

Case Study – UC Automatic Claim

Current Scheme

Mr Jerry made a Universal Credit (UC) claim with the Department of Works and Pensions, in his application for UC he indicated that he would like to make a claim for Council Tax reduction. We received an Atlas electronic notification to inform us of this request. Under the current scheme we sent Mr Jerry an email invite to request he makes a new claim by completing a form or signing up to my account and making an online claim. Mr Jerry returns his form, and we award the Council tax reduction.

He gets a notification letter telling him how much reduction he gets and how it has been calculated. The letter explains how to challenge anything he thinks is wrong.

Proposed Scheme

Mr Jerry made a universal claim with the Department of Works and Pensions, in his application for UC he indicated that he would like to make a claim for CTR. We receive an Atlas electronic notification to inform us of this request. Under the new scheme, we accept the electronic atlas notification as a claim (no further form required) and automatically award any CTR entitlement to Mr Jerry.

He gets a notification letter telling him how much reduction he gets and how it has been calculated. The letter explains how to challenge anything he thinks is wrong.

Case Study 1 – De minimis

Current Scheme

Mr Adey and his partner currently have a joint earned income of £200 per week and £13.24 per week in Council Tax Reduction. Mr Adey gets a pay increase of £15 per week taking their income to £215 per week. Because of this pay increase we re-assess his CTR and his new CTR entitlement is reduced by £3 to £10.24 per week.

Proposed Scheme

Mr Adey and his partner currently have a joint earned income of £200 per week and get the equivalent of £13.24 per week in Council Tax reduction. Mr Adey gets a pay increase of £15 per week taking their income to £215 per week. Because of this pay increase we re-assess his CTR and his new CTR remains the same at £13.24 per week.

The difference under the old scheme would have reduced their CTR by £3.00 per week due to the increase of earned income by £15 per week.

Under the new scheme their CTR remains at £13.24 because the re-assessed CTR change is less than the £3.25p de-minimis figure.

Case Study – De minimis (2)

Current Scheme

Miss Mohammed and her partner currently have a joint earned income of £200 per week and get the equivalent of £13.24 per week in Council Tax reduction. Miss Mohammed gets a pay increase of £15 per week taking her income to £215 per week. Because of the pay increase we re-assess her CTR and her new CTR entitlement is reduced by £3 to £10.24 per week.

A month later Miss Mohammed and her partners joint earned income increases by £15 per week and they now have a joint earned income of £230 per week they currently get the equivalent of £13.24 per week in Council Tax reduction. Due to the increase of income of £15 per week Miss Mohammed weekly income is now £230 per week. Because of the pay increase we re-assess her CTR and her new CTR entitlement is reduced by £5 to £7.24 per week.

Proposed Scheme

Miss Mohammed and her partner currently have a joint earned income of £200 per week and get the equivalent of £13.24 per week in Council Tax reduction. Miss Mohammed gets a pay increase of £15 per week taking her income to £215 per week. Because of the pay increase we re-assess her CTR and her new CTR entitlement is reduced by £3 to £10.24 per week.

Under the new scheme their CTR remains at £13.24 because the re-assessed CTR change is less than the £3.25p deminimus figure.

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Under the old scheme their CTR entitlement reduces by £5.00 per week due to the increase of earned income by £15 per week.

Under the new scheme their CTR entitlement reduces by £5.00 because the re-assessed CTR change is more than the £3.25p deminimus figure.

Case Study – CTR Backdating

Current Scheme

Ms Ali moved into her private rented accommodation on the 17th Oct 2020. The Council was not told about this until her landlord questioned the Council Tax arrears with us on the 1st July 2021. The Council then made her liable for Council Tax from the 17th Oct 2020. Under the current scheme the Council can only backdate the CTR claim a maximum of six months. The Council applied the backdating and awarded CTR from 1st Jan 2021.

Proposed Scheme

Ms Ali moved into her private rented accommodation on the 17th Oct 2020. The Council were not told about this until her landlord questioned the council tax arrears with us on the 1st July 2021. The Council then made her liable for Council Tax from the 17th Oct 2020. The new scheme allows us to backdate her CTR for a period of 12 months. The Council applied the backdating and awarded CTR from 17th Oct 2020 (total of 8 months) as this falls within the new scheme to allow 12 months backdating.