



<b>Meeting</b>	Council
<b>Date and Time</b>	Wednesday, 13th January, 2021 at 6.00 pm.
<b>Venue</b>	This meeting will be held virtually and a live audio stream can be listened to via <a href="http://www.winchester.gov.uk">www.winchester.gov.uk</a> .

NOTICE IS HEREBY GIVEN that an Ordinary Meeting of the Council will be held at 6.00 pm on Wednesday, 13th January, 2021 and all Members of the Council are summoned to attend.

**Note:** *Owing to the ongoing Covid-19 pandemic and government guidance, it will not be possible to hold this meeting in person. The Council has therefore made arrangements under the Coronavirus Act 2020, and subsequent Regulations permitting remote meetings, to hold the meeting virtually. If you are a member of the public and would like to listen to the audio stream of the meeting you may do so via [www.winchester.gov.uk](http://www.winchester.gov.uk)*

## AGENDA

- 1. Minutes of the Ordinary Meeting of the Council held on 4 November 2020** (Pages 5 - 10)
- 2. Disclosure of Interests**  
To receive any disclosure of interests from Members or Officers in matters to be discussed.  
*Note: Councillors are reminded of their obligations to declare disclosable pecuniary interests, personal and/or prejudicial interests in accordance with the Council's Code of Conduct.*
- 3. Appointment of Honorary Recorder**



To consider and determine the following Motion:-

“That this Council, in recognition of the relationship which exists between the City and the Law Courts, determines that the Resident Judge of the Winchester Combined Court Centre (Her Honour Judge Angela Morris) be appointed to the office of Honorary Recorder upon her taking the role of Senior Circuit Judge, Resident Judge at Winchester Combined Court, with effect from 18<sup>th</sup> January 2021.”

4. **Vote of Thanks to Past Honorary Recorder**

To consider and determine the following Motion:-

“That the best thanks of the Council be accorded to His Honour Keith Cutler for his service to the City as Honorary Recorder for the period 2009 – 2021.”

5. **Announcements from the Mayor, Leader and Chief Executive**

6. **Questions from Members of the Public**

To receive and answer any questions from the public.

(Questions must be received in writing by Democratic Services – [democracy@winchester.gov.uk](mailto:democracy@winchester.gov.uk) – no later than noon on Wednesday 6<sup>th</sup> January)

7. **To consider and determine the following Recommended Minutes:**

- a) **Cabinet - 16 December 2020 - The Council Tax Reduction Scheme - Consultation Results & Scheme Amendment (CAB3255)** (Pages 11 - 232)

RECOMMENDED (To Council):

That the new Income Banded Council Tax Reduction Scheme for working age applicants with effect from 1<sup>st</sup> April 2021 be recommended for agreement at Council as set out in Report CAB3255.

8. **Notice of Motion**

To consider the following Notice of Motion to be proposed by Councillor Godfrey and seconded by Councillor Brook:

“That this Council, following the recent decision by the Secretary of State for Communities and Local Government, not to proceed with any changes to the calculation for new housing targets, commits to offering for public consultation the option that no development allocations outside the existing development boundaries are to be included in the revised Local plan, unless agreed by the local Parish or Town Council.”

9. **Changes to Committee Memberships**

To receive any resignations from committees and to make any necessary re-appointments.

10. **Questions from Members of Council**

The total time for questions and the answer and supplementaries thereto shall not exceed 30 minutes.

LAURA TAYLOR  
Chief Executive

All of the Council's publicly available agendas, reports and minutes are available to view and download from the Council's [Website](#) and are also open to inspection at the offices of the council. As part of our drive to minimise our use of paper we do not provide paper copies of the full agenda pack at meetings. We do however, provide a number of copies of the agenda front sheet at the meeting which contains the QR Code opposite. Scanning this code enables members of the public to easily access all of the meeting papers on their own electronic device. Please hold your device's camera or QR code App over the QR Code so that it's clearly visible within your screen and you will be redirected to the agenda pack.



5 January 2021

Agenda Contact: David Blakemore, Democratic Services Team Manager  
Tel: 01962 848217 Email: [dblakemore@winchester.gov.uk](mailto:dblakemore@winchester.gov.uk)

**Quorum** = 12 members

**PUBLIC PARTICIPATION**

Members of the public may ask questions of the Leader, Cabinet Members and Committee Chairs at Ordinary Meetings of the Council. The total time allocated for questions by the public shall normally be limited to 20 minutes.

A question may only be asked if notice has been given by delivering it in writing to Democratic Services no later than 5 working days preceding the Council meeting. For example, if the Council meeting is being held at 7pm on a Wednesday then the question would need to be received by noon on the preceding Wednesday. Please email to [democracy@winchester.gov.uk](mailto:democracy@winchester.gov.uk).

**FILMING AND BROADCAST NOTIFICATION**

This meeting may be recorded and broadcast live on the Council's website. The meeting may also be recorded and broadcast by the press and members of the public – please see the Access to Information Procedure Rules within the Council's

Constitution for further information, which is available to view on the [Council's website](#).

**DISABLED ACCESS:**

Disabled access is normally available, but please phone Democratic Services on 01962 848 264 or email [democracy@winchester.gov.uk](mailto:democracy@winchester.gov.uk) to ensure that the necessary arrangements are in place.

## COUNCIL

**Wednesday, 4 November 2020**

Attendance:

Councillors Present

Cunningham (The Mayor)

Achwal	Hutchison
Becker	Laming
Bell	Learney
Bentote	Lumby
Bronk	Mather
Brook	McLean
Clear	Miller
Clementson	Murphy
Cook	Pearson
Craske	Porter
Cutler	Power
Evans	Prince
Ferguson	Read
Fern	Ruffell
Gemmell	Rutter
Godfrey	Scott
Gordon-Smith	Thompson
Green	Tod
Griffiths	Weir
Hiscock	Weston
Horrill	Williams
Humby	

[Full audio and video recording](#)

---

1. **MINUTES OF THE ORDINARY MEETING OF THE COUNCIL HELD ON 23 SEPTEMBER 2020**

RESOLVED:

That the minutes of the Ordinary Meeting of the Council held on 23 September 2020 be approved and adopted

2. **DISCLOSURE OF INTERESTS**

Councillors Hiscock, Humby, Tod and Porter declared personal (but not prejudicial) interests in respect of agenda items due to their roles as County Councillors.

Councillor Weir declared a personal (but not prejudicial) interest in respect of agenda item 8 (Question 2) as was a trustee of the University of Winchester Academy Trust which sponsored the Barton Farm Primary Academy.

Councillor Bronk declared a personal (but not prejudicial) interest in respect of agenda item 8 (Question 4) as he was a resident of Twyford which was impacted more so than other parts of the district from the flight path of Southampton International Airport.

3. **ANNOUNCEMENTS FROM THE MAYOR, LEADER AND CHIEF EXECUTIVE.**

The Mayor made a number of announcements.

The Mayor referred to the recent passing of former Councillor and past Mayor Jean Hammerton. Jean was elected to the council in 1994 and was Mayor 2003 to 2004 and was also a Bishops Waltham Parish Councillor for 26 years.

The Mayor then announced that former Councillor and past Mayor, Major Dougie Covill MBE DCM was celebrating his 100<sup>th</sup> birthday and that he had sent greetings from the Mayoralty and wider Council for his happy occasion.

The Mayor then reported that his recent Local Hero Awards had been great success. The awards had offered residents the chance to celebrate unsung heroes during the COVID-19 pandemic. In addition to the 113 individuals and groups who had been nominated, 48 Parish Councils and 19 local community groups had also been recognised for their efforts. Certificates had been issued to all these Heroes and the Mayor have recorded a special video in celebration.

The Mayor's next announcement was with regard to the recent Queen's Birthday Honours and he had written to the following:

- Professor Paul Elkington of Owslebury, a Professor of Respiratory Medicine at Southampton University. For services to Medicine particularly during the COVID-19 pandemic. A Member of the Order of the British Empire.
- Vera M Collings of Martyr Worthy. For services to the community. A Medal of the Order of the British Empire.
- Ronald D Williamson of Bishops Waltham. For services to the community. A Medal of the Order of the British Empire.

The Mayor then referred to Remembrance Sunday and that he was to lay a wreath on behalf of the Winchester district at the war memorial. Due to the COVID-19 pandemic restrictions, the clergy only cathedral service would be viewable via a live stream. He had also recorded a special video, with the Royal British Legion, which will be released on the council's social media channels just before 11am on both Sunday 8<sup>th</sup> and Wednesday 11<sup>th</sup> November.

The Leader then made her announcements.

The Leader referred to measures the council had taken to support free school meals during the half term break and that she would call on the government and other agencies to ensure that all those entitled to free school meals continued to do so during the school holidays.

The Leader then referred to the recent announcement by the government of a further four week period of lockdown restrictions. The council's key services would continue to be maintained and communities supported during this latest lockdown period, with the council once again working closely with partner and voluntary organisations and the county council etc.

The Leader then, on behalf of the council, thanked officers for their hard work in continuing to support businesses and communities.

The Leader then asked the Chief Executive to outline measures to be put in place and the council's priorities, especially during the latest lock down period.

Accordingly, the Chief Executive explained that priorities were to support individuals or groups who were identified as most at risk from COVID-19. The council would also support the businesses who had been forced to close and also working with those who were able to remain open to ensure that they operated within COVID-19 secure guidance.

A key priority was to enable and support the valuable work of community groups and individuals who are taking practical action to help their neighbours.

The council's critical frontline services were to be maintained, especially those that may face extra demand or additional operational challenges during the lockdown period.

The Chief Executive then outlined in detail the work undertaken to date to ensure that the council achieved these priorities.

The council was to continue to work with local councils to ensure that it provided the best service to communities at this time.

4. **QUESTIONS FROM MEMBERS OF THE PUBLIC**

Two written questions had been received and one member of the public was in attendance at the meeting to present their question, along with an associated supplementary question. Both questions and the response from the Cabinet Member were subsequently set out on the [council's website](#).

5. **URGENT DECISION - HM COURTS AND TRIBUNALS SERVICE - LICENCE TO OCCUPY ROOMS IN WINCHESTER GUILDHALL**

The Council noted the use of urgency provisions on 13 October 2020 by the Chief Executive under paragraph 19 of part 4.4 and paragraph 16 of part 4.3 of the Winchester City Council constitution.

## 6. **NOTICE OF MOTION**

In accordance with Council Procedure Rule 10, a Motion was submitted by Councillor Lumby as follows. The Motion was seconded by Councillor Brook.

"This Council commits to write to Central Government urging the urgent creation of criminal offences of trespass when setting up an unauthorised encampment, entering upon land as a trespasser with the purpose of residing there in a vehicle and residing in an unauthorised encampment."

Councillor Lumby introduced the Motion and in summary raised the following points:

- It was recognised that that 96.6% of the Gypsy, Traveller and Roma communities used authorised sites.
- The government's consultation on the criminalisation of trespass to create unauthorised encampments was between November 2019 and March 2020. To date, no further information had been forthcoming.
- Test Valley Borough Council had passed a similarly worded motion in September of this year. The southern parishes of this district have now asked for the council to consider its position regarding the matter.
- Unauthorised encampments continued to be a regular issue across the whole of the district, in the countryside and in the city.
- Waste left behind following an unauthorised encampment, if not cleaned up by communities, was a cost to the council. There were also instances of criminal activity and fear and unease in some communities.
- Officers of the council have strategies in place to deal with encampments, including producing court orders to move unauthorised encampments on. This takes on average 5 days and takes resource to complete. A quicker process was now required that allowed the police to act without a court order. There should be disincentives to not create encampments in the first place.
- The district needs to have sufficient authorised sites to move the 4.4% who currently used unauthorised encampments to.

During the debate which followed on the Motion, in summary, the following points were made:

- A Member detailed their experiences of unauthorised encampments within their community which had resulted in litter, disturbance and antisocial and criminal behaviour.
- The motion could impact on vulnerable, homeless people. For example, it would criminalise rough sleepers or those sleeping in cars and encourage them to conceal themselves which could mean that the council would be unable to locate and provide assistance.
- There does need to be improvements to how illegal encampments on private land is able to be dealt with – but not from criminalising activity. It cannot be assumed that the police would be able to prioritise, and they had responded negatively to the consultation.



- Without site allocation, there could be further marginalisation of sectors of our society.
- There were probably adequate criminal processes already in place to deal with some unexceptional behaviour experienced in some communities.
- The motion over-simplified a complex issue.
- The council should come back to consider the matter once the government had responded to the consultation.
- There was concern that there was debate on a motion that would impact primarily on one ethnic group. Support of the motion may show an implicit policy direction of the council regarding the matter – without having firstly considered all associated issues, including equality and human rights.
- The Human Rights Act served one sector of the community and abused another as a consequence, i.e. the right to peacefully enjoy their own property.
- Unauthorised encampments on open space and public land can have a detrimental impact on those living close to the land that is being occupied.
- Some encampments had not resulted in trespass and so the proposals would be unnecessary in such cases.
- Sites can be allocated appropriately and having regard to infrastructure (such as schools and GPs) to help ensure there was an inclusive approach to gypsies and travellers as part of the community.
- The Motion would save money and officer and court time.

Before voting on the motion, the mover of the motion (Councillor Lumby) gave his right of reply:

- There are issues for the traveller communities, but there were issues for residents regarding intimidation and fear when there was an unauthorised encampment close by.
- Need an effective solution simply to speed up the process of gaining possession, which currently takes around 5 days. Also to encourage the traveling communities to make use of the existing authorised sites.

As it was the request of more than five Members present in the meeting, a recorded vote was taken on the motion.

#### Division Lists

#### **The following Members voted in favour of the motion:**

Councillors Brook, Clementon, Cook, Cunningham, Gemmell, Godfrey, Griffiths, Horrill, Humby, Lumby, Mather, Mclean, Miller, Pearson, Read, Ruffell, Scott, Weston

#### **The following Members voted against the motion:**

Councillors Achwal, Becker, Bell, Bentote, Bronk, Clear, Craske, Cutler, Evans, Fern, Ferguson, Gordon-Smith, Green, Hiscock, Hutchison, Laming, Learney, Murphy, Porter, Power, Prince, Rutter, Thompson, Tod, Weir, Williams

**There were no Members abstaining from voting on the motion**

Motion lost.

RESOLVED:

That the motion as set out above be not carried.

7. **CHANGES TO COMMITTEE MEMBERSHIPS**

There were no changes to committee memberships to report.

8. **QUESTIONS FROM MEMBERS OF COUNCIL**

10 written questions had been received which were heard at the meeting along with any associated supplementary questions. All questions are set out in full on the [council's website](#), together with responses from the relevant Cabinet Member.

9. **SPECIAL THANKS**

It was proposed that council offer its thanks to all the recipients of the Mayor's Local Hero's Awards and this was seconded and Members then reciprocated with applause.

The meeting commenced at 6.00 pm and concluded at 8.05 pm

The Mayor

## EXTRACT OF MINUTES

### CABINET

16 DECEMBER 2020

8. **THE COUNCIL TAX REDUCTION SCHEME – CONSULTATION RESULTS & SCHEME AMENDMENTS**  
(CAB3255)

Councillor Cutler introduced the report which set out a proposed response to the consultation on the scheme. The consultation responses had been broadly supportive of the majority of the recommendations with the exception of the changes to the savings limit and it was therefore proposed that this be retained. He emphasised that the scheme would be reviewed annually.

Cabinet agreed the following for the reasons set out above and outlined in the report.

**RECOMMENDED (TO COUNCIL):**

**THAT THE NEW INCOME BANDED COUNCIL TAX REDUCTION SCHEME FOR WORKING AGE APPLICANTS WITH EFFECT FROM 1<sup>ST</sup> APRIL 2021 BE RECOMMENDED FOR AGREEMENT AT COUNCIL AS SET OUT IN REPORT CAB3255.**

This page is intentionally left blank

**REPORT TITLE: THE COUNCIL TAX REDUCTION SCHEME – CONSULTATION RESULTS & SCHEME AMENDMENT**

16 DECEMBER 2020

REPORT OF CABINET MEMBER: Cllr Neil Cutler, Deputy Leader and Cabinet Member for Finance and Risk

Contact Officer: Terri Horner: Service Lead - Revenues and Benefits Tel No: 01962 848 160 Email [thorner@winchester.gov.uk](mailto:thorner@winchester.gov.uk)

WARD(S): ALL

**PURPOSE**

Approval to consult on proposed changes to the Council Tax Reduction (CTR) scheme was given by Cabinet on 16 September 2020 (see CAB3253). This report is to confirm the outcome of that consultation which closed on 1 November and to detail a new income banded CTR scheme and request that Cabinet recommend approval of this scheme to Council from 1 April 2021.

**RECOMMENDATIONS:**

That Cabinet agree and recommend to Council the new income banded Council Tax Reduction scheme for working age applicants with effect from 1<sup>st</sup> April 2021 as set out in this report.

**IMPLICATIONS:****1 COUNCIL PLAN OUTCOME****1.1 Homes for all**

1.2 Changes to the CTR scheme from 1<sup>st</sup> April 2021 will enable all potential applicants to obtain help towards their Council Tax liability quickly, thereby ensuring that all low-income households are provided with financial support from the earliest possibility.

**1.3 Living Well**

1.4 Changes to the CTR scheme for working age applicants will allow for the automatic granting and potential backdating of support. This will ensure that households will not lose entitlement. Often failure to claim on time or lack of knowledge of the existence of the scheme leads to households struggling to pay higher levels of Council Tax.

1.5 The new scheme will ensure that applicants receive entitlement from the earliest possible date and also allow for the straightforward backdating of entitlement where the applicant was unaware or where circumstances have prevented the applicant from claiming.

1.6 By reducing the level of Council Tax payable, more of the household's finances can be used for other essential expenses, relieving some financial pressures.

**1.7 Your Services, Your Voice**

1.8 There is a requirement under the legislation to undertake a consultation with stakeholders. A full consultation has taken place over the autumn time and this report details the outcomes of the consultation with the public and the major precepting authorities.

1.9 All consultees were given the opportunity to give their views on each part of the recommended new scheme. A summary of the consultation results is provided within section 6 and full results are shown within Appendix 3.

**2 FINANCIAL IMPLICATIONS**

2.1 The current Council Tax Reduction scheme cost £6.4m in May 2020 which is borne by the Council's Collection Fund. Costs are shared between the Council and the Major Precepting Authorities in proportion to the share of Council Tax.

2.2 Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households nor to increase the overall costs of the scheme itself. The cost of the scheme for 2020/21 is considerably higher at present than the Council's

budget (£5.77m) due to the increase in CTR cases caused by Covid. The higher level of CTR is likely to continue in to 2021/22, although, not likely at the same level. This will be subject to future restrictions imposed by the government on Covid and the recovery of businesses in the area.

- 2.3 Financial modelling has been undertaken throughout the project and the intention is that the overall costs of the scheme falls within the same cost envelope as at present. With the continued effects of the COVID-19 crisis, the Council, as with all other authorities, will no doubt experience a rise in the number of applicants over the wintertime. Based on the previous 'lockdown' it is anticipated that the costs of the scheme will increase between 1% and 2%. However, this increase would occur irrespective of any change in scheme design.

### **3 LEGAL AND PROCUREMENT IMPLICATIONS**

- 3.1 Section 13A of the Local Government Finance Act 1992 requires the Council as the billing authority to make a localised council tax reduction scheme in accordance with section 1A of the Act. Each financial year the council must consider whether it wants to revise the scheme, leave as is or replace it. Consultation must occur on any options required to change the scheme prior to introduction, and is set out in Schedule 1A (3) of the Local Government Finance Act 1992
- (a) consult any major precepting authority which has power to issue a precept to it,
  - (b) publish a draft scheme in such manner as it thinks fit, and
  - (c) consult such other persons as it considers are likely to have an interest in the operation of the scheme.
- 3.2 This cabinet report correctly sets out the result of consultation undertaken following the previous cabinet decision, report CAB3253. The result of the consultation should be conscientiously taken into account by the decision makers when this decision is made.
- 3.3 A decision by the council is obliged to be made by 11<sup>th</sup> March of the year prior to the scheme coming into place.
- 3.4 The purpose of this report is to recommend to council that the new scheme be approved and implemented with effect from 1<sup>st</sup> April 2021.

### **4 WORKFORCE IMPLICATIONS**

- 4.1 At present, COVID-19 has caused an increase in CTR claims. This generates additional work for an already small team and the use of agency staff has been required in order for the team to process all additional claims and respond to the increase in enquiries.



- 4.2 Changes to the scheme will enable a reduction in administration and allow staff to be able to undertake all CTR work using existing resources. Failure to implement changes will inevitably lead to an increase in administration with the corresponding increase in costs and the requirement for more staff.
- 4.3 Changes to a more simplified approach will also allow for the work to be undertaken by other staff within the Revenues and Benefits service and should reduce the need for agency staff within the team overall, which are costly.

## 5 **PROPERTY AND ASSET IMPLICATIONS**

- 5.1 None

## 6 **CONSULTATION AND COMMUNICATION**

- 6.1 As required by the legislation, the Council has consulted with both major preceptors and also the public. In the case of the public consultation, a full consultation was undertaken during the period 21 September 2020 until 1 November 2020.

### **Major Preceptors**

- 6.2 All major preceptors were requested for their views on the recommended new scheme. The Council received the following positive joint response:

Dear Ms Horner,

Thank you for consulting us about proposed changes to Winchester City Council's council tax reduction scheme. This is a joint response from Hampshire County Council, Hampshire Fire and Rescue Authority and the Hampshire Police and Crime Commissioner.

As noted in your letter, the changes are being made due to the rollout of Universal Credit being incompatible with the existing scheme. We agree it is sensible to make changes so that the scheme is compatible with Universal Credit.

The consultation proposes a number of options for changes to the scheme. As the billing authority is responsible for running the scheme, we believe that Winchester City Council is best placed to know the circumstances of existing recipients and thus what the fairest changes are. Therefore, we do not wish to comment in detail on the proposed options, other than noting we would most favour those which best meet two general principles. These are that the cost of the scheme needs to be kept within the resources available and that support should be prioritised for the most vulnerable. We note the consultation states that the overall cost of the scheme will remain the same as before and one of the aims of the changes is to support the most vulnerable, so based on this we are satisfied that the proposals meet these two principles.

Yours sincerely,  
 Christopher Szubert  
**Accountant**  
 Corporate Finance  
 Hampshire County Council

## Public Consultation

6.3 The public consultation produced 188 responses. Full details are provided in Appendix 3.

6.4 The Council proposed 11 options for changes and a summary of the responses are as follows:

Option 1 – The introduction of an income banded scheme to replace the current scheme for all applicants of working age

**Yes: 43.02%**, No: 38.37%, Don't Know: 18.60%

Option 2 - To limit the number of dependant children within the calculation for Council Tax Reduction to a maximum of two for all applicants

**Yes: 58.44%**, No: 27.27%, Don't Know: 14.29%

Option 3 – To remove non-dependant deductions from the scheme

**Yes: 54.79%**, No: 24.66%, Don't Know: 20.55%

Option 4 – Disregarding Carers Allowance, the support component of the Employment and Support Allowance and the housing element of Universal Credit

**Yes: 60.56%**, No: 22.54%, Don't Know: 16.90%

Option 5 - To reduce the maximum limit of capital from £16,000 to £6,000

Yes: 38.03%, **No: 50.70%**, Don't Know: 11.27%

Option 6 – Removing the current earnings disregards and replacing them with a standard £35 disregard for single applicants and £70 for applicants who are disabled, carers, those in special employments or lone parents or couples.

**Yes: 51.47%**, No: 27.94%, Don't Know: 20.59%

Option 7 - To allow further income disregards where an applicant, their partner or any dependant is in receipt of a disability benefit

**Yes: 58.21%**, No: 23.88%, Don't Know: 19.40%

Option 8 – Removing the Extended Reduction provision

**Yes: 52.31%**, No: 27.69%, Don't Know: 20.00%

Option 9 - Removal of Second Adult Reduction from the scheme

**Yes: 54.69%**, No: 23.44%, Don't Know: 21.88%

Option 10 – Any new claim or change in circumstances which changes Council Tax Reduction entitlement will be made from the date on which the change occurs, (rather than on a weekly basis as at present)

**Yes: 71.88%**, No: 9.38%, Don't Know: 18.75%

Option 11 – Extending the 'backdating' provisions within the scheme

**Yes: 68.75%**, No: 10.94%, Don't Know: 20.31%

- 6.5 It can be seen from the above that the overall response to the proposed changes have been positive and that the consultees largely support the recommended new CTR scheme. The one proposal that received less support was Option 5, *to reduce the maximum limit of capital from £16,000 to £6,000*. This proposal does offset some of the cost of the other recommended changes as they increase the amount of CTR. However, it is imperative that full consideration is given to the responses received from the consultation and as a result further work was undertaken to model this particular change within the scheme. Whilst a reduction in capital limit would significantly offset the cost of other adjustments, the self-financing of the scheme can still be maintained without making this particular change, at this time. As a result of this further consideration it is no longer proposed to reduce the capital limit from £16,000 to £6,000 but instead to monitor the impact of the additional work required to calculate tariff income on capital in excess of £6,000 through the next financial year.

## 7 **ENVIRONMENTAL CONSIDERATIONS**

- 7.1 Failure to adopt a new simplified scheme will inevitably lead to an increase in administration. This in turn will lead to the increased use of resources.

## 8 **EQUALITY IMPACT ASSESSEMENT**

- 8.1 A second stage Equality Impact Assessment is shown at Appendix 1. Details of those households affected by these changes are referred to below at para 11.14.

## 9 **DATA PROTECTION IMPACT ASSESSMENT**

- 9.1 None required, the project has used only existing data held. No further personal data has been requested, obtained, held or published

## 10 **RISK MANAGEMENT**

10.1 The following risks are associated with the changes

<b>Risk</b>	<b>Mitigation</b>	<b>Opportunities</b>
<b>Property</b> <i>No risk</i>	N/A	N/A
<b>Community Support</b> <i>Recommended changes to the support of some working age applicants</i>	<ul style="list-style-type: none"> <li>Where an applicant may receive less Council Tax Reduction, they may apply for additional support under the Council's Exceptional Hardship Fund ( see para 11.17)</li> <li>In some cases, applicants may receive more support under the recommended scheme.</li> </ul>	By accepting the recommendations, there is an opportunity to: <ul style="list-style-type: none"> <li>Modernise the current scheme;</li> <li>Enable a scheme that will be fit for purpose; and</li> <li>Reduce administration.</li> </ul>
<b>Timescales</b> <i>It will be essential for the Council to agree the new scheme if it is to be introduced for the 2021/22 financial year.</i>	<ul style="list-style-type: none"> <li>The project is on time and if the recommendations are accepted by the Council, the new scheme shall be implemented on 1 April 2021.</li> </ul>	
<b>Project capacity</b>	<ul style="list-style-type: none"> <li>Resources have already been allocated to the project which are sufficient</li> </ul>	
<b>Financial / VfM</b> <i>Changes to the scheme could potentially lead to changes in overall scheme costs</i>  Potential increase in Fraud.	<ul style="list-style-type: none"> <li>Extensive modelling has been undertaken to estimate the costs of the scheme. This continues at present.</li> <li>Experience of similar schemes identifies that</li> </ul>	<ul style="list-style-type: none"> <li>The Council has indicated that it is not looking to make savings from scheme changes. However, a natural reduction in the resources required to administer</li> </ul>

Risk	Mitigation	Opportunities
	<p>fraud tends to occur after a claim is made i.e. changes in circumstances are not reported. The change in scheme allows for a change in emphasis as evidence will only be requested in a very small number of cases. The vast majority of cases will be processed based on the information provided. The current scheme is not designed to prevent fraud, the new scheme with its reduced requirements will, by design, reduce fraud e.g. no requirement to report all income changes , non dependants etc.;</p> <p>Reviews will be undertaken on a risk based approach together with other Council Tax discounts</p>	<p>this scheme should yield savings once the new scheme is bedded-in.</p>
<p><b>Legal</b> <i>Failure to set the scheme in accordance with the legislation and failure to comply with the legal requirements for developing a new CTR scheme</i></p>	<ul style="list-style-type: none"> <li>• The project is being undertaken strictly in accordance with legislative requirements. Should the Council not agree the new scheme, the current scheme will remain in force.</li> </ul>	
<p><b>Innovation</b> <i>Failure to maximise the potential of change and automation</i></p>	<ul style="list-style-type: none"> <li>• The recommended approach takes full advantages of the latest automation of claims and the gathering of data</li> </ul>	<ul style="list-style-type: none"> <li>• If the recommendations are accepted, there will be more opportunity to enhance customer's online experience by</li> </ul>

Risk	Mitigation	Opportunities
		receiving immediate decisions of discounts being granted.
<p><b>Reputation</b>  <i>Failure to implement the new scheme on time or failure to deliver a comprehensive and robust scheme</i></p>	<ul style="list-style-type: none"> <li>By accepting the recommendation, the Council s following previous successful implementations by other Local Authorities</li> </ul>	<ul style="list-style-type: none"> <li>By accepting the recommendations, there is an opportunity for the Council to enhance its reputation by developing an up to date an effective CTR scheme</li> </ul>

## 11 SUPPORTING INFORMATION:

### BACKGROUND

- 11.1 Council Tax Reduction (CTR) was introduced by Central Government in April 2013 as a replacement for the Council Tax Benefit scheme administered on behalf of the Department for Work and Pensions (DWP). As part of the introduction, the Government:
- Placed the duty to create a local scheme for **Working Age** applicants with billing authorities.
  - Reduced initial funding by the equivalent of ten per cent from the levels paid through benefit subsidy to authorities under the previous Council Tax Benefit scheme; and
  - Prescribed that persons of **Pension age** would be dealt with under regulations set by Central Government and not the authorities' local scheme.
- 11.2 Since that time, funding for the Council Tax Reduction scheme has been amalgamated into other Central Government grants paid to Local Authorities and also within the Business Rates Retention regime. It is now generally accepted that it is not possible to identify the amount of funding actually provided from Central Government sources.
- 11.3 The current Council Tax Reduction scheme created by the Council is divided into two schemes, with pension age applicants receiving support under the rules prescribed by Central Government, and the scheme for working age applicants being determined solely by the local authority.
- 11.4 Pensioners, subject to their income, can receive up to 100 per cent support towards their council tax. The Council has no powers to change the level of support provided to pensioners and therefore any changes to the level of CTR can only be made to the working age scheme.

- 11.5 When Council Tax Reduction was introduced in 2013, the Council adopted the previous means tested Council Tax Benefit scheme as the basis of awarding support and enhanced the scheme by increasing the earnings disregards in order to encourage people into work. Many other authorities in England took this opportunity to introduce a requirement for claimants to make some contribution to Council Tax, leaving Winchester's scheme as one of the most generous in the Country. Since that time, other minor changes have been made to bring the scheme into line with either Housing Benefit or Universal Credit. For example, disregarding income and capital from the We Love Manchester Emergency Fund, Windrush payments and London Emergency Trust.

### **The main issues with the current scheme**

- 11.6 There are a number of issues with the current scheme that need addressing if the system is to continue to provide effective support to low income taxpayers and also if the Council is able to provide the service in an efficient manner. The main issues are as follows:
- The introduction of Universal Credit for working age applicants; and
  - The need for a simplification of the scheme;
- 11.7 Each of the above are examined in detail below.

### **Council Tax Reduction and the roll out of Universal Credit**

- 11.8 The introduction of Universal Credit within the area has, as experienced in all other areas, brought a number of significant challenges to both the administration of Council Tax Reduction and also the collection of Council Tax generally. All Councils have experienced the following:
- The reluctance of Universal Credit claimants to make a prompt claim for Council Tax Reduction leading to a loss in entitlement;
  - A high number of changes to Universal Credit cases are received from the Department for Work and Pensions requiring a change to Council Tax Reduction entitlement. On average 40% of Universal Credit claimants have between eight and twelve changes in entitlement per annum. These changes result in amendments to Council Tax liability, the re-calculation of instalments, delays and the demonstrable loss in collection; and
  - The increased costs of administration through multiple changes with significant additional staff and staff time being required.
- 11.9 It is clear that the existing means tested Council Tax Reduction scheme, which is too reactive to change, will not be viable in the longer term now that Universal Credit has been rolled out fully within the area and with the massive increase in Universal Credit claimants due to the COVID-19 crisis. The move to a new more efficient scheme from 2021 is now imperative.

**The need for a simplified approach to the Council Tax Reduction Scheme.**

11.10 Notwithstanding the introduction of Universal Credit, the existing scheme is based on an 'old fashioned;' means tested benefit scheme. It has major defects namely:

- It is complex for customers to understand and is based on a complex calculation of entitlement;
- The administration for staff is complex, with staff having to request significant amounts of information from applicants;
- Staff have to undergo significant training to be proficient in processing claims;
- The timescales for processing applications is lengthy, mainly due to the complexity and evidence required to support the applications; and
- The administration of the scheme is costly when compared to other discounts for Council Tax.

11.11 Clearly there is a need now to simplify the scheme, not only to mitigate the effects of Universal Credit, but also make it easier for customers to make a claim and to significantly reduce the costs of administration.

**The recommended approach for the 2021/22 Council Tax Reduction Scheme**



11.12 In view of the problems being experienced with the current scheme, a new scheme has been devised and a full consultation was undertaken between 21 September and 1 November to consider the proposed changes. A summary of the consultation results is provided at section 6 and results with commentary are shown within Appendix 3. The overall response to the proposed changes are positive and the consultees largely support the recommended new Council Tax Reduction scheme. The one proposal that received less support was Option 5, *to reduce the maximum limit of capital from £16,000 to £6,000*. This proposal does offset some of the cost of the other recommended changes as they increase the amount of CTR. However, it is imperative that full consideration is given to the responses received from the consultation and as a result further work was undertaken to model this particular change within the scheme. Whilst a reduction in capital limit would significantly offset the cost of other adjustments, the self-financing of the scheme can still be maintained without making this particular change, at this time. As a result of this further consideration it is no longer proposed to reduce the capital limit from £16,000 to £6,000 but instead to monitor the impact of the additional work required to calculate tariff income on capital in excess of £6,000 through the next financial year..

11.13 It is recommended that a new scheme is introduced from 1<sup>st</sup> April 2021. The approach has been to fundamentally redesign the scheme to address all of the issues with the current scheme and in particular;

- (a) The problems with the introduction of full-service Universal Credit; and
- (b) The significant increase in administration costs due to the high level of changes received in respect of Universal Credit;

11.14 The recommended scheme has a number of features as follows:

- The overall expenditure (cost) of the scheme will remain as at present, subject to changes (increases and reductions) created by Covid;
- The recommended changes can **only be made to the working age schemes** as the current schemes for pensioners is prescribed by Central Government;
- It is recommended that the current means-tested schemes will be replaced by a simple income banded model as shown below:

Discount Band	Discount	Single Person	Single person with one child	Single person with two or more children	Couple	Couple with one child	Couple with two or more children
<b>Weekly income ranges</b>							
<b>Band 1*</b>	<b>100%</b>	£0 - £100.00	£0 - £165.00	£0 - £220.00	£0- £140.00	£0 - £205.00	£0 - £260.00

Discount Band	Discount	Single Person	Single person with one child	Single person with two or more children	Couple	Couple with one child	Couple with two or more children
<b>Band 2</b>	<b>75%</b>	£100.01 - £180.00	£165.01 - £245.00	£220.01 - £300.00	£140.01 - £220.00	£205.01 - £285.00	£260.01 - £340.00
<b>Band 3</b>	<b>45%</b>	£180.01 - £240.00	£245.01 - £305.00	£300.01 - £360.00	£220.01 - £280.00	£285.01 - £345.00	£340.01 - £400.00
<b>Band 4</b>	<b>25%</b>	£240.01 - £300.00	£305.01 - £365.00	£360.01 - £420.00	£280.01 - £340.00	£345.01 - £405.00	£400.01 - £460.00
	<b>0%</b>	Over £300.00	Over £365.00	Over £420.00	Over £340.00	Over £405.00	Over £460.00

- Where any applicant or their partner are in receipt of Income Support, income-based Jobseeker's Allowance or income-related Employment and Support Allowance, a Band 1 discount will be given;
- the highest level of discount will remain at a maximum level of liability (100%) and all current applicants that are in receipt of a 'passport benefit', and have capital of less than £16,000, such as Income Support, Jobseeker's Allowance (Income Based) and Employment and Support Allowance (Income Related) will receive maximum discount
- All other discount levels are based on the applicant's (and partner's, where they have one) net income;
- The scheme allows for variation in household size with the levels of income per band increasing where an applicant has a partner, and / or dependants;
- There will be no charges made where an applicant had non-dependants living with them. A non-dependant is an adult who lives with the applicant, normally a grown up son, daughter, friend or relative. A non-dependant will normally reduce the claimants CTR by the amount we expect them to contribute to their household This is a significant change and means that the administration of the scheme will be more straightforward whilst also protecting low income families where adult sons and daughters for example remain at home;
- To encourage work, a standard £35 per week disregard will be provided against all earnings for single persons and £70 per week for disabled applicants, carers, those in special employment or couples or lone parents. This will take the place of the current standard disregards, childcare disregards and additional earnings disregards. Child Benefit will

continue to be disregarded and as the income bands for applicants with children are higher, they will be able to receive the same level of support with a higher income;

- Disability benefits such as Disability Living Allowance and Personal Independence Allowance will continue to be disregarded;
- Carer's Allowance and the support component of Employment and Support Allowance will be disregarded;
- Child Benefit and child maintenance will continue to be disregarded;
- The total disregard on war pensions and war disablement pensions will continue;
- Extended reductions will be removed - in certain cases, where applicants have been in receipt of prescribed benefits (such as Income Support, Jobseekers Allowance or Employment and Support Allowance) and move into work which ends their entitlement, CTR can be paid for an additional 4 weeks after commencing work or increasing their hours. This is known as an Extended Payment. Similar provisions do not exist for Universal Credit claimants. As Universal Credit is to replace those existing (legacy) benefits, the Council feels that these provisions are no longer appropriate;
- Second Adult Reduction will be removed - the current CTR scheme can grant a reduction up to 25% in certain cases where the income of a 'second adult' (not the applicant's partner) who resides with the applicant is unemployed or has a low income. The reduction is not based on the applicant's or their partner's income but is purely based on the income of the 'second adult'; Where the applicant, their partner and / or a dependant child is disabled, a further disregard will be made from their income prior to the calculation of CTR;
- The scheme has been designed so that disabled people are not disadvantaged. This is achieved by continuing to disregard their disabled income plus up to £80 per week of their other income. There may be a small number of cases that receive less support. They will be able to apply for assistance from the Exceptional Hardship Fund. In the case of those with a disabled child who will receive less support, this is primarily because they are large families;
- There may be other applicants with larger families who may see a reduction in support. Child Benefit will continue to be disregarded and as the income bands for applicants with children are higher, they will be able to receive the same level of support with a higher income. Cases which receive less CTR will be able to apply for assistance from the Exceptional Hardship Fund where they can demonstrate financial hardship.

## How the recommended new scheme will address the problems with the current Council Tax Reduction

11.15 Due to the simplicity of the recommended new scheme and by taking a more 'Council Tax discount approach', it will address the problems associated with the increased administration caused by failings in the current scheme and Universal Credit as follows:

- **The scheme will require a simplified claiming process.** All applicants will see a significant reduction in the claiming process and where possible Council Tax Reduction will be awarded with minimal administration and without the need to request further information from the applicant. For Universal Credit applicants *any* Universal Credit data received from the Department for Work and Pensions (DWP) will be treated as a claim for Council Tax Reduction. Where information is received from DWP, the entitlement to Council Tax Reduction will be processed without the need to request further information from the applicant.
- These changes will have the following distinct advantages namely:
  - **Speed of processing** – all claims will be able to be calculated promptly and largely automatically without the need to request further information which inevitably leads to delays;
  - **Maximising entitlement to every applicant.** As there will no requirement for Universal Credit applicants to apply, and for all other applicants, the claiming process will be significantly simplified, entitlement to Council Tax Reduction will be maximised with a reduced risk of loss of discount or the need for backdating;
  - **Maintenance of collection rates** – the new scheme will avoid constant changes in discount, the need for multiple changes in instalments and therefore assist in maintaining the high collection rates currently achieved. The increased level of discount will assist all those applicants on the lowest levels of income, again improving the overall collection rate;
- **The income bands are sufficiently wide to avoid constant changes in discount.** The current Council Tax Reduction scheme is very reactive and will alter even if the overall change to the person's liability is small. This is leading to constant changes in Council Tax liability, the need to recalculate monthly instalments and the requirement to issue a large number of Council Tax demands. The effect of this is that Council Tax collection is reduced. The new scheme, with its simplified income banding approach will have the following advantages:
  - In the vast majority of cases there will be no requirement to notify the Council of a change in income as the discount bands are so wide. Applicants will only be required to notify the Council when their income is likely to change the discount banding they are in

- Council Taxpayers who receive Council Tax Reduction will not receive multiple Council Tax demands and adjustments to their instalments; and
- The new scheme is designed to reflect a more modern approach, where any discount changes it will be effective from the day of the change rather than the Monday of the following week;

### **Transition to the new scheme and the Exceptional Hardship Scheme**

- 11.16 The Council must be mindful that any change in scheme or a transition to a new scheme may result in a change to the entitlement of certain applicants.
- 11.17 Inevitably, with any change in scheme, there will be both winners and losers although the recommended scheme has been designed to protect the most vulnerable. Whilst the new scheme has been designed to protect vulnerable groups and to, where possible, minimise any reductions in entitlement, it is recommended that the new scheme will contain additional provisions to protect individuals who experience exceptional hardship. Where any applicant is likely to experience exceptional hardship, they will be encouraged to apply for an exceptional hardship payment. The Council will consider all applications for exceptional hardship on an individual basis, taking into account available income and essential outgoings. Where appropriate further support will be given to the applicant.
- 11.18 This approach will enable individual applicants to be dealt with in a fair and equitable manner. The Exceptional Hardship Scheme (see Appendix 5) will form part of the Council Tax Reduction scheme and fall to be paid through the Collection Fund.

### **Matters raised in the consultation responses**

- 11.19 Whilst the overall response to the consultation demonstrated support for the new proposals, a number of issues were raised. Where possible and appropriate, a response has been provided next to each of those comments in Appendix 3. The issue regarding the reduction in capital limit from £16,000 to £6,000 has also been addressed at paras 6.5 and 11.12.

## **12 OTHER OPTIONS CONSIDERED AND REJECTED**

- 12.1 The alternative to introducing a new scheme for Council Tax Reduction from 2021/22 is to leave the existing scheme in place. This would be a short-term option; lead to increasing costs of administration; and in the longer term, significantly affect the collection of Council Tax and the effectiveness of the scheme to support households within the City Council's area

### **BACKGROUND DOCUMENTS:-**

Previous Committee Reports:-

CAB3253 – CONSULTATION ON CHANGES TO THE COUNCIL TAX

**APPENDICES:**

**Appendix 1 – Stage 2 Equality Impact Assessment;**

**Appendix 2 – Consultation response - Major Preceptors**

**Appendix 3 – Consultation responses - Public**

**Appendix 4 – Recommended Council Tax Reduction Scheme from 1 April 2021**

**Appendix 5 – Proposed Exceptional Hardship Scheme**

**Appendix 6 – Case studies**

<b>Stage 1 &amp; 2</b>	<b>Equality Impact Assessment</b>
------------------------	-----------------------------------

Policy/Strategy/Service Owner	Terri Horner, Service Lead Revenues and Benefits
Name of policy, strategy, function or service being assessed	<b>Council Tax Reduction Scheme from 1 April 2021</b>
New policy/function/service or review of an existing one?	Review and replacement of an existing policy
This issue date:	November 2020
Review date (if applicable):	Ongoing

<b>Stage 1 – Identifying the aims and objectives of the policy, strategy, function or service</b>
<b>1.1 Aim(s)</b>
To introduce a simplified Council Tax Reduction scheme with effect from 1 <sup>st</sup> April 2021
<b>1.2 Objectives</b>
<p>The implementation of Universal Credit within the area requires the Council to change its approach to Council Tax Reduction, given the high administrative burden of monthly changes and alterations to applicants' income.</p> <p>There is a requirement to introduce a simplified scheme which can be easily administered without significant additional costs being placed on the Council. The current scheme is too reactive to minor changes in applicant's income leading to constant changes in Council Tax liability.</p> <p>The scheme changes will only apply to working age applicants, pension age applicants are covered by the Prescribed Requirement Regulations determined by Central Government.</p> <p>The move to an income-based scheme (without the complexities of a full means tested as required by the current scheme).</p> <p>The changes will provide the following:</p> <ul style="list-style-type: none"> <li>• Simplified claiming arrangements for all working age applicants;</li> <li>• Certainty, at present, multiple changes are leading to some taxpayer's receiving a large number of Council Tax bills per year as their Council Tax Reduction is constantly amended;</li> <li>• The maximisation of applicant's entitlement with clear straightforward messages to claim;</li> <li>• Speed of processing - applications will be dealt with more efficiently and without the need for significant levels of evidence; and</li> <li>• Reduced administration costs. The changes will prevent the administration costs from rising year on year which would be inevitable under the current scheme.</li> </ul> <p>It should be noted that the overall costs of the recommended scheme will remain as at present.</p>

<b>1.3 Scope</b>
The new scheme will affect <b>all</b> working age applicants who are currently in receipt of Council Tax Reduction on 1 <sup>st</sup> April 2021 or those who apply after 1 <sup>st</sup> April 2021. The scheme will <b>not</b> affect pension age applicants
<b>1.4 Other policies, strategies, functions or services linked to or affected</b>
Council Tax is the only service directly affected by Council Tax Reduction due to the transactional interaction of the entitlement and the general collection of the Council Tax charge.
<b>1.5 Stakeholders</b>
Working age applicants who are currently in receipt of Council Tax Reduction or those who apply on or after 1 <sup>st</sup> April 2021.
<b>1.6 Methods of measuring progress against objectives</b>
The recommended scheme will be constantly monitored by the service through 2021 /22 to ensure that its objectives are met.

<b>Stage 2 – Considering the relevant data and information</b>		
	<b>Source (plus link if electronic)</b>	<b>Brief description</b>
2.1	<a href="#">EIA data - NOV - post consultation</a>	The spreadsheet provides a full analysis of the effect on each demographic group. The spreadsheet provides an analysis of the average level of support given under the current CTR scheme in 2020/21 and compares it with the levels to be provided under the new scheme from 1 April 2021.
2.2	<i>Response from Major Preceptors</i>	A joint response has been received from the major preceptors (Council, Police and Fire and Rescue) (se main report). The response is broadly supportive of the recommendation to approve the new scheme
2.3	<i>Analysis of the public consultation</i>	Responses were received from 188 members of the public. The overall response was broadly positive of the recommended changes. A full analysis is included in the main report.



<b>Stage 3 – Assess the actual or likely impact on equality taking into account the protected characteristics.</b>
<p><b>Protected Characteristics</b>  <i>Protected characteristics covered by:</i>  <i>All forms of discrimination - Age, Disability, Gender Reassignment, Race, Religion or Belief, Sex, Sexual Orientation</i>  <i>Direct discrimination, indirect discrimination, victimisation – Marriage &amp; Civil Partnerships</i>  <i>Direct Discrimination, victimisation – Pregnancy &amp; Maternity</i></p>
<p>Certain applicant groups may be affected due to the changes in the scheme. If the Council continues to grant up to 100% discount, then, in the main, most applicants will not be affected. However, those larger families who have more than two dependant children <i>may</i> receive less support given their higher level of available income.</p> <p>Likewise, with the change to the capital rule (reducing from £16,000 to £6,000), those applicants with high capital may no longer receive support.</p> <p>In all cases where there is a reduction in support, the Council will look to mitigate this by the use of an Exceptional Hardship Fund which will be available and which, on an individual basis, can ‘top up’ support for those applicants who are experiencing exceptional hardship.</p> <p>Applications can be made to the Council at any time for this and an individual assessment of need will be undertaken by staff.</p>
<p><b>Future Barriers</b>  <i>Will implementation of this policy/strategy/function or service potentially create any future barriers to equality.</i></p>
No
<b>Consideration of Alternatives to the Proposal and Outcomes</b>
<p>It is recommended that the Council proceeds with this new scheme.</p> <p>Should it decide not to proceed then the existing scheme will remain in place in accordance with the legislation.</p>
<b>Consultation</b>
<p><i>Method and details of consultation, links to any relevant documentation</i></p> <p>Consultation with the Major Preceptors (Fire and Rescue, Police and the County Council) has been undertaken and a joint response was received supporting the Council's recommendation.</p> <p>A full public consultation was undertaken from 21<sup>st</sup> September 2020 until 1<sup>st</sup> November 2020. Full details are provided in the main report. Eleven options were consulted on and the overall response was supportive of the changes.</p> <p>All consultation documentation can be viewed at the following link:  <a href="#">Winchester City to provide link</a></p>
<b>List of consultees:</b>
<p><i>Staff Forum, Community Forum, Unions, Community Groups, Businesses etc</i></p> <p>See above</p>

**Issues raised from consultation:**

A full analysis of the consultation is included within the main report

**Stage 4 – Decision making & action planning****Overall impact of policy/strategy/function or service**

The overall impact of the change is to leave the level of support available to working age applicants at the same level as in previous schemes.

Where any applicant feels that they have been disadvantaged by the change, they may apply to the Council for an Exceptional Hardship Payment

**Decision**

It is recommended that the proposed new Council Tax Reduction Scheme be implemented with effect from 1<sup>st</sup> April 2021

**Communicating the Results**

Full details of the recommended new scheme and this Equality Impact Assessment are available on [www.winchester.gov.uk](http://www.winchester.gov.uk)

**Contact point for questions or advice regarding the policy, strategy, function or service**

Terri Horner, Service Lead - Revenues and Benefits

## Nancy Graham

---

**From:** Szubert, Chris <Chris.Szubert@hants.gov.uk>  
**Sent:** 09 October 2020 15:05  
**To:** Terri Horner  
**Cc:** Williamson, Carolyn; Carr, Rob; Lowe, Andrew; Croucher, Richard; Robertson, Matt (Hampshire Fire and Rescue); Governance  
**Subject:** RE: Consultation on changes to Council Tax Reduction

Hi Terri,

Please see below a joint response from all the major preceptors to Winchester's council tax reduction scheme consultation.

Kind regards,

Chris

Dear Ms Horner,

Thank you for consulting us about proposed changes to Winchester City Council's council tax reduction scheme. This is a joint response from Hampshire County Council, Hampshire Fire and Rescue Authority and the Hampshire Police and Crime Commissioner.

As noted in your letter, the changes are being made due to the rollout of Universal Credit being incompatible with the existing scheme. We agree it is sensible to make changes so that the scheme is compatible with Universal Credit.

The consultation proposes a number of options for changes to the scheme. As the billing authority is responsible for running the scheme, we believe that Winchester City Council is best placed to know the circumstances of existing recipients and thus what the fairest changes are. Therefore, we do not wish to comment in detail on the proposed options, other than noting we would most favour those which best meet two general principles. These are that the cost of the scheme needs to be kept within the resources available and that support should be prioritised for the most vulnerable. We note the consultation states that the overall cost of the scheme will remain the same as before and one of the aims of the changes is to support the most vulnerable, so based on this we are satisfied that the proposals meet these two principles.

Yours sincerely,

Christopher Szubert

**Christopher Szubert**  
**Accountant**

Corporate Finance  
Hampshire County Council

---

**From:** [THorner@WINCHESTER.GOV.UK](mailto:THorner@WINCHESTER.GOV.UK) <[THorner@WINCHESTER.GOV.UK](mailto:THorner@WINCHESTER.GOV.UK)>  
**Sent:** 28 September 2020 14:38  
**To:** Szubert, Chris <[Chris.Szubert@hants.gov.uk](mailto:Chris.Szubert@hants.gov.uk)>  
**Cc:** [lcobern@winchester.gov.uk](mailto:lcobern@winchester.gov.uk)  
**Subject:** RE: Consultation on changes to Council Tax Reduction

Thanks Chris, that's really helpful.

I've attached 3 letters so they can be distributed separately. Look forward to the responses.

Kind regards  
Terri

*We are looking to make changes to our Council Tax Reduction Scheme and would like your feedback. To find out more please visit [www.winchester.gov.uk/benefits](http://www.winchester.gov.uk/benefits) (Closing date 1 November 2020)*

**Ms T Horner IRRV (Hons)**

Service Lead: Revenues & Benefits

Winchester City Council  
Colebrook Street  
Winchester  
SO23 9LJ

Tel: 01962 848 160  
Ext: 2160



[winchester.gov.uk](http://winchester.gov.uk)  
[visitwinchester.co.uk](http://visitwinchester.co.uk)



---

**From:** Szubert, Chris <[Chris.Szubert@hants.gov.uk](mailto:Chris.Szubert@hants.gov.uk)>  
**Sent:** 28 September 2020 10:47  
**To:** Terri Horner <[THorner@WINCHESTER.GOV.UK](mailto:THorner@WINCHESTER.GOV.UK)>  
**Subject:** RE: Consultation on changes to Council Tax Reduction

Hi Terri,

Please could you send the letter to me when finalised and I'll sort out a response from all the major preceptors (HCC, Fire and Police).

Many thanks,

Chris

**Christopher Szubert**  
**Accountant**

Corporate Finance  
Hampshire County Council

---

**From:** [THorner@WINCHESTER.GOV.UK](mailto:THorner@WINCHESTER.GOV.UK) <[THorner@WINCHESTER.GOV.UK](mailto:THorner@WINCHESTER.GOV.UK)>  
**Sent:** 25 September 2020 17:55  
**To:** Szubert, Chris <[Chris.Szubert@hants.gov.uk](mailto:Chris.Szubert@hants.gov.uk)>  
**Subject:** Consultation on changes to Council Tax Reduction

Hi Chris

I hope you are keeping well.

You can see from the title of my mail that we are undertaking a consultation on changes to the Council Tax Reduction scheme and I'm trying to find some contact details for the County, Fire and Police, as the major Council Tax preceptors of Winchester. I wondered if you could help me with some key email addresses and names etc of those that could respond to the consultation – a draft letter is attached which I'll send on to them but it might give you a better idea of who we need to reach.

Thanks for any help you can give.

Kind regards  
Terri

*We are looking to make changes to our Council Tax Reduction Scheme and would like your feedback. To find out more please visit [www.winchester.gov.uk/benefits](http://www.winchester.gov.uk/benefits) (Closing date 1 November 2020)*

**Ms T Horner IRRV (Hons)**

Service Lead: Revenues & Benefits

Winchester City Council  
Colebrook Street  
Winchester  
SO23 9LJ

Tel: 01962 848 160  
Ext: 2160



[winchester.gov.uk](http://winchester.gov.uk)  
[visitwinchester.co.uk](http://visitwinchester.co.uk)



---

This email and any files transmitted with it are intended solely for the addressed individual. The information in this email may be confidential; if you have received it in error, please accept our apologies and notify the sender as soon as possible, and delete it from your system without distributing or copying any information contained within it. Under UK Data Protection and Freedom of Information legislation, the contents of this email might have to be disclosed in response to a request. We check emails and attachments for viruses before they are sent, but you are advised to carry out your own virus checks. Winchester City Council cannot accept any responsibility for loss or damage caused by viruses.

---

---

This email and any files transmitted with it are intended solely for the addressed individual. The information in this email may be confidential; if you have received it in error, please accept our apologies and notify the sender as soon as possible, and delete it from your system without distributing or copying any information contained within it. Under UK Data Protection and Freedom of Information legislation, the contents of this email might have to be

disclosed in response to a request. We check emails and attachments for viruses before they are sent, but you are advised to carry out your own virus checks. Winchester City Council cannot accept any responsibility for loss or damage caused by viruses.

---

CAB3255 Appendix 3 CTR Consultation Response - Summary

	Total responses	Yes	No	Don't know	% Yes	%No	%Don't know	No of comments
Read CTR background information	192	187	5	0	97.40%	2.60%	0.00%	
Keep the current CTR	128	55	46	27	42.97%	35.94%	21.09%	34
OPTION 1: Introduce an income banded scheme	86	37	33	16	43.02%	38.37%	18.60%	26
OPTION 2: Limit to 2 dependant children	77	45	21	11	58.44%	27.27%	14.29%	14
OPTION 3: Remove non-dependant deductions	73	40	18	15	54.79%	24.66%	20.55%	9
OPTION 4: Disregarding Carers Allowance, ESA (SC) and housing element of UC	71	43	16	12	60.56%	22.54%	16.90%	7
OPTION 5: Capital limit reduced to £6000	71	27	36	8	38.03%	50.70%	11.27%	20
OPTION 6: Earning disregard replacements	68	35	19	14	51.47%	27.94%	20.59%	7
OPTION 7: Further income disregards for the disabled	67	39	16	13	58.21%	23.88%	19.40%	12
OPTION 8: Removing Extended Reductions	65	34	18	13	52.31%	27.69%	20.00%	9
OPTION 9: Removal of Second Adult Reduction	64	35	15	14	54.69%	23.44%	21.88%	6

	Total responses	Yes	No	Don't know	% Yes	%No	%Don't know	No of comments
<b>OPTION 10: Daily changes</b>	64	46	6	12	71.88%	9.38%	18.75%	4
<b>OPTION 11: Extending backdating</b>	64	44	7	13	68.75%	10.94%	20.31%	3
<b>FUNDING CTR: Increase Council Tax</b>	62	18	37	7	29.03%	59.68%	11.29%	15
<b>FUNDING CTR: Find costs by cutting other services</b>	62	14	40	8	22.58%	64.52%	12.90%	
<b>Other option suggestions</b>								11
<b>General comments</b>								11
							<b>TOTAL</b>	<b>188</b>



**CAB3255 Appendix 3 CTR Consultation Response - comments (1)**

Keep the current CTR	WCC Response	OPTION 1: Introduce an income banded scheme	WCC Response
<p>I do not mind paying for my council tax i am receiving pip and esa, I do not go out and think personally I could contribute more</p>		<p>maybe everyone who gets a reduction of 100% should pay a set amount, 10.00 a month instead of paying nothing</p>	
<p>it is simple and easy to understand and protects people on low incomes from losing more of their income to pay council tax.</p>		<p>remove the 2+ children element</p>	

<p>The scheme does need modernising to stop fraud, abuse and misuse of the system. It has to consider the most vulnerable avoiding them financial hardship.</p>	<p>The current scheme is not designed to prevent fraud, the new scheme with its reduced requirements will, by design, reduce fraud e.g. no requirement to report all income changes, non-dependants etc. Reviews will be undertaken on a risk based. Whilst the new scheme has been designed to protect vulnerable groups and to, where possible, minimise any reductions in entitlement, it is proposed that the new scheme will contain additional provisions to protect individuals who experience exceptional hardship. Where any applicant is likely to experience exceptional hardship, they will be encouraged to apply for an exceptional hardship payment</p>	<p>I suggest you rethink the option of allowing only claimants that have savings or capital of less than 6,000 to benefit from this scheme. You should take into account the claimants' age group i.e.; 60 yrs + with savings or capital less than 16,000 should also be eligible.</p>	<p>Creating a separate scheme for working age claimants for example, 60+ would create more complexities and potential unfairness between those in different age brackets. For those that suffer financial hardship may apply for a Exceptional Hardship payment. The Pension age scheme has a capital limit of £16K</p>
<p>As a new claimant for CTR I do find these changes rather worrying and from my perspective, and I am sure many others, who are unfortunately in the same situation, very unfair. I do find it hard to believe that the additional administration costs incurred to cope with the increase in the number of claimants will force Winchester Council to put up their council taxes. It is already very high and equated to 12% of my income, when I was earning, not to mention the increase every year. My salary remained the same !! I would also like to add that the option to limit the maximum capital limit to 6,000 from 16,000 without considering the claimants' age is very discriminatory. I am 63 years old and single with currently 15,000 in the bank, which is dwindling rapidly. That is hardly a fortune at my age? Whilst I endeavour to find employment, it is unrealistic to think I will be able to live the rest of my years serenely.</p>	<p>The administration has increased due to the introduction of Universal Credit due to the high level of changes which are received &amp; funding from central government continues to decrease. If the proposed change is agreed and included in the final scheme and financial hardship was suffered, The Exceptional Hardship Fund is available.</p>	<p>the problem with this is if you earn 1p more you could end up losing a significant amount of CTR and could lead to hardship, although there is an option of applying for hardship help it means yet another form to fill out. I do not agree that any household with more than two children should lose out, that is just vile and discriminatory .Couples without children are treated unfairly as they will end up paying more for the same services that those with children receive. I would suggest that no-one should have to pay any council tax if they have an income of less than £300 per week or if they are without employment for any reason. CTR should then reduce by 5p for each £ earned over that amount up to £500. All those earning £500 pw or above the average wage for the area, should pay full council tax</p>	<p>The income bands are wide / generous to allow for changes to occur without a change in CTR. If their total income increases &amp; crosses to the next band a reduction in CTR will occur. Unfortunately, cliff-edges will always occur in a more simplified scheme. If any financial hardship occurs then assistance is available from the Exceptional Hardship Fund. We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well.</p>

<p>You should only change it when people move onto uc benefit this upset my learning difficulties as until if a change in my circumstances I have to apply uc benefit if you change my circumstances means I have to apply uc change upset disabled people first the government now you have made me worried about losing my home I say you make a new benefit go with uc benefit keep the old scheme going while some still on old benefit system if you change it now a lot will be homeless plus covid-19 has made people homeless including me please don't change it set up new benefit if you worry work with uc pay towards council tax I suggest</p>	<p>The current scheme is complex and the administration is high. The link between Housing Benefit and Council Tax Reduction is no longer there, the scheme needs to be changed to meet future requirements. Creating a separate scheme for working age claimants on Universal Credit would create more complexities and potential unfairness between those in receipt of Universal Credit and those not in receipt of Universal Credit. For those that are uncertain on how these changes will affect them they can contact Benefits &amp; Welfare who will explain/help them through the change. For clarity, the proposed changes will not move people onto claiming Universal Credit.</p>	<p>band, will only use/benefit from limited and minimal local council services. By removing the current 25% discount for a higher income single person, the system becomes completely unfair. Larger households will utilise/benefit significantly more from local services. Higher income individuals are already paying larger amounts of income tax, and spending more to support the national economy and local government funding. My second point is that increasing taxes such as this one will of course reduce disposable incomes that push back money into the economy. My third point, is that many, many people will change their status from higher income to lower income to unemployed over the next 0 months to 5 years, as businesses reel from the costs of this pandemic and any post Brexit costs. My second point is that by implementing this banding structure, the Council will open itself up to an inevitable administrative headache in keeping up with the continued change in individual and family circumstances as we are all exposed to the likelihood of frequent manoeuvre between the bands. The picture is currently very bleak and this</p>	<p>Single Person Discount will not be effected. In the vast majority of cases there will be no requirement to notify the Council of a change in income as the discount bands are so wide. Applicants will only be required to notify the Council when their income is likely to change the discount banding they are in</p>
<p>keep the same!! As single parents like myself with nearly 3 children it will be more difficult for.</p>	<p>We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well. If financial hardship is suffered, the Exceptional Hardship Fund is available.</p>	<p>Strongly disagree. Only reprieve offered for single people and Winchester already very expensive to live in. You will make it difficult for single people to live in Winchester unless earning a lot</p>	<p>Single Person Discounts will not be changed. CTR is still available to single people on a low income</p>

<p>we must protect families through the CTR scheme. I do not believe we should penalise families with 2+ children</p>	<p>We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well. If financial hardship is suffered, the Exceptional Hardship Fund is available.</p>	<p>To disregard any dependents over two should happen with new applications only. I cannot reduce the amount of children that I have now, so to penalise me for it would be unfair.</p>	<p>We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well. Creating a separate scheme for working age claimants for with more than 2 children at a certain date would create more complexities and potential unfairness. If financial hardship is suffered, the Exceptional Hardship Fund is available.</p>
<p>Being a working class family, we depend on all the help that we can get. Limiting this to help save costs on administration is a fair point but it would have a detrimental impact on families who depend on this help.</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>50% more reduction</p>	
<p>I personally think there should be more changes leaning towards supporting those who are working, and encouraging more people to work. I really think it's unfair that working people have to pay more taxes so that people who can work but don't want to can stay at home. This might sound controversial but I think my taxes should be better spent.</p>	<p>To encourage work, a standard £35 per week disregard will be provided against earnings for single persons and £70 per week for disabled applicants, carers, those in special employments or couples or lone parents</p>	<p>One which does not discriminate against single people. Winchester very expensive to live in and council tax is only tax which gives single people a bit of reprieve.</p>	<p>The proposed scheme does not discriminate against single applicants. Single applicants require a lower income compared to couples or households with children, this is reflected in the bands. Single Person Discounts will not be changed. CTR is still available to single people on a low income</p>

<p>Firstly your explanation is unnecessarily complicated and confusing. My reading is that more people in financial hardship will be denied this assistance, which is unacceptable. I feel that current economic uncertainty during Covid and on the eve of Brexit make this an inappropriate time for this review. I feel that current economic uncertainty during Covid and on the eve of Brexit make this an inappropriate time for this review. Please withdraw it.</p>	<p>Every effort has been made to communicate the proposed changes clearly and concisely, contact details were provided if further explanation/clarification was required. COVID 19 has caused lots of uncertainty and financial suffering. Central government has provided (outside of the current welfare benefits) additional financial assistance &amp; they have enhanced the existing welfare benefits. COVID 19 has also lead to an increase in CTR claimants - enhancing the requirement for a simpler scheme. Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>I wouldn't agree to an alternative, because someone who you select will be in further poverty. Why don't you stop discounts on second homes instead! Some people can't even afford one home.</p>	<p>We don't offer a discount on second homes</p>
<p>The consultation is unclear in its intentions and not explained clearly enough for people to make an informed decision as to what change or changes would significantly effect them. Things like this need to be explained in plain english. The time period for this is also rather short.</p>	<p>Every effort has been made to communicate the proposed changes clearly and concisely, contact details were provided if further explanation/clarification was required. The consultation was widely publicised to reach all residents and stakeholders. The consultation period was 6 weeks, we did the following advertisements &amp; actively encouraged engagement and want everyone to have their say.  Wrote to all CTR claimants  Added to WCC website  Sent a leaflet with all Council Tax bills throughout the consultation (6500)  Wrote to all landlords  Wrote all major preceptors  Wrote to Citizens advice, CAP, Frontline debt, Parishes  Added survey to all our email responses  Added to residents newsletter  Added to internal comms  Poster in reception  Social media</p>	<p>What happens to those of 'working age' but because of disabilities are not capable of work.</p>	<p>The scheme has been designed so that disabled people are not disadvantaged. This is achieved by continuing to disregard their disabled income plus up to £80 per week of their other income. There may be a small number of cases that receive less support. They will be able to apply for assistance from the Exceptional Hardship Fund.</p>

<p>The question I have is what advice is the Council getting from the LGA? surely every council is facing the same issue and so will benefit from shared wisdom.</p>	<p>The following is a link to what other LA's have introduced:  <a href="http://www.entitledto.co.uk/media/42779/review-of-income-banded-council-tax-reduction-schemes-2020-21-from-entitledto.pdf">www.entitledto.co.uk/media/42779/review-of-income-banded-council-tax-reduction-schemes-2020-21-from-entitledto.pdf</a></p>	<p>Option 2 regarding only 2 children ... does this take into account parents with multiples (eg twins, triplets etc) as I think this needs to be considered</p>	<p>We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well. Creating a separate scheme for working age claimants for with more than 2 children because they are twins/triplets would create more complexities and potential unfairness. If financial hardship is suffered, the Exceptional Hardship Fund is available.</p>
<p>Can't afford the costs of living now, scared I will get in even more debt</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>we should stop shielding pensioners financially and penalise family with children</p>	<p>The Council has no powers to change the level of support provided to Pensioners</p>

<p>I will literally not be able to afford anything outside of food rent and medical bills if I have to pay more council tax</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>I'm unsure as to why am unnecessary change to make it more difficult financially for some people.</p>	<p>The current scheme is complex and the administration is high. The link between Housing Benefit and Council Tax Reduction is no longer there, the scheme needs to be changed to meet future requirements. Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>
<p>I am unable to work due to my mental health and receive universal credit, long term disabled element. I currently receive maximum reduction and am afraid how this will affect me. So any change to make people poorer is in my opinion unfair.</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>Keep it the same and increase the council tax for the top level council tax - those who are in the most expensive houses. There is a lot of really expensive property in Winchester and surrounds - get them to pay more. And increase the council tax charged on homes that are second residences/holiday homes/empty. Get the most wealthy to pay more.</p>	<p>No discount on second homes. No discount for empty or unfurnished properties Long term empty properties over 2 years are subject to a higher premium</p>
<p>people getting a council tax reduction are already struggling to live so it would be very unfair to cause more hardship by reducing the benefit. There are many people struggling now with the bill and are unable to get help, don't make it worse as in the end more people would end up homeless which would cost the council more in the long run.</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>According to table 1, it seems that 25 percent single person discount will disappear. So, my suggestion is to retain Single Person Discount for people whose income is below 31,250.01 a year, or 2,604.20 a month, or 601 a week, before HMRC tax and national insurance contribution applied.</p>	<p>Single Person Discounts will not be changed. CTR is still available to single people on a low income</p>

<p>CTR is needed by the people who get it. Fully not partially, if that is going to affect payments for people on low incomes.</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>Stay the same as now</p>	
<p>People on low incomes can't afford to pay more.</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>I think it should be left as it is, the change over would cost lots and make everything so much harder for all households.</p>	<p>The current scheme is complex and the administration is high. The link between Housing Benefit and Council Tax Reduction is no longer there, the scheme needs to be changed to meet future requirements. The proposed scheme is simple. Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>
<p>If you remove the CTR it will push me further into debt. My income is already reduced because of the lockdown. To remove these benefits in any percentage, will push me further into poverty.</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>leave as is. Do not reduce the amount people are getting to many people are struggling as it is even more so in the current situation.</p>	<p>The current scheme is complex and the administration is high. The link between Housing Benefit and Council Tax Reduction is no longer there, the scheme needs to be changed to meet future requirements. The proposed scheme is simple. Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>



<p>I think it's a terrible time to put more pressure on the more vulnerable people who are struggling with work and money as it is</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>keeping it as it is. why change something that seems to be working (it does for me anyway)</p>	<p>The current scheme is complex and the administration is high. The link between Housing Benefit and Council Tax Reduction is no longer there, the scheme needs to be changed to meet future requirements. The proposed scheme is simpler. Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>
<p>In light of the Covid situation any changes could cause additional stress and mental health problems to claimants. This in turn would put additional burdens on council funding. The changes to the care element seems to be a tax on disability</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available. The care element is disregarded from the household income</p>	<p>Keep it the same</p>	<p>The current scheme is complex and the administration is high. The link between Housing Benefit and Council Tax Reduction is no longer there, the scheme needs to be changed to meet future requirements. The proposed scheme is simpler. Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>
<p>universal credit is the worst designed benefit for people making them poorer and I fear that adjusted council tax benefit will make things worse, especially in pandemic</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>To keep it them same. Financially people would struggle and im unsure, as to why this isnt working or why some people would be put in a situation to make them struggle more.</p>	<p>The current scheme is complex and the administration is high. The link between Housing Benefit and Council Tax Reduction is no longer there, the scheme needs to be changed to meet future requirements. The proposed scheme is simpler. Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>

<p>Any change is extremely worrying to people receiving benefits and in care.</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>Clearly I don't have all the figures and no what's spent were to be able to give answer to this question</p>	
<p>Keep it the same, as a single parent to nearly 3 and financially its already difficult.</p>	<p>We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>What is the alternative? THE WEALTHY CITY AND COUNTY COUNCILLORS GET WHAT THEY WANT! SO I DON'T EVEN UNDERSTAND WHY YOU'RE ASKING! DON'T TREAT THE PUBLIC LIKE THEIR STUPID! WHAT'S THIS - MANAGEMENT TRYING TO FIND A REASON TO KEEP THEIR JOBS WHILST THE FRONT LINE STAFF TAKE THE CRAP! SLING YOU'RE HOOK!</p>	
<p>I think it should be left as it is as it does seem to be working for most households.</p>	<p>The current scheme is complex and the administration is high. The link between Housing Benefit and Council Tax Reduction is no longer there, the scheme needs to be changed to meet future requirements and allow the Council to provide effective support to low income taxpayers</p>	<p>Don't know</p>	

<p>If possible, why change a system is already working well</p>	<p>The current scheme is complex and the administration is high. The link between Housing Benefit and Council Tax Reduction is no longer there, the scheme needs to be changed to meet future requirements and allow the Council to provide effective support to low income taxpayers</p>	<p>Cc</p>	
<p>some really need it. I don't mean myself, I'm happy to pay council tax when my income is good.</p>			
<p>Stop the wealthy (OH FIVE COUNCIL COUNCILLORS) robbing the poor! WE'RE NOT ALL BROWN NOSES! STOP TREATING THE WORKING CLASS LIKE THEIR ILITERATURE IMBECILES! IT'S SEEMS TIME THE WEALTHY 'TOOK STOCK' ! WE DON'T NEED CORBYNITES OR FALSE CRAP! IF THE CITY COUNCIL HAVE A 'RESPECTABLE OFFER' TO PUT ON THE TABLE - TO THE WORKING CLASS THEN WE MAY CONSIDER IT! GO ON TELL ME ""WHAT IS SOOOO GOOD ABOUT</p>			

Lower the tax			
I think Winchester is already a very expensive place to live. People on their own still have to pay all their Bill's on their own..	Single Person Discounts will not be changed. CTR is still available to single people on a low income		
Single person reduction must continue or it is discriminatory and essentially a single person tax.	Single Person Discounts will not be changed		

At the moment it is difficult for people to contact the Council, now is not the time to move the goalposts	Contacting the Council has not changed. We are available via email/letter or phone.		
Don't know			

**CAB3255 Appendix 3 CTR Consultation Response - comments (2)**

Page 54

<p><b>OPTION 2: Limit to 2 dependant children</b></p>	<p><b>WCC Response</b></p>	<p><b>OPTION 3: Remove non-dependant deductions</b></p>	<p><b>WCC Response</b></p>
<p>We have five children and feel this would be very unfair and discriminate against large families who already struggle, this would be the worst option for many large families!</p>	<p>We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children. If financial hardship is suffered, the Exceptional Hardship Fund is available.</p>	<p>More than one adult should equal no discount, unless they are dependents. This is an insult to the single person. Low incomes should be sufficient to pay basic living costs, such as this. Benefits should be for the needy, not an alternative to insufficient pay - we need to start clamping down on this - we may need to post Brexit.</p>	<p>Removing non-dependant deductions means that the administration of the scheme would be more straightforward whilst also protecting low income families where, for example, adult sons and daughters remain at home</p>
<p>I'm sorry to say but most large family's like myself did not decide to end up as a single parent trying to work and provide and now out of no were have to struggle more. As I said work is hard enough and you will leave family's like mine with nothing left for bills and food shopping. I do not have all figures to be able to give an answer to this question and I don't believe anyone else answering this question will be able to give a sensible answer either</p>	<p>We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children. If financial hardship is suffered, the Exceptional Hardship Fund is available.</p>	<p>this is a terrible idea.</p>	<p>Removing non-dependant deductions means that the administration of the scheme would be more straightforward whilst also protecting low income families where, for example, adult sons and daughters remain at home</p>

<p>Do not apply the limit. I am concerned that this would harm poor families who happen to have &gt;2 children.</p>	<p>We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well. If financial hardship is suffered, the Exceptional Hardship Fund is available.</p>	<p>Adult children in work, could contribute.</p>	<p>Removing non-dependant deductions means that the administration of the scheme would be more straightforward whilst also protecting low income families where, for example, adult sons and daughters remain at home</p>
<p>I only have twos children so this wouldn't affect me but I don't agree because again it means a rise in child poverty</p>	<p>We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well. If financial hardship is suffered, the Exceptional Hardship Fund is available.</p>	<p>non dependent adults should contribute to the applicant if living with them</p>	<p>Removing non-dependant deductions means that the administration of the scheme would be more straightforward whilst also protecting low income families where, for example, adult sons and daughters remain at home</p>

<p>You need to consider families with multiples eg twins/triplets etc</p>	<p>We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well. Creating a separate scheme for working age claimants for with more than 2 children because they are twins/triplets would create more complexities and potential unfairness. If financial hardship is suffered, the Exceptional Hardship Fund is available.</p>	<p>non dep deductions should continue. it is correct that adult children should make a contribution to the household</p>	<p>Removing non-dependant deductions means that the administration of the scheme would be more straightforward whilst also protecting low income families where, for example, adult sons and daughters remain at home</p>
---	--	--	---



<p>Limit it for new applicant only.</p>	<p>children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well. Creating a separate scheme for 'new' working age claimants for with more than 2 children would create more complexities and potential unfairness. If financial hardship is suffered, the Exceptional Hardship Fund is available.</p>	<p>keep the same</p>	
<p>allow for up to 4 children to reflect support for children in our community</p>	<p>More than 2 children could be considered but there would be an additional cost to this &amp; it would not be in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well</p>	<p>keeping it as is</p>	

<p>this is unfair and discriminating see previous.</p>	<p>We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well. If financial hardship is suffered, the Exceptional Hardship Fund is available.</p>	<p>Stay the same as now</p>	
<p>Nothing that takes away income for poor parents</p>		<p>Don't know</p>	

wrong time

COVID 19 has caused uncertainty and financial suffering. Central government has provided (outside of the current welfare benefits) additional financial assistance & they have enhanced the existing welfare benefits. COVID 19 has also lead to an increase in CTR claimants - enhancing the requirement for a simpler scheme.

Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.

keeping as is.

The current scheme is complex and the administration is high. The link between Housing Benefit and Council Tax Reduction is no longer there, the scheme needs to be changed to meet future requirements and allow the Council to provide effective support to low income taxpayers

Stay the same as now

Because it really doesn't make a difference to how much waste is made. If thats the case people should make thier own way of rubbish disposal.			
Don't know			

CAB3255 Appendix 3 CTR Consultation Response - comments (3)

<b>OPTION 4:</b> Disregarding Carers Allowance, ESA (SC) and housing element of UC	WCC Response	<b>OPTION 5:</b> Capital limit reduced to £6000	WCC Response
Shouldn't be counted		Keep the maximum capital limit at £16,00 and don't apply the tariff income for £6,000 to £16,000. This will reduce the cost of administration for the tariff capital and simplify the scheme	This would significantly increase the CTR awarded, adding to the cost of the scheme.
Disabled people shouldn't loose out!		That is a very big reduction. Everyone should be encouraged to save not least because an element of savings gives a person some security and therefore peace of mind. A more reasonable reduction would be to £10,000, i.e. <40% vice > 60% reduction.	By capping the limit it eliminates the requirement to calculate tariff income which applies to capital in excess of £6k. This simplifies the assessment of capital and offsets the reduction in CTR against the other changes which in effect cause an increase in CTR. So - maintains the overall cost of the scheme at current levels. Other capital limits could be considered but there would be an additional cost.

<p>Just dont think this would be fair considering you were going to put a 2 child limit.</p>		<p>Make the Figure £12,000 as most people try to save money for replacements of ware and tare items</p>	<p>This could be considered but there would be an additional cost to the CTR scheme</p>
<p>I would agree to this scheme if ALL health, disability and housing benefits were disregarded income</p>	<p>PIP &amp; DLA are disregarded disability benefits too</p>	<p>Make it no less than half of the original amount</p>	<p>This could be considered but there would be an additional cost to the CTR scheme</p>

This seems a tax on the most vulnerable

These incomes are being disregarded from the household income

the disregarded capital amount is to low if you want to lower it at all it should be lowered by no more than £2000 to £14000 at the most.

This could be considered but there would be an additional cost to the CTR scheme



<p>keeping it as is</p>		<p>I suggest you rethink the option of allowing only claimants that have savings or capital less than 6,000 to benefit from this scheme. You should take into account the claimants' age group i.e.; 60 yrs + with savings or capital of less than 16,000 should also be eligible.</p>	<p>Creating a separate scheme for working age claimants for example, 60+ would create more complexities and potential unfairness between those in different age brackets. For those that suffer financial hardship may apply for a Exceptional Hardship payment. The Pension age scheme has a capital limit of £16K</p>
<p>people claim universal credit because of low or no income</p>		<p>Those currently with just over £6000 would be unable to claim DESPITE being in receipt of Income Support, this would put excessive strain on households having to find considerable money to pay the full council tax monthly payment.</p>	<p>This could be considered but there would be an additional cost to the CTR scheme. For those that suffer financial hardship may apply for a Exceptional Hardship payment.</p>

		<p>Why should people who have saved throughout their working lives be penalised ?</p>	
		<p>Do not penalise people for having a bit of savings. £16,000 is not a large sum of money and you risk the most vulnerable taking the money out and keeping it somewhere that is insecure and at risk of being stolen. £16,000 in savings is something that would keep people from being homeless, help heat their homes, put food on the table. It is a safety net and a lifeline, and may prevent people from falling back on social services. Which would cost the local tax payer more.</p>	<p>This could be considered but there would be an additional cost to the CTR scheme. For those that suffer financial hardship may apply for a Exceptional Hardship payment.</p>

		<p>The reduction is too harsh, The £16000 capital limit has been in place for a very long time. Given inflation and actual higher cost of living the upper limit should not be reduced.by such a large amount. Is £16000 a snap shot or yearly average figure?</p>	<p>Its at the time of applicant</p>
--	--	--	-------------------------------------

		leave at £16,000 . reason this is often pensioners life savings	
		Current system	

		£16000 should remain limit	
		Keep the capital limit at £16,000	

		keep the same	
		keeping it as is	

		Stay the same as now	
		Not realistic	

		Let's face it most people eligible for the council tax reduction scheme will never likely be able to have savings!	
		I still think single people discount should remain even for working individuals, actually specifically for working individuals.	



CAB3255 Appendix 3 CTR Consultation Response - comments (4)

<b>OPTION 6: Earning disregard replacements</b>	<b>WCC Response</b>	<b>OPTION 7: Further income disregards for the disabled</b>	<b>WCC Response</b>
<p>I think that there should be more thought around total benefits for certain groups, rather than chopping a bit off here, and a bit off there from the various departments.</p>	<p>LA do not have the powers to amend Welfare Benefits. We can only develop our own Working Age Council Tax Reduction scheme (which includes some prescribed rules from central government)</p>	<p>I think that you need to be very careful before taking anything away from those who may be receiving a disability payment as I suspect that there will always be those who fall between the lines and who will end up suffering because you have changed this.</p>	<p>The scheme has been designed so that disabled people are not disadvantaged. This is achieved by continuing to disregard their disabled income plus up to £80 per week of their other income. There may be a small number of cases that receive less support. They will be able to apply for assistance from the Exceptional Hardship Fund.</p>
<p>Again I think we should stick to the current system and leave well alone.</p>		<p>I don't think disabled persons or carers in the same household should end up with less council tax reduction than before</p>	<p>The scheme has been designed so that disabled people are not disadvantaged. This is achieved by continuing to disregard their disabled income plus up to £80 per week of their other income. Carers Allowance will also be disregarded in the proposed scheme There may be a small number of cases that receive less support. They will be able to apply for assistance from the Exceptional Hardship Fund.</p>

<p>keep the same</p>		<p>Again without knowing how this would affect the current claim awards this could place serious strain on a household with a severely disabled adult in receipt of multiple premiums.</p>	<p>The scheme has been designed so that disabled people are not disadvantaged. This is achieved by continuing to disregard their disabled income plus up to £80 per week of their other income. There may be a small number of cases that receive less support. They will be able to apply for assistance from the Exceptional Hardship Fund.</p>
<p>I am concerned that an administratively good solution would penalise the poor. The current system seems fairer.</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>The payments aren't for the council to dip into, it's too support someone disadvantaged via disability</p>	

keeping as is

all income generated from disabilities  
should be excluded from CTR  
assessments

DLA & PIP are disregarded

<p>Stay the same as now</p>		<p>I don't understand why you would do that. If their income has been pre-calculated and meets expected living costs, why would their council tax need to be based on a smaller income? That's not treating other local residents fairly, as they would feel penalised.</p>	<p>Disabled income is to meet the additional needs of a disability</p>
<p>Costs of living not thought about</p>		<p>Leave all of the current disregard in place. Unfair to ask sick/disabled to have to have ask for hardship payments is degrading they have enough to deal with as it is and many would not ask which would cause their conditions to worsen which again would cost the council more in the long run</p>	<p>The scheme has been designed so that disabled people are not disadvantaged. This is achieved by continuing to disregard their disabled income plus up to £80 per week of their other income. There may be a small number of cases that receive less support. They will be able to apply for assistance from the Exceptional Hardship Fund.</p>

		Keep the same	
		keeping as is	

		<p>I think the same as child tax credit it should be children born from April 2017 should be disregarded</p>	<p>We have limited the new scheme to 2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well. Creating a separate scheme for 'new' working age claimants for with more than 2 children would create more complexities and potential unfairness. If financial hardship is suffered, the Exceptional Hardship Fund is available.</p>
--	--	--	--

		I can't decide on this.	
		Don't know	

CAB3255 Appendix 3 CTR Consultation Response - comments (5)

<b>OPTION 8: Removing Extended Reductions</b>	<b>WCC Response</b>	<b>OPTION 9: Removal of Second Adult Reduction</b>	<b>WCC Response</b>
<p>It does not seem fair that two families/people who are on different benefit structures (legacy v UC) should be treated differently. The outcome for both must be seen as fair.</p>	<p>UC does not contain extended reductions</p>	<p>Again without knowing how this would affect those households with severely disabled adults living with the applicant it is difficult to assess whether this would cause further hardship.</p>	<p>Second adult rebate is based purely on the income of the 'second adult'. If the Tax payer cannot afford their Council Tax, they may be able to apply for CTR in their own right</p>
<p>people on legacy benefits should not be penalised. UC claimants should be treated the same.</p>	<p>UC does not contain extended reductions</p>	<p>Doesn't matter if it's a "small number of people" still affects them.</p>	



<p>I've had to tolerate universal credit since 2017 after high risk domestic abuse thanks to your councils mistakes so I don't have "legacy benefits for my disabilities.</p>		<p>keep the same</p>	
<p>Moving to universal Credit is a stressful time and it takes time to adjust to what the new income level is, especially since the majority of people seem to have less income. To remove the potential for an additional 4 weeks would cause hardship. Allowing it would help people to better prepare for the income drop.</p>	<p>The additional 4 weeks is for people moving into work not moving onto UC</p>	<p>Another hazard of the income-based assessment. It will be a nightmare to keep up with the circumstances of both adults.</p>	<p>Its only the applicant's (&amp; partners) income that will be used in the proposed income banded scheme. If second adult rebate is removed, there will be no claim to maintain.</p>

When people start a job and get paid monthly or four weekly they will not have any support for four weeks!

Council Tax Instalments can be adjusted?

Look at alternative ways of saving money within the scheme. For example, restrict the banding on Council Tax Reduction to the mean for the area, so people who live in the higher banded properties will be expected to pay more

<p>this is an incentive to moving into work which should always be encouraged so please retain</p>	<p>We will continue to provide earnings disregards to incentivise a move into work.</p>	<p>Why should single people be penalised further. Already it is more expensive to live alone and the reduction has never been 50%. The scheme should remain the same.</p>	<p>The removal of second adult rebate will not effect single people</p>
<p>Keep the extended credit provision</p>			
<p>keep the same</p>			

<p>Stay the same as now and especially for those on legacy benefits which will be the most vulnerable as mostly disabled benefits. Unreasonable to tax those with disabilities</p>	<p>The scheme has been designed so that disabled people are not disadvantaged. This is achieved by continuing to disregard their disabled income plus up to £80 per week of their other income. There may be a small number of cases that receive less support. They will be able to apply for assistance from the Exceptional Hardship Fund.</p>		
--	---	--	--

CAB3255 Appendix 3 CTR Consultation Response - comments (6)

<p><b>OPTION 10: Daily changes</b></p>	<p><b>WCC Response</b></p>	<p><b>OPTION 11: Extending backdating</b></p>	<p><b>WCC Response</b></p>
<p>Status quo. Too much personal admin and stress in this alternative</p>	<p>Council Tax is charged on a daily basis so it seems more sensible to change CTR on a daily basis. The proposed scheme is designed to reduce the number of changes</p>	<p>Some people can genuinely not comprehend a form after trauma, should be extended. Though the council still cancelled mine so I wouldn't trust them anyway.</p>	
<p>people could end up paying more if changes are made on a daily basis and could cause problems for those on ZHCs. Changes should be made on a weekly basis starting on the First Monday after the change.</p>	<p>Council Tax is charged on a daily basis so it seems more sensible to change CTR on a daily basis. The proposed scheme is designed to reduce the number of changes</p>	<p>Backdating rather messy think changes made from date applied is easier for claimant and for yourselves. Better too for managing expectations if refused.</p>	<p>We believe that the backdating of applications should allow for better alignment with the date that the applicant's circumstances changed and that the Council be given a general discretion to backdate any claim where a good reason is provided.</p>

keep the same

Keep the same

Stay the same as now

CAB3255 Appendix 3 CTR Consultation Response - comments (7)

FUNDING CTR	WCC Response	General comments	WCC Response
Option one is the only logical option + a ULEZ tax.		Maybe charge rich people more	
People who pay council tax shouldn't be penalised to subsidise those who don't		Disabled people, and those caring for them should be protected to the absolute maximum they can be, especially in a "Covid-19 world"	The proposals include: Disregarding Carers Allowance DLA & PIP remain disregarded Non-dependant deductions to stop Additional £80 to be disregarded from their income if disabled

<p>If the new scheme does not make it more complicated for vulnerable people e.g elderly , disabled and carers to apply then it's a good thing.</p>		<p>no-one currently in receipt of legacy benefits should see a reduction of support. I reiterate that all those without employment regardless of why should have to pay a penny in council tax. benefit levels are already appallingly low and taking just a couple of quid away is the equivalent of not being able to avoid a box of cereals or the bus fare to the job centre if the need to attend.the explanations of how these changes will apply is very poor.</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available. Every effort has been made to communicate the proposed changes clearly and concisely, contact details were provided if further explanation/clarification was required.</p>
<p>Maybe target people on higher incomes and second homes rather than pushing people further into poverty. It's a disgrace.</p>		<p>The watchword should fairness to all, both the tax payer and the poor.</p>	



If the outcome of the proposed changes is that the cost is higher but that the system remains fair, Council Tax needs to be raised to pay for it.

The council should not be charging so much for 'administrative costs', this is something that the tax payers will never see.

<p>Those that genuinely disadvantaged should not suffer financially. Services must not be cut. Raise Council Tax to cover the costs. It is always the disadvantaged who suffer and should NOT.</p>		<p>I believe the CTR letter dated 23/09/20 should have been made clearer. The letter has been a great worry for people with mental health problems and those that are vulnerable.</p>	<p>Every effort has been made to communicate the proposed changes clearly and concisely, contact details were provided if further explanation/clarification was required.</p>
<p>I think that you should increase council tax on the most expensive houses, at the very top level of the council tax banding system. Plus don't allow the occupants of those houses a discount if they flip homes. The lower bands should stay the same.</p>		<p>Please provide a benefit calculation urgently to allow current recipients of CTR to calculate the effects these changes will have BEFORE changes are made and those households are placed in considerable financial difficulty.</p>	<p>We have approx. 3700 working age households, we are unable to provide details to each applicant of what their new CTR would be if the proposed changes were implemented. We have provided details of the proposed bands &amp; income disregards. Claimants can either calculate how it will effect their CTR from this information or contact us for further details.</p>
<p>It is very difficult to ascertain the effects on households if this scheme is introduced without being able to calculate the effects on benefit dependant households. The council needs to provide a benefit calculation for 2021/22 to allow households who may be affected to assess whether they are going to be able to manage any increases to their bills BEFORE it is implemented.</p>	<p>We have approx. 3700 working age households, we are unable to provide details to each applicant of what their new CTR would be if the proposed changes were implemented. We have provided details of the proposed bands &amp; income disregards. Claimants can either calculate how it will affect their CTR from this information or contact us for further details.</p>	<p>Perhaps you could do telephone reviews/ applications for people who are not able to get out?.</p>	

<p>I do find it hard to believe that the additional administration costs incurred to cope with the increase in the number of claimants will force Winchester Council to put up the council taxes. It is already very high and equated to 12% of my income, when I was earning, not to mention the increase every year. My salary remained the same!</p>	<p>Administration costs are increasing &amp; government funding is reducing. Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself.</p>	<p>I'll never forgive this council to making a massive error and forcing me onto universal credits causing me 4.5 months of a nil income food bank only and all for your over paid head of department to not give two hoots. After high risk domestic abuse and two kids and a crisis. This council is a disgrace.</p>	
<p>Over the years services have been cut, refuse collection from once a week to fortnightly, street lighting turned off, etc council tax never went down</p>		<p>please contact me to keel me up to date. Please consider my opinion</p>	

<p>Taking away all of reduction would be a hike of about 400 quid a year. Too sudden and expensive a change... Think a more moderate scheme needed so as not to impact any people so massively..</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>	<p>n/a</p>	
<p>I think this is making it harder on the most vulnerable</p>	<p>Whilst the approach and 'shape' of the scheme is changing, there is no deliberate intention either to reduce the level of support available to households or to increase the overall costs of the scheme itself. For those that suffer financial hardship, the Exceptional Hardship Fund is available.</p>		

<p>Thousands and thousands of WCC residents will be much poorer in the future. It is inevitable that local authority funding will be slashed (both funding from central government and those able to pay local taxes). The country will be on its knees in debt for several years to come, with very few people employed to prop it up. We have to accept that hardship for individuals, will be mirrored in local Council and National finances. If we need to make cuts, then we need to make cuts. The most important thing is that we need to make any changes easy to administer and cheap to administer, NOT more expensive, as I am certain, the circumstances and entitlements for many, many residents will change dramatically over the next few years, as we navigate an extremely difficult employment market.. The option to increase the level of Council tax will be gradually eroded over time, as more and more businesses fold and unemployment soars.</p>			
<p>more than 2 children. You need to consider if this is how you want the council to be seen at this time (especially in a global pandemic). There's no 'ideal' time to make savings to a scheme but is it right to do it when families are already struggling? When food bank demand is high. You could be asking families to pay more when they are at their most vulnerable. You state the exceptional hardship scheme will be available but how many people will look to this option? How many will bury their head in the sand? How will this effect the mental health of our area? What extra support will you put in place to ensure</p>	<p>2 children, in line with all other benefits i.e. Universal Credit, Tax Credits, Housing Benefit &amp; Pensioner CTR (which are prescribed by central government). The vast majority of other Local Authorities also limit to 2 children as well. We will ensure that the exceptional hardship payments are accessible &amp; easy to claim. UC standard allowance for a single person is £94.59 a week (the basic</p>		

n/a			
-----	--	--	--

**CAB3255 Appendix 3 CTR Consultation Response - comments (8)**

Other option suggestions	WCC Response
<p>Local Service scheme - 20 hours per week, performing part-time roles such as bin collection, street sweeping, council office reception, council office post room, school cleaner, council office cleaner, grass verge cutting, council and school window cleaning, car park attendants etc. to qualify for income support. Hopefully this should help with massive cost cutting. We have resources - there are lots of unemployed people, who could do their bit to earn their benefits. There are many roles that could be performed by people of all ages, with limited skills, and limited physical capabilities, reducing costs of rip-off outsourced services. I also believe that the council should look at total benefits packages, rather than discounts off this and that. We would then have a truer picture of household financial resources and where discounts should be provided. We could actually do something remarkable here, that other local authorities want to emulate. Finally, please stop wasting money, going back and forth on projects for years. The money that has been wasted is eye watering and unforgiveable. Residents shouldn't suffer financially due to terrible decisions, bad design work and poor project management. This isn't a game, it's taxpayers money, which is becoming a scarce resource..</p>	
<p>To recap, I feel the option to limit the maximum capital limit to 6,000 from 16,000 without considering the claimants' age is discriminatory. I am 63 years old and single with currently 15,000 in the bank, which is dwindling rapidly. That is hardly a fortune at my age? While I endeavour to find employment, it is unrealistic to think I will be able to live the rest of my years serenely.</p>	<p>Creating a separate scheme for working age claimants for example, 60+ would create more complexities and potential unfairness between those in different age brackets. For those that suffer financial hardship may apply for a Exceptional Hardship payment. The Pension age scheme has a capital limit of £16K</p>

Please design a scheme that takes into account the enormous number of households with single parents caring for severely disabled adults. They very often fall between the gaps of such changes which causes severe financial difficulty.

The proposals include:  
Disregarding Carers Allowance  
DLA & PIP remain disregarded  
Non-dependant deductions to stop  
Additional £80 to be disregarded from their income if disabled

I have set out my suggestion earlier. I feel this will be fairer for the vast majority of people.



An approach so that one group of people is not discriminated against ie in this case single people Did not like comment winners and losers..rather polarising and not democratic. Better fair deal and no extremes for everyone.Think is Councils job to ensure less extremes..noone gains excessively or loses severely.Maybe unrealistic to say everyone wins but everyone does alright or is treated fairly.Poor choice of phrase I think..

Modelling shows that on the whole it's not single people that will lose out. The single person discount will not be effected. The council is keen to protect as many applicants as possible. The council is not minded to reduce the overall total level of support

Streamlining the application process for claiming has come along way in the last few years and is a much less complicated process than it used to be . When you have disabled family members you always seem to be drowning in paperwork . It's always a bonus when you don't have to fill out the same paperwork every year if there's no changes in circumstances.

keep the same please. People are suffering enough financially due to changes.

Target Savings where people can afford it not targeting the most vulnerable in society, and just remember Hampshire DO NOT GIVE UNIFORM GRANTS whilst other counties do. So put that in your calculations pot as well.

Raise Council Tax. Eliminate fraudulent claims.

<p>A CITY CENTRE ULEZ TAX, like other local areas to meet the governments low emissions target and the 2035 deadline for cease of ICE propelled vehicles. This money would then provide enough revenue to provide a facelift the the town car parks, providing a better EV friendly future and investing in a better town infrastructure.</p>	
---	--

This page is intentionally left blank

**Winchester City Council  
Council Tax Reduction Scheme  
S13A and Schedule 1a of the Local Government Finance Act 1992**

1.0	Introduction to the Council Tax Reduction Scheme.....	6
2.0	Interpretation – an explanation of the terms used within this policy.....	12
3.0	Definition of non-dependant .....	20
4.0	Requirement to provide a National Insurance Number.....	20
5.0	Persons who have attained the qualifying age for state pension credit .....	21
6.0	Not used.....	21
7.0	Persons treated as not being in Great Britain and Persons Subject to Immigration Control .....	21
	Persons subject to immigration control.....	23
7A.0	Transitional provision.....	23
8.0	Temporary Absence (period of absence) .....	23
9.0	Membership of a family .....	27
10.0	Circumstances in which a person is to be treated as responsible (or not responsible) for a child or young person. ....	27
11.0	Circumstances in which a child or young person is to be treated as being or not being a member of the household .....	28
12.0 – 14	Not Used .....	28
15.0	Calculation of income and capital of members of applicant’s family and of a polygamous marriage.....	30
15A.0	Calculation of income and capital: persons who are not pensioners who have an award of universal credit.....	30
16.0	Circumstances in which capital and income of non-dependant is to be treated as applicant’s .....	31
17.0	Calculation of income on a weekly basis.....	31
18.0	Not used.....	31
19.0	Average weekly earnings of employed earners.....	31
20.0	Average weekly earnings of self-employed earners .....	32
21.0	Average weekly income other than earnings.....	32
22.0	Calculation of average weekly income from tax credits .....	32
23.0	Calculation of weekly income .....	32
24.0	Disregard of changes in tax, contributions etc.....	33
25.0	Earnings of employed earners.....	33
26.0	Calculation of net earnings of employed earners .....	34
27.0	Earnings of self-employed earners.....	35
28.0	Calculation of net profit of self-employed earners .....	35
29.0	Deduction of tax and contributions of self-employed earners .....	37
30.0	Calculation of income other than earnings .....	38
31.0	Capital treated as income .....	39
32.0	Notional income.....	40
33.0	Capital limit .....	44
34.0	Calculation of capital.....	44
35.0	Disregard of capital of child and young person.....	44

36.0	Income treated as capital.....	44
37.0	Calculation of capital in the United Kingdom.....	44
38.0	Calculation of capital outside the United Kingdom.....	45
39.0	Notional capital .....	45
40.0	Diminishing notional capital rule.....	46
41.0	Capital jointly held .....	49
42.0	Calculation of tariff income from capital .....	49
43.0	Student related definitions .....	51
44.0	Treatment of students .....	53
45.0	Students who are excluded from entitlement to council tax reduction .....	54
46.0	Calculation of grant income .....	55
47.0	Calculation of covenant income where a contribution is assessed.....	56
48.0	Covenant income where no grant income or no contribution is assessed.....	57
49.0	Student Covenant Income and Grant income – non-disregard.....	57
50.0	Other amounts to be disregarded.....	57
51.0	Treatment of student loans.....	57
51A.0	Treatment of fee loans.....	59
52.0	Treatment of payments from access funds.....	59
53.0	Disregard of contribution.....	59
54.0	Further disregard of student’s income.....	59
55.0	Income treated as capital.....	59
56.0	Disregard of changes occurring during summer vacation.....	60
57.0	Maximum Council Tax Reduction.....	62
58.0	Non-dependant deductions .....	62
59.0 - 62.0	Not used .....	62
64.0	Date on which entitlement is to begin.....	64
65.0 - 66.0	Not Used.....	64
67.0	Date on which change of circumstances is to take effect .....	64
Sections 68– 74A	.....	65
Claiming and the treatment of claims for Council Tax Reduction purposes	.....	65
69.0	Procedure by which a person may apply for a reduction under the authority’s scheme.....	67
69A.0	Date on which an application is made .....	68
70.0	Submission of evidence electronically .....	70
71.0	Use of telephone provided evidence .....	70
72.0	Information and evidence .....	70
73.0	Amendment and withdrawal of application .....	71
74.0	Duty to notify changes of circumstances .....	71
75.0	Decisions by the authority.....	74
76.0	Notification of decision .....	74

77.0	Time and manner of granting council tax reduction .....	75
78.0	Persons to whom reduction is to be paid .....	75
79.0	Shortfall in reduction.....	76
80.0	Payment on the death of the person entitled.....	76
81.0	Offsetting .....	76
82 .0	Payment where there is joint and several liability .....	76
83.0 – 90.0	Not used.....	76
91.0	Use of information from and to the Department of Work and Pensions (DWP) and Her Majesty's Revenues and Customs (HMRC).....	78
92.0	Collection of information .....	78
93.0	Recording and holding information .....	78
94.0	Forwarding of information .....	78
95.0	Persons affected by Decisions.....	80
96.0	Revisions of Decisions .....	80
97.0	Written Statements.....	80
98.0	Terminations .....	80
99.0	Procedure by which a person may make an appeal against certain decisions of the authority	82
Section 100	.....	83
	Procedure for applying for a discretionary reduction and the authority's Exceptional Hardship Scheme .....	83
100.0	Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act .....	84
100A.0	Exceptional Hardship Scheme .....	84
Section 101 – 106A	.....	85
Electronic Communication	.....	85
101.0	Interpretation.....	86
102.0	Conditions for the use of electronic communication.....	86
103.0	Use of intermediaries.....	86
104.0	Effect of delivering information by means of electronic communication.....	86
105.0	Proof of identity of sender or recipient of information .....	87
106.0	Proof of delivery of information.....	87
106A.0	Proof of content of information.....	87
Section 107	.....	88
Counter Fraud and Compliance	.....	88
107.0	Counter Fraud and compliance .....	89
Schedule 1	.....	90
Calculation of the amount of Council Tax Reduction in accordance with the Discount Scheme.	.....	90
Schedule 2	.....	92
Not used	.....	92



Schedule 3 ..... 93  
Sums to be disregarded in the calculation of earnings ..... 93  
Schedule 4 ..... 95  
Sums to be disregarded in the calculation of income other than earnings..... 95  
Schedule 5 ..... 106  
Capital to be disregarded ..... 106

DRAFT

## **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 from 1<sup>st</sup> April 2021.
- 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 2021 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;
  - The Council Tax Reduction Schemes (England) (Amendment) Regulations 2017;
  - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2018;
  - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2020;
  - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2021; 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

- c. 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. not have capital savings 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;
- g. not have capital savings above £16,000; and
- h. 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 an income banded / grid scheme means test, which compares income against a range of discounts available. 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, on an income-related employment and support allowance or on universal credit.
- 1.7 The Council has resolved that there will be **one** class of persons who will receive a reduction in line with adopted scheme. The scheme has qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction as specified within section 7 of this scheme.

#### Class D

To obtain reduction the individual (or partner) must:

- a. have not attained the qualifying age for state pension credit; 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 amount can be calculated;
- g. not have capital savings above £6,000;
- h. not have income above the levels specified within the scheme;
- i. 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* is within a range of incomes specified within Schedule 1; and
- j. has made a valid application for reduction.

DRAFT

**Council Tax Reduction Scheme**

**Details of support to be given for working age applicants for the financial year  
2021/22**

DRAFT

**Sections 2- 8  
Definitions and interpretation**

DRAFT

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

### **2.1 In this policy–**

‘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 the 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

‘applicant’ means a person who the authority designates as able to claim Council tax reduction – for the purposes of this policy 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;

‘child tax credit’ means a child tax credit under section 8 of the Tax Credits Act 2002;

‘the Children Order’ means the Children (Northern Ireland) Order 1995;

‘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;

‘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 (or reduction)’ means council tax reduction as defined by S13a Local Government Finance Act 1992 (as amended);

‘couple’ means;

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

‘date of claim’ means the date on which the claim is made, or treated as made, for the purposes of this policy

‘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 2000 Act;

‘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 payment (or reduction)' means a payment of council tax reduction payable pursuant to section 60;

'extended payment (or reduction) period' means the period for which an extended reduction is payable in accordance with section 60A or 61A of this policy;

'extended payment or 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 14(1)(b) or article 21(1)(a) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005(b);

'he, him, his' also refers to the feminine within this policy

'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 same meaning as they have in the Jobseekers Act by virtue of section 1(4) of that Act;

'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 in section 2(5)(a) and (b) of the Regulation of Care (Scotland) Act 2001;

'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;

'member of the work-related activity group' means a claimant who has or is treated as having limited capability for work under either—

(A) Part 5 of the Employment and Support Allowance Regulations 2008 other than by virtue of regulation 30 of those Regulations; or

(B) Part 4 of the Employment and Support Allowance Regulations 2013 other than by virtue of regulation

'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 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;
- (l) 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
- (li) ‘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;  
‘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’ means–

- (a) where an applicant is a member of a couple, the other member of that couple; or
- (b) where an applicant is polygamously married to two or more members of his household, any such member to whom he is married;

‘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 20 or 21 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;
- 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;

‘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 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 (non-dependant deductions) of those Regulations;
- 'resident' has the meaning it has in Part 1 or 2 of the 1992 Act;
- 'Scottish basic rate' means the rate of income tax of that name calculated in accordance with section 6A of the Income Tax Act 2007;
- 'Scottish taxpayer' has the same meaning as in Chapter 2 of Part 4A of the Scotland Act 1998;
- '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.);
- (c) the Employment, Skills and Enterprise Scheme;
- (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.
- '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;

‘Up-rating 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;

‘Welfare Reform Act’ means the Welfare Reform Act 2007;

‘Working Tax Credit Regulations’ means the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 as amended<sup>1</sup>; and

‘young person’ has the meaning prescribed in section 9(1).

- 2.2 In this policy, 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 policy, 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 policy, 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 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 policy, 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 policy, two persons shall be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.

<sup>1</sup> The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2013

2.6 In this policy, 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).

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

3.1 In this policy, '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 reduction scheme.

### **4.0 Requirement to provide a National Insurance Number<sup>2</sup>**

4.1 No person shall be entitled to reduction 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 reduction.

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

- a. the claim for reduction 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

---

<sup>2</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012



- 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;
  - 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;
  - iii. is a person from abroad for the purposes of this scheme; and
  - iv. 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 Not used**

**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;
  - (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;
  - (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 (5) of that regulation 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).

- 7.4A For the purposes of paragraph (3), a right to reside does not include a right which exists by virtue of a person having been granted limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971 by virtue of—
- (a) article 3 (grant of leave to EEA and Swiss nationals) of the Immigration (European Economic Area Nationals) (EU Exit) Order 2019 made under section 3A of that Act;
  - (b) Appendix EU to the immigration rules made under section 3(2) of that Act; or
  - (c) being a person with a Zambrano right to reside as defined in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of that Act.
- 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>3</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.
  - (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; or
  - (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).
- 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 2016; and  
 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.

<sup>3</sup> As amended by the Immigration Act 2014 and the Immigration Act 2014 (Commencement No. 2) Order 2014

### **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 reduction 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 not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation 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 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.

- 8.4 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 as amended by the Offender Rehabilitation Act 2014, 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 the United Kingdom or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
  - d. following, in the United Kingdom or elsewhere, a training course;
  - e. undertaking medically approved care of a person residing in the United Kingdom 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 the United Kingdom or elsewhere, 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;
  - ‘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;
  - ‘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.

DRAFT

**Sections 9 - 11**  
**The family for Council Tax Reduction purposes**

DRAFT

## **9.0 Membership of a family**

- 9.1 Within the reduction 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>4</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 as amended.

**12.0 – 14 Not Used**

---

<sup>4</sup> The Adoption and Children Act 2002 (Commencement No. 12) Order 2014



**Sections 15 – 32 & Schedules 3 & 4**  
**Definition and the treatment of income for Council Tax Reduction purposes**

DRAFT

**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 an applicant's partner within this scheme and for the purposes of claiming council tax reduction is to be treated as income and capital of the applicant and shall be calculated or estimated 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 his partner.

15.2 Where an applicant or the partner of is married polygamously to two or more members of his household—

- a. the applicant shall be treated as possessing capital and income belonging to each such member; and
- b. the income and capital of that member shall be calculated in accordance with the following provisions of this scheme in like manner as for the applicant.

15.2 The income and capital of a child or young person shall not be treated as the income and capital of the applicant.

**15A.0 Calculation of income and capital: persons who are not pensioners 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 may 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);
- (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 33 (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) any sum which may be disregarded as housing costs;
- (f) 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 33 (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 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;

17.2 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 Not used**

## **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 reduction 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 quotient 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 quotient 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—
  - g. (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;
  - h. 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);
  - i. 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);
  - j. any such sum as is referred to in section 112 of the Act (certain sums to be earnings for social security purposes);
  - k. 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;
  - l. 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;
- m. 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>5</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 m)

**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;
  - 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.

---

<sup>5</sup> Social Security (Contributions)(Amendment) Regulations 2013, Social Security (Contributions)(Amendment No.2) Regulations 2013 and Social Security (Contributions)(Amendment No.2) Regulations 2013

- 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 or in the case of a Scottish taxpayer, the Scottish 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 or in the case of a Scottish taxpayer, the Scottish 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 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 shall be treated as a corresponding fraction of a week) by dividing the earnings by the amount of council tax reduction which would be payable had the payment not been made plus 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



- 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 or in the case of a Scottish taxpayer, the Scottish 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 or in the case of a Scottish taxpayer, the Scottish 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.

**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, 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 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 27.1 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—  
$$\frac{A - (B \times C)}{D}$$
  
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 those date 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 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.

### **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 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 reduction or increasing the amount of that reduction.

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 previous participation in the Mandatory Work Activity Scheme;
- e. 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 or in the case of a Scottish taxpayer, the Scottish 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 in a service user group.

**Sections 33 – 42 & Schedule 5**  
**Definition and the treatment of capital for Council Tax Reduction purposes**

DRAFT

### **33.0 Capital limit**

33.1 For the purposes of this scheme, the prescribed amount is £6,000 and no reduction shall be granted when the applicant has an amount greater than this level

### **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 reduction 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 subparagraph (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;
- c. in respect of a person's participation in the Mandatory Work Activity Scheme;
- d. Enterprise Scheme;
- e. in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme;
- f. 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 (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 (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 (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, 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, 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 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**

- 42.1 There shall be no tariff income.

DRAFT

**Sections 43 - 56**

**Definition and the treatment of students for Council Tax Reduction purposes<sup>6</sup>**

---

<sup>6</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 education authority as defined in section 12 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 Island, 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 reduction, 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) where, **but for this scheme**, whose applicable amount would, but for this section, include the disability premium or severe disability premium;
  - (d) where, **but for this scheme**, 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, or
    - (ii) 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 For the purposes of paragraph 45.3(h)(i) the student must have begun, or been enrolled or accepted onto the course before attaining the age of 19
- 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 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 sub-paragraphs (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 the course;

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.

DRAFT



**Sections 57 – 63**  
**The calculation and amount of Council Tax Reduction**

DRAFT

## **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,

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

## **58.0 Non-dependant deductions**

58.1 There shall be no non-dependant deductions

**59.0 - 62.0 Not used**

**Sections 64 – 67**

**Dates on which entitlement and changes of circumstances are to take effect**

DRAFT

**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 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 the date of claim

**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 occur in the same reduction week, each shall be actioned on the day they actually occur.

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**

DRAFT

**68.0 Making an application<sup>7</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);
  - (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 reduction or its amount.

---

<sup>7</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

**69.0 Procedure by which a person may apply for a reduction under the authority's scheme<sup>8</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 Part 4 of this Schedule, or
- (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- (d) An application for Universal Credit may be treated by the authority as a claim for reduction.

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.

69.9 Where an applicant makes a claim which a period before the claim is made the authority may, at its discretion, backdate the claim to a period up to the beginning of the financial year.

---

<sup>8</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

**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 applications 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.
- 69A.8 In this paragraph "appropriate DWP office" means an office of the Department for Work and Pensions dealing with state pension credit or an office which is normally open to the public

for the receipt of claims of income support, a job seekers allowance or an employment and support allowance.

**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>9</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;
  - (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

---

<sup>9</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

awarded of his duty under paragraph 9 (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>10</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 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>11</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.

<sup>10</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>11</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 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.
- 74.6 The duty imposed on a person by sub-paragraph (1) includes in the case of a person falling within 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 one calendar month 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**

DRAFT

## **75.0 Decisions by the authority<sup>12</sup>**

75.1 The authority must make a decision on an application under its scheme within 14 days of paragraphs 4 and 7 and section 69 being satisfied, or as soon as reasonably practicable thereafter.

## **76.0 Notification of decision<sup>13</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(1);

(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

(ii) in Scotland, a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000(3) 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

<sup>12</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>13</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 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>14</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 reduction is to be paid<sup>15</sup>**

- 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.

<sup>14</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>15</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

## **79.0 Shortfall in reduction<sup>16</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>17</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>18</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.

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 under paragraph 4(3) or is treated as having been so appointed by virtue of paragraph 4(4), the amount of the reduction may be paid to that person.

## **83.0 – 90.0 Not used**

<sup>16</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>17</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>18</sup> Inserted by Schedule 8 of the Council Tax Reductions Scheme (Prescribed Requirements) (England) Regulations 2012



**Sections 91 – 94**

**Collection, holding and forwarding of information for Council Tax Reduction purposes**

DRAFT

**91.0 Use of information from and to the Department of 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 and in accordance with Data Protections requirements<sup>19</sup>..

**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.

---

<sup>19</sup> Data Retention and Investigatory Powers Act 2014 and Data Retention Regulations 2014

**Sections 95 – 98**  
**Revisions, Written Statements, Termination of Council Tax Reduction**

DRAFT

## **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 reduction 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 reduction 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 reduction 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 reduction 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 reduction 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**

DRAFT

**99.0 Procedure by which a person may make an appeal against certain decisions of the authority<sup>20</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>21</sup>.

---

<sup>20</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>21</sup> As amended by the Tribunal Procedure (Amendment No 3 ) Rules 2014

**Section 100**  
**Procedure for applying for a discretionary reduction and the authority's Exceptional Hardship Scheme**

DRAFT

**100.0 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act<sup>22</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).

**100A.0 Exceptional Hardship Scheme**

- 100A.1 The authority may provide additional help to an applicant who is entitled to reduction under its Exceptional Hardship Scheme.
- 100A.2 Such payments shall be deemed to be made under S13A (1)(a) of the 1992 Act.

---

<sup>22</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012



**Section 101 – 106A<sup>23</sup>**  
**Electronic Communication**

DRAFT

---

<sup>23</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 sub-paragraph (1) if the conditions specified in sub-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**

DRAFT

### **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**  
**Calculation of the amount of Council Tax Reduction in accordance with the Discount Scheme.**

DRAFT

- 1 The authority's Council Tax Reduction scheme from 2021/22 shall be calculated on the basis of the following Banded Discount Scheme:

Discount Band	Discount	Single Person	Single person with one child	Single person with two or more children	Couple	Couple with one child	Couple with two or more children
<b>Income Ranges</b>							
<b>Band 1*</b>	<b>100%</b>	£0 - £100.00	£0 - £160.00	£0 - £220.00	£0- £140.00	£0 -£205.00	£0 - £260.00
<b>Band 2</b>	<b>80%</b>	£101.01 - £180.00	£160.01 - £240.00	£220.01 - £295.00	£140.01 - £240.00	£205.01 - £281.00	£260.01 - £340.00
<b>Band 3</b>	<b>40%</b>	£180.01 - £215.00	£240.01 - £255.00	£295.01- £350.00	£240.01 - £290.00	£281.01 - £320.00	£340.01 - £400.00
<b>Band 4</b>	<b>25%</b>	£215.01 - £255.00	£255.01 - £280.00	£350.01 - £450.00	£290.01 - £340.00	£320.01 - £370.00	£400.01 - £430.00
	<b>0%</b>	Over £255.00	Over £280.00	Over £450.00	Over £340.00	Over £370.00	Over £430.00

- 2 The amount of discount to be granted is to be based on the following factors:
- The maximum Council Tax Reduction as defined within this scheme;
  - The Council Tax family as defined within this scheme
  - The income of the applicant and partner as defined within this scheme;
  - The capital of the applicant and partner as defined within this scheme.
- 4 For the sake of clarity all incomes shown within the table above are weekly in accordance with the scheme requirements and definitions.
- 5 Discount bands vary depending on both weekly income and the household (family as defined within this scheme). For the sake of clarity, it should be noted that in any application for reduction is limited to a maximum of two dependant children or young persons.
- 6 Any applicant who capital is greater than £6,000 shall not be entitled to any Council Tax Reductions whatsoever.
7. The authority **may** increase the level of incomes within the grid specified in paragraph 1 on an annual basis by the appropriate level of inflation measured by the Consumer Price Index (CPI) at 1<sup>st</sup> October preceding the effective financial year **or** by a percentage representing the increase in personal allowance within the applicable amounts for Housing Benefit for the relevant financial year, **whichever is the lowest**.
8. Where an applicant or partner is in receipt of a 'relevant benefit' namely Income Support, Income Related Employment and Support Allowance or Income Based Jobseeker's Allowance, discount will be awarded at Band 1 level.

**Schedule 2**  
**Not used**

DRAFT



**Schedule 3**  
**Sums to be disregarded in the calculation of earnings**

DRAFT

1. There shall be disregarded from an applicant's (or their partner's) net earnings, £35 per week for a single applicant £70 per week where the applicant is one of a couple or is responsible for a dependant child or young person. This shall apply irrespective of the applicant's household and only one disregard shall be applied per claim.

DRAFT

**Schedule 4**

**Sums to be disregarded in the calculation of income other than earnings<sup>24</sup>**

---

<sup>24</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 in a service user group.
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 16 and 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 housing costs element of universal credit.
- 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 family includes at least one child or young person, £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.
67. Any Windrush compensation payment.
68. Any payment made under the We Love Manchester Emergency Fund.
69. Any payment made under the London Emergency Trust.
70. Carers Allowance.
71. The support component of Employment and Support Allowance.
72. Where, **but for this scheme**, the applicant would be entitled to either a Disability Premium, Enhanced Disability Premium, Severe Disability Premium or a Disabled Child Premium, a further disregard of £80 shall be made from their income.

**Schedule 5  
Capital to be disregarded**

DRAFT

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 5, 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. 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 capital.
6. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and his partner is on income-based jobseeker's allowance, the whole of the applicant's capital.
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.

(3) 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 subparagraph (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 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.
- 58 (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),
64. Any Windrush compensation payment.
65. Any payment made under the We Love Manchester Emergency Fund.
66. Any payment made under the London Emergency Trust.



**DRAFT**

**Winchester City Council  
Council Tax Reduction Scheme  
Exceptional Hardship Policy  
2021/22**

1.0	Background .....	3
2.0	Exceptional Hardship Fund and Equalities .....	4
3.0	Purpose of this policy.....	5
4.0	The Exceptional Hardship Fund Process .....	5
5.0	Awarding an Exceptional Hardship Fund Payment .....	6
6.0	Publicity .....	7
7.0	Claiming an Exceptional Hardship Fund payment .....	7
8.0	Changes in circumstances .....	8
9.0	Duties of the applicant and the applicant's household .....	8
10.0	The award and duration of an Exceptional Hardship Payment .....	8
11.0	Award of the Exceptional Hardship Fund payment .....	9
12.0	Overpaid Exceptional Hardship Fund Payments.....	9
13.0	Notification of an award .....	9
14.0	Appeals .....	9
15.0	Fraud .....	10
16.0	Complaints.....	10
17.0	Policy Review .....	10

## 1.0 Background

- 1.1 An Exceptional Hardship Fund has been created by the Council to assist applicants for Council Tax Reduction (CTR) who are facing 'exceptional hardship'. The fund has been created to provide further assistance where an applicant is in receipt of Council Tax Reduction but the level of support being paid by the Council does not meet their full Council Tax liability.
- 1.2 The Exceptional Hardship Fund will be available to any applicant (whether pension or working age) where their daily award of Council Tax Reduction does not meet 100% of their Council Tax liability (less any appropriate discounts and non-dependant deductions).
- 1.3 The Exceptional Hardship Fund will also be open to those applicants who have applied Council Tax Reduction but have not qualified **and** have made an application under the EHF scheme **within one month** of receiving the decision from the Council. However, in such cases the applicant will need to provide evidence of exceptional circumstances above and beyond a financial reason given that their income / capital will have already been determined to be in excess of the scheme levels.
- 1.4 In the case of paragraph 1.3, the Exceptional Hardship Fund will not be available for those applicants who are precluded from the scheme under the Prescribed Requirement Regulations.
- 1.5 The main features of the fund are as follows:
- The operation of the Fund will be at the total discretion of the Council;
  - The Fund will be operated by the Revenues and Benefits section on behalf of the Council;
  - There is no statutory right to payments from the fund although the Council will consider all applications received;
  - Exceptional Hardship Fund payments will only be available from 1<sup>st</sup> April 2021 and **will not be available for any other debt other than outstanding Council Tax;**

- A pre-requisite to receive a payment from the Fund is that an amount of Council Tax Reduction **must be in payment** for any day that an Exceptional Hardship Fund payment is requested **or** that an application has been made for Council Tax Reduction and has subsequently been refused within 1 month from the date of application for an Exceptional Hardship Fund payment;
- Where an Exceptional Hardship Payment is requested for a previous period, Exceptional Hardship must have been proven to have existed throughout the whole of the period requested;
- Exceptional Hardship Payments are designed as a short-term help to the applicant only and it is expected that payments will be made for a short term only; and
- All applicants will be expected to engage with the Council and undertake the full application process. Failure to do so will inevitably mean that no payment will be made.

## **2.0 Exceptional Hardship Fund and Equalities**

- 2.1 The creation of an Exceptional Hardship Fund facility meets the Council's obligations under the Equality Act 2010.
- 2.2 This policy has been created to ensure that a level of protection and support is available to those applicants most in need. It should be noted that the Exceptional Hardship Fund is intended to help in cases of **extreme** financial hardship and not support a lifestyle or lifestyle choice. Whilst the definition 'Exception Hardship' is not exactly defined by this policy, it is accepted that changes to the level of support generally will cause financial hardship and any payment made will be at the total discretion of the Council. Exceptional Hardship should be considered as 'hardship beyond that which would normally be suffered'

### **3.0 Purpose of this policy**

- 3.1 The purpose of this policy is to specify how the Council will operate the scheme, to detail the application process and indicate a number of factors, which will be considered when deciding if an Exceptional Hardship Fund payment can be made.
- 3.2 Each case will be treated on its own merits and all applicants will be treated fairly and equally in terms of access to the Fund and also the decisions made.

### **4.0 The Exceptional Hardship Fund Process**

- 4.1 As part of the process of applying for additional support from the Exceptional Hardship Fund, all applicants must be willing to undertake **all** of the following:
- a. Make a separate application for assistance (where required by the Council);
  - b. Provide full details of their income and expenditure;
  - c. Accept assistance from either the Council or third parties such as the CAB or similar organisations to enable them to manage their finances more effectively including the termination of non-essential expenditure;
  - d. Identify potential changes in payment methods and arrangements to assist the applicant;
  - e. Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted; and
  - f. Maximise their income through the application for other welfare benefits, cancellation of non-essential contracts and outgoings and identifying the most economical tariffs for the supply of utilities and services generally.
- 4.2 Through the operation of this policy, the Council will look to:
- Allow a short period of time for someone to adjust to unforeseen short-term circumstances and to enable them to “bridge the gap” during this time, whilst the applicant seeks alternative solutions;
  - Enable long term support to households in managing their finances;

- Help applicants through personal crises and difficult events that affect their finances;
- Prevent exceptional hardship;
- Help those applicants who are trying to help themselves financially; and
- Encourage and support people to obtain and sustain employment.

4.3 It cannot be awarded for the following circumstances:

- Where full Council Tax liability is already being met by Council Tax Reduction;
- For any other reason, other than to reduce Council Tax liability;
- Where the Council considers that there are unnecessary expenses/debts etc. and that the applicant has not taken reasonable steps to reduce these; or
- To pay for any additional Council Tax caused through the failure of the applicant to notify changes in circumstances in a timely manner or where the applicant has failed to act correctly or honestly.

## **5.0 Awarding an Exceptional Hardship Fund Payment**

5.1 The Council will decide whether or not to make an Exceptional Hardship Fund award, and how much any award might be.

5.2 When making this decision the Council will consider:

- The shortfall between Council Tax Reduction and Council Tax liability;
- Whether the applicant has engaged with the Exceptional Hardship Payment process;
- If a Discretionary Housing Payment has already been awarded to meet a shortfall in rent;
- The personal circumstances, age and medical circumstances (including ill health and disabilities) of the applicant, their partner, any dependants and any other occupants of the applicant's home;
- The difficulty experienced by the applicant, which prohibits them from being able to meet their Council Tax liability, and the length of time this difficulty will exist;
- The income and expenditure of the applicant, their partner and any dependants or other occupants of the applicant's home;

- How reasonable expenditure exceeds income;
- All income received by the applicant, their partner and any member of their household irrespective of whether the income may fall to be disregarded under the Council Tax Reduction scheme;
- Any savings or capital that might be held by the applicant, their partner and any member of their household irrespective of whether the capital may fall to be disregarded under the Council Tax Reduction scheme;
- Other debts outstanding for the applicant and their partner;
- The exceptional nature of the applicant and/or their family's circumstances that impact on finances; and
- The length of time they have lived in the property.

5.3 The above list is not exhaustive and other relevant factors and special circumstances will be considered.

5.4 An award from the Exceptional Hardship Fund does not guarantee that a further award will be made at a later date, even if the applicant's circumstances have not changed.

5.5 An Exceptional Hardship Fund payment may be less than the difference between the Council Tax liability and the amount of Council Tax Reduction paid. The level of payment may be nil if the authority feels that, in its opinion, the applicant is not suffering 'exceptional hardship' or where the applicant has failed to comply with the Exceptional Hardship process.

## **6.0 Publicity**

6.1 The Council will make a copy of this policy available for inspection and will be published on the Council's website.

## **7.0 Claiming an Exceptional Hardship Fund payment**

7.1 An applicant must make a claim for an Exceptional Hardship Fund award by submitting an application to the Council. The application form can be obtained via

the telephone, in person, at one of the Council offices and/or via the Council's website.

7.2 Applicants can request assistance with the completion of the form from the Revenues and Benefits Service or Customer Services at the Council.

7.3 The application form must be fully completed and supporting information or evidence provided, as reasonably requested by the Council.

7.4 In most cases the person who claims the Exceptional Hardship Fund award will be the person entitled to Council Tax Reduction. However, a claim can be accepted from someone acting on another's behalf, such as an appointee, if it is considered reasonable.

## **8.0 Changes in circumstances**

8.1 The Council may revise an award from the Exceptional Hardship Fund where the applicant's circumstances have changed which either increases or reduces their Council Tax Reduction entitlement.

## **9.0 Duties of the applicant and the applicant's household**

9.1 A person claiming an Exceptional Hardship Fund payment is required to:

- Provide the Council with such information as it may require to make a decision;
- Tell the Council of any changes in circumstances, within 21 days, that may be relevant to their ongoing claim; and
- Provide the Council with such other information as it may require in connection with their claim.

## **10.0 The award and duration of an Exceptional Hardship Payment**

10.1 Both the amount and the duration of the award are determined at the discretion of the Council and will be done so on the basis of the evidence supplied and the circumstances of the claim.

10.2 The start date of such a payment and the duration of any payment will be determined by the Council. In any event, the maximum length of the award will not exceed the end of the financial year in which the award is given.



## **11.0 Award of the Exceptional Hardship Fund payment**

11.1 Any Exceptional Hardship Fund payment will be made direct onto the applicant's Council Tax account, thereby reducing the amount of Council Tax payable.

## **12.0 Overpaid Exceptional Hardship Fund Payments**

12.1 Overpaid Exceptional Hardship Fund payments will generally be recovered directly from the applicant's council tax account, thus increasing the amount of council tax due and payable.

## **13.0 Notification of an award**

13.1 The Council will notify the outcome of each application for Exceptional Hardship Fund payments in writing. The notification will include the reason for the decision and advise the applicant of their appeal rights.

## **14.0 Appeals**

14.1 Exceptional Hardship Fund payments are subject to the statutory appeal process as they are made as part of the Council's Council Tax Reduction scheme under Section 13A 1A of the Local Government Finance Act 1992.

14.2 If the applicant is not satisfied with the decision in respect of an application for an Exceptional Hardship Fund payment, a decision to reduce the amount of Exceptional Hardship Fund payment, a decision not to backdate an Exceptional Hardship Fund payment or a decision that there has been an overpayment of an Exceptional Hardship Fund payment, the Council will look at the decision again.

14.3 An officer, other than the original decision maker, will consider the appeal by reviewing the original application and any other additional information and/or representation made, and will make a decision within 14 days of referral or as soon as practicable.

14.4 The outcome of the appeal will be set out in writing, detailing the reasons for the decision or upholding the original decision.

14.5 Further appeals can be made as per Council Tax Reduction to an independent Valuation Tribunal

## **15.0 Fraud**

15.1 The Council is committed to protect public funds and ensure funds are awarded to the people who are rightfully eligible to them.

15.2 An applicant who tries to fraudulently claim an Exceptional Hardship Fund payment by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

15.3 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

## **16.0 Complaints**

16.1 The Council's 'Compliments and Complaints Procedure' (available on the Councils website) will be applied in the event of any complaint received about this policy.

## **17.0 Policy Review**

17.1 This policy will be reviewed every year and updated as appropriate to ensure it remains fit for purpose. However, the review may take place sooner should there be any significant changes in legislation.

Household category	Income	Number of Non-dependants	Council Tax		Current CTR (wkly)
			liability (wkly)		
Passported	Income Support Carers Allowance Universal Credit	1	£	26.57	£ 22.52
Single	Carers Allowance The claimant receives Second Adult Rebate for her disabled daughter.	2	£	34.89	£ 18.44
Single		N/A	£	42.06	£ 10.51
Single with 1 child	Earnings Tax Credits Child Benefit	1	£	31.87	£ 3.84
Single with 1 child	Earnings Tax Credits Child Benefit Capital £8800	1	£	30.93	£ 17.81
Single with 2 + children	Earnings Tax Credits Child Benefit x2 Carers Allowance Child Benefit x5 Tax Credits	0		£19.83	£ 1.36
Single with 2 + children	SE DLA for dependant ESA ( C )	0	£	29.87	£ 29.87
Couple	Private pension	0	£	31.87	£ 11.92
Couple	Private pension	0	£	49.36	£ 25.59

	Child Benefit					
	ESA ( C )					
	ESA (SC)					
	PIP					
Couple with	UC					
1 child	Earnings	0		£25.45	£	3.89
	Child Benefit					
	Earnings					
Couple with	Tax Credits					
1 child	PIP	0	£	32.05	£	32.05
	Child Benefit					
	Carers Allowance					
	Tax Credits					
	SE income					
Couple with	Earning					
2+ children	DLA for dependant	0	£	31.51	£	1.54
	Child Benefit x7					
	Tax Credits					
Couple with	Self Employed					
2+ children	ESA ( C )	0	£	51.78	£	51.78

New Scheme		CTR increased		Comments
CTR (wkly)		/ reduced by	£	
£	26.57	£	4.05	Current scheme - non-dependant charge of £4.05 which has been removed in the new scheme
£	34.89	£	16.45	Current scheme - 2 x non-dependant charge of £16.45
£	-	-£	10.51	Second Adult Rebate to be abolished. Current scheme - income is above applicable amount, the excess income is tapered by 20% & CTR reduced. There is a non - dependant charge of £8.25.
£	14.34	£	10.50	New scheme - income is in the 45% band and no non-
£	-	-£	17.81	New scheme - capital over £6000 is the cut off Current scheme - income is above applicable amount, the excess income is tapered by 20% & CTR reduced
£	8.93	£	7.57	New scheme - income is in the 45% band
£	7.47	-£	22.40	Current scheme - income below applicable amount. New scheme - income is in the 25% band
£	23.90	£	11.98	Current scheme - income is above applicable amount, the excess income is tapered by 20% & CTR reduced
£	22.21	-£	3.38	Current scheme - income is above applicable amount, the excess income is tapered by 20% & CTR reduced

			Current scheme - income is above applicable amount, the excess income is tapered by 20% & CTR reduced
£	11.45	£	7.56 New scheme - income is in the 45% band
			Current scheme - income is above applicable amount, the excess income is tapered by 20% & CTR reduced
£	24.04	-£	8.01 New scheme - income is in the 75% band
			Current scheme - income is above applicable amount, the excess income is tapered by 20% & CTR reduced
£	14.18	£	12.64 New scheme - income is in the 45% band
			Current scheme - income is above applicable amount, the excess income is tapered by 20% & CTR reduced
	£0.00	-£	51.78 New scheme - income is above cut off

If the capital limit wasn't imposed, applicant would get 75% band. £5.38 more than on

£ 23.19 current

This page is intentionally left blank