

Babergh District Council



Council Tax Reduction

Summary of changes from 1 April 2018

Babergh District Councils original Council Tax Reduction Scheme was introduced in April 2013 and the scheme allowed for the automatic adoption of annual uprating changes. However, in the intervening years, there have been a significant number of legislative changes which have both modified the Housing Benefit scheme and given Prescribed Requirements to the State Pension Age Scheme to align it with the Housing Benefit (HB) scheme. This has led to fundamental differences between the schemes currently in operation which are administratively burdensome and cause confusion for customers.

The Council Tax Reduction (CTR) Scheme was revised for 1 April 2018 to align it with the Housing Benefit Scheme which ensures that customer's circumstances are treated in the same way for both Housing Benefit and Council Tax Reduction.

Provision was made to allow for Universal Credit (in most circumstances) to be treated the same as the legacy benefits which it replaced— namely Job Seekers Allowance (Income Based), Income Support and Employment and Support Allowance (Income Related).

Babergh District Council also allowed for Council Tax Reduction claims to be treated as if made on the same day that claims for Universal Credit were made to ensure that customers did not lose out.

To ensure that the award of a Council Tax Reduction did not cost more to calculate than the value of the award made, a minimum award of £1 per week was introduced. However, because the maximum award of CTR was increased to 95% over 2,239 households have gained between 26p and £1.75 a week in CTR.