulation 2022, Regulation 16

Backdating

13.(1) Where an applicant makes an application under an authorities scheme which includes (or where the applicant subsequently requests should include) a period before the application is made; and from a day in that period up to the date that the applicant made the application (or subsequently requested that the application should include a past period), the applicant had continuous good cause for failing to make an application (or request that the application should include that period), the application is to be treated as made on the date determined in accordance with sub paragraph 2

(2) That date is the latest of

- a) the first day from which the applicant has good cause
- b) the day one year before the application was made
- c) the day one year before the date when the applicant requested that the application should include a past period

Paragraph 13 is in addition to the provision in The Council Tax Reduction Schemes (Prescribed Requirements)(England) Regulations 2012, Schedule 8, Paragraph 6, which allows backdating for an applicant who is a pensioner of up to three months without the requirement for the applicant to demonstrate good cause.

Part D

Additional provisions in respect of people entitled to Universal Credit

1. A person for whom the Council receives both an electronic notification of a new claim for, and subsequently a related first payment of, Universal Credit from the Department for Work and Pensions shall be deemed to have made a claim for a reduction under this scheme on the first day of entitlement to Universal Credit to which that notification of first payment refers.

2. Where an award of a reduction under this scheme is ended because an associated award of Universal Credit has ended or reduced but that award of Universal Credit is reinstated (whether at the same rate or at a different rate) or increased to a level at which an award of a reduction under this scheme would be appropriate within a period of six months, a new claim for a reduction is required. A new claim in these circumstances shall be treated as made on the date on which entitlement to Universal Credit resumed or was increased or six months before the day on which the claim is actually received, whichever is the later.

2. The amount of an award in respect of a day under this scheme for a person entitled to Universal Credit shall be a percentage of 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, divided by the number of days in that financial year, less the daily rate of any deductions in respect of non-dependants which fall to be made, and that percentage shall be the percentage specified in the following table according to the band in which their excess income falls.

Excess weekly income greater than	Excess weekly income no more than	% reduction of Council Tax liability
£80.00	-	Nil
£75.00	£80.00	14.5%
£50.00	£75.00	32.5%
£25.00	£50.00	47.5%
£0.00	£25.00	72.5%

-	£0.00	85%
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3. Where the Council receives notification from the Department for Work and Pensions of a change to the amount of excess income for Universal Credit and the changed assessment does not result in an alteration to the amount of a reduction under this scheme, the Council is not required to notify the claimant of its recording of that change.

Appendix 1

Note : the following figures will be amended for 2024 based on the uprating figures released later in 2023.

Uprated amounts from 1 April 2023 for people of working age

The amounts set out in the Schedule to the Council Tax Reduction Schemes (Default Scheme)(England) Regulations 2012 as amended by the Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme)(England)(Amendment) Regulations 2012, and as uprated in Manchester City Council's Local Council Tax Support Schemes for 2014, 2015, 2016, 2017, 2018, 2019,2020,2021 and 2022 are further amended as follows:-

Non-dependant deductions

In paragraph 30 (non-dependant deductions) for sub-paragraph 1, substitute "(1) Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in paragraph 29 are in respect of a non-dependant aged 18 or over, £4.20 x 1/7" and sub-paragraphs 2 and 4 shall cease to have effect.

(a) in sub-paragraph (1)(a) for "£12.85" substitute "£.14.15"; .

(b) in sub-paragraph (1)(b) for "£4.20" substitute "£4.60"; .

- (c) in sub-paragraph (2)(a) for “£224.00” substitute “£236.00”; .
- (d) in sub-paragraph (2)(b) for “£224.00”, “£389.00” and “£8.55” substitute “£236.00”, “£410.00” and “£9.40” respectively; .
- (e) in sub-paragraph (2)(c) for “£389.00”, “£484.00” and “£10.70” substitute “£410.00”, “£511.00” and “£11.80” respectively.

Applicable amounts for persons who are not pensioners

In Schedule 3 (applicable amounts: persons who are not pensioners), the amounts are updated as follows—

- (a) in column (2) of the Table in paragraph 1—
 - (i) in sub-paragraph (1)(a) and (b), for “£77.00” substitute “£84.80.”;
 - (ii) in sub-paragraph (1)(c), for “£61.05” substitute “£67.20”;
 - (iii) in sub-paragraph (2), for “£77.00” substitute “£84.80”;
 - (iv) in sub-paragraph (3), for “£121.05” substitute “£133.30”;
- (b) in column (2) of the Table in paragraph 3, in each place in which it occurs, for “£70.80” substitute “£77.78”;
- (c) in paragraph 4(b), for “£17.85” substitute “£18.53”;
- (d) in the second column of the Table in paragraph 17—
 - (i) in sub-paragraph (1)(a), for “£36.20” substitute “£39.85”;
 - (ii) in sub-paragraph (1)(b), for “£51.60” substitute “£56.80”;
 - (iii) in sub-paragraph (2)(a) and (b)(i), for “£69.40” substitute “£76.40”;

- (iv) in sub-paragraph (2)(b)(ii), for “£138.80” substitute “£152.80”;
- (v) in sub-paragraph (3), for “£68.04” substitute “£74.69”;
- (vi) in sub-paragraph (4), for “£38.85” substitute “£42.75 ”;
- (vii) in sub-paragraph (5)(a), for “£27.44” substitute “£30.17”;
- (viii) in sub-paragraph (5)(b), for “£17.75” substitute “£19.55”;
- (ix) in sub-paragraph (5)(c), for “£25.35” substitute “£27.90”;

(e) in paragraph 23, for “£30.60” substitute “£33.70”;

(f) in paragraph 24, for “£40.60” substitute “£44.70”.

Annexe

Regulations amending prescribed requirements of the scheme after 1 April 2013

from	By	Effects
13 March 2014	The Marriage (Same Sex Couples) Act 2013 (Consequential Provisions) Order 2014 (SI 2014/107)	Recognises the introduction of same sex marriage.
1 April 2014	The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013 (SI 2013/3181)	Uprating and minor technical amendments
1 April 2014	The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2014 (SI 2014/448)	Additional uprating figures
1 April 2014	The Social Care (Self-directed Support) (Scotland) Act 2013	Technical updates in respect of pensioners' capital.

	(Consequential Modifications and Savings) Order 2014 (SI 2014/513).	
1 April 2015	The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2) Regulations 2014 (SI 2014/3312)	Uprating; to align provisions in respect of EEA jobseekers with those in the Housing Benefit scheme; and minor technical matters.
1 April 2015	The Care Act 2014 (Consequential Amendments) (Secondary Legislation) Order 2015 (SI 2015/643)	Updates the definition of "blind" and other minor technical amendments.
5 April 2015	The Shared Parental Leave and Statutory Shared Parental Pay (Consequential Amendments to Subordinate Legislation) Order 2014 (SI 2014/3255)	Updates definitions relating to paternity pay and shared parental pay
26 May 2015	The Deregulation Act 2015 (Consequential Amendments) Order 2015 (SI 2015/971)	Removes reference to an obsolete body
1 April 2016	The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015 (SI 2015/2041)	Uprating; to remove the family premium for elderly claimants from 1 May 2016 with transitional protection for existing cases; and minor technical matters.
6 April 2016	The Pensions Act 2014 (Consequential, Supplementary and Incidental Amendments) Order 2015 (SI 2015/1985)	Covers introduction of New State Pension
6 April 2016	The Social Services and Well-being (Wales) Act 2014 (Consequential Amendments) (Secondary Legislation) Regulations 2016 (SI2016/211 – W.84)	Updates the definition of "blind" and other minor technical amendments.

1 April 2017	The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016 (SI2016/1262)	Uprating; and to apply more restrictive rules on eligibility for elderly claimants who are temporarily absent abroad.
3 April 2017	The Employment and Support Allowance and Universal Credit (Miscellaneous Amendments and Transitional and Savings Provisions) Regulations 2017 (SI2017/204)	Technical changes resulting from the removal of the Work Related Activity Group component from Employment and Support Allowance.
6 April 2017	The Pensions Act 2014 (Consequential, Supplementary and Incidental Amendments) Order 2017 (SI2017/422)	Covers the introduction of bereavement support payments
1 April 2018	The Fire and Rescue Authority (Police and Crime Commissioner) (Application of Local Policing Provisions, Inspection, Powers to Trade and Consequential Amendments) Order 2017 (SI2017/863)	Technical amend to disregard of earnings of fire-fighters
1 April 2018	The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017 (SI2017/1305)	Uprating and alignment with minor changes in other schemes
2 April 2018	The Regulation and Inspection of Social Care (Wales) Act 2016 (Consequential Amendments to Secondary Legislation) Regulations 2018 (SI2018/48)	Amends definition of care homes in Wales
1 April 2019	The Council Tax Reduction Schemes (Prescribed Requirements) (England)	Uprating and alignment with minor changes in other schemes

	(Amendment) Regulations 2018 (SI2018/1346)	
29 April 2019	The Regulation and Inspection of Social Care (Wales) Act 2016 (Consequential Amendments to Secondary Legislation) Regulations 2019 (SI2019/237)	Updates cross reference re Welsh fostering arrangements.
1 April 2020	The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2020 (SI2020/23)	Uprating, disregard of additional charitable payments and alignment with minor changes in other schemes
1 April 2021	The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2021 (SI 2021/29)	Uprating, introduction of separate personal allowance for those who reach pension age after 1 April 2021, changes to the Habitual Residence Test. Treatment of UC payments, child migrant trust, victims payments, Grenfell Tower and occasional assistance.
1 April 2022	The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2022	Uprating, disregard if additional types of payments and compensation & treatment of Afghan citizens,
1 April 2022	The Council Tax (Demand Notices and Reduction Schemes) (England) (Amendment) Regulations 2022	Disregard of payments made under the Energy Rebate Scheme 2022
1 April 2023	Social Security and Council Tax Reduction Schemes (Amendment) Regulations 2022. SI 2022/449,	Citizens from EEA countries will be subject to the same eligibility requirements as those from non-EEA countries when

		applying for Council Tax Support.
1 April 2023	The Council Tax Reduction Schemes (Prescribed Requirements) (England)(Amendment)Regulations 2023	<p>Technical changes to the regulations to include the Adult Disability Payment in various sections. This payment is disregarded as income. Inclusion of £350 thank you payments made to those who are “Homes for Ukraine” sponsors as an income that is disregarded as both capital and income.</p> <p>Those arriving from Ukraine in connection with the Russian invasion and other individuals granted leave to enter or remain in the UK outside the Immigration Rules, with recourse to public funds, will not need to demonstrate “habitual residence” in order to receive Council Tax Support.</p>