

**A MEETING OF THE  
BOROUGH OF TELFORD & WREKIN**

**Will be held at THE PLACE,  
OAKENGATES, TELFORD TF2 6ET  
on THURSDAY, 19 JANUARY 2017  
at 6.00pm**

**All Members are summoned to attend for the transaction  
of the under mentioned business**



**Assistant Director Governance, Procurement & Commissioning**

---

**AGENDA**

1. **Prayers**
2. **Apologies for Absence**
3. **Declarations of Interest**
4. **Minutes of the Council**  
To confirm the minutes of the Meeting of the Council held on 24  
November 2016 and the Extraordinary Council Meeting on 7  
December 2016.
5. **Leader's Report & Announcements**  
The Leader of the Council may give an oral report on matters of  
significance to the Borough, comment upon the Cabinet decisions  
or make any announcements.

Appendix **A1&A2**  
White  
Pages 5-16

6. **Mayor's Announcements**

To note the Mayoral Engagements undertaken since the Annual Council meeting held on 24 November 2016.

Appendix B  
White  
Pages 17 – 18

Duke of Edinburgh Gold Awards

The Mayor will present Certificates of Achievement to young people who have recently received the prestigious Duke of Edinburgh Gold Award.

7. **Public Questions**

To receive any questions from the public which have been submitted under Council Procedure Rules 7.11 and 7.12. The session will last no more than 15 minutes with a maximum of 2 minutes allowed for each question and answer. Questions can be asked of The Leader and Cabinet Members.

The following question to Cllr A D McClements, Cabinet Member: Transport, Customer & Neighbourhood Services has been submitted by Carol Scott MBE:

"I am pleased that Telford and Wrekin have launched "My Telford". Can you advise what advances are being made to update each incident status so that the reporting individual knows what action is being taken and are there plans to identify replications to save duplication of time and effort?"

8. **Cabinet Decisions Made Since the Last Meeting of the Council**

To receive the report on the Cabinet decisions made since publication of the last Council meeting agenda. Cabinet Members may speak on these decisions and Members may ask questions about key decisions of the relevant Cabinet Member for the purposes of clarification only. Members are asked to note the additional delegations to officers granted at those meetings.

Appendix C  
White  
Pages 19-20

9. **Recommendations from Cabinet**

Cabinet – 5 January 2017

- (i) 2016/17 Financial Management Report

**Recommended that the changes to the capital programme in section 1 of the report be approved.**

Appendix D  
Yellow  
Pages 21-22

- (ii) Council Tax Support Scheme 2017/18

**Recommended that –**

- (a) the Council Tax Support Scheme Policy for 2017/18 as**

Appendix E  
Yellow  
Pages 23-64

- shown at Appendix A be approved.**  
**(b) the continuation of the Council Tax Hardship Policy and accompanying funding be approved.**

10. **Setting of the Council Tax Base for 2017/18** Appendix F  
To receive the report of the Assistant Director: Finance & Human Resources (Chief Financial Officer). White  
Pages65-70
11. **Update to the Council's Constitution and Political Balance** Appendix G  
To consider the report of the Assistant Director: Governance, Procurement & Commissioning. White  
Pages71-81
12. **Questions**  
To answer questions received under Council Procedure Rule 6.2.

***NB In accordance with the provisions of Council Procedure Rule 6.2.9 there will be a maximum of 30 minutes allowed for questions and answers. Any question not answered within the 30 minute time limit will receive a written reply within 5 working days.***

13. **Notices of Motion**

- (i) Councillor K S Sahota will move the following Motion:

“Since the Brexit vote we have seen a rise in hate crime across the Country.

We are proud to represent and live in a diverse, multi cultural and tolerant community where Racism, Xenophobia and other hate crimes have no place in the Borough of Telford and Wrekin.

This council condemns Hate Crime in the strongest possible terms and will not allow it to remain unchallenged or to be accepted.

We will work with our partners to ensure that we have the necessary support and the resources to reduce these crimes.

We would like to reassure everyone living in the Borough of Telford and Wrekin, regardless of their background, that they are a valued member of our community.”

The Motion will be seconded by Councillor A J Burford.

**KEY**

Yellow paper	Recommendations from Cabinet to Full Council
White Paper	Reports submitted direct to Full Council
Green Paper	Recommendations from Committees, Boards and Commissions requiring approval by Full Council

**FILMING, RECORDING & PHOTOGRAPHY**

The Council supports the principle of transparency and encourages filming, recording and taking photographs at its meetings that are open to the public. It also welcomes the use of social networking websites (such as Twitter and Facebook) and micro-blogging to communicate with people about what is happening, as it happens.

There is no requirement to notify the Council in advance, but it should be noted that the Chairman of the meeting will have absolute discretion to terminate or suspend any of these activities if, in their opinion, continuing to do so would prejudice proceedings at the meeting. Full details of the Council's protocol on audio/visual recording and photography at meetings can be accessed via the following link:

[http://www.telford.gov.uk/info/20243/council\\_meetings/365/filming\\_photography\\_recording\\_and\\_use\\_of\\_social\\_networking\\_at\\_meetings](http://www.telford.gov.uk/info/20243/council_meetings/365/filming_photography_recording_and_use_of_social_networking_at_meetings)

**PUBLIC QUESTIONS**

At each Ordinary meeting of the Council a period of 15 minutes will be allocated for public questions. Questions can be asked of The Leader and Cabinet Members. Details of the protocol for public questions can be accessed via the following link:

[http://www.telford.gov.uk/info/20243/council\\_meetings/364/public\\_questions\\_at\\_council\\_meetings](http://www.telford.gov.uk/info/20243/council_meetings/364/public_questions_at_council_meetings)

## BOROUGH OF TELFORD & WREKIN

### Minutes of the Meeting of the Borough of Telford & Wrekin held on Thursday, 24 November 2016 at 6.00pm at The Haybridge Restaurant, Telford College of Arts & Technology, Haybridge Road, Wellington, Telford

#### Present:

Councillors J C Ashford, S L Barnes, S Bentley, A J Burford, S P Burrell, E J Carter, L D Carter, E A Clare, G K Cook, S Davies, N A Dugmore, A J Eade, A R H England, N A M England, R C Evans (Mayor), I T W Fletcher, V A Fletcher, J A Francis, C A Furnival, K R Guy, M B Hosken, J Jones, R T Kiernan, A Lawrence, J Loveridge, N C Lowery, A D McClements, J C Minor, L A Murray, T J Nelson, R A Overton, J Pinter, G C W Reynolds, S A W Reynolds, S J Reynolds, H Rhodes, K S Sahota, P J Scott, J M Seymour, R J Sloan, C F Smith (Speaker), B D Tillotson, W L Tomlinson, C R Turley, and P R Watling

#### **48. Councillor C P R Mollett and past Councillor Christine Mackenzie**

The Mayor noted the sad passing of Councillor Clive Mollett. She extended sympathies to Councillor Mollett's family and noted his contribution to the Council over the years, particularly the Scrutiny function where he had most recently served as a Member of Health & Adult Care Scrutiny Committee.

The Mayor further noted the sad passing of past Councillor Christine Mackenzie and extended sympathies to her family, noting her previous contribution to the Council.

#### **49. Prayers**

The Reverend Keith Osmund-Smith said prayers.

#### **50. Apologies for Absence**

Councillors K T Blundell, M Boylan, E J Greenaway, C N Mason, A A Meredith, M J Smith, K T Tomlinson and D G Wright

#### **51. Declarations of Interest**

Councillor S Davies declared an interest in minute number 57(ii) (Youth Justice Plan 2016/17) due to appearing in the youth court from time to time as a solicitor and that his employer prosecuted on behalf of the Youth Offending Team. He indicated that he would not take part in the debate.

Councillor A R H England declared an interest in minute number 57(ii) (Youth Justice Plan 2016/17) due to his position as a Justice of the Peace and indicated that he would not take part in the debate.

## **52. Minutes of the Council**

**RESOLVED** – that the minutes of the meeting held on 22 September 2016 and the Extraordinary Meeting held on 6 October 2016 be confirmed and signed by the Mayor.

## **53. Leader's Report & Announcements**

The Leader expressed disappointment in the Autumn Statement by the Chancellor of the Exchequer in terms of the impact it would have on Council budgets due to the lack of recognition of the funding pressures facing Adult Social Care. He went on to update the meeting on the PRH4Me campaign and the actions he had taken as part of the campaign to keep both Accident and Emergency Departments open. The Leader continued by updating the meeting on continued efforts to improve the Borough, including the launch of Enterprise Telford, a TeenTech event supported by Maggie Philbin at Enginuity and innovations as a result of Pride in Your High Street funding. The Leader reported that the Council had been presented with the Silver Award from the Employer Recognition Scheme. Drawing his comments to a close, the Leader offered his best wishes to all Councillors, Officers and Residents for a happy Christmas.

## **54. Mayor's Announcements**

The Mayor reminded the meeting that the annual White Ribbon Awareness Day would be held on Friday, 25 November at Meeting Point House from 1-2pm. Telford and Wrekin had been a White Ribbon town for three years and the awareness day was inspired by The White Ribbon Pledge which supported men who campaigned to step up and positively make a stand to support ending domestic abuse against women. The Mayor noted that the effects of domestic abuse upon victims, their children and families and in some tragic cases could lead to death. The Mayor called upon all Members to support White Ribbon Day and looked forward to one day there being an ending of violence against everyone.

## **55. Public Questions**

No questions were received.

## **56. Cabinet Decisions Made Since the Last Meeting of the Council**

Members received the report on the Cabinet decisions made since the last meeting of the Council.

### Proposed Consultation on School Organisation Including the Re-Designation of Attendance Areas

*Councillor A J Eade asked if the Cabinet Member understood the issues around the lack of public transport from Muxton to the Priory School for pupils who were currently bussed to Newport and the effect that additional car traffic would have on the highway infrastructure in that locality.*

Councillor G C W Reynolds responded that discussions were taking place to improve public transport but that there was a bus (route number 5) between Muxton and Wrockwardine Wood which ran in the morning in time for school, eg picking up at the Post Office and dropping off at the Lamb Inn, a short distance from the School.

*Councillor A J Eade also asked if the Cabinet Member understood that due to the Council having not collected developer contributions for five years and the Council not qualifying for Free School funding, there was no money available for future secondary school build and how and when did she propose to do that?*

Councillor G C W Reynolds responded that the Council did seek developer contributions from S106 monies.

*Councillor A J Eade noted that he had previously requested information regarding the number of secondary school places currently available in the borough and the projected number of secondary school pupils who would require places over the next few years.*

Councillor G C W Reynolds had not been aware that this information had previously been requested. She was able to confirm the number of surplus places in Telford & Wrekin as follows:-

- Primary places – 8.6% surplus which equated to 1443 pupil places, at least enough for three years
- Secondary places – 12.4% surplus equating to 1547 places

*Councillor V A Fletcher noted that the changes to school boundaries would bring Muxton into the catchment area of Telford Priory School. The number of homes with planning permission in Muxton and Priorslee equated to an extra 6500 new homes in the catchment and, based on DfE guidelines, this resulted in a potential increase of 1600 pupils by 2030. As the cost of building a new secondary school far exceeded savings on school transport, she asked what plans were in place to deal with the potential rise in school places?*

Councillor G C W Reynolds requested that Councillor Fletcher send the full question to her for a complete response. She responded that the Secondary School in Priorslee would not have been built without the current administration's policy on Building Schools for the Future. She pointed out that the savings on home to school transport was not the reason for the report; the report was to define the next few years of school places and to ensure that places were sustainable going forward. The proposals were not driven by cuts.

She further responded that Priorslee was also part of the catchment area for Holy Trinity Academy as well as the Telford Priory, so there was more than one school which pupils could attend. Furthermore, the proposed homes would result in a year on year attendance rather than an influx. The report incorporated all known and projected buildings. Councillor Reynolds suggested that Members could make their views known through the consultation.

*Councillor N A Dugmore asked if it was acceptable to ask children as young as 11 to walk more than a mile to catch a bus to school in an urban area and how that sat with protecting children in the borough.*

Councillor G C W Reynolds responded that this was acceptable and in accordance with the Council's statutory duties.

## Highways Asset Management Policy and Strategy

*Councillor N A Dugmore asked whether the Cabinet Member agreed that management of Contractors need to be reviewed due to the delays incurred in completing work on roundabouts in the borough and that only due to public pressure had the utility companies had been pressed to complete necessary works.*

As similar questions were due to be asked at minute 58, Councillor A D McClements indicated that she would respond in writing.

## Pride in Your High Street Update

*Councillor N A Dugmore asked why the statements in the report were not checked with the relevant Parish Councils as in 4.10 of the report, the Donnington events attributed to Pride in Your High Street had no involvement from Pride in Your High Street.*

Councillor G C W Reynolds responded that she would reply in writing, however, she noted that Donnington had benefited greatly from Pride in Your High Street funding, including Easter events.

## 2016/17 Financial Management Report

*Councillor I T W Fletcher referred to the sum of £650K allocated to St Georges, of which £300K had been delayed to the following year leaving £350K remaining for the current year and of this, only £59K had been spent, leaving £290,697 unallocated. He asked for assurances that St Georges would not lose the allocated funds and what would happen with the funds.*

Councillor L D Carter responded that he would provide a written response and gave an assurance that St Georges would not lose out. Additionally, he noted that there had been a lot of other good things happening in St Georges mainly as a result of Pride in the High Street funding and over £10K of officer time had been dedicated to St Georges to get the benefit of the money and so that the Gower Centre would be opened for the community to enjoy.

## **57. Recommendations from Cabinet**

### Cabinet – 13 October 2016

#### (i) 2016/17 Financial Management Report

Councillor L J Carter, Cabinet Member: Council Finance, Partnerships & Commercial Services, presented the report of the Assistant Director: Finance & HR (Chief Financial Officer).

**RESOLVED that the changes to the capital programme in section 1 of the report be approved**

#### (ii) Youth Justice Plan 2016/17

Councillor P R Watling, Cabinet Member: Children, Young People and Communities, presented the report of the Director of Childrens' and Adult Services.

**RESOLVED that –**

- (a) the Youth Justice Plan 2016/17 be approved and the West Mercia YOS responsibilities be endorsed; and**
- (b) delegated authority be granted to the Community Safety Partnership to oversee the Implementation of the Youth Justice Plan.**

**(iii) Enterprise Telford – Driving Growth and Prosperity**

Councillor L J Carter, Cabinet Member: Council Finance, Partnerships & Commercial Services, presented the report of the Assistant Director: Business, Development & Employment.

**RESOLVED that –**

- (a) the PIP be granted approval to undertake prudential borrowing to undertake the acquisition and disposal of PIP assets and/or investments in strategic infrastructure, following approval of the business cases as outlined in the report**
- (b) the necessary changes to the capital programme and revenue budget to facilitate the ongoing rationalisation of the PIP and strategic investments as outlined in the report be approved**

**Cabinet – 17 November 2016**

**(i) Ensuring Children are Fully Protected in Telford and Wrekin – Getting to Good**

Councillor P R Watling, Cabinet Member: Children, Young People and Communities, presented the report of the Director of Childrens' and Adult Services and Independent Chair of the Telford & Wrekin Safeguarding Children Board which was provided following the Motion to Council on 22 September 2016. Councillor Watling moved the following alteration to the motion:-

“That Council endorses the measures set out by the Director of Children’s & Adult Services and Independent Chair of the Telford & Wrekin Safeguarding Children Board for raising all Children’s Services in the Borough to a minimum standard of good and for ensuring that vulnerable children in the Borough are fully protected in the future”

The consent of the meeting was given without discussion and in accordance with the Constitution.

The Speaker exercised his discretion to allow Mr J Campion, the Police and Crime Commissioner; Mr A Mason, the Independent Chair of the Local Safeguarding Children Board; and Ms C Burgess, the regional representative of the Local Government Association, to make short statements to the meeting with no questions permitted.

At the end of a robust and lengthy debate, a vote was taken on the altered motion which was CARRIED. In accordance with Committee Procedure Rule 9.5, a recorded vote on the altered motion was taken, the voting being as follows:

For: 27

Councillors A J Burford, L D Carter, E A Clare, G H Cook, S Davies, A R H England,  
N A M England, R C Evans, K R Guy, J Jones, J Loveridge, A D McClements, J C Minor,  
L A Murray, R A Overton, J A Pinter, G C W Reynolds, S A W Reynolds, S J Reynolds,  
H Rhodes, K S Sahota, P J Scott, R J Sloan, C F Smith, W L Tomlinson, C R Turley and  
P R Watling.

Against: 0

Abstentions: 18

Councillors J C Ashford, S L Barnes, S Bentley, S P Burrell, E J Carter, N A Dugmore,  
A J Eade, I T W Fletcher, V A Fletcher, J A Francis, C A Furnival, M B Hosken, R T Kiernan, A Lawrence, N C Lowery, T J Nelson, J M Seymour and B D Tillotson.

**RESOLVED that the measures set out by the Director of Children’s & Adult Services and Independent Chair of the Telford & Wrekin Safeguarding Children Board for raising all Children’s Services in the Borough to a minimum standard of good and for ensuring that vulnerable children in the Borough are fully protected in the future be endorsed**

#### **58. Recommendations from Boards and Committee**

Audit Committee - Appointment of External Auditors by 31/12/17 for April 2018 Onwards

**RESOLVED – that opting into the Public Sector Audit Appointment Ltd (PSAA) for the purpose of appointing External Auditors for 2018/19 onwards be approved.**

Boundary Review Committee - Review of Parliamentary Constituencies: Council Response

Following a request by the Main Opposition, the Speaker put each recommendation to the vote individually. Recommendation (a) received unanimous support whereas recommendation (b) was carried by a majority.

**RESOLVED – that**

- (a) that an alternative name of ‘The Wrekin and Bridgnorth’ be proposed to the Boundary Commission for England and;**
- (b) that the proposals submitted by the Boundary Commission for England are supported by the Council.**

#### **58. Questions**

The following questions were asked under Council Procedure Rule 6.2.2:-

- (a) Councillor I T W Fletcher asked the following question of Councillor A D McClements, Cabinet Member: Transport, Customer & Neighbourhood Services**

“Would the Cabinet member for Transport, Customer & Neighbourhood Services please advise residents of Telford what lessons have you learnt from the delays that have been incurred during the work being carried out on Limekiln Roundabout?”

(b) Councillor T J Nelson asked the following question of Councillor A D McClements, Cabinet Member: Transport, Customer & Neighbourhood Services

“Please can the Cabinet Member for Transport, Customer & Neighbourhood Services give an update of progress to completion of the Clocktower roundabout works?”

(c) Councillor R T Kiernan asked the following question of Councillor A D McClements, Cabinet Member: Transport, Customer & Neighbourhood Services

“Would the Cabinet Member for Transport, Customer & Neighbourhood Services confirm the cost so far for the Construction of the New Roundabout at Shawbirch? Very slow progress seems to be made in getting this project completed with very few men actually working, and machines standing idle. In fact only two or three men on site, at one time, and they were only reseeding with grass. What are they waiting for? The snow to arrive before the tarmac is laid, or are we going to get a surprise in the middle of the island, not another Magic Roundabout.”

Councillor A D McClements responded to the questions en bloc. She explained the background to securing £20m Local Enterprise Partnership funding to invest in the road network to provide capacity to cater for future growth by improving six major junctions in the borough and that the deadline for delivery was March 2017.

Works at Limekiln roundabout had begun in February 2016 and had been due to complete in July 2016. All utility companies which needed to arrange diversions had been notified of the works in April 2015 and all of the utility companies had completed work within agreed deadlines with the exception of Severn Trent which had repeatedly failed to meet deadlines. Councillor McClements explained the discussions she had had with the Chief Executive of Severn Trent in this regard, that a letter of complaint had been issued from the Council to Severn Trent, a press release had been issued to explain the position to local residents and that the Chief Executive had been invited to this meeting of the Council to be held accountable but had declined. Councillor McClements had now received a response from Severn Trent that works would be completed by 5 December and, the contractor had indicated they would be able to complete the works, weather permitting, before Christmas. She understood and shared the frustrations caused by the delayed works but lamented the fact that Severn Trent had shown little understanding of the delays and misery that had been caused due to their poor performance. The Council had done all it could to assist, encourage and force Severn Trent to undertake the works and had done everything possible to work with them to get the work done. The delays were wholly down to Severn Trent and formal action would be taken to hold them to account.

Councillor McClements informed the Council that Officers were reviewing what lessons, if any, there were to be learnt and were clear they had fulfilled all criteria required by the utility companies and given ample notice to work on the sites.

Councillor McClements advised that works at Shawbirch had been anticipated to be complete by mid-November. Again, there had been issues with Severn Trent which had also been subject to discussion and completion was not expected by the end of January

2017. Again, Councillor McClements shared the frustration of the local community and would do all that she could to keep pressure on Severn Trent and the contractors to complete the work.

Additionally, Councillor McClements advised that works at the Clock Tower were anticipated to complete by February 2017, weather permitting. The issues at this site were not the same as those at Limekiln and Shawbirch and were not anticipated to impact upon the final completion date.

Councillor I T W Fletcher asked a supplementary question seeking reassurance for residents that the Council would take steps to make contractors complete work by given deadline dates. Councillor McClements reiterated that all utility companies had been given sufficient notice of the work and only Severn Trent had failed to complete work on time. Councillor McClements had requested that Severn Trent keep her updated and keep to the new 5 December deadline.

Councillor T J Nelson noted widening of the Clock Tower roundabout and improvements to the entry/exit arms aimed to provide additional capacity sufficient to provide capacity to cater for future growth up to 2031. He asked what percentage of new homes granted planning permission had been factored into the calculation to future proof the improvements. Councillor A D McClements responded that she would provide a written response.

Councillor R T Kiernan did not ask a supplementary question.

**59. Notices of Motion**

None received.

The meeting ended at 8.38pm

**Mayor:** .....

**Date:** .....

## BOROUGH OF TELFORD & WREKIN

### Minutes of an Extraordinary Meeting of the Borough of Telford & Wrekin held on Wednesday, 7 December 2016 at 6.00pm at Telford College of Arts & Technology, Haybridge Road, Telford

#### PRESENT:

Councillors S L Barnes, S Bentley, K T Blundell, M Boylan, A J Burford, E J Carter, L D Carter, G K Cook, S Davies, N A Dugmore, A J Eade, A R H England, N A M England, R C Evans (Mayor), I T W Fletcher, V A Fletcher, J A Francis, E J Greenaway, M B Hosken, J Jones, R T Kiernan, J Loveridge, N C Lowery, C N Mason, A D McClements, J C Minor, L A Murray, T J Nelson, R A Overton, J Pinter, G C W Reynolds, S A W Reynolds, S J Reynolds, H Rhodes, K S Sahota, P J Scott, J M Seymour, R J Sloan, C F Smith (Speaker), B D Tillotson, K T Tomlinson, W L Tomlinson, C R Turley, and D G Wright

#### **60. APOLOGIES FOR ABSENCE**

Councillors E A Clare, C A Furnival, K R Guy, A A Meredith, M J Smith, and P R Watling

(NB Councillors J C Ashford, S P Burrell and A Lawrence were also absent from the meeting)

#### **61. DECLARATIONS OF INTEREST**

Councillor M Boylan declared an interest in minute number 62 due to his position as Director at Healthwatch Telford & Wrekin and indicated that he would withdraw from the meeting.

Councillor A J Burford declared an interest in minute number 62 due to his position as joint Chair of the Joint Health Overview & Scrutiny Committee and indicated that he would not take part in the debate and, on legal advice, would abstain from the vote.

Councillor V A Fletcher declared an interest in minute number 62 due to her Membership of the Joint Health Overview & Scrutiny Committee and indicated that she would withdraw from the meeting.

Councillor R J Sloan declared an interest in minute number 62 due to his Membership of the Joint Health Overview & Scrutiny Committee and indicated that he would not take part in the debate and, on legal advice, would abstain from the vote.

#### **62. RECONFIGURATION OF HOSPITAL SERVICES**

In accordance with the Constitution, five members of the Council had submitted a request to the Speaker to arrange an urgent extraordinary public meeting of the

Council with a single item of business – a motion relating to the reconfiguration of hospital services in the County as set out in the agenda papers.

The Leader, Councillor S Davies, moved the following Motion:

“This Council deplores the decision made by the Future Fit Board and is appalled that their preferred option is to close A&E and the Women’s & Children’s Unit at Telford Princess Royal Hospital.

This Council has no confidence in the decision-making process of the Future Fit Board and is astounded at their abject failure to satisfactorily address concerns that this Council has raised.

This Council is bitterly disappointed that the Health Secretary Jeremy Hunt has failed to respond to any correspondence from this Council or intervene in this matter despite his 2014 pledge that both Shropshire A&Es would remain open. We now call on Telford & Wrekin MPs Mark Pritchard & Lucy Allan to seek an urgent meeting with the Health Secretary and demand that he intervenes and stops this fiasco immediately.

This Council agrees that, subject to the decision of the Joint CCG Committee, the Cabinet now be authorised to pursue all necessary actions including a Judicial Review of the decision.”

In supporting the motion, Councillor Davies commented upon the lack of logic to the decision made by the Future Fit Board to relocate the Women’s and Children’s Unit when the greatest clinical need for the facility was in Telford. Councillor Davies went on to comment upon the flawed Future Fit processes and reports that NHS England doubted that funding would be available to support the preferred option. Councillor Davies noted that the Council’s own analysis of the evidence would shortly be published and that this demonstrated that Telford demographics strongly supported the position for the Women’s and Children’s Unit and Accident and Emergency to remain in Telford. He also noted the enormous support for the PRH4Me campaign. Councillor Davies informed the meeting that the Council had pushed for the publication of the Sustainability and Transformation Plan (STP) which had been widely condemned on publication and questioned how the proposals could materialise without appropriate funding being available. Councillor Davies asserted that the County needed two fully equipped Accident and Emergency Units, and reflected upon statements by the Health Secretary in this regard in the previous two years and urged the borough’s two MPs to lobby the Health Secretary. He concluded by vowing that the Council would do all that it could to protect services in the borough.

The motion was seconded by Councillor W L Tomlinson. Councillor Tomlinson commented upon the wider funding picture in the NHS and questioned the costs which would be incurred in moving the newly built Women’s and Children’s Unit to Shrewsbury before asserting that there continued to be a clinical case for the Unit to remain in Telford. He expressed concern at the weighting attributed to Powys during the Future Fit consultation. Councillor Tomlinson urged support from the borough’s MPs. He went on to note that there had been some comments at the last

Extraordinary Council Meeting which critiqued spending large sums on Judicial Review but it was his belief that the public would expect the Council to mount a fight against injustice in the process as individuals would not be able to do so themselves.

A number of Members spoke to the proposal, making points which included the social injustice of moving the Women's and Children's Unit, whether the process was at an appropriate stage to instigate judicial review, whether the Motion was drafted correctly, whether the Motion was premature, that the meeting on 6 October had supported the filing for Judicial Review rendering this meeting unnecessary, and that the CCGs should be allowed to make their decision without political pressure. Further points were made regarding the fairness and legality of Future Fit processes, health inequalities and demographic issues which supported the case to retain the Women's and Children's Unit and Accident and Emergency in Telford, the lack of evidence to support the assertion that an Urgent Care Centre would take up the claimed Accident and Emergency activity, poor training and lack of guidance for those undertaking the non-financial appraisal and the weighting of evidence towards a preferred option C, lack of funding to support changes and limited support from MPs to date despite promises in election literature. An assurance was given that Mark Pritchard MP was due to meet with the Health Secretary after Christmas but that the Minister's intervention would not be possible before public consultation had taken place.

Councillor S Davies concluded the debate by reiterating his opinion that the Future Fit process was a shambles and that there was a legal and moral obligation on the Health Secretary to intervene. He noted that the Leader of Shropshire Council was also awaiting a response from the Health Secretary and called again for the support of both the borough's MPs in lobbying the Health Secretary, urging all parties to unite and fight for services in the borough. He criticised recent comments in the press which had leaked the views of the CCGs ahead of the Joint Committee meeting. Councillor Davies assured Members that he had taken legal advice about the appropriateness of launching Judicial Review and, acknowledging criticism of his decision to request this meeting, he noted that he could have used his Strong Leader powers to decide to file for Judicial Review but that he had acknowledged comments made at the meeting on 6 October and sought cross party support instead. He trusted that all Members would unite to fight for the right services across Shropshire.

At the end of a robust and lengthy debate, a vote was taken on the motion put forward by Councillor Davies which was CARRIED. In accordance with Committee Procedure Rule 9.5, a recorded vote on the motion was taken, the voting being as follows:

For: 40

Councillors S L Barnes, S Bentley, K T Blundell, E J Carter, L D Carter, G K Cook, S Davies, N A Dugmore, A J Eade, A R H England, N A M England, R C Evans, I T W Fletcher, J A Francis, E J Greenaway, M B Hosken, J Jones, R T Kiernan, J Loveridge, N C Lowery, C N Mason, A D McClements, J C Minor, L A Murray, T J Nelson, R A Overton, J Pinter, G C W Reynolds, S A W Reynolds, S J Reynolds, H Rhodes, K S Sahota, P J Scott, J M Seymour, C F Smith, B D Tillotson, K T Tomlinson, W L Tomlinson, C R Turley, and D G Wright

Against: 0

Abstentions: 2  
Councillors A J Burford and R J Sloan

The meeting ended at 7.11pm

**Mayor:** .....

**Date:** .....

**MAYORAL ENGAGEMENTS**  
**14 November 2016 – 1 January 2017**

<b>November</b>	<b>16</b>	<b>DM</b>	Citizenship Ceremony at the Register Office, Wellington Civic & Leisure Centre
		<b>DM</b>	Multicultural Community Day at the Hadley Learning Community, Waterloo Road, Hadley
	<b>21</b>	<b>M</b>	Health Fayre at New College Telford, King Street, Wellington
	<b>25</b>	<b>M</b>	White Ribbon Day at Meeting Point House, Southwater Square, Telford Town Centre
		<b>M</b>	Christmas Lights Switch-On at the Telford Plaza, Ironmasters Way, Telford
	<b>26</b>	<b>M</b>	Dyslexia Awards Evening at Enginuity, Coalbrookdale, Telford
		<b>DM</b>	Jayne Sargent Foundation Autumn Ball at The Mill, Madeley Court Hotel, Telford
	<b>29</b>	<b>M</b>	Veolia Waste & Recycling Centre Opening at Hortonwood 60, Telford
	<b>30</b>	<b>M</b>	Juniper Training Celebrating Success Awards Ceremony at Juniper Training, Central Park, Telford
	<b>December</b>	<b>1</b>	<b>M</b>
<b>M</b>			Opening of the European Christmas Market at Southwater Square, Telford Town Centre
<b>M</b>			Telford & Wrekin Council's Civic Carol Service at The Place, Oakengates Theatre
<b>2</b>		<b>M</b>	Shropshire Council Chairman's Civic Heads Dinner at The Boat House, The Mereside, Ellesmere
<b>3</b>		<b>M</b>	Terrence Higgins Trust Community Health Fayre at the Brookside Community Centre, Telford

- M** Oakengates Christmas Lights Switch-On at The Place, Oakengates Theatre
- M** Madeley Christmas Lights Switch-On at The Anstice Memorial Hall, Madeley
- M** Christmas Lights Switch-On at Ironbridge Gorge, Telford
- 4** **M** Charity Christmas Fun Run at Telford Town Park
- 9** **M** Opening of Pride in your High Street Community Project at Turnpike Court, St Georges
- M** Sleeping Beauty Panto VIP Showing at The Place, Oakengates Theatre
- 10** **M** Opening of Hollinswood Local Centre at Hollinswood, Telford
- 11** **M** Defined Ridez Food Bank Collection at Red Oak Car Park, Telford Town Centre
- 13** **M** New College Telford Awards Evening at The Whitehouse Hotel, Watling Street, Wellington
- 14** **M** Royal Mail Festive Visits at Tweedale, Oakengates & Wellington Delivery Offices, Telford
- 15** **DM** Family Carol Service at Adams' Grammar School, Newport
- 17** **DM** Telford & Wrekin Arthritis Support Group Christmas Party at The Ramada Hotel, Forgegate, Telford
- 22** **M** Refuge Toy Collection at the Princess Royal Hospital, Grainger Drive, Telford
- 30** **DM** Chinese New Year National TV Filming at the Chinese Arts & Culture Centre, Stafford Park, Telford

**TELFORD & WREKIN COUNCIL**

**COUNCIL – 19 JANUARY 2017**

**MATTERS DETERMINED BY THE CABINET**

**REPORT OF CABINET – FOR INFORMATION ONLY**

**1.0 INTRODUCTION**

This report sets out those matters determined by the Cabinet at its meeting on 5 January 2017.

**2.0 CABINET BUSINESS**

Matters that have been determined by Cabinet are listed below:

2.1 5 January 2017

KC	2.1.1	2016/17 Financial Management Report
K	2.1.2	Service & Financial Planning 2017/18 to 2019/20
KC	2.1.3	Council Tax Support Scheme 2017/18
K	2.1.4	School Funding Formula 2017/18
K	2.1.5	Local Development Order – Householder Extensions and Alterations

**Key**

K	= Key Decisions
NK	= Non-Key Decisions
E	= Exempt Items
PE	= Part Exempt Item
C	= Council
PC	= Part Recommendation to Council

**3.0 DELEGATION OF POWERS GRANTED BY THE CABINET**

<b>REPORT HEADING</b>	<b>DELEGATION GRANTED TO</b>	<b>DETAIL OF DELEGATION GRANTED</b>
Service & Financial Planning 2017/18 to 2019/20	Managing Director after consultation with the Cabinet Member for Council Finance, Partnerships and Commercial Services	To approve allocation of the One-off Partnership Capacity Fund totalling £695,000 as set out in section 6.3

Service & Financial Planning 2017/18 to 2019/20	Assistant Director: Finance & HR after consultation with the Cabinet Member for Council Finance, Partnerships and Commercial Services.	To respond to the provisional settlement and all future local government finance consultation documents.
Service & Financial Planning 2017/18 to 2019/20	Managing Director after consultation with the Cabinet Member for Council Finance, Partnerships and Commercial Services.	Authority to approve allocation of the one-off contingency fund to cover pressures such as costs arising from severe weather, demand for safeguarding services etc.
Local Development Order – Householder Extensions and Alterations	Assistant Director: Business, Development & Employment and any other officer authorised by that Assistant Director in writing.	To make the Borough of Telford & Wrekin Extensions and Alterations LDO, for a period of 3 years.

<b>LEGAL COMMENT</b> <b>FINANCIAL COMMENT</b> <b>LINKS WITH CORPORATE PRIORITIES</b> <b>RISKS AND OPPORTUNITIES</b> <b>ENVIRONMENTAL IMPACT</b> <b>EQUALITY &amp; DIVERSITY</b> <b>WARD IMPLICATIONS</b>	As described in each report considered by Cabinet. Copies of all reports have been previously circulated to all Members of the Council
--	---

**TELFORD & WREKIN COUNCIL**
**COUNCIL – 19 JANUARY 2017**
**2016/17 FINANCIAL MANAGEMENT REPORT**
**REPORT OF THE ASSISTANT DIRECTOR: FINANCE & HR (CHIEF FINANCIAL OFFICER)**
**LEAD CABINET MEMBER: CLLR LEE CARTER**
**PART A) – SUMMARY REPORT**
**1.0 SUMMARY OF KEY ISSUES**

1.1 The Financial Management report to Cabinet on 5 January provided an update on progress relating to the capital programme. The report also highlighted some new capital allocations and slippage which require formal approval by Full Council.

**1.2 SUMMARY**

The Detailed approvals required by Council are:

	2016/17 £	2017/18 £	2018/19 £	2019/20 £	Funding
<b>Re-Phasing</b>					
<b>Customer &amp; Neighbourhood</b>					
Telford Growth Package	(275,000)	275,000			Grant
Telford Growth Package	(5,367,500)	5,367,500			External
<b>Development, Business &amp; Employment</b>					
NuPlace (Housing Company)		4,646,000	(4,646,000)		Prudential
<b>Finance &amp; Human Resources</b>					
Managing the funding of the capital prog			4,400,000	(4,400,000)	Cap. Receipts
Managing the funding of the capital prog			(4,400,000)	4,400,000	Prudential
<b>Total</b>	<b>(5,642,500)</b>	<b>10,288,500</b>	<b>(4,646,000)</b>	<b>0</b>	
<b>New Allocations</b>					
<b>Customer &amp; Neighbourhood</b>					
Customer Services System Development	10,000	20,000			Revenue
<b>Education &amp; Corporate Parenting</b>					
All Other School Schemes	225,700				External
<b>Finance &amp; Human Resources</b>					
Managing the funding of the capital prog	(100,000)			(600,000)	Cap. Receipts
Managing the funding of the capital prog	100,000			600,000	Prudential
<b>Legal, Procurement &amp; Commissioning</b>					
Housing & Technology Support for People with Learning Disabilities	70,000	465,350			Grant
<b>Total</b>	<b>305,700</b>	<b>485,350</b>	<b>0</b>	<b>0</b>	

## **2.0 RECOMMENDATION**

**2.1** Members are asked to approve the changes to the capital programme in section 1 above.

## **3.0 SUMMARY IMPACT ASSESSMENT**

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Delivery of all priority objectives depend on the effective use of available resources.
	Will the proposals impact on specific groups of people?	
	No	
<b>TARGET COMPLETION/DELIVERY DATE</b>	The capital programme will be immediately updated to reflect the new approvals.	
<b>FINANCIAL/VALUE FOR MONEY IMPACT</b>	Yes	Financial impacts arising from this report will be reflected in future financial management reports and have been built into the draft service and financial planning strategy for 2017/18 and beyond considered at Cabinet on 5 January 2017
<b>LEGAL ISSUES</b>	No	None directly arising from this report. The S151 Officer has a statutory duty to monitor income and expenditure and take action if overspends /shortfalls emerge.
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	No	
<b>IMPACT ON SPECIFIC WARDS</b>	No	Borough Wide

## **4.0 PREVIOUS MINUTES**

Council 03/03/2016 – Service & Financial Planning 2016/17 to 2017/18  
Cabinet 13/10/2016 – Financial Management Report  
Cabinet 05/01/2017 – Financial Management Report

## **PART B) – ADDITIONAL INFORMATION**

There is no additional information.

## **5.0 BACKGROUND PAPERS**

2016/17 Budget Strategy / Financial Ledger reports

Report Prepared by:

Ken Clarke, Assistant Director: Finance & HR (C.F.O.) – 01952 383100; Pauline Harris, Finance Manager – 01952 383701

**TELFORD & WREKIN COUNCIL****CABINET - 5<sup>TH</sup> JANUARY 2017  
COUNCIL - 19<sup>TH</sup> JANUARY 2017****COUNCIL TAX SUPPORT SCHEME 2017/18****LEAD CABINET MEMBERS - CLLR LEE CARTER & CLLR PAUL WATLING****PART A) – SUMMARY REPORT****1. SUMMARY OF MAIN PROPOSALS**

- 1.1 On the 31<sup>st</sup> March 2013 the national Council Tax Benefit scheme was abolished and replaced with a new system of localised Council Tax Support which requires each billing authority to design and implement its own system for awarding council tax discounts to customers who are on low incomes.
- 1.2 Telford & Wrekin Council's Council Tax Support scheme for 2013/14 was approved by full Council on the 22<sup>nd</sup> November 2012 and commenced on the 1<sup>st</sup> April 2013. Each year since then Full Council have approved the recommendation to retain the scheme unchanged, apart from last year (2015/16) where a Self Employed minimum income and Council Tax Support Cap were introduced.
- 1.3 We are recommending that for 2017/18 we introduce some changes to the scheme that will make savings to the overall annual cost, as well as making some technical and legislative amendments that are necessitated each year by Government. These recommended changes have been to full public consultation and have been supported; in particular they have been supported by constituents currently in receipt of Council Tax Support, who will be directly affected.
- 1.4 In addition to the technical changes that retain the synergies between the Housing Benefit scheme and the Council Tax Support scheme we are recommending to further reduce the amount of support awarded to all working age claimants, by increasing the percentage reduction amount from 21% to 25%. We are also proposing to replicate changes that the Government are making to the Housing Benefit scheme by introducing a cap on the number of children who are included in the assessment of entitlement, reducing the temporary absence rule to four weeks . We are proposing that this scheme will then stay in place until March 2020, unless Government Policy changes significantly.
- 1.5 The Council Tax Hardship fund has been invaluable over the last three years in assisting us to award help to the most financially vulnerable customers and it is proposed that it continues in 2017/18 and we engage with the specific customers who are affected by the proposed changes to make them aware of the fund.

**2. RECOMMENDATIONS**

- 2.1 That Cabinet recommend that Full Council approve the Council Tax Support Scheme Policy for 2017/18 attached in Appendix A.
- 2.2 That Cabinet recommend that Full Council approve the continuation of the Council Tax Hardship Policy and accompanying funding..

### 3. SUMMARY IMPACT ASSESSMENT

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Priority Plan objective(s)?	
	No	
	Will the proposals impact on specific groups of people?	
	Yes	These proposals will impact on all current and future working age recipients of Council Tax Support.
<b>TARGET COMPLETION/DELIVERY DATE</b>	The Council Support Tax scheme must be approved by full Council no later than 31 <sup>st</sup> January 2017.  The 2017/18 Council Tax Support scheme will commence on the 1 <sup>st</sup> April 2017.	
<b>FINANCIAL/VALUE FOR MONEY IMPACT</b>	Yes	

#### **FINANCIAL/VALUE FOR MONEY IMPACT**

Funding for Council Tax Support (CTS) is included within the overall grant funding the Council receives from Central Government but is not separately identifiable. As the Government continues to cut local government funding, by implication, there is less funding available for CTS.

The Government cut the amount of funding it provided for CTS when the responsibility to design localised Council Tax Support Schemes was passed to Local Authorities in April 2013/14. This led to the 21% global reduction in CTS given to less-vulnerable, working age claimants, although pension age claimants were not affected by the changes. The percentage reduction remained at 21% in 2014/15, 2015/16 and 2016/17.

The Council has faced unprecedented cuts to funding from Central Government together with increasing demands for services, such as looking after vulnerable children and adults, which have resulted in savings totalling £96m being required over the past 8 years in order to set a balanced budget. The 2016/17 savings package included a proposal to reduce the costs of the Council Tax Support scheme by £0.235m. The combination of reduced claimant numbers and changing the percentage reduction rate to 25% will deliver this saving.

	Estimated Cost of CTS Discounts £m
2017/18 Estimated Cost @ 21% percentage reduction	12.36
2017/18 Estimated Cost @ 25% percentage reduction and reduction in caseload	12.01
Saving applied to Total Council Tax	(0.35)
Saving applied to T&W element of Council Tax (77%)	(0.27)
Note: 3.2% CT Increase assumed in 17/18	

The Service Area will continue to review benefit entitlement which should lead to further reductions

in CTS in the future.

The cost of CTS together with other changes to the council tax base position, such as growth in the number of dwellings, feeds into the Council's overall budget strategy.

Council tax income is accounted for through the Collection Fund and ultimately any CTS over/underspends against budget will feed into the Collection Fund surplus/deficit which is shared between major precepting authorities (Police, Fire, TWC). Any surplus is available to feed into future budget strategies.

The hardship fund of £0.030m will be accommodated in the 2017/18 budget strategy from within the collection fund.

PH 24/11/2016

<b>LEGAL ISSUES</b>	Yes
---------------------	-----

### **Council Tax Support Scheme**

Section 13A of the Local Government Finance Act 1992 (the 1992 Act) places a duty on the Council to make a scheme specifying the reductions to council tax for:

- Those persons whom the authority considers to be in financial need, or
- Those persons in classes consisting of persons whom the authority considers to be, in general, in financial need

The Scheme must be approved by full Council by 31 January preceding the start of the financial year it relates to.

The 1992 Act states that before making, revising or replacing a scheme the authority must (in the following order):

- Consult any major precepting authority which has power to issue a precept to it,
- Publish a draft scheme in such a manner as it thinks fit, and
- Consult with such other persons as it considers are likely to have an interest in the operation of the scheme.

In exercising its decision making powers Cabinet must be satisfy its public law duties. This means that in making the decision Cabinet must take into account only relevant considerations, follow procedural requirements, act for proper motives and not act unreasonably.

Consultation has been undertaken in respect of these proposals. The general legal principles that must be followed when carrying out a consultation and when making a decision where consultation has taken place are well established and can be summarised as follows:

- The consultation must be at a time when proposals are still at a formative stage.
- The proposer must give sufficient reasons for any proposal to enable intelligent consideration and response. Those consulted should be aware of the criteria that will be applied when considering proposals and which factors will be considered decisive or of substantial importance at the end of the Consultation process
- Adequate time must be given for consideration and response.
- The product of consultation must be conscientiously taken into account in finalising any proposals.

Cabinet must satisfy itself that the consultation has been properly conducted in line with the principles above. In addition, Cabinet must ensure that it is clear of the outcomes of that consultation and therefore, as decision maker, is able to take the results fully into account when making its decision on the proposals contained in this report.

Whilst there is an obligation to take into account the product of consultation, the outcome of the consultation is one of a number of factors to be taken into account in making the decision. In making its decision Cabinet must both look at the outcome of the consultation and also set out the weight that was attached to it in relation to/balanced with other factors (which must be recorded as part of its decision).

In making its decision, Cabinet must also have due regard to the Public Sector Equality Duty as set out at S149 of the Equality Act 2010, which states:

*“(1) A public authority must, in the exercise of its functions, have due regard to the need to—*  
*(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*  
*(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*  
*(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it... “*

To assist Cabinet in respect of the Public Sector Equality Duty, an equality impact assessment has been carried out. Cabinet must conscientiously take into account the outcome of the assessment in reaching its decision.

**Council Tax Hardship Policy and Fund**

The Localism Act 2011 provides local authorities with a “general power of competence” which enables them to do anything that an individual can do as long as the proposed action is not specifically prohibited. A purpose of the Act is to enable local authorities to work in innovative ways to develop services that meet local need. The proposed scheme falls within the general power of competence. In addition, there is no specific statutory prohibition, preventing the Council from implementing the proposed scheme. The Council therefore is empowered to produce, implement and administer the council tax hardship scheme detailed in this report.

Section 13A (1)(c) of the 1992 Act provides that the amount of council tax which a person is liable to, may be reduced to such extent as the billing authority for the area in which the dwelling is situated thinks fit. The Council, as a billing authority may reduce a person’s council tax liability relating to a Telford & Wrekin residence, as it thinks fit. Any decision under the hardship scheme, to reduce an applicant’s council tax liability, is an exercise of this general discretion. The Hardship Scheme therefore informs the Council’s exercise of this power, in respect of a person who has made an application for assistance under the hardship scheme meeting the eligibility criteria. The Council is therefore empowered to make the council tax reductions under the hardship scheme.

PM 28.11.16

<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	Yes	
---	-----	--

The wider changes to welfare benefits that have been proposed by the Government may have a financial impact on many of the same residents who are in receipt of Council Tax Support. These proposed changes, the details of many of which are still not clear, may affect their ability to pay their contribution towards their Council Tax.

That said, the improving economic situation has meant that year on year the numbers of residents claiming Council Tax Support is gradually reducing, so this may offset any adverse impact of the national welfare reforms.

<b>IMPACT ON SPECIFIC WARDS</b>	No	Borough wide impact
---------------------------------	----	---------------------

## **PART B) – ADDITIONAL INFORMATION**

### **4. INFORMATION**

#### **4.1 Introduction and Background**

- 4.1.1 The Government announced as part of the Spending Review in 2010, that it would localise support for Council Tax from 2013/14, with an expectation that funding would be reduced by 10%.
- 4.1.2 As a result for 2013/14 there was a gap of around £3.1 million between the amount of Council Tax Support funding we received from the Government and the amount we would need to continue to support customers at the same level as they were receiving under the Council Tax Benefit scheme.
- 4.1.3 Councils were required to establish local Council Tax Support (CTS) schemes to be implemented on 1<sup>st</sup> April 2013. This reform of Council Tax Support was accompanied by a new cash-limited government grant to councils which is taken into account in setting the Council Tax Base and when forming the CTS local schemes. The support is in the form of discount shown on the Council Tax demand notice.
- 4.1.4 Whilst the new regulations provided councils with flexibility to set up their own local arrangements, the Government expressed a clear intention in relation to certain aspects of a local scheme. These include:
- The amount of Council Tax Support awarded to pension age customers will continue to be a national prescribed scheme which will effectively protect them from any reduction in support. Pension age customers account for over 43% of our caseload.
  - Councils should also consider ensuring support for other vulnerable groups.
  - Local schemes should support work incentives and in particular avoid disincentives to move into work
- 4.1.5 Telford & Wrekin Council's scheme was introduced on the 1<sup>st</sup> April 2013 following a wide ranging consultation with residents, stakeholders and partners.
- 4.1.6 For the most part, our local scheme follows the same basic rules of the default national scheme, with a number of key differences. These are:
- Customers who meet the specific definition of severe disability contained within the policy are protected from any reduction in benefit. This will also apply to customers who meet the criteria for receiving a war compensation related benefit or pension. Currently over 14% of our caseload meet this definition of vulnerability.
  - Customers who have in excess of £6,000 in capital are not entitled to Council Tax Support. The previous Council Tax Benefit scheme had an absolute cap of £16,000, but any capital between £6,000 and £16,000 reduced the amount of benefit paid to the customer. The first £6,000 however continues to be disregarded in full.

- The maximum period that an award of Council Tax Support can be backdated is 1 calendar month from the date of the application.
- Under the Council Tax Benefit scheme, if you were the only person in your household liable to pay Council Tax, but another adult in your household had a low income, you may have been able to receive Council Tax Benefit of up to 25%. This could be paid regardless of the relative prosperity of the Tax Payer. This benefit, known as Second Adult Rebate was removed in our local scheme.
- A minimum award of £2.50 a week, removing payment to those claimants that only qualify for relatively small amounts of rebate.
- There is an upper limit (a cap) on income from state benefits: People in receipt of benefits can not receive more in benefits than the average working family.
- There is a minimum weekly income for working age self employed people who had been trading for more than 12 months: After 12 months of trading a minimum weekly income is used to calculate Council Tax Support when income declared from their self-employed business is less than 30 hours per week at the National Minimum wage (for people under 25) or the National Living wage (for people aged 25 or over).
- Removal of the Family Premium from the assessment: The Government said that they were removing the Family Premium for new claims and new births within the assessment of Housing Benefit from April 2016, we made these amendments in our local Council Tax Support scheme too.

4.1.7 The legislative protection of pension age customers and our own local policy of protecting vulnerable customers mean that any reductions we make to Council Tax Support have to be applied entirely to the 43% of non vulnerable working age customers.

## **4.2 Review of the 2016/17 scheme**

- 4.2.1 There are still continuing signs that the economy is improving and unemployment levels are reducing. This means that year on year since its introduction, the Council Tax Support scheme has cost us less than we forecast. When the scheme for 2016/17 was approved in January 2016, we forecast that it would cost us £12.04 million. However, we now anticipate that by the end of this year the value of Council Tax Support granted will total £11.9 million, a reduction of £0.140 million.
- 4.2.2 In addition to the natural reduction in claimant levels, another significant factor that has contributed to the reduction in cost is the proactive work that the Benefit Service has undertaken to reduce the amount of fraud and error in the system.
- 4.2.3 Since December 2013, the Benefit Service has been undertaking a review of customer's circumstances to identify any unreported changes in circumstance. So far during 2016/17 we have reduced Council Tax Support costs by £53,500 by ensuring that customers are only receiving the support that they are genuinely entitled to.
- 4.2.4 The 21% reduction in CTS introduced in 2013/14 was a significant decrease in the amount of support granted in the previous Council Tax Benefit scheme, however since Year 1 the vast majority of Local Authorities have also reduced their CTS awards by similar levels as a result of the reduction in Government funding and many have reduced the support available even further.

Many Local Authorities have set their reduction level at 25% and higher (35% in one LA) as their schemes have developed year on year.

4.2.5 Council Tax collection rates are very positive overall, with a significant increase in the value of Council Tax collected compared to previous years. There are a group of Council Tax Support claimants, namely those that are of working age but unemployed, for whom collection is significantly lower than other customer groups. However, there are still a significant percentage of that group who are paying. Any decision to increase the level of support for this group would require a comparative reduction in the level of support provided to other groups of claimants, such as those in low paid employment. Also as 2013/14 was the first year that this group of people were asked to make any Council Tax contribution at all it was felt that the overall collection level for the group may increase as they become more accepting of the fact that they have to make some Council Tax payment.

4.2.6 As part of the 2013/14 scheme, a one off hardship fund of £65,000 was set aside to provide additional assistance to Council Tax Support claimants who were genuinely having difficulty paying the additional charges as a result of the reduction in support awarded. For 2014/15 approval was granted for unspent funding to be rolled forward to enable the scheme to continue for a second year. A further £30,000 was approved to fund hardship awards for 2015/16, and 2016/17.

The Council Tax hardship scheme had been invaluable in providing additional support to the most vulnerable customers, and it is therefore recommended that this scheme be funded for a further 12 month at a cost of £30,000.

The policy for awarding Council Tax hardship was approved by Cabinet in March 2015 alongside the Discretionary Housing Payment Policy.

### **4.3 Proposed scheme for 2017/18**

4.3.1 If we were to retain the current scheme for another year, then we forecast that, taking into account the natural reduction in caseload and our continued proactive work to reduce fraud and error, plus a Council Tax increase of 3.2% the scheme will cost us £12.234 million for 2017/18, which is £194k more than the budgeted costs of the scheme in 2016/17, and as stated this included a Council Tax increase in the expenditure.

4.3.2 However, given the forthcoming financial challenges that the Council will face in the coming years, a member/officer working group was formed to consider all options for the design of the scheme and develop proposals to ensure that we continued to deliver fair but affordable support. The group also developed a number of realistic alternative proposals that could form part of a public consultation that offered a genuine range of options.

4.3.3 The proposed scheme for 2017/18 is based on five key principals:

- If people are to receive less money in Council Tax Support the impact should be shared as equally as possible across all working age claimants.
- Vulnerable people should be protected from changes that would mean they receive less money in Council Tax Support. The Council recognises that severely disabled claimants often have less money and find it difficult to pay Council Tax. This could be because of higher disability related living costs and in some cases, a limited ability to work.
- The needs of people with children or caring responsibilities should be recognised in relation to Council Tax Support.
- The scheme should ensure that there are incentives to encourage people to start or remain in employment.

- We will not make changes that ask people to pay unrealistic and unaffordable levels of Council Tax.
- 4.3.4 Using these principals, the working group explored and considered a range of options for the design of the scheme, which included modelling the impact of reducing the amount of Council Tax Support granted from the current 21% reduction up to a reduction of 30%.
- 4.3.5 The findings of the working group were that:
- In January 2016, as part of the Council Budget consultation, the public were consulted on a range of proposals to make the cuts the Council must find. This included a proposal to cut £235k from the Council Tax Support scheme, this proposal was agreed.
  - The current scheme is working well, and the changes that were introduced in 2013 have been generally accepted by the majority of Council Tax Support claimants. Overall it has not had a significant negative impact on Council Tax collection. By moving to a 25% reduction, which is the minimum percentage that can be implemented to achieve the above £235k agreed saving, the impact on customers; an additional 60p per week to pay towards their Council Tax, is low.
  - Retaining the core design of the national default scheme enables us to administer the scheme in the most cost effective way as we are able to assess a customer's Housing Benefit and Council Tax Support entitlement as one transaction.
  - Moving to a 25% reduction in the amount of Council Tax Support that can be granted, generates a £270k saving to the Council that can be used to protect frontline services; With £200,000 the Council could provide one of the following:
    - 14,000 hours of home care which could help 18 older people stay at home
    - External fostering places, through private agencies, for 4 children each year
    - Internal fostering places for 9 children each year
    - Filling 3,799 pot holes each year
    - 109 winter maintenance gritting treatments for frost and ice or 28 full snow clearing and gritting
    - Emptying 2,440 public litter bins across the borough for 19 months
    - Weekly collection of 5,137 households residual and green waste each year
  - By retaining the £30k Council Tax Hardship fund, the Council can continue to support customers who are in true hardship and unable to meet their Council Tax liability.
- 4.3.6 As a result, we are recommending that the Council Tax Support scheme should change for 2017/18 and that there is the necessity at the moment to further reduce the amount of support awarded to all working age claimants, by increasing the percentage reduction amount from 21% to 25%. We are proposing that this scheme will then stay in place until March 2020, unless Government Policy changes significantly. There are some other changes that are being recommended to the scheme that will affect a small number of claimants.
- 4.3.7 **New claims will only take into account a maximum of 2 dependant children per family.**  
The Government has said that they are going to limit benefit support by only taking into account a maximum of 2 dependant children per family; this will apply in Universal Credit, Tax Credits and Housing Benefit to families who make a new claim from April 2017.

We are proposing to do the same within the assessment of our local Council Tax Support scheme.

This will not affect any current claims, only new claims from April 2017.

#### 4.3.8 **Introduce reduced temporary absence rules.**

In 2015, the Chancellor announced that changes would be made to the temporary absence rule in Housing Benefit and Pension Credit reducing the allowable period of temporary absence outside Great Britain from 13 weeks to 4 weeks.

This limit applies to new periods of absence only. There are exceptions where an absence is in relation to;

- The death of a partner, child or close relative
- Receiving medical treatment
- A person who has fled their home due to fear of violence
- A member of Her Majesty's forces posted overseas

We are proposing to include the same amendment to our Council Tax Support scheme

#### 4.3.9 **Currently all working age customers who receive Council Tax Support (unless they are a pensioner or classed as vulnerable) pay 21% of their Council Tax bill (after appropriate discounts have been awarded). We are proposing this will move to 25% of the bill.**

This change would affect 6,431 working age households in the Borough receiving Council Tax Support. All of these customers were contacted directly during the consultation and encouraged to participate in the survey. Many of whom did take part; 68% of all respondents agreed with the proposal to move to a 25% reduction, of which 67.7% were in receipt of Council Tax Support themselves and still agreed with this cut.

In our current scheme, a single person aged over 25 receives Job Seekers Allowance at £73.10 per week; an average Council Tax bill (with a Single Person Discount) is £14.83 per week, or £771.16 per year (after a Single Person Discount of £257.02 per year has been applied). This customer would currently pay a contribution of £3.11 per week or £161.72 per year.

If we were to implement this, and increase the amount of the bill that has to be paid from 21% to 25%, then this resident would have to pay 3.71 per week, which is an additional 60p a week. Over a year this resident would pay a total of £192.92, which is an additional £31.20.

Of the 15,196 households who currently receive Council Tax Support 6,431 would see a reduction in the amount of support they receive. We will contact each of these households and provide them with support to adjust to the change in Council Tax Support and where appropriate provide assistance from our discretionary hardship fund.

By increasing the amount people have to pay towards their Council Tax bill the Council would save approximately £270,000 per year. In the current climate, and bearing in mind the cuts that we now have to make, we are recommending this increase as the fairest way to reduce the costs of the scheme whilst protecting vulnerable households.

#### 4.4 **Consultation and approval of the policy for 2017/18**

4.4.1 It is a requirement within the legislation that each year, the Council Tax Support scheme for the forthcoming financial year must be approved by Full Council no later than the 31<sup>st</sup> January. This is required even if the decision is made to retain the existing scheme.

4.4.2 The CTS scheme must go through certain steps to comply with provisions in the Local Government Finance Act before it can be adopted by the Council, these are;

- Consultation with major precepting authorities (Police, Fire Service)

- Public Consultation

In October 2014 a Supreme Court judgement against the London Borough of Haringey found that their public consultation on their proposed Council Tax Support scheme was insufficient as although it gave consultees an explanation of the proposed scheme, it did not give full and realistic alternatives, or give reasons for proposing its draft scheme.

- 4.4.3 A full public consultation on proposed changes to our Council Tax Scheme for 2017/18 was undertaken from the 8<sup>th</sup> September 2016 to the 1<sup>st</sup> November 2016. As well as consulting with local residents generally, we also wrote specifically to the 6,446 (relevant caseload at the start of the consultation, this has since decreased) customers who we believed would be directly affected by our proposed scheme. We also consulted directly with the major precepting authorities (West Mercia Police and Shropshire Fire and Rescue Service) and all Parish Councils, as well as key stakeholders such as the CAB and social sector landlords.
- 4.4.4 The consultation document (Appendix C) provides an explanation of the financial challenge that the Council is facing and our proposed scheme for 2017/18 along side 2 alternative options
- Option B – Continue with the current Council Tax Support scheme
  - Option C – Increase the minimum contribution that working age claimants pay from the current 21% to 30%
- 4.4.5 404 responses were received to the consultation. Throughout the consultation, responses showed that consultees were in support of all of the proposals and recommendations that we made. In particular, 68% of responses agreed with our recommendation to introduce our recommended proposed changes to the scheme. The summary of the consultation responses is included (Appendix D).
- 4.4.6 As part of the public consultation we also made clear that we would not be consulting on the scheme until 2020.

**We are proposing to make the following changes to our scheme from 1 April 2017, this scheme will then remain in place until March 2020 unless government policy changes significantly.**

Public consultations on plans and proposals can cost a lot of money, last year we consulted on only doing a consultation if we intended to make changes to the scheme.

- 4.4.7 Each year The Department for Communities and Local Government issue a set of CTS scheme regulations that will apply to pension-age claimants as they are not included within our local scheme. This is referred to as The Prescribed Scheme. Although the regulations for the 2017/18 prescribed scheme have not yet been passed, we are not anticipating any significant changes from the DCLG other than technical changes they intend to make to the pension age scheme and annual uprating.

## **5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION**

- 5.1 These proposals will impact on all current and future working age recipients of Council Tax Support.
- 5.2 There are also approximately 6,500 households who will be specifically affected by the changes that we are proposing and who will see a reduction in the amount of Council Tax Support received. All of these households were written to directly as part of the consultation process and encouraged to give their views on the proposals. Subject to the proposed scheme being approved, we will again contact all of the affected households to tell them how the changes will

affect them and offer them advice and support, including considering whether it is appropriate to offer them some assistance from the Council Tax Support hardship fund.

- 5.3 A full Community Impact Assessment of the proposal has been undertaken and is provided (Appendix B).

## **6 PREVIOUS MINUTES**

- 6.1 Minute 66iii of the Council meeting of 21<sup>st</sup> January 2016 (Localised Council Tax Support Policy 2016/17)
- 6.2 Minute CB-113 of the Cabinet meeting of 19<sup>th</sup> March 2015 (Discretionary Housing Payment and Council Tax Support Hardship Policy)

## **7. BACKGROUND PAPERS**

- Appendix A - Council Tax Reduction Scheme Policy under S13a (s) and Schedule 1a of the Local Government Finance Act 1992  
(view online at <http://apps.telford.gov.uk/CouncilAndDemocracy/Meetings/Meeting/MTQ1Mw%3d%3d>)
- Appendix B – Community Impact Assessment (undertaken November 2016)
- Appendix C - Council Tax Support consultation document
- Appendix D - Council Tax Support consultation response summary

**Report prepared by Lee Higgins, Customer, Benefits and Library Service Delivery Manager,**

**Telephone: 01952 383835**



Telford & Wrekin  
COUNCIL

### **Council Tax Support Scheme**

S13A and Schedule 1a of the Local Government Finance Act 1992

1.0	Introduction to the Council Tax Reduction Scheme.....	7
2.0	Interpretation – an explanation of the terms used within this scheme .....	14
2A.0	Protected Groups.....	22
3.0	Definition of non-dependant .....	22
4.0	Requirement to provide a National Insurance Number.....	23
5.0	Persons who have attained the qualifying age for state pension credit.....	24
6.0	Remunerative work.....	24
7.0	Persons treated as not being in Great Britain and Persons Subject to Immigration Control.....	25
	Persons subject to immigration control .....	26
7A.0	Transitional provision .....	26
8.0	Temporary Absence (period of absence) .....	27
	Sections 9 - 11 .....	30
	The family for Council tax reduction purposes .....	30
9.0	Membership of a family .....	31
10.0	Circumstances in which a person is to be treated as responsible (or not responsible) for a child or young person.....	31
11.0	Circumstances in which a child or young person is to be treated as being or not being a member of the household .....	32
	Sections 12 – 14 & Schedule 1 .....	33
	Applicable Amounts for Council tax reduction purposes .....	33
12.0	Applicable amounts .....	34
13.0	Polygamous marriages.....	34
14.0	Applicable amount: persons who are not pensioners who have an award of universal credit	35
	Sections 15 – 32 & Schedules 3 & 4 .....	36
	Definition and the treatment of income for Council tax reduction purposes.....	36
15.0	Calculation of income and capital of members of applicant’s family and of a polygamous marriage.....	37
16.0	Circumstances in which capital and income of non-dependant is to be treated as applicant’s	38
17.0	Calculation of income on a weekly basis .....	38
18.0	Treatment of child care charges .....	38
19.0	Average weekly earnings of employed earners .....	42
20.0	Average weekly earnings of self-employed earners .....	43
21.0	Average weekly income other than earnings .....	43
22.0	Calculation of average weekly income from tax credits .....	43
23.0	Calculation of weekly income .....	44
24.0	Disregard of changes in tax, contributions etc.....	44
25.0	Earnings of employed earners .....	44
26.0	Calculation of net earnings of employed earners .....	45
27.0	Earnings of self-employed earners .....	46
Telford & Wrekin Council - Council Tax Reduction Scheme 2017/18		2

28.0	Calculation of net profit of self-employed earners .....	47
29.0	Deduction of tax and contributions of self-employed earners .....	49
29A.0	Minimum Income Floor.....	49
30.0	Calculation of income other than earnings.....	50
31.0	Capital treated as income .....	51
32.0	Notional income.....	52
	Sections 33 – 42 & Schedule 5 .....	55
	Definition and the treatment of capital for Council tax reduction purposes.....	55
33.0	Capital limit .....	56
34.0	Calculation of capital.....	56
35.0	Disregard of capital of child and young person .....	56
36.0	Income treated as capital.....	56
37.0	Calculation of capital in the United Kingdom .....	56
38.0	Calculation of capital outside the United Kingdom .....	57
39.0	Notional capital.....	57
40.0	Diminishing notional capital rule .....	58
41.0	Capital jointly held .....	61
42.0	Calculation of tariff income from capital – Protected Groups only .....	61
	Sections 43 - 56 .....	62
	Definition and the treatment of students for Council tax reduction purposes.....	62
43.0	Student related definitions .....	63
44.0	Treatment of students .....	66
45.0	Students who are excluded from entitlement to council tax reduction .....	66
46.0	Calculation of grant income .....	67
47.0	Calculation of covenant income where a contribution is assessed .....	69
48.0	Covenant income where no grant income or no contribution is assessed .....	69
49.0	Student Covenant Income and Grant income – non disregard.....	69
50.0	Other amounts to be disregarded .....	69
51.0	Treatment of student loans .....	70
51A.0	Treatment of fee loans.....	71
52.0	Treatment of payments from access funds .....	71
53.0	Disregard of contribution.....	71
54.0	Further disregard of student’s income .....	72
55.0	Income treated as capital.....	72
56.0	Disregard of changes occurring during summer vacation .....	72
	Sections 57 – 63 .....	73
	The calculation and amount of Council tax reduction .....	73
57.0	Maximum council tax reduction .....	74

57A	Minimum Council Tax Support.....	74
58.0	Non-dependant deductions .....	74
59.0	Council tax reduction taper (applies to persons defined within Class E) .....	76
59A.0	Reduction of entitlement (Classes D & E) .....	76
60.0	Extended reductions .....	76
60A.0	Duration of extended reduction period .....	77
60B.0	Amount of extended reduction .....	77
60C	Extended reductions – movers .....	78
60D.0	Relationship between extended reduction and entitlement to council tax reduction under the general conditions of entitlement .....	78
61.0	Extended reductions (qualifying contributory benefits) .....	78
61A.0	Duration of extended reduction period (qualifying contributory benefits).....	79
61B.0	Amount of extended reduction (qualifying contributory benefits) .....	79
61C.0	Extended reductions (qualifying contributory benefits) – movers .....	80
61D.0	Relationship between extended reduction (qualifying contributory benefits) and entitlement to council tax reduction under the general conditions of entitlement.....	80
62.0	Alternative maximum council tax reduction (Second Adult Reduction) (Class F) .....	81
63.0	Residents of a dwelling to whom Second Adult Reduction does not apply (Class F).....	81
	Sections 64 – 67 .....	82
	Dates on which entitlement and changes of circumstances are to take effect .....	82
64.0	Date on which entitlement is to begin.....	83
65.0 - 66.0	Not Used.....	83
67.0	Date on which change of circumstances is to take effect.....	83
	Sections 68– 74A .....	84
	Claiming and the treatment of claims for Council tax reduction purposes.....	84
69.0	Procedure by which a person may apply for a reduction under the authority’s scheme	86
70.0	Submission of evidence electronically .....	89
71.0	Use of telephone provided evidence .....	89
72.0	Information and evidence .....	89
73.0	Amendment and withdrawal of application.....	90
74.0	Duty to notify changes of circumstances .....	91
	Sections 75- 90 .....	93
	Decisions, decision notices and awards of Council tax reduction .....	93
75.0	Decisions by the authority .....	94
76.0	Notification of decision .....	94
77.0	Time and manner of granting council tax reduction.....	95
78.0	Persons to whom support is to be paid .....	95
79.0	Shortfall in support / reduction .....	96
80.0	Payment on the death of the person entitled .....	96

81.0	Offsetting .....	96
82.0	Payment where there is joint and several liability .....	96
83.0 - 90.0	Not used .....	97
Sections 91 – 94 .....		98
Collection, holding and forwarding of information for Council tax reduction purposes .....		98
91.0	Use of information from and to the Department for Work and Pensions (DWP) and Her Majesty's Revenues and Customs (HMRC) .....	99
92.0	Collection of information .....	99
93.0	Recording and holding information .....	99
94.0	Forwarding of information .....	99
Sections 95 – 98 .....		100
Revisions, Written Statements, Termination of Council tax reduction .....		100
95.0	Persons affected by Decisions.....	101
96.0	Revisions of Decisions .....	101
97.0	Written Statements .....	101
98.0	Terminations .....	101
Section 99.....		102
Appeals against the authority's decisions .....		102
99.0	Procedure by which a person may make an appeal against certain decisions of the authority .....	103
Section 100.....		104
Procedure for applying for a discretionary reduction .....		104
100.0	Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act.....	105
Section 101 – 106A.....		106
Electronic Communication .....		106
101.0	Interpretation .....	107
102.0	Conditions for the use of electronic communication.....	107
103.0	Use of intermediaries.....	107
104.0	Effect of delivering information by means of electronic communication.....	107
105.0	Proof of identity of sender or recipient of information .....	108
106.0	Proof of delivery of information .....	108
106A.0	Proof of content of information .....	108
Section 107.....		109
Counter Fraud and Compliance.....		109
107.0	Counter Fraud and compliance .....	110
Schedule 1 .....		111
Applicable Amounts .....		111
Personal Allowance .....		112
Family Premiums .....		112

Premiums .....	113
Disability Premium .....	113
Additional Condition for the Disability Premiums.....	113
Severe Disability Premiums.....	114
Enhanced Disability Premium .....	114
Disabled Child Premium .....	114
Carer Premium .....	114
Persons in receipt of concessionary payments .....	114
Persons in receipt of benefit for another .....	114
Amounts of Premium .....	114
The components.....	115
Transitional Addition.....	115
Amount of transitional addition.....	115
Schedule 2 .....	116
Second Adult Reduction.....	116
Schedule 3 .....	119
Sums to be disregarded in the calculation of earnings .....	119
Schedule 4 .....	125
Sums to be disregarded in the calculation of income other than earnings .....	125
Schedule 5 .....	136
Capital to be disregarded .....	136

## **1.0 Introduction to the Council Tax Reduction Scheme**

- 1.1 The following has been adopted by the Council and details the Council Tax Reduction scheme for the period 1<sup>st</sup> April 2017 until 31<sup>st</sup> March 2018.
- 1.2 This document details how the scheme will operate for both pension credit age and working age applicants and in accordance with Section 13A of the Local Government Finance Act 1992 specifies the classes of person who are to be entitled to a reduction under the scheme and is effective from 1<sup>st</sup> April 2017 for a period of one financial year.
- 1.3 The scheme in respect of pension age applicants is defined by Central Government within the following:
- Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012;
  - Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012;
  - Council Tax Reduction Schemes (Transitional Provision) (England) Regulations 2013;
  - Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013;
  - Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013;
  - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2) Regulations 2014;
  - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015;
  - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016; and
  - Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012).

### **The scheme for pension age applicants – Central Government’s scheme as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012**

- 1.4 There are three main classes under the prescribed pension credit age scheme, for each of which there are a number of qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction, such as a person subject to immigration control with limited leave to remain. The definition of a pension credit age person is a person who;
- a. has attained the qualifying age for state pension credit; and
  - b. is not, or, if he has a partner, his partner is not;
    - i. a person on income support, on an income-based jobseeker’s allowance or on an income-related employment and support allowance; or
    - ii. a person with an award of universal credit

The three prescribed classes are as follows;

#### **Class A: pensioners whose income is less than the applicable amount.**

On any day Class A consists of any person who is a pensioner:

- a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day; in respect of whom a maximum Council Tax Reduction amount can be calculated;
- c. who does not fall within a class of persons prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority’s scheme;
- d. whose income (if any) for the relevant week does not exceed his applicable amount

calculated in accordance with paragraph 9 and Schedule 2 of the Local Government Finance Act 1992;

- e. who does not have capital above £16,000; and
- f. who has made an application for a reduction under the authority's scheme.

**Class B: pensioners whose income is greater than the applicable amount.**

On any day class B consists of any person who is a pensioner:

- a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day; in respect of whom a maximum Council Tax Reduction amount can be calculated;
- c. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- d. whose income for the relevant week is greater than his applicable amount calculated in accordance with paragraph 9 and Schedule 2 to the Local Government Finance Act 1992;
- e. in respect of whom amount A exceeds amount B where;
  - (i) amount A is the maximum Council Tax Reduction in respect of the day in the applicant's case; and
  - (ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount;
- f. who does not have capital above £16,000; and
- g. who has made an application for a reduction under the authority's scheme.

**Class C: alternative maximum Council Tax Reduction**

On any day class C consists of any person who is a pensioner:

- a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day;
- c. in respect of whom a maximum Council Tax Reduction amount can be calculated;
- d. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the 1992 Act and excluded from the authority's scheme;
- e. who has made an application for a reduction under the authority's scheme; and
- f. in relation to whom the condition below is met.

The condition referred to in sub-paragraph f. is that no other resident of the dwelling is liable to pay rent to the applicant in respect of the dwelling and there is an alternative maximum Council Tax Reduction in respect of the day in the case of that person which is derived from the income, or aggregate income, of one or more residents to whom this sub-paragraph applies.

The above applies to any other resident of the dwelling who:

- a. is not a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount;
- b. is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
- c. is not a person who is residing with a couple or with the members of a polygamous marriage where the applicant is a member of that couple or of that marriage and—
  - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or
  - (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;

- d. is not a person who, jointly with the applicant, falls within the same paragraph of section 6(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant; or
- e. is not a person who is residing with two or more persons both or all of whom fall within the same paragraph of section 6(2)(a) to (e) of the 1992 Act where two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

#### **Disregard of certain incomes**

- 1.5 For those who have reached the qualifying age for state pension credit, the Council has resolved to enhance the government scheme (as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012 to disregard in full the following:
- a. a war disablement pension;
  - b. a war widow's pension or war widower's pension;
  - c. a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
  - d. a guaranteed income payment;
  - e. a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
  - f. a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
  - g. pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.

**The provisions outlined above, enhance the Central Government's scheme.**

#### **THE SCHEME FOR WORKING AGE APPLICANTS – THE COUNCIL'S LOCAL SCHEME**

- 1.6 The adopted scheme for working age applicants is a means test, which compares income against an assessment of *applicable amounts* (unless otherwise stated). Full details of the working age scheme of the authority are contained within this document from section 2 onwards. The authority is required to specify a scheme for working age and therefore this scheme only applies to a person who;
- a. has not attained the qualifying age for state pension credit; or
  - b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance or universal credit or on an income-related employment and support allowance.
- 1.7 This scheme shall not apply in relation to any person if he, or if he has a partner, his partner, has attained the qualifying age for state pension credit. The scheme shall not apply to any applicant who is subject to immigration control under Section 115 of the Immigration and Asylum Act 1999 and non-economically active EEA nationals.
- 1.8 The Council has resolved that there will be *three* classes of persons who will receive a reduction in line with adopted scheme (from hereafter referred to as Support). There will be *three* main classes prescribed for, for each of which there will be a number of qualifying criteria. In all cases individuals must not be of a prescribed class exempted from support as specified within section 7 of this scheme.

#### Class D

To obtain support the individual (or partner) must:

- a. have not attained the qualifying age for state pension credit<sup>1</sup>; or
- b. he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.
- c. be liable to pay council tax in respect of a dwelling in which he is solely or mainly resident;
- d. is not deemed to be absent from the dwelling;
- e. not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- f. be somebody in respect of whom a maximum council tax reduction<sup>2</sup> amount can be calculated;
- g. not have capital savings above £6,000<sup>3</sup> (£16,000 for protected groups as defined with paragraph 2A.1);
- h. be a person in respect of whom a day in which s/he is liable to pay council tax falls within a week in respect of which the person's *income*<sup>4</sup> is **less** than their (living allowance) *applicable amount*<sup>5</sup> or the applicant or partner is in receipt of Income Support, Jobseekers allowance (income based) or Employment and Support Allowance (income related); and
- i. has made a valid application for support<sup>6</sup>.

Maximum council tax reduction stated above is defined within section 57 of this scheme

#### Class E

To obtain support the individual (or partner) must:

- a. have not attained the qualifying age for state pension credit<sup>7</sup>; or
- b. he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.
- c. be liable to pay council tax in respect of a dwelling in which they are solely or mainly resident;
- d. is not deemed to be absent from the dwelling;
- e. not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- f. be somebody in respect of whom a maximum council tax reduction<sup>8</sup> amount can be calculated;
- g. not have capital savings above £6,000<sup>9</sup> (£16,000 for protected groups as defined with paragraph 2A.1);
- h. be a person in respect of whom a day in which s/he is liable to pay council tax falls

---

<sup>1</sup> Section 5 of this scheme

<sup>2</sup> Sections 57 to 63 of this scheme

<sup>3</sup> Sections 33 to 42 and Schedule 5 of this scheme

<sup>4</sup> Sections 15 to 32 and Schedules 3 and 4 of this scheme

<sup>5</sup> Sections 12 to 14 and Schedule 1 of this scheme

<sup>6</sup> Sections 68 to 74a of this scheme

<sup>7</sup> Section 5 of this scheme

<sup>8</sup> Sections 57 to 63 of this scheme

<sup>9</sup> Sections 33 to 42 and Schedule 5 of this scheme

- within a week in respect of which the person's *income*<sup>10</sup> is **more** than their (living allowances) *applicable amount*<sup>11</sup>;
- i. have made a valid application for support<sup>12</sup>;
  - j. be a person in respect of whom amount A exceeds amount B where
    - (i) amount A is the maximum council tax reduction in respect of the day in the applicant's case; and
    - (ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount.

Maximum council tax reduction stated above is defined within section 57 of this scheme

#### **Class F - Alternative maximum council tax reduction for Protected Groups<sup>13</sup>**

To obtain support the individual must:

- a. have not attained the qualifying age for state pension credit<sup>14</sup>; or
- b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance or in receipt of an award Universal Credit;
- c. be liable to pay council tax in respect of a dwelling in which they are solely or mainly resident;
- d. is not deemed to be absent from the dwelling;
- e. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- f. be somebody in respect of whom a maximum council tax reduction<sup>15</sup> amount can be calculated;
- g. have made a valid application for support<sup>16</sup>;
- h. be somebody who has at least one second adult living with them who is not his partner, not somebody who pays rent, and who is on a *prescribed* low wage and/or *prescribed* benefit, as set out in within sections 62 and 63 and schedule 2 of this scheme.

Maximum council tax reduction stated above is defined within section 57 of this scheme

#### **Classes D, E & F - the Benefit Cap**

All of the classes will be calculated taking into account the 'Benefit Cap' as defined within the Benefit Cap (Housing Benefit) Regulations 2012 (as amended). No Council Tax Reduction will be granted where the authority is of the opinion that the applicant or partner exceeds the cap on state benefits.

The following exceptions will be made to the existing regulations and will apply specifically to the Council Tax Reduction scheme for working age applicants:

- a. The cap will be set at £20,000 per annum for couples and lone parents from 1<sup>st</sup> April 2016;
- b. The cap will be set at £13,400 for single applicants;
- c. Any amount of Housing Benefit payable to the applicant will be excluded from the calculation; and
- d. Any amount of Universal Credit Housing Element payable to the applicant will be excluded from the calculation.

<sup>10</sup> Sections 15 to 32 and Schedules 3 and 4 of this scheme

<sup>11</sup> Sections 12 to 14 and Schedule 1 of this scheme

<sup>12</sup> Sections 68 to 74a of this scheme

<sup>13</sup> Protected groups are defined within paragraph 2A.0

<sup>14</sup> Section 5 of this scheme

<sup>15</sup> Sections 57 to 63 of this scheme

<sup>16</sup> Sections 68 to 74a of this scheme

## Council Tax Reduction Scheme

Details of support to be given for **working age applicants** for the financial year 2017/18

**Sections 2- 8**  
**Definitions and interpretation**

## 2.0 Interpretation – an explanation of the terms used within this scheme

### 2.1 In this scheme–

**‘the Act’** means the Social Security Contributions and Benefits Act 1992;

**‘the Administration Act’** means the Social Security Administration Act 1992;

**‘the 1973 Act’** means of Employment and Training Act 1973;

**‘the 1992 Act’** means the Local Government Finance Act 1992;

**‘the 2000 Act’** means the Electronic Communications Act 2000;

**‘Abbeyfield Home’** means an establishment run by the Abbeyfield Society including all bodies corporate or incorporate which are affiliated to that Society;

**‘adoption leave’** means a period of absence from work on ordinary or additional adoption leave by virtue of section 75A or 75B of the Employment Rights Act 1996;

**‘an AFIP’** means an armed forces independence payment payable in accordance with an armed and reserve forces compensation scheme established under section 1(2) of the Armed Forces (Pensions and Compensation) Act 2004

**‘alternative maximum council tax reduction’** (Second Adult Rebate) means the amount determined in accordance with section 62 and Schedule 2;

**‘applicable amount’** means the amount determined in accordance with schedule 1 of this scheme

**‘applicant’** means a person who the authority designates as able to claim Council tax reduction – for the purposes of this scheme all references are in the masculine gender but apply equally to male and female;

**‘application’** means an application for a reduction under this scheme:

**‘appropriate DWP office’** means an office of the Department for Work and Pensions dealing with state pension credit or office which is normally open to the public for the receipt of claims for income support, a jobseeker’s allowance or an employment and support allowance;

**‘assessment period’** means such period as is prescribed in sections 19 to 21 over which income falls to be calculated;

**‘attendance allowance’** means–

(a) an attendance allowance under Part 3 of the Act;

(b) an increase of disablement pension under section 104 or 105 of the Act;

(c) a payment under regulations made in exercise of the power conferred by paragraph 7(2)(b) of Part 2 of Schedule 8 to the Act;

(d) an increase of an allowance which is payable in respect of constant attendance under paragraph 4 of Part 1 of Schedule 8 to the Act;

(e) a payment by virtue of article 14, 15, 16, 43 or 44 of the Personal Injuries (Civilians) Scheme 1983 or any analogous payment; or

(f) any payment based on need for attendance which is paid as part of a war disablement pension;

**‘the authority’** means a billing authority in relation to whose area this scheme has effect by virtue of paragraph 4(6) of Schedule 1A to the 1992 Act;

**‘Back to Work scheme(s)’** means any scheme defined within the Jobseekers (Back to Work Schemes) Act 2013 or Jobseeker’s Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;

**‘basic rate’**, where it relates to the rate of tax, has the same meaning as in the Income Tax Act 2007 (see section 989 of that Act).

**‘the benefit Acts’** means the Act (SSBA) and the Jobseekers Act 1995 and the Welfare Reform Act 2007;

**‘board and lodging accommodation’** means accommodation provided to a family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises;

**‘care home’** has the meaning given by section 3 of the Care Standards Act 2000 and in Scotland means a care home service within the meaning given by section 2(3) of the

Regulation of Care (Scotland) Act 2001 and in Northern Ireland means a nursing home within the meaning of Article 11 of the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003 or a residential care home within the meaning of Article 10 of that Order;

**'the Caxton Foundation'** means the charitable trust of that name established on 28th March 2011 out of funds provided by the Secretary of State for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with its provisions;

**'child'** means a person under the age of 16;

**'child benefit'** has the meaning given by section 141 of the SSCBA as amended by The Child Benefit (General), Child Tax Credit (Amendment) Regulations 2014 and The Child Benefit (General) (Amendment) Regulations 2015;

**'the Children Order'** means the Children (Northern Ireland) Order 1995;

**'child tax credit'** means a child tax credit under section 8 of the Tax Credits Act 2002;

**'claim'** means a claim for council tax reduction;

**'close relative'** means a parent, parent-in-law, son, son-in-law, daughter, daughter-in-law, step-parent, step-son, step-daughter, brother, sister, or if any of the preceding persons is one member of a couple, the other member of that couple;

**'concessionary payment'** means a payment made under arrangements made by the Secretary of State with the consent of the Treasury which is charged either to the National Insurance Fund or to a Departmental Expenditure Vote to which payments of benefit or tax credits under the benefit Acts or the Tax Credits Act are charged;

**'the Consequential Provisions Regulations'** means the Housing Benefit and Council tax reduction (Consequential Provisions) Regulations 2006;

**'contributory employment and support allowance'** means an allowance under Part 1 of the Welfare Reform Act 2007 as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the Welfare Reform Act 2012 that remove references to an income-related allowance and a contributory allowance under Part 1 of the Welfare Reform Act 2007 as that Part has effect apart from those provisions;

**'converted employment and support allowance'** means an employment and support allowance which is not income-related and to which a person is entitled as a result of a conversion decision within the meaning of the Employment and Support Allowance (Existing Awards) Regulations 2008;

**'council tax benefit'** means council tax benefit under Part 7 of the SSCBA;

**'council tax reduction scheme'** has the same meaning as **'council tax reduction or reduction'**

**'council tax reduction'** means council tax reduction as defined by S13a Local Government Finance Act 1992 (as amended);

**'couple'** means;

- (a) a man and a woman who are married to each other and are members of the same household;
- (b) a man and a woman who are not married to each other but are living together as husband and wife;
- (c) two people of the same sex who are civil partners of each other and are members of the same household; or
- (d) two people of the same sex who are not civil partners of each other but are living together as if they were civil partners,

Two people of the same sex are to be treated as living together as if they were civil partners if, and only if, they would be treated as living together as husband and wife were they of opposite sexes. The above includes the Marriage (Same Sex Couples) Act 2013 and The Marriage (Same Sex Couples) Act 2013 (Commencement No. 3) Order 2014;

**'date of claim'** means the date on which the application or claim is made, or treated as made, for the purposes of this scheme

**'designated authority'** means any of the following;

the local authority; or a person providing services to, or authorised to exercise any function of, any such authority;

**'designated office'** means the office designated by the authority for the receipt of claims for council tax reduction;

- (a) by notice upon or with a form approved by it for the purpose of claiming council tax reduction; or
- (b) by reference upon or with such a form to some other document available from it and sent by electronic means or otherwise on application; or
- (c) by any combination of the provisions set out in sub-paragraphs (a) and (b) above;
- ‘disability living allowance’** means a disability living allowance under section 71 of the Act;
- ‘dwelling’** has the same meaning in section 3 or 72 of the 1992 Act;
- ‘earnings’** has the meaning prescribed in section 25 or, as the case may be, 27;
- ‘the Eileen Trust’** means the charitable trust of that name established on 29th March 1993 out of funds provided by the Secretary of State for the benefit of persons eligible for payment in accordance with its provisions;
- ‘electronic communication’** has the same meaning as in section 15(1) of the Electronic Communications Act 2000 ;
- ‘employed earner’** is to be construed in accordance with section 2(1)(a) of the Act and also includes a person who is in receipt of a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay or statutory maternity pay;
- ‘Employment and Support Allowance Regulations’** means the Employment and Support Allowance Regulations 2008 and the Employment and Support Regulations 2013 as appropriate;
- ‘Employment and Support Allowance (Existing Awards) Regulations’** means the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) Regulations 2010;
- ‘the Employment, Skills and Enterprise Scheme’** means a scheme under section 17A (schemes for assisting persons to obtain employment; ‘work for your benefit’ schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to assist applicants to obtain employment, including self-employment, and which may include for any individual work-related activity (including work experience or job search). This also includes schemes covered by The Jobseekers Allowance (Employment, Skills and Enterprise Scheme) Regulations 2011 as amended by the Jobseekers (Back to Work Schemes) Act 2013 – see **‘Back to Work Schemes’**;
- ‘employment zone’** means an area within Great Britain designated for the purposes of section 60 of the Welfare Reform and Pensions Act 1999 and 2014 and an **‘employment zone programme’** means a programme established for such an area or areas designed to assist applicants for a jobseeker’s allowance to obtain sustainable employment;
- ‘employment zone contractor’** means a person who is undertaking the provision of facilities in respect of an employment zone programme on behalf of the Secretary of State for Work and Pensions;
- ‘enactment’** includes an enactment comprised in, or in an instrument made under, an Act of the Scottish Parliament;
- ‘extended reduction’** means a payment of council tax reduction payable pursuant to section 60;
- ‘extended reduction period’** means the period for which an extended reduction is payable in accordance with section 60A or 61A of this scheme;
- ‘extended reduction (qualifying contributory benefits)’** means a payment of council tax reduction payable pursuant to section 61;
- ‘family’** has the meaning assigned to it by section 137(1) of the Act and Section 9 of this scheme;
- ‘the Fund’** means moneys made available from time to time by the Secretary of State for the benefit of persons eligible for payment in accordance with the provisions of a scheme established by him on 24th April 1992 or, in Scotland, on 10th April 1992;
- ‘a guaranteed income payment’** means a payment made under article 15(1)(c) (injury benefits) or 29(1)(a) (death benefits) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011;
- ‘he, him, his’** also refers to the feminine within this scheme
- ‘housing benefit’** means housing benefit under Part 7 of the Act; **‘the Housing Benefit Regulations’** means the Housing Benefit Regulations 2006;

**‘Immigration and Asylum Act’** means the Immigration and Asylum Act 1999;

**‘an income-based jobseeker’s allowance’** and **‘a joint-claim jobseeker’s allowance’** have the meanings given by section 1(4) of the Jobseekers Act 1995;

**‘income-related employment and support allowance’** means an income-related allowance under Part 1 of the Welfare Reform Act 2007;

**‘Income Support Regulations’** means the Income Support (General) Regulations 1987(a);

**‘independent hospital’**–

(a) in England, means a hospital as defined by section 275 of the National Health Service Act 2006 that is not a health service hospital as defined by that section;

(b) in Wales, has the meaning assigned to it by section 2 of the Care Standards Act 2000; and

(c) in Scotland means an independent health care service as defined by section 10F of the National Health Service (Scotland) Act 1978;

**‘the Independent Living Fund (2006)’** means the Trust of that name established by a deed dated 10th April 2006 and made between the Secretary of State for Work and Pensions of the one part and Margaret Rosemary Cooper, Michael Beresford Boyall and Marie Theresa Martin of the other part;

**‘invalid carriage or other vehicle’** means a vehicle propelled by a petrol engine or by electric power supplied for use on the road and to be controlled by the occupant;

**‘Jobseekers Act’** means the Jobseekers Act 1995; **‘Jobseeker’s Allowance Regulations’** means the Jobseeker’s Allowance Regulations 1996 and Jobseeker’s Allowance Regulations 2013 as appropriate;

**‘limited capability for work’** has the meaning given in section 1(4) of the Welfare Reform Act;

**‘limited capability for work-related activity’** has the meaning given in section 2(5) of the Welfare Reform Act 2007;

**‘the London Bombing Relief Charitable Fund’** means the company limited by guarantee (number 5505072), and registered charity of that name established on 11th July 2005 for the purpose of (amongst other things) relieving sickness, disability or financial need of victims (including families or dependants of victims) of the terrorist attacks carried out in London on 7th July 2005;

**‘lone parent’** means a person who has no partner and who is responsible for and a member of the same household as a child or young person;

**‘the Macfarlane (Special Payments) Trust’** means the trust of that name, established on 29th January 1990 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia;

**‘the Macfarlane (Special Payments) (No.2) Trust’** means the trust of that name, established on 3rd May 1991 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia and other beneficiaries;

**‘the Macfarlane Trust’** means the charitable trust, established partly out of funds provided by the Secretary of State to the Haemophilia Society, for the relief of poverty or distress among those suffering from haemophilia;

**‘main phase employment and support allowance’** means an employment and support allowance where the calculation of the amount payable in respect of the applicant includes a component under section 2(1)(b) or 4(2)(b) of the Welfare Reform Act 2007 except in Part 1 of Schedule 1;

**‘the Mandatory Work Activity Scheme’** means a scheme within section 17A (schemes for assisting persons to obtain employment; ‘work for your benefit’ schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to provide work or work related activity for up to 30 hours per week over a period of four consecutive weeks with a view to assisting applicants to improve their prospect of obtaining employment;

**‘maternity leave’** means a period during which a woman is absent from work because she is pregnant or has given birth to a child, and at the end of which she has a right to return to work either under the terms of her contract of employment or under Part 8 of the Employment Rights Act 1996;

**‘member of a couple’** means a member of a married or unmarried couple;

**‘MFET Limited’** means the company limited by guarantee (number 7121661) of that name, established for the purpose in particular of making payments in accordance with

arrangements made with the Secretary of State to persons who have acquired HIV as a result of treatment by the NHS with blood or blood products;

**'mobility supplement'** means a supplement to which paragraph 9 of Schedule 4 refers;

**'mover'** means a applicant who changes the dwelling in which the applicant is resident and in respect of which the applicant liable to pay council tax from a dwelling in the area of the appropriate authority to a dwelling in the area of the second authority;

**'net earnings'** means such earnings as are calculated in accordance with section 26;

**'net profit'** means such profit as is calculated in accordance with section 28;

**'the New Deal options'** means the employment programmes specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996 and the training scheme specified in regulation 75(1)(b)(ii) of those Regulations;

**'new dwelling'** means, for the purposes of the definition of 'second authority' and sections 60C, and 61C the dwelling to which a applicant has moved, or is about to move, in which the applicant is or will be resident;

**'non-dependant'** has the meaning prescribed in section 3;

**'non-dependant deduction'** means a deduction that is to be made under section 58;

**'occasional assistance'** means any payment or provision made by a local authority, the Welsh Ministers or the Scottish Ministers for the purposes of:

(a) meeting, or helping to meet an immediate short-term need;

(i) arising out of an exceptional event or exceptional circumstances, or

(ii) that needs to be met to avoid a risk to the well-being of an individual, and

(b) enabling qualifying individuals to establish or maintain a settled home, and—

(i) 'local authority' has the meaning given by section 270(1) of the Local Government Act 1972 ;and

(ii) 'qualifying individuals' means individuals who have been, or without the assistance might otherwise be:

(aa) in prison, hospital, an establishment providing residential care or other institution, or

(bb) homeless or otherwise living an unsettled way of life; and 'local authority' means a local authority in England within the meaning of the Local Government Act 1972;

**'occupational pension'** means any pension or other periodical payment under an occupational pension scheme but does not include any discretionary payment out of a fund established for relieving hardship in particular cases;

**'occupational pension scheme'** has the same meaning as in section 1 of the Pension Schemes Act 1993

**'ordinary clothing or footwear'** means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities;

**'partner'** in relation to a person, means

(a) where that person is a member of a couple, the other member of that couple;

(b) subject to paragraph (c), where that person is polygamously married to two or more members of his household, any such member to whom he is married; or

(c) where that person is polygamously married and has an award of universal credit with the other party to the earliest marriage that still subsists, that other party to the earliest marriage;

**'paternity leave'** means a period of absence from work on leave by virtue of section 80A or 80B of the Employment Rights Act 1996;

**'payment'** includes part of a payment;

**'pensionable age'** has the meaning given by the rules in paragraph 1 of Schedule 4 to the Pensions Act 1995 as amended by the Public Services Pension Act 2013 and Pensions Act 2014;

**'pension fund holder'** means with respect to a personal pension scheme or an occupational pension scheme, the trustees, managers or scheme administrators, as the case may be, of the scheme concerned;

**'pensioner'** a person who has attained the age at which pension credit can be claimed;

**'person affected'** shall be construed as a person to whom the authority decides is affected by any decision made by the council;

**‘person on income support’** means a person in receipt of income support;  
**‘personal independence payment’** has the meaning given by Part 4 of the Welfare Reform Act 2012 and the Social Security (Personal Independence Payments) 2013;

**‘person treated as not being in Great Britain’** has the meaning given by section 7;

**‘personal pension scheme’** means–

- a. a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993 as amended by the Public Service Pension Act 2013;
- b. an annuity contractor trust scheme approved under section 620 or 621 of the Income and Corporation Taxes Act 1988 or a substituted contract within the meaning of section 622(3) or that Act which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(f) of Schedule 36 of the Finance Act 2004<sup>17</sup>;
- c. a personal pension scheme approved under Chapter 4 of Part 14 of the Income and Corporation Taxes Act 1988 which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(g) of Schedule 36 to the Finance Act 2004;
- d. a scheme prescribed in regulation 3 of the Jobseeker’s Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;
- e. Back to Work scheme;

**‘policy of life insurance’** means any instrument by which the payment of money is assured on death (except death by accident only) or the happening of any contingency dependent on human life, or any instrument evidencing a contract which is subject to payment of premiums for a term dependent on human life;

**‘polygamous marriage’** means a marriage to which section 133(1) of the Act refers namely;

- (a) a person is a husband or wife by virtue of a marriage entered into under a law which permits polygamy; and
- (b) either party to the marriage has for the time being any spouse additional to the other party.

**‘public authority’** includes any person certain of whose functions are functions of a public nature;

**‘qualifying age for state pension credit’** means (in accordance with section 1(2)(b) and (6) of the State Pension Credit Act 2002)–

- (a) in the case of a woman, pensionable age; or
- (b) in the case of a man, the age which is pensionable age in the case of a woman born on the same day as the man;

**‘qualifying contributory benefit’** means;

- (a) severe disablement allowance;
- (b) incapacity benefit;
- (c) contributory employment and support allowance;

**‘qualifying course’** means a qualifying course as defined for the purposes of Parts 2 and 4 of the Job Seeker’s Allowance Regulations 1996

**‘qualifying income-related benefit’** means

- (a) income support;
- (b) income-based jobseeker’s allowance;
- (c) income-related employment and support allowance;

**‘qualifying person’** means a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;

**‘reduction week’** means a period of seven consecutive days beginning with a Monday and ending with a Sunday;

**‘relative’** means a close relative, grandparent, grandchild, uncle, aunt, nephew or niece;

**‘relevant authority’** means an authority administering council tax reduction;

**‘relevant week’** In relation to any particular day, means the week within which the day in question falls;

**‘remunerative work’** has the meaning prescribed in section 6;

**‘rent’** means ‘eligible rent’ to which regulation 12 of the Housing Benefit Regulations refers less any deductions in respect of non-dependants which fall to be made under regulation 74

<sup>17</sup> As amended by the Finance Act 2014

(non-dependant deductions) of those Regulations;

**‘resident’** has the meaning it has in Part 1 or 2 of the 1992 Act;

**‘second adult’** has the meaning given to it in Schedule 2;

**‘second authority’** means the authority to which a mover is liable to make payments for the new dwelling;

**‘self-employed earner’** is to be construed in accordance with section 2(1)(b) of the Act;

**‘self-employment route’** means assistance in pursuing self-employed earner’s employment whilst participating in–

- (a) an employment zone programme;
- (b) a programme provided or other arrangements made pursuant to section 2 of the 1973 Act (functions of the Secretary of State) or section 2 of the Enterprise and New Towns (Scotland) Act 1990 (functions in relation to training for employment, etc.); or
- (c) the Employment, Skills and Enterprise Scheme;

**‘Service User’** references in this scheme to an applicant participating as a service user are to

- a. a person who is being consulted by or on behalf of–
  - (i) the Secretary of State in relation to any of the Secretary of State’s functions in the field of social security or child support or under section 2 of the Employment and Training Act 1973; or
  - (ii) a body which conducts research or undertakes monitoring for the purpose of planning or improving such functions in their capacity as a person affected or potentially affected by the exercise of those functions or the carer of such a person; or
- b. the carer of a person consulted as described in sub-paragraph (a) where the carer is not being consulted as described in that sub-paragraph

**‘single applicant’** means an applicant who neither has a partner nor is a lone parent;

**‘the Skipton Fund’** means the ex-gratia payment scheme administered by the Skipton Fund Limited, incorporated on 25th March 2004, for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with the scheme’s provisions.

**‘special account’** means an account as defined for the purposes of Chapter 4A of Part 8 of the Jobseeker’s Allowance Regulations or Chapter 5 of Part 10 of the Employment and Support Allowance Regulations;

**‘sports award’** means an award made by one of the Sports Councils named in section 23(2) of the National Lottery etc Act 1993 out of sums allocated to it for distribution under that section;

**‘the SSCBA’** means the Social Security Contributions and Benefits Act 1992

**‘State Pension Credit Act’** means the State Pension Credit Act 2002;

**‘student’** has the meaning prescribed in section 43;

**‘subsistence allowance’** means an allowance which an employment zone contractor has agreed to pay to a person who is participating in an employment zone programme;

**‘support or reduction week’** means a period of 7 consecutive days commencing upon a Monday and ending on a Sunday;

**‘the Tax Credits Act’** means the Tax Credits Act 2002;

**‘tax year’** means a period beginning with 6th April in one year and ending with 5th April in the next;

**‘training allowance’** means an allowance (whether by way of periodical grants or otherwise) payable–

- (a) out of public funds by a Government department or by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise, the Young People’s Learning Agency for England, the Chief Executive of Skills Funding or Welsh Ministers;
- (b) to a person for his maintenance or in respect of a member of his family; and
- (c) for the period, or part of the period, during which he is following a course of training or instruction provided by, or in pursuance of arrangements made with, the department or approved by the department in relation to him or so provided or approved by or on behalf of the Secretary of State, Skills Development Scotland Scottish Enterprise or Highlands and Islands Enterprise or the Welsh Ministers.

It does not include an allowance paid by any Government department to or in respect of a person by reason of the fact that he is following a course of full-time education, other than under arrangements made under section 2 of the 1973 Act or is training as a teacher;

**'the Trusts'** means the Macfarlane Trust, the Macfarlane (Special Payments) Trust and the Macfarlane (Special Payments) (No. 2) Trust;

**'Universal Credit'** means any payment of Universal Credit payable under the Welfare Reform Act 2012, the Universal Credit Regulations 2013, The Universal Credit (Consequential, Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013, Universal Credit (Miscellaneous Amendments) Regulations 2013 and the Universal Credit (Transitional Provisions) Regulations 2014;

**'Uprating Act'** means the Welfare Benefit Up-rating Act 2013, the Welfare Benefits Up-rating Order 2014 and the Welfare Benefits Up-rating Order 2015;

**'voluntary organisation'** means a body, other than a public or local authority, the activities of which are carried on otherwise than for profit;

**'war disablement pension'** means any retired pay or pension or allowance payable in respect of disablement under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003;

**'war pension'** means a war disablement pension, a war widow's pension or a war widower's pension;

**'war widow's pension'** means any pension or allowance payable to a woman as a widow under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

**'war widower's pension'** means any pension or allowance payable to a man as a widower or to a surviving civil partner under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

**'water charges'** means;

(a) as respects England and Wales, any water and sewerage charges under Chapter 1 of Part 5 of the Water Industry Act 1991,

(b) as respects Scotland, any water and sewerage charges established by Scottish Water under a charges scheme made under section 29A of the Water Industry (Scotland) Act 2002, in so far as such charges are in respect of the dwelling which a person occupies as his home;

**'week'** means a period of seven days beginning with a Monday;

**'Working Tax Credit Regulations'** means the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 as amended<sup>18</sup>; and

**'young person'** has the meaning prescribed in section 9(1) and in section 142 of the SSCBA..

- 2.2 In this scheme, references to an applicant occupying a dwelling or premises as his home shall be construed in accordance with regulation 7 of the Housing Benefit Regulations 2006.
- 2.3 In this scheme, where an amount is to be rounded to the nearest penny, a fraction of a penny shall be disregarded if it is less than half a penny and shall otherwise be treated as a whole penny.
- 2.4 For the purpose of this scheme, a person is on an income-based jobseeker's allowance on any day in respect of which an income-based jobseeker's allowance is payable to him and on any day;
- (a) in respect of which he satisfies the conditions for entitlement to an income-based jobseeker's allowance but where the allowance is not paid in accordance with regulation 27A of the Jobseeker's Allowance Regulations or section 19 or 20A or regulations made under section 17A of the Jobseekers Act (circumstances in which a jobseeker's allowance is not payable); or
- (b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income-based jobseeker's allowance is payable to him or would be payable to him but for regulation 27A of the

<sup>18</sup> The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2013; The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2015

- Jobseeker's Allowance Regulations or section 19 or 20A or regulations made under section 17A of that Act;
- (c) in respect of which he is a member of a joint-claim couple for the purposes of the Jobseekers Act and no joint-claim jobseeker's allowance is payable in respect of that couple as a consequence of either member of that couple being subject to sanctions for the purposes of section 20A of that Act;
  - (d) in respect of which an income-based jobseeker's allowance or a joint-claim jobseeker's allowance would be payable but for a restriction imposed pursuant to section 6B, 7, 8 or 9 of the Social Security Fraud Act 2001 (loss of benefit provisions).

2.4A For the purposes of this scheme, a person is on an income-related employment and support allowance on any day in respect of which an income-related employment and support allowance is payable to him and on any day;

- (a) in respect of which he satisfies the conditions for entitlement to an income-related employment and support allowance but where the allowance is not paid in accordance with section 18 of the Welfare Reform Act disqualification; or
- (b) which is a waiting day for the purposes of paragraph 2 of Schedule 2 to that Act and which falls immediately before a day in respect of which an income-related employment and support allowance is payable to him or would be payable to him but for section 18 of that Act.

2.5 For the purposes of this scheme, two persons shall be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.

2.6 In this scheme, references to any person in receipt of state pension credit includes a person who would be in receipt of state pension credit but for regulation 13 of the State Pension Credit Regulations 2002 (small amounts of state pension credit).

## **2A.0 Protected Groups**

2A.1 The following persons are considered as protected groups within this scheme where the following circumstances apply;

- The applicant or partner is in receipt of a severe disability premium within the calculation of council tax support or within any means tested benefit (Housing Benefit, Income Support, Employment and Support Allowance (Income Related) or Job Seeker's Allowance (Income Based)); or
- The applicant, partner or any dependant is in receipt of a enhanced disability premium within the calculation of council tax support or within any means tested benefit (Housing Benefit, Income Support, Employment and Support Allowance (Income Related) or Job Seeker's Allowance (Income Based)); or
- The applicant or partner is in receipt of a support component within the calculation of council tax support or within their Employment and Support Allowance; or
- The applicant or partner receives War Disablement Pension or a War Widow's/Widower's Pension, or an Armed Forces Independence Payment (AFIP) or any similar payment from another country.

## **3.0 Definition of non-dependant**

3.1 In this scheme, 'non-dependant' means any person, except someone to whom paragraph 3.2 applies, who normally resides with an applicant or with whom an applicant normally resides.

3.2 This paragraph applies to;

- a. any member of the applicant's family;
- b. if the applicant is polygamously married, any partner of his and any child or young

- person who is a member of his household and for whom he or one of his partners is responsible;
- c. a child or young person who is living with the applicant but who is not a member of his household by virtue of section 11(membership of the same household);
- d. subject to paragraph 3.3, any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under sections 6, 7 or 75 of the 1992 Act (persons liable to pay council tax);
- e. subject to paragraph 3.3, any person who is liable to make payments on a commercial basis to the applicant or the applicant's partner in respect of the occupation of the dwelling;
- f. a person who lives with the applicant in order to care for him or a partner of his and who is engaged by a charitable or voluntary organisation which makes a charge to the applicant or his partner for the services provided by that person.

3.3 Excepting persons to whom paragraph 3.2 a) to c) and f) refer, a person to whom any of the following sub-paragraphs applies shall be a non-dependant–

- a. a person who resides with the person to whom he is liable to make payments in respect of the dwelling and either;
  - i. that person is a close relative of his or her partner; or
  - ii. the tenancy or other agreement between them is other than on a commercial basis;
- b. a person whose liability to make payments in respect of the dwelling appears to the authority to have been created to take advantage of the council tax reduction scheme except someone who was, for any period within the eight weeks prior to the creation of the agreement giving rise to the liability to make such payments, otherwise liable to make payments of rent in respect of the same dwelling;
- c. a person who becomes jointly and severally liable with the applicant for council tax in respect of a dwelling and who was, at any time during the period of eight weeks prior to his becoming so liable, a non-dependant of one or more of the other residents in that dwelling who are so liable for the tax, unless the authority is satisfied that the change giving rise to the new liability was not made to take advantage of the support scheme.

#### **4.0 Requirement to provide a National Insurance Number<sup>19</sup>**

4.1 No person shall be entitled to support unless the criteria below in 4.2 is satisfied in relation both to the person making the claim and to any other person in respect of whom he is claiming support.

4.2 This subsection is satisfied in relation to a person if–

- a. the claim for support is accompanied by;
  - i. a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or
  - ii. information or evidence enabling the national insurance number that has been allocated to the person to be ascertained; or
- b. the person makes an application for a national insurance number to be allocated to him which is accompanied by information or evidence enabling such a number to be so allocated and the application for reduction is accompanied by evidence of the application and information to enable it to be allocated.

4.3 Paragraph 4.2 shall not apply–

- a. in the case of a child or young person in respect of whom council tax reduction is claimed;
- b. to a person who;

<sup>19</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- i. is a person in respect of whom a claim for council tax reduction is made;
- ii. is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act; and
- iii. has not previously been allocated a national insurance number.

## **5.0 Persons who have attained the qualifying age for state pension credit**

5.1 This scheme applies to a person if:

- (i) he has not attained the qualifying age for state pension credit; or
- (ii) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is;
  - (a) a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or
  - (b) a person with an award of universal credit.

## **6.0 Remunerative work**

6.1 Subject to the following provisions of this section, a person shall be treated for the purposes of this scheme as engaged in remunerative work if he is engaged, or, where his hours of work fluctuate, he is engaged on average, for not less than 16 hours a week, in work for which payment is made or which is done in expectation of payment.

6.2 Subject to paragraph 6.3, in determining the number of hours for which a person is engaged in work where his hours of work fluctuate, regard shall be had to the average of hours worked over;

- a. if there is a recognisable cycle of work, the period of one complete cycle (including, where the cycle involves periods in which the person does no work, those periods but disregarding any other absences);
- b. in any other case, the period of 5 weeks immediately prior to that date of claim, or such other length of time as may, in the particular case, enable the person's weekly average hours of work to be determined more accurately.

6.3 Where, for the purposes of paragraph 6.2 a), a person's recognisable cycle of work at a school, other educational establishment or other place of employment is one year and includes periods of school holidays or similar vacations during which he does not work, those periods and any other periods not forming part of such holidays or vacations during which he is not required to work shall be disregarded in establishing the average hours for which he is engaged in work.

6.4 Where no recognisable cycle has been established in respect of a person's work, regard shall be had to the number of hours or, where those hours will fluctuate, the average of the hours, which he is expected to work in a week.

6.5 A person shall be treated as engaged in remunerative work during any period for which he is absent from work referred to in paragraph 6.1 if the absence is either without good cause or by reason of a recognised customary or other holiday.

6.6 A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any reduction week shall be treated as not being in remunerative work in that week.

6.7 A person shall not be treated as engaged in remunerative work on any day on which the person is on maternity leave, paternity leave or adoption leave, or is absent from work because he is ill.

- 6.8 A person shall not be treated as engaged in remunerative work on any day on which he is engaged in an activity in respect of which;
- a. a sports award has been made, or is to be made, to him; and
  - b. no other payment is made or is expected to be made to him.

## **7.0 Persons treated as not being in Great Britain and Persons Subject to Immigration Control**

### **Persons treated as not being in Great Britain**

7.1 Persons treated as not being in Great Britain are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.

7.2 Except where a person falls within paragraph (5) or (6), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.

7.3 A person must not be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland unless the person has a right to reside in one of those places.

7.4 For the purposes of paragraph (3), a right to reside does not include a right, which exists by virtue of, or in accordance with—

- (a) regulation 13 of the EEA Regulations or Article 6 of Council Directive 2004/38/EC;
- (aa) regulation 14 of the EEA Regulations, but only in a case where the right exists under that regulation because the person is—
  - (i) a jobseeker for the purpose of the definition of "qualified person" in regulation 6(1) of those Regulations, or
  - (ii) a family member (within the meaning of regulation 7 of those Regulations) of such a jobseeker;
- (ab) Article 45 of the Treaty on the functioning of the European Union (in a case where the person is seeking work in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland); or
- (b) regulation 15A(1) of the EEA Regulations, but only in a case where the right exists under that regulation because the applicant satisfies the criteria in paragraph (4A) of that regulation or Article 20 of the Treaty on the Functioning of the European Union (in a case where the right to reside arises because a British citizen would otherwise be deprived of the genuine enjoyment of their rights as a European Union citizen).

7.5 A person falls within this paragraph if the person is—

- (a) a qualified person for the purposes of regulation 6 of the EEA Regulations as a worker or a self-employed person;
- (b) a family member of a person referred to in sub-paragraph (a) within the meaning of regulation 7(1)(a), (b) or (c) of the EEA Regulations;
- (c) a person who has a right to reside permanently in the United Kingdom by virtue of regulation 15(1)(c), (d) or (e) of the EEA Regulations;
- (d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;
- (e) a person who has been granted, or who is deemed to have been granted, leave outside the rules made under section 3(2) of the Immigration Act 1971<sup>20</sup> where that leave is—
  - (i) discretionary leave to enter or remain in the United Kingdom,
  - (ii) leave to remain under the Destitution Domestic Violence concession which came into effect on 1st April 2012, or
  - (iii) leave deemed to have been granted by virtue of regulation 3 of the Displaced Persons (Temporary Protection) Regulations 2005.

<sup>20</sup> As amended by the Immigration Act 2014 and the Immigration Act 2014 (Commencement No. 2) Order 2014

- (f) a person who has humanitarian protection granted under those rules;
- (g) a person who is not a person subject to immigration control within the meaning of section 115(9) of the Immigration and Asylum Act 1999 and who is in the United Kingdom as a result of his deportation, expulsion or other removal by compulsion of law from another country to the United Kingdom;
- (h) in receipt of income support or on an income-related employment and support allowance;
- (ha) in receipt of an income-based jobseeker's allowance and has a right to reside other than a right to reside falling within paragraph (4) or
- (i) a person who is treated as a worker for the purpose of the definition of "qualified person" in regulation 6(1) of the EEA Regulations pursuant to regulation 5 of the Accession of Croatia (Immigration and Worker Authorisation) Regulations 2013 (right of residence of a Croatian who is an "accession State national subject to worker authorisation")

7.6 A person falls within this paragraph if the person is a Crown servant or member of Her Majesty's forces posted overseas.

7.7 A person mentioned in sub-paragraph (6) is posted overseas if the person is performing overseas the duties of a Crown servant or member of Her Majesty's forces and was, immediately before the posting or the first of consecutive postings, habitually resident in the United Kingdom.

7.8 In this regulation—  
 "claim for asylum" has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999;

"Crown servant" means a person holding an office or employment under the Crown;

"EEA Regulations" means the Immigration (European Economic Area) Regulations 2006; and the The Immigration (European Economic Area) (Amendment) (No. 2) Regulations 2014; and

"Her Majesty's forces" has the same meaning as in the Armed Forces Act 2006.

#### **Persons subject to immigration control**

7.9 Persons subject to immigration control are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.

7.10 A person who is a national of a state which has ratified the European Convention on Social and Medical Assistance (done in Paris on 11th December 1953) or a state which has ratified the Council of Europe Social Charter (signed in Turin on 18th October 1961) and who is lawfully present in the United Kingdom is not a person subject to immigration control for the purpose of paragraph 7.9

7.11 "Person subject to immigration control" has the same meaning as in section 115(9) of the Immigration and Asylum Act 1999.

#### **7A.0 Transitional provision**

7A.1 The above does not apply to a person who, on 31st March 2015—

- (a) is liable to pay council tax at a reduced rate by virtue of a council tax reduction under an authority's scheme established under section 13A(2) of the Act; and
- (b) is entitled to an income-based jobseeker's allowance, until the first of the events in paragraph 7A.2 occurs.

7A.2 The events are—

- (a) the person makes a new application for a reduction under an authority's scheme established under section 13A(2) of the Act; or
- (b) the person ceases to be entitled to an income-based jobseeker's allowance.

7A.3 In this section "the Act" means the Local Government Finance Act 1992..

## **8.0 Temporary Absence (period of absence)**

8.1 Where a person is absent from the dwelling throughout any day then no support shall be payable

8.2 A person shall not, in relation to any day, which falls within a period of temporary absence from that dwelling, be a prescribed person under paragraph 8.1.

8.3 In paragraph 8.2, a 'period of temporary absence' means—

- a. a period of absence within Great Britain not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation in Great Britain where and for so long as;
  - i. the person resides in that accommodation;
  - ii. the part of the dwelling in which he usually resided is not let or sub-let; and
  - iii. that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,

where he has entered the accommodation for the purpose of ascertaining whether it suits his needs and with the intention of returning to the dwelling if it proves not to suit his needs;

- b. a period of absence not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as;
  - i. the person intends to return to the dwelling;
  - ii. the part of the dwelling in which he usually resided is not let or sub-let; and
  - iii. that period is unlikely to exceed 13 weeks; and
- c. a period of absence within Great Britain not exceeding 52 weeks, beginning with the first whole day of absence, where and for so long as
  - i. the person intends to return to the dwelling;
  - ii. the part of the dwelling in which he usually resided is not let or sub-let;
  - iii. the person is a person to whom paragraph 8.4 applies; and
  - iv. the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period.

8.3A A person who is temporarily absent from a dwelling he occupies as his home and is absent outside Great Britain shall be treated as occupying that dwelling as his home whilst he is temporarily absent, for a period not exceeding 4 weeks beginning with the first day of that absence from Great Britain, provided that—

- (a) the person intends to return to occupy the dwelling as his home;
- (b) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let; and
- (c) the period of absence is unlikely to exceed 4 weeks.

8.3B A person who is temporarily absent from a dwelling he occupies as his home and is absent outside of Great Britain as a member of the armed forces away on operations, a mariner or a continental shelf worker shall be treated as occupying that dwelling as his home whilst he is temporarily absent, for a period not exceeding 26 weeks beginning with the first day of that absence from Great Britain, provided that—

- (a) the person intends to return to occupy the dwelling as his home;
- (b) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let; and
- (c) the period of absence is unlikely to exceed 26 weeks.

8.3C This paragraph applies where—

- (a) a person is temporarily absent from Great Britain;
- (b) the temporary absence from Great Britain is in connection with the death of the—
  - (i) person’s partner or a child or young person for whom he or his partner is responsible;
  - (ii) person’s close relative;
  - (iii) close relative of the person’s partner; or
  - (iv) close relative of a child or young person for whom the person or their partner is responsible;
- (c) the person intends to return to occupy the dwelling as his home; and
- (d) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let.

8.3D person to whom paragraph (8.3C) applies shall be treated as occupying a dwelling he is absent from as his home whilst he is temporarily absent for a period not exceeding 4 weeks beginning with the first day of that absence from Great Britain.

8.3E The period of absence in paragraph (8.3D) may be extended by up to 4 further weeks if the relevant authority considers it unreasonable to expect the person to return to Great Britain within the first 4 weeks

8.4 This paragraph applies to a person who is;

- a. detained in custody on remand pending trial or required, as a condition of bail, to reside;
  - i. in a dwelling, other than the dwelling referred to in paragraph 8.1, or
  - ii. in premises approved under section 13 of the Offender Management Act 2007, or, detained in custody pending sentence upon conviction;
- b. resident in a hospital or similar institution as a patient;
- c. undergoing, or his partner or his dependent child is undergoing, in Great Britain or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
- d. following, in Great Britain or elsewhere, a training course;
- e. undertaking medically approved care of a person residing in Great Britain or elsewhere;
- f. undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care of medical treatment;
- g. in Great Britain, receiving medically approved care provided in accommodation other than residential accommodation;
- h. a student;
- i. receiving care provided in residential accommodation other than a person to whom paragraph 8.3a) applies; or
- j. has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.

8.5 This paragraph applies to a person who is:

- a. detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983 (as amended by the Mental Health (Discrimination) Act 2013), or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995) or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986; and
- b. on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952 or the Prisons (Scotland) Act 1989

8.6 Where paragraph 8.5 applies to a person, then, for any day when he is on temporary release—

- a. if such temporary release was immediately preceded by a period of temporary absence under paragraph 8.3 b) or c), he shall be treated, for the purposes of paragraph 8.1, as if he continues to be absent from the dwelling, despite any return to the dwelling;
- b. for the purposes of paragraph 8.4 a), he shall be treated as if he remains in detention;
- c. If he does not fall within sub-paragraph a), he is not considered to be a person who is liable to pay Council Tax in respect of a dwelling of which he is resident

8.7 In this section;

- ‘medically approved’ means certified by a medical practitioner;
- ‘continental shelf worker’ means a person who is employed, whether under a contract of service or not, in a designated area or a prescribed area in connection with any activity mentioned in section 11(2) of the Petroleum Act 1998
- ‘designated area’ means any area which may from time to time be designated by Order in Council under the Continental Shelf Act 1964 as an area within which the rights of the United Kingdom with respect to the seabed and subsoil and their natural resources may be exercised;

“mariner” means a person who is employed under a contract of service either as a master or member of the crew of any ship or vessel, or in any other capacity on board any ship or vessel, where:

- a) the employment in that capacity is for the purposes of that ship or vessel or its crew or any passengers or cargo or mails carried by the ship or vessel; and
  - b) the contract is entered into in the United Kingdom with a view to its performance (in whole or in part) while the ship or vessel is on its voyage
- ‘patient’ means a person who is undergoing medical or other treatment as an in-patient in any hospital or similar institution; ‘residential accommodation’ means accommodation which is provided;
    - a. in a care home;
    - b. in an independent hospital;
    - c. in an Abbeyfield Home; or
    - d. in an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services authority;
  - prescribed area” means any area over which Norway or any member State (other than the United Kingdom) exercises sovereign rights for the purpose of exploring the seabed and subsoil and exploiting their natural resources, being an area outside the territorial seas of Norway or such member State or any other area which is from time to time specified under section 10(8) of the Petroleum Act 1998
  - ‘training course’ means a course of training or instruction provided wholly or partly by or on behalf of or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

**Sections 9 - 11**

**The family for Council tax reduction purposes**

## **9.0 Membership of a family**

- 9.1 Within the support scheme adopted by the Council 'family' means;
- a. a married or unmarried couple;
  - b. married or unmarried couple and a member of the same household for whom one of them is or both are responsible and who is a child or a young person;
  - c. two people of the same sex who are civil partners of each other and are members of the same household (with or without children);
  - d. two people of the same sex who are not civil partners of each other but are living together as if they were civil partners (with or without children),
  - e. and for the purposes of sub-paragraph (d) two people of the same sex are to be regarded as living together as if they were civil partners if, but only if, they would be regarded as living together as husband and wife were they instead two people of the opposite sex;
  - f. except in prescribed circumstances, a person who is not a member of a married or unmarried couple and a member of the same household for whom that person is responsible and who is a child or a young person;

For the purposes of the scheme a child is further defined as a 'child or young person'  
A 'child' means a person under the age of 16 and a 'Young Person' is someone aged 16 or over but under 20 and who satisfies other conditions. These conditions are:

- they are aged 16, have left 'relevant education' or training, and 31 August following the sixteenth birthday has not yet been passed;
- they are aged 16 or 17, have left education or training, are registered for work, education or training, are not in remunerative work and are still within their 'extension period';
- they are on a course of full-time non-advanced education, or are doing 'approved training', and they began that education or training before reaching the age of 19;
- they have finished a course of full-time non-advanced education, but are enrolled on another such course (other than one provided as a result of their employment);
- they have left 'relevant education' or 'approved training' but have not yet passed their 'terminal date'.

- 9.2 Paragraph 9.1 the definition of child or young person shall not apply to a person who is;
- a. on income support ;
  - b. an income-based jobseeker's allowance or an income related employment and support allowance; or be entitled to an award of Universal Credit; or
  - c. a person to whom section 6 of the Children (Leaving Care) Act 2000 applies.
- 9.3 The definition also includes a child or young person in respect of whom there is an entitlement to child benefit but only for the period that child benefit is payable.

## **10.0 Circumstances in which a person is to be treated as responsible (or not responsible) for a child or young person.**

- 10.1 Subject to the following paragraphs a person shall be treated as responsible for a child or young person who is normally living with him and this includes a child or young person to whom paragraph 9.3 applies
- 10.2 Where a child or young person spends equal amounts of time in different households, or where there is a question as to which household he is living in, the child or young person shall be treated for the purposes of paragraph 9.1 as normally living with;
- a. the person who is receiving child benefit in respect of him; or
  - b. if there is no such person;
    - i. where only one claim for child benefit has been made in respect of him, the

- person who made that claim; or
- ii. in any other case the person who has the primary responsibility for him.

10.3 For the purposes of this scheme a child or young person shall be the responsibility of only one person in any reduction week and any person other than the one treated as responsible for the child or young person under this section shall be treated as not so responsible.

**11.0 Circumstances in which a child or young person is to be treated as being or not being a member of the household**

11.1 Subject to paragraphs 11.2 and 11.3, the applicant and any partner and, where the applicant or his partner is treated as responsible by virtue of section 10 (circumstances in which a person is to be treated as responsible or not responsible for a child or young person) for a child or young person, that child or young person and any child of that child or young person, shall be treated as members of the same household notwithstanding that any of them is temporarily absent from that household.

11.2 A child or young person shall not be treated as a member of the applicant's household where he is;

- a. placed with the applicant or his partner by a local authority under section 23(2)(a) of the Children Act 1989 or by a voluntary organisation under section 59(1)(a) of that Act, or in Scotland boarded out with the applicant or his partner under a relevant enactment; or
- b. placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or
- c. placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002<sup>21</sup> or the Adoption Agencies (Scotland) Regulations 2009.

11.3 Subject to paragraph 11.4, paragraph 11.1 shall not apply to a child or young person who is not living with the applicant and he—

- a. is being looked after by, or in Scotland is in the care of, a local authority under a relevant enactment; or
- b. has been placed, or in Scotland boarded out, with a person other than the applicant prior to adoption; or
- c. has been placed for adoption in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009; or in accordance with an adoption allowance scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (adoption allowances schemes).

11.4 The authority shall treat a child or young person to whom paragraph 11.3 a) applies as being a member of the applicant's household in any reduction week where;

- a. that child or young person lives with the applicant for part or all of that reduction week; and
- b. the authority considers that it is responsible to do so taking into account the nature and frequency of that child's or young person's visits.

11.5 In this paragraph 'relevant enactment' means the Army Act 1955, the Air Force Act 1955, the Naval Discipline Act 1957, the Matrimonial Proceedings (Children) Act 1958, the Social Work (Scotland) Act 1968, the Family Law Reform Act 1969, the Children and Young Persons Act 1969, the Matrimonial Causes Act 1973, the Children Act 1975, the Domestic Proceedings and Magistrates' Courts Act 1978, the Adoption and Children (Scotland) Act 1978, the Family Law Act 1986, the Children Act 1989, the Children (Scotland) Act 1995 and the Legal Aid, Sentencing and Punishment of Offenders Act 2012.

<sup>21</sup> The Adoption and Children Act 2002 (Commencement No. 12) Order 2014

**Sections 12 – 14 & Schedule 1**

**Applicable Amounts for Council tax reduction purposes**

## 12.0 Applicable amounts

12.1 Subject to sections 13 and 14, an applicant's weekly applicable amount shall be aggregate of such of the following amounts as may apply in his case:

- a. an amount in respect of himself or, if he is a member of a couple, an amount in respect of both of them, determined in accordance with paragraph 1 as the case may be, of Schedule 1 of this scheme;
- b. an amount determined in accordance with paragraph 2 of Schedule 1 of this scheme in respect of any child or young person who is a member of his family;
- c. if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of Schedule 1 (family premium). **No family premium will be awarded where an application for reduction is received on or after 1<sup>st</sup> May 2016.**
  - i) Sub paragraph (c) shall not apply to a person who, on 30<sup>th</sup> April 2016, is entitled to Council Tax Reduction and is:
    - a. a member of a family of which at least one member is a child or young person; or
    - b. a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.
  - (ii) (i) above does not apply if—
    - (a) sub-paragraph 12.1 c (i) (a) or (b) of that paragraph ceases to apply; or
    - (b) the person makes a new claim for Council Tax Reduction.
  - (iii) For the purpose of this section "child", "polygamous marriage" and "young person" have the same meaning as in section 2 of this scheme;
- d. the amount of any premiums which may be applicable to him, determined in accordance with paragraphs 4 to 16 of Schedule 1 of this document (premiums).
- e. the amount of either the
  - i. work-related activity component; or
  - ii. support component which may be applicable to him in accordance with paragraph 17 and 18 of Schedule 1 of this document (the components)
- f. the amount of any transitional addition which may be applicable to him in accordance with paragraph 19 to 20 of Schedule 1 of this scheme (transitional addition).

## 13.0 Polygamous marriages

13.1 Subject to section 14, where an applicant is a member of a polygamous marriage, his weekly applicable amount shall be the aggregate of such of the following amounts as may apply in his case:

- a. the amount applicable to him and one of his partners determined in accordance with paragraph 1 of Schedule 1 of this scheme as if he and that partner were a couple;
- b. an amount equal to the amount within paragraph 1 (3) (c) of Schedule 1 of this scheme in respect of each of his other partners;
- c. an amount determined in accordance with paragraph 2 of Schedule 1 of this scheme (applicable amounts) in respect of any child or young person for whom he or a partner of his is responsible and who is a member of the same household;
- d. if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of Schedule 1 (family premium). **No family premium will be awarded where an application for reduction is received on or after 1<sup>st</sup> May 2016.**
  - i) Sub paragraph (d) shall not apply to a person who, on 30<sup>th</sup> April 2016, is entitled to Council Tax Reduction and is:
    - a. a member of a family of which at least one member is a child or young person;

- or
- b. a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.
  - (i) above does not apply if—
    - (a) sub-paragraph 13.1 d (i) (a) or (b) of that paragraph ceases to apply; or
    - (b) the person makes a new claim for Council Tax Reduction.
  - (ii) For the purpose of this section “child”, “polygamous marriage” and “young person” have the same meaning as in section 2 of this scheme;
- e. the amount of any premiums which may be applicable to him determined in accordance with paragraphs 4 to 16 of Schedule 1 of this scheme (premiums).
- f. the amount of either the;
  - i. work-related activity component; or
  - ii. support component which may be applicable to him in accordance with paragraph 17 and 18 of Schedule 1 (the components).
- g. the amount of any transitional addition which may be applicable to him in accordance with paragraphs 19 and 20 of Schedule 1 of this scheme (transitional addition)

**14.0 Applicable amount: persons who are not pensioners who have an award of universal credit**

14.1 In determining the applicable amount for a week of an applicant—

- a. who has, or
- b. who (jointly with his partner) has,

an award of universal credit, the authority must use the calculation or estimate of the maximum amount of the applicant, or the applicant and his partner jointly (as the case may be), subject to the adjustment described in sub-paragraph (2).

14.2 The adjustment referred to in sub-paragraph (1) is to multiply the maximum amount by 12 and divide the product by 52.

14.3 In this paragraph “maximum amount” means the maximum amount calculated by the Secretary of State in accordance with section 8(2) of the Welfare Reform Act 2012

**Sections 15 – 32 & Schedules 3 & 4**

**Definition and the treatment of income for Council tax reduction purposes**

**15.0 Calculation of income and capital of members of applicant's family and of a polygamous marriage**

- 15.1 The income and capital of:
- (a) an applicant; and
  - (b) any partner of that applicant,

is to be calculated in accordance with the following provisions.

- 15.2 The income and capital of any partner of the applicant is to be treated as income and capital of the applicant, and in this Part any reference to the applicant applies equally to any partner of that applicant.

- 15.3 Where an applicant or the partner of an applicant is married polygamously to two or more members of his household:
- (a) the applicant must be treated as possessing capital and income belonging to each such member; and
  - (b) the income and capital of that member is to be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

**15A.0 Calculation of income and capital: persons who have an award of universal credit**

- 15A.1 In determining the income of an applicant
- a. who has, or
  - b. who (jointly with his partner) has,
- an award of universal credit the authority must, subject to the following provisions of this paragraph, use the calculation or estimate of the income of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.

- 15A.2 The authority must adjust the amount referred to in sub-paragraph (1) to take account of
- (a) income consisting of the award of universal credit, determined in accordance with subparagraph (3);
  - (b) any sum to be disregarded under paragraphs of Schedule 3 to this scheme (sums to be disregarded in the calculation of earnings: persons who are not pensioners);
  - (c) any sum to be disregarded under paragraphs of Schedule 4 to this scheme (sums to be disregarded in the calculation of income other than earnings: persons who are not pensioners);
  - (d) section 16 (circumstances in which income and capital of non-dependant is to be treated as applicant's), if the authority determines that the provision applies in the applicant's case;
  - (e) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act (power of billing authority to reduce amount of council tax payable).

- 15A.3 The amount for the award of universal credit is to be determined by multiplying the amount of the award by 12 and dividing the product by 52.

- 15A.4 Sections 16 (income and capital of non-dependant to be treated as applicant's) and 52 and 53 (disregards from income) apply (so far as relevant) for the purpose of determining any adjustments, which fall to be made to the figure for income under sub-paragraph (2).

- 15A.5 In determining the capital of an applicant;
- (a) who has, or
  - (b) who (jointly with his partner) has,
- an award of universal credit, the authority must use the calculation or estimate of the capital of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining that award.

**16.0 Circumstances in which capital and income of non-dependant is to be treated as applicant's**

16.1 Where it appears to the authority that a non-dependant and the applicant have entered into arrangements in order to take advantage of the council tax reduction scheme and the non-dependant has more capital and income than the applicant, that authority shall, except where the applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, treat the applicant as possessing capital and income belonging to that non-dependant, and, in such a case, shall disregard any capital and income which the applicant does possess.

16.2 Where an applicant is treated as possessing capital and income belonging to a non-dependant under paragraph 16.1 the capital and income of that non-dependant shall be calculated in accordance with the following provisions in like manner as for the applicant and any reference to the 'applicant' shall, except where the context otherwise requires, be construed for the purposes of this scheme as if it were a reference to that non-dependant.

**17.0 Calculation of income on a weekly basis**

17.1 For the purposes of this scheme and in line with regulation 34 of the Housing Benefit Regulations 2006 (disregard to changes in tax, contributions etc.), the income of an applicant shall be calculated on a weekly basis;

- a. by estimating the amount which is likely to be his average weekly income in accordance with this Section and in line with Sections 2, 3, 4 and 5 of Part 6 of the Housing Benefit Regulations 2006;
- b. by adding to that amount the weekly income calculated in line with regulation 52 of the Housing Benefit Regulations 2006 (calculation to tariff income from capital); and
- c. by then deducting any relevant child care charges to which section 18 (treatment of child care charges) applies from any earnings which form part of the average weekly income or, in a case where the conditions in paragraph 17.2 are met, from those earnings plus whichever credit specified in sub-paragraph (b) of that paragraph is appropriate, up to a maximum deduction in respect of the applicant's family of whichever of the sums specified in paragraph (3) applies in his case.

17.2 The conditions of this paragraph are that;

- a. the applicant's earnings which form part of his average weekly income are less than the lower of either his relevant child care charges or whichever of the deductions specified in paragraph (3) otherwise applies in his case; and
- b. that applicant or, if he is a member of a couple either the applicant or his partner, is in receipt of either working tax credit or child tax credit.

17.3 The maximum deduction to which paragraph 17.1 c) above refers shall be;

- a. where the applicant's family includes only one child in respect of whom relevant child care charges are paid, £175.00 per week.
- b. where the applicant's family includes more than one child in respect of whom relevant child care charges are paid, £300.00 per week.

The amounts stated in this paragraph shall be amended in accordance with the Housing Benefit Regulations 2006 (as amended).

17.4 For the purposes of paragraph 17.1 'income' includes capital treated as income under section 31 (capital treated as income) and income, which an applicant is treated as possessing under section 32 (notional income).

**18.0 Treatment of child care charges**

18.1 This section applies where an applicant is incurring relevant child-care charges and;

- a. is a lone parent and is engaged in remunerative work;
  - b. is a member of a couple both of whom are engaged in remunerative work; or
  - c. is a member of a couple where one member is engaged in remunerative work and the other;
    - i. is incapacitated;
    - ii. is an in-patient in hospital; or
    - iii. is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).
- 18.2 For the purposes of paragraph 18.1 and subject to paragraph 18.4, a person to whom paragraph 18.3 applies shall be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he—
- a. is paid statutory sick pay;
  - b. is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the Act;
  - c. is paid an employment and support allowance;
  - d. is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support Regulations 1987; or
  - e. is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.
- 18.3 This paragraph applies to a person who was engaged in remunerative work immediately before
- a. the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or
  - b. the first day of the period in respect of which earnings are credited, as the case may be.
- 18.4 In a case to which paragraph 18.2 d) or e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.
- 18.5 Relevant child care charges are those charges for care to which paragraphs 18.6 and 18.7 apply, and shall be calculated on a weekly basis in accordance with paragraph 18.10.
- 18.6 The charges are paid by the applicant for care, which is provided
- a. in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or
  - b. in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.
- 18.7 The charges are paid for care, which is provided by one, or more of the care providers listed in paragraph 18.8 and are not paid—
- a. in respect of the child's compulsory education;
  - b. by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible in accordance with section 10 (circumstances in which a person is treated as responsible or not responsible for another); or
  - c. in respect of care provided by a relative of the child wholly or mainly in the child's home.
- 18.8 The care to which paragraph 18.7 refers may be provided;
- a. out of school hours, by a school on school premises or by a local authority;
    - i. for children who are not disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September

- following their fifteenth birthday; or
    - ii. for children who are disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or
  - b. by a child care provider approved in accordance with by the Tax Credit (New Category of Child Care Provider) Regulations 1999;
  - c. by persons registered under Part 2 of the Children and Families (Wales) Measure 2010; or
  - d. by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) order 2010; or
  - e. by;
    - i. persons registered under section 59(1) of the Public Services Reform Scotland Act 2010; or
    - ii. local authorities registered under section 83(1) of that Act, where the care provided is child minding or daycare within the meaning of that Act; or
  - f. by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002 or
  - g. by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or
  - h. by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section 34(2) of that Act; or
  - i. by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or
  - j. by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of 'childcare' for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or
  - k. by a foster parent or kinship carer under the Fostering Services Regulations 2002, the Fostering Services (Wales) Regulations 2003 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering or kinship carer is looking after; or
  - l. by a domiciliary care worker under the Domiciliary Care Agencies Regulations 2002 or the Domiciliary Care Agencies (Wales) Regulations 2004; or
  - m. by a person who is not a relative of the child wholly or mainly in the child's home.

18.9 In paragraphs 18.6 and 18.8 a), 'the first Monday in September' means the Monday which first occurs in the month of September in any year.

18.10 Relevant child care charges shall be estimated over such period, not exceeding a year, as is appropriate in order that the average weekly charge may be estimated accurately having regard to information as to the amount of that charge provided by the child minder or person providing the care.

18.11 For the purposes of paragraph 18.1 c) the other member of a couple is incapacitated where

- a. the applicant's applicable amount includes a disability premium on account of the other member's incapacity or the support component or the work-related activity component on account of his having limited capability for work
- b. the applicant's applicable amount would include a disability premium on account of the other member's incapacity but for that other member being treated as capable of work by virtue of a determination made in accordance with regulation made under section 171E of the Act;
- c. the applicant's applicable amount would include the support component or the work-

- related activity component on account of the other member having limited capability for work but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008 or 2013 as appropriate;
- d. the applicant (within the meaning of this scheme) is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;
  - e. the applicant (within the meaning of this scheme) has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations for a continuous period of not less than 196 days and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;
  - f. there is payable in respect of him one or more of the following pensions or allowances—
    - i. long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the Act;
    - ii. attendance allowance under section 64 of the Act;
    - iii. severe disablement allowance under section 68 of the Act;
    - iv. disability living allowance under section 71 of the Act;
    - v. personal independence payment under the Welfare Reform Act 2012;
    - vi. an AFIP;
    - vii. increase of disablement pension under section 104 of the Act;
    - viii. a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under head (ii), (iv) or (v) above;
    - ix. main phase employment and support allowance;
  - g. a pension or allowance to which head (ii), (iv), (v) or (vi) of sub-paragraph (f) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this section shall mean a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of social security (Hospital In-Patients) Regulations 2005.
  - h. an AFIP would be payable to that person but for any suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;
  - i. paragraphs (f) or (g) would apply to him if the legislative provisions referred to in those sub-paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or
  - j. he has an invalid carriage or other vehicle provided to him by the Secretary of State under section 5(2)(a) of and Schedule 2 to the National Health Service Act 1977 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.

18.12 For the purposes of paragraph 18.11 once paragraph 18.11d) applies to the applicant, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.

18.12A For the purposes of paragraph 18.11, once paragraph 18.11e) applies to the applicant, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited

capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter apply to him for so long as he has, or is treated as having, limited capability for work.

- 18.13 For the purposes of paragraphs 18.6 and 18.8 a), a person is disabled if he is a person—
- a. in respect of whom disability living allowance or personal independence payment is payable, or has ceased to be payable solely because he is a patient;
  - b. who is registered as blind in a register compiled under section 29 of the National Assistance Act 1948 (welfare services) or, in Scotland, has been certified as blind and in consequence he is registered as blind in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or
  - c. who ceased to be registered as blind in such a register within the period beginning 28 weeks before the first Monday in September following that person's fifteenth birthday and ending on the day preceding that person's sixteenth birthday.

- 18.14 For the purposes of paragraph 18.1 a person on maternity leave, paternity leave or adoption leave shall be treated as if she is engaged in remunerative work for the period specified in paragraph 18.15 ('the relevant period') provided that—
- a. in the week before the period of maternity leave, paternity leave or adoption leave began she was in remunerative work;
  - b. the applicant is incurring relevant child care charges within the meaning of paragraph 18.5; and
  - c. she is entitled to either statutory maternity pay under section 164 of the Act, statutory paternity pay by virtue of section 171ZA or 171ZB of the Act statutory adoption pay by of section 171ZL of the Act, maternity allowance under section 35 of the Act or qualifying support.

- 18.15 For the purposes of paragraph 18.14 the relevant period shall begin on the day on which the person's maternity, paternity leave or adoption leave commences and shall end on—
- a. the date that leave ends;
  - b. if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay, statutory paternity pay or statutory adoption pay ends, the date that entitlement ends; or
  - c. if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance or qualifying support, statutory maternity pay or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credits ends.

whichever shall occur first.

- 18.16 In paragraphs 18.14 and 18.15
- a. **'qualifying support'** means income support to which that person is entitled by virtue of paragraph 14B of Schedule 1B to the Income Support Regulations 1987; and
  - b. **'child care element'** of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act (child care element) 2002.

18.17 In this section 'applicant' does not include an applicant;

- a. who has, or
- b. who (jointly with his partner) has,  
an award of universal credit

## 19.0 Average weekly earnings of employed earners

19.1 Where an applicant's income consists of earnings from employment as an employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment—

- a. over a period immediately preceding the reduction week in which the claim is made or treated as made and being a period of

- i. 5 weeks, if he is paid weekly; or
  - ii. 2 months, if he is paid monthly; or
- b. whether or not sub-paragraph 19.1a i) or ii) applies, where an applicant's earnings fluctuate, over such other period preceding the reduction week in which the claim is made or treated as made as may, in any particular case, enable his average weekly earnings to be estimated more accurately.

19.2 Where the applicant has been in his employment for less than the period specified in paragraph 19.1 a)(i) or (ii)

- a. if he has received any earnings for the period that he has been in that employment and those earnings are likely to represent his average weekly earnings from that employment his average weekly earnings shall be estimated by reference to those earnings;
- b. in any other case, the authority shall require the applicant's employer to furnish an estimate of the applicant's likely weekly earnings over such period as the authority may require and the applicant's average weekly earnings shall be estimated by reference to that estimate.

19.3 Where the amount of an applicant's earnings changes during an award the authority shall estimate his average weekly earnings by reference to his likely earnings from the employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period shall not in any case exceed 52 weeks.

19.4 For the purposes of this section the applicant's earnings shall be calculated in accordance with sections 25 and 26

#### **20.0 Average weekly earnings of self-employed earners**

20.1 Where an applicant's income consists of earnings from employment as a self-employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period shall not in any case exceed a year.

20.2 For the purposes of this section the applicant's earnings shall be calculated in accordance with section 27 to 29 of this scheme

#### **21.0 Average weekly income other than earnings**

21.1 An applicant's income which does not consist of earnings shall, except where paragraph 18.2 applies, be estimated over such period as is appropriate in order that his average weekly income may be estimated accurately but the length of the period shall not in any case exceed 52 weeks; and nothing in this paragraph shall authorise the authority to disregard any such income other than that specified in Schedule 4 of this scheme

21.2 The period over which any benefit under the benefit Acts is to be taken into account shall be the period in respect of which that support is payable.

21.3 For the purposes of this section income other than earnings shall be calculated in accordance with paragraphs 30 to 32 of this scheme.

#### **22.0 Calculation of average weekly income from tax credits**

22.1 This section applies where an applicant receives a tax credit.

22.2 Where this section applies, the period over which a tax credit is to be taken into account shall be the period set out in paragraph 22.3

- 22.3 Where the instalment in respect of which payment of a tax credit is made is;
- a. a daily instalment, the period is 1 day, being the day in respect of which the instalment is paid;
  - b. a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;
  - c. a two weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;
  - d. a four weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.

22.4 For the purposes of this section 'tax credit' means child tax credit or working tax credit.

### **23.0 Calculation of weekly income**

23.1 For the purposes of sections 19 (average weekly earnings of employed earners), 21 (average weekly income other than earnings) and 22 (calculation of average weekly income from tax credits), where the period in respect of which a payment is made;

- a. does not exceed a week, the weekly amount shall be the amount of that payment;
- b. exceeds a week, the weekly amount shall be determined—
  - i. in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;
  - ii. in any other case, by dividing the amount of the payment by the number equal to the number of days in the period to which it relates and multiplying the product by 7.

23.2 For the purpose of section 20 (average weekly earnings of self-employed earners) the weekly amount of earnings of an applicant shall be determined by dividing his earnings over the assessment period by the number equal to the number of days in that period and multiplying the product by 7.

### **24.0 Disregard of changes in tax, contributions etc.**

24.1 In calculating the applicant's income the appropriate authority may disregard any legislative change

- a. in the basic or other rates of income tax;
- b. in the amount of any personal tax relief;
- c. in the rates of national insurance contributions payable under the Act or in the lower earnings limit or upper earnings limit for Class 1 contributions under the Act, the lower or upper limits applicable to Class 4 contributions under the Act or the amount specified in section 11(4) of the Act (small profits threshold in relation to Class 2 contributions);
- d. in the amount of tax payable as a result of an increase in the weekly rate of Category A, B, C or D retirement pension or any addition thereto or any graduated pension payable under the Act;
- e. in the maximum rate of child tax credit or working tax credit,

for a period not exceeding 30 reduction weeks beginning with the reduction week immediately following the date from which the change is effective.

### **25.0 Earnings of employed earners**

25.1 Subject to paragraph 25.2, 'earnings' means in the case of employment as an employed earner, any remuneration or profit derived from that employment and includes—

- a. any bonus or commission;
- b. any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;

- c. any payment in lieu of notice or any lump sum payment intended as compensation for the loss of employment but only in so far as it represents loss of income;
- d. any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;
- e. any payment by way of a retainer;
- f. any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of—
  - (i) travelling expenses incurred by the applicant between his home and his place of employment;
  - (ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;
- g. any award of compensation made under section 112(4) or 117(3)(a) of the Employment Rights Act 1996 (remedies and compensation for unfair dismissal);
- h. any payment or remuneration made under section 28, 34, 64, 68 or 70 of the Employment Rights Act 1996 (right to guarantee payments, remuneration on suspension on medical or maternity grounds, complaints to employment tribunals);
- i. any such sum as is referred to in section 112 of the Act (certain sums to be earnings for social security purposes);
- j. any statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;
- k. any remuneration paid by or on behalf of an employer to the applicant who for the time being is on maternity leave, paternity leave or adoption leave or is absent from work because he is ill;
- l. the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001 as amended<sup>22</sup>.

25.2 Earnings shall not include—

- a. subject to paragraph 25.3, any payment in kind;
- b. any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of employment;
- c. any occupational pension
- d. any payment in respect of expenses arising out of an applicant participating as a service user.

25.3 Paragraph 25.2 a) shall not apply in respect of any non-cash voucher referred to in paragraph 25.1 l)

**26.0 Calculation of net earnings of employed earners**

26.1 For the purposes of section 19 (average weekly earnings of employed earners), the earnings of an applicant derived or likely to be derived from employment as an employed earner to be taken into account shall, subject to paragraph 26.2, be his net earnings.

26.2 There shall be disregarded from an applicant's net earnings, any sum, where applicable, specified in paragraphs 1 to 14 of Schedule 3.

26.3 For the purposes of paragraph 26.1 net earnings shall, except where paragraph 26.6 applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less;

- a. any amount deducted from those earnings by way of
  - i) income tax;

<sup>22</sup> Social Security (Contributions)(Amendment) Regulations 2013, Social Security (Contributions)(Amendment No.2) Regulations 2013 and Social Security (Contributions)(Amendment No.2) Regulations 2013

- ii) primary Class 1 contributions under the Act;
- b. one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;
- c. one-half of the amount calculated in accordance with paragraph 26.5 in respect of any qualifying contribution payable by the applicant; and
- d. where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, any amount deducted for those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions under the Act.

26.4 In this section ‘qualifying contribution’ means any sum which is payable periodically as a contribution towards a personal pension scheme.

26.5 The amount in respect of any qualifying contribution shall be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying contribution shall be determined—

- a. where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;
- b. in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.

26.6 Where the earnings of an applicant are estimated under sub-paragraph (b) of paragraph 2) of the section 19 (average weekly earnings of employment earners), his net earnings shall be calculated by taking into account those earnings over the assessment period, less—

- a. an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rata basis;
- b. an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and
- c. one-half of any sum which would be payable by the applicant by way of a contribution towards an occupational or personal pension scheme, if the earnings so estimated were actual earnings.

## **27.0 Earnings of self-employed earners**

27.1 Subject to paragraph 27.2, ‘earnings’, in the case of employment as a self-employed earner, means the gross income of the employment plus any allowance paid under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 to the applicant for the purpose of assisting him in carrying on his business unless at the date of claim the allowance has been terminated.

27.2 ‘Earnings’ shall not include any payment to which paragraph 27 or 28 of Schedule 4 refers (payments in respect of a person accommodated with the applicant under arrangements made by a local authority or voluntary organisation and payments made to the applicant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the applicant’s care) nor shall it include any sports award.

27.3 This paragraph applies to—

- a. royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark; or
- b. any payment in respect of any–
  - (i) book registered under the Public Lending Right Scheme 1982; or
  - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982, where the applicant is the first owner of the copyright, design, patent or trade mark, or an original contributor to the book of work concerned.

- 27.4 Where the applicant's earnings consist of any items to which paragraph 27.3 applies, those earnings shall be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction is to be treated as a corresponding fraction of a week) by dividing the earnings by
- (a) the amount of the reduction under this scheme which would be payable had the payment not been made, plus
  - (b) an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 3 (sums to be disregarded in the calculation of earnings) as appropriate in the applicant's case.

## **28.0 Calculation of net profit of self-employed earners**

- 28.1 For the purposes of section 20 (average weekly earnings of self-employed earners) the earnings of an applicant to be taken into account shall be
- a. in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
  - b. in the case of a self-employed earner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975, his share of the net profit derived from that employment, less–
    - i. an amount in respect of income tax and of national insurance contributions payable under the Act calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
    - ii. one-half of the amount calculated in accordance with paragraph (11) in respect of any qualifying premium.
- 28.2 There shall be disregarded from an applicant's net profit, any sum, where applicable, specified in paragraph 1 to 14 of Schedule 3.
- 28.3 For the purposes of paragraph 28.1 a) the net profit of the employment must, except where paragraph 28.9 applies, be calculated by taking into account the earnings for the employment over the assessment period less
- a. subject to paragraphs 28.5 to 28.7, any expenses wholly and exclusively incurred in that period for the purposes of that employment;
  - b. an amount in respect of;
    - (i) income tax, and
    - (ii) national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
  - c. one-half of the amount calculated in accordance with paragraph (28.11) in respect of any qualifying premium.
- 28.4 For the purposes of paragraph 28.1b) the net profit of the employment shall be calculated by taking into account the earnings of the employment over the assessment period less, subject to paragraphs 28.5 to 28.7, any expenses wholly and exclusively incurred in that period for the purposes of the employment.
- 28.5 Subject to paragraph 28.6 no deduction shall be made under paragraph 28.3 a) or 28.4, in

respect of–

- a. any capital expenditure;
- b. the depreciation of any capital asset;
- c. any sum employed or intended to be employed in the setting up or expansion of the employment;
- d. any loss incurred before the beginning of the assessment period;
- e. the repayment of capital on any loan taken out for the purposes of the employment;
- f. any expenses incurred in providing business entertainment, and
- g. any debts, except bad debts proved to be such, but this sub-paragraph shall not apply to any expenses incurred in the recovery of a debt.

28.6 A deduction shall be made under paragraph 28.3 a) or 28.4 in respect of the repayment of capital on any loan used for–

- a. the replacement in the course of business of equipment or machinery; and
- b. the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.

28.7 The authority shall refuse to make deduction in respect of any expenses under paragraph 28.3 a. or 28.4 where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.

28.8 For the avoidance of doubt–

- a. deduction shall not be made under paragraph 28.3 a) or 28.4 in respect of any sum unless it has been expended for the purposes of the business;
- b. a deduction shall be made thereunder in respect of–
  - i. the excess of any value added tax paid over value added tax received in the assessment period;
  - ii. any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
  - iii. any payment of interest on a loan taken out for the purposes of the employment

28.9 Where an applicant is engaged in employment, as a child minder the net profit of the employment shall be one-third of the earnings of that employment, less an amount in respect of

- a. income tax; and
- b. national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
- c. one-half of the amount calculated in accordance with paragraph 28.1 in respect of any qualifying contribution.

28.10 For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments shall not be offset against his earnings in any other of his employments.

28.11 The amount in respect of any qualifying premium shall be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying premium shall be determined

- a. where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and divided the product by 365;
- b. in any other case, by dividing the amount of the qualifying premium by the number equal to the number of days in the period to which the qualifying premium relates.

28.12 In this section, 'qualifying premium' means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of claim.

## **29.0 Deduction of tax and contributions of self-employed earners**

- 29.1 The amount to be deducted in respect of income tax under section 28.1b) i), 28.3 b) i) or 28.9 a) i) (calculation of net profit of self-employed earners) shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under section 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal reliefs deductible under this paragraph shall be calculated on a pro rata basis.
- 29.2 The amount to be deducted in respect of national insurance contributions under paragraphs 28.1 1 b)(i); 28.3 b) ii) or 28.9 a shall be the total of—
- a. the amount of Class 2 contributions payable under section 11(1) or, as the case may be, 11(3) of the Act at the rate applicable to the assessment period except where the applicant's chargeable income is less than the amount specified in section 11(4) of the Act (small profits threshold) for the tax year applicable to the assessment period; but if the assessment period is less than a year, the amount specified for that tax year shall be reduced pro rata; and
  - b. the amount of Class 4 contributions (if any) which would be payable under section 15 of the Act (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable to the assessment period on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year applicable to the assessment period; but if the assessment period is less than a year, those limits shall be reduced pro rata.
- 29.3 In this section 'chargeable income' means—
- a. except where sub-paragraph (b) applies, the earnings derived from the employment less any expenses deducted under paragraph (28.3)(a) or, as the case may be, (28.4) of section 28;
  - b. in the case of employment as a child minder, one-third of the earnings of that employment.

### **29A.0 Minimum Income Floor**

- 29 A.1 Where the applicant or partner are not a child-minder and no start-up period (as defined within 29 A.2) applies to the applicant and the weekly income from self-employment of the applicant or partner as calculated by reference to parts 27 to 29 of this scheme is less than the National Minimum Wage or National Living Wage (subject to the age of the self-employed person) multiplied by 30 hours (the minimum income floor), the income used by the Council in the calculation of their award shall be increased to that amount. The National Minimum Wage / National Living Wage applied shall be that which applies to the relevant assessment period less an estimate for tax, national insurance and half a pension contribution (where a pension contribution is being made), as if estimating the income of an ordinary employed worker.
- 29 A.2 The Council shall determine an appropriate start up period for the employment activity being conducted by the applicant or partner. This will normally be one year from the date of claim, or one year from the date of commencement of the employment activity, whichever is sooner. During this period no Minimum Income Floor shall be applied. The start-up period ends where the person is no longer in gainful self-employment.
- 29 A.3 Where a applicant or partner holds a position in a company that is analogous to that of a sole owner or partner in the business of that company, he shall be treated as if he were such sole owner or partner and in such a case be subject to the Minimum Income Floor where appropriate.

29 A.4 For the purposes of determining whether a applicant is in gainful self-employment or meets the conditions for a start up-period, the Council will require the applicant to provide such evidence or information that it reasonably requires to make that decision, the Council may also require the self employed person to attend an interview for the purpose of establishing whether the employment is gainful or whether the conditions for a start up period are met

### **30.0 Calculation of income other than earnings**

30.1 For the purposes of section 21 (average weekly income other than earnings), the income of an applicant which does not consist of earnings to be taken into account shall, subject to paragraphs 27.2 to 27.4, be his gross income and any capital treated as income under section 31 (capital treated as income).

30.2 There shall be disregarded from the calculation of an applicant's gross income under paragraph 30.2, any sum, where applicable, specified in Schedule 4.

30.3 Where the payment of any benefit under the benefit Acts is subject to any deduction by way of recovery the amount to be taken into account under paragraph 30.1 shall be the gross amount payable.

30.4 Where the applicant or, where he is a member of a couple, his partner is receiving a contributory employment and support allowance and that benefit has been reduced under regulation 63 of the Employment and Support Allowance Regulations 2008 or 2013 as appropriate, the amount of that benefit to be taken into account is the amount as if it had not been reduced.

30.5 Where an award of any working tax credit or child tax credit under the Tax Credits Act 2002 is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under paragraph 30.1 shall be the amount of working tax credit or child tax credit awarded less the amount of that deduction.

30.6 In paragraph 30.5 'tax year' means a period beginning with 6th April in one year and ending with 5th April in the next.

30.7 Paragraph 30.8 and 30.9 apply where a relevant payment has been made to a person in an academic year; and that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.

30.8 Where a relevant payment is made quarterly, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph 30.1 in respect of a person to whom paragraph 30.7 applies, shall be calculated by applying the formula–

$$\frac{A - (B \times C)}{D}$$

D

Where

A = the total amount of the relevant payment which that person would have received had he remained a student until he last day of the academic term in which he abandoned, or was dismissed from, his course, less any deduction under paragraph 51.5

B = the number of reduction weeks from the reduction week immediately following that which includes the first day of that academic year to the reduction week which includes the day on which the person abandoned, or was dismissed from, his course;

C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under paragraph 51.2 had the person

not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to council tax reduction immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to housing benefit;  
D = the number of reduction weeks in the assessment period.

30.9 Where a relevant payment is made by two or more instalments in a quarter, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph 30.1 in respect of a person to whom paragraph (30.8) applies, shall be calculated by applying the formula in paragraph 30.8 but as if–

A = the total amount of relevant payments which that person received, or would have received, from the first day of the academic year to the day the person abandoned the course, or was dismissed from it, less any deduction under paragraph 51.5

30.10 In this section– ‘academic year’ and ‘student loan’ shall have the same meanings as for the purposes of sections 43 to 45, ‘assessment period’ means–

- a. in a case where a relevant payment is made quarterly, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person;
- b. in a case where the relevant payment is made by two or more instalments in a quarter, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes–
  - i. the day immediately before the day on which the next instalment of the relevant payment would have been due had the payments continued; or
  - ii. the last day of the last quarter for which an instalment of the relevant payment was payable to that person.

whichever of these dates is earlier

‘quarter’ in relation to an assessment period means a period in that year beginning on;

- a. 1st January and ending on 31st March;
- b. 1st April and ending on 30th June;
- c. 1st July and ending on 31st August; or
- d. 1st September and ending on 31st December;

‘relevant payment’ means either a student loan or an amount intended for the maintenance of dependants referred to in paragraph 46.7 or both.

30.11 For the avoidance of doubt there shall be included as income to be taken into account under paragraph 30.1

- a. any payment to which paragraph 25.2 (payments not earnings) applies; or
- b. in the case of an applicant who is receiving support under section 95 or 98 of the Immigration and Asylum Act 1999 including support provided by virtue of regulations made under Schedule 9 to that Act, the amount of such support provided in respect of essential living needs of the applicant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act 1999.

### **31.0 Capital treated as income**

31.1 Any capital payable by instalments which are outstanding at the date on which the claim is made or treated as made, or, at the date of any subsequent revision or supersession, shall, if the aggregate of the instalments outstanding and the amount of the applicant’s capital otherwise calculated in accordance with sections 33 to 42 of this scheme exceeds £6,000, be treated as income.

31.2 Any payment received under an annuity shall be treated as income.

- 31.3 Any earnings to the extent that they are not a payment of income shall be treated as income.
- 31.4 Any Career Development Loan paid pursuant to section 2 of the Employment and Training Act 1973 Act shall be treated as income
- 31.5 Where an agreement or court order provides that payments shall be made to the applicant in consequence of any personal injury to the applicant and that such payments are to be made, wholly or partly, by way of periodic payments, any such periodic payments received by the applicant (but not a payment which is treated as capital), shall be treated as income.

**32.0 Notional income**

32.1 An applicant shall be treated as possessing income of which he has deprived himself for the purpose of securing entitlement of support or increasing the amount of that support.

32.2 Except in the case of–

- a. a discretionary trust;
- b. a trust derived from a payment made in consequence of a personal injury;
- c. a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund where the applicant has not attained the qualifying age for state pension credit;
- d. any sum to which paragraph 47(2)(a) of Schedule 5 (capital to be disregarded) applies which is administered in the way referred to in paragraph 47(1)(a);
- e. any sum to which paragraph 48(a) of Schedule 5 refers;
- f. rehabilitation allowance made under section 2 of the 1973 Act;
- g. child tax credit; or
- h. working tax credit,
- i. any sum to which paragraph 32.13 applies;

any income which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by the applicant but only from the date on which it could be expected to be acquired were an application made.

32.3 – 32.5 Not used

32.6 Any payment of income, other than a payment of income specified in paragraph 32.7 made–

- a. to a third party in respect of a single applicant or a member of the family (but not a member of the third party’s family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under or by a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
- b. to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party’s family) shall, where it is not a payment referred to in sub-paragraph a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
- c. to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

32.7 Paragraph 32.6 shall not apply in respect of a payment of income made–

- a. under the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane

- (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006);
- b. pursuant to section 19(1)(a) of the Coal Industry Act 1994 (concessionary coal);
  - c. pursuant to section 2 of the 1973 Act in respect of a person's participation—
    - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;
    - (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
    - (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
    - (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations or;
    - (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
  - d. in respect of a person's participation in the Work for Your Benefit Pilot Scheme
  - e. in respect of a previous participation in the Mandatory Work Activity Scheme;
  - f. in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;
  - g. under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
    - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
    - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
    - (iii) the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

32.8 Where an applicant is in receipt of any benefit (other than council tax reduction) under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter, the authority shall treat the applicant as possessing such benefit at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority shall select to apply in its area, to the date on which the altered rate is to take effect.

32.9 Subject to paragraph 32.10, where—

- a. applicant performs a service for another person; and
- b. that person makes no payment of earnings or pays less than that paid for a comparable employment in the area, the authority shall treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.

32.10 Paragraph 32.9 shall not apply—

- a. to an applicant who is engaged by a charitable or voluntary organisation or who is a volunteer if the authority is satisfied in any of those cases that it is reasonable for him to provide those services free of charge; or
- b. in a case where the service is performed in connection with—
  - (i) the applicant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations, other than where the service is performed in connection with the applicant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or
  - (ii) the applicant's or the applicant's partner's participation in an employment or training programme as defined in regulation 19(3) of those Regulations for which a training allowance is not payable or, where such an allowance is payable, it is payable for the sole purpose of reimbursement of travelling or meal expenses to the person participating in that programme ; or
- c. to an applicant who is participating in a work placement approved by the Secretary of

State (or a person providing services to the Secretary of State) before the placement starts.

32.10A In paragraph 32.10 (c) 'work placement' means practical work experience which is not undertaken in expectation of payment.

32.11 Where an applicant is treated as possessing any income under any of paragraph 32.1 to 32.8, the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of that income as if a payment has actually been made and as if it were actual income which he does possess.

32.12 Where an applicant is treated as possessing any earnings under paragraph 32.9 the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of those earnings as if a payment had actually been made and as if they were actual earnings which he does possess except that paragraph (3) of section 26 (calculation of net earnings of employed earners) shall not apply and his net earnings shall be calculated by taking into account those earnings which he is treated as possessing, less;

- a. an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the starting rate or, as the case may be, the starting rate and the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the starting rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rate basis;
- b. an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and
- c. one-half of any sum payable by the applicant by way of a contribution towards an occupational or personal pension scheme.

32.13 Paragraphs (32.1), (32.2), (32.6) and (32.9) shall not apply in respect of any amount of income other than earnings, or earnings of an employed earner, arising out of the applicant's participation as a service user.

**Sections 33 – 42 & Schedule 5**

**Definition and the treatment of capital for Council tax reduction purposes**

### **33.0 Capital limit**

- 33.1 For the purposes of this scheme, the prescribed amount is £6,000 and no support shall be granted when the applicant has an amount greater than this level.
- 33.2 Where the applicant falls within the protected group as defined by paragraph 2A.1 the amount specified in paragraph 33.1 shall be £16,000.

### **34.0 Calculation of capital**

- 34.1 For the purposes of this scheme, the capital of an applicant to be taken into account shall, subject to paragraph (34.2), be the whole of his capital calculated in accordance with this scheme and any income treated as capital under section 36 (income treated as capital).
- 34.2 There shall be disregarded from the calculation of an applicant's capital under paragraph (34.1), any capital, where applicable, specified in Schedule 5.

### **35.0 Disregard of capital of child and young person**

- 35.1 The capital of a child or young person who is a member of the applicant's family shall not be treated as capital of the applicant.

### **36.0 Income treated as capital**

- 36.1 Any bounty derived from employment to which paragraph 8 of Schedule 3 applies and paid at intervals of at least one year shall be treated as capital.
- 36.2 Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E shall be treated as capital.
- 36.3 Any holiday pay which is not earnings under section 25(1)(d) (earnings of employed earners) shall be treated as capital.
- 36.4 Except any income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28, 47 or 48 of Schedule 5, any income derived from capital shall be treated as capital but only from the date it is normally due to be credited to the applicant's account.
- 36.5 In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer shall be treated as capital.
- 36.6 Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006) or the London Bombings Charitable Relief Fund, shall be treated as capital.
- 36.7 There shall be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self-employment route, but only in so far as those receipts were payable into a special account during the period in which that person was receiving such assistance.
- 36.8 Any arrears of subsistence allowance which are paid to an applicant as a lump sum shall be treated as capital.
- 36.9 Any arrears of working tax credit or child tax credit shall be treated as capital.

### **37.0 Calculation of capital in the United Kingdom**

- 37.1 Capital which an applicant possesses in the United Kingdom shall be calculated at its current

market or surrender value less—

- a. where there would be expenses attributable to the sale, 10 per cent.; and
- b. the amount of any encumbrance secured on it;

### **38.0 Calculation of capital outside the United Kingdom**

38.1 Capital which an applicant possesses in a country outside the United Kingdom shall be calculated

- a. in a case where there is no prohibition in that country against the transfer to the United Kingdom of an amount equal to its current market or surrender value in that country, at that value.
- b. in a case where there is such a prohibition, at the price which it would realise if sold in the United Kingdom to a willing buyer,

less, where there would be expenses attributable to sale, 10 per cent. and the amount of any encumbrances secured on it.

### **39.0 Notional capital**

39.1 An applicant shall be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to council tax reduction or increasing the amount of that support except to the extent that that capital is reduced in accordance with section 40 (diminishing notional capital rule).

39.2 Except in the case of

- (a) a discretionary trust; or
- (b) a trust derived from a payment made in consequence of a personal injury; or
- (c) any loan which would be obtained only if secured against capital disregarded under Schedule 5; or
- (d) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund; or
- (e) any sum to which paragraph 47(2)(a) of Schedule 5 (capital to be disregarded) applies which is administered in the way referred to in paragraph 47(1)(a); or
- (f) any sum to which paragraph 48(a) of Schedule 5 refers; or
- (g) child tax credit; or
- (h) working tax credit,

any capital which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by him but only from the date on which it could be expected to be acquired were an application made.

39.3 Any payment of capital, other than a payment of capital specified in paragraph (39.4), made

- (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
- (b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred to in sub-paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
- (c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

39.4 Paragraph 39.3 shall not apply in respect of a payment of capital made

- (a) under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;
- (b) pursuant to section 2 of the 1973 Act in respect of a person's participation
  - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;
  - (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
  - (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
  - (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or
  - (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
- (bb) in respect of a person's participation in the Mandatory Work Activity Scheme; Enterprise Scheme;
- (bc) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;
- (c) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
  - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
  - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
  - (iii) the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

39.5 Where an applicant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he may be treated as if he were such sole owner or partner and in such a case

- a. the value of his holding in that company shall, notwithstanding section 34 (calculation of capital) be disregarded; and
- b. he shall, subject to paragraph 39.6, be treated as possessing an amount of capital equal to the value or, as the case may be, his share of the value of the capital of that company and the foregoing provisions of this Section shall apply for the purposes of calculating that amount as if it were actual capital which he does possess.

39.6 For so long as the applicant undertakes activities in the course of the business of the company, the amount which, he is treated as possessing under paragraph 39.5 shall be disregarded.

39.7 Where an applicant is treated as possessing capital under any of paragraphs 39.1 to 39.2 the foregoing provisions of this Section shall apply for the purposes of calculating its amount as if it were actual capital, which he does possess.

#### **40.0 Diminishing notional capital rule**

40.1 Where an applicant is treated as possessing capital under section 39.1 (notional capital), the amount which he is treated as possessing;

- a. in the case of a week that is subsequent to
  - (i) the relevant week in respect of which the conditions set out in paragraph 40.2 are satisfied; or
  - (ii) a week which follows that relevant week and which satisfies those conditions, shall be reduced by an amount determined under paragraph 40.3;
- b. in the case of a week in respect of which paragraph 40.1(a) does not apply but where
  - (i) that week is a week subsequent to the relevant week; and

(ii) that relevant week is a week in which the condition in paragraph 40.4 is satisfied, shall be reduced by the amount determined under paragraph 40.4.

40.2 This paragraph applies to a reduction week or part-week where the applicant satisfies the conditions that

- a. he is in receipt of council tax reduction; and
- b. but for paragraph 39.1, he would have received an additional amount of council tax reduction in that week.

40.3 In a case to which paragraph 40.2 applies, the amount of the reduction for the purposes of paragraph 40.1(a) shall be equal to the aggregate of

- a. the additional amount to which sub-paragraph 40.2 (b) refers;
- b. where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of that benefit to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 49(1) of the Housing Benefit Regulations 2006 (notional capital);
- c. where the applicant has also claimed income support, the amount of income support to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 51(1) of the Income Support Regulations (notional capital);
- d. where the applicant has also claimed a jobseeker's allowance, the amount of an income-based jobseeker's allowance to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 113 of the Jobseeker's Allowance Regulations 1996 (notional capital) and
- e. where the applicant has also claimed an employment and support allowance, the amount of an income-related employment and support allowance to which he would have been entitled in respect of the whole or part of reduction week to which paragraph 40.2 refers but for the application of regulation 115 of the Employment and Support Allowance Regulations 2008 (notional capital).

40.4 Subject to paragraph 40.5, for the purposes of paragraph 40.1(b) the condition is that the applicant would have been entitled to council tax reduction in the relevant week but for paragraph 39.1, and in such a case the amount of the reduction shall be equal to the aggregate of

- a. the amount of council tax reduction to which the applicant would have been entitled in the relevant week but for paragraph 39.1; and for the purposes of this sub-paragraph is the amount is in respect of a part-week, that amount shall be determined by dividing the amount of council tax reduction to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7;
- b. if the applicant would, but for regulation 49(1) of the Housing Benefit Regulations, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the reduction week which includes the last day of the relevant week, the amount which is equal to—
  - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
  - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled,and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of housing benefit to which he would have been so entitled by the number equal to that number of days in the part-week and multiplying the quotient so obtained by 7;
- c. if the applicant would, but for regulation 51(1) of the Income Support Regulations, have been entitled to income support in respect of the reduction week, within the meaning of regulation 2(1) of those Regulations, which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub- paragraph, if the amount is in respect of a part-week, that amount shall be

- determined by dividing the amount of the income support to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7
- d. if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations 1996, have been entitled to an income-based jobseeker's allowance in respect of the reduction week, within the meaning of this scheme, which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of the income-based jobseeker's allowance to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7; and
- e. if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations 2008, have been entitled to an income-related employment and support allowance in respect of the reduction week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount must be determined by dividing the amount of the income-related employment and support allowance to which he would have been so entitled by the number equal to the number of days in that part-week and multiplying the quotient so obtained by 7.
- 40.5 The amount determined under paragraph 40.4 shall be re-determined under that paragraph if the applicant makes a further claim for council tax reduction and the conditions in paragraph 40.6 are satisfied, and in such a case—
- a. sub-paragraphs (a) to (d) of paragraph 40.4 shall apply as if for the words 'relevant week' there were substituted the words 'relevant subsequent week'; and
- b. subject to paragraph 40.7, the amount as re-determined shall have effect from the first week following the relevant subsequent week in question.
- 40.6 The conditions are that
- a. a further claim is made 26 or more weeks after
- (i) the date on which the applicant made a claim for council tax reduction in respect of which he was first treated as possessing the capital in question under paragraph 39.1;
- (ii) in a case where there has been at least one re-determination in accordance with paragraph 40.5, the date on which he last made a claim for council tax reduction which resulted in the weekly amount being re-determined, or
- (iii) the date on which he last ceased to be entitled to council tax reduction, whichever last occurred; and
- b. the applicant would have been entitled to council tax reduction but for paragraph 39.1.
- 40.7 The amount as re-determined pursuant to paragraph 40.5 shall not have effect if it is less than the amount which applied in that case immediately before the re-determination and in such a case the higher amount shall continue to have effect.
- 40.8 For the purposes of this section
- a. 'part-week'
- (i) in paragraph 40.4(a) means a period of less than a week for which council tax reduction is allowed;
- (ii) in paragraph 40.4(b) means a period of less than a week for which housing benefit is payable;
- (iii) in paragraph 40.4 (c),(d) and (e) means—
- aa. a period of less than a week which is the whole period for which income support, an income-related employment and support allowance or, as the case may be, an income-based jobseeker's allowance is payable; and
- bb. any other period of less than a week for which it is payable;
- b. 'relevant week' means the reduction week or part-week in which the capital in question of which the applicant has deprived himself within the meaning of section

39.1

(i) was first taken into account for the purpose of determining his entitlement to council tax reduction; or

(ii) was taken into account on a subsequent occasion for the purpose of determining or re-determining his entitlement to council tax reduction on that subsequent occasion and that determination or re-determination resulted in his beginning to receive, or ceasing to receive, council tax reduction;

and where more than one reduction week is identified by reference to heads (i) and (ii) of this sub-paragraph the later or latest such reduction week or, as the case may be, the later or latest such part-week;

- c. 'relevant subsequent week' means the reduction week or part-week which includes the day on which the further claim or, if more than one further claim has been made, the last such claim was made.

#### **41.0 Capital jointly held**

41.1 Except where an applicant possesses capital which is disregarded under paragraph 39(5) (notional capital) where an applicant and one or more persons are beneficially entitled in possession to any capital asset they shall be treated, in the absence of evidence to the contrary, as if each of them were entitled in possession to the whole beneficial interest therein in an equal share and the foregoing provisions of this Section shall apply for the purposes of calculating the amount of capital which the applicant is treated as possessing as if it were actual capital which the applicant does possess

#### **42.0 Calculation of tariff income from capital – Protected Groups only**

42.1 Where the applicant's falls with a protected group as defined by paragraph 2A.1, and where that applicant's capital calculated in accordance with this scheme exceeds £6,000 it shall be treated as equivalent to a weekly income of £1 for each complete £250 of in excess of £6,000 but not exceeding £16,000

42.2 Notwithstanding paragraph 42.1 where any part of the excess is not a complete £250 that part shall be treated as equivalent to a weekly tariff income of £1.

42.3 For the purposes of paragraph 42.1, capital includes any income treated as capital under section 36 (income treated as capital).

**Sections 43 - 56**

**Definition and the treatment of students for Council tax reduction purposes<sup>23</sup>**

---

<sup>23</sup> Amounts shown in sections 43 to 56 will be updated in line with the Housing Benefit Regulations 2006 (as amended)

### 43.0 Student related definitions

43.1 In this scheme the following definitions apply;

**'academic year'** means the period of twelve months beginning on 1st January, 1st April, 1st July or 1st September according to whether the course in question begins in the winter, the spring, the summer or the autumn respectively but if students are required to begin attending the course during August or September and to continue attending through the autumn, the academic year of the course shall be considered to begin in the autumn rather than the summer;

**'access funds'** means;

- a. grants made under section 68 of the Further and Higher Education Act 1992 for the purpose of providing funds on a discretionary basis to be paid to students;
- b. grants made under section 73(a) and (c) and 74(1) of the Education (Scotland) Act 1980;
- c. grants made under Article 30 of the Education and Libraries (Northern Ireland) Order 1993 or grants, loans or other payments made under Article 5 of the Further Education (Northern Ireland) Order 1997 in each case being grants, or grants, loans or other payments as the case may be, for the purpose of assisting students in financial difficulties;
- d. discretionary payments, known as "learner support funds", which are made available to students in further education by institutions out of funds provided by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding under sections 100 and 101 of the Apprenticeships, Skills, Children and Learning Act 2009; or
- e. Financial Contingency Funds made available by the Welsh Ministers;

**'college of further education'** means a college of further education within the meaning of Part 1 of the Further and Higher Education (Scotland) Act 1992;

**'contribution'** means;

- a. any contribution in respect of the income of a student or any person which the Secretary of State, the Scottish Ministers or an education authority takes into account in ascertaining the amount of a student's grant or student loan; or
- b. any sums, which in determining the amount of a student's allowance or bursary in Scotland under the Education (Scotland) Act 1980, the Scottish Ministers or education authority takes into account being sums which the Scottish Ministers or education authority consider that it is reasonable for the following person to contribute towards the holder's expenses;
  - (i) the holder of the allowance or bursary;
  - (ii) the holder's parents;
  - (iii) the holder's parent's spouse, civil partner or a person ordinarily living with the holder's parent as if he or she were the spouse or civil partner of that parent; or
  - (iv) the holder's spouse or civil partner;

**'course of study'** means any course of study, whether or not it is a sandwich course and whether or not a grant is made for attending or undertaking it;

**'covenant income'** means the gross income payable to a full-time student under a Deed of Covenant by his parent;

**'education authority'** means a government department, a local authority as defined in section 579 of the Education Act 1996 (interpretation), a local education authority as defined in section 123 of the Local Government (Scotland) Act 1973, an education and library board established under Article 3 of the Education and Libraries (Northern Ireland) Order 1986, any body which is a research council for the purposes of the Science and Technology Act 1965 or any analogous government department, authority, board or body, of the Channel Islands, Isle of Man or any other country outside Great Britain;

**'full-time course of study'** means a full time course of study which;

- a. is not funded in whole or in part by the Secretary of State under section 14 of the

- Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers or a full-time course of study which is not funded in whole or in part by the Scottish Ministers at a college of further education or a full-time course of study which is a course of higher education and is funded in whole or in part by the Scottish Ministers;;
- b. is funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers if it involves more than 16 guided learning hours per week for the student in question, according to the number of guided learning hours per week for that student set out—
    - (i) in the case of a course funded by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding, in the student’s learning agreement signed on behalf of the establishment which is funded by either of those persons for the delivery of that course; or
    - (ii) in the case of a course funded by the Welsh Ministers, in a document signed on behalf of the establishment which is funded by that Council for the delivery of that course; or
  - c. is not higher education and is funded in whole or in part by the Scottish Ministers at a college of further education and involves—
    - (i) more than 16 hours per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff according to the number of hours set out in a document signed on behalf of the college; or
    - (ii) 16 hours or less per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff and additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 hours per week, according to the number of hours set out in a document signed on behalf of the college;

**‘full-time student’** means a person attending or undertaking a full-time course of study and includes a student on a sandwich course;

**‘grant’** (except in the definition of ‘access funds’) means any kind of educational grant or award and includes any scholarship, studentship, exhibition allowance or bursary but does not include a payment from access funds or any payment to which paragraph 12 of Schedule 4 or paragraph 53 of Schedule 5 applies;

**‘grant income’** means

- (a) any income by way of a grant;
- (b) any contribution whether or not it is paid;

**‘higher education’** means higher education within the meaning of Part 2 of the Further and Higher Education (Scotland) Act 1992;

**‘last day of the course’** means;

- a. in the case of a qualifying course, the date on which the last day of that course falls or the date on which the final examination relating to that course is completed, whichever is the later;
- b. in any other case, the date on which the last day of the final academic term falls in respect of the course in which the student is enrolled;

**‘period of study’** means—

- a. in the case of a course of study for one year or less, the period beginning with the start of the course and ending with the last day of the course;
- b. in the case of a course of study for more than one year, in the first or, as the case may be, any subsequent year of the course, other than the final year of the course, the period beginning with the start of the course or, as the case may be, the year’s start and ending with either—
  - (i) the day before the start of the next year of the course in a case where the student’s grant or loan is assessed at a rate appropriate to his studying throughout the year, or, if he does not have a grant or loan, where a loan would have been assessed at such a rate had he had one; or
  - (ii) in any other case, the day before the start of the normal summer vacation appropriate to his course;
- c. in the final year of a course of study of more than one year, the period beginning with that year’s start and ending with the last day of the course;

**'periods of experience'** means periods of work experience which form part of a sandwich course;

**'qualifying course'** means a qualifying course as defined for the purposes of Parts 2 and 4 of the Jobseeker's Allowance Regulations;

**'modular course'** means a course of study which consists of two or more modules, the successful completion of a specified number of which is required before a person is considered by the educational establishment to have completed the course.

**'sandwich course'** has the meaning prescribed in regulation 2(9) of the Education (Student Support) Regulations 2008, regulation 4(2) of the Education (Student Loans), (Scotland), Regulations 2007 or regulation 2(8) of the Education (Student Support) Regulations (Northern Ireland) 2007, as the case may be;

**'standard maintenance grant'** means—

- a. except where paragraph (b) or (c) applies, in the case of a student attending or undertaking a course of study at the University of London or an establishment within the area comprising the City of London and the Metropolitan Police District, the amount specified for the time being in paragraph 2(2)(a) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 ('the 2003 Regulations') for such a student;
- b. except where paragraph (c) applies, in the case of a student residing at his parent's home, the amount specified in paragraph 3 thereof;
- c. in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980, the amount of money specified as 'standard maintenance allowance' for the relevant year appropriate for the student set out in the Student Support in Scotland Guide issued by the student Awards Agency for Scotland, or its nearest equivalent in the case of a bursary provided by a college of further education or a local education authority;
- d. in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 2003 Regulations other than in sub-paragraph (a) or (b) thereof;

**'student'** means a person, other than a person in receipt of a training allowance, who is attending or undertaking—

- a. a course of study at an educational establishment; or
- b. a qualifying course;

**'student loan'** means a loan towards a student's maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998, section 73 of the Education (Scotland) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 and shall include, in Scotland, a young student's bursary paid under regulation 4(1)(c) of the Student's Allowances (Scotland) Regulations 2007

43.2 For the purposes of the definition of 'full-time student', a person shall be regarded as attending or, as the case may be, undertaking a full-time course of study or as being on a sandwich course

- a. in the case of a person attending or undertaking a part of a modular course which would be a full-time course of study for the purposes of this Part, for the period beginning on the day on which that part of the course starts and ending:
  - (i) on the last day on which he is registered with the educational establishment as attending or undertaking that part as a full-time course of study; or
  - (ii) on such earlier date (if any) as he finally abandons the course or is dismissed from it;
- b. in any other case, throughout the period beginning on the date on which he starts attending or undertaking the course and ending on the last day of the course or on such earlier date (if any) as he finally abandons it or is dismissed from it.

43.3 For the purposes of sub-paragraph (a) of paragraph 43.2, the period referred to in that sub-paragraph shall include;

- a. where a person has failed examinations or has failed to successfully complete a module relating to a period when he was attending or undertaking a part of the course as a full-time course of study, any period in respect of which he attends or undertakes the course for the purpose of retaking those examinations or that module;
- b. any period of vacation within the period specified in that paragraph or immediately following that period except where the person has registered with the educational

establishment to attend or undertake the final module in the course and the vacation immediately follows the last day on which he is required to attend or undertake the course.

#### **44.0 Treatment of students**

44.1 The following sections relate to students who claim Council tax reduction

#### **45.0 Students who are excluded from entitlement to council tax reduction**

45.1 Students (except those specified in paragraph 45.3) are not able to claim Council tax reduction under Classes D and E of the Council's reduction scheme.

45.2 To be eligible for support, the student must be liable for Council Tax under Section 6 of the Local Government Finance Act 1992 and they must not be deemed to be a full time student or a persons from abroad within the meaning of section 7 of this scheme (persons from aboard).

- 45.3 Paragraph 45.2 shall not apply to a student
- (a) who is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance;
  - (b) who is a lone parent;
  - (c) whose applicable amount would, but for this section, include the disability premium or severe disability premium;
  - (d) whose applicable amount would include the disability premium but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the Act;
  - (e) who is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;
  - (f) who has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations for a continuous period of not less than 196 days, and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period.
  - (g) who has a partner who is also a full-time student, if he or that partner is treated as responsible for a child or young person;
  - (h) who is a single applicant with whom a child is placed by a local authority or voluntary organisation within the meaning of the Children Act 1989, or, in Scotland, boarded out within the meaning of the Social Work (Scotland) Act 1968;
  - (i) who is;
    - i) aged under 21 and whose course of study is not a course of higher education
    - ii) aged 21 and attained that age during a course of study which is not a course of higher education – this condition needs adding
    - iii) a qualifying young person or child within the meaning of section 142 of the Act (child and qualifying young person)
  - (j) in respect of whom
    - i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;
    - (ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) or regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;
    - (iii) a payment has been made under section 2 of the Education Act 1962 or

under or by virtue of regulations made under the Teaching and Higher Education Act 1998;

(iv) a grant has been made under regulation 13 of the Education (Student Support) Regulations 2005 or under regulation 13 of the Education (Student Support) Regulations (Northern Ireland) 2000; or

(v) a supplementary requirement has been determined under paragraph 9 of Schedule 6 to the Students Awards Regulations (Northern Ireland) 1999 or a payment has been made under Article 50(3) of the Education and Libraries (Northern Ireland) Order 1986,

on account of his disability by reason of deafness.

45.3A Paragraph 45.3(i)(ii) only applies to a claimant until the end of the course during which the claimant attained the age of 21

45.4 For the purposes of paragraph 45.3, once paragraph 45.3(e) applies to a full-time student, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable or is treated as remaining incapable, of work.

45.5 In paragraph 45.3(h) the reference to a course of higher education is a reference to a course of any description mentioned in Schedule 6 to the Education Reform Act 1988.

45.6 A full-time student to whom sub-paragraph (i) of paragraph 45.3 applies, shall be treated as satisfying that sub-paragraph from the date on which he made a request for the supplementary requirement, allowance, bursary or payment as the case may be.

45.7 Paragraph 45.2 shall not apply to a full-time student for the period specified in paragraph 45.8 if;

(a) at any time during an academic year, with the consent of the relevant educational establishment, he ceases to attend or undertake a course because he is;  
(i) engaged in caring for another person; or  
(ii) ill;

(b) he has subsequently ceased to be engaged in engaging in caring for that person or, as the case may be, he has subsequently recovered from that illness; and

(c) he is not eligible for a grant or a student loan in respect of the period specified in paragraph 45.8.

45.8 The period specified for the purposes of paragraph 45.7 is the period, not exceeding one year, beginning on the day on which he ceased to be engaged in caring for that person or, as the case may be, the day on which he recovered from that illness and ending on the day before;

(a) the day on which he resumes attending or undertaking the course; or

(b) the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course,

which shall first occur.

#### **46.0 Calculation of grant income**

46.1 The amount of a student's grant income to be taken into account shall, subject to paragraphs 46.2 and 46.3, be the whole of his grant income.

46.2 There shall be excluded from a student's grant income any payment;

(a) intended to meet tuition fees or examination fees;

(b) in respect of the student's disability;

- (c) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;
  - (d) on account of the student maintaining a home at a place other than that at which he resides during his course;
  - (e) on account of any other person but only if that person is residing outside of the United Kingdom and there is no applicable amount in respect of him;
  - (f) intended to meet the cost of books and equipment;
  - (g) intended to meet travel expenses incurred as a result of his attendance on the course;
  - (h) intended for the child care costs of a child dependant.
  - (i) of higher education bursary for care leavers made under Part III of the Children Act 1989.
- 46.3 Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student's grant income;
- (a) the sum of £303 per academic year in respect of travel costs; and
  - (b) the sum of £390 per academic year towards the costs of books and equipment, whether or not any such costs are incurred.
- The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).
- 46.4 There shall also be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.
- 46.5 Subject to paragraphs 46.6 and 46.7, a student's grant income shall be apportioned;
- (a) subject to paragraph 46.8, in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the reduction week, the first day of which coincides with, or immediately follows the first day of the period of study and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study;
  - (b) in any other case, equally between the weeks in the period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period for which it is payable and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.
- 46.6 Any grant in respect of dependants paid under section 63(6) of the Health Services and Public Health Act 1968 (grants in respect of the provision of instruction to officers of hospital authorities) and any amount intended for the maintenance of dependants under Part 3 of Schedule 2 to the Education (Mandatory Awards) Regulations 2004 shall be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.
- 46.7 In a case where a student is in receipt of a student loan or where he could have acquired a student loan by taking reasonable steps but had not done so, any amount intended for the maintenance of dependants to which neither paragraph 46.6 nor section 50 (other amounts to be disregarded) apply, shall be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.
- 46.8 In the case if a student on a sandwich course, any periods of experience within the period of study shall be excluded and the student's grant income shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which immediately follows the last day of the period of experience and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study.

#### **47.0 Calculation of covenant income where a contribution is assessed**

47.1 Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account for that period and any summer vacation immediately following shall be the whole amount of the covenant income less, subject to paragraph 47.3, the amount of the contribution.

47.2 The weekly amount of the student's covenant shall be determined—  
(a) by dividing the amount of income which falls to be taken into account under paragraph 47.1 by 52 or 53, whichever is reasonable in the circumstances; and  
(b) by disregarding from the resulting amount, £5.

47.3 For the purposes of paragraph 47.1, the contribution shall be treated as increased by the amount (if any) by which the amount excluded under paragraph 46.2(g) (calculation of grant income) falls short of the amount specified in paragraph 7(2) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (travel expenditure).

#### **48.0 Covenant income where no grant income or no contribution is assessed**

48.1 Where a student is not in receipt of income by way of a grant the amount of his covenant income shall be calculated as follows;

- (a) any sums intended for any expenditure specified in paragraph 46.2 (a) to (e) (calculation of grant income) necessary as a result of his attendance on the course shall be disregarded;
- (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, shall be apportioned equally between the weeks of the period of study;
- (c) there shall be disregarded from the amount so apportioned the amount which would have been disregarded under paragraph 46.2(f) and 46.3 (calculation of grant income) had the student been in receipt of the standard maintenance grant; and
- (d) the balance, if any, shall be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 shall be disregarded.

48.2 Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenanted income shall be calculated in accordance with subparagraphs (a) to (d) of paragraph 48.1, except that;

- (a) the value of the standard maintenance grant shall be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 46.2 (a) to (e); and
- (b) the amount to be disregarded under paragraph 48.1(c) shall be abated by an amount equal to the amount of any sums disregarded under paragraph 46.2(f) and (g) and 46.3.

#### **49.0 Student Covenant Income and Grant income – non disregard**

49.1 No part of a student's covenant income or grant income shall be disregarded under paragraph 15 of Schedule 4 to this scheme

#### **50.0 Other amounts to be disregarded**

50.1 For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with section 51, any amounts intended for any expenditure specified in paragraph 46.2 (calculation of grant income), necessary as a result of his attendance on the course shall be disregarded but only if, and to the extent that, the

necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under paragraphs 46.2 or 46.3, 47.3, 48.1(a) or (c) or 51.5 (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

#### **51.0 Treatment of student loans**

51.1 A student loan shall be treated as income.

51.2 In calculating the weekly amount of the loan to be taken into account as income

- (a) in respect of a course that is of a single academic year's duration or less, a loan which is payable in respect of that period shall be apportioned equally between the weeks in the period beginning with;
  - (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of the single academic year;
  - (ii) where the student is required to start attending the course in August or where the course is less than an academic year's duration, the reduction week, the first day of which coincides with, or immediately follows, the first day of the course, and ending with the reduction week, the last day of which coincides with, or immediately precedes with last day of the course,
- (b) in respect of an academic year of a course which starts other than on 1st September, a loan which is payable in respect of that academic year shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year and ending with the reduction week, the last day of which coincides with or immediately precedes, the last day of that academic year but excluding any reduction weeks falling entirely within the quarter during which, in the opinion of the Secretary of State, the longest of any vacation is taken and for the purposes of this sub-paragraph, 'quarter' shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2005;
- (c) in respect of the final academic year of a course (not being a course of a single year's duration), a loan which is payable in respect of that final academic year shall be apportioned equally between the weeks in the period beginning with;
  - (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year;
  - (ii) where the final academic year starts on 1st September, the reduction week, the first day of which coincide with, or immediately follows, the earlier of 1st September or the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;
- (d) in any other case, the loan shall be apportioned equally between the weeks in the period beginning with the earlier of;
  - (i) the first day of the first reduction week in September; or
  - (ii) the reduction week, the first day of which coincides with, or immediately follows the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of June,

and, in all cases, from the weekly amount so apportioned there shall be disregarded £10.

51.3 A student shall be treated as possessing a student loan in respect of an academic year where;

- (a) a student loan has been made to him in respect of that year; or
- (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

- 51.4 Where a student is treated as possessing a student loan under paragraph 51.3, the amount of the student loan to be taken into account as income shall be, subject to paragraph 51.5
- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to
    - (i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
    - (ii) any contribution whether or not it has been paid to him;
  - (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if;
    - (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
    - (ii) no deduction in that loan was made by virtue of the application of a means test.

- 51.5 There shall be deducted from the amount of income taken into account under paragraph 51.4
- (a) the sum of £303 per academic year in respect of travel costs; and
  - (b) the sum of £390 per academic year towards the cost of books and equipment, whether or not any such costs are incurred.
- The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).

#### **51A.0 Treatment of fee loans**

- 51A. 1A loan for fees, known as a fee loan or a fee contribution loan, made pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998, section 22 of the Teaching and Higher Education Act 1998 or section 73(f) of the Education (Scotland) Act 1980, shall be disregarded as income.

#### **52.0 Treatment of payments from access funds**

- 52.1 This paragraph applies to payments from access funds that are not payments to which paragraph 55.2 or 55.3 (income treated as capital) applies.
- 52.2 A payment from access funds, other than a payment to which paragraph 52.3 applies, shall be disregarded as income.
- 52.3 Subject to paragraph 52.4 of this section and paragraph 35 of Schedule 4,
- a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family and
  - b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable, shall be disregarded as income to the extent of £20 per week.
- 52.4 Where a payment from access funds is made—
- (a) on or after 1st September or the first day of the course, whichever first occurs, but before receipt of any student loan in respect of that year and that payment is intended for the purpose of bridging the period until receipt of the student loan; or
  - (b) before the first day of the course to a person in anticipation of that person becoming a student,
- that payment shall be disregarded as income.

#### **53.0 Disregard of contribution**

- 53.1 Where the applicant or his partner is a student and for the purposes of assessing a

contribution to the student's grant or student loan, the other partner's income has been taken into account, an amount equal to that contribution shall be disregarded for the purposes of assessing that other partner's income.

#### **54.0 Further disregard of student's income**

54.1 Where any part of a student's income has already been taken into account for the purpose of assessing his entitlement to a grant or student loan, the amount taken into account shall be disregarded in assessing that student's income.

#### **55.0 Income treated as capital**

55.1 Any amount by way of a refund of tax deducted from a student's covenant income shall be treated as capital.

55.2 Any amount paid from access funds as a single lump sum shall be treated as capital.

55.3 An amount paid from access fund as a single lump sum which is intended and used for an item other than food, ordinary clothing or footwear, household fuel or rent, or which is used for an item other than any council tax or water charges for which that applicant or member is liable, shall be disregarded as capital but only for a period of 52 weeks from the date of the payment.

#### **56.0 Disregard of changes occurring during summer vacation**

56.1 In calculating a student's income the authority shall disregard any change in the standard maintenance grant, occurring in the recognised summer vacation appropriate to the student's course, if that vacation does not form part of his period of study from the date on which the change occurred to the end of that vacation.

**Sections 57 – 63**

**The calculation and amount of Council tax reduction**

## **57.0 Maximum council tax reduction**

57.1 Subject to paragraphs 57.2 to 57.4, the amount of a person's maximum council tax reduction in respect of a day for which he is liable to pay council tax, shall be 100 per cent, of the amount A divided by B where;

- (a) A is the amount set by the appropriate 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 section 58 (non-dependant deductions).

In this paragraph "relevant financial year" means, in relation to any particular day, financial year within which the day in question falls.

57.2 In calculating a person's maximum council tax reduction any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act, shall be taken into account.

57.3 Subject to paragraph 57.4, where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons but excepting any person so residing with the applicant who is a student to whom paragraph 45.2 (students who are excluded from entitlement to council tax reduction) applies, in determining the maximum council tax reduction in his case in accordance with paragraph 57.1, the amount A shall be divided by the number of persons who are jointly and severally liable for that tax.

57.4 Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, paragraph 57.3 shall not apply in his case

## **57A Minimum Council Tax Support**

57A.1 Where the amount of an applicant's council tax reduction is less than £2.50 per reduction week, no amount of reduction shall be paid whatsoever.

57A.2 Paragraph 57A.1 shall not apply to any applicant in the protected group as defined by paragraph 2A.1.

## **58.0 Non-dependant deductions<sup>24</sup>**

58.1 Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in section 57 (maximum council tax reduction) shall be;

- (a) in respect of a non-dependant aged 18 or over in remunerative work, £11.45 x 1/7;
- (b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply, £3.77 x 1/7.

58.2 In the case of a non-dependant aged 18 or over to whom paragraph 58.1(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is—

- (a) less than £195.00, the deduction to be made under this paragraph shall be that specified in paragraph 58.1(b);
- (b) not less than £195.00, but less than £338.00, the deduction to be made under this section shall be £7.58 x 1/7
- (c) not less than £338.00, but less than £420.00, the deduction to be made under this

<sup>24</sup> The amounts shown within this section shall be updated in line with the Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012

section shall be £9.56 x 1/7;

- 58.3 Only one deduction shall be made under this section in respect of a couple or, as the case may be, members of a polygamous marriage and, where, but for this paragraph, the amount that would fall to be deducted in respect of one member of a couple or polygamous marriage is higher than the amount (if any) that would fall to be deducted in respect of the other, or any other, member, the higher amount shall be deducted.
- 58.4 In applying the provisions of paragraph 58.2 in the case of a couple or, as the case may be a polygamous marriage, regard shall be had, for the purpose of that paragraph, to the couple's or, as the case may be, all members of the polygamous marriage's joint weekly gross income.
- 58.5 Where in respect of a day–
- a. a person is a resident in a dwelling but is not himself liable for council tax in respect of that dwelling and that day;
  - b. other residents in that dwelling (the liable persons) have joint and several liability for council tax in respect of that dwelling and that day otherwise than by virtue of section 9 or 77 or 77A of the 1992 Act (liability of spouses and civil partners); and
  - c. the person to whom sub-paragraph (a) refers is a non-dependant of two or more of the liable persons, the deduction in respect of that non-dependant shall be apportioned equally between those liable persons.
- 58.6 No deduction shall be made in respect of any non-dependants occupying an applicant's dwelling if the applicant or his partner is–
- a. blind or treated as blind by virtue of paragraph 9 of Schedule 1 (additional condition for the disability premium); or
  - b. receiving in respect of himself:
    - attendance allowance, or would be receiving that allowance but for:
      - i. a suspension of benefit in accordance with regulations under section 113(2) of The Act; or
      - ii. an abatement as a result of hospitalisation; or
    - the care component of the disability living allowance, or would be receiving that component but for:
      - i. a suspension of benefit in accordance with regulations under section 113(2) of The Act; or
      - ii. an abatement as a result of hospitalisation; or
  - c. the daily living component of personal independence payment, or would be receiving that allowance but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);
  - d. an AFIP, or would be receiving that payment but for a suspension of it in accordance with any terms of the armed and reserve forces compensation scheme which allows for a suspension because a person is undergoing medical treatment in a hospital or similar institution;
- 58.7 No deduction shall be made in respect of a non-dependant if:
- a. although he resides with the applicant, it appears to the authority that his normal home is elsewhere; or
  - b. he is in receipt of a training allowance paid in connection with a youth training established under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990; or
  - c. he is a full time student within the meaning of section 44.0 (Students); or
  - d. he is not residing with the applicant because he has been a patient for a period of excess of 52 weeks, and for these purposes;
  - e. 'patient' has the meaning given within this scheme, and
  - f. where a person has been a patient for two or more distinct periods separated by one or more intervals each not exceeding 28 days, he shall be treated as having been a patient continuously for a period equal in duration to the total of those distinct periods;

- g. he is not residing with the claimant because he is a member of the armed forces away on operations

58.8 No deduction shall be made in respect of a non-dependant;

- (a) who is on income support, state pension credit, an income-based jobseeker's allowance or an income-related employment and support allowance;
- (b) to whom Schedule 1 of the 1992 Act applies (persons disregarded for purposes of discount) but this sub-paragraph shall not apply to a non-dependant who is a student to whom paragraph 4 of that Schedule refers;
- (c) who is entitled to an award of universal credit where the award is calculated on the basis that the person does not have any earned income;  
For the purposes of sub-paragraph (c), "earned income" has the meaning given in regulation 52 of the Universal Credit Regulations 2013.

58.9 In the application of paragraph 58.2 there shall be disregarded from his weekly gross income—

- (a) any attendance allowance, disability living allowance or personal independence payment or an AFIP received by him;
- (b) any payment made under or by the Trusts, the Fund, the Eileen Trust , MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006) which had his income fallen to be calculated under section 30 (calculation of income other than earnings) would have been disregarded under paragraph 24 of Schedule 4 (income in kind); and
- (c) any payment which had his income fallen to be calculated under section 30 would have been disregarded under paragraph 36 of Schedule 4 (payments made under certain trusts and certain other payments).

#### **59.0 Council tax reduction taper (applies to persons defined within Class E)**

59.1 The prescribed daily percentage for the purpose of calculating support as a percentage of excess of income over the applicable amount which is deducted from maximum council tax reduction, shall be  $2 \frac{6}{7}$  per cent. Where an applicant's income exceeds their applicable amount, their council tax reduction shall be calculated by deducting their excess income multiplied by the taper from their maximum council tax reduction as defined within section 57 of this scheme

#### **59A.0 Reduction of entitlement (Classes D & E)**

59A.1 An entitlement calculated in accordance with this scheme shall be reduced by an amount of 25%. The standard deduction shall apply to the council tax reduction calculated for all working age claimants. The deduction **will not apply** where an applicant falls within the protected groups defined within paragraph 2A.1.

#### **60.0 Extended reductions**

60.1 An applicant who is entitled to council tax reduction (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction where;

- (a) the applicant or the applicant's partner was entitled to a qualifying income- related benefit;
- (b) entitlement to a qualifying income-related benefit ceased because the applicant or the applicant's partner—
  - (i) commenced employment as an employed or self-employed earner;
  - (ii) increased their earnings from such employment; or
  - (iii) increased the number of hours worked in such employment,  
and that employment is or, as the case may be, increased earnings or increased

- number of hours are expected to last five weeks or more; and
- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.

60.2 For the purpose of paragraph 60.1(c), an applicant or an applicant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the applicant or the applicant's partner was not entitled to any of those benefits because the applicant or the applicant's partner was engaged in remunerative work as a consequence of their participation in an employment zone programme.

60.3 For the purpose of this section, where an applicant or an applicant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they shall be treated as being entitled to and in receipt of jobseeker's allowance.

60.4 An applicant must be treated as entitled to council tax reduction by virtue of the general conditions of entitlement where—

- (a) the applicant ceased to be entitled to council tax reduction because the applicant vacated the dwelling in which the applicant was resident;
- (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying income-related benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying income-related benefit ceased in any of the circumstances listed in paragraph 60.1(b).

60.5 This section shall not apply where, on the day before an applicant's entitlement to income support ceased, regulation 6(5) of the Income Support Regulations (remunerative work: housing costs) applied to that applicant.

#### **60A.0 Duration of extended reduction period**

60A.1 Where an applicant is entitled to an extended reduction, the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying income-related benefit.

60A.2 For the purpose of paragraph (60A.1), an applicant or an applicant's partner ceases to be entitled to a qualifying income-related benefit on the day immediately following the last day of entitlement to that benefit.

60A.3 The extended reduction period ends;

- (a) at the end of a period of four weeks; or
- (b) on the date on which the applicant to whom the extended reduction is payable has no liability for council tax, if that occurs first.

#### **60B.0 Amount of extended reduction**

60B.1 For any week during the extended reduction period the amount of the extended reduction payable to an applicant shall be the higher of—

- (a) the amount of council tax reduction to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying income-related benefit;

- (b) the amount of council tax reduction to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 60 (extended reductions) did not apply to the applicant; or
- (c) the amount of council tax reduction to which the applicant's partner would be entitled under the general conditions of entitlement, if section 60 did not apply to the applicant.

60B.2 Paragraph 60B1 does not apply in the case of a mover.

60B.3 Where an applicant is in receipt of an extended reduction under this section and the applicant's partner makes a claim for council tax reduction, no amount of council tax reduction shall be payable by the appropriate authority during the extended reduction period.

**60C Extended reductions – movers**

60C.1 This section applies;

- (a) to a mover; and
- (b) from the Monday following the day of the move.

60C.2 The amount of the extended reduction payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax reduction which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit.

60C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second authority, the extended reduction may take the form of a payment from the appropriate authority to;

- (a) the second authority; or
- (b) the mover directly.

60C.4 Where—

- (a) a mover, or the mover's partner, makes a claim for council tax reduction to the second authority after the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit; and
- (b) the mover, or the mover's partner, is in receipt of an extended reduction from the appropriate authority, the second authority shall reduce the weekly amount of council tax reduction that the mover, or the mover's partner, is entitled to by a sum equal to the amount of the extended reduction until the end of the extended reduction period.

**60D.0 Relationship between extended reduction and entitlement to council tax reduction under the general conditions of entitlement**

60D.1 Where an applicant's council tax reduction award would have ended when the applicant ceased to be entitled to a qualifying income-related benefit in the circumstances listed in paragraph 60.1(b), that award will not cease until the end of the extended reduction period.

60D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction payable in accordance with paragraph 60B.1(a) or 60C.2 (amount of extended reduction – movers).

**61.0 Extended reductions (qualifying contributory benefits)**

61.1 An applicant who is entitled to council tax reduction (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction (qualifying contributory benefits) where;

- (a) the applicant or the applicant's partner was entitled to a qualifying contributory benefit;
- (b) entitlement to a qualifying contributory benefit ceased because the applicant or the

- applicant's partner;
- (i) commenced employment as an employed or self-employed earner;
  - (ii) increased their earnings from such employment; or
  - (iii) increased the number of hours worked in such employment, and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more;
- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and
- (d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.

61.2 An applicant must be treated as entitled to council tax reduction by virtue of the general conditions of entitlement where;

- (a) the applicant ceased to be entitled to council tax reduction because the applicant vacated the dwelling in which the applicant was resident;
- (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying contributory benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying contributory benefit ceased in any of the circumstances listed in paragraph 61.1(b).

#### **61A.0 Duration of extended reduction period (qualifying contributory benefits)**

61A.1 Where an applicant is entitled to an extended reduction (qualifying contributory benefits), the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying contributory benefit.

61A.2 For the purpose of paragraph 61A.1, an applicant or an applicant's partner ceases to be entitled to a qualifying contributory benefit on the day immediately following the last day of entitlement to that benefit.

61A.3 The extended reduction period ends;

- (a) at the end of a period of four weeks; or
- (b) on the date on which the applicant to whom the extended reduction (qualifying contributory benefits) is payable has no liability for council tax, if that occurs first.

#### **61B.0 Amount of extended reduction (qualifying contributory benefits)**

61B.1 For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) payable to an applicant shall be the higher of;

- (a) the amount of council tax reduction to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;
- (b) the amount of council tax reduction to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 61 (extended reductions (qualifying contributory benefits)) did not apply to the applicant; or
- (c) the amount of council tax reduction to which the applicant's partner would be entitled under the general conditions of entitlement, if section 61 did not apply to the applicant.

61B .2 Paragraph 61B.1 does not apply in the case of a mover.

61B.3 Where an applicant is in receipt of an extended reduction (qualifying contributory benefits) under this section and the applicant's partner makes a claim for council tax reduction, no amount of council tax reduction shall be payable by the appropriate authority during the extended reduction period.

**61C.0 Extended reductions (qualifying contributory benefits) – movers**

61C.1 This section applies;

- (a) to a mover; and
- (b) from the Monday following the day of the move.

61C.2 The amount of the extended reduction (qualifying contributory benefit) payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax reduction which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

61C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from the appropriate authority to–

- (a) the second authority; or
- (b) the mover directly.

61C.4 Where

- (a) a mover, or the mover's partner, makes a claim for council tax reduction to the second authority after the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit; and
- (b) the mover, or the mover's partner, is in receipt of an extended reduction (qualifying contributory benefits) from the appropriate authority, the second authority shall reduce the weekly amount of council tax reduction that the mover, or the mover's partner, is entitled to by a sum equal to the amount of the extended reduction (qualifying contributory benefits) until the end of the extended reduction period.

**61D.0 Relationship between extended reduction (qualifying contributory benefits) and entitlement to council tax reduction under the general conditions of entitlement**

61D.1 Where an applicant's council tax reduction award would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 61.1 (b), that award will not cease until the end of the extended reduction period.

61D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 61B.1(a) or 61C.2 (amount of extended reduction– movers).

**61E.0 Extended reductions: movers into the authority's area<sup>25</sup>**

61E.1 Where;

- (a) an application is made to the authority for a reduction under its scheme, and
- (b) the applicant or the partner of the applicant, is in receipt of an extended reduction from;
  - (i) another billing authority in England; or
  - (ii) a billing authority in Wales,

---

<sup>25</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

the current authority must reduce any reduction to which the applicant is entitled under its scheme by the amount of that extended reduction.

**62.0 Alternative maximum council tax reduction (Second Adult Reduction) (Class F)**

62.1 Subject to paragraphs 62.2 and 62.3, the alternative maximum council tax reduction where the conditions are satisfied shall be the amount determined in accordance with Schedule 2.

62.2 Subject to paragraph 62.3, where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the alternative maximum council tax reduction in his case, the amount determined in accordance with Schedule 2 shall be divided by the number of persons who are jointly and severally liable for that tax.

62.3 Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, solely by virtue of section 9, 77 or 77A of the 1992 Act (liability of spouses and civil partners), paragraph 62.2 shall not apply in his case.

**63.0 Residents of a dwelling to whom Second Adult Reduction does not apply (Class F)**

63.1 Entitlement to an alternative maximum council tax reduction (Second Adult Rebate) shall not apply in respect of any person referred to in the following paragraphs namely;

- (a) a person who is liable for council tax solely in consequence of the provisions of sections 9, 77 and 77A of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
- (b) a person who is residing with a couple or with the members of a polygamous marriage where the applicant for council tax reduction is a member of that couple or of that marriage and;
  - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or
  - (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;
- (c) a person who jointly with the applicant for support falls within the same paragraph of sections 6(2)(a) to (e) or 75(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant;
- (d) a person who is residing with two or more persons both or all of whom fall within the same paragraph of sections 6(2)(a) to (e) or 75(2)(a) to (e) of the 1992 Act and two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

**Sections 64 – 67**

**Dates on which entitlement and changes of circumstances are to take effect**

**64.0 Date on which entitlement is to begin**

64.1 Subject to paragraph 64.2, any person to whom or in respect of whom a claim for council tax reduction is made and who is otherwise entitled to that support shall be so entitled from the reduction week following the date on which that claim is made or is treated as made.

64.2 Where a person is otherwise entitled to council tax reduction and becomes liable for the first time for the authority's council tax in respect of a dwelling of which he is a resident in the reduction week in which his claim is made or is treated as made, he shall be so entitled from that reduction week.

**65.0 - 66.0 Not Used**

**67.0 Date on which change of circumstances is to take effect**

67.1 Except in cases where section 24 (disregard of changes in tax, contributions, etc.) applies and subject to the following provisions of this paragraph, a change of circumstances which affects entitlement to, or the amount of, a reduction under the authority's scheme ("change of circumstances"), takes effect from the first day of the reduction week following the date on which the change actually occurs, and where that change is cessation of entitlement to any benefit under the benefit Acts, the date on which the change actually occurs shall be the day immediately following the last day of entitlement to that benefit.

67.2 Subject to paragraph (3), where the change of circumstances is a change in the amount of council tax payable, it takes effect from the day on which it actually occurs.

67.3 Where the change of circumstances is a change in the amount a person is liable to pay in respect of council tax in consequence of regulations under section 13 of the 1992 Act (reduced amounts of council tax) or changes in the discount to which a dwelling may be subject under sections 11 or 12 of that Act, it shall take effect from the day on which the change in amount has effect.

67.4 Where the change of circumstances is the applicant's acquisition of a partner, the change takes effect on the day on which the acquisition takes place.

67.5 Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.

67.6 If two or more changes of circumstances occurring in the same reduction week would, but for this paragraph, take effect in different reduction weeks in accordance with paragraphs (1) to (5) they take effect from the day to which the appropriate paragraph from (2) to (5) above refers, or, where more than one day is concerned, from the earlier day.

67.7 Where the change of circumstances is that income, or an increase in the amount of income, other than a benefit or an increase in the amount of a benefit under the Act, is paid in respect of a past period and there was no entitlement to income of that amount during that period, the change of circumstances shall take effect from the first day on which such income, had it been paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

67.8 Without prejudice to paragraph (7), where the change of circumstances is the payment of income, or arrears of income, in respect of a past period, the change of circumstances takes effect from the first day on which such income, had it been timeously paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

**Sections 68– 74A**

**Claiming and the treatment of claims for Council tax reduction purposes**

68.0 **Making an application**<sup>26</sup>

68.1 In the case of a couple or members of a polygamous marriage an application is to be made by whichever one of them they agree should so apply or, in default of agreement, by such one of them as the authority determines.

68.2 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act, and;

- (a) a deputy has been appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
- (b) in Scotland, his estate is being administered by a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on his behalf; or
- (c) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,

that deputy, judicial factor, guardian or attorney, as the case may be, may make an application on behalf of that person.

68.3 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and sub-paragraph (2) does not apply to him, the authority may, upon written application made to them by a person who, if a natural person, is over the age of 18, appoint that person to exercise on behalf of the person who is unable to act, any right to which that person might be entitled under the authority's scheme and to receive and deal on his behalf with any sums payable to him.

68.4 Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).

68.5 Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4);

- (a) it may at any time revoke the appointment;
- (b) the person appointed may resign his office after having given 4 weeks notice in writing to the authority of his intention to do so;
- (c) any such appointment terminates when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).

68.6 Anything required by the authority's scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the person appointed or treated as appointed under this paragraph and the receipt of any such person so appointed shall be a good discharge to the authority for any sum paid.

68.7 The authority must;

- (a) inform any person making an application of the duty imposed by paragraph 9(1)(a) of the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012;
- (b) explain the possible consequences (including prosecution) of failing to comply with that duty; and
- (c) set out the circumstances a change in which might affect entitlement to the

---

<sup>26</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

reduction or its amount.

**69.0 Procedure by which a person may apply for a reduction under the authority's scheme<sup>27</sup>**

69.1. Paragraphs 2 to 7 apply to an application made under the authority's scheme.

69.2. An application may be made;

- (a) in writing,
- (b) by means of an electronic communication in accordance with sections 101 – 106A of this scheme, or
- (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.

69.3 (1) An application which is made in writing must be made to the designated office on a properly completed form.  
(2) The form must be provided free of charge by the authority for the purpose.

69.4 (1) Where an application made in writing is defective because—  
(a) it was made on the form supplied for the purpose but that form is not accepted by the authority as being properly completed; or  
(b) it was made in writing but not on the form approved for the purpose and the authority does not accept the application as being in a written form which is sufficient in the circumstances of the case having regard to the sufficiency of the written information and evidence,  
the authority may, in a case to which sub-paragraph (a) applies, request the applicant to complete the defective application or, in the case to which sub-paragraph (b) applies, supply the applicant with the approved form or request further information and evidence.

(2) An application made on a form provided by the authority is properly completed if it is completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

69.5. (1) If an application made by electronic communication is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

69.6. In a particular case the authority may determine that an application made by telephone is only valid if the person making the application approves a written statement of his circumstances provided by the authority.

69.7 (1) If an application made by telephone is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

69.8 Notwithstanding other paragraphs within this section, the authority will determine the method by which claims are to be made as well as where claims should be sent or delivered. For the purposes of this scheme a Local Authority Information Document (LAID) or Local Authority Customer Information document (LACI) issued by the Department for Work and Pensions shall be treated as a valid claim. The authority will consider a claim for reduction as

<sup>27</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

remaining valid for any period that the claimant is entitled to Housing Benefit or Universal Credit.

- 69.9 (1) Where an applicant;
- (a) makes an application under this scheme which includes (or which he subsequently requests should include) a period before the application is made; and
- (b) from a day in that period, up to the date he 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 had continuous good cause;
- b. the day 1 month before the date the application was made;
- c. the day 1 month before the date when the applicant requested that the application should include a past period
- (3) Where an applicant falls within a protected group as defined by paragraph 2A.1 the date specified within sub paragraph (2) b, and c, above shall be 6 months.

**69A.0 Date on which an application is made**

69A.1 Subject to sub-paragraph (7), the date on which an application is made is;

- (a) in a case where;
- (i) an award of state pension credit which comprises a guarantee credit has been made to the applicant or his partner, and
- (ii) the application for a reduction is made within one month of the date on which the claim for that state pension credit which comprises a guarantee credit was received at the appropriate DWP office,
- the first day of entitlement to state pension credit which comprises a guarantee credit arising from that claim;
- (b) in a case where
- (i) an applicant or his partner is a person in receipt of a guarantee credit,
- (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling he occupies as his home, and
- (iii) the application is received at the designated office within one month of the date of the change,
- the date on which the change takes place;
- (c) in a case where;
- (i) an award of income support, an income-based jobseeker's allowance or an income-related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and
- (ii) the application is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,
- the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim;
- (d) in a case where;
- (i) an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,

- (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
- (iii) the application is received at the designated office within one month of the date of the change,

the date on which the change takes place;

(e) in a case where;

- (i) an applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under the authority's scheme, and
- (ii) the applicant makes an application for a reduction under that scheme within one month of the date of the death or the separation,

the date of the death or separation;

(f) except where paragraph (a), (b) or (e) is satisfied, in a case where a properly completed application is received within one month (or such longer period as the authority considers reasonable) of the date on which an application form was issued to an applicant following the applicant first notifying, by whatever means, the authority of an intention to make an application, the date of first notification;

(g) in any other case, the date on which an application is received at the designated office.

69A.2 For the purposes only of sub-paragraph (1)(c) a person who has been awarded an income-based jobseeker's allowance or an income-related employment and support allowance is to be treated as entitled to that allowance for any days which immediately precede the first day in that award and on which he would, but for regulations made under;

- (a) in the case of income-based jobseeker's allowance, paragraph 4 of Schedule 1 to the Jobseekers Act 1995 (waiting days); or
- (b) in the case of income-related employment and support allowance, paragraph 2 of Schedule 2 to the Welfare Reform Act 2007 (waiting days),

have been entitled to that allowance.

69A.3 Where there is a defect in an application by telephone;

- (a) is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance;
- (b) is not corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance where it considers it has sufficient information to decide the application.

69A.4 The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.

69A.5 The conditions are that—

- (a) where the authority receives the properly completed application or the information requested to complete it or the evidence within one month of the request, or such longer period as the authority may consider reasonable; or
- (b) where an application is not on approved form or further information requested by authority applies;
  - (i) the approved form sent to the applicant is received at the offices of the authority properly completed within one month of it having been sent to him; or, as the case may be;
  - (ii) the applicant supplies whatever information or evidence was requested within one month of the request; or,

in either case, within such longer period as the authority may consider reasonable; or
- (c) where the authority has requested further information, the authority receives at its offices the properly completed application or the information requested to complete it within one month of the request or within such longer period as the authority considers reasonable.

69A.6 Except in the case of an application made by a person treated as not being in Great Britain, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for a reduction under that authority's scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority must treat the application as having been made on the day on which the liability for the tax arises.

69A.7 Except in the case of an application made by a person treated as not being in Great Britain, where the applicant is not entitled to a reduction under the authority's scheme in the reduction week immediately following the date of his application but the authority is of the opinion that unless there is a change of circumstances he will be entitled to a reduction under its scheme for a period beginning not later than;

(a) in the case of an application made by;

- (i) a pensioner, or
- (ii) a person who has attained, or whose partner has attained, the age which is 17 weeks younger than the qualifying age for state pension credit, the seventeenth reduction week following the date on which the application is made, or

(b) in the case of an application made by a person who is not a pensioner, the thirteenth reduction week following the date on which the application is made, the authority may treat the application as made on a date in the reduction week immediately preceding the first reduction week of that period of entitlement and award a reduction accordingly.

#### **70.0 Submission of evidence electronically**

70.1 The authority may accept such evidence, documents and certificates to support the claim electronically where it feels that this would be acceptable given the nature of the claim

#### **71.0 Use of telephone provided evidence**

71.1 The authority may accept such evidence to support the claim by telephone where it feels that this would be acceptable given the nature of the claim

#### **72.0 Information and evidence<sup>28</sup>**

72.1 Subject to sub-paragraph (3), a person who makes an application for a reduction under an authority's scheme must satisfy sub-paragraph (2) in relation both to himself and to any other person in respect of whom he is making the application.

72.2 This sub-paragraph is satisfied in relation to a person if—

- (a) the application is accompanied by;
- (i) a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or
  - (ii) information or evidence enabling the authority to ascertain the national insurance number that has been allocated to the person; or
- (b) the person has made an application for a national insurance number to be allocated to him and the application for the reduction is accompanied by;
- (i) evidence of the application for a national insurance number to be so allocated; and
  - (ii) the information or evidence enabling it to be so allocated.

72.3 Sub-paragraph (2) does not apply;

- (a) in the case of a child or young person in respect of whom an application for a reduction is made;
- (b) to a person who;

<sup>28</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- (i) is a person treated as not being in Great Britain for the purposes of this scheme;
- (ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
- (iii) has not previously been allocated a national insurance number.

72.4 Subject to sub-paragraph (5), a person who makes an application, or a person to whom a reduction under the authority's scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or any question arising out of the application or the award, as may reasonably be required by that authority in order to determine that person's entitlement to, or continuing entitlement to a reduction under its scheme and must do so within one month of the authority requiring him to do so or such longer period as the authority may consider reasonable.

72.5 Nothing in this paragraph requires a person who is a pensioner to furnish any certificates, documents, information or evidence relating to a payment to which sub-paragraph (7) applies.

72.6 Where the authority makes a request under sub-paragraph (4), it must;

- (a) inform the applicant or the person to whom a reduction under its scheme has been awarded of his duty under paragraph 9 of Schedule 8 the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012 (duty to notify change of circumstances) to notify the authority of any change of circumstances; and
- (b) without prejudice to the extent of the duty owed under paragraph 9, indicate to him either orally or by notice or by reference to some other document available to him on application and without charge, the kind of change of circumstances which must be notified.

72.7 This sub-paragraph applies to any of the following payments;

- (a) a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;
- (b) a payment which is disregarded under paragraph 24 of Schedule 5, other than a payment under the Independent Living Fund (2006);
- (c) a payment which is disregarded under paragraph 58.9.

72.8 Where an applicant or a person to whom a reduction under the authority's scheme has been awarded or any partner has attained the qualifying age for state pension credit and is a member of, or a person deriving entitlement to a pension under, a personal pension scheme, he must where the authority so requires furnish the following information;

- (a) the name and address of the pension fund holder;
- (b) such other information including any reference or policy number as is needed to enable the personal pension scheme to be identified.

**73.0 Amendment and withdrawal of application<sup>29</sup>**

73.1 A person who has made an application may amend it at any time before a decision has been made on it by a notice in writing delivered or sent to the designated office.

73.2 Where the application was made by telephone the amendment may also be made by telephone.

73.3 Any application amended is to be treated as if it had been amended in the first instance.

73.4 A person who has made an application may withdraw it by notice to the designated office at

<sup>29</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

any time before a decision has been made on it.

- 73.5 Where the application was made by telephone, the withdrawal may also be made by telephone.
- 73.6 Any notice of withdrawal given in accordance with sub-paragraph (4) or (5) has effect when it is received.
- 73.7 Where a person, by telephone, amends or withdraws an application the person must (if required to do so by the authority) confirm the amendment or withdrawal by a notice in writing delivered or sent to the designated office.
- 74.0 Duty to notify changes of circumstances<sup>30</sup>**
- 74.1 Subject to sub-paragraphs (3), (6) and (7), an applicant (or any person acting on his behalf) must comply with sub-paragraph (2) if there is a relevant change of circumstances at any time;
- (a) between the making of an application and a decision being made on it, or
  - (b) after the decision is made (where the decision is that the applicant is entitled to a reduction under the authority's scheme) including at any time while the applicant is in receipt of such a reduction.
- 74.2 The applicant (or any person acting on his behalf) must notify any change of circumstances which the applicant (or that person) might reasonably be expected to know might affect his entitlement to, or the amount of, a reduction under the authority's scheme (a "relevant change of circumstances") by giving notice to the authority;
- (a) in writing; or
  - (b) by telephone—
    - (i) where the authority has published a telephone number for that purpose unless the authority determines that in any particular case or class of case notification may not be given by telephone; or
    - (ii) in any case or class of case where the authority determines that notice may be given by telephone; or
  - (c) by any other means which the authority agrees to accept in any particular case, within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.
- 74.3 The duty imposed on a person by sub-paragraph (1) does not extend to notifying
- (a) changes in the amount of council tax payable to the authority;
  - (b) changes in the age of the applicant or that of any member of his family;
  - (c) in the case of an applicant in receipt of a relevant benefit, changes in circumstances which affect the amount of the benefit but not the amount of the reduction under the authority's scheme to which he is entitled, other than the cessation of that entitlement to the benefit.
- 74.4 For the purposes of sub-paragraph (3)(c) "relevant benefit" means income support, an income-based jobseeker's allowance or an income-related employment and support allowance or universal credit.
- 74.5 Notwithstanding sub-paragraph (3)(b) or (c) an applicant is required by sub-paragraph (1) to notify the authority of any change in the composition of his family arising from the fact that a person who was a member of his family is now no longer such a person because he has ceased to be a child or young person.

---

<sup>30</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

74.6 The duty imposed on a person by sub-paragraph (1) includes in the case of a person falling within the alternative maximum council tax reduction, giving written notice to the authority of changes which occur in the number of adults in the dwelling or in their total gross incomes and, where any such adult ceases to be in receipt of state pension credit, the date when this occurs.

74.7 All changes in circumstances should be notified to the authority in writing (or by whatever format agreed by the authority) within 21 days of the happening of the event or change in circumstance. This timescale may be extended at the discretion of the authority. Where such a change is not received within that timescale and where the change would increase the level of reduction payable, the authority may use a date later than the actual change of circumstances

**Sections 75- 90**

**Decisions, decision notices and awards of Council tax reduction**

**75.0 Decisions by the authority<sup>31</sup>**

75.1 An authority must make a decision on an application under its scheme within 14 days of paragraphs 4 and 7 and Part 1 of Schedule 7 of the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012 being satisfied, or as soon as reasonably practicable thereafter.

**76.0 Notification of decision<sup>32</sup>**

76.1 The authority must notify in writing any person affected by a decision made by it under its scheme;  
(a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;  
(b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.

76.2 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement;  
(a) informing the person affected of the duty imposed by paragraph 9 of Schedule 8 the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012 (duty to notify change of circumstances) to notify the authority of any change of circumstances;  
(b) explaining the possible consequences (including prosecution) of failing to comply with that duty; and  
(c) setting out the circumstances a change in which might affect entitlement to the reduction or its amount.

76.3 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement as to how that entitlement is to be discharged.

76.4 In any case, the notification under sub-paragraph (1) must inform the person affected of the procedure by which an appeal may be made and must refer the person to the provisions in the authority's scheme relating to the procedure for making an appeal.

76.5 A person affected to whom the authority sends or delivers a notification of decision may, within one month of the date of the notification of that decision request in writing the authority to provide a written statement setting out the reasons for its decision on any matter set out in the notice.

76.6 The written statement referred to in sub-paragraph (5) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.

76.7 For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under its scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (8).

76.8 This sub-paragraph applies to—  
(a) the applicant;  
(b) in the case of a person who is liable to pay council tax in respect of a dwelling and is unable for the time being to act;  
(i) a deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or

<sup>31</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>32</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- (ii) in Scotland, a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000<sup>(3)</sup> who has power to apply or, as the case may be, receive benefit on the person's behalf; or
- (iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,

(c) a person appointed by the authority to act for a person unable to act.

#### **77.0 Time and manner of granting council tax reduction<sup>33</sup>**

77.1 Where a person is entitled to a reduction under this authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year ("the chargeable year"), the authority must discharge his entitlement;

- (a) by reducing, so far as possible, the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers; or
- (b) where;
  - (i) such a reduction is not possible; or
  - (ii) such a reduction would be insufficient to discharge the entitlement to a reduction under the authority's scheme; or
  - (iii) the person entitled to the reduction is jointly and severally liable for the council tax and the authority determines that such a reduction would be inappropriate, by making payment to him of the amount of reduction to which he is entitled, rounded where necessary to the nearest penny.

77.2 The authority must notify the person entitled to a reduction under this scheme of the amount of that reduction and how his entitlement is to be discharged in pursuance of paragraph (1).

77.3 In a case to which paragraph (1)(b) refers;

- (a) if the amount of the council tax for which he remains liable in respect of the chargeable year, after any reduction to which sub-paragraph (1)(a) refers has been made, is insufficient to enable his entitlement to a reduction under the authority's scheme in respect thereof to be discharged, upon the final instalment of that tax becoming due any outstanding reduction;
  - (i) must be paid to that person if he so requires; or
  - (ii) in any other case must (as the authority determines) either be repaid or credited against any subsequent liability of the person to make a payment in respect of the authority's council tax as it has effect for any subsequent year;
- (b) if that person has ceased to be liable for the authority's council tax and has discharged the liability for that tax, the outstanding balance (if any) of the reduction under the authority's scheme in respect thereof must be paid within 14 days or, if that is not reasonably practicable, as soon as practicable thereafter
- (c) in any other case, the reduction under the authority's scheme must be paid within 14 days of the receipt of the application at the offices of the authority or, if that is not reasonably practicable, as soon as practicable thereafter.

77.4 For the purposes of this paragraph "instalment" means any instalment of the authority's council tax to which regulation 19 of the Council Tax (Administration and Enforcement) Regulations 1992 refers (council tax payments).

#### **78.0 Persons to whom support is to be paid<sup>34</sup>**

<sup>33</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>34</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

78.1 Subject to section 80 (payment on death) and paragraph (2), any payment of the amount of a reduction must be made to that person.

78.2 Where a person other than a person who is entitled to a reduction under this authority's scheme made the application for the reduction and that first person is a person acting pursuant to an appointment or is treated as having been so appointed, the amount of the reduction may be paid to that person.

**79.0 Shortfall in support / reduction<sup>35</sup>**

79.1 Where, on the revision of a decision allowing a reduction under the authority's scheme to a person, it is determined that the amount allowed was less than the amount to which that person was entitled, the authority must either;

- (a) make good any shortfall in reduction which is due to that person, by reducing so far as possible the next and any subsequent payments he is liable to make in respect of the council tax of the authority as it has effect for the chargeable financial year until that shortfall is made good; or
- (b) where this is not possible or the person concerned so requests, pay the amount of any shortfall in reduction due to that person within 14 days of the revision of the decision being made or if that is not reasonable practicable, as soon as possible afterwards.

**80.0 Payment on the death of the person entitled<sup>36</sup>**

80.1 Where the person entitled to any reduction under this scheme has died and it is not possible to award the reduction which is due in the form of a reduction of the council tax for which he was liable, the authority must make payment of the amount of the reduction to his executor or administrator in accordance with regulation 58(4) of the Council Tax (Administration and Enforcement) Regulations 1992.

**81.0 Offsetting**

81.1 Where a person has been allowed or paid a sum of council tax reduction under a decision which is subsequently revised or further revised, any sum allowed or paid in respect of a period covered by the subsequent decision shall be offset against arrears of entitlement under the subsequent decision except to the extent that the sum exceeds the arrears and shall be treated as properly awarded or paid on account of them.

**82.0 Payment where there is joint and several liability<sup>37</sup>**

82.1 Where;

- (a) a person is entitled to a reduction under the authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year;
- (b) the person entitled to the reduction is jointly and severally liable for the council tax; and
- (c) the authority determines that discharging his entitlement by reducing the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992(7) refers would be inappropriate,

it may make a payment to him of the amount of the reduction to which he is entitled, rounded where necessary to the nearest penny.

<sup>35</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>36</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>37</sup> Inserted by Schedule 8 of the Council Tax Reductions Scheme (Prescribed Requirements) (England) Regulations 2012

82.2 Subject to sub-paragraph (3) any payment made under sub-paragraph (1) must be made to the person who is entitled to the reduction.

82.3 Where a person other than a person who is entitled to a reduction under the authority's scheme made the application and that first person is a person acting pursuant to an appointment or is treated as having been so appointed, the amount of the reduction may be paid to that person.

**83.0 - 90.0 Not used**

**Sections 91 – 94**

**Collection, holding and forwarding of information for Council tax reduction purposes**

**91.0 Use of information from and to the Department for Work and Pensions (DWP) and Her Majesty's Revenues and Customs (HMRC)**

91.1 The authority will use information provided by the DWP and HMRC for the purposes of Council Tax Reduction, council tax liability, billing, administration and enforcement as outlined within Schedule 2 of the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012 and the Social Security (Information-sharing in relation to Welfare Services etc.) (Amendment) Regulations 2013

91.2 Where required by the relevant department and where required by law, the authority will share information obtained for Council tax reduction with the DWP or HMRC as appropriate.

**92.0 Collection of information**

92.1 The authority may receive and obtain information and evidence relating to claims for council tax reduction, the council may receive or obtain the information or evidence from–

- (a) persons making claims for council tax reduction;
- (b) other persons in connection with such claims;
- (c) other local authorities; or
- (d) central government departments including the DWP and HMRC

92.2 The authority may verify relevant information supplied to, or obtained.

**93.0 Recording and holding information**

93.1 The authority may

- (a) may make a record of such information; and
- (b) may hold that information, whether as supplied or obtained or recorded, for the purpose of forwarding it to the person or authority for the time being administering council tax reduction.

**94.0 Forwarding of information**

94.1 The authority may forward it to the person or authority for the time being administering claims to or awards of council tax reduction to which the relevant information relates, being

- (i) a local authority;
- (ii) a person providing services to a local authority; or
- (iii) a person authorised to exercise any function of a local authority relating to council tax reduction.

**Sections 95 – 98**

**Revisions, Written Statements, Termination of Council tax reduction**

## **95.0 Persons affected by Decisions**

- 95.1 A person is to be treated as a person affected by a relevant decision of the authority where that person is;
- a. an applicant;
  - b. in the case of a person who is liable to make payments in respect of a dwelling and is unable for the time being to act
    - (i) a Deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit or support on his behalf,
    - (ii) in Scotland, a tutor, curator, judicial factor or other guardian acting or appointed in terms of law administering that person's estate, or
    - (iii) an attorney with a general power or a power to receive benefit or support appointed by the person liable to make those payments under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise;
  - c. a person appointed by the authority under this scheme;

## **96.0 Revisions of Decisions**

- 96.1 Subject to the provisions in this scheme, a relevant decision ('the original decision) may be revised or further revised by the authority, which made the decision where the person affected makes an application for a revision within;
- (i) one month of the date of notification of the original decision; or
  - (ii) such extended time as the authority may allow.
- 96.2 The authority may revise or further revise that original decision at any time. Where further information is required from the person affected, the authority shall request such information and evidence as it feels is reasonable. Such information must be supplied within;
- i) one month of the date of notification of the additional information; or
  - (ii) such extended time as the authority may allow

## **97.0 Written Statements**

- 97.1 Subject to the provisions in the scheme, the authority may upon a written request issue a written statement to a person affected to further explain the decision of the authority in relation to Council tax reduction. The request must be received within one month of the date of the notification being issued by the authority.

## **98.0 Terminations**

- 98.1 The authority may terminate support in whole or in part the Council tax reduction where it appears to the authority that an issue arises whether;
- a. the conditions for entitlement to Council tax reduction are or were fulfilled; or
  - b. a decision as to an award of such a support should be revised or superseded.
- 98.2 The authority may terminate, in whole or in part the Council tax reduction where it appears to the authority that an issue arises whether;
- a. the conditions for entitlement to Council tax reduction are or were fulfilled; or
  - b. a decision as to an award of such a support should be revised or superseded.
- Where the person fails to provide information to the authority as requested in relation to any matter relating to their liability for Council Tax

**Section 99**

**Appeals against the authority's decisions**

**99.0 Procedure by which a person may make an appeal against certain decisions of the authority<sup>38</sup>**

- 99.1 A person who is aggrieved by a decision of the authority, which affects;
- (a) the person's entitlement to a reduction under its scheme, or
  - (b) the amount of any reduction to which that person is entitled,
- may serve a written notice on the authority stating the matter by which, and the grounds on which, he is aggrieved.
- 99.2 The authority must
- (a) consider the matter to which the notice relates;
  - (b) notify the aggrieved person in writing;
    - (i) that the ground is not well founded, giving reasons for that belief; or
    - (ii) that steps have been taken to deal with the grievance, stating the steps taken.
- 99.3 Where, following notification under sub-paragraph (2)(b)(i) or (ii), the person is still aggrieved, or if the authority fails to notify the person aggrieved in accordance with sub-paragraph (2)(b) within two months of the service of his notice, he may appeal to the valuation tribunal under section 16 of the 1992 Act<sup>39</sup>.

---

<sup>38</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>39</sup> As amended by the Tribunal Procedure (Amendment No 3 ) Rules 2014

**Section 100**

**Procedure for applying for a discretionary reduction**

**100.0 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act<sup>40</sup>**

100.1 An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act may be made;

- (a) in writing,
- (b) by means of an electronic communication in accordance this scheme or
- (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.

100.2 Where;

- (a) the authority has made a determination under section 13A(1)(c) in relation to a class of case in which liability is to be reduced; and
- (b) a person in that class would otherwise be entitled to a reduction under its scheme, that person's application for a reduction under the authority's scheme may also be treated as an application for a reduction under section 13A(1)(c).

---

<sup>40</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

**Section 101 – 106A<sup>41</sup>**  
**Electronic Communication**

---

<sup>41</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

## **101.0 Interpretation**

- 101.1 In this Part;  
“**information**” includes an application, a certificate, notice or other evidence; and  
“**official computer system**” means a computer system maintained by or on behalf of an authority for sending, receiving, processing or storing of any information.

## **102.0 Conditions for the use of electronic communication**

- 102.1 The authority may use an electronic communication in connection with applications for, and awards of, reductions under its scheme.
- 102.2 A person other than the authority may use an electronic communication in connection with the matters referred to in paragraph (1) if the conditions specified in paragraphs (3) to (6) are satisfied.
- 102.3 The first condition is that the person is for the time being permitted to use an electronic communication by an authorisation given by means of a direction of the Chief Executive of the authority.
- 102.4 The second condition is that the person uses an approved method of;
- (a) authenticating the identity of the sender of the communication;
  - (b) electronic communication;
  - (c) authenticating any application or notice delivered by means of an electronic communication; and
  - (d) subject to sub-paragraph (7), submitting to the authority any information.
- 102.5 The third condition is that any information sent by means of an electronic communication is in a form approved for the purposes.
- 102.6 The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.
- 102.7 Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.
- 102.8 In this paragraph “approved” means approved by means of a direction given by the Chief Executive of the authority for the purposes of this section.

## **103.0 Use of intermediaries**

- 103.1 The authority may use intermediaries in connection with;
- (a) the delivery of any information by means of an electronic communication; and
  - (b) the authentication or security of anything transmitted by such means,
- and may require other persons to use intermediaries in connection with those matters.

## **104.0 Effect of delivering information by means of electronic communication**

- 104.1 Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of an authority’s scheme on the day the conditions imposed;
- (a) by this section; and
  - (b) by or under an enactment,

are satisfied.

104.2 The authority may determine that any information is to be treated as delivered on a different day (whether earlier or later) from the day provided for in sub-paragraph (1).

104.3 Information may not be taken to have been delivered to an official computer system by means of an electronic communication unless it is accepted by the system to which it is delivered.

#### **105.0 Proof of identity of sender or recipient of information**

105.1 If it is necessary to prove, for the purpose of any legal proceedings, the identity of—  
(a) the sender of any information delivered by means of an electronic communication to an official computer system; or  
(b) the recipient of any such information delivered by means of an electronic communication from an official computer system,  
the sender or recipient, as the case may be, is to be presumed to be the person whose name is recorded as such on that official computer system.

#### **106.0 Proof of delivery of information**

106.1 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any information this is presumed to have been the case where;

(a) any such information has been delivered to the relevant authority, if the delivery of that information has been recorded on an official computer system; or

(b) any such information has been delivered by the relevant authority, if the delivery of that information has been recorded on an official computer system.

106.2 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any such information, this is presumed not to be the case, if that information delivered to the relevant authority has not been recorded on an official computer system.

106.3 If it is necessary to prove, for the purpose of any legal proceedings, when any such information sent by means of an electronic communication has been received, the time and date of receipt is presumed to be that recorded on an official computer system.

#### **106A.0 Proof of content of information**

106A.1 If it is necessary to prove, for the purpose of any legal proceedings, the content of any information sent by means of an electronic communication, the content is presumed to be that recorded on an official computer system.

**Section 107**  
**Counter Fraud and Compliance**

## **107.0 Counter Fraud and compliance**

107.1 In order to protect the finances of the authority and also in the interests of all council taxpayers, the authority will undertake such actions as allowed by law to;

- a. Prevent and detect fraudulent claims and actions in respect of Council tax reduction;
- b. Carry out investigations fairly, professionally and in accordance with the law; and
- c. Ensure that sanctions are applied in appropriate cases

107.2 The authority believes that it is important to minimise the opportunity for fraud and;

- a. will implement rigorous procedures for the verification of claims for council tax reduction;
- b. will employ sufficient Officers to fulfil the authority's commitment to combat fraud;
- c. will actively tackle fraud where it occurs in accordance with this scheme;
- d. will co-operate with the Department for Work and Pensions (DWP), Her Majesty's Revenues and Customs and take part in joint working including prosecutions; and
- e. will in all cases seek to recover all outstanding council tax.

107.3 The authority shall put into place such administrative policies, procedures and processes as are necessary to ensure that the actions outlined within paragraph 107.1 and 107.2 can be carried out successfully. In particular the authority shall undertake actions provided by the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.

**Schedule 1**  
**Applicable Amounts<sup>42</sup>**

---

<sup>42</sup> <sup>42</sup> The amounts shown within this schedule shall be updated in line with the Housing Benefit Regulations 2006 as amended

### Personal Allowance

- 1 The amounts specified in column (2) below in respect of each person or couple specified in column (1) shall be the amounts specified for the purposes the main scheme;

Column 1 Person or Couple	Column 2
1. A Single applicant who; a) is entitled to main phase employment and support allowance	£73.10
b) is aged not less than 25	£73.10
c) is aged not less than 18 but less than 25	£57.90
2. Lone Parent	£73.10
3. Couple; a) Where the applicant is entitled to the main phase of employment and support allowance	£114.85
b) Where one member is aged not less than 18	£114.85
c) Polygamous Addition	£41.75

For the purposes of paragraph 1 an applicant is entitled to main phase employment and support allowance if;

- a. Paragraph 17 or 18 is satisfied in relation to the applicant; or
- b. The applicant is entitled to a converted employment and support allowance

- 2 (1) The amount specified in column (2) below in respect of each person specified in column (1) shall, for the relevant period specified in column (1), be the amounts specified for the purposes of the main scheme

Column 1 Child or Young Person	Column 2
Person in respect of the period– (a) beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday;	£66.90
(b) beginning on the first Monday in September following that person's sixteenth birthday and ending on the day preceding that person's twentieth birthday.	£66.90
(c) Third or subsequent dependent child or young person whose date of birth falls on or after 1 <sup>st</sup> April 2017. This shall be determined in accordance with the Housing Benefit Regulations 2006 (as amended).	NIL

(2) In column (1) of the table in paragraph (1), "the first Monday in September" means the Monday which first occurs in the month of September in any year.

### Family Premiums

3. (1) The amount for the purposes of this scheme in respect of a family of which at least one member is a child or young person shall be
- a. where the applicant is a lone parent to whom sub-paragraph (3) of Schedule 3 of the

- Housing Benefit Regulations 2006 applies, £22.20;
- b. in any other case, £17.45;
- c. **No family premium will be awarded where an application for reduction is received on or after 1<sup>st</sup> May 2016.**
  - i) Sub paragraph (c) shall not apply to a person who, on 30<sup>th</sup> April 2016, is entitled to Council Tax Reduction and is:
    - a. a member of a family of which at least one member is a child or young person; or
    - b. a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.
  - (c) (i) above does not apply if—
    - (a) sub-paragraph 3 c (i) (a) or (b) of that paragraph ceases to apply; or
    - (b) the person makes a new claim for Council Tax Reduction;

#### **Premiums**

4. Except as provided in paragraph 5, the premiums specified this Schedule shall, for the purposes of this scheme, be applicable to an applicant who satisfies the condition specified in paragraphs 4 to 16 in respect of that premium.
5. Subject to paragraph 6, where an applicant satisfies the conditions in respect of more than one premium in this this Schedule, only one premium shall be applicable to him and, if they are different amounts, the higher or highest amount shall apply.
- 6 (1) The following premiums, namely—
  - a. severe disability premium to which paragraph 10 applies;
  - b. an enhanced disability premium to which paragraph 11 applies;
  - c. a disabled child premium to which paragraph 12 applies; and a
  - d. carer premium to which paragraph 13 applies,
 may be applicable in addition to any other premium which may apply under this Schedule
7. (1) Subject to sub-paragraph (2), for the purposes of this Schedule, once a premium is applicable to an applicant under this Part, a person shall be treated as being in receipt of any benefit for
  - a. in the case of a benefit to which the Social Security (Overlapping Benefits) Regulations 1979 applies, any period during which, apart from the provisions of those Regulations, he would be in receipt of that benefit; and
  - b. any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the 1973 Act or by Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise under or section 2 of the Enterprise and New Towns(Scotland) Act 1990 for any period during which he is in receipt of a training allowance.
 (2) For the purposes of the carer premium, a person shall be treated as being in receipt of carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the Act or the daily living component of the personal independence payment under the Welfare Reform Act 2012 or an AFIP.

#### **Disability Premium**

8. The condition (s) to be met is contained in Schedule 3 (12) Housing Benefit Regulations 2006

#### **Additional Condition for the Disability Premiums**

9. The condition (s) to be met is contained in Schedule 3 (13) Housing Benefit Regulations 2006

**Severe Disability Premiums**

10. The condition (s) to be met is contained in Schedule 3 (14) Housing Benefit Regulations 2006

**Enhanced Disability Premium**

11. The condition (s) to be met is contained in Schedule 3 (15) Housing Benefit Regulations 2006

**Disabled Child Premium**

12. The condition (s) to be met is contained in Schedule 3 (16) Housing Benefit Regulations 2006

**Carer Premium**

13. The condition (s) to be met is contained in Schedule 3 (17) Housing Benefit Regulations 2006

**Persons in receipt of concessionary payments**

14. For the purpose of determining whether a premium is applicable to a person under paragraphs 8 to 13, any concessionary payment made to compensate that person for the non-payment of any benefit mentioned in those paragraphs shall be treated as if it were a payment of that benefit.

**Persons in receipt of benefit for another**

15. For the purposes of this Schedule, a person shall be regarded as being in receipt of any benefit if, and only if, it is paid in respect of him and shall be so regarded only for any period in respect of which that benefit is paid.

**Amounts of Premium**

16. For the purposes of this Schedule, the following amounts shall apply;

Premium	Amount
<b>Disability Premium</b>	£32.25
a. where the applicant satisfies the condition in paragraph 12(a) of Schedule 3 Housing Benefit Regulations 2006	
b. where the applicant satisfies the condition in paragraph 12(b) of Schedule 3 Housing Benefit Regulations 2006	£45.95
<b>Severe Disability Premium</b>	£61.85
a. where the applicant satisfies the condition in paragraph 14(2)(a) of Schedule 3 Housing Benefit Regulations 2006	
b. where the applicant satisfies the condition in paragraph 14(2)(b) of Schedule 3 Housing Benefit Regulations 2006	£61.85
i. in a case where there is someone in receipt of carer's allowance or if he or any partner satisfies that condition only by virtue of paragraph 14(5);	
ii. in a case where there is no one in receipt of such an allowance	£123.70
<b>Disabled Child Premium</b>	£60.06 in respect of each child or young person in respect of whom the condition specified in paragraph 16 of Part 3 of Schedule 3 Housing Benefit Regulations 2006
<b>Carer Premium</b>	£34.60 in respect of each person who satisfies the condition specified in paragraph 17 of Part 3 of Schedule 3 Housing Benefit

	Regulations 2006
<b>Enhanced Disability Premium</b>	<p>(a) £24.43 in respect of each child or young person in respect of whom the conditions specified in paragraph 15 of Part 3 of Schedule 3 Housing Benefit Regulations 2006 are satisfied;</p> <p>(b) £15.75 in respect of each person who is neither–</p> <p>(i) a child or young person; nor</p> <p>(ii) a member of a couple or a polygamous marriage, in respect of whom the conditions specified in paragraph 15 are satisfied;</p> <p>(c) £22.60 where the applicant is a member of a couple or a polygamous marriage and the conditions specified in paragraph 15 of Part 3 of Schedule 3 Housing Benefit Regulations 2006 are satisfied in respect of a member of that couple or polygamous marriage.</p>

#### The components

17. The condition (s) to be met is contained in Schedule 3 (21 -24) Housing Benefit Regulations 2006 as amended by the Social Security (Miscellaneous Amendments) Regulations 2013
18. The amount of the work-related activity component is £29.05. The amount of the support component is £36.20. The work related activity component **will not** apply where the applicant has been awarded Employment and Support Allowance on or after 1<sup>st</sup> April 2017 **and** been placed in the Work Related Activity Group

#### Transitional Addition

19. The applicant is entitled to the transitional addition calculated in accordance with paragraph 30 of Schedule 3 of the Housing Benefit Regulations 2006 where the applicant or the applicant's partner meets the conditions contained within paragraphs 27 – 29 of Schedule 3 of the Housing Benefit Regulations 2006

#### Amount of transitional addition

20. The amount of any transitional addition is calculated in accordance with paragraphs 30 and 31 of Schedule 3 of the Housing Benefit Regulations 2006

## **Schedule 2**

### **Second Adult Reduction**

**(Alternative Maximum Council tax reduction for protected groups as defined with paragraph 2A.1)**

1. Subject to paragraphs 2 and 3, the alternative maximum Council Tax Reduction in respect of a day for the purpose of section 62 shall be determined in accordance with the following Table and in this Table
  - a) 'second adult' means any person or persons residing with the applicant; and
  - (b) 'persons to whom paragraph 45.2 applies' includes any person to whom that section would apply were they, and their partner if they had one, below the qualifying age for state pension credit.
2. In this Schedule 'council tax due in respect of that day' means the council tax payable under section 10 or 78 of the 1992 Act less–
  - (a) any reductions made in consequence of any enactment in, or under, the 1992 Act; and
  - (b) in a case to which sub-paragraph (c) in column (1) of the table below applies, the amount of any discount which may be appropriate to the dwelling under the 1992 Act.

Second Adult	Alternative Maximum Council Tax Reduction
(a) Where the second adult or all second adults are in receipt of income support, an income-related employment and support allowance or state pension credit or are persons on an income-based jobseeker's allowance;	25 per cent of the council tax due in respect of that day;
(b) where the gross income of the second adult or, where there is more than one second adult, their aggregate gross income disregarding any income of persons on income support, an income-related employment and support allowance, state pension credit or an income-based jobseeker's allowance–	<p>is less than £193.00 per week; - 15 per cent of the council tax due in respect of that day;</p> <p>is not less than £193.00 per week but less than £250.00 per week; - 7.5 per cent of the council tax due in respect of that day;</p>
(c) where the dwelling would be wholly occupied by one or more persons to whom regulation 43.1 applies but for the presence of one or more second adults who are in receipt of income support, state pension credit, an income-related employment and support allowance or are persons on an income-based jobseeker's allowance	100 per cent. of the council tax due in respect of that day.

In determining a second adult's gross income for the purposes of this Schedule, there shall be disregarded from that income;

- a. any attendance allowance, or any disability living allowance under section 71 of the Act or any personal independence payment under the Welfare Reform Act 2012 or an AFIP;
- b. any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund

(2006) which had his income fallen to be calculated under section 30 (calculation of income other than earnings) would have been disregarded under paragraph 24 of Schedule 4 (income in kind); and

- c. any payment which had his income fallen to be calculated under section 30 would have been disregarded under paragraph 36 of Schedule 4 (payments made under certain trusts and certain other payments).

- 3. Where there are two or more second adults residing with the applicant for reduction and any such second adult falls to be disregarded for the purposes of discount in accordance with Schedule 1 of the 1992 Act, his income shall be disregarded in determining the amount of any alternative maximum Council Tax Reduction, unless that second adult is a member of a couple and his partner does not fall to be disregarded for the purposes of discount.

### Schedule 3

#### Sums to be disregarded in the calculation of earnings<sup>43</sup>

---

<sup>43</sup> All amounts within this schedule will be amended in line with the Housing Benefit Regulations 2006 (as amended)

- 1.** In the case of an applicant who has been engaged in remunerative work as an employed earner or, had the employment been in Great Britain, would have been so engaged—
- (a) where—
    - (i) the employment has been terminated because of retirement; and
    - (ii) on retirement he is entitled to a retirement pension under the Act, or is not so entitled solely because of his failure to satisfy the contribution conditions,  
any earnings paid or due to be paid in respect of that employment, but only for a period commencing on the day immediately after the date on which the employment was terminated;
  - (b) where before the first day of entitlement to council tax reduction the employment has been terminated otherwise than because of retirement, any earnings paid or due to be paid in respect of that employment except—
    - (i) any payment of the nature described in
      - (aa) paragraph 25.1(e), or
      - (bb) section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds); and
    - (ii) any award, sum or payment of the nature described in
      - (aa) paragraph 25.1(g) or (h), or
      - (bb) section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals),  
including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;
  - (c) where before the first day of entitlement to council tax reduction—
    - (i) the employment has not been terminated, but
    - (ii) the applicant is not engaged in remunerative work,  
  
any earnings paid or due to be paid in respect of that employment except any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) or paragraph 25.1(i), or (j).
- 2.** In the case of an applicant who, before first day of entitlement to council tax reduction;
- (a) has been engaged in part-time employment as an employed earner or, where the employment has been outside Great Britain, would have been so engaged had the employment been in Great Britain; and
  - (b) has ceased to be engaged in that employment, whether or not that employment has been terminated,  
any earnings paid or due to be paid in respect of that employment except;
    - (i) where that employment has been terminated, any payment of the nature described in paragraph 1(b)(i) or (ii)(bb);
    - (ii) where that employment has not been terminated, any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) or paragraph 25.1(i), (i) or (j).
- 2A.** In the case of an applicant who has been engaged in remunerative work or part-time employment as a self-employed earner or, had the employment been in Great Britain would have been so engaged and who has ceased to be so employed, from the date of the cessation

of his employment any earnings derived from that employment except earnings to which paragraph 27.3 and paragraph 27.4 (earnings of self-employed earners) apply.

3. (1) In a case to which this paragraph applies and paragraph 4 does not apply, £20; but notwithstanding section 15 (calculation of income and capital of members of an applicant's family and of a polygamous marriage) if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £20.
- (2) This paragraph applies where the applicant's applicable amount includes an amount by way of the disability premium, severe disability premium, work-related activity component or support component.
- (3) This paragraph applies where
  - (a) he is a member of a couple and his applicable amount includes an amount by way of the disability premium; and
  - (b) he or his partner has not attained the qualifying age for state pension credit and at least one is engaged in employment.
- (4)–(5) Not used
4. In a case where the applicant is a lone parent, £25.
5. (1) In a case to which neither paragraph 3 nor paragraph 4 applies to the applicant and, subject to sub-paragraph (2), where the applicant's applicable amount includes an amount by way of the carer premium, £20 of the earnings of the person who is, or at any time in the preceding eight weeks was, in receipt of carer's allowance or treated in accordance with this scheme as being in receipt of carer's allowance.
- (2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings shall for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) shall not exceed £20 of the aggregated amount.
6. Where the carer premium is awarded in respect of an applicant who is a member of a couple and whose earnings are less than £20, but is not awarded in respect of the other member of the couple, and that other member is engaged in an employment;
  - (a) specified in paragraph 8(1), so much of the other member's earnings as would not when aggregated with the amount disregarded under paragraph 5 exceed £20;
  - (b) other than one specified in paragraph 8(1), so much of the other member's earnings from such other employment up to £10 as would not when aggregated with the amount disregarded under paragraph 5 exceed £20.
7. In a case where paragraphs 3, 5, 6 and 8 do not apply to the applicant and he is one of a couple and a member of that couple is in employment, £10; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £10.
8. (1) In a case where paragraphs 3, 4, 5 and 6 do not apply to the applicant, £20 of earnings derived from one or more employments as–
  - (a) as a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;

- (b) a part-time fire-fighter employed by a fire and rescue authority (as defined in section 1 of the Fire (Scotland) Act 2005(a)) or a joint fire and rescue board constituted by an amalgamation scheme made under section 2(1) of that Act;
- (c) an auxiliary coastguard in respect of coast rescue activities;
- (d) a person engaged part-time in the manning or launching of a life boat;
- (e) a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001;

but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except to the extent specified in sub-paragraph (2).

- (2) If the applicant's partner is engaged in employment;
  - (a) specified in sub-paragraph (1), so much of his earnings as would not in aggregate with the amount of the applicant's earnings disregarded under this paragraph exceed £20;
  - (b) other than one specified in sub-paragraph (1), so much of his earnings from that employment up to £10 as would not in aggregate with the applicant's earnings disregarded under this paragraph exceed £20.

**9.** Where the applicant is engaged in one or more employments specified in paragraph 8(1), but his earnings derived from such employments are less than £20 in any week and he is also engaged in any other employment so much of his earnings from that other employment, up to £5 if he is a single applicant, or up to £10 if he has a partner, as would not in aggregate with the amount of his earnings disregarded under paragraph 8 exceed £20.

**10.** In a case to which none of the paragraphs 3 to 9 applies, £5.

**10A.** (1) Where;

- (a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;
- (b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and
- (c) paragraph 12 does not apply,

the amount specified in sub-paragraph (7) ('the specified amount').

(2) Where this paragraph applies, paragraphs 3 to 10 do not apply; but in any case where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 4, then paragraph 4 applies instead of this paragraph.

(3) Notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple ('A') it shall not apply to the other member of that couple ('B') except to the extent provided in sub-paragraph (4).

(4) Where A's earnings are less than the specified amount, there shall also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.

(5) This sub-paragraph applies to a person who is;

- (a) in receipt of a contributory employment and support allowance;
- (b) in receipt of incapacity benefit;
- (c) in receipt of severe disablement allowance; or
- (d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975

- (6) 'Exempt work' means work of the kind described in;  
 (a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations; or (as the case may be)  
 (b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,  
 and, in determining for the purposes of this paragraph whether an applicant or a member of a couple is undertaking any type of exempt work, it is immaterial whether that person or their partner is also undertaking other work.
- (7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).
11. Any amount or the balance of any amount which would fall to be disregarded under paragraph 19 or 20 of Schedule 4 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full disregard thereunder.
12. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, his earnings.
13. Any earnings derived from employment, which are payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of those earnings.
14. Where a payment of earnings is made in a currency other than Sterling, any banking charge or commission payable in converting that payment into Sterling.
15. Any earnings of a child or young person.
16. (1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under paragraphs 3 to 10A of this Schedule shall be increased by £17.10.
- (2) The conditions of this sub-paragraph are that—
- (a) the applicant, or if he is a member of a couple, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit Regulations applies; or
- (b) the applicant—
- (i) is, or if he is a member of a couple, at least one member of that couple is aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or
- (ii) is a member of a couple and
- (aa) at least one member of that couple, is engaged in remunerative work for on average not less than 16 hours per week; and
- (bb) his applicable amount includes a family premium; or
- (iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or
- (iv) is, or if he is a member of a couple, at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and;
- (aa) the applicant's applicable amount includes a disability premium, the work-related activity component or the support component ;
- (bb) where he is a member of a couple, at least one member of that couple satisfies the qualifying conditions for the disability premium or either of the components referred to in sub-head (aa) above and is engaged in remunerative work for on average not less than 16 hours per week.

- (3) The following are the amounts referred to in sub-paragraph (1);
- (a) the amount calculated as disregardable from the applicant's earnings under paragraphs 3 to 10A of this Schedule;
  - (b) the amount of child care charges calculated as deductible under paragraph 17(1)(c); and
  - (c) £17.10

- (4) The provisions of section 6 shall apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in paragraph (1) of that section were a reference to 30 hours.

- 17.** In this Schedule 'part-time employment' means employment in which the person is engaged on average for less than 16 hours a week.

## Schedule 4

### Sums to be disregarded in the calculation of income other than earnings<sup>44</sup>

---

<sup>44</sup> Any amounts shown in this schedule will be updated in line with the Housing Benefit Regulations 2006 as amended

1. Any amount paid by way of tax on income, which is to be taken into account under section 30 (calculation of income other than earnings).
- A2. Any payment made to the claim and in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme.
- A3. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme, but only for 52 weeks beginning with the date of receipt of the payment.
2. Any payment in respect of any expenses incurred or to be incurred by an applicant who is–
  - (a) engaged by a charitable or voluntary organisation, or
  - (b) volunteer,
 if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under section 32.0 (notional income).
- 2A. Any payment in respect of expenses arising out of the applicant’s participation as a service user.
3. In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.
4. Where an applicant is on income support, an income-based jobseeker’s allowance or an income-related employment and support allowance the whole of his income.
5. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker’s allowance, the whole of the applicant’s income.
6. Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker’s allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.
7. Any disability living allowance or personal independence payment or AFIP
8. Any concessionary payment made to compensate for the non-payment of;
  - (a) any payment specified in paragraph 7 or 10;
  - (b) income support;
  - (c) an income-based jobseeker’s allowance.
  - (d) an income-related employment and support allowance.
9. Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.
10. Any attendance allowance.
11. Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.
12. (1) Any payment–

- (a) by way of an education maintenance allowance made pursuant to;
    - (i) regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc);
    - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);
    - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992
  - (b) corresponding to such an education maintenance allowance, made pursuant to;
    - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
    - (ii) regulations made under section 181 of that Act; or
    - (iii) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.
- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
- (a) regulations made under section 518 of the Education Act 1996;
  - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
  - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,
- in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).
- 13.** Any payment made to the applicant by way of a repayment under regulation 11(2) of the Education (Teacher Student Loans) (Repayment etc.) Regulations 2002.
- 14** (1) Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 except a payment;
- (a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;
  - (b) of an allowance referred to in section 2(3) of the 1973 Act or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or
  - (c) intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.
- (2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1)(c) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
- 15** (1) Subject to sub-paragraph (2), any of the following payments;
- (a) a charitable payment;
  - (b) a voluntary payment;
  - (c) a payment (not falling within sub-paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;
  - (d) a payment under an annuity purchased;
    - (i) pursuant to any agreement or court order to make payments to the

- applicant; or
- (ii) from funds derived from a payment made, in consequence of any personal injury to the applicant; or
- (e) a payment (not falling within sub-paragraphs (a) to (d) received by virtue of any agreement or court order to make payments to the applicant in consequence of any personal injury to the applicant.
- (2) Sub-paragraph (1) shall not apply to a payment, which is made or due to be made by—
- (a) a former partner of the applicant, or a former partner of any member of the applicant’s family; or
- (b) the parent of a child or young person where that child or young person is a member of the applicant’s family.
- 16.** 100% of any of the following, namely
- (a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 9 or 10);
- (b) a war widow’s pension or war widower’s pension;
- (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
- (d) a guaranteed income payment;
- (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
- (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
- (g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.
- 17.** Subject to paragraph 35, £15 of any;
- (a) widowed mother’s allowance paid pursuant to section 37 of the Act;
- (b) widowed parent’s allowance paid pursuant to section 39A of the Act.
- 18.** (1) Any income derived from capital to which the applicant is or is treated under section 41 (capital jointly held) as beneficially entitled but, subject to sub- paragraph (2), not income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28 of Schedule 5.
- (2) Income derived from capital disregarded under paragraphs 2, 4 or 25 to 28 of Schedule 5 but only to the extent of—
- (a) any mortgage repayments made in respect of the dwelling or premises in the period during which that income accrued; or
- (b) any council tax or water charges which the applicant is liable to pay in respect of the dwelling or premises and which are paid in the period during which that income accrued.
- (3) The definition of ‘water charges’ in paragraph 2(1) shall apply to sub-paragraph (2) of this paragraph with the omission of the words ‘in so far as such charges are in respect of the dwelling which a person occupies as his home’.
- 19.** Where the applicant makes a parental contribution in respect of a student attending a course at an establishment in the United Kingdom or undergoing education in the United Kingdom, which contribution has been assessed for the purposes of calculating—
- (a) under, or pursuant to regulations made under powers conferred by, sections 1 or 2 of the Education Act 1962 or section 22 of the Teaching and Higher Education Act 1998, that student’s award;
- (b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student’s bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of

that Act of 1980, any payment to that student under that section; or  
(c) the student's student loan,  
an amount equal to the weekly amount of that parental contribution, but only in respect of the period for which that contribution is assessed as being payable.

- 20.** (1) Where the applicant is the parent of a student aged under 25 in advanced education who either;
- (a) is not in receipt of any award, grant or student loan in respect of that education; or
  - (b) is in receipt of an award under section 2 of the Education Act 1962 (discretionary awards) or an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,
- and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 19, an amount specified in sub-paragraph (2) in respect of each week during the student's term.
- (2) For the purposes of sub-paragraph (1), the amount shall be equal to—
- (a) the weekly amount of the payments; or
  - (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),
- whichever is less.
- 21.** Any payment made to the applicant by a child or young person or a non- dependant.
- 22.** Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person other than one to whom paragraph 21 or 23 refers and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family—
- (a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or
  - (b) where the aggregate of any such payments is £20 or more per week, £20.
- 23.** (1) Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to—
- (a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20.00, 100 per cent. of such payments;
  - (b) where the aggregate of any such payments exceeds £20.00, £20.00 and 50 per cent. of the excess over £20.00.
- (2) In this paragraph, 'board and lodging accommodation' means accommodation provided to a person or, if he is a member of a family, to him or any other member of his family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises.
- 24.** (1) Any income in kind, except where regulation 30(11)(b) (provision of support under section 95 or 98 of the Immigration and Asylum Act in the calculation of income other than earnings) applies.
- (2) The reference in sub-paragraph (1) to 'income in kind' does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.

25. Any income which is payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.
26. (1) Any payment made to the applicant in respect of a person who is a member of his family–
- (a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance or with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978(b) (schemes for payments of allowances to adopters); or in accordance with an Adoption Allowance Scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (Adoption Allowances Schemes)
  - (b) not used
  - (ba) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child’s maintenance where the child is living with a person as a result of a residence order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);
  - (c) which is a payment made by an authority, as defined in Article 2 of the Children Order, in pursuance of Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child’s maintenance);
  - (d) in accordance with regulations made pursuant to section 14F of the Children Act 1989(c) (special guardianship support services);
- (2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
27. Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made
- (a) by a local authority under–
    - (i) section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),
    - (ii) section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or
    - (iii) regulations 33 or 51 of the Looked After Children (Scotland) Regulations 2009 (fostering and kinship care allowances and fostering allowances); or
  - (b) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).
28. Any payment made to the applicant or his partner for a person (‘the person concerned’), who is not normally a member of the applicant’s household but is temporarily in his care, by–
- (a) a health authority;
  - (b) a local authority but excluding payments of housing benefit made in respect of the person concerned;
  - (c) a voluntary organisation;
  - (d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;
  - (e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or
  - (f) a Local Health Board established under section 16BA of the National Health Service Act 1977 or established by an order made under section 11 of the National Health Service (Wales) Act 2006
29. Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for

children and their families and advice and assistance to certain children).

- 29A.** (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989(e) or section 29 of the Children (Scotland) Act 1995(local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.
- (2) Sub-paragraph (1) applies only where A;
- (a) was formerly in the applicant's care, and
  - (b) is aged 18 or over, and
  - (c) continues to live with the applicant.
- 30.** (1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments;
- (a) on a loan which is secured on the dwelling which the applicant occupies as his home; or
  - (b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.
- (2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—
- (a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (b); and
  - (b) meet any amount due by way of premiums on—
    - (i) that policy; or
    - (ii) in a case to which sub-paragraph(1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).
- 31.** Any payment of income which, by virtue of section 36 (income treated as capital) is to be treated as capital.
- 32.** Any social fund payment made pursuant to Part 8 of the Act (the Social Fund) or any local welfare provision as defined by the Social Security (Miscellaneous Amendments) Regulations 2013
- 33.** Any payment under Part 10 of the Act (Christmas bonus for pensioners).
- 34.** Where a payment of income is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
- 35.** The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under paragraph 15.2 (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under paragraph 47.2(b) and paragraph 48.1(d) (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 51(2) (treatment of student loans), paragraph 52(3) (treatment of payments from access funds) and paragraphs 17 shall in no case exceed £20 per week.
- 36.** (1) Any payment made under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).
- (2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of;

- (a) the person who is suffering from haemophilia or who is a qualifying person;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
- (b) the payment is made either;
  - (i) to that person's parent or step-parent, or
  - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and
- (b) the payment is made either
  - (i) to that person's parent or step-parent, or
  - (ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation and the London Bombings Relief Charitable Fund.

- 37.** Any housing benefit or council tax benefit.
- 38.** Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.
- 39. - 40.** not used
- 41.** Any payment to a juror or witness in respect of attendance at a court other than compensation for loss of earnings or for the loss of a benefit payable under the benefit Acts.
- 42.** Not used
- 43.** Any payment in consequence of a reduction of council tax under section 13 or section 80 of the 1992 Act (reduction of liability for council tax).
- 44.** Not used
- 45.** (1) Any payment or repayment made—  
 (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);  
 (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);  
 (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies).  
 (2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment or repayment, mentioned in sub-paragraph (1).
- 46.** Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins).
- 47.** Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.
- 48.** (1) Where an applicant's applicable amount includes an amount by way of a family premium, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the applicant's former partner, or the applicant's partner's former partner.  
 (2) For the purpose of sub-paragraph (1) where more than one maintenance payment falls to be taken into account in any week, all such payments such be aggregated and treated as if they were a single payment.  
 (3) A payment made by the Secretary of State in lieu of maintenance shall, for the purpose of sub-paragraph (1), be treated as a payment of maintenance made by a person specified in sub-paragraph (1).
- 48A.** (1) Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the applicant's family, except where the person making the payment is the applicant or the applicant's partner.  
 (2) In paragraph (1) 'child maintenance' means any payment towards the maintenance of a child or young person, including any payment made voluntarily and payments made under;

- (a) the Child Support Act 1991;
- (b) the Child Support (Northern Ireland) Order 1991;
- (c) a court order;
- (d) a consent order;
- (e) a maintenance agreement registered for execution in the Books of Council and Session or the sheriff court books;

'liable relative' means a person listed in regulation 54 (interpretation) of the Income Support (General) Regulations 1987, other than a person falling within sub-paragraph (d) of that definition.

- 49.** Not used
- 50.** Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
- 51.** Any guardian's allowance.
- 52.** (1) If the applicant is in receipt of any benefit under Parts 2, 3 or 5 of the Act, any increase in the rate of that benefit arising under Part 4 (increases for dependants) or section 106(a) (unemployability supplement) of the Act, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.
- (2) If the applicant is in receipt of any pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006, any increase in the rate of that pension or allowance under that Order, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.
- 53.** Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under that Order.
- 54.** In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983(a) (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.
- 55.** (1) Any payment which is
- (a) made under any of the Dispensing Instruments to a widow, widower or
  - (b) surviving civil partner of a person;
    - (i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and
    - (ii) whose service in such capacity terminated before 31st March 1973; and equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006.
- (2) In this paragraph 'the Dispensing Instruments' means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).
- 55A.** Any council tax reduction or council tax benefit to which the applicant is entitled.
- 56.** Except in a case which falls under sub-paragraph (1) of paragraph 16 of Schedule 3, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10
- 56A.–56B.** Not used

- 57.** Any payment made under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).
- 58.** (1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person—  
 (a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;  
 (b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity,  
 in respect of which such assistance is or was received.  
 (2) Sub-paragraph (1) shall apply only in respect of payments, which are paid to that person from the special account
- 59.** (1) Any payment of a sports award except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).  
 (2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.  
 (3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.
- 60.** Where the amount of subsistence allowance paid to a person in a reduction week exceeds the amount of income-based jobseeker's allowance that person would have received in that reduction week had it been payable to him, less 50p, that excess amount.
- 61.** In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise.
- 62.** Any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001 as amended by the Welfare Reform Act 2012 (Consequential Amendments) Regulations 2013.
- 63.** (1) Any payment made by a local authority or by the Welsh Ministers to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.  
 (2) For the purposes of sub-paragraph (1) 'local authority' includes, in England, a county council.
- 64.** Not used
- 65.** Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)
- 66.** Any payment of child benefit.

**Schedule 5**  
**Capital to be disregarded<sup>45</sup>**

---

<sup>45</sup> Any amounts shown in this schedule will be updated in line with the Housing Benefit Regulations 2006 as amended

1. The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of polygamous marriage), only one dwelling shall be disregarded under this paragraph.
- A2. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.
- A3. Any payment made to the applicant in respect of any travel or other expenses incurred or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme but only for 52 weeks beginning with the date of receipt of the payment but only for 52 weeks beginning with the date of receipt of payment.
2. Any premises acquired for occupation by the applicant, which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.
3. Any sum directly attributable to the proceeds of sale of any premises formerly occupied by the applicant as his home which is to be used for the purchase of other premises intended for such occupation within 26 weeks of the date of sale or such longer period as is reasonable in the circumstances to enable the applicant to complete the purchase.
4. Any premises occupied in whole or in part—
  - (a) by a partner or relative of a single applicant or any member of the family as his home where that person has attained the qualifying age for state pension credit or is incapacitated;
  - (b) by the former partner of the applicant as his home; but this provision shall not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.
5. -6. Not Used
7. Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub- leases or sub-tenancies.
8. (1) The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner, or if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of any such asset.  
 (2) The assets of any business owned in whole or in part by the applicant where—
  - (a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but
  - (b) he intends to become engaged or, as the case may be, re-engaged as a self-employed earner in that business as soon as he recovers or is able to become engaged or re-engaged in that business;

for a period of 26 weeks from the date on which the claim for council tax reduction is made, or is treated as made, or, if it is unreasonable to expect him to become engaged or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.
- (3) In the case of a person who is receiving assistance under the self-employment route, the assets acquired by that person for the purpose of establishing or carrying on the

commercial activity in respect of which such assistance is being received.

- (4) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

9. (1) Subject to sub-paragraph (2), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of;
- (a) any payment specified in paragraphs 7, 9 or 10 of Schedule 4;
  - (b) an income-related benefit under Part 7 of the Act;
  - (c) an income-based jobseeker's allowance;
  - (d) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;
  - (e) working tax credit and child tax credit
  - (f) an income-related employment and support allowance

but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.

(2) In a case where the total of any arrears and, if appropriate, any concessionary payment referred to in sub-paragraph (1) relating to one of the specified payments, benefits or allowances amounts to £5,000 or more (referred to in this sub-paragraph and in sub-paragraph (3) as 'the relevant sum') and is

- (a) paid in order to rectify or to compensate for, an official error as defined in regulation 1(2) of the Decisions and Appeals Regulations; and
- (b) received by the applicant in full on or after 14th October 2001,

sub-paragraph (1) shall have effect in relation to such arrears or concessionary payment either for a period of 52 weeks from the date of receipt, or, if the relevant sum is received in its entirety during the award of council tax reduction, for the remainder of that award if that is a longer period.

- (3) For the purposes of sub-paragraph(2), 'the award of council tax reduction' means–
- (a) the award in which the relevant sum is first received (or the first part thereof where it is paid in more than one instalment); and
  - (b) where that award is followed by one or more further awards which, or each of which, begins immediately after the end of the previous award, such further award provided that for that further award the applicant;
    - (i) is the person who received the relevant sum; or
    - (ii) is the partner of the person who received the relevant sum, or was that person's partner at the date of his death.

10. Any sum
- (a) paid to the applicant in consequence of damage to, or loss of the home or any personal possession and intended for its repair or replacement; or
  - (b) acquired by the applicant (whether as a loan or otherwise) on the express condition that it is to be used for effecting essential repairs or improvement to the home, which is to be used for the intended purpose, for a period of 26 weeks from the date on which it was so paid or acquired or such longer period as is reasonable in the circumstances to effect the repairs, replacement or improvement.

11. Any sum–
- (a) deposited with a housing association as defined in section 1(1) of the Housing Associations Act 1985 or section 338(1) of the Housing (Scotland) Act 1987 as a condition of occupying the home;
  - (b) which was so deposited and which is to be used for the purchase of another

home,  
for the period of 26 weeks or such longer period as may be reasonable in the circumstances to enable the applicant to complete the purchase.

- 12.** Any personal possessions except those which have been acquired by the applicant with the intention of reducing his capital in order to secure entitlement to council tax reduction or to increase the amount of that support.
- 13.** The value of the right to receive any income under an annuity or the surrender value (if any) of such an annuity.
- 14.** Where the funds of a trust are derived from a payment made in consequence of any personal injury to the applicant or applicant's partner, the value of the trust fund and the value of the right to receive any payment under that trust.
- 14A.** (1) Any payment made to the applicant or the applicant's partner in consequence of any personal injury to the applicant or, as the case may be, the applicant's partner.
- (2) But sub-paragraph (1)
- (a) applies only for the period of 52 weeks beginning with the day on which the applicant first receives any payment in consequence of that personal injury;
  - (b) does not apply to any subsequent payment made to him in consequence of that injury (whether it is made by the same person or another);
  - (c) ceases to apply to the payment or any part of the payment from the day on which the applicant no longer possesses it;
  - (d) does not apply to any payment from a trust where the funds of the trust are derived from a payment made in consequence of any personal injury to the applicant.
- (3) For the purposes of sub-paragraph (2)(c), the circumstances in which an applicant no longer possesses a payment or a part of it include where the applicant has used a payment or part of it to purchase an asset.
- (4) References in sub-paragraphs (2) and (3) to the applicant are to be construed as including references to his partner (where applicable).
- 15.** The value of the right to receive any income under a life interest or from a life rent.
- 16.** The value of the right to receive any income, which is disregarded under paragraph 13 of Schedule 3 or paragraph 25 of Schedule 4.
- 17.** The surrender value of any policy of life insurance.
- 18.** Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.
- 19.** Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or sections 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).
- 19A.** (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.
- (2) Sub-paragraph (1) applies only where A;
- (a) was formerly in the applicant's care, and

- (b) is aged 18 or over, and
- (c) continues to live with the applicant.

- 20.** Any social fund payment made pursuant to Part 8 of the Act.
- 21.** Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.
- 22.** Any capital which, by virtue of sections 31 or 51 (capital treated as income, treatment of student loans) is to be treated as income.
- 23.** Where any payment of capital is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
- 24.** (1) Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the Charitable Fund.
- (2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) that person’s partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person’s death;
  - (b) any child who is a member of that person’s family or who was such a member and who is a member of the applicant’s family; or
  - (c) any young person who is a member of that person’s family or who was such a member and who is a member of the applicant’s family.
- (3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) the person who is suffering from haemophilia or who is a qualifying person;
  - (b) any child who is a member of that person’s family or who was such a member and who is a member of the applicant’s family; or
  - (c) any young person who is a member of that person’s family or who was such a member and who is a member of the applicant’s family.
- (4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—
- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person’s family; and
  - (b) the payment is made either;
    - (i) to that person’s parent or step-parent; or
    - (ii) where that person at the date of the payment is a child ,a young person or a student who has not completed his full-time education and has no parent or step-

parent, to his guardian,  
but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or any of the Trusts to which sub-paragraph (1) refers, where

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either;

(i) to that person's parent or step-parent; or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited the Skipton Fund, the Caxton Foundation, and the London Bombings Relief Charitable Fund.

**25.** (1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

(2) In this paragraph 'dwelling' includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated.

**26.** Any premises where the applicant is taking reasonable steps to dispose of those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

**27.** Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.

**28.** Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.

**29.** Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.

- 30.** Not used
- 31.** The value of the right to receive an occupational or personal pension.
- 32.** The value of any funds held under a personal pension scheme
- 33.** The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.
- 34.** Any payment in kind made by a charity or under or by the Trusts, the Fund, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).
- 35.** Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990, but only for the period of 52 weeks beginning on the date of receipt of the payment.
- 36.** Not used.
- 37.** Any payment in consequence of a reduction of council tax under section 13 or, as the case may be, section 80 of the Local Government Finance Act 1992 (reduction of liability for council tax), but only for a period of 52 weeks from the date of the receipt of the payment.
- 38.** Any grant made in accordance with a scheme made under section 129 of the Housing Act 1988 or section 66 of the Housing (Scotland) Act 1988 (schemes for payments to assist local housing authority and local authority tenants to obtain other accommodation) which is to be used—
- (a) to purchase premises intended for occupation as his home; or
  - (b) to carry out repairs or alterations which are required to render premises fit for occupation as his home,
- for a period of 26 weeks from the date on which he received such a grant or such longer period as is reasonable in the circumstances to enable the purchase, repairs or alterations to be completed and the applicant to commence occupation of those premises as his home.
- 39.** Any arrears of supplementary pension which is disregarded under paragraph 53 of Schedule 4 (sums to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 54 or 55 of that Schedule, but only for a period of 52 weeks from the date of receipt of the arrears.
- 40.** (1) Any payment or repayment made—
- (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
  - (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
  - (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies),
- but only for a period of 52 weeks from the date of receipt of the payment or repayment.
- (2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment, or repayment mentioned in sub-paragraph (1), but only for a period of 52 weeks from the date of the receipt of the payment or repayment.
- 41.** Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of

vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins), but only for a period of 52 weeks from the date of receipt of the payment.

- 41A.** Any payment made under Part 8A of the Act (entitlement to health in pregnancy grant).
- 42.** Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.
- 43.** Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
- 44.** Not used
- 45.** Any payment made by a local authority under section 3 of the Disabled Persons (Employment) Act 1958 to homeworkers assisted under the Blind Homeworkers' Scheme.
- 46.** (1) Subject to sub-paragraph (2), where an applicant satisfies the conditions in section 131(3) and (6) of the Act (entitlement to alternative maximum council tax reduction), the whole of his capital.  
(2) Where in addition to satisfying the conditions in section 131(3) and (6) of the Act the applicant also satisfies the conditions in section 131(4) and (5) of the Act (entitlement to the maximum council tax reduction), sub-paragraph (1) shall not have effect.
- 47.** (1) Any sum of capital to which sub-paragraph (2) applies and  
(a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 (as amended by the Civil Procedure (Amendment No. 7) Rule 2013) or by the Court of Protection;  
(b) which can only be disposed of by order or direction of any such court; or  
(c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.  
(2) This sub-paragraph applies to a sum of capital which is derived from;  
(a) an award of damages for a personal injury to that person; or  
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.
- 48.** Any sum of capital administered on behalf of a person in accordance with an order made under section 13 of the Children (Scotland) Act 1995, or under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules, where such sum derives from  
(a) award of damages for a personal injury to that person; or  
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.
- 49.** Any payment to the applicant as holder of the Victoria Cross or George Cross.
- 50.** Not used
- 51.** In the case of a person who is receiving, or who has received, assistance under the self-employment route, any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.
- 52.** (1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that payment except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

- 53.** (1) Any payment;
- (a) by way of an education maintenance allowance made pursuant to–
    - (i) regulations made under section 518 of the Education Act 1996;
    - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;
    - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
  - (b) corresponding to such an education maintenance allowance, made pursuant to;
    - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
    - (ii) regulations made under section 181 of that Act ;

or in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
- (a) regulations made under section 518 of the Education Act 1996;
  - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
  - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992, in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

**53A.-53B.** Not used

**54.** In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.

**55.** Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of receipt of the payment.

**56.** Where an ex-gratia payment of £10,000 has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or interment of–

- (a) the applicant;
- (b) the applicant's partner;
- (c) the applicant's deceased spouse or deceased civil partner; or
- (d) the applicant's partner's deceased spouse or deceased civil partner,

by the Japanese during the Second World War, £10,000.

**57.** (1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant's family who is

- (a) a diagnosed person;
- (b) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
- (c) a parent of a diagnosed person, a person acting in place of the diagnosed

- person's parents or a person who was so acting at the date of the diagnosed person's death; or
- (d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.
- (2) Where a trust payment is made to;
- (a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;
- (b) a person referred to in sub-paragraph (1)(c), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending two years after that date;
- (c) a person referred to in sub-paragraph (1)(d), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending—
- (i) two years after that date; or
- (ii) on the day before the day on which that person—
- (aa) ceases receiving full-time education; or
- (bb) attains the age of 20,
- whichever is the latest.
- (3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is—
- (a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
- (b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
- (c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death, but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.
- (4) Where a payment as referred to in sub-paragraph (3) is made to—
- (a) a person referred to in sub-paragraph (3)(a), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending on the date on which that person dies;
- (b) a person referred to in sub-paragraph (3)(b), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending two years after that date; or
- (c) person referred to in sub-paragraph (3)(c), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending—
- (i) two years after that date; or
- (ii) on the day before the day on which that person
- (aa) ceases receiving full-time education; or
- (bb) attains the age of 20,
- whichever is the latest.
- (5) In this paragraph, a reference to a person—
- (a) being the diagnosed person's partner;
- (b) being a member of a diagnosed person's family;
- (c) acting in place of the diagnosed person's parents,
- at the date of the diagnosed person's death shall include a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home, an Abbeyfield Home or an independent hospital on that date.

- (6) In this paragraph– ‘diagnosed person’ means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeld- Jakob disease;  
‘relevant trust’ means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeld- Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;  
‘trust payment’ means a payment under a relevant trust.

- 58.** The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant’s partner, the applicant’s deceased spouse or deceased civil partner or the applicant’s partner’s deceased spouse or deceased civil partner
- (a) was a slave labourer or a forced labourer;
  - (b) had suffered property loss or had suffered personal injury; or
  - (c) was a parent of a child who had died,
- during the Second World War.
- 59** (1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service, which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.
- (2) For the purposes of sub-paragraph (1) ‘local authority’ includes in England a county council.
- 60.** Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or under section 12B of the Social Work (Scotland) Act 1968, or under section 12A to 12D of the National Health Service Act 2006 (direct payments for health care).
- 61.** Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
- 62.** Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).
- 63.** Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)

# 1. Community Impact Assessment - Localised Council Tax Support scheme 2017/18

## Section 1 – Overview

The national Council Tax Benefit (CTB) scheme came to an end on 31<sup>st</sup> March 2013 and was replaced by a locally determined system of Council Tax Support (CTS). The Council consulted on the local scheme in 2012 and designed a scheme that we think is fair, encourages people to work and remain in work and reduces the impact of the most vulnerable claimants where possible.

The aim of the Council Tax Support scheme is to provide financial assistance to council taxpayers within the Council's area who have low incomes.

The Council currently pays Council Tax Support to around 15,196 claimants and 8,728 of these are of working age. We recognise that Council Tax Support is paid to greater numbers of women than men and in particular females who do not have a partner. Therefore, we acknowledge that any change to the Council Tax Support scheme will have a disproportionate affect on female claimants.

We have included a breakdown of our current caseload in Appendix 1 (as of 31 October 2016).

Persons who are of state pension age (a minimum 60 years of age for women or 65 for men) are protected under the scheme, in that the calculation of the support they are to receive has been set by Central Government. For working age applicants however, the support they receive is to be determined by the local authority.

This equality impact assessment looks at the potential for **not only** protecting pensioners (as required under the legislation) **but also** providing full support to all working age claimants who are considered **vulnerable** as defined below;

- The claimant or partner is in receipt of a severe disability premium within the calculation of council tax support or within any means tested benefit (Housing Benefit, Income Support, Employment and Support Allowance (Income Related) or Job Seeker's Allowance (Income Based)); or
- The claimant, partner or any dependant is in receipt of a enhanced disability premium within the calculation of council tax support or within any means tested benefit (Housing Benefit, Income Support, Employment and Support Allowance (Income Related) or Job Seeker's Allowance (Income Based)); or
- The claimant, partner of any dependant is in receipt of Personal Independence Payment (daily living component) at the enhanced rate.
- The claimant or partner is in receipt of a support component within the calculation of council tax support or within their Employment and Support Allowance; or
- The claimant or partner receives War Disablement Pension or a War Widow's/Widower's Pension, or any similar payment from another country.

The objective in adopting this policy would be as follows;

- a. To protect pension age claimants (in accordance with the requirements laid down by Central Government);
- b. to protect a specific section of the existing claimant group deemed to be highly vulnerable and independently verified as being the most seriously disabled, injured or sick and not likely to be able to obtain work; and
- c. to protect the beneficiaries of Council's commitment to the Armed Forces Covenant

The main issue for the Council is that the funding for support by Government has been reduced significantly. Continuing to protect these two additional working age groups (bearing in mind that pensioners are already protected under the scheme by Central Government) increases the shortfall in funding to be borne by the remaining working age claimants who are not deemed vulnerable.

Central Government has not been prescriptive in how an authority should protect vulnerable groups but points to the Council's existing responsibilities including the Child Poverty Act 2010, the Disabled Person Act 1986 and the Housing Act 1996 as well as the Public Sector Equality Duty in section 149 of the Equality Act 2010.

In relation to disability, no definition has been given as to the level which would lead to protection being given, although it is acknowledged that where a person is in the longer term able to undertake work, that they should be incentivised to do so.

This would not apply to those who are deemed severely disabled.

There are a number of changes being proposed;

**1. New claims will only take into account a maximum of 2 dependant children per family**

Aligned with government policy, this change is aimed at removing incentives to have large families when in receipt of state benefits. It applies to other forms of welfare support and will be introduced in April 2017.

It will affect new claims only.

**2. Introduce reduced temporary absence rules**

Aligned with Government policy this will reduce allowable temporary absence from 13 weeks to 4 weeks. There are some exceptions in relation to;

- the death of a partner, child or close relative
- receiving medical treatment
- a person who has fled their home due to fear of violence
- a member of Her Majesty's forces posted overseas

**3. Change the proportion of Council Tax a working age eligible claimant has to pay; currently it is 21% of the bill. This is one of a number of options being considered are;**

**a. Change proportion from 21% to 25%. This is the preferred option.**

This will develop a saving of £270,000 and includes an overall reduction in the number of claimants as a result of improving economic outlook. It is felt that the increase is fair and affordable amount for many people to pay.

**b. Make no change**

We have modelled a saving on the basis that the overall number of claimants is reducing and the other changes have gone head will produce a saving of approximately £95,000.

**c. Change proportion to 30%**

This is a considerable increase from 21% nearly double and will deliver savings of approximately £485,000. It includes an overall reduction in the number of claimants as a result of improving economic outlook.

Any change to the proportion paid will affect 6431 claimants.

This policy will affect:

- Customers/service-users
- Partners
- Employees
- Other – interested parties and organisations representing or supporting claimants, for example, Citizens Advice Bureau (CAB), Thrive.

The proposals will affect the Council Tax Support Scheme from 1<sup>st</sup> April 2017 and will continue until amended. The scheme is reviewed annually.

**1. Your contact details:**

Name of person completing impact assessment and their post	Melanie Tolhurst, Benefit Welfare and Assurance Group Manager  Or  Lee Higgins – Benefit Service Delivery Manager
Telephone	01952 383838 / 383840

## Section 2 – Impact Assessment

Positive and negative impacts are assessed with regard to the General Equality Duty;

- eliminate unlawful discrimination, harassment and victimisation
- advance equality of opportunity
- foster good relations between different groups

	Impact (X)		
	Positive	Negative	None
People of different ages		Working age 18-65yrs	Pension age and protected groups
People with ill health or people with a disability		Disabled persons not in protected group	Severely Disabled persons are in protected group
People of different genders		Women of working age will be affected more than men as they represent a higher number of claimants and tend to be in lower wage employment.	
People who are transgender			No evidence to indicate impact
Different racial groups			No evidence to indicate impact
People with different religion or beliefs			No evidence to indicate impact
People of different sexual orientations			No evidence to indicate impact
Women who are pregnant or breast-feeding			No evidence to indicate impact
People that are married or in a civil partnership			No evidence to indicate impact
People affected by deprivation		Working age 18-65yrs (although there is some protection for low incomes on an exceptional basis)	

## What is the expected impact?

All persons within the Council's area who are liable for Council Tax with a low income may apply for support and assistance with their Council Tax.

They do this by making an application, providing evidence of their income and household circumstances, their potential entitlement for support will be calculated in line with Central Government prescribed requirements for the Council Tax Support (Reduction) scheme.

The desired outcomes of the local scheme are;

### ○ **Pension Age Claimants**

- That all pensioners receive the level of support required by regulations set by Central Government (Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012);
- That all new pensioner claimants or existing working age claimants who rise to pension age are able to receive Council Tax Support in line with the regulations; and
- That all pensioner claimants continue to receive the correct level of support at all times.

There are currently 6468 pensioner claimants of Council Tax Support.

### ○ **Severely Disabled Working Age Claimants (as defined above)**

- That all working age severely disabled claimants receive the level of support previously provided under the abolished Council Tax Benefit scheme;
- That all new working age severely disabled claimants or existing working age claimants who become severely disabled are able to receive Council Tax support in line with the abolished Council Tax Benefit scheme; and
- That all working age severely disabled claimants continue to receive the correct level of support at all times.

People who fall within this category are considered vulnerable.

### ○ **Working Age Claimants who receive a war widows pension or war disablement pension**

- That all working age claimants who meet the criteria, receive the level of support currently provided under the abolished Council Tax Benefit scheme;
- That all new working age claimants or existing working age claimants who meet the criteria are able to receive Council Tax support in line with the abolished council tax benefit scheme; and
- That all working age claimants who meet the criteria, continue to receive the correct level of support at all times.

People who fall within these categories are considered vulnerable.

There are currently 2297 vulnerable claimants of Council Tax Support.

### ○ **Remaining Working Age Claimants (not protected)**

- That the remaining (non protected) working age claimants receive the level of support determined by the Council;

- That all new working age claimants or existing working age claimants who are not in the protected categories are able to receive Council Tax Support in line with Council policy; and
- That they continue to receive a sufficient level of support that enables them to be able to afford to make the contribution towards their Council Tax that is required

There are around 6,431 remaining working age claimants who would not be protected from the impact of any changes in the new Council Tax Support scheme.

A breakdown of those affected by Ward or Town and Parish breakdown of Working Age claims (Appendix 3). We recognise there are areas within the Borough where there are higher numbers of people claiming Council Tax Support and acknowledge that claimants in these areas will be affected more than other areas of the Borough..

Individuals affected will need to adjust their finances to accommodate the additional costs of Council Tax. There are numerous organisations across the borough that can provide support to individuals to amend their budget. There may also need to be consideration of support and how it is distributed across the borough.

### **Consultation and engagement**

All major precepting authorities have been consulted on the implementation of the new Council Tax Support scheme and a full consultation with the public was undertaken, as required by the legislation (Local Government Finance Act 2012) from 8 September 2016 to 1 November 2016.

The public consultation was designed to deliver focussed responses regarding the 3 options it also encouraged a number of free text responses about the impact for any changes on them.

The consultation was available to all residents however there was focus on gathering feedback from people who would be directly affected by the proposed changes.

### **Section 3 – Mitigating Actions**

It is **not** possible to protect all claimants given the significant reduction in the funding available to the Council. The reduction in funding for the Council Tax Scheme is part of the Budget set on <Date> March 2016 by Full Council. This budget balances the financial and resources needs across all areas of the Council's areas of responsibility.

The reduction is focussed on working age claimants, 18-65yrs. However, not all working age claimants will see a reduction in support from the current Council Tax Support levels.

Those defined as 'Severely' disabled under this scheme will be fully protected and receive 100% Council Tax Support.

The reduction that others will see will be mitigated to some degree by the Council having the ability to assist claimants in exceptional hardship. A fund will be available for those who find great difficulty financial and each case will be examined on a case-by-case basis taking into account their full personal and financial circumstances.

The Council has already contacted claimants identified as directly affected during the Consultation period.

Before commencement of the 2017/18 Council Tax Support scheme, when the specific impact on each individual claim is known the Council will contact all claimants again directly

affected by the changes to the scheme. It will work closely with them to make them aware of the effect of the changes in each of their individual circumstances. Each claimant identified as affected will be informed of the exceptional hardship fund and how to access it.

Where people identify difficulty with payment, the Council has a dedicated team supporting applications to the fund which are considered in depth and all individual circumstances are closely examined. This team will signpost claimants to the Department for Works and Pensions where they have identified income from other benefits is not being claimed and ensure each claimant is receiving all the income to which they are entitled. Hardship claims are regularly reviewed to take into account changes in claimant's circumstances to ensure that payments are relevant and up to date. Appendix 1d provides information about the use of the Hardship fund during the financial year 2015/2016 and up to date.

The Council has maintained the core aspects of the abolished Council Tax Benefit means tested scheme that provides additional assistance where there are dependants, disability and caring responsibilities by continuing to apply;

- disability premiums;
- enhanced disability premiums;
- severe disability premiums;
- work related activity components (where the person is in receipt of Employment and Support Allowance);
- support component (where the person is in receipt of Employment and Support Allowance);
- disabled child premiums (where dependants are in receipt of Disability Living Allowance or are registered / certified blind; and
- carer's premium where the claimant or partner is in receipt of Carer's Allowance

The scheme also provides significant work incentives with the continued use of;

- earnings disregards;
- additional earnings disregards;
- childcare disregards; and
- extended payments (reductions)

The Council, in creating its policy, has looked to protect families from child poverty by maintaining

- Dependants Additions – an allowance for each child is used within the calculation;
- Disabled Child Premiums – where a child is deemed to be disabled under the policy an additional premium is granted for each child within the calculation;
- Enhanced Disability Premium (where the child is entitled to Disability Living Allowance Care Component at the highest rate); and
- Continuing Family premium for uninterrupted claims – where any claimant has at least one child, a family premium was awarded prior to April 2016. This will continue to be included in the Council's scheme for existing claimants but will be removed for new claims and new births.

In addition child benefit, child maintenance and other income payable to and for the support of children will continue to be disregarded in full.

Previous engagement activities have identified that consideration should be given to those with limited financial management skills, mental health problems and anxiety in completing forms. As part of the wider changes to Welfare Reform being delivered through a number of Council services, the Council will continue to proactively engage and work with interested groups and third party organisations (including but not limited to Citizen's Advice Bureau) to maximise opportunities to support and advise customers affected by the changes, especially but not exclusively limited to customers who may share these characteristics.

Some concerns previously raised regarding access to the Benefit Service can be allayed. The service has access to the full compliment of communication support tools including a telephone and face-to-face application process that can guide a claimant through the process in a supportive manner. Home visits are also available for customers in exceptional circumstances, particularly where the customer may have mobility difficulties or significant complex needs.

#### **Section 4 – General Equality Duty**

Throughout the development of the scheme there has been careful consideration of those with protected characteristics and how the changes would affect them in relation to the General Equality Duty.

- The above actions eliminate unlawful discrimination and maintain the level of support to the most vulnerable within the Council's area.
- We believe the current proposals achieve the aim of protecting the most vulnerable in our society whilst budgetary reductions are implemented locally in relation to available council tax support.
- Where negative impacts have been identified we have made attempts to lessen the impact on those affected; for example, a reactive hardship fund.
- We will also continue to review the situation and seek to provide further mitigation as and when opportunities and budgetary constraints allow.

#### **Section 5 – Review and Monitoring**

The updated policy will be implemented 1st April 2016, subject to Cabinet approval 21 January 2017

We will monitor the uptake and management of the Council Tax support Scheme as a normal business activity. This means it is dealt with in our normal management process and is closely monitored. This is so we can be proactive identifying trends where intervention may be required.

Reports will analyse data collected on a monthly and quarterly basis. Exceptional funds are considered as part of this reporting cycle. Where necessary further information is extracted to further examine negative trends or areas of concern.

The overall Council Tax Support Scheme will be reviewed annually.

## APPENDIX 1

### Current Council Tax Support Caseload Breakdown

#### 1a. Breakdown by case group

Case Group	Number of Current Council Tax Support claims
Pension Age	6468
Working Age	8731

#### 1b. Working Age claims breakdown by gender by the person claiming Council Tax Support

Gender	Number of claims
Female	5804
Male	2927

#### 1c. Working Age claims breakdown by Parish area Ranked by proportion volume

Parish	Number of Council Tax Support claims
Madeley Parish Council	1620
Wellington Town Council	1052
Great Dawley Parish Council	1084
Stirchley & Brookside Parish Council	832
Donnington & Muxton Parish Council	686
Hadley and Leegomery Parish Council	675
Oakengates Town Council	461
St Georges & Priorslee Parish Council	371
Lawley & Overdale Parish Council	335
Hollinswood & Randlay Parish Council	319
Newport Town Council	293
Ketley Parish Council	259
Dawley Hamlets Parish Council	244
Wrockwardine Wood & Trench Parish Council	229
The Gorge Parish Council	105
Others*	86
Wrockwardine Parish Council	52
Ercall Magna Parish Council	28

\*Represents Parish areas with fewer than 20 claimants and have been combined to protect against the potential identification of individuals.

Information extracted from Telford & Wrekin Council Tax information management system 31 October 2015. The number of claimants can change daily so this information is only accurate at the time of extraction

#### 1d. Council Tax Support Hardship Fund distribution 2015/2016

Total amount awarded	£21,216.60
Number of awards	305
Average amount of award	£69.56

82% of awards were made to Working Age customers, but not employed.  
18% of awards were made to Working Age customers, in employment.

# Council Tax Support Consultation

## September to November 2016

### Council Tax Support is changing; **Have your say**



Dear Resident,

In 2013 the national Council Tax Benefit was abolished and replaced with local support schemes, which in Telford and Wrekin is called Council Tax Support.

At the same time, the Government significantly cut the amount of funding it gave to councils to run the Council Tax Support scheme.

Council Tax Support is paid to a wide range of people, including older people, long term unemployed, and those who are unable to work because of disability or ill health. It's also paid to working families in low paid employment, or people who find themselves unemployed for short periods because of redundancy.

In 2012, we asked for your views and with your help designed our Council Tax Support scheme to meet the needs of residents.

Our current scheme is fair to all residents, encourages people to work and remain in work, and reduces the impact on the most vulnerable citizens where possible.

The Council now faces some very tough financial decisions as our funding from Government continues to be cut.

Since 2010, we have made £80 million of cuts. The Council must now deliver between another £45 and £50 million of cuts by 2020.

In January 2016, as part of the Council Budget consultation, we asked the public about their views on a range of proposals to make the cuts we must find. This included a proposal to cut £235,000 from the Council Tax Support scheme, which is around 2% of the overall costs. This proposal was agreed.

We must consider every possible option to avoid cuts to services we provide directly to the community. We are also campaigning hard for fairer funding for the borough. Using the Government's own spending power figures, the borough is underfunded by £12 million a year compared with other English councils.

One of the very difficult decisions we face as our funding is cut is how we fund Council Tax Support in the future. The Government has said that support for pensioners must be protected and so they will not see changes to their entitlement.

We are asking for your views on a number of possible changes to our current scheme for working age people. We want your help to make the decisions that we must take.

Please give us your views to help decide on the changes to our Council Tax Support scheme for 2017/18.

**Councillor Shaun Davies**  
Leader of the Council

## Introduction

Local councils are now responsible for how much Council Tax Support households receive. In 2013 the local Council Tax Support scheme replaced the national Council Tax Benefit.

We asked local people for their views when we introduced our Council Tax Support scheme. Since 2013, we have saved the £3.1 million that we needed to find due to the reduction in Government funding for Council Tax Support.

Telford & Wrekin Council's grant from the Government continues to be cut, and we have already begun finding the £45- 50 million cuts we must make by 2020 on top of the £80 million already made since 2010.

It has been very difficult to make the cuts we have so far and any further cuts will be even harder to make. At the moment the local Council Tax Support scheme costs just under £12 million a year.

The Council now needs to decide if further changes are needed to the scheme to help make more savings. Some plans for savings have been made and we are keen to give everyone, whether they claim Council Tax Support or not, a chance to tell us what they think.

We would like to hear from Council Tax payers including people who claim Council Tax Support as well as other benefits, and other interested individuals and organisations. The information you provide will be treated confidentially and used solely by Telford & Wrekin Council.

The Council is asking for views on changes to the Council Tax Support scheme until **Tuesday 1st November 2016**.

In March 2017, Full Council will set out the plans for the budget for 2017/18.

## Who would be affected?

People receiving Council Tax Support of working age and not classed as "severely disabled" would be directly affected by the proposed changes. Anyone who may need to claim help in the future would also be affected, so it's important to have your say. The changes would affect people both in and out of work.

The changes that we are proposing will not affect pensioners, working age people classed as "severely disabled" or people in receipt of a war pension. This criterion is defined below;

People and their partners who are entitled to a severe disability premium or an enhanced disability premium are defined as "vulnerable". People with a dependant with an enhanced disability premium are protected from the impact of the changes.

People who receive the support component within their Employment and Support Allowance and those who get a War Disablement Pension or a War Widow's/Widower's Pension are also protected.

## Telford & Wrekin Council Proposal

When we designed the local Council Tax Support scheme in 2013 we based it on some key principles. As our financial situation has changed we revised and consulted on these principles.

### Principle 1:

If people are to receive less money in Council Tax Support the impact should be shared as equally as possible across all working age claimants.

### Principle 2:

The most vulnerable people should be protected from changes that would mean they receive less money in Council Tax Support. The Council recognises that severely disabled claimants often have less money and find it difficult to pay Council Tax. This could be because of higher disability related living costs and in some cases, a limited ability to work.

### **Principle 3:**

The needs of people with children or caring responsibilities should be recognised in relation to Council Tax Support.

### **Principle 4:**

The scheme should ensure that there are incentives to encourage people to start or remain in employment.

### **Principle 5:**

We will not make changes that ask people to pay unrealistic and unaffordable levels of Council Tax.

The Government says that local schemes should:

- Support more people into work by ensuring that work always pays;
- Protect the most vulnerable people; and
- Deliver fairness to those claiming benefit and the taxpayer

From 1 April 2017, we are recommending that our local scheme for working age people should mainly stay the same with some new features that are set out on the following pages.

We think that our proposals will help us to continue with a scheme that is fair to all residents, saves the Council money and makes sure that local people can still afford to pay their Council Tax.

To help you give your views about our plans, we have summarised the different options. You can read about these and how much they would cost on the following pages

## **How to give your views**

Please read this whole document before answering the Council Tax Support scheme survey.

You can complete the Council Tax Support scheme survey in a number of ways:

- Online at [www.telford.gov.uk/counciltaxsupport](http://www.telford.gov.uk/counciltaxsupport)
- Or by completing the survey in this booklet and handing it in at First Point offices in Southwater One or Wellington Civic and Leisure Centre, or send to the FREEPOST address below.

You can also give your views by:

- emailing us at [yourviewsmatter@telford.gov.uk](mailto:yourviewsmatter@telford.gov.uk)
- write to  
FREEPOST RTKJ-KGJA-ASXU,  
Co-operative Council Delivery Team  
Telford & Wrekin Council  
Darby House  
Telford  
TF3 4JA

If you would like any further information about the Council Tax Support consultation, please ring 01952 383840.

## **The key features of our current scheme are:**

### **The structure and design of our scheme is very similar to the Government's suggested 'default' Council Tax Support scheme:**

By keeping things the same we help people to understand the rules as they are similar to Housing Benefit and we reduce our administration and IT costs.

### **We protect the severely disabled and those receiving specific types of income from the effect of the cuts:**

People and their partners who are entitled to a severe disability premium or an enhanced disability premium are defined as 'vulnerable'. People with a dependant with an enhanced disability premium are protected from the impact of the changes.

People who receive the support component within their Employment and Support Allowance and those who get a War Disablement Pension or a War Widow's/Widower's Pension are also protected.

### **Savings and capital limit is £6,000:**

Currently, people with savings and capital of more than £6,000 are not entitled to Council Tax Support.

### **Benefit claims are backdated to one month:**

People who have a good reason for not applying for benefit sooner can have their award backdated for up to one month and no longer.

### **There is a £2.50 minimum award level:**

People who are entitled to less than £2.50 a week support will no longer receive Council Tax Support.

### **There is no 'Second Adult' Rebate for working age customers:**

There is no longer a reduction of up to 25% if you have another adult in your household who has a low income.

### **There is a discretionary scheme to deal with extreme financial hardship:**

We created a discretionary fund to give additional Council Tax Support to individuals experiencing extreme financial hardship.

### **There is an upper limit (a cap) on income from state benefit:**

People in receipt of benefits can not receive more in benefits than the average working family earns in wages.

### **There is a minimum weekly income for working age self employed people who had been trading for more than 12 months:**

After 12 months of trading a minimum weekly income is used to calculate Council Tax Support when income declared from their self-employed business is less than 30 hours per week at the National Minimum wage (for people under 25) or the National Living Wage (for people aged 25 or over).

### **Removal of the Family Premium from the assessment:**

The Government said that they were removing the Family Premium for new claims and new births within the assessment of Housing Benefit from April 2016, we made these amendments in our local Council Tax Support scheme too.

**Our intention to only consult on our future Council Tax Support scheme once every four years:**

Public consultations on plans and proposals can cost a lot of money, because of this we would like to only consult on our scheme once every four years after our Council elections, unless we intend to make any changes before then. If we intend to make changes to the scheme we will consult residents and taxpayers before any changes are made.

**We are keeping all of the above features as part of our Council Tax Support Scheme.**

**We are proposing to make the following changes to our scheme from 1 April 2017, this scheme will then remain in place until March 2020 unless government policy changes significantly.**

**Proposal 1. New claims will only take into account a maximum of 2 dependant children per family**

The Government has said that they are going to limit benefit support by only taking into account a maximum of 2 dependant children per family; this will apply in Universal Credit, Tax Credits and Housing Benefit to families who make a new claim from April 2017.

We are proposing to do the same within the assessment of our local Council Tax Support scheme too.

This will not affect any current claims, only new claims from April 2017.

---

**Q1 Please tell us to what extent you agree or disagree with Proposal 1? (Please select one box only)**

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

**If you disagree with this proposal, please tell us why**

## **Proposal 2. Introduce reduced temporary absence rules**

In 2015, the Chancellor announced that changes would be made to the temporary absence rule in Housing Benefit and Pension Credit reducing the allowable period of temporary absence outside Great Britain from 13 weeks to 4 weeks.

This limit applies to new periods of absence only. There are exceptions where an absence is in relation to;

- the death of a partner, child or close relative
- receiving medical treatment
- a person who has fled their home due to fear of violence
- a member of Her Majesty's forces posted overseas

We are proposing to include the same amendment to our Council Tax Support scheme.

---

**Q2 Please tell us to what extent you agree or disagree with Proposal 2? (Please select one box only)**

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

**If you disagree with this proposal, please tell us why**

In order to make further savings we would like to gather resident views on the following 3 options. The Council has said that it must cut at least another £235,000 from its Council Tax Support budget if it is not to make even deeper cuts to other services

## Option A

**Currently all working age customers who receive Council Tax Support (unless they are a pensioner or classed as vulnerable) pay 21% of their Council Tax bill (after appropriate discount have been awarded). We are proposing this will now move to 25% of the bill**

This change would affect 6,446 working age households in the Borough receiving Council Tax Support.

In our current scheme, a single person aged over 25 receives Job Seekers Allowance at £73.10 per week; an average Council Tax bill (with a Single Person Discount) is £14.83 per week, or £771.16 per year (after a Single Person Discount of £257.02 per year has been applied). This customer would currently pay a contribution of £3.11 per week or £161.72 per year.

If we were to implement Option A, and increase the amount of the bill that has to be paid from 21% to 25%, then this resident would have to pay £3.71 per week, which is an additional 60p a week. Over a year this resident would pay a total of £192.92, which is an additional £31.20.

### The impact of Option A is:

Of the 15,398 households who currently receive Council Tax Support 6,446 would see a reduction in the amount of support they receive.

We will contact each of these households and provide them with support to adjust to the change in Council Tax Support and where appropriate provide assistance from our discretionary hardship fund.

By increasing the amount people have to pay towards their Council Tax bill the Council would save approximately £270,000 per year.

In the current climate, and bearing in mind the cuts that we now have to make, we are **recommending** Option A as the fairest way to reduce the costs of the scheme whilst protecting vulnerable households.

This option would contribute towards the savings the Council must make and could mean that less cuts would need to be made to other Council services as a result of reducing Government funding.

We **recommend** Option A.

## Option B

### Continue with the current Council Tax Support scheme

We could decide to continue with the current Council Tax Support scheme and make no further changes to the proportion of Council Tax paid.

The impact of Option B is:

Each year the number of people claiming Council Tax Support has been reducing slightly.

We estimate that if we make no changes to the scheme we could save approximately £96,000. Compared with Option A this saving is lower and would mean that deeper cuts would be needed to other services as it does not meet the budget 2017/18 target of £235,000.

We are **not** recommending Option B.

## Option C

**Currently all working age customers (unless they are classed as vulnerable) pay 21% of their total Council Tax bill. This option proposes moving this to 30% of the bill**

In 2013 we introduced a 21% cut to the amount of Council Tax Support paid to all working age people. Option A proposes that people would pay 25% of their bill, but we could move that to 30% of the bill.

Of the 15,398 households who currently receive Council Tax Support 6,446 would see a reduction in the amount of support they receive.

If we were to implement Option C, and increase the amount of the bill that have to pay from 21% to 30%, then this customer would have to pay £4.45 per week, which is an additional £1.34. Over a year this would be equivalent to £231.40, which is an additional £69.68 compared with what this person would currently pay.

By increasing the amount people have to pay towards their Council Tax bill the Council would save approximately £485,000 per year.

We are **not** recommending Option C.

## Costs of Services

When thinking about making savings or increasing costs it can be useful to look at what else could be provided with this money.

With £200,000 the Council could provide one of the following:

- 14,000 hours of home care which could help 18 older people stay at home
- External fostering places, through private agencies, for 4 children each year
- Internal fostering places for 9 children each year
- Filling 3,799 pot holes each year
- 109 winter maintenance gritting treatments for frost and ice or 28 full snow clearing and gritting
- Emptying 2,440 public litter bins across the borough for 19 months
- Weekly collection of 5,137 households residual and green waste each year

**Q3 Please tell us which option you would like the Council to take? (Please select one box only)**

Option A

Option B

Option C

**If you do not agree with the Council's preferred option, please use the space below to make any comments you have on the options or tell us of any alternative options you would like us to consider and your reasons.**

**If you feel that our proposed changes would affect particular individuals or groups of people more than others please tell us how you think that we could overcome this**

Thank you for sharing your views on the Council Tax Support scheme. To make sure we have the views of a cross-section of local people, we would like to ask you for some personal details. The Council will keep and use this information in line with the Data Protection Act (1998) for statistical analysis. Your details will be kept confidential. They will not be used for any other purpose than this exercise. You do not have to complete all of this section if you don't want to.

For more information on how your information is used, how your information is held and your rights to gain access to the information we hold on you please see our corporate privacy policy at [www.telford.gov.uk/dataprotection](http://www.telford.gov.uk/dataprotection).

**Please provide us with your postcode to establish which ward you live in**

**What is your age?**

17 years and under

26 - 64 years

18 - 21 years

65 years plus

22 - 25 years

**What is your gender**

Male

Prefer not to say

Female

**Do you have any long-standing illness or disability that limits your daily activities?**

Yes

Prefer not to say

No

**Which of these activities best describes what you are doing at the moment?**

Working full-time (30 hours or more a week)

Working part-time (under 30 hours a week)

On a government-supported training programme (for example, a Modern Apprenticeship)

Looking after the home

Retired

Unemployed and available for work

Permanently sick or disabled

In full-time education at school, college or university

Prefer not to say

Doing something else (please state below)

**Are you caring for someone who has a long-standing illness or disability that limits their daily activities?**

Yes

Prefer not to say

No

**Are you the parent/carer of a child under the age of 18 years?**

Yes

Prefer not to say

No

**If yes, how many children under the age of 18 years?**

1

4

2

5+

3

**If yes, does your child/children have a disability?**

Yes

Prefer not to say

No

## What is your ethnicity?

- White:** English/Welsh/Scottish/Northern Irish/British
- White:** Irish
- White:** Gypsy or Traveller
- White:** Polish
- White:** Any other (please write in box below)
- Mixed/multiple ethnic group:** White and Black Caribbean
- Mixed/multiple ethnic group:** White and Black African
- Mixed/multiple ethnic group:** White and Asian
- Mixed/multiple ethnic group:** Any other (please write in box below)
- Asian/Asian British:** Indian
- Asian/Asian British:** Pakistani
- Asian/Asian British:** Bangladeshi
- Asian/Asian British:** Any other (please write in box below)
- Black/African/Caribbean/Black British:** African (please write country of origin in box below)
- Black/African/Caribbean/Black British:** Caribbean
- Black/African/Caribbean/Black British:** Any other (please write in box below)
- Other ethnic group:** Arab (please write country of origin in box below)
- Other ethnic group:** Chinese
- Other ethnic group:** Any other (please write in box below)
- Prefer not to say

## Do you belong to any particular religion or hold particular beliefs?

- Christian
- Hindu
- Muslim
- Sikh
- No religion
- Prefer not to say
- Other (please state below)

## Do you have an armed forces connection, e.g. currently serving, a reservist, veteran or dependent of a current or former member of Her Majesty's Armed Forces?

- Yes
- No
- Prefer not to say

**Do you pay Council Tax to Telford & Wrekin Council?**

Yes

Prefer not to say

No

**Are you current receiving Council Tax Support in Telford and Wrekin?**

Yes

Prefer not to say

No

**If yes, do you think these proposals will directly affect you?**

Yes

Don't know

No

**How did you find out about this consultation?**

**If you are responding to this consultation in your capacity as a representative please identify which organisation**

Voluntary organisation

Landlord from the Private Sector

Parish or Town Council

Prefer not to say

Local Welfare Advice agency

Other (please state below)

Landlord from the Social Rented Sector

**Please provide details of your organisation**

Name

Organisation

Address

Email address

## **Completed surveys must be returned to Telford & Wrekin Council by Tuesday 1st November 2016**

### **How will the information be used?**

The information from this consultation will be used by the Council to help it to make its decision on changes to the Council Tax Support scheme. The decision on changes to the Council Tax Support scheme must be made no later than 31 January 2017.

The results from the consultation will be published on our website later this year.

**Thank you for taking the time to complete the survey**

# Council Tax Support Consultation

## Sample make up

There were a total of 404 responses to the survey of which 279 (71% of those who answered the question) indicated that they were currently receiving Council Tax support.

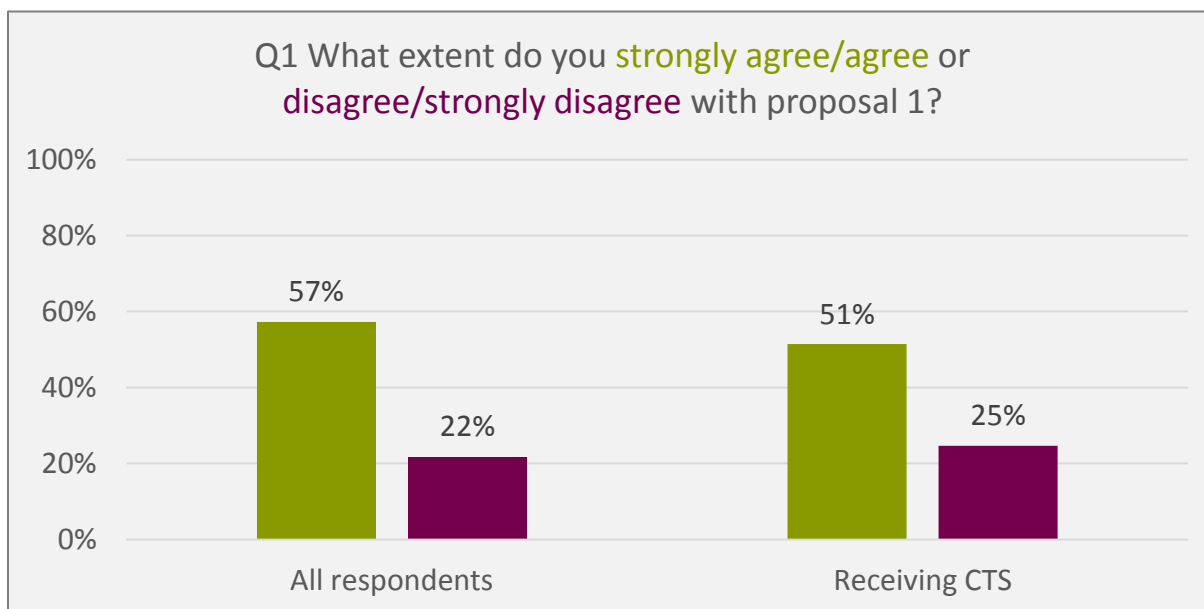
The majority of respondents (58%) were female, compared with 37% male and 5% who preferred not to say.

85% of respondents were aged between 26 and 64, with 11% aged 65 and above and 4% aged 25 and below.

## Survey Summary

Q1 Please tell us to what extent you agree or disagree with proposal 1?

The majority of all respondents (57%) agreed or strongly agreed with the proposal to only take a maximum of two dependent children into account on new claims. Amongst those receiving Council Tax Support the proportion in agreement was smaller; however more than half (51%) still agreed or strongly agreed.

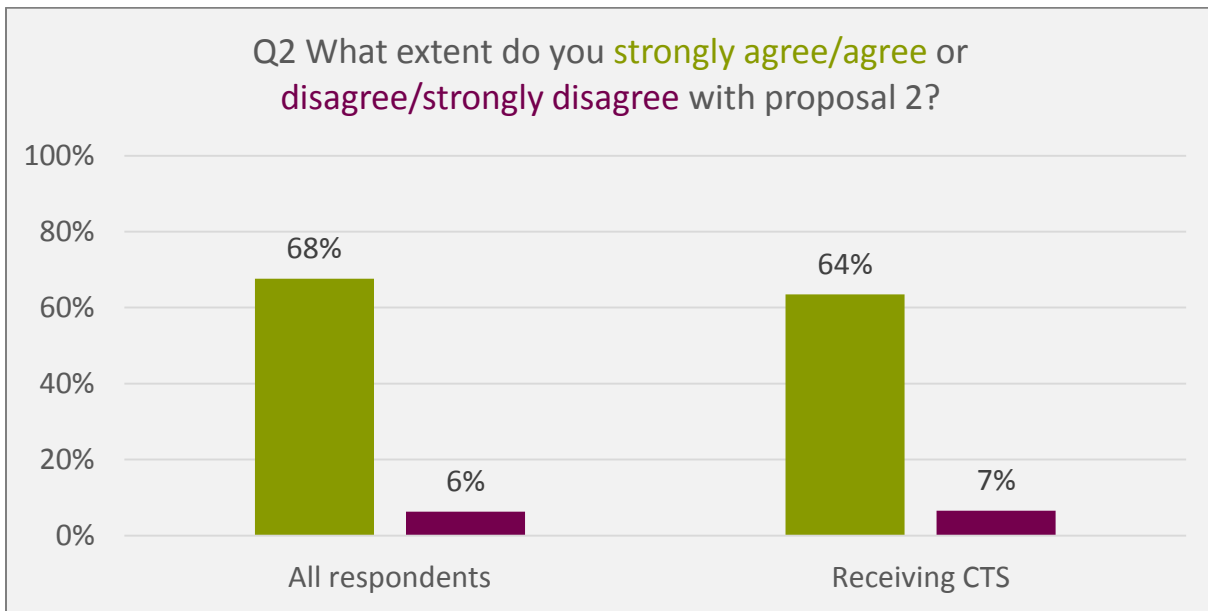


Response	All respondents		Receiving Council Tax Support	
	N	%	N	%
Strongly agree	112	28.0%	58	21.0%
Agree	117	29.3%	84	30.4%
Neither agree nor disagree	71	17.8%	54	19.6%
Disagree	32	8.0%	26	9.4%
Strongly disagree	55	13.8%	42	15.2%
Don't know	13	3.3%	12	4.3%
Total	400	100.0%	276	100.0%

Amongst the 76 respondents who supplied details on why they did not agree with the proposal, the main reason given was that it was unfair on larger families (41%) or because of the financial impact that it would have on themselves (37%). 7% thought that the proposal should apply to all claims and 5% expressed concern about the impact that it would have specifically on children.

Q2 Please tell us to what extent you agree or disagree with proposal 2?

68% of all respondents agreed or strongly agreed with the proposal to introduce reduced temporary absence rules compared with 64% of those currently receiving Council Tax Support.



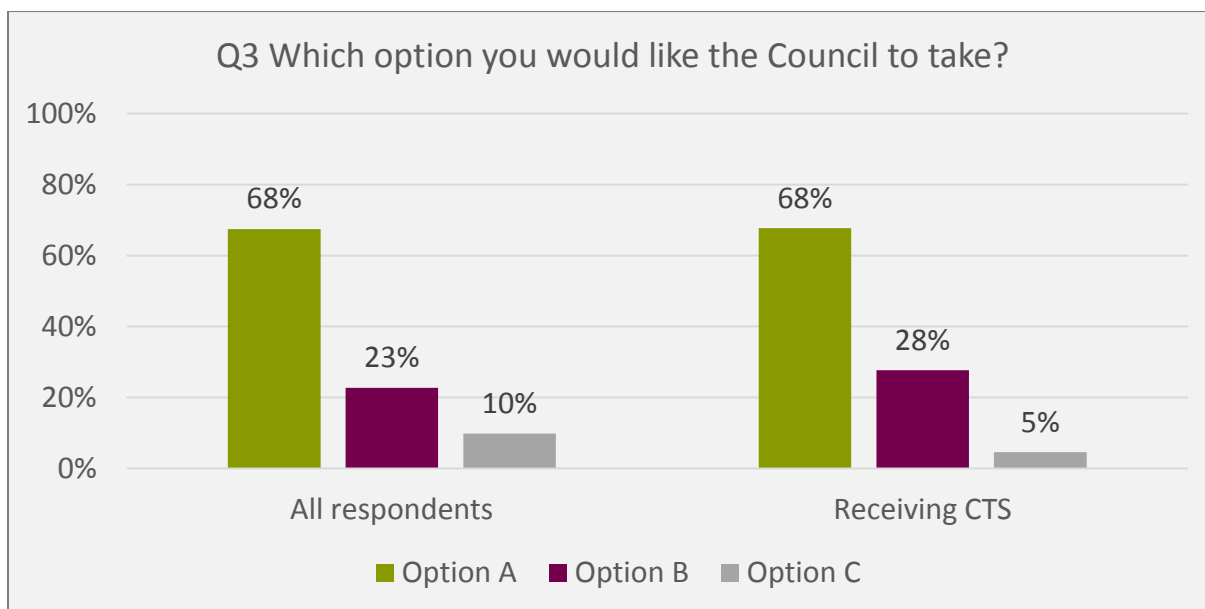
Response	All respondents		Receiving Council Tax Support	
	N	%	N	%
Strongly agree	139	34.9%	71	25.9%
Agree	130	32.7%	103	37.6%
Neither agree nor disagree	76	19.1%	59	21.5%
Disagree	12	3.0%	9	3.3%
Strongly disagree	13	3.3%	9	3.3%
Don't know	28	7.0%	23	8.4%
Total	398	100.0%	274	100.0%

Where respondents disagreed with the proposal, the main themes emerging were that they felt that the period should be unchanged or reduced by a smaller amount e.g. 8 weeks.

Q3 Please tell us which option you would like the Council to take?

Telford & Wrekin Council recommended Option A as the fairest way to reduce the costs of the scheme whilst protecting the majority of households. The proportion of all respondents and those currently receiving Council Tax Support supporting Option A was identical, with over two thirds (68%) indicating that this was the option they would like the Council to take.

Respondents receiving Council Tax Support were half as likely to favour increased contributions under Option C (5%) than all survey respondents (10%).

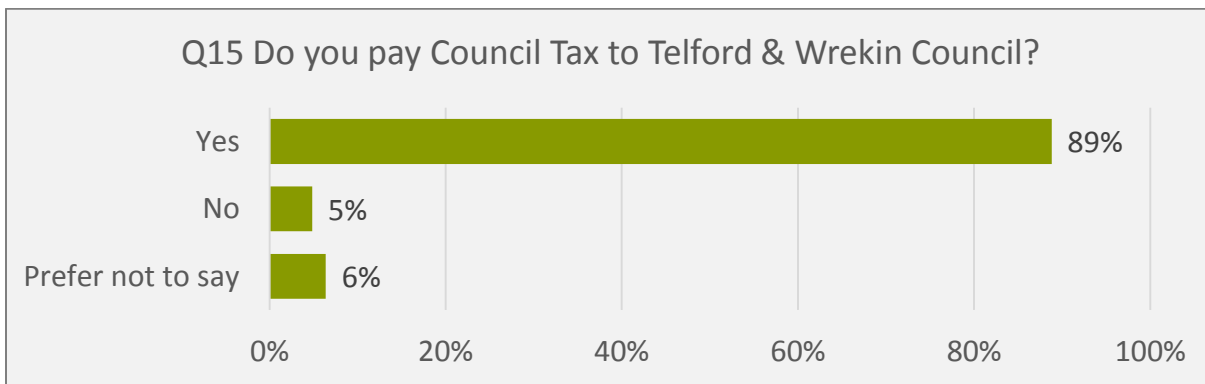


Response	All respondents		Receiving Council Tax Support	
	N	%	N	%
Option A	256	67.5%	176	67.7%
Option B	86	22.7%	72	27.7%
Option C	37	9.8%	12	4.6%
Total	379	100.0%	260	100.0%

Amongst the 61 respondents who gave a reason as to why they disagreed with Option A, the main reason given was the financial impact on themselves (34%). 16% thought that the proportion should be higher as per Option C, whilst 16% did not agree with the principal of reducing Council Tax Support. 13% thought that savings should be found elsewhere whilst 10% thought that Council Tax should be increased for others.

#### Q15 Do you pay Council Tax to Telford & Wrekin Council?

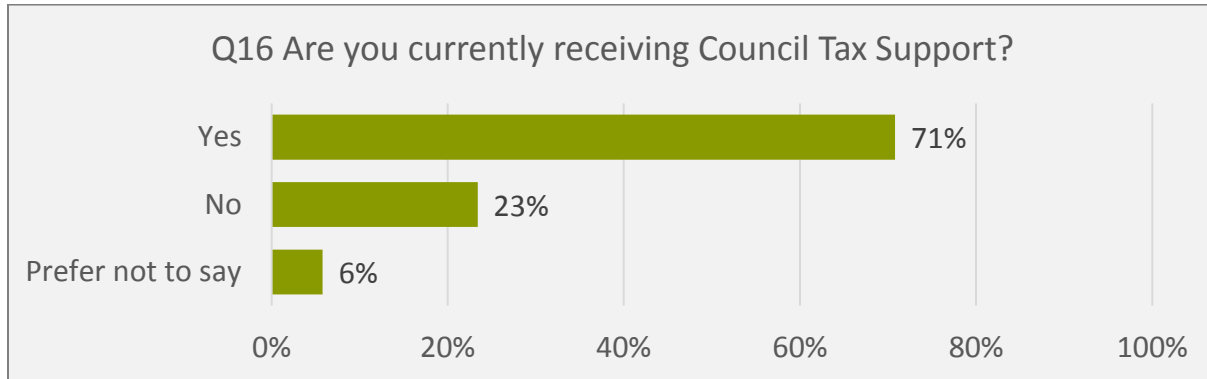
89% of respondents indicated that they pay Council Tax to Telford & Wrekin Council.



Response	N	%
Yes	349	88.8%
No	25	6.4%
Prefer not to say	19	4.8%
Total	393	100.0%

### Q16 Are you currently receiving Council Tax Support in Telford & Wrekin?

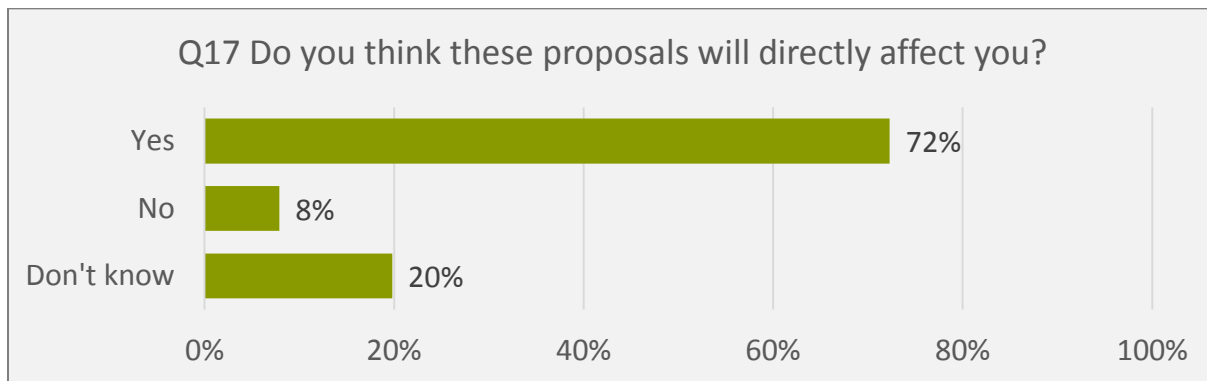
71% of respondents indicated that they were currently receiving Council Tax Support in Telford & Wrekin.



Response	N	%
Yes	279	70.8%
No	92	23.4%
Prefer not to say	23	5.8%
Total	394	100.0%

### Q17 If yes, do you think these proposals will directly affect you?

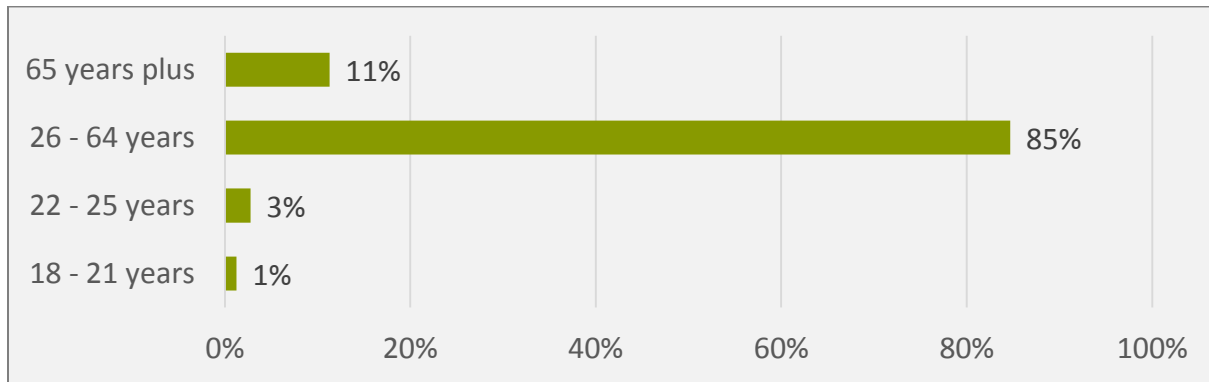
Almost three quarters (72%) of people currently receiving Council Tax Support thought that the proposals would directly affect them. One fifth (20%) indicated that they did not know. Fewer than one in ten (8%) thought that the proposal would not have an impact on them.



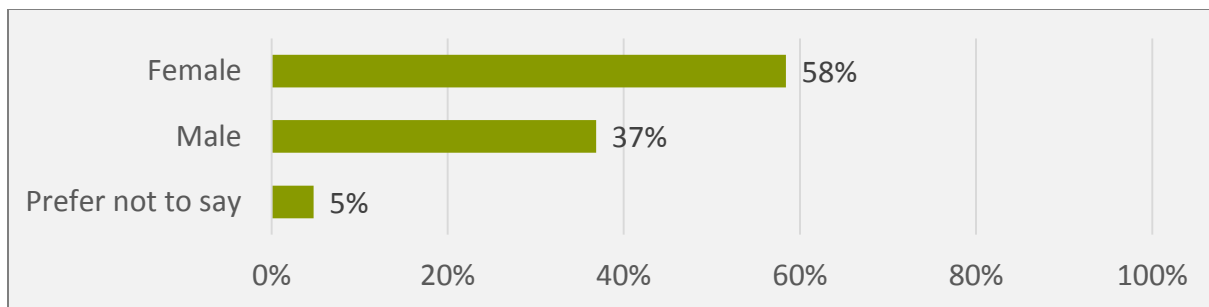
Response	N	%
Yes	201	72.3%
No	22	7.9%
Don't know	55	19.8%
Total	394	100.0%

# Demographics

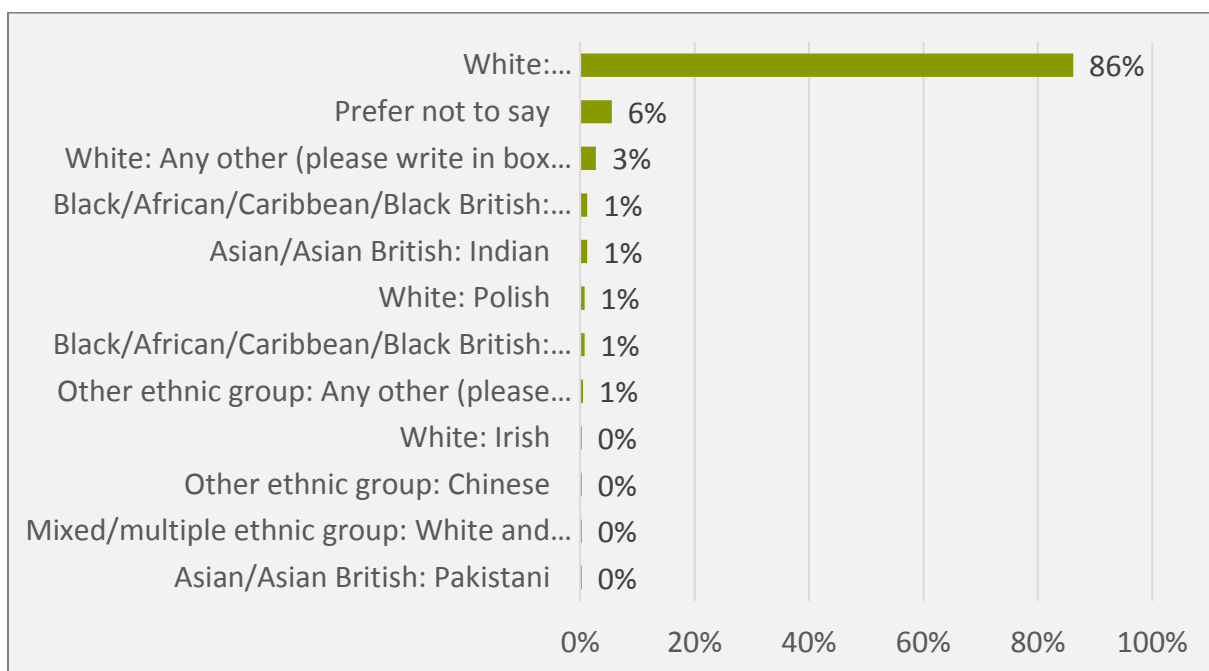
## Age



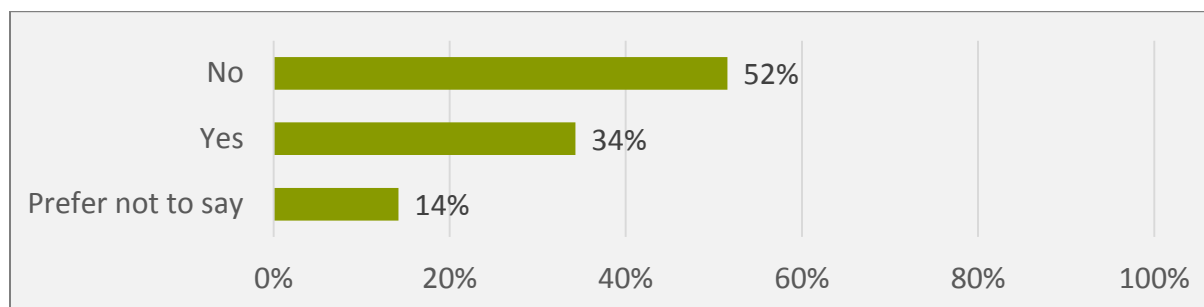
## Gender



## Ethnicity



## Long term illness or disability



Ward	n	%
Admaston & Bratton	2	0.7%
Apley Castle	6	2.2%
Arleston	5	1.9%
Brookside	7	2.6%
Church Aston & Lilleshall	1	0.4%
College	6	2.2%
Dawley & Aqueduct	18	6.7%
Donnington	21	7.9%
Dothill	6	2.2%
Edgmond & Ercall Magna	4	1.5%
Ercall	4	1.5%
Hadley & Leegomery	15	5.6%
Haygate	10	3.7%
Horsehay & Lightmoor	9	3.4%
Ironbridge Gorge	2	0.7%
Ketley & Overdale	13	4.9%
Madeley & Sutton Hill	20	7.5%
Malinslee & Dawley Bank	12	4.5%
Muxton	9	3.4%
Newport North & West	4	1.5%
Newport South & East	4	1.5%
Oakengates & Ketley Bank	16	6.0%
Park	2	0.7%
Priorslee	3	1.1%
Shawbirch	4	1.5%
St Georges	16	6.0%
The Nedge	19	7.1%
Woodside	15	5.6%
Wrockwardine	3	1.1%
Wrockwardine Wood & Trench	11	4.1%

**TELFORD & WREKIN COUNCIL**

**COUNCIL MEETING – 19 JANUARY 2017**

**SETTING OF THE COUNCIL TAX BASE FOR 2017/18**

**REPORT OF THE ASSISTANT DIRECTOR: FINANCE & HUMAN RESOURCES  
(CHIEF FINANCE OFFICER)**

**LEAD CABINET MEMBER: CLLR LEE CARTER**

## **PART A – SUMMARY REPORT**

### **1. SUMMARY OF MAIN PROPOSALS**

To determine the Council Tax Base for General and Special Fund purposes for the financial year 2017/18.

### **2. RECOMMENDATIONS**

That the calculation of the tax base for 2017/18 as at paragraph 5.6 and Appendix 1 be approved.

In accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI 2012:2914), the amount calculated for Telford and Wrekin Council Tax base for 2017/18 for its Special Fund Area shall be as per the appropriate parish amounts detailed in Appendix 1 for the parishes listed in paragraph 5.7.

### **3. SUMMARY IMPACT ASSESSMENT**

**COMMUNITY IMPACT** Do these proposals contribute to specific priority plan objectives?

Yes/No All priorities. Setting the council tax base is a legal requirement and is needed to calculate council tax levels for 2017/18 and therefore directly supports the delivery of all Council priorities.

Will the proposals impact on specific groups of people?

Yes/No Council tax payers

**TARGET  
COMPLETION /  
DELIVERY DATE**

The setting of the Council Tax Base is the first stage in the process of setting the Council Tax for 2017/18. Final recommendations on council tax levels will be presented to Full Council on 2 March 2017.

<b>FINANCIAL/VALUE FOR MONEY IMPACT</b>	Yes/No	Used in determining the Council Tax to be charged in 2017/18.
<b>LEGAL ISSUES</b>	Yes/No	The legal requirements relating to the setting of the Council tax base are set out in the main body of this report. The Council has a statutory obligation to set the Council Tax Base by 31 January 2017 to enable the level of Council Tax to be then set within the statutory timescales (paragraph 4.2 of this report). In summary the Council has the power and the duty to set the Council Tax Base in the way described in this report.
<b>OTHER IMPACTS, RISKS AND OPPORTUNITIES</b>	Yes/No	The opportunities and risks associated with the report have been identified and assessed. Arrangements will be put in place to manage the risks and maximise the opportunities that have been identified.
<b>IMPACT ON SPECIFIC WARDS</b>	Yes/No	

## **PART B – ADDITIONAL INFORMATION**

### Council Tax Base

- 4.1 In order to determine the appropriate Council Tax levels for the area, it is necessary for the Council to determine the tax base for its area or part of its area. The budget requirements of the various precepting authorities are divided by this figure to arrive at the Band D equivalent level of Council Tax.
- 4.2 The tax base for 2017/18 must be set by Full Council between 1 December 2016 and 31 January 2017 as prescribed by section 8 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI 2012:2914). The figures used for tax base allow for the continuation of the resolutions in respect of reduced discounts for empty properties and second homes agreed previously

## **5. COUNCIL TAX BASE INFORMATION**

- 5.1 As members will be aware, the Council Tax is a banded capital value based property tax.
- 5.2 The main features of the tax are:-
- Each domestic property is allocated to one of 8 bands depending on its capital value which has been set by the Valuation Office Agency.

- Section 5 of the Local Government Finance Act 1992 sets out the range of property values within each band. Associated Regulations determine the relationship between the tax rates for each band.
- A 25% discount from the full charge is available for single adult households. Certain categories of resident are disregarded in deciding the number of adult residents. These include students, student nurses, youth training trainees, the severely mentally impaired etc. Qualifying criteria must be met before discounts or disregards are allowed.
- A reduction equivalent to one council tax band is available where a resident of a dwelling is disabled and certain facilities are required for meeting the needs of that disabled person. For Band A properties the reduction is equivalent to 1/9th of the Band D Charge so the charge for such a Band A dwelling is 5/9ths rather than the usual 6/9ths for a Band A property.
- Council Tax Support is applied to the council tax base as a discount that varies depending on personal circumstances and this reduces the Council Tax Base. A separate report covering the 2017/18 Council Tax Support Scheme is also presented to Council on this agenda.

5.3 The Council Tax Bands range from A to H and the details are as follows:-

<b>Band</b>	<b>House Value</b> (as at April 1991 prices)	<b>Band D</b> <b>Proportion</b>	<b>Telford &amp;</b> <b>Wrekin</b> <b>Properties</b> <b>Spread</b>	<b>%</b> <b>Increase/</b> <b>Decrease</b> <b>for 17/18</b>
	£	%	%	%
A	Under 40,000	66.7	35.83	-0.46
B	40,001 – 52,000	77.8	26.80	+0.16
C	52,001 – 68,000	88.9	15.55	+0.24
D	68,001 – 88,000	100.0	11.32	+0.13
E	88,001 – 120,000	122.2	6.20	-0.05
F	120,001 – 160,000	144.4	2.84	0.00
G	160,001 – 320,000	166.7	1.39	-0.02
H	Over 320,000	200.0	0.07	0.00

5.4 Property Base

There are 73,981 properties in the valuation list for the Telford & Wrekin area. This compares with a figure of 72,572 in the list at the same time last year. There has, therefore, been an increase of 1,409 properties, which equates to an increase of 1.94% reflecting the success of the Council's growth agenda. The assumed rate of collection has been increased from 98.75% to 99.00% as high collection rates have been sustained since the introduction of the Local Council Tax Support scheme. The change in the Council Tax Support Scheme considered

separately at this meeting has also increased the Council Tax base. Total council tax receipts will be approximately £1.927m greater as a result of growth in the tax base which is equivalent to a council tax increase of 3.46% and will help support services provided by the council, fire service and police service. Overall there has been a decrease in the proportion of Band A, E and G properties and an increase in Band B, C and D properties, with the largest increase in Band C.

## 5.5 Council Tax Base

To arrive at the Council Tax Base, it is necessary to undertake the following calculation in respect of each tax band:

Total number of chargeable dwellings  
(Less) Dwellings subject to discounts  
=  
Total equivalent number of properties  
x  
Ratio to Band D  
=  
Relevant Amount (Band D Equivalent)

The relevant amounts for each tax band are then aggregated to arrive at the total for the area.

Finally, an estimated Collection Rate needs to be applied to the resultant figure. This has to be common to the whole area and has to provide for amendments to the Council Tax Banding List, appeals against banding, additional discounts and losses on collection. Clearly every effort is taken to vigorously pursue all council tax due to the authority. As mentioned above we will use a figure of 99% for 2017/18.

## 5.6 General Fund Tax Base

This is the estimated council tax base for the whole of the area and will be used by Telford & Wrekin to calculate its General Fund Council Tax levy and also by The Office of the Police and Crime Commissioner for West Mercia and the Shropshire and Wrekin Fire & Rescue Authority to calculate the levy in respect of their precepts.

The tax base for this purpose for 2017/18 is 49,101.8 (including 201.3 for contributions in lieu in respect of MOD properties). Using an estimated collection rate of 99% (adjusted for 100% collection of contributions in lieu), **the tax base is calculated as 48,612.8.**

## 5.7 Special Fund Tax Base

This is the estimated council tax base for the Special Fund area, i.e. those areas where Telford & Wrekin Council provides services which, in other areas, are provided by Town & Parish Councils. These areas are;

- Dawley Hamlets,
- Great Dawley,

- Hollinswood & Randlay,
- Lawley & Overdale,
- Madeley,
- Oakengates,
- St Georges & Priorslee,
- Stirchley & Brookside,
- The Gorge,
- Wellington and
- Wrockwardine & Trench.

The Council Tax Base for each can be found in Appendix 1.

As in previous years, for 2017/18 it will be necessary to have two levels of special fund tax. The first tax will be levied on all the parishes in the Special Fund area. The second tax will be levied on those parishes that have opted not to take over responsibility for street lighting in their area. These are:- Dawley Hamlets, Great Dawley, Hollinswood & Randlay, Madeley, Oakengates, Stirchley & Brookside, The Gorge and Wellington. If any of the other parishes that currently have responsibility for street lighting decide to return these to Telford & Wrekin Council's responsibility then they will also have the additional charge.

The Special Fund Council Tax will be set taking into account the special fund services provided by each individual parish and taking account of the tax base for each parish.

## **6 PREVIOUS MINUTES**

6.1 Council meeting 21 January 2016

## **7. BACKGROUND PAPERS**

Local Government Act 2003

CLG Calculation of Council Tax Base Return (CTB1) October 2014

The Council Tax (Prescribed Classes of Dwellings)(England) Regulations 2003

Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI 2012:2914)

Local Government Finance Act 2012,

Report prepared by

Bernie Morris, Finance Team Leader (01952) 383702

Ken Clarke, Assistant Director: Finance & Human Resources (01952) 383100.

Parish	Band D
CHETWYND	237.3
CHETWYND ASTON & WOODCOTE	168.0
CHURCH ASTON	481.8
DAWLEY HAMLETS	2,151.3
DONNINGTON & MUXTON	3,742.0
EDGMOND	533.8
ERCALL MAGNA	565.0
EYTON	37.5
GORGE, THE	1,382.4
GREAT DAWLEY	2,462.4
HADLEY & LEEGOMERY	4,026.3
HOLLINSWOOD & RANDLAY	1,384.5
KETLEY	1,237.3
KYNNERSLEY	75.8
LAWLEY & OVERDALE	2,736.1
LILLESHALL	547.4
LITTLE WENLOCK	239.4
MADELEY	4,074.5
NEWPORT	3,678.8
OAKENGATES	2,380.9
PRESTON	98.7
RODINGTON	348.9
ST GEORGES & PRIORSLEE	3,786.9
STIRCHLEY & BROOKSIDE	2,262.2
TIBBERTON & CHERRINGTON	275.2
WATERS UPTON	384.7
WELLINGTON	6,474.8
WROCKWARDINE	1,424.9
WROCKWARDINE WOOD	1,414.0
	<b>48,612.8</b>

**TELFORD & WREKIN COUNCIL****COUNCIL – 19 JANUARY 2017****UPDATE TO THE COUNCIL'S CONSTITUTION AND POLITICAL  
BALANCE****REPORT OF ASSISTANT DIRECTOR: GOVERNANCE, PROCUREMENT  
AND COMMISSIONING****LEAD CABINET MEMBERS –  
CLLR LEE CARTER AND CLLR SHAUN DAVIES****1. SUMMARY OF MAIN PROPOSALS**

- 1.1 To consider the options relating to the power of referral to the Secretary of State following the Joint Shropshire and Telford & Wrekin Health Scrutiny Committee's consideration of a substantial variation or development in health services.
- 1.2 To inform Members of changes in the Council's political balance and the to agree resulting changes to the allocation of seats on Committees and Boards.

**2. RECOMMENDATIONS**

- 2.1 **That the Constitution be amended to the effect that Telford & Wrekin Council retains the power of referral following consideration of a substantial variation or development in health service by the Joint Shropshire and Telford & Wrekin Health Overview and Scrutiny Committee as set out in the Terms of Reference for the Joint Shropshire and Telford & Wrekin Health Overview and Scrutiny Committee.**
- 2.2 **That following the consideration of a contested substantial variation or development in health service that the Health and Adult Care Scrutiny Committee has the power to recommend to Full Council that the contested change in service is referred to the Secretary of State. Any referral to the Secretary of State will be made by Full Council.**
- 2.3 **That the change to the Council's political balance be noted;**
- 2.4 **That the corresponding changes in the number and allocation of seats on the Council's Committees/Boards be endorsed; and**
- 2.5 **That Council appoints the Committees/Boards and membership thereof, as shown at Appendix 1 of this report, for the remainder of the 2016/17 Municipal Year.**

### 3. SUMMARY IMPACT ASSESSMENT

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	
	Will the proposals impact on specific groups of people?	
	No	
<b>TARGET COMPLETION/DELIVERY DATE</b>	The change will become effective upon the end of the Council meeting.	
<b>FINANCIAL/VALUE FOR MONEY IMPACT</b>		<p>The adoption of the recommended change to the Constitution in and of itself does not give rise to any financial implications. The power to refer matters to the Secretary of State as set out in section 2.2, which, if agreed, would remain with Full Council is an action which has the potential to give rise to future costs should these powers be used.</p> <p>TAS 9.01.17</p>
<b>LEGAL ISSUES</b>	Yes	<p>The Health and Social Care Act 2012 gave local authorities greater power and discretion over how to exercise the health scrutiny function, being conferred directly on the local authority, including the health scrutiny power of referral.</p> <p>The Council has express powers to be able to delegate the health scrutiny function to an overview and scrutiny committee of the Council either completely or under defined conditions. The health scrutiny function has been delegated by Council to the Health and Adult Care Scrutiny Committee including the power of referral to the Secretary of State for Health.</p> <p>It is therefore recommended that should Council wish to retain the power of referral in the circumstances outlined within this report then the delegation of the health scrutiny function, and as a consequence the relevant section(s) of the Constitution, should be amended by resolution of full Council.</p> <p>Approval of the allocation of seats on Committees/Boards is a function</p>

		exercisable by the Council.
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	Yes	The opportunities and risks associated with these proposals have been identified and assessed. Arrangements will be put in place to manage the risks and maximise the opportunities that have been identified.
<b>IMPACT ON SPECIFIC WARDS</b>	No	Borough-wide impact

#### **4. INFORMATION**

##### Power of referral to the Secretary of State

- 4.1 The Health and Social Care Act (2012) updated the legislation regarding local authority health scrutiny and the health scrutiny power was given to the local authority rather than the Health Overview and Scrutiny Committee.
- 4.2 In September 2013 Full Council delegated the health scrutiny power to the Health and Adult Care Scrutiny Committee including the power of referral to the Secretary of State for Health. The health scrutiny power of referral may be used where the health scrutiny body:
- Is not satisfied with the adequacy of the content of the consultation.
  - It is not satisfied that sufficient time has been allowed for consultation.
  - It considers that the proposal would not be in the interest of the local health service in its area.
  - It has not been consulted, and it is not satisfied that the reasons given for not carrying out consultation were adequate.
- 4.3 The guidance published by the Department of Health in 2014 clarified that the authorities participating in the Joint Health Overview and Scrutiny Committee (Joint HOSC) will have to decide if the power to make a referral is delegated to the Joint JHOSC OR if this will be retained by the local authority or Scrutiny Committee to which the power has been delegated. (Previously any local authority participating in a Joint HOSC could make a referral to the Secretary of State through the Joint HOSC or independently after the Joint HOSC had fulfilled its statutory function, under the new guidance)
- 4.4 While the power of referral relating to the planning or provision of health services in Telford and Wrekin has been delegated to the Health and Adult Care Scrutiny Committee, it is proposed that where this is a contested reconfiguration of NHS services that has been considered by a Joint HOSC, the importance of the decision is so crucial to residents in the Borough that it is only right that this decision is retained by Full Council. Under these circumstances the Health and Adult Care

Scrutiny Committee would advise Full Council on any referral to the Secretary of State. It should be noted that Health Scrutiny Guidance sets out the information that should be included in any referral and that local parties must take such steps as are reasonably practicable to try to reach agreement.

### Political Balance

4.5 Following the Horsehay and Lightmoor by-election on 8 December 2017, the Council's political balance has been recalculated as follows:

Labour	28 seats	(51.85%)
Conservative	21 seats	(38.89%)
Lib Dem/Independent	4 seats	(7.41%)
Non-Aligned	1 seat	( 1.85%)

4.6 The Regulations require main Committees/Boards to be balanced overall, subject to the majority of seats being allocated to the political group with the majority of the Council's membership.

4.7 The main Committees/Boards currently have an even number of seats and it is, therefore, proposed to increase the seats on each Committee to allow for a fairer representation of the political balance. Given the current structure of the Council, the revised allocation of seats is proposed as follows:

	Total Seats	Labour		Cons		Lib Dem/Ind	
		No.	%	No.	%	No.	%
<b>GOVERNANCE</b>							
Standards	9	5	55.56%	3	33.33%	1	11.11%
Audit	9	5	55.56%	3	33.33%	1	11.11%
Constitution Committee	9	5	55.56%	3	33.33%	1	11.11%
Boundary Review Committee	9	5	55.56%	3	33.33%	1	11.11%
Appeals	9	5	55.56%	3	33.33%	1	11.11%
Personnel Committee	9	5	50.00%	3	33.33%	1	11.11%
<b>REGULATORY</b>							
Planning	9	5	55.56%	3	33.33%	1	11.11%
Licensing	11	6	54.55%	5	45.45%	0	0.00%
<b>SCRUTINY</b>							
Scrutiny Management Board	9	5	55.56%	4	44.44%	0	0.00%
Scrutiny Finance & Enterprise	9	5	55.56%	4	44.44%	0	0.00%
Scrutiny Children & Young People	9	5	55.56%	3	33.33%	1	11.11%
Scrutiny Customer, Community & Partnership	9	5	55.56%	3	33.33%	1	11.11%
Scrutiny Health & Adult Social Care	9	5	55.56%	4	44.44%	0	0.00%
<b>Total</b>	<b>119</b>	<b>66</b>	<b>55.46%</b>	<b>44</b>	<b>36.97%</b>	<b>9</b>	<b>7.56%</b>

4.8 The application of the recalculation of the political balance will, also result in a change in the Council's membership of the Combined Fire Authority:-

	Total Seats	Labour		Cons		LibDem/Ind	
		No.	%	No.	%	No.	%
Fire Authority	6	4	66.67	2	36.97	0	0.00

4.9 Political Balance regulations do not apply to bodies not listed in legislation or where legislation specifically states that the requirement does not apply. It is proposed that the membership of the following Boards and Committees will, therefore, remain unchanged:

	Total Seats	Labour	Cons	LibDem/Ind
		No.	No.	No.
Health & Wellbeing Board	6	4	1	1
Joint Health Overview & Scrutiny Committee	3	2	1	0
West Mercia Energy Joint Committee	2	2	0	0
WMCA Board	1	1	0	0
WMCA Overview & Scrutiny Committee	1	1	0	0
WMCA Audit Committee	1	1	0	0

4.10 The various Committees and Boards to be appointed for 2016/17 are shown at **Appendix 1**.

## **5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION**

No further information required.

## **6. PREVIOUS MINUTES**

Council Constitution Committee – 18 July 2013

Full Council – 12 September 2013

Joint HOSC – 28 September 2015

Annual Council – 26 May 2016

Council Constitution Committee – 6 July 2016

Full Council – 14 July 2016

## **7. BACKGROUND PAPERS**

None

**Report prepared by Deborah Moseley, Democratic & Scrutiny Services  
Team Leader, Telephone: 01952 383215**

**GOVERNANCE**

<b>Standards Committee – 9 Seats</b>	
Cllr S Barnes (Con) Cllr A R H England (Lab) Cllr N A M England (Lab) Cllr R T Kiernan (Con) Cllr R J Sloan (Lab) <b>Cllr K S Sahota (Lab) – Chair</b> Cllr P J Scott (Lib Dem/Ind) <b>Cllr M J Smith (Lab) – Vice Chair</b> Vacancy (Con)	

<b>Audit Committee – 9 Seats</b>	
Cllr I T W Fletcher (Con) Cllr K R Guy (Lab) Cllr A Lawrence (Con) Cllr R Mehta (Lab) Cllr K S Sahota (Lab) <b>Cllr R J Sloan (Lab) – Chair</b> <b>Cllr C F Smith (Lab) – Vice Chair</b> Cllr W L Tomlinson (Lib Dem/Ind) Cllr D G Wright (Con)	

<b>Council Constitution Committee – 9 Seats</b>	
Cllr A G J Eade (Con) Cllr I T W Fletcher (Con) Cllr R A Overton (Lab) Cllr K S Sahota (Lab) Cllr R J Sloan (Lab) <b>Cllr C F Smith (Lab) – Vice Chair</b> <b>Cllr M J Smith (Lab) – Chair</b> Cllr B D Tillotson (Con) Cllr W L Tomlinson (Lib Dem/Ind)	

<b>Boundary Review Committee – 9 Seats</b>	
Cllr K T Blundell (Lib Dem/Ind) Cllr N A Dugmore (Con) Cllr A J Eade (Con) Cllr I T W Fletcher (Con) Cllr K R Guy (Lab) Cllr A D McClements (Lab) <b>Cllr R A Overton (Lab) – Vice Chair</b> Cllr G C W Reynolds (Lab) <b>Cllr R J Sloan (Lab) – Chair</b>	

## REGULATORY

<b>Planning Committee – 9 Seats</b>	
Cllr N A Dugmore (Con) Cllr I T W Fletcher (Con) Cllr J Loveridge (Lab) Cllr N C Lowery (Con) <b>Cllr J C Minor (Lab) – Chair</b> Cllr L A Murray (Lab) Cllr S J Reynolds (Lab) Cllr P J Scott (Lib Dem/Ind) <b>Cllr C R Turley (Lab) – Vice-Chair</b>	<b><u>Labour Subs</u></b> Cllr G H Cook Cllr R Mehta Cllr C F Smith Cllr M J Smith  <b><u>Conservative Subs</u></b> Cllr J A Francis Cllr R T Kiernan Cllr E J Greenaway  <b><u>Lib Dem/Ind Sub</u></b> Cllr K T Blundell

<b>Licensing Committee –11 Seats</b>	
Cllr M Boylan (Con) Cllr G H Cook (Lab) Cllr I T W Fletcher (Con) Cllr J A Francis (Con) Cllr M B Hosken (Con) <b>Cllr C N Mason (Lab) – Chair</b> Cllr S J Reynolds (Lab) Cllr J M Seymour (Con) Cllr C F Smith (Lab) Cllr M J Smith (Lab) <b>Cllr C R Turley (Lab) – Vice Chair</b>	<b><u>Labour Subs</u></b> Cllr K R Guy Cllr J Jones Cllr J C Minor Cllr J A Pinter  <b><u>Conservative Subs</u></b> Cllr J C Ashford Cllr S P Burrell Cllr R T Kiernan Cllr N C Lowery Vacant

## SCRUTINY

<b>Scrutiny Management Board – 9 Seats</b>	
Cllr S Bentley (Con) Cllr A J Burford (Lab) Cllr N A M England (Lab) Cllr V A Fletcher (Con) Cllr E J Greenaway (Con) Cllr K R Guy (Lab) <b>Cllr S A W Reynolds (Lab) - Chair</b> Cllr J M Seymour (Con) Cllr C R Turley (Lab)	

<b>Scrutiny Committee – Finance &amp; Enterprise – 9 Seats</b>	
Cllr S Bentley (Con) Cllr S P Burrell (Con) Cllr A J Burford (Lab) Cllr N A Dugmore (Con) Cllr R Mehta (Lab) <b>Cllr S A W Reynolds (Lab) – Chair</b> Cllr R J Sloan (Lab) Cllr C F Smith (Lab) Cllr D G Wright (Con)	

<b>Scrutiny Committee – Children &amp; Young People – 9 Seats</b>	
Cllr S Barnes (Con) Cllr J A Francis (Con) <b>Cllr K R Guy (Lab) – Chair</b> Cllr J Jones (Lab) Cllr N C Lowery (Con) Cllr S A W Reynolds (Lab) Cllr K S Sahota (Lab) Cllr J A Pinter (Lab) Cllr K L Tomlinson (Lib Dem/Ind)	

<b>Scrutiny Committee – Customer, Community &amp; Partnership – 9 Seats</b>	
Cllr J C Ashford (Con) <b>Cllr N A M England (Lab) - Chair</b> Cllr K R Guy (Lab) Cllr L A Murray (Lab) Cllr S J Reynolds (Lab) Cllr P J Scott (Lib Dem/I) Cllr J M Seymour (Con) Cllr B D Tillotson (Con) Cllr C R Turley (Lab)	

<b>Scrutiny Committee – Health &amp; Adult Care – 9 Seats</b>	
Cllr M Boylan (Con) <b>Cllr A J Burford (Lab) – Chair</b> Cllr V A Fletcher (Con) Cllr R Mehta (Lab) Cllr L A Murray (Lab) Cllr T Nelson (Con) Cllr J A Pinter (Lab) Cllr R J Sloan (Lab) Vacancy (Con)	

<b>Joint Health &amp; Overview Scrutiny Committee – 3 Seats</b>	
<b>Cllr A J Burford (Lab) – Chair</b> Cllr V A Fletcher (Con) Cllr R J Sloan (Lab)	

**PERSONNEL**

<b>Appeals Committee – 9 Seats</b>	
Cllr J C Ashford (Con) Cllr K T Blundell (Lib Dem/Ind) Cllr J A Francis (Con) <b>Cllr K R Guy (Lab) – Vice Chair</b> <b>Cllr M J Smith (Lab) – Chair</b> Cllr C N Mason (Lab) Cllr A A Meredith (Con) Cllr R J Sloan (Lab) Cllr C F Smith (Lab)	<b><u>Labour Subs</u></b> Cllr K S Sahota Vacant Vacant Vacant  <b><u>Conservative Subs</u></b> Cllr S P Burrell Cllr N A Dugmore Cllr D G Wright

<b>Personnel Committee – 9 Seats</b>	
Cllr S Bentley (Con) Cllr A J Burford (Lab) Cllr L Carter (Lab) <b>Cllr S Davies (Lab) – Chair</b> Cllr N A Dugmore (Con) Cllr A J Eade (Con) <b>Cllr R A Overton (Lab) – Vice Chair</b> Cllr P R Watling (Lab) Cllr W L Tomlinson (Lib Dem/Ind)	

## OTHER

<b>Health &amp; Wellbeing Board – 14 Seats</b>	
Cllr E A Clare	Cabinet Member – Culture, Parks, Events & Green Spaces
Cllr A R H England	Cabinet Member – Adult Social Care & Older People
<b>Cllr R A Overton – Chair</b>	Cabinet Member - Housing, Leisure & Health
Cllr K L Tomlinson	Lib Dem/Independent Group
Cllr J M Seymour	Conservative Group Chief Operating Officer,
Cllr P R Watling	Cabinet Member – Children, Young People & Communities
D Evans	Chief Operating Officer, Telford & Wrekin CCG
D Harrison	Non-Executive Director, Telford & Wrekin CCG
<b>Dr J Leahy – Vice Chair</b>	Chair, Telford & Wrekin CCG
C Jones	Director of Adult and Children’s Services, TWC
R Woods	NHS England
E Noakes	Director of Public Health, TWC
J Chaplin	Healthwatch
J Tozer	Community Safety Partnership

<b>Combined Fire Authority – 6 Seats</b>	
Cllr E J Carter (Con)	
Cllr M B Hosken (Con)	
Cllr L A Murray (Lab)	
Cllr J Pinter (Lab)	
Cllr K S Sahota (Lab)	
Cllr C R Turley (Lab)	

<b>West Mercia Energy Joint Committee</b>	
Cllr L D Carter (Lab)	<b><u>Substitutes</u></b>
Cllr H Rhodes (Lab)	Cllr R A Overton (Lab)
	Cllr P R Watling (Lab)

<b>WMCA Board</b>	
Cllr S Davies (Lab)	<b><u>Substitute</u></b>
	Cllr R A Overton (Lab)

<b>WMCA Overview &amp; Scrutiny Committee</b>	
---	--

Cllr N A M England (Lab)	
--------------------------	--

	<b><u>Substitute</u></b>
--	--------------------------

	Cllr S A W Reynolds (Lab)
--	---------------------------

<b>WMCA Audit Committee</b>	
-----------------------------	--

Cllr R J Sloan (Lab)	
----------------------	--

	<b><u>Substitute</u></b>
--	--------------------------

	Cllr C F Smith (Lab)
--	----------------------