



Department for
Communities and
Local Government

Localising council tax support

Statement of intent on up-rating for pensioners on council
tax support

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Statement of intent on up-rating for pensioners on council tax support

The Government is committed to protecting pensioners on low incomes, who it does not want to see disadvantaged as a result of the introduction of local council tax support. To deliver this protection, the Prescribed Requirements regulations contain provisions that must be included in a billing authority's council tax reduction scheme in relation to *pensioners*.

The intention has always been that the provisions will replicate as far as possible the provisions under which pensioner eligibility for council tax benefit was assessed.

To ensure that this protection is maintained, the Government intends to amend the Prescribed Requirements Regulations to up-rate the allowances, premia and non-dependant deductions for pensioners for 2014-15. They will be amended again to up-rate for 2015-16.

The Government intends to up-rate:

- personal allowances in line with Pension Credit rates
- most premia in line with CPI; and
- non-dependant deductions in line with growth in eligible council tax.

This replicates the way up-rating was done under council tax benefit.

The amendments will be made in December in line with Pension Credit up-rating.

The latest Council Tax Benefit expenditure forecasts produced by DWP provide the best assessment of the costs associated with up-rating as in previous years under council tax benefit. These forecasts show that the spend on pensioners will fall between 2013-14 and 2014-15 and will continue to decline slightly for future years.

In 2015-16 we are required by legislation to review the policy. At this point we will also review the impact of up-rating pensioner allowances, premia and non-dependant deductions.

Officials are also looking at making a few technical changes to the Prescribed Requirements Regulations to maximise consistency on exemptions or inclusions, such as right to reside, European Convention on Social and Medical Assistance and the European Social Charter. A further statement on these issues will follow in due course.