

Public Document Pack

Officer Decision Making

Monday, 18th January, 2016
at 10.00 am

PLEASE NOTE TIME OF MEETING

office of Chief Financial Officer

This meeting is not open to the public

Decision Maker

Chief Finance Officer

Contacts

Democratic Support Officer

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AGENDA

Agendas and papers are available via the Council's website

1 COUNCIL TAX REDUCTION SCHEMES 2016 AND 2017 (Pages 1 - 52)

Report of the Revenues and Benefit Client seeking approval for the 2016-17 and subsequent years the amended Southampton City Council Tax Reduction Scheme, attached.

Friday, 8 January 2016

HEAD OF LEGAL AND DEMOCRATIC SERVICES

Agenda Item 1

DECISION-MAKER:	CHIEF FINANCIAL OFFICER		
SUBJECT:	COUNCIL TAX REDUCTION SCHEME 2016		
DATE OF DECISION:	18th JANUARY 2016		
REPORT OF:	REVENUES AND BENEFIT CLIENT		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Steven Olney	Tel: 02380 832841
	E-mail:	steve.olney@southampton.gov.uk	
Director	Name:	Andrew Lowe	Tel: 02380 832049
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STATEMENT OF CONFIDENTIALITY

None

BRIEF SUMMARY

This report recommends changes to the agreed local 2015 Council Tax Reduction scheme to implement subsequent legislative changes and to take account of and incorporate the annual benefits uprating in respect of those benefits which are not frozen and come into effect in April 2016.

The actual annual changes to social security benefit rates that will apply from April 2016 were announced by the Minister of State for Pensions in his oral statement to Parliament on 26 November 2015. These changes were published by the DWP in their Housing Benefit Circular A13/2015.

The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 ("the 2012 Regulations") prescribe matters which must be included a scheme. On the 16th December 2015 Statutory Instrument 2015 No 2041 amended the 2012 Regulations for the financial year beginning on 1st April 2016.

RECOMMENDATIONS:

- | | | |
|--|-----|---|
| | (i) | To approve for the year 2016-17 and subsequent years the amended Southampton City Council Tax Reduction Scheme. |
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REASONS FOR REPORT RECOMMENDATIONS

- | | |
|----|---|
| 1. | The Southampton Council Tax Reduction Scheme requires amendment to implement prescribed government regulations, welfare measures included in the 2015 Summer Budget and to take account of the uprating to the social security benefit rates that will apply from April 2016. |
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ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- | | |
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| 2. | There have been no recommendations for substantive change to the adopted scheme other than to implement the required legislative changes set out in this report. |
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DETAIL (Including consultation carried out)

3.	Council Tax Benefit was abolished with effect from 1 April 2013 and replaced by local Council Tax Reduction Schemes (CTRS). The Council commenced consultation on a draft scheme in September 2012 and an Equality and Safety Impact Assessment was prepared. The draft scheme was based on the Government Default Scheme (i.e. substantially the same as Council Tax Benefit) but with a 25% reduction in the support given (termed a 25% baseline reduction).
4.	<p>In November 2012 the Government announced that a transitional grant would be made available for 2013/14 only to authorities which implement “well designed schemes”. Well designed in this context meant a scheme that:</p> <ul style="list-style-type: none"> • Restricted any cut for people on full benefit to 8.5% • Limited the taper to 25% or less • Avoided a sharp reduction in benefit for those entering work. • Did not impose large increases in non-dependant deductions <p>If the Council were to introduce a scheme that complies with these criteria it would be eligible for a one-off grant in 2013/14 of £378,847.</p>
5.	As a result two schemes were approved by Council on 16 January 2013. The first for the year 2013/14 was compliant with the terms of the transitional grant. The second, for 2014/15 and subsequent years, is a 25% baseline reduction scheme.
6.	It was recognised that the 2014/15 scheme and subsequent year’s scheme would need to be amended prior to its implementation in April 2014 and each April thereafter to take account of legislative change and the annual uprating of benefits.
7.	The Chief Financial Officer (then the Head of Finance and IT) was therefore given the delegated authority following consultation with the Head of Legal, HR and Democratic Services and the Cabinet Member for Resources to: “make any subsequent changes necessary to the adopted Scheme to give effect to the requirements of any Act, Regulations or Statutory Guidance enacted or published after the date of adoption.”
8.	<p>The Chancellor of the Exchequer, George Osborne, announced a number of welfare measures as part the Summer Budget on 8th July 2015. Of most significance are the two planned changes (A and B) to the assessment of Housing Benefit which would normally be included in our local Council Tax Reduction scheme. These two measures will form part of the 2016-17 budget consultation which commences in November 2015;</p> <p>A. The removal of the family premium from new claims for housing benefit.</p> <p>B. Backdating new housing benefit claims will be limited to 4 weeks.</p>
9.	A consultation exercise has been carried out by the council in respect of these proposed changes. The consultation specifically outlined the proposed two changes above. The on- line consultation closed at the end of December 2015. There were no responses received to the proposal.
10.	<p>The main changes are ;</p> <ul style="list-style-type: none"> • To comply with the prescribed requirements within the annual Council Tax Reduction Schemes statutory instrument made in December 2015.

	<ul style="list-style-type: none"> • Where the above regulations only apply to people defined as pensioners to make equivalent changes to the scheme provisions for people who are not pensioners • To incorporate into our scheme the annual changes to social security benefit rates announced by the Minister of State for Pensions in November 2015
11.	The statutory instrument and social security benefit rate changes update matters that must be in each scheme. The amendments increase a large number of figures which are used in calculating whether a person is entitled to a reduction and the amount of that reduction. The purpose of the updating the figures being to maintain consistency with the situation that would have applied had council tax benefit not been abolished. Each year statutory instrument aligns the allowances, premiums and deductions with the DWP increased amounts made in the Autumn Statement. The policy is to make amendments to the Prescribed Requirement Regulations in line with amendments made to housing benefit. This is because housing benefit and council tax benefit were broadly on all fours prior to 1 st April 2013.
12.	The updated figures relate to; <ul style="list-style-type: none"> • non-dependent deductions (adjustments made to the maximum amount of reduction a person can receive to take account of adults living in the dwelling who are not dependents of the applicant); • the applicable amount in relation to an applicant for a reduction (the amount against which an applicant's income is compared in order to determine the amount of reduction to which he or she is entitled); • the income bands in relation to which the amount of a person's alternative maximum council tax reduction is calculated • and a disregard that applies when calculating a person's income
13.	The amended 2016 scheme will be available to view on the council's website.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
14.	These were all considered in the report to Council on 16 January 2013 and there are no changes as a result of the amendments to the scheme set out in this report.
<u>Property/Other</u>	
15.	None.
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
16.	The requirement to introduce a local Council Tax Reduction scheme is contained in the Local Government Finance Act 2012 and the detailed requirements of the schemes are contained in regulations
17.	Each billing authority in England must make a Council Tax Reduction Scheme no later than 31 st January of the financial year to which that scheme relates.
<u>Other Legal Implications:</u>	

18.	<p>In designing schemes authorities have a number of statutory responsibilities, including:</p> <ul style="list-style-type: none"> • The Equality Act 2010; • The Child Poverty Act 2010; • The Armed Forces covenant; • Housing Act 1996 <p>These responsibilities were taken into account when the CTRS was approved in January 2013 and there is nothing in the amendments proposed that conflicts with these responsibilities.</p>
POLICY FRAMEWORK IMPLICATIONS	
19.	This change is consistent with, and not contrary to, the Council's Policy Framework

KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	none
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Discretionary Housing Payment and Discretionary Council Tax Reduction policy
2.	Summer Budget and Council Tax Reduction Schemes 2016/17
3.	Equality and Safety Impact assessment
4.	Housing Benefit Circular A13 2015
Documents In Members' Rooms	
1.	None.
Equality and Safety Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	Yes/No
Privacy Impact Assessment	
Do the implications/subject of the report require a Privacy Impact Assessment (ESIA) to be carried out.	No
Other Background Documents	
Other Background documents available for inspection at:	
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

Southampton City Council

Policy Document

Discretionary Housing Payment and Discretionary Council Tax Reduction

This document sets out the policy of Southampton City Council regarding;

- Discretionary Housing Payment (DHP) for residents in receipt of Housing Benefit (HB) or Universal Credit (UC) that includes a housing element towards rental liability
- Discretionary Council Tax Reduction (DCTR) for residents in receipt of Council Tax Reduction.

It primarily provides guidance on who is eligible for a payment but also provides administrative guidance on claims, changes and appeals. Any reference to UC is where the claimant meets the above criteria, i.e. a housing element towards rental liability is included.

Background and Purpose

1. DHP is governed by the Discretionary Financial Assistance Regulations 2001. A payment may be made when the Council considers that additional help is required with people's housing costs. It may cover:
 - reductions in HB or UC where the benefit cap has been applied;
 - reductions in HB or UC for under-occupation in the social rented sector;
 - reductions in HB or UC as a result of local housing allowance restrictions;
 - rent shortfall to prevent a household becoming homeless whilst the housing authority explores alternative options;
 - rent officer restrictions such as local reference rent or shared room rate;
 - non-dependant deductions;
 - shortfall due to income tapers;
 - where a claimant, does not meet the criteria for a payment on two homes or HB prior to moving in under the normal rules.
2. DCTR forms part of the Southampton Council Tax Reduction Scheme (paragraph 29 (1) (A)). A payment may be made when the Council considers that additional help is required with meeting the council tax liability. It may cover:
 - the 25% reduction for people of working age.;
 - non-dependant deductions;
 - shortfall due to income tapers.
3. The aims of the Council in operating this policy are to:
 - alleviate poverty;
 - support vulnerable young people in the transition to adult life;
 - encourage and sustain people in employment;
 - safeguard residents in their own homes;
 - tenancy sustainment and homelessness prevention
 - help those who are trying to help themselves;
 - keep families together;
 - support the vulnerable in the local community;
 - help people through personal and difficult events;
 - support people back into work where they are able to do so.

Eligibility

4. A claim is required. This can initially be in written format (including electronic), over the telephone or in person, however the customer must then complete the Council's application form to proceed with their claim. Assistance will be provided if needed.
5. The customer must provide the evidence requested on the form, or subsequently by The Council. This may include rent arrears, bank statements, household income, outgoings and debts.
6. If the customer is unable to or does not provide the required evidence, the Council will still consider the application. The Council take into account any other available evidence including that held on the housing benefit computer system. An application may be unsuccessful because a customer has failed to provide additional information without good cause.
7. Each case will be treated strictly on its merits and all customers will be treated equally and fairly. All relevant factors presented by the customer will be taken into account and only relevant factors will be considered.

Awarding a DHP

8. In deciding whether to award a DHP, the Council will take into account:
 - the shortfall between HB or UC and the liability;
 - any steps taken by the customer to reduce his or her rental liability;
 - any rent in advance, fees and/or deposits paid;
 - other lump sum costs, for example removal costs;
 - the financial and medical circumstances (including ill health and disabilities) of the customer, his or her partner, any dependants and any other occupants of the customer's home;
 - the income and expenditure of the customer, his or her partner and any dependants or other occupants of the customer's home;
 - any savings or capital that might be held by the customer or his or her family;
 - the level of indebtedness of the customer and his or her family;
 - the exceptional nature of the customer and his or her family's circumstances;
 - the amount available in the DHP budget at the time of the application;
 - the scope to negotiate a lower rent;
 - the need to remain in the property in order to access to medical or support services;
 - the possible impact on the Council of not making such an award, e.g. the pressure on priority homeless accommodation following eviction;
 - any other relevant information brought to the attention of the Council.

Awarding a DCTR

9. In deciding whether to award a DCTR, the Council will take into account:
 - the shortfall between the Council Tax Reduction (CTR) and the liability;
 - any steps taken by the customer to reduce his or her Council Tax liability;
 - the financial and medical circumstances (including ill health and disabilities) of the customer, his or her partner, any dependants and any other occupants of the customer's home;
 - the income and expenditure of the customer, his or her partner and any dependants or other occupants of the customer's home;
 - any savings or capital that might be held by the customer or his or her family;
 - the level of indebtedness of the customer and his or her family;

- the exceptional nature of the customer and his or her family's circumstances;
 - the amount available in the DCTR budget at the time of the application;
 - the need to remain in the property in order to access to medical or support services;
 - the possible impact on the Council of not making such an award;
 - any other relevant information brought to the attention of the Council.
10. DHP and DCTR form just part of the help available to people facing hardship. The Benefits Service will work with other Council departments, the local voluntary sector, social landlords and other stakeholders in the City to ensure customers can take full advantage of all forms of support, including state benefits, income maximisation advice and budgeting advice. The availability to the customer of alternative help will be taken into account when considering any award of DHP and DCTR.
11. DHP plus HB/UC must not exceed the rental liability. DCTR plus CTR must not exceed the council tax liability.

Period of award

12. In all cases, the Council will decide the length of time for which a DHP and/or DCTR will be awarded on the basis of the evidence supplied and the facts known.
13. The minimum period for an award for a DHP is one week and for DCTR is one day. The length of award is discretionary and each case will be treated strictly on its merits.
14. The Council will normally award DHP and/or DCTR within the current financial year and not exceeding that financial period, subject to review.
15. The Council will consider any reasonable request for backdating an award, or may choose to backdate the award at their discretion (but it must be consistent with the award of HB/UC or CTR).
16. When there is a specific end date, the customer will be advised what the period of the award is.
17. The award can be given as support for a period to allow individuals time to improve their circumstances, or to move somewhere they can better afford.

Changes of Circumstances

18. Many changes of circumstances that customers have a duty to report for HB/UC/CTR purposes may also be relevant to their continuing to get DHP or DCTR. The Council will use such information to review the level of support granted.

Method of Payment

19. The Council will decide the most appropriate person to pay based upon the circumstances of each case. This could include paying:
- the customer;
 - his or her partner;
 - an appointee;
 - in the case of DHP, his or her landlord (or an agent of the landlord); or
 - any third party to whom it might be most appropriate to make payment.
20. An award of DHP will be paid by the most appropriate means available in each case. Usually this will be by electronic transfer (e.g. BACS) or a credit to the rent account. An award of DCTR will be credited the customer's Council Tax account

21. The payment frequency of DHP will normally match the frequency of the HB or for UC a period that matches rent frequency.

Notification

22. The Council will inform the customer in writing of the outcome of his or her application(s), as soon as is reasonably practicable, whilst avoiding unnecessary delay and promoting consistency. Where the application is unsuccessful, the Council will set out the reasons why this decision was made and explain the right of review. Where the application is successful, the Council will advise:

- the weekly amount of DHP and or DCTR awarded;
- the period of the award;
- how, when and to whom the award will be paid;
- the requirement to report a change in circumstances.

The right to seek a review of a DHP

23. DHPs are not payments of Housing Benefit or Universal Credit and are therefore not subject to the statutory appeals mechanism. However there is an appropriate internal review process.

24. The Council operates the following policy for dealing with requests for reviews. This includes cases where there is a:

- refusal to award a DHP
- decision to award a reduced amount of DHP;
- decision not to backdate a DHP; or
- decision that there has been an overpayment of a DHP.

25. A customer (or his or her appointee or agent) who disagrees with a DHP decision may dispute the decision. A request for a review shall be delivered in writing to the Council within one calendar month of the written decision about the DHP being issued to the customer.

26. The Council may also review a DHP decision in the event of a dispute either at the time of the initial rejection or subsequent to a cancellation or recovery.

27. On receipt of a review request the case will be reviewed by the Appeals Team Leader. They may ask for additional information to substantiate the claim when deciding the outcome of the review. If the original decision is upheld, an acknowledgement letter is sent to the claimant or third party advising that the case has been referred to the DHP panel for consideration. The DHP panel consists of representatives from the Client Team, the Welfare Rights and Money Advice Unit and a manager from Benefit Services.

28. The customer will be notified of the review outcome in writing with reasons as soon as is reasonably practicable.

29. The review decision will be final and binding and may only be challenged by judicial review or by complaint to the Local Government Ombudsman if there is an allegation of maladministration.

The right to appeal against a DCTR decision

30. DCTR is part of the Southampton Council Tax Reduction Scheme and the customer has the same rights of appeal.

31. A customer (or his or her appointee or agent) who disagrees with a DCTR decision may dispute the decision. This must be in writing to the Council. There is no time limit for appeals.

32. The Council may also review a DCTR decision in accordance with the Council Tax Reduction Scheme.
33. On receipt of an appeal request the case will be reviewed by the Appeals Team Leader. They may ask for additional information to substantiate the claim when deciding the outcome of the appeal. If the original decision is upheld, an acknowledgement letter is sent to the claimant or third party advising that the case has been referred to the DHP panel for consideration. The DHP panel consists of representatives from the Client Team, the Welfare Rights and Money Advice Unit and a manager from Benefit Services.
34. The customer will be notified of the review outcome in writing with reasons as soon as is reasonably practicable and no later than 21 days after the appeal was received.
35. Where, following notification the customer is still aggrieved, or if the Council fails to notify the customer within two months of the appeal, they may appeal further to a valuation tribunal.

Overpayments of DHP

36. The Council retains the authority to recover DHP overpayments and each case will be treated strictly on its merits or evidence of misrepresentation or failure to disclose a material fact, fraudulently or otherwise.

Excess DCTR awarded

37. Where too much DCTR has been awarded the excess will be debited to the customer's council tax account.

Fraud

38. The Council is committed to the prevention and detection of fraud. A customer who tries to fraudulently claim a DHP or DCTR by falsely declaring his or her circumstances, providing a false statement or evidence in support of their application, may have committed an offence. Where the Council suspects that such a fraud may have occurred, the matter will be investigated as appropriate and this may lead to criminal proceedings being instigated.

Effective: 1st April 2015

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Summer Budget and Council Tax Reduction Schemes 2016/17

The Chancellor of the Exchequer, George Osborne, announced a number of welfare measures as part the Summer Budget on 8th July 2015. Of most significance are the planned changes to the assessment of Housing Benefit (HB) which would normally be included in our local Council Tax Reduction scheme (CTR).

These changes if implemented in our local 2016-17 CTR schemes will not result in a reduction in entitlement to existing claimants CTR. The changes only apply to new claims made by working age persons on or after the 1st April 2016.

The changes only affect working age claimants, pensioners remain fully protected and can still receive up to 100% support.

These changes commence on the 1st April 2016;

- A. The removal of the family premium from new claims for housing benefit.
- B. Backdating new housing benefit claims will be limited to 4 weeks.

If the above changes being made to Housing Benefit are not replicated in our CTR scheme it is estimated that the cost of the 2016-17 local scheme will increase by up to £281K (I.E we will grant more CTR);

- **Family Premium cost increase = £239K (estimated 1,300 new claims affected)**
- **Backdating cost increase = £42K (estimated 650 new claims affected)**

Additional support in 2016-17

The council has each year set aside a £200K hardship fund which will provide additional support, in exceptional circumstances, to local residents who have been awarded CTR.

What does our current scheme say?

Locally our scheme matched the government default scheme in 2013. Since April 2013 state benefits and applicable amounts for working age people have been increased by the Government, but capped to 1% each year. If we did not increase applicable amounts each year in our local CTR scheme but uprated the customers incomes this would result in loss in the amount of means tested CTR received. Certain disability benefits will increase and pensioner benefits too. If we did not increase the disabled related applicable amounts in our local CTR scheme, but uprated the disability incomes, this would subsequently result in a reduction in the amount of means-tested CTR received. This increase is referred to as uprating. Additionally, non-dependent deductions have traditionally increased each year to reflect an increase in the expected contribution to the cost of Council Tax by other adults living with the claimant.

Our scheme therefore states that it will have regard to any comparable amounts determined by the DWP for the purposes of calculating entitlement to Housing Benefit. This simplifies the administration of CTR and requires minor adjustment each year.

It is proposed that the 2016-17 scheme is adjusted accordingly to take account of the changes.

Background

Prescribed Scheme; (pensioners)

- In March 2013 the national system of council tax benefit (CTB) ended.
- From 1 April 2013, responsibility for council tax support was transferred from the national CTB scheme to local council tax reduction (CTR) schemes, where each billing authority has discretion over its own scheme for working age claimants.
- The Secretary of State made regulations which prescribe matters which must be included in local council tax reduction schemes. In particular these prescribed regulations make provisions in respect of pensioners.
- At the same time the shift was accompanied by a 10 per cent cut in government funding for the schemes.

Default Scheme; (working age)

- The Local Government Finance Act 2012 (Schedule 4) required the Secretary of State to prescribe by regulations a “default scheme”. The default scheme is to take effect, in respect of dwellings situated in the area of a billing authority, if the authority fails to make its own scheme on or before 31st January 2013.
- SCC adopted the default scheme as did many other councils in 2013 for its working age scheme.

Annual Uprating

- For 2013 the prescribed scheme for pensioners and the default scheme for working age persons mirrored the matters contained within council tax benefit for determining the classes of person entitled to support and matters relevant to determining eligibility, calculation and the amount of reduction.
- For 2014, The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (no.2) Regulations 2014 made provisions to amend certain figures which are used in the calculating entitlements and the amount of the reduction for pensioners. The purpose of the uprating the figures being to maintain consistency with the situation that would have applied had council tax benefit not been abolished.
- Each year this instrument aligns the allowances, premiums and deductions with the DWP increased amounts made in the Autumn Statement. The policy is to make amendments to the Prescribed Requirement Regulations in line with amendments made to housing benefit. This is because housing benefit and council tax benefit were broadly on all fours prior to 1st April 2013.
- However the default scheme was only ever meant to be applied for one year, and the DCLG have been clear that they will not be uprating the default scheme each year. Therefore the SCC scheme for working age persons states that each year the authority will have regard to any comparable amounts determined by the DWP for the purposes of calculating entitlement to Housing Benefit. Essentially maintaining consistency with the situation had council tax benefit not been abolished.

Each billing authority in England must make a Council Tax Reduction Scheme no later than 31st January of the financial year to which that scheme relates

For information

Current 2015-16 scheme (As at 30th September 2015);

Council Tax Reduction	Total	Pensioners	Working Age
Caseload Sept 2015	21,669	8,047	13,652
Pass-ported	13,652	4,943	8,707
Non pass-ported	8,047	3,104	4,945
Reduction awarded	£14,944,195	£6,570,212	£8,373,983
Pass-ported	£10,273,037	£4,513,152	£5,759,885
Non pass-ported	£4,671,158	£2,057,060	£2,614,098

Note that caseload in August 2014 was 22,871

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Equality and Safety Impact Assessment

The **public sector Equality Duty** (Section 149 of the Equality Act) requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people carrying out their activities.

The Equality Duty supports good decision making – it encourages public bodies to be more efficient and effective by understanding how different people will be affected by their activities, so that their policies and services are appropriate and accessible to all and meet different people’s needs. The Council’s Equality and Safety Impact Assessment (ESIA) includes an assessment of the community safety impact assessment to comply with section 17 of the Crime and Disorder Act and will enable the council to better understand the potential impact of the budget proposals and consider mitigating action.

<p>Name or Brief Description of Proposal</p>	<p>Council Tax Reduction scheme 2016-17</p> <p>The Chancellor of the Exchequer, announced a number of welfare measures as part the Summer Budget on 8th July 2015. Of significance are the planned changes to the assessment of Housing Benefit (A and B below) which would normally be included in our local Council Tax Reduction scheme (CTR);</p> <p>A. The removal of the family premium from new claims for Housing Benefit.</p> <p>B. Backdating new housing benefit claims will be limited to 4 weeks It is proposed that the 2016-17 Council Tax Reduction scheme is adjusted accordingly to take account of the changes. There will be no impact on existing recipients of local Council Tax Reduction. There will be an impact on new claims made from the 1st April 2016 by some working age persons, but pensioners remain fully protected and can still receive up to 100% support.</p>
<p>Brief Service Profile (including number of customers)</p>	<p>Current 2015-16 scheme (As at the 30th September 2015);</p> <ul style="list-style-type: none"> • There are 104,109 domestic properties in Southampton. • Currently 21,699 council tax payers have been awarded CTR which equates to 21% of properties in the city. • 37% of CTR claimants are pensioners and are not affected by these changes. • Current expenditure on CTR is £15 Million • The average CTR award is £689 a year • Of the working age claimants 8,707 (64%) were pass-ported (automatically entitled to CTR as in receipt of other qualifying benefits) and likely to receive maximum support under the scheme. • Currently Housing Benefit and CTR can be backdated up to 6 months

	<p>Council Tax Reduction</p> <table border="1"> <thead> <tr> <th></th> <th>Total</th> <th>Pensioners</th> <th>Working Age</th> </tr> </thead> <tbody> <tr> <td>Caseload Sept 2015</td> <td>21,669</td> <td>8,047</td> <td>13,652</td> </tr> <tr> <td>Pass-ported</td> <td>13,652</td> <td>4,943</td> <td>8,707</td> </tr> <tr> <td>Non pass-ported</td> <td>8,047</td> <td>3,104</td> <td>4,945</td> </tr> <tr> <td>Reduction awarded</td> <td>£14,944,195</td> <td>£6,570,212</td> <td>£8,373,983</td> </tr> <tr> <td>Pass-ported</td> <td>£10,273,037</td> <td>£4,513,152</td> <td>£5,759,885</td> </tr> <tr> <td>Non pass-ported</td> <td>£4,671,158</td> <td>£2,057,060</td> <td>£2,614,098</td> </tr> </tbody> </table> <p>* Passport benefits – In calculating Housing Benefit and CTR a person counts as being on a passported benefit if they are; On guarantee credit On income support (IS) On income based jobseekers allowance JSA (IB) On income related employment and support allowance ESA (IR).</p>		Total	Pensioners	Working Age	Caseload Sept 2015	21,669	8,047	13,652	Pass-ported	13,652	4,943	8,707	Non pass-ported	8,047	3,104	4,945	Reduction awarded	£14,944,195	£6,570,212	£8,373,983	Pass-ported	£10,273,037	£4,513,152	£5,759,885	Non pass-ported	£4,671,158	£2,057,060	£2,614,098
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<p>Summary of Impact and Issues</p>	<p>The Chancellor of the Exchequer announced a number of welfare measures as part the Summer Budget on 8th July 2015. Of most significance are the planned changes to the assessment of Housing Benefit (HB) which would normally be included in our local Council Tax Reduction scheme (CTR).</p> <p>These changes if implemented in our local 2016-17 CTR scheme will not result in a reduction in entitlement to existing claimants CTR. The changes only apply to new claims made by working age persons on or after the 1st April 2016.</p> <p>Pensioners remain fully protected and can still receive up to 100% support.</p> <p>These changes commence on the 1st April 2016;</p> <ul style="list-style-type: none"> • The removal of the family premium from new claims for Housing Benefit. • Backdating new housing benefit claims will be limited to 4 weeks. <p>If the above changes being made to Housing Benefit are not replicated in our CTR scheme it is estimated that the cost of the 2016-17 local scheme will increase by up to £281,000 (I.E we will grant more CTR);</p> <ul style="list-style-type: none"> • Family Premium cost increase = £239,000 (estimated 1,300 new claims affected) • Backdating cost increase = £42,000 (estimated 650 new claims affected) <p>The estimates are based on claims made and backdating requests received in 2014/15.</p>																												

	<p>The Family Premium is a part of how we assess the 'needs' of any claimant and is included in their 'Applicable Amount' which is compared with their income. Family Premium is normally given when a claimant has at least one dependent child or young person. Removing the Family Premium will mean that when we assess a claimants' 'Applicable Amount' it would not include the Family Premium (currently £17.45). This change would not affect those claimants on Universal Credit, Income Support, income related Employment and Support Allowance or Income based Job Seekers Allowance.</p> <p>Currently claims for Housing Benefit and Council Tax Reduction from working age claimants can be backdated for up to six months where a claimant can prove that there was 'good cause' that they could not claim at an earlier time.</p>
<p>Potential Positive Impacts</p>	<p>Local Council Tax Reduction replaced the national Council Tax Benefit scheme from 1st April 2013. In designing its local scheme Southampton City Council closely matched with the Default Scheme Regulations.</p> <p>The Local Government Finance Act 2012 (Schedule 4) required the Secretary of State to prescribe by regulations a "default scheme". The default scheme would take effect, in respect of dwellings situated in the area of a billing authority, if the authority failed to make its own scheme on or before 31st January 2013. Southampton City Council adopted the default scheme as did many other councils in 2013 for its working age Council Tax Reduction Scheme.</p> <p>For 2013 the prescribed scheme for pensioners and the default scheme for working age persons mirrored the matters previously contained within Council Tax Benefit for determining the classes of person entitled to support and matters relevant to determining eligibility, calculation and the amount of reduction.</p> <p>For 2014 schemes, The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (no.2) Regulations 2014 made provisions to amend certain figures which are used in calculating the amount of the Council Tax Reduction for pensioners. The purpose of this 'uprating' of the figures is to maintain consistency with the situation that would have applied had council tax benefit not been abolished.</p> <p>Each year these regulations align the allowances, premiums and deductions made in calculating Council Tax Reduction for pensioners with the increased amounts made by the DWP in calculating Housing Benefit. This is because Housing Benefit and Council Tax Benefit were broadly on all fours prior to 1st April 2013.</p>

	<p>However the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (no.2) Regulations 2014 specifically do not apply to working age persons. To overcome this the Southampton Council Tax Reduction Scheme for working age persons simply mirrors the amendments made to the scheme for pensioners each year.</p> <p>By following the default scheme the reduction remains means tested operating in a similar way to its predecessor national Council Tax Benefit. I.E. to work out Housing Benefit and Council Tax Reduction, the council will look at the money a claimant has coming in, including earnings, some benefits and tax credits and things like occupational pensions, savings, as well as the claimants' circumstances, such as age, the ages and size of their family, whether they or any of their family are disabled, and whether anyone who lives with them could help with the rent.</p> <p>There will be no impact on existing recipients of local Council Tax Reduction. There will be an impact on new claims made from the 1st April 2016 by some working age persons, but pensioners remain fully protected and can still receive up to 100% support.</p> <p>By encouraging residents to claim promptly they will receive council tax support quickly and are less likely to fall into arrears with their council tax payments to the council.</p> <p>Discretionary fund - The council as part of the local CTR scheme agreed an annual discretionary fund of £200K to help claimants deal with exceptional hardship. This additional support helped 1,321 claimants in 2014 meet the shortfall between Council Tax Reduction and their overall council tax liability when having to deal with exceptional financial or personal circumstances. The amount awarded totalled £193,793 (an average award of £146.70).</p> <p>To receive support from the discretionary fund a claim is required. This can initially be in written format (including electronic), over the telephone, or in person. However the customer must then complete the Council's application form to proceed with their claim. Assistance with this application will be provided if needed.</p>
Responsible Service Manager	Steven Olney. Revenues & Benefit Client.
Date	

Approved by Senior Manager	
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Signature	
Date	

Potential Impact

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions																				
Age	<p>A breakdown of the caseload by age:</p> <table border="1"> <thead> <tr> <th>Age</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>16 to 17</td> <td>0</td> </tr> <tr> <td>18 to 24</td> <td>760</td> </tr> <tr> <td>25 to 34</td> <td>3,384</td> </tr> <tr> <td>35 to 49</td> <td>5,269</td> </tr> <tr> <td>50 to pension age</td> <td>3,189</td> </tr> <tr> <td>Pension age to 64</td> <td>1,419</td> </tr> <tr> <td>65 to 79</td> <td>4,872</td> </tr> <tr> <td>Over 80</td> <td>2,806</td> </tr> <tr> <td>TOTAL</td> <td>21,699</td> </tr> </tbody> </table> <p>Oldest is 106 and we have 21 over 100 years of age.</p> <p>Older People: The council is not permitted to reduce Council Tax Support for people of pensionable age – so the impact falls disproportionately on people of working age.</p> <p>Family premium change ;</p> <ul style="list-style-type: none"> • In 2014/15 there were 3,662 new CTRS claims with children • As 64% of working age claimants are pass-ported and already receive maximum support under 	Age	Number	16 to 17	0	18 to 24	760	25 to 34	3,384	35 to 49	5,269	50 to pension age	3,189	Pension age to 64	1,419	65 to 79	4,872	Over 80	2,806	TOTAL	21,699	<p>These changes only apply to new claims for CTR received from 1st April 2016. Therefore it is not possible to write in advance of the changes to persons who make these future new claims.</p> <p>In calculating entitlement to council tax reduction an applicable amount is assessed. The applicable amount is based on personal and family circumstances. Currently there are personal allowances for the claimant and any partner, each child or young person in the family. Plus additional amounts (Premiums) for family, disabled child, carer, enhanced disability and severe disability premiums. From 1st April 2016 the Family Premium will not be included in respect of new claims. However the remaining allowances and premium elements of the applicable amount remain within the CTR scheme to reflect the needs of the claimant.</p> <p>The Family Premium change will not affect those claimants on Universal Credit, Income Support, Income related Employment and Support Allowance or Income based</p>
Age	Number																					
16 to 17	0																					
18 to 24	760																					
25 to 34	3,384																					
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50 to pension age	3,189																					
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65 to 79	4,872																					
Over 80	2,806																					
TOTAL	21,699																					

	<p>our scheme, only 1,318 claims would be affected in 2016-17 if we receive similar numbers and types of claims.</p> <ul style="list-style-type: none"> • The family premium rate for is £17.45 per week. If we followed the changes to HB then new claimants may lose up to £2.62 CTR each week • The reduction in CTR awarded would be up to £239,249 (1,318 X £181.48) in 2016-17 if we receive similar numbers and types of claims. This would reduce further if you factor in a 3.4% drop in caseload in 2016-17. • Currently in 2015-16 (at the 30th September 2015) 3,114 working age claims include the Family Premium. Of those 1,342 are passported and 1,772 are non passported. 	<p>Job Seekers Allowance.</p> <p>The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances.</p> <p>The changes to Family Premium for new claims will be publicised on the council's website.</p> <p>The councils CTR scheme is published on the website by the 31st January each year</p> <p>Local Housing Offices, Advice Agencies, Welfare Rights will be aware of the change to Family Premium for Housing Benefit and will be made aware that our local CTR scheme will mirror the change.</p> <p>The application form for Discretionary Payments (hardship) directs customers where to go to get free advice from local agencies;</p> <ul style="list-style-type: none"> • SCC Welfare Rights • Southampton Advice and Representation Centre • No Limits (under 25's) • Cranbury Centre • Southampton Citizens Advice Bureau <p>The SCC website page for Discretionary Payments also directs customers who are struggling in a crisis to organisations in the city that can offer support.</p>
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	<p>Backdating change; Statistics from 2014-15 show</p> <table border="1" data-bbox="496 383 949 730"> <thead> <tr> <th>Age</th> <th>Claims</th> <th>% Working Age</th> </tr> </thead> <tbody> <tr> <td>16 to 17</td> <td>0</td> <td></td> </tr> <tr> <td>18 to 24</td> <td>166</td> <td>13.04</td> </tr> <tr> <td>25 to 34</td> <td>387</td> <td>30.40</td> </tr> <tr> <td>35 to 49</td> <td>517</td> <td>40.61</td> </tr> <tr> <td>50 to pension age</td> <td>203</td> <td>15.95</td> </tr> </tbody> </table> <p>For the period 1.4.2014 to 31.03.15 a total of £78,752.83 Council Tax reduction was allocated to Council Tax accounts based on backdated awards. There were 1,294 individual awards, with £37,013.83 (47%) awarded up to a 4 weeks period, and £41,739 (53%) for a period exceeding 4 weeks.</p> <p>70% of those over 4 weeks would be made by claimants aged 25 to 49 years old.</p>	Age	Claims	% Working Age	16 to 17	0		18 to 24	166	13.04	25 to 34	387	30.40	35 to 49	517	40.61	50 to pension age	203	15.95	<p>The changes to backdating for new claims will be well publicised on the council's website. Aim to promote prompt claims for Council Tax Reduction.</p> <p>Local Housing Offices, Advice Agencies, Welfare Rights will be aware of the change to backdating for Housing Benefit and will be made aware that our local CTR scheme will match HB for backdating.</p> <p>The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances.</p>
Age	Claims	% Working Age																		
16 to 17	0																			
18 to 24	166	13.04																		
25 to 34	387	30.40																		
35 to 49	517	40.61																		
50 to pension age	203	15.95																		
Disability	<p>Family Premium change; in 2014-15 the academy system shows that we received 10 new claims where a family premium was awarded and the claimant or partner had a disability premium.</p> <p>Analysis of those claims shows 6 out of these 10 claims are pass ported so removing the Family Premium would make no difference to their entitlement to CTR. Only 1 case out of the remaining 4 would receive less CTR, which worked out an additional £2.62 per week to pay.</p>	<p>The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances.</p> <p>The SCC website prominently displays that 'illness or disability in your household' is a factor taken into account when making discretionary awards.</p>																		
Gender Reassignment	No data are kept on the benefits system that allows us to identify	The discretionary fund ensures that the most vulnerable can																		

	people who have reassigned their gender	access additional support in exceptional circumstances
Marriage and Civil Partnership	The scheme does not distinguish between couples who are married or in a civil partnership and those who are living together	The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances
Pregnancy and Maternity	No identified negative impacts	N/A
Race	No data are kept on the benefits system that allows us to identify a claimant's race.	The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances
Religion or Belief	No data are kept on the benefits system that allows us to identify a claimant's religion or belief	The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances
Sex	No identified negative impacts	N/A
Sexual Orientation	No data are kept on the benefits system that allow us to identify a claimant's sexual orientation and there is nothing in the proposed scheme that is likely to adversely affect people of differing sexual orientation.	The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances
Community Safety	No specific impact identified	
Poverty	<p>Currently of the 13,562 working age claimants 8,707 (64%) were pass-ported (automatically entitled to CTR as in receipt of other qualifying benefits) and likely to receive maximum support under the scheme.</p> <ul style="list-style-type: none"> The Family Premium rate for is £17.45 per week. If we followed the changes to HB then new non passported claimants may lose up 	<p>The discretionary fund ensures that the most vulnerable can access additional support in exceptional circumstances.</p> <p>The SCC website prominently displays that Discretionary Council Tax Support and Discretionary Housing Payments provide additional</p>

	<p>to £2.62 CTR each week</p>	<p>support for those people already receiving Council Tax Reduction Housing Benefit or Universal Credit.</p> <p>Discretionary Payments can help you if a resident is:</p> <ul style="list-style-type: none"> • struggling to pay rent or council tax • has other circumstances that are causing hardship • finding it difficult because of the under occupation, benefit cap rules or following the removal of council tax benefit • the Housing Element of Universal Credit does not cover full housing costs <p>Any entitlement is determined by individual circumstances and level of income left after taking into account essential expenditure.</p> <p>A number of factors are taken into account before a Discretionary Housing Payment award can be made:</p> <ul style="list-style-type: none"> • Income • Savings • Other people in the home • loans and debts • money managing skills • Illness or disability in the household • efforts to improve the situation
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Other Significant Impacts		
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Housing Benefit Circular

Department for Work and Pensions
Caxton House, Tothill Street, London SW1H 9NA

HB A13/2015

ADJUDICATION AND OPERATIONS CIRCULAR

WHO SHOULD READ	All Housing Benefit staff
ACTION	For information
SUBJECT	Housing Benefit: Uprating 2016 - 17

Guidance Manual

The information in this circular does affect the content of the HB Guidance Manual and the HB/CTB Overpayments Guide.

HB Guidance Manual: Please annotate this circular number against paragraph A4 4.750, 4.910, A5 Annex A, BW3 Annex A and BP3 Annex A.

HB/CTB Overpayments Guide: Please annotate this circular number against paragraphs 4.430 – 4.434

Queries

- **extra copies of this circular/copies of previous circulars** can be found at <https://www.gov.uk/government/collections/housing-benefit-for-local-authorities-circulars>
- about the
 - **technical content of this circular**, contact housing.benefitenquiries@dwp.gsi.gov.uk
 - **distribution of this circular**, contact housing.correspondenceandpqs@dwp.gsi.gov.uk

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Contents

para

Housing Benefit: Uprating 2016 - 17

Introduction 1

Timing 4

Uprating of income-related social security benefits 5

Uprating of non income-related social security benefits 6

Uprating of social security benefits – general 7

New State Pension 13

Tax Credits 14

War Pensions 16

Specific points of interest

 Non-dependant deductions 17

 Rates remaining unchanged 18

 Disregards in Housing Benefit which remain unchanged 19

 Deductions for ineligible fuel charges 20

 One room rate deduction 21

 State Pension Credit maximum Savings Credit 22

 National Insurance contribution rates 23

 Universal Credit 24

Establishing eligible rent 25

Appendices Pages 9 to 27

	Page
Appendix A - Housing Benefit rates for people of working age	9
Appendix B - Housing Benefit rates for people of State Pension Credit age	12
Appendix C - Other income-related benefits	15
Income Support rates	Annex 1 15
Jobseeker's Allowance rates	Annex 2 16
Employment and Support Allowance rates	Annex 3 18
State Pension Credit rates	Annex 4 20
Universal Credit rates	Annex 5 21
Appendix D - Other contributory and non-contributory social security rates	22
Appendix E - Non-social security payments and rates	25
Working Tax Credit, Child Tax Credit, Child Benefit and Guardian's Allowance rates	Annex 1 25
War Pension Scheme Benefits	Annex 2 26

Housing Benefit: Uprating 2016 - 17

Introduction

1. In his oral statement to Parliament on 26 November 2015, the Minister of State for Pensions announced his proposals for the social security benefit rates that will apply from April 2016.
2. This circular advises you of the rates so you can take the appropriate action.

Note: At the time of writing, the Orders or regulations bringing the changes into effect are still subject to the appropriate Parliamentary process.

3. Any queries about the information contained in this circular should be emailed to housing.benefitsenquiries@dwp.gsi.gov.uk

Timing

4. In line with previous practice, the main Housing Benefit (HB) uprating will be introduced in advance of the setting of the main social security benefit rates. To coincide with the week in which many rents change, the 2016 uprating will take effect on:
 - Monday 4 April 2016 for cases to which HB 2006 Regulation 79(3)(a)(ii) (for working age customers) and HB (SPC) 2006 Regulation 59(3)(a)(ii) (for people who have attained the qualifying age for Pension Credit) applies, when rent is paid on a weekly basis (or multiple of a week)
 - Friday 1 April 2016 for cases to which HB 2006 Regulation 79(3)(a)(i) (for working age customers) and HB (SPC) 2006 Regulation 59(3)(a)(i) (for people who have attained the qualifying age for Pension Credit) applies, when rent is paid monthly or at any interval which is not a week or multiples of a week.

Uprating of income-related social security benefits

5. The main points are:
 - the basic State Pension is being uprated by 2.9% in line with the government's "triple lock" commitment
 - the Standard Minimum Guarantee in Pension Credit is being increased by 2.9%. The Savings Credit maximum is being reduced so that Pension Credit awards for those receiving Savings Credit will be the same where income is unchanged
 - premiums paid to pensioner recipients of working age benefits will continue to be uprated to match Pension Credit rates
 - premiums paid to disabled people receiving working age benefits, and to Employment and Support Allowance (ESA) claimants in the Support Group, will remain at the 2015/16 levels as the Consumer Prices Index (CPI) was minus 0.1%

- working age benefits (main rates) including main elements of Universal Credit and HB personal allowances will remain at the 2015/16 rates
- the other income-related benefits, Income Support (IS), income-based Jobseeker's Allowance (JSA(IB)), income-related ESA (ESA (IR)) and the majority of other social security benefits will remain at the current rate without any change.

Uprating of non income-related social security benefits

6. The higher and middle rate invalidity allowances and age additions payable with Incapacity Benefit (IB) will not be increased from April 2016.

Uprating of social security benefits: general

7. The following Regulations allow you to take account of these rates on 1 April or 6 April as appropriate:
 - HB 2006 Regulations 42(8) and 79(3)
 - HB (SPC) 2006 Regulations 41(9), 41(10) and 59(3).

Associated guidance is set out in HB/CTB Guidance Manual at BP2 P2.790.

8. There is no provision in regulations to uprate a claimant's social security benefit other than by using the correct amount. Most claimants will know their rates of benefit well before April each year.
9. We are aware that many local authorities' (LAs') Information Technology systems apply a percentage increase to uprate income from other social security benefits in the assessment of HB. In previous years we have advised that as this method should, in most cases, produce accurate results, providing the LA has satisfied itself as to the accuracy of its method, it should be able to meet its duty to make proper determinations.
10. However, given the fact that in recent years some of the components paid in addition to the main rates of some benefits and the main rates themselves have been uprated by different indices, LAs should consider carefully whether applying standard percentages will result in correct determinations.
11. LAs should also take into account that specific Automated Transfer to LA Systems (ATLAS) uprating notifications are issued for all benefits on the Customer Information System except for:
 - Attendance Allowance
 - Disability Living Allowance
 - Personal Independence Payment
 - Armed Forces Independence Payment

- Carer's Allowance
- State Retirement Pension
- Incapacity Benefit
- Severe Disability Allowance
- Bereavement Benefits
- Widow's Benefit

12. Should an LA decide to apply a percentage increase to uprate income, as a minimum any information subsequently received via ATLAS should be compared with existing LA system data to ensure it matches.

New State Pension

13. The new State Pension replaces the current State Pension for people who reach State Pension age on or after 6 April 2016. Eligibility will still be determined from a person's National Insurance contribution record. This will apply to men born on or after 6 April 1951 or women born on or after 6 April 1953. More information is available on GOV.UK

Tax Credits

14. Working Tax Credit and Child Tax Credit (see Appendix E: Annex 1) will be effective from 6 April 2016 in line with the start of the new tax year and continue at the same rate as the previous year.
15. ATLAS will notify tax credit information to LAs. All the current tax credit rates can be found on GOV.UK

War Pensions

16. The rates for War Pensions are set out in Appendix E, Annex 2. The War Pensions and allowances for 2016 will remain unchanged, except for an increase to the therapeutic earnings limit (annual rate). Additional information may be obtained from the Service Personnel and Veterans Agency website

Specific points of interest

Non-dependant deductions in HB

17. The deduction and income bands for 2016 -17 are at Appendices A and B.

Rates remaining unchanged

18. The majority of rates within HB will remain unchanged.

Disregards in HB which remain unchanged

19. The majority of disregards within HB will remain unchanged.

Deductions for ineligible fuel charges

20. The CPI for fuel and lighting in September 2015 was minus 0.1% and the government has decided to set the rates for statutory fuel deductions from HB for 2016/17 at the same levels as 2015/16. The rates for statutory fuel deductions are shown in Appendix A.

One room rate deduction

21. The formula for the one room rate deduction is set out in HB Regulations 2006 at Schedule 1, part 2, paragraph 6(2)(a) to (d) and (3). Sub-paragraph (3) states the ineligible amount for service charges when the accommodation consists of only one room shall be one half of the aggregate of the amounts specified in sub-paragraph (2)(a), (b) and (c), see Appendix A.

State Pension Credit maximum Savings Credit

22. The amount of the maximum Savings Credit will be £13.07 for a single person and £14.75 for a couple. These figures cannot be used to calculate a likely Savings Credit entitlement from April 2016. Savings Credit is calculated on an individual basis, using the income and capital of that person. In addition, HB (SPC) regulation 27 states that the Pension Service calculation of income, capital and Savings Credit must be used.

National Insurance contribution rates

23. A full set of rates for 2016 - 17 can be found on GOV.UK

Universal Credit

24. Universal Credit is assessed and paid on a monthly basis. Universal Credit rates will remain the same as the 2015/16 rates in 2016/17. The rates can be found in Appendix C, Annex 5.

Establishing eligible rent

25. The calculation of eligible rent for a claimant renting in the social and private sectors is not affected by this circular or by the uprating of benefits overall. It continues to be subject to the rules in Part 3 of the HB Regulations 2006 and Part 3 of the HB (SPC) Regulations 2006.

Appendix A

Housing Benefit for people of working age

Housing Benefit rates for people who have not reached the qualifying age for State Pension Credit	April 2015 £ Weekly	April 2016 £ Weekly
Personal Allowances		
Single		
16 to 24	57.90	57.90
25 or over	73.10	73.10
Any age – entitled to main phase rate ESA	73.10	73.10
Lone parent		
Under 18	57.90	57.90
18 or over	73.10	73.10
Any age – entitled to main phase rate ESA	73.10	73.10
Couple		
Both under 18	87.50	87.50
One or both over 18	114.85	114.85
Any age – entitled to main phase rate ESA	114.85	114.85
Polygamous Marriages		
If the claimant is a member of a polygamous marriage and no members of the marriage have attained the age of 60		
For the claimant and the other party to the marriage	114.85	114.85
For each additional spouse who is a member of the same household as the claimant	41.75	41.75
Dependent children		
From birth to September following 16 th birthday	66.90	66.90
From September following 16 th birthday to day before 20 th birthday	66.90	66.90
Premiums		
Family Premium	17.45	17.45
Family Premium (lone parent rate)	22.20	22.20
Disability Premium		
Single	32.25	32.25
Couple	45.95	45.95
Enhanced Disability Premium		
Single rate	15.75	15.75
Couple rate	22.60	22.60
Disabled child rate	24.43	24.43
Severe Disability Premium		
Single	61.85	61.85
Couple – one qualifies	61.85	61.85
Couple – both qualify	123.70	123.70
Disabled Child Premium	60.06	60.06

Housing Benefit rates for people who have not reached the qualifying age for State Pension Credit	April 2015 £ Weekly	April 2016 £ Weekly
Carer Premium	34.60	34.60
Components ESA(IR) and ESA (contribution based)		
Work-related activity component	29.05	29.05
Support component	36.20	36.20
Deductions		
Non-dependant deductions		
Aged under 25 and on IS or JSA(IB) or ESA(IR) which does not include an amount for the support component or work-related activity component	Nil	Nil
Aged 25 or over and on IS or JSA(IB), or aged 18 or over and not in remunerative work	14.55	14.65
In receipt of main phase ESA(IR)	14.55	14.65
In receipt of Pension Credit	Nil	Nil
Aged over 18 or over and in remunerative work		
- gross income: less than £133.00	14.55	14.65
- gross income: £133.00 to £194.99	33.40	33.65
- gross income: £195.00 to £252.99	45.85	46.20
- gross income: £253.00 to £337.99	75.05	75.60
- gross income: £338.00 to £419.99	85.45	86.10
- gross income: £420.00 and above	93.80	94.50
Fuel deductions		
Heating	28.80	28.80
Hot water	3.35	3.35
Lighting	2.30	2.30
Cooking	3.35	3.35
All fuel	37.80	37.80
Fuel deductions one room		
Heating and hot water and/or lighting	17.23	17.23
Cooking	3.35	3.35
Amounts ineligible for meals		
Three or more meals a day		
Single claimant	26.85	26.85
Each person in family aged 16 or over	26.85	26.85
Each child under 16	13.60	13.60
Less than 3 meals a day		
Single claimant	17.85	17.85
Each person in the family aged 16 or over	17.85	17.85
Each child under 16	9.00	9.00
Breakfast only – claimant and each member of family	3.30	3.30
Disregards		
Childcare charges	175.00	175.00
Childcare charges (2 or more children)	300.00	300.00
Additional earnings	17.10	17.10

Housing Benefit rates for people who have not reached the qualifying age for State Pension Credit	April 2015 £ Weekly	April 2016 £ Weekly
Income from subtenants	20.00	20.00
Permitted earnings – higher from October 2015 to March 2016 # See note below	107.50#	115.50
Permitted earnings – lower	20.00	20.00
Recovery of Overpayments		
Non-fraudulent overpayments	11.10	11.10
Fraudulent overpayments	29.60	29.60
Capital limits		
Upper limit	16,000	16,000
Lower limit	6,000	6,000

The rate for the permitted earnings disregard increased from 1 October 2015 to £107.50. From April 2016, the rate will be linked to the National Living Wage rather than the National Minimum Wage and the amount will increase to £115.50 per week.

Appendix B

Housing Benefit for people of State Pension Credit age

Housing Benefit rates for people who have reached the qualifying age for State Pension Credit	April 2015 £ Weekly	April 2016 £ Weekly
Personal Allowances		
Single claimant aged under 65	151.20	155.60
Single claimant aged 65 or over	166.05	168.70
Lone parent aged under 65	151.20	155.60
Lone parent aged 65 or over	166.05	168.70
Couple		
One or both aged 60 or over but both under 65	230.85	237.55
One member or both members aged 65 or over	248.30	252.30
Polygamous Marriages		
If the claimant is a member of a polygamous marriage and no members of the marriage have attained the age of 65		
For the claimant and the other party to the marriage	230.85	237.55
For each additional spouse who is a member of the same household as the claimant	79.65	81.95
If the claimant is a member of a polygamous marriage and one or more of the members of the marriage are aged 65 or over		
For the claimant and the other party to the marriage	248.30	252.30
For each additional spouse who is a member of the same household as the claimant	82.25	83.60
Dependent children		
From birth to September following 16 th birthday	66.90	66.90
From September following 16 th birthday to day before 20 th birthday	66.90	66.90
Premiums		
Family Premium	17.45	17.45
Severe Disability Premium		
Single	61.85	61.85
Couple – one qualifies	61.85	61.85
Couple – both qualify	123.70	123.70
Enhanced Disability Premium		
Disabled child rate	24.43	24.43
Disabled Child Premium		
	60.06	60.06

Housing Benefit rates for people who have reached the qualifying age for State Pension Credit	April 2015 £ Weekly	April 2016 £ Weekly
Carer Premium	34.60	34.60
Non-dependant deductions		
Aged under 25 and on IS or JSA(IB) or ESA(IR) which does not include an amount for the support component or work-related activity component	Nil	Nil
Aged 25 or over and on IS or JSA(IB) or aged over 18 or over and not in remunerative work	14.55	14.65
In receipt of main phase ESA(IR)	14.55	14.65
In receipt of State Pension Credit	Nil	Nil
Aged 18 or over and in remunerative work		
- gross income: less than £133.00	14.55	14.65
- gross income: £133.00 to £194.99	33.40	33.65
- gross income: £195.00 to £252.99	45.85	46.20
- gross income: £253.00 to £337.99	75.05	75.60
- gross income: £338.00 to £419.99	85.45	86.10
- gross income: more than £420.00	93.80	94.50
Fuel deductions		
Heating	28.80	28.80
Hot water	3.35	3.35
Lighting	2.30	2.30
Cooking	3.35	3.35
All fuel	37.80	37.80
Fuel deductions for one room		
Heating, hot water and/or lighting	17.23	17.23
Cooking	3.35	3.35
Amounts ineligible for meals		
Three or more meals a day		
Single claimant	26.85	26.85
Each person in family aged 16 or over	26.85	26.85
Each child under 16	13.60	13.60
Less than 3 meals a day		
Single claimant	17.85	17.85
Each person in family aged 16 or over	17.85	17.85
Each child under 16	9.00	9.00
Breakfast only - claimant and each member of family	3.30	3.30
Disregards		
Childcare charges	175.00	175.00
Childcare charges (2 or more children)	300.00	300.00
Additional earnings disregard	17.10	17.10
Income from subtenants	20.00	20.00
Permitted earnings – higher from October 2015 to March 2016	107.50	115.50
Permitted earnings – lower	20.00	20.00

Housing Benefit rates for people who have reached the qualifying age for State Pension Credit	April 2015 £ Weekly	April 2016 £ Weekly
Recovery of Overpayments		
Non-fraudulent	11.10	11.10
Fraudulent	29.60	29.60
Capital limits		
Upper limit – State Pension Credit guarantee credit NOT in payment	16,000	16,000
Upper limit – State Pension Credit guarantee credit in payment	No limit	No limit
Lower limit – above the qualifying age for State Pension Credit	10,000	10,000

Appendix C / Annex 1

Income Support rates	April 2015 £ Weekly	April 2016 £ Weekly
Personal Allowances		
Single		
Under 25	57.90	57.90
Aged 25 or over	73.10	73.10
Lone parent		
Under 18	57.90	57.90
Aged 18 or over	73.10	73.10
Couple		
Both under 18	57.90	57.90
Both under 18 – higher rate (for example with responsibility for a child)	87.50	87.50
One under 18, one 18 - 24	57.90	57.90
One under 18, one aged 25 or over	73.10	73.10
Both 18 or over	114.85	114.85
Dependent children		
Birth to September following 16 th birthday	66.90	66.90
From September following 16 th birthday to day before 20 th birthday	66.90	66.90
Premiums		
Family Premium	17.45	17.45
Family Premium (lone parent rate)	17.45	17.45
Pensioner Premium (couples only)	116.00	122.70
Disability Premium		
Single	32.25	32.25
Couple	45.95	45.95
Enhanced Disability Premium		
Single	15.75	15.75
Couple	22.60	22.60
Disabled child rate	24.43	24.43
Severe Disability Premium		
Single	61.85	61.85
Couple – one qualifies	61.85	61.85
Couple – both qualify	123.70	123.70
Disabled child premium	60.06	60.06
Carer Premium	34.60	34.60
Capital limits		
Upper	16,000	16,000
Lower	6,000	6,000

Appendix C / Annex 2

Jobseeker's Allowance rates	April 2015 £ Weekly	April 2016 £ Weekly
Contribution-based Jobseeker's Allowance		
Personal Rates		
Under 25	57.90	57.90
Aged 25 or over	73.10	73.10
Income-based Jobseeker's Allowance		
Personal Allowances		
Single		
Under 25	57.90	57.90
Aged 25 or over	73.10	73.10
Lone parent		
Under 18	57.90	57.90
18 or over	73.10	73.10
Couple		
Both under 18	57.90	57.90
Both under 18 – higher rate (for example with responsibility for a child)	87.50	87.50
One under 18, one 18 - 24	57.90	57.90
One under 18, one aged 25 or over	73.10	73.10
Both 18 or over	114.85	114.85
Dependent children		
Birth to September following 16 th birthday	66.90	66.90
From September following 16 th birthday to day before 20 th birthday	66.90	66.90
Premiums		
Family Premium	17.45	17.45
Family Premium (lone parent rate)	17.45	17.45
Pensioner Premium		
Single	78.10	82.50
Couple	116.00	122.70
Disability Premium		
Single	32.25	32.25
Couple	45.95	45.95
Enhanced Disability Premium		
Single	15.75	15.75
Couple	22.60	22.60
Disabled child rate	24.43	24.43
Severe Disability Premium		
Single	61.85	61.85

Jobseeker's Allowance rates	April 2015 £ Weekly	April 2016 £ Weekly
Couple – one qualifies	61.85	61.85
Couple – both qualify	123.70	123.70
Disabled child premium	60.06	60.06
Carer Premium	34.60	34.60
Capital limits		
Upper	16,000	16,000
Lower	6,000	6,000

Appendix C / Annex 3

Employment and Support Allowance rates	April 2015 £ Weekly	April 2016 £ Weekly
Personal Allowances		
Single		
Under 25 and in Assessment Phase	57.90	57.90
Aged 25 or over	73.10	73.10
Any age and in Main Phase	73.10	73.10
Lone parent		
Aged under 18 and in Assessment Phase	57.90	57.90
Aged 18 or over	73.10	73.10
Any age and in Main Phase	73.10	73.10
Couple		
Both under 18 and in Assessment Phase	57.90	57.90
Both under 18, with responsibility for a child and in Assessment Phase	87.50	87.50
Both under 18 and in Main Phase	73.10	73.10
Both under 18, with responsibility for a child and in Main Phase	114.85	114.85
One 18 or over and the other while under 18, also satisfies certain conditions	114.85	114.85
Both 18 or over	114.85	114.85
Claimant under 25 and in Assessment Phase and partner under 18	57.90	57.90
Claimant 25 or over and in Assessment Phase and partner under 18	73.10	73.10
Claimant in Main Phase and partner under 18	73.10	73.10
Premiums		
Carer Premium	34.60	34.60
Enhanced Disability Premium		
Single	15.75	15.75
Couple	22.60	22.60
Pensioner Premium		
Single and in Assessment Phase	78.10	82.50
Single, entitled to work-related activity component	49.05	53.45
Single, entitled to support component	41.90	46.30
Couple, and in Assessment Phase	116.00	122.70
Couple, entitled to work-related activity component	86.95	93.65
Couple, entitled to support component	79.80	86.50
Severe Disability Premium		
Single	61.85	61.85
Couple – one qualifies	61.85	61.85
Couple – both qualify	123.70	123.70
Components		
Work-related activity component	29.05	29.05
Support component	36.20	36.20

Employment and Support Allowance rates	April 2015 £ Weekly	April 2016 £ Weekly
Capital limits		
Upper	16,000	16,000
Lower	6,000	6,000

Appendix C / Annex 4

State Pension Credit Rates	April 2015 £ Weekly	April 2016 £ Weekly
Standard Guarantee Credit		
Single	151.20	155.60
Couple	230.85	237.55
Additional amount for severe disability		
Single	61.85	61.85
Couple (one qualifies)	61.85	61.85
Couple (both qualify)	123.70	123.70
Polygamous marriages		
Amount for claimant and first spouse	230.85	237.55
Amount for additional spouse	79.65	81.95
Additional amount for Carers (Carer Premium)	34.60	34.60
Savings credit		
Threshold – single	126.50	133.82
Threshold – couple	201.80	212.97
Maximum – single	14.82	13.07
Maximum – couple	17.43	14.75

Appendix C / Annex 5

Universal Credit Rates	April 2015 £ Assessment period	April 2016 £ Assessment period
Standard Allowance / Element		
Single		
Under 25	251.77	251.77
25 or over	317.82	317.82
Couple		
Both under 25	395.20	395.20
One or both 25 or over	498.89	498.89
Child element		
First child	277.08	277.08
Second or subsequent child	231.67	231.67
Additional amount for disabled child or qualifying young person		
Lower rate	126.11	126.11
Higher rate	367.92	367.92
Limited capability for work / Limited capability for work and work-related activity elements		
Limited capability for work	126.11	126.11
Limited capability for work and work-related activity	315.60	315.60
Non-dependants' housing cost contributions	69.37	69.37
Carer Element	150.39	150.39

Appendix D

Other contributory and non-contributory social security rates	April 2015 £ Weekly	April 2016 £ Weekly
Additional Statutory Paternity Pay		
Earnings threshold	112.00	112.00
Standard rate	139.58	139.58
Attendance Allowance		
Higher rate	82.30	82.30
Lower rate	55.10	55.10
Bereavement Benefits		
Bereavement Payment (lump sum)	2,000	2,000
Widowed Parent's Allowance	112.55	112.55
Bereavement Allowance		
Standard Rate	112.55	112.55
Age-related rate		
Age 54	104.67	104.67
Age 53	96.79	96.79
Age 52	88.91	88.91
Age 51	81.04	81.04
Age 50	73.16	73.16
Age 49	65.28	65.28
Age 48	57.40	57.40
Age 47	49.52	49.52
Age 46	41.64	41.64
Age 45	33.77	33.77
Carers Allowance		
Standard rate	62.10	62.10
Dependency increase	36.55	36.55
Disability Living Allowance		
Care component		
Higher rate	82.30	82.30
Middle rate	55.10	55.10
Lower rate	21.80	21.80
Mobility component		
Higher rate	57.45	57.45
Lower rate	21.80	21.80
Incapacity Benefit		
Long term Incapacity Benefit		
Single	105.35	105.35
Spouse or adult dependant (where appropriate)	61.20	61.20

Other contributory and non-contributory social security rates	April 2015 £ Weekly	April 2016 £ Weekly
Short term Incapacity Benefit (under pension age)		
Lower rate	79.45	79.45
Higher rate	94.05	94.05
Spouse or adult dependant (where appropriate)	47.65	47.65
Short term Incapacity Benefit (over pension age)		
Lower rate	101.10	101.10
Higher rate	105.35	105.35
Spouse or adult dependant (where appropriate)	58.90	58.90
Increase of long term Incapacity Benefit for age		
Higher rate	11.15	11.15
Lower rate	6.20	6.20
Invalidity Allowance (transitional) for Incapacity Benefit recipients		
Higher rate	11.15	11.15
Middle rate	6.20	6.20
Lower rate	6.20	6.20
Industrial Death Benefit		
Widow's Pension		
Higher rate	115.95	119.30
Lower rate	34.79	35.79
Widower's pension		
	115.95	119.30
Industrial Injuries Disablement Benefit		
Disablement Benefit (100% assessment)	168.00	168.00
Unemployability supplement	103.85	103.85
Reduced earnings allowance (maximum)	67.20	67.20
Maternity Allowance		
Standard Rate	139.58	139.58
Threshold	30.00	30.00
Personal Independence Payment		
Daily Living Component		
Standard Rate	55.10	55.10
Enhanced Rate	82.30	82.30
Mobility component		
Standard rate	21.80	21.80
Enhanced rate	57.45	57.45
Severe Disablement Allowance		
Basic rate	74.65	74.65
Spouse or other adult dependant (where appropriate)	36.75	36.75
Age-related additions		
Higher rate	11.15	11.15

Other contributory and non-contributory social security rates	April 2015 £ Weekly	April 2016 £ Weekly
Middle rate	6.20	6.20
Lower rate	6.20	6.20
State Retirement Pension		
Category A or B (Single Person)	115.95	119.30
Category B (lower) – spouse or civil partner’s insurance	69.50	71.50
Category C (higher) or Category D – non-contributory	69.50	71.50
Category C (lower) – non-contributory	41.50	42.70
Additional State Pension – rate may vary		
	1.20%	0.00%
Increments to:		
Basic State Pension	1.20%	0.00%
Additional State Pension	1.20%	0.00%
Graduated Retirement Benefit	1.20%	0.00%
Inheritable lump sum	1.20%	0.00%
Addition at age 80		
Adult dependency increase for spouse or person looking after children	65.70	65.70
Increase in respect of long-term incapacity for age:		
Higher rate	21.50	21.50
Lower rate	10.80	10.80
Invalidity Allowance (transitional)		
Higher rate	21.50	21.50
Middle rate	13.90	13.90
Lower rate	6.95	6.95
New State Pension		155.65
Statutory Adoption Pay		
Earnings threshold	112.00	112.00
Standard rate	139.58	139.58
Statutory Maternity Pay		
Earnings threshold	112.00	112.00
Standard rate	139.58	139.58
Statutory Paternity Pay		
Earnings threshold	112.00	112.00
Standard rate	139.58	139.58
Statutory Shared Parental Pay		
Earnings threshold	112.00	112.00
Standard rate	139.58	139.58
Statutory Sick Pay		
Earnings threshold	112.00	112.00
Standard rate	88.45	88.45

Appendix E / Annex 1

Non-social security payments and rates

Working Tax Credit, Child Tax Credit, Child Benefit and Guardian's Allowance rates

£ per year (unless stated)	2015 - 2016	Change	2016 - 2017
Working Tax Credit			
Basic element	1,960	0	1,960
Couple and lone parent element	2,010	0	2,010
Thirty Hour element	810	0	810
Disabled worker element	2,970	0	2,970
Severe disability element	1,275	0	1,275
Childcare element of Working Tax Credit			
Maximum eligible cost of one child (per week)	175	0	175
Maximum eligible cost for two or more children (per week)	300	0	300
Percentage of eligible costs covered	70%	-	70%
Child Tax Credit			
Family element	545	0	545
Child element	2,780	0	2,780
Disabled child element	3,140	0	3,140
Severely disabled child element	1,275	0	1,275
Income thresholds and withdrawal rates			
Income threshold	6,420	0	6,420
Withdrawal rate (per cent %)	41%	0	41%
Threshold for those entitled to Child Tax Credit only	16,105	0	16,105
Income rise disregard	5,000	-2,500	2,500
Income fall disregard	2,500	0	2,500
Child Benefit (weekly)			
Eldest /only child	20.70	0	20.70
Other children	13.70	0	13.70
Guardian's Allowance (weekly)			
	16.55	0	16.55

Appendix E / Annex 2

War Pensions Rates

War Pensions Scheme Benefits	April 2015 £ Weekly	April 2016 £ Weekly
Armed Forces Independence Payment	139.75	139.75
War Pensions		
Disablement Pension (100% rates) officer (£ per annum)	9,298.00	9,298.00
Other ranks	178.20	178.20
Age allowances payable from age 65		
40% - 50%	11.95	11.95
Over 50% but not over 70%	18.35	18.35
Over 70% but not over 90%	26.10	26.10
Over 90%	36.70	36.70
Disablement gratuity (one-off payment)		
Specified minor injury (min)	1,136.00	1,136.00
Specified minor injury (max)	8,474.00	8,474.00
1 – 5% gratuity	2,834.00	2,834.00
6 – 14% gratuity	6,300.00	6,300.00
15 – 19% gratuity	11,018.00	11,018.00
Supplementary Allowances		
<i>Unemployability allowance</i>		
Personal	110.10	110.10
Adult dependency increase	61.20	61.20
Increase for first child	14.20	14.20
Increase for subsequent children	16.75	16.75
Invalidity allowance		
Higher rate	21.80	21.80
Middle rate	14.20	14.20
Lower rate	7.10	7.10
Constant attendance allowance		
Exceptional rate	134.40	134.40
Intermediate rate	100.80	100.80
Full day rate	67.20	67.20
Part day rate	33.60	33.60
Comforts allowance		
Higher rate	28.90	28.90
Lower rate	14.45	14.45
Mobility supplement	64.15	64.15

War Pensions Scheme Benefits	April 2015 £ Weekly	April 2016 £ Weekly
Allowance for lowered standard occupation (maximum)	67.20	67.20
Therapeutic earnings limit (annual rate)	5,408.00	5,590.00
Exceptionally severe disablement allowance	67.20	67.20
Severe disablement occupational allowance	33.60	33.60
Clothing allowance (£ per annum)	230.00	230.00
Education allowance (£ per annum) (max)	120.00	120.00
Widow(er)s benefits		
Widow(er) – other ranks (basic with children) (weekly amount)	135.15	135.15
Widow(er) – Officer higher rate both wars (basic with children) (per annum)	7,187.00	7,187.00
Childless widow(er) under 40 (other ranks)(weekly amount)	32.37	32.37
Widow(er) – officer lower rates both wars (£ per annum)	2,496.00	2,496.00
Supplementary 1973 Widows/Widowers pension	90.41	90.41
Age allowance		
(a) age 65 to 69	15.40	15.40
(b) age 70 to 79	29.60	29.60
(c) age 80 and over	43.90	43.90
Children's allowance		
Increase for first child	21.20	21.20
Increase for subsequent children	23.75	23.75
Orphan's pension		
Increase for first child	24.25	24.25
Increase for subsequent children	26.55	26.55
Unmarried dependant living as spouse (max)	132.80	132.80
Rent allowance (maximum)	50.90	50.90
Adult orphan's pension (maximum)	103.85	103.85

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