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# NOTICE OF MEETING

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## CABINET

**THURSDAY, 10 NOVEMBER 2016 AT 1.00 PM**

**THE EXECUTIVE MEETING ROOM - THIRD FLOOR, THE GUILDHALL**

Telephone enquiries to Joanne Wildsmith, Democratic Services Tel 9283 4057  
Email: [joanne.wildsmith@portsmouthcc.gov.uk](mailto:joanne.wildsmith@portsmouthcc.gov.uk)

If any member of the public wishing to attend the meeting has access requirements, please notify the contact named above.

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## Membership

Councillor Donna Jones (Chair)

Councillor Luke Stubbs  
Councillor Ryan Brent  
Councillor Jim Fleming  
Councillor Lee Mason

Councillor Rob New  
Councillor Linda Symes  
Councillor Steve Wemyss  
Councillor Neill Young

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(NB This Agenda should be retained for future reference with the minutes of this meeting.)

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: [www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

**Deputations by members of the public may be made on any item where a decision is going to be taken. The request should be made in writing to the contact officer (above) by 12 noon of the working day before the meeting, and must include the purpose of the deputation (for example, for or against the recommendations). Email requests are accepted.**

## AGENDA

- 1 **Apologies for Absence**
- 2 **Declarations of Interests**
- 3 **Record of Previous Decision Meetings - 22 September & 12 October 2016**  
(Pages 1 - 12)

Copies of the records of the previous decisions taken at Cabinet on 22 September and the special meeting held on 12 October 2016 are attached.

**RECOMMENDED that the records of the decisions taken at the Cabinet meetings of 22 September and 12 October 2016 are approved as a**

**correct record and signed by the Leader.**

**4 Appointments to outside bodies and a Mental Health Champion**

i) Mental Health Champion

The Leader is nominating Cllr Jennie Brent to fulfil this role.

ii) Milton Village Community Centre - change in representative

Cllr Luke Stubbs is to step down from this outside body and a ward councillor is to be appointed. The Leader of the Liberal Democrat Group has nominated Cllr Ben Dowling to fill this vacancy.

iii) Portsmouth Hospitals NHS Trust (Council of Governors)

The Leader proposes that Cllr Luke Stubbs fills this vacancy. This role is to be undertaken by a member or officer from Portsmouth City Council.

**RECOMMENDED that the Cabinet confirm these appointments.**

**5 TECS Scrutiny Review and Directors Response report - Review into how community safety partners can work together to reduce demand and cost for intensive specialist services currently supporting individuals with complex needs (Pages 13 - 44)**

The Director of Regulatory Services & Community Safety's response report is attached as well as the report by the Traffic, Environment & Community Safety Scrutiny Panel (TECS) Panel which was signed off on 28 September 2016, chaired by Councillor Stuart Potter.

Please note that the TECS Scrutiny Panel report appendices 4 'Dual Diagnosis Pledge' and 5 'The Portsmouth Blueprint' are available to view with the full TECS scrutiny panel's review report of 28 September on the PCC website, democracy pages at:

<http://democracy.portsmouth.gov.uk/ieListDocuments.aspx?CId=177&MId=3567&Ver=4>

**RECOMMENDED:**

- (1) That the Panel is thanked for its work in undertaking the review
- (2) That the Transport, Environment and Community Safety Scrutiny Panel's recommendations be approved in line with the responses noted in section 4.

**6 Council Tax Support Consultation Results (know nationally as Council Tax Reduction Scheme) (Pages 45 - 274)**

The purpose of the report by the Director of Community & Communication is for Council to approve for implementation on 1st April 2017 Portsmouth City Council's revised scheme for Council Tax Support and an associated Hardship Fund.

N.B. The verbatim comments made during the consultation (Appendix 1a Free Comments) can be viewed on the Portsmouth City Council website by using this link:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-cts-consultation-appendix1a-verbatim.pdf>

**RECOMMENDED to Council:**

- i. The results of the public consultation on the Council Tax Scheme are noted.**
- ii. To implement a revised Council Tax Support Scheme for Portsmouth from 1st April 2017, with the following key features:**
  - a) To introduce a maximum level of support for all working age applicants to 80%**
  - b) To reduce the capital limit from the existing £16,000 to £6,000**
  - c) To restrict the maximum level of Council Tax Reduction payable to the equivalent of a Band C**
  - d) To set a minimum level of support at £2 per week**
  - e) To bring the working age Council Tax Scheme in line with Housing Benefit changes proposed by Central Government**
- iii. A Hardship Fund of £250k to be provided for 2017/18, subject to annual review, to give support to households in financial difficulty due to a reduction in the Council Tax Support they receive.**

Members of the public are now permitted to use both audio visual recording devices and social media during this meeting, on the understanding that it neither disrupts the meeting or records those stating explicitly that they do not wish to be recorded. Guidance on the use of devices at meetings open to the public is available on the Council's website and posters on the wall of the meeting's venue.

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# Agenda Item 3

## CABINET

RECORD OF DECISIONS of the meeting of the Cabinet held on Thursday, 22 September 2016 at 1.00 pm at the Guildhall, Portsmouth

### Present

Councillor Donna Jones (in the Chair)

Councillors Luke Stubbs  
Ryan Brent  
Jim Fleming  
Lee Mason  
Robert New  
Linda Symes  
Neill Young

#### **35. Apologies for Absence (AI 1)**

These had been received from Councillor Steve Wemyss.

#### **36. Declarations of Interests (AI 2)**

There were no declarations of members' interests.

#### **37. Record of Previous Decision Meeting - 8 July 2016 (AI 3)**

DECISION: that the record of decisions of the Cabinet taken on 8 July 2016 be agreed as a correct record and be signed by the Chair accordingly.

#### **38. HSC Scrutiny review 'Support Services for young people living in isolation' (AI 4)**

Councillor Darren Sanders, Chair of the Housing & Social Care (HSC) Scrutiny Panel, presented his panel's report and David Williams, Chief Executive presented the response report. It was stressed that the term 'forcibly isolated' did not refer to any action taken by the council, but reflected family breakdowns.

Councillor Sanders thanked all who had taken part in the review. The panel had looked at what support mechanisms were required. He noted that the response report set out a lot of action taking place and due to be undertaken, which he hoped was in part due to the scrutiny process, and he hoped the research document (referred to within the response report) could be circulated wider. The Leader thanked Councillor Sanders and the Housing & Social Care Scrutiny Panel for their useful work and she undertook to send the reports to the relevant Cabinet Members and Directors to take up the response action. There would be a further report on the use of the Voluntary Sector Transition Fund, with the criteria being examined by the Director for Finance, which should go to Council in November regarding how this money could get into the community. She hoped that the appropriate directors would

look at encouraging private sector housing landlords to take on younger tenants. Work was continuing regarding the impact of legal highs and the Education Act encompassed the desire for teachers to look for signs of social isolation. The Leader encouraged Councillor Sanders to take up the housing findings with Councillor Steve Wemyss as the Cabinet Member for Housing.

The Leader undertook to circulate the panel's findings and the Chief Executive's response report to the appropriate Cabinet Members and Directors for implementation of the recommendations.

**DECISION: that Cabinet noted the comments in relation to the Scrutiny Panel's recommendations at section 4 of the response report.**

### **39. Key Future Approaches for Children's Services (AI 5)**

Alison Jeffery, as Director of Children's Services, presented her report which set out support to families at different levels of need. The report also set out the recent co-location of services and the work to help the most vulnerable families. The recommendations endorsed the plans to use resources to their best effect and the restorative approach being taken so that families would be supported at the appropriate level and to avoid the need for statutory intervention.

Councillor Ryan Brent, as the Cabinet Member for Children's Services, supported the recommendations which would help change the culture to a restorative approach and he thanked all the officers involved in this work. This was endorsed by Councillor Neill Young as Cabinet Member for Education.

Councillor Luke Stubbs queried the wording of the third recommendation and this was amended to show the flexibility in the contract review.

Councillor Donna Jones, as Leader, also thanked the Cabinet Members for their involvement and Alison Jeffery and her team for this pivotal preventative work to allow access for the most vulnerable in the city.

**DECISIONS the Cabinet agreed:**

- 1) The "Stronger Futures 10 point plan" set out at appendix 1 for effective, proportionate support for children and families around health, wellbeing and safeguarding.**
- (2) That the Cabinet Member for Adult Social Care and Public Health and the Cabinet Member for Children's Social Care be authorised to review and agree within the next three months the provider model and procurement process as appropriate for a refreshed integrated City Council early intervention offer bringing together current VCS contracts, Children's Centres and Public Health delivery.**
- (3) That the council's contracts with Solent NHS for Health Visiting, School Nursing and Family Nurse Partnership are extended for a period**

of two years subject to the Cabinet Member for Adult Social Care and Public Health receiving a risk appraisal prepared by the Procurement Manager and City Solicitor and subject to annual review of the contract value; and that over the span of the Stronger Futures programme, arrangements are agreed to integrate delivery of these services operationally with the refreshed City Council early intervention offer.

**40. Standing Order 58 - Urgent Action - Extending Council Authorised Limit for External Debt (AI 6)**

The Chief Executive explained that there was an obligation to report back on the urgent action taken. Chris Ward as the Director of Finance and S151 Officer, expanded on the opportunity to take advantage of the historically low borrowing rates and he had therefore requested the extension of the borrowing limits.

The Leader was pleased that swift action had been taken following the 'Brexit' referendum result which had been financially advantageous to the Council.

**The Cabinet noted the urgent decision taken by the Chief Executive in response to the above matter in accordance with Standing Order 58 of the council's procedure rules.**

**41. Treasury Management Outturn Report 2015/165 (AI 7)**

Chris Ward, as Director of Finance & S151 Officer, presented his report outlining the council's borrowing and investment activities, and reported that PCC had remained within the necessary limits. One indicator had been exceeded for the approved purpose of extending the acquisitions investment portfolio. He further reported on slippage on the capital programme (but that this delayed spending would take place) and increase of debt. In response to the Leader and Deputy Leader's questions he confirmed that the financial position did not include £40m capital spending available for social housing. The Leader thanked Chris Ward and his team for this report.

**RECOMMENDED TO COUNCIL that the following recommendations relating to Appendices A and B of this report be approved:**

**Appendix A - that the following actual prudential indicators based on the unaudited draft accounts be noted:**

- (a) The actual ratio of non-Housing Revenue Account (HRA) financing costs to the non HRA net revenue stream of 11.9%;**
- (b) The actual ratio of HRA financing costs to the HRA net revenue stream of 13.1%;**
- (c) Actual non HRA capital expenditure for 2015/16 of £115,276,000;**
- (d) Actual HRA capital expenditure for 2015/16 of £27,437,000;**
- (e) The actual non HRA capital financing requirement as at 31 March 2016 of £280,516,000;**
- (f) The actual HRA capital financing requirement as at 31 March 2016 of £154,734,000;**

(g) Actual external debt as at 31 March 2016 was £490,378,035 compared with £462,566,096 at 31 March 2015.

**Appendix B** - That the following actual Treasury Management indicators for 2015/16 be noted:

- (a) The Council's gross debt less investments at 31 March 2016 was £118,551,000;
- (b) The maturity structure of the Council's borrowing was

	Under 1 Year	1 to 2 Years	3 to 5 Years	6 to 10 Years	11 to 20 Years	21 to 30 Years	31 to 40 Years	41 to 50 Years
Actual	1%	1%	2%	4%	18%	10%	22%	42%

(c) The Council's sums invested for periods longer than 364 days at 31 March 2016 were:

	Actual £m
31/3/2016	196
31/3/2017	106
31/3/2018	33

(d) The Council's fixed interest rate exposure at 31 March 2016 was £220m, i.e. the Council had net fixed interest rate borrowing of £220m

(e) The Council's variable interest rate exposure at 31 March 2016 was (£186m), i.e. the Council had net variable interest rate investments of £186m.

#### 42. Treasury Management Mid-Year Review 2016/17 (AI 8)

Chris Ward, as Director of Finance & S151 Officer, presented his report on the mid-year position, with an increase in funds available of 35%. The recommendations set out the better management of the funds and the spread of risk. The Leader welcomed the report and recommendations and thanked the Director for his positive report.

RECOMMENDED (1) that the operational boundary be increased by £50m from £549.5m to £599.5m

(2) that the geographic investment limits applied to regions outside the United Kingdom be increased as follows:

Region	Current Limits	Recommended Revised Limits
Asia & Australia	£60m	£80m
Americas	£60m	£80m
Eurozone	£30m	£60m
Continental Europe outside the	£30m	£60m



Eurozone		
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(3) that the limits placed on total sums invested for periods longer than 364 is increased as follows:

<b>Sums invested beyond:</b>	<b>Current Limits</b>	<b>Recommended Revised Limits</b>
31/3/2017	£196m	£288m
31/3/2018	£123m	£199m
31/3/2019	£90m	£90m

(4) that investments should only be placed with institutions based in either the United Kingdom or sovereign states with at least an AA credit rating (the current strategy requires at least an AA+ credit rating)

(5) It is recommended that investments be permitted in counter parties that do not meet the Council's credit criteria if the investment is secured against assets that do meet the Council's investment criteria

(6) that investments in counter parties with long term credit ratings of BBB+ / Baa1 and short term credit ratings of F2 / P-3 / A3 be permitted for periods up to 364 days with an individual counter party limit of £7m

(7) that up to £8m is invested in corporate bond funds where the underlying investments have an average credit rating of at least BBB+ but may include lower rated investment grade holdings

(8) that up to £10m be invested in bonds issued by Hampshire Community Bank providing the bonds can be secured against good quality assets owned by the Bank

(9) that the following actual Treasury Management indicators for July 2016 be noted:

(a) The Council's debt at 31 July was as follows:

	<b>Original Prudential Indicator</b>	<b>Revised Prudential Indicator Under Standing Order 58</b>	<b>Recommended Prudential Indicator</b>	<b>Position at 31/7/16</b>
Authorised Limit	£567.8m	£617.8m	£617.8m	£582.4m
Operational Boundary	£549.5m	£549.5m	£599.5m	£582.4m

(b) The maturity structure of the Council's borrowing was:

	<b>Under 1 Year</b>	<b>1 to 2 Years</b>	<b>3 to 5 Years</b>	<b>6 to 10 Years</b>	<b>11 to 20 Years</b>	<b>21 to 30 Years</b>	<b>31 to 40 Years</b>	<b>41 to 50 Years</b>
Lower Limit	0%	0%	0%	0%	0%	0%	0%	0%
Upper Limit	10%	10%	10%	20%	30%	30%	30%	40%
Actual	1%	1%	4%	7%	22%	12%	18%	35%

(c) Sums invested for periods longer than 364 days at 31 July 2016 were:

<b>(Maturing after</b>	<b>Limit £m</b>	<b>Actual £m</b>
31/3/2017	196	168
31/3/2018	123	90
31/3/2019	90	25

(d) The Council's interest rate exposures at 31 July 2016 were:

	<b>Limit £m</b>	<b>Actual £m</b>
Fixed Interest	358	289
Variable Interest (Net Investments)	(444)	(288)

#### **43. 4 Year Local Government Finance Settlement - Multi Year Settlements (AI 9)**

Chris Ward, as Director of Finance & S151 Officer, presented his report that was linked to the following item regarding a linked Efficiency Plan. The Leader endorsed the 4 year settlement as she did not favour a year on year approach.

Councillor Fleming queried the impact of the Combined Authorities proposals and Chris Ward responded that this was likely to have a positive effect on the Council's financial position with further investment and promotion of economic growth. The Leader also raised the financial effects of the EU Referendum result, the authority bidding to become a pilot area for Non Domestic Rates (NDR) retention and the significant reduction in the Revenue Support Grant. The intention was to remove the vulnerable part of the council's income with 100% retention of Business Rates.

**The Cabinet RECOMMENDED to Council:**

**(1) The government offer of a multi-year settlement to 2019/20 announced on 17 December 2015, be accepted**

**(2) That in accepting the offer of a multi-year settlement, the Efficiency Plan clearly states that the Plan outlines the method by which the Council will pursue its necessary savings in response to both its cost pressures and government funding reductions but that there is no implied acceptance that those cost pressures and government funding reductions can be achieved through efficiencies alone without significant detriment to service provision.**

**44. Efficiency Plan (response to 4 year funding settlement) (AI 10)**

Chris Ward, Director of Finance and S151 Officer presented this item in tandem with the previous item relating to the 4 year Local Government Finance Settlement, as this set out how savings would be delivered in the future. If the settlement was endorsed by Council there was a required timetable for publishing the Efficiency Plan (as set out in the report). The Leader supported the Efficiency Plan.

**DECISION: that the Efficiency Plan is endorsed.**

**45. Revenue Budget Monitoring 2016/17 (1st Quarter) to end June 2016 (AI 11)**

Chris Ward, as Director of Finance and S151 Officer, presented his report which showed an overspend of £661k at this point of the year but he stressed that Adult and Children's Social Care were both in a much healthier position than at this time last year. The Leader welcomed the significant improvement in the financial position for the Council, and she congratulated the Cabinet Members and Directors for their hard work in achieving this. Councillor Donna Jones also commented that the government funding for unaccompanied asylum seeking children was not enough to cover the expenditure incurred and she would ensure that Portsmouth's MPs were aware that compensation was needed.

**RECOMMENDED that**

**(i) The forecast outturn position for 2016/17 be noted:**

**(a) An overspend of £1,620,400 before further forecast transfers from/(to) Portfolio Specific Reserves & Ring Fenced Public Health Reserve**

**(b) An overspend of £661,100 after further forecast transfers from/(to) Portfolio Specific Reserves & Ring Fenced Public Health Reserve.**

**(ii) Members note that any actual overspend at year end will in the first instance be deducted from any Portfolio Specific Reserve balance and once depleted then be deducted from the 2017/18 Cash Limit.**

**(iii) Directors, in consultation with the appropriate Cabinet Member, consider options that seek to minimise any forecast**

**overspend presently being reported and prepare strategies outlining how any consequent reduction to the 2017/18 Portfolio cash limit will be managed to avoid further overspending during 2017/18.**

**46. Exclusion of Press and Public (AI 12)**

**DECISION:** that, under the provisions of Section 100A of the Local Government Act, 1972 as amended by the Local Government (Access to Information) Act, 1985, the press and public be excluded for the consideration of the following item on the grounds that the report(s) contain information defined as exempt in Part 1 of Schedule 12A to the Local Government Act, 1972.

Minute item 47 - Sale and Leaseback Property (appendix only) under Paragraph 3 (financial interests).

**47. Sale and Leaseback - Property in White Hart Road (AI 13)**

Discussion of this item took place in exempt session, with Tom Southall presenting the report on behalf of the Director of Housing & Property and answering questions from the cabinet members regarding levels of risk involved in property transactions and the most appropriate timescale.

**DECISION that Cabinet authorised:**

**(1) Granting a new headlease and leaseback in land on White Hart Road, Portsmouth.**

**(2) A delegated authority to the Director of Property and the Director of Finance & Section 151 Officer, taking advice from the City Solicitor, and in consultation with the Leader of the City Council, to approve the completion of disposal in (1) above.**

**(3) The reinvestment of the Capital receipt produced by the transaction into the property investment strategy, in order to spread risk and deliver an improved financial return.**

The meeting concluded at 2.15 pm.

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Councillor Donna Jones  
Leader of the Council

## **CABINET**

RECORD OF DECISIONS of the meeting of the Cabinet held on Wednesday, 12 October 2016 at 11.00 am at the Guildhall, Portsmouth

### **Present**

Councillor Donna Jones (in the Chair)

Councillors Luke Stubbs  
Jim Fleming  
Robert New  
Steve Wemyss  
Neill Young

#### **48. Apologies for Absence (AI 1)**

These had been received from Cabinet Members Councillors Ryan Brent, Lee Mason and Linda Symes.

#### **49. Declarations of Interests (AI 2)**

There were no declarations of members' interests.

#### **50. Solent Combined Authority Governance Review and Scheme (AI 3)**

David Williams as Chief Executive presented his report, which had also been presented for information and debate by full Council the previous day. He outlined the process leading to this report being brought to Cabinet to approve the updated governance review which had been revised to address the issues fed back during the consultation exercise. The finalised governance review (at Appendix 1) had been updated following the consultation and set out the rationale for a Mayoral Combined Authority (MCA) whilst the proposed published scheme ('The Scheme' at Appendix 2) shows how the MCA would operate, with an outline constitution setting out the details such as membership, voting rights and area covered. Appendix 3 is the analysis of the 8 week consultation exercise undertaken by Portsmouth City Council, the Isle of Wight Council, Southampton City Council and the Solent Local Enterprise Partnership (SLEP). Appendix 4 includes letters that had been received on the MCA and the devolution proposal and included support from a number of key businesses and the report from the SLEP indicating the positive support that they received from businesses during their review with the local business community.

The actions arising from the recommendations would be dependent upon the Isle of Wight and Southampton City Councils' Executive bodies also agreeing to take forward the submission to the Secretary of State. The Secretary of State would then be in a position to consider undertaking further consultation if it was needed, but the Chief Executive felt that the joint consultation process had been comprehensive, especially when compared to the results from other areas which had already had proposals for a Combined Authority approved.

The Chief Executive explained that the Secretary of State was also able to make changes to the scheme, such as to the strong mayor/weaker mayor model, which would then come back to the three councils to consider further. The Secretary of State would want to ensure that all three councils are still committed to the deal before an order was laid before parliament.

The Chief Executive commended the deal which had been negotiated in March as a good one for Portsmouth City and the wider sub-region, and this model was for the directly elected mayor. As part of the consultation there had been supportive letters received from significant employers. He believed that the Secretary of State would judge the consultation to have been meaningful.

The Leader asked if there were any further comments or questions from members, which there were not, and was mindful that there had been lengthy discussions at the Council meeting on 11 October, and that there had been overwhelming support for a Combined Authority. The Southampton and Isle of Wight Executive decisions would be taken over the following 2 weeks.

Councillor Donna Jones, as Leader, supported the report which had the unanimous support of the Cabinet members present.

**DECISIONS:** the Cabinet agreed:

- (1) To note that a thorough 8 week consultation exercise was undertaken across the Isle of Wight, Southampton and Portsmouth council areas on the draft Governance Review and the Draft Scheme.
- (2) To note that the consultation results (see appendix 3) confirmed support for the three authorities working together to achieve devolution from central government through a mayoral combined authority.
- (3) To publish the Scheme and Review, and submit a request to the Secretary of State for Communities and Local Government to establish a Solent Combined Authority (such a submission will be dependent on the other two Councils also resolving to publish the final Scheme and review).
- (4) To approve the Governance Review (appendix 1), revised scheme (appendix 2), and the consultation responses (appendix 3), and include these as part of the submission to the Secretary of State alongside the letters that have been received on this issue (appendix 4). [Note that the onward procedure of the Secretary of State is described in the Legal Implications/City Solicitor Comments.]
- (5) That if a submission to the Secretary of State is made, the Leader and Chief Executive be given delegated authority to negotiate the final terms of an Order to establish a Solent Mayoral Combined Authority alongside colleagues from the Isle of Wight Council and Southampton City Council.

The meeting concluded at 11.24 am.

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Councillor Donna Jones  
Leader of the Council

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<b>Title of meeting:</b>	Cabinet
<b>Date of meeting:</b>	10 November 2016
<b>Subject:</b>	Response to the Transport, Environment and Community Safety Scrutiny Panel's report: 'How Community Safety Partners can work together to reduce demand and cost for intensive specialist services currently supporting individuals with complex needs'
<b>Report by:</b>	Director of Regulatory Services and Community Safety
<b>Wards affected:</b>	All
<b>Key decision:</b>	Yes/No
<b>Full Council decision:</b>	Yes/No

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## 1. Purpose of report

The purpose of this report is to respond to the Transport, Environment and Community Safety Panel's review: " How Community Safety Partners can work together to reduce demand and cost for intensive specialist services currently supporting individuals with complex needs'

## 2. Recommendations

- i. That the Panel is thanked for its work in undertaking the review and
- ii. That the Transport, Environment and Community Safety Scrutiny Panel's recommendations be approved in line with the responses noted in section 4

## 3. Background

3.1 In relation to complex cases of anti-social behaviour, the aim of the review was to:

- Identify ways that services could work more effectively together to manage individuals with complex needs.
- Identify how partners could work together to reduce demand for partners' services including mental health, substance misuse, community safety, police, probation and fire services.
- Identify how residents can be encouraged to 'self-help' rather than ask for statutory services to intervene.
- Identify how partners can intervene earlier to avoid cases becoming more and more difficult to resolve.

#### **4. Response to the recommendations**

- 4.1** The community safety service endorses the work undertaken by the scrutiny panel and will ensure that the recommendations set out on page 5 of the report are delivered to address the needs of and develop services to support individuals with complex needs in the city.
- 4.2** It is a complicated area of work which relies on partners and services working together to put customer need at the centre of service delivery and taking the learning from the proposed journey mapping to change the service officer, how services work together, when services intervene and share information. It is important that the links between this work and the new Homelessness Working Group are identified and exploited; the strategy and partnerships manager is actively involved in both pieces of work and is confident there will be opportunities to improve service delivery and outcomes for these vulnerable individuals
- 4.3** The development of a more robust and assertive outreach service and monitoring of cases as well as identification of a named worker is likely to be a key requirement for the envisaged service improvements. We will work with services to identify effective practice from across the country and test their success in Portsmouth.
- 4.4** In order to deliver the recommendation aimed at the PSHE offer in schools we will work with the Assistant Director of Children's Service, Education to influence head teachers and persuade them of the short and long term benefits of including teaching on emotional well-being and personal resilience.
- 4.5** We have no doubt that the Police and Crime Commissioner will be reviewing regularly the performance of his restorative justice contract. We would be keen to support this work by encouraging residents to use the service as a means of reducing demand for wider services offered by a range of providers, statutory and non-statutory.

#### **5. Equality impact assessment**

An equality impact assessment is not required for this response report. A preliminary EIA has been completed in respect of the recommendations of the scrutiny panel, which indicates that the work to support individuals with complex needs will benefit a range of service users. Once a number of the recommendations have been completed and service delivery is being adapted, further equality impact assessments will be undertaken

#### **6. Legal implications**

Legal comments are incorporated in the body of the scrutiny report

#### **7. Director of Finance's comments**

The financial implications are contained in the body of the scrutiny report

.....  
Signed by:  
Director of Regulatory services and Community Safety

**Appendices:**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:  
The Leader of the Council, Cllr Donna Jones

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# Portsmouth

## CITY COUNCIL

### Traffic, Environment & Community Safety Scrutiny Panel

**REVIEW INTO HOW COMMUNITY SAFETY PARTNERS CAN WORK TOGETHER TO REDUCE DEMAND AND COST FOR INTENSIVE SPECIALIST SERVICES CURRENTLY SUPPORTING INDIVIDUALS WITH COMPLEX NEEDS.**

**Date published: 28 September 2016**

**Under the terms of the council's constitution, reports prepared by a scrutiny panel should be considered formally by the cabinet or the relevant cabinet member within a period of eight weeks, as required by Rule 11(a) of the Policy & Review Procedure Rules.**

## Preface

The Traffic, Environment & Community Safety Scrutiny Panel undertook a review into how community safety partners can work together to reduce demand and cost for intensive specialist services currently supporting individuals with complex needs.

The aims of this review were to look at joint working in order to manage individuals with complex needs and to reduce demand for services, identify how residents can be encouraged to self-help and how partners can intervene earlier. During the review which was carried out between December 2015 and September 2016, the panel received evidence from a number of sources, which it used to draw up a series of recommendations to submit to the Cabinet.

I would like to convey on behalf of the panel my sincere thanks to everyone who contributed to making this review a success, particularly the officers in Democratic Services and Community Safety.

.....  
Councillor Stuart Potter  
Chair, Traffic, Environment & Community Safety Scrutiny Panel

Date: 28 September 2016

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Appendix 4 – Dual diagnosis pledge.	Separate document
Appendix 5 - The Portsmouth Blueprint.	Separate document.





**List of Abbreviations Used.**

<b>Abbreviation</b>	<b>Definition.</b>
A&E	Accident & Emergency Department
ASB	Anti-Social Behaviour
CCG	Clinical Commissioning Group
CRC	Community Rehabilitation Company
CTCG	Community, Task and Co-ordinating Group
EIA	Equalities Impact Assessment
ICU	Integrated Commissioning Unit
IOM	Integrated Offender Management
MAPPA	Multi-Agency Public Protection Arrangements
MASH	Multi Agency Safeguarding Hub
OPCC	Office of the Police & Crime Commissioner
PUSH	Portsmouth Users' Self-Help Group
SPP	Safer Portsmouth Partnership

### Executive summary

The city council is committed to transforming people's life chances so that they are enabled to achieve and prosper, with a focus on improvement for those with the poorest life chances fastest, and shifting to a focus on preventative services and early intervention/ help. To support this shift we need organisations from the statutory and non-statutory sectors to work better together and intervene earlier to prevent escalation. We also need to encourage residents to self-help, rather than seek support from statutory services. In this way we may collectively be able to shift demand away from expensive specialist services.

The impact of individuals with complex needs on communities can involve persistent and escalating anti-social behaviour, drug dealing and usage, violent crime and offending.

Analysis from the Safer Portsmouth Partnership has highlighted that some cases should trigger support far earlier, alongside concerns about services responding to issues then withdrawing, rather than stepping down interventions and not assertively seeking engagement when need is identified.

#### **To identify ways that services could work more effectively together to manage individuals with complex needs**

The panel heard evidence from the commissioning manager for mental health and substance misuse who described the challenge of individuals with no clear diagnosis not meeting the threshold to receive a service. This can add to the challenge of resolving wider community issues involving people with complex needs. Some work has been done by individual agencies to improve service response but collective change by partners in commissioning and delivering services could be more effective.

#### **To identify how partners could work together to reduce demand for partner services including mental health, substance misuse, community safety, police, probation and fire**

The panel heard from a number of witnesses who explained the need for residents to be more accepting of individual differences, the need for services to manage residents' expectations and for improved community involvement and engagement.

#### **To identify how residents can be encouraged to 'self-help' rather than ask for statutory services to intervene.**

The panel heard from a Clinical Commissioning Group (CCG) representative who explained the potential benefits of emotional coping skills to build emotional resilience. Other witnesses described the need to include residents in decision making, encouraging residents to take responsibility and encouraging volunteering, facilitating investment in peer support services, promotion of self-help through advertising and through the recovery training college.

#### **To identify how partners can intervene earlier to avoid cases becoming more and more difficult to resolve.**

The panel heard evidence from the Strategy and Partnerships Manager who explained the benefits of mediation, prompt referral and assertive outreach. The

police Partnerships Inspector explained the benefits of partnership working in managing cases of vulnerability<sup>1</sup>.

### Conclusions

Based on the evidence and views it has received during the review process, the panel came to the following conclusions:

The panel recognised that:

1. The Complex Needs Group and the Blueprint for Portsmouth play an important role in encouraging joint working (sections 3.5 and 3.23).
2. Effective joint working is more important than ever particularly when budgets are reduced for all partners. Removal of duplication should help alleviate the impact (sections 2.25, 3.3-5, 3.7, 3.9, 3.10, 3.14, 3.18-20 and 6.4).
3. The method of tracking client journeys through services is a useful methodology to take the complex needs work forward (section 2.21).
4. Encouraging communities and individuals to self-help through the adoption of restorative practice is key (sections 2.15, 4.3 and 5.5-6)
5. Communication between agencies is essential (sections 5.6 and 6.4).

The panel was concerned that:

6. Support seems to be inconsistently applied or only in place at a late stage when the situation for the customer has escalated (sections 2.16 and 2.21).
7. Stable accommodation is essential for people with complex needs but is not always available (sections 3.20, 3.22 and 4.1).
8. As a result of the retendering of substance and alcohol misuse services, the number of clients that can be treated may be reduced (section 3.20).
9. Many customers do not engage with services and monitoring them is essential (sections 2.12, 2.15, 2.18, 3.20, 4.1 and 6.2).

The panel noted that:

10. It is important that residents help themselves, where they are able, rather than rely on statutory services, but if they do not receive any feedback from services they will quickly become discouraged (section 5).

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<sup>1</sup> Hampshire uses the definition from the Association of Police Chief Officers guidance and defines a vulnerable adult as:

"Any person aged 18 years or over who is or may be in need of community care services by reason of mental, physical, or learning disability, age or illness AND is or may be unable to take care of him or herself or unable to protect him or herself against significant harm or exploitation."

## Recommendations

1. Identify a cohort of approximately 20-30 complex cases involving anti-social behaviour in the city and work with existing services to secure the most positive outcomes for these individuals. Each case should have a designated person responsible for as long as it is open.
2. Map the journey of selected cases to identify missed opportunities and gaps in service
3. Use the learning from the journey mapping to shape system design and delivery
4. Contribute to the Homelessness Working Group
5. Work with the police and other front line services, including adult social care, substance misuse and mental health to improve early risk assessment and develop case tracking systems
6. Raise awareness with the public in relation to risk factors such as alcohol and drug misuse
7. Embed information exchange processes between services and organisations
8. Develop a more robust and assertive outreach service and monitoring of cases
9. Work with the police and crime commissioner to understand the impact of the restorative practice contract in Portsmouth.
10. Encourage schools to deliver services to support the development of emotional coping skills and resilience and peer support.

## 1. Purpose

The purpose of this report is to present to the Cabinet the recommendations of the Traffic, Environment & Community Safety Scrutiny Panel following its review into how community safety partners can work together to reduce demand and cost for intensive specialist services currently supporting individuals with complex needs.

## 2. Background

- 2.1 At its meeting on 10 December 2015 the Traffic, Environment & Community Safety Scrutiny Panel discussed the scope of the review and at its meeting on 2 February 2016 agreed the scoping document with the following objectives subject to the condition that revisions could be made during the course of the review if the panel thought appropriate:

In relation to complex cases of anti-social behaviour:

1. Identify ways that services could work more effectively together to manage individuals with complex needs.
2. Identify how partners could work together to reduce demand for partners' services including mental health, substance misuse, community safety, police, probation and fire services.
3. Identify how residents can be encouraged to 'self-help' rather than ask for statutory services to intervene.
4. Identify how partners can intervene earlier to avoid cases becoming more and more difficult to resolve.

- 2.2 The Traffic, Environment & Community Safety Scrutiny Panel comprised:

Councillors: Stuart Potter (Chair)  
Lynne Stagg  
Ryan Brent  
Lee Hunt  
Ian Lyon  
David Tompkins

Standing Deputies were: Councillors Simon Boshier; Margaret Foster; David Fuller; Scott Harris and Phil Smith.

On 17 May 2016 date the following councillors were appointed to the panel:

Councillors: Stuart Potter (Chair)  
Steve Hastings (Vice Chair)  
Lee Hunt  
Frank Jonas  
Ian Lyon  
Tom Wood

Standing Deputies were: Councillors Ken Ellcome, David Tompkins, Suzy Horton, Steve Pitt and Darren Sanders.

- 2.3 The panel met formally on 7 occasions between 10 December 2015 and 13 June 2016.
- 2.4 A list of meetings held by the panel and details of the written evidence received are attached as appendix 1. The minutes of the panel's meetings are published on the council's website and copies of all the documentation reviewed by the panel are available from Democratic Services upon request. A glossary of all the abbreviations used can be found immediately after the contents page.
- 2.5 The city council is committed to transforming people's life chances so they are enabled to achieve and prosper, with a focus on improvement for those with the poorest life chances fastest and shifting to a focus on preventative services and early intervention/ help. The case study below is unfortunately not an unusual example, but one which has immense personal, social and financial cost.

2.6 Case study

Matthew is 25 years old. He has difficulty holding a job down due to his ongoing depression and difficulties controlling his temper. When he was 10, his mother's boyfriend started to abuse him and this continued until he was 13 when the boyfriend was arrested for abusing other children. At this point Matthew came forward with his story thus supporting the police case much to the anger of his mother. At 16 he was thrown out of the family home and sofa surfed with friends. When they asked him to leave after arguing and using violence against his friends, he slept on the streets and got his food by shoplifting and begging. Up until then he had only experimented with drugs but for Matthew they are the only way to cope with the cold and the isolation. Using drugs has not helped him cope with his mental health issues and services cannot agree if they should treat his mental health issue or his substance misuse issue first. He has managed to get his own accommodation but lost it when he could not pay his rent and found himself sofa surfing and sleeping rough again.

Definition of complex cases

- 2.7 Complex cases involve multifaceted problems and/or where other agencies or services have been unable to resolve the issues. They frequently include individuals and families with a lengthy history of anti-social behaviour (ASB), cases that have escalated in severity or frequency or locations that are problematic. The term anti-social does not really capture the nature of all these incidents. Some cases reveal a lengthy history of both anti-social and criminal behaviour including serious levels of harassment, intimidation and violence. In many cases there are significant contributory factors such as drug or alcohol misuse, mental health issues or domestic abuse. It is not unusual to find that the accused is vulnerable themselves and being exploited by other people.<sup>2</sup>
- 2.8 The Strategy & Partnership Manager explained that the Crime & Disorder Act 1998 makes it clear that it is not a single organisation's responsibility to reduce crime. The Act requires the Safer Portsmouth Partnership (SPP) to use data from a number of sources, including the ambulance service and the Accident and Emergency Department (A&E) at Queen Alexandra Hospital, to produce a regular strategic

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<http://democracy.portsmouth.gov.uk/documents/s9735/Summary%20of%20research%20projects%20on%20two%20complex%20ASB%20cases.pdf>

assessment of the issues driving crime, anti-social behaviour, substance misuse and reoffending in the city.

- 2.9 The SPP's Strategic Assessment 2015/16 reports that 'Portsmouth has seen a larger increase in police recorded crime (9%) than the national average (3%); this increase has largely been driven by an increase in violent crime, which suggests either real increases in some types of crime or that levels of previous under-recording by police in Portsmouth and Hampshire as a whole, were higher than found nationally'.<sup>3</sup>
- 2.10 Violent crime now accounts for 36% of all crime compared to 29% in 2013/14. Some types of violent crime have seen substantial increases, including sexual offences (74%, n207); public order offences (83%, 649 - a 60% (n247) increase on the previous year); racially and religiously aggravated violence (52%, n98) and youth related violence (where young people are either victim or offender, 656)). Domestic abuse is still the largest category of violent crime accounting for 31% of all assaults (n1,554). There was a 29% (n348) increase on last year.

#### What the data tell us

- 2.11 The Strategy and Partnerships Manager provided evidence to the panel which contextualised the problem of complex needs.<sup>4</sup>
- 2.12 Two key pieces of analysis were conducted as part of a review of anti-social behaviour in 2013. The first analysis took a dip sample of 50 cases that were active at some point between 1 April 2012 and 31 March 2013. This analysis concentrated on some basic information relating to the perpetrators and victims with a specific focus on the contributing factors behind the perpetrators actions. A diagram based on the first sample of 50 cases is shown in appendix three. The second analysis considered a dip sample of 40 cases that were active at some point between 1<sup>st</sup> April and 30<sup>th</sup> September 2013.

By combining data from the two studies, only 8.5% (8 of the 90 cases) had no known contributory factors. By contrast, 85.5% (77 of the 90 cases) had at least one contributory factor and many had more than one<sup>[1]</sup>. The first analysis (2012/13, 50 cases) focused on contributory factors and found:

- 54% (n27) were known offenders. The levels and type of offending varied but 22% (n11) had a history of violence which included two Multi-Agency Public Protection Arrangements (MAPPA) cases and two known for racially or religiously aggravated assaults. 16% (n8) have recently served prison sentences. Three were known to Portsmouth Mental Health Criminal Justice Team.
- Drug misuse was a factor in 52% (n26) of cases; 30% (n15) were involved or believed to be involved in class A drug use. This was most commonly heroin and crack cocaine. In 12 cases (13%) either the ASB perpetrator was dealing drugs or involved in drug production or their property was being used by drug dealers

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<sup>3</sup> Conclusions from the 2014/15 SPP strategic assessment, page 1

<sup>4</sup>

<http://democracy.portsmouth.gov.uk/documents/s9735/Summary%20of%20research%20projects%20on%20two%20complex%20ASB%20cases.pdf>

<sup>[1]</sup> The remaining five cases were about locations or unknown perpetrators.

from outside of the city. Most were known to drug services but many were difficult to engage.

- 42% (n21) misused alcohol and this contributed to ASB; 16 (72%) of these are known to services and have significant problems. One was a 'frequent flyer' (regular attender at the hospital) known to multiple services and regularly involving police, ambulance services and A&E).
- 30% (n15) had reported mental health issues that contributed to the ASB. Nine of these (60%) were known to mental health services and four (26%) had been sectioned under the mental health act at some point during the ASB case history. Usually, the ASB in these cases was linked to mental health issues. In some cases, their behaviour put themselves and other residents at risk.
- Domestic abuse was a factor in 22% (n11) of cases. This is a complex issue. Sometimes the noise and disruption caused by domestic abuse was reported by other residents as anti-social behaviour. Sometimes, the victim of the abuse was also misusing drugs or alcohol and behaving anti-socially. In some cases, it was clear the domestic abuse offender was causing the anti-social behaviour. Four are known for other violence and offences as well.
- Only 4 (8%) involved young people under eighteen. There were child protection concerns in all cases.

2.12 The relationship between risk factors and crime or anti-social behaviour is complex; it is not that these issues cause offending and anti-social behaviour in themselves, but rather that the risk factors are similar and offending or anti-social behaviour may emerge from those issues.

2.13 The research found that it is not unusual for perpetrators to also be victims of crime. For example, some of the people vulnerable to exploitation by transient drug dealers using their properties may also have complex needs themselves; or the tenant of a property reported for causing anti-social behaviour may be also the victim of domestic abuse. Hand in hand with these issues are problems with accommodation, employment training and education, financial management skills and other life skills. Understanding and responding to these issues above may have a greater impact on crime and anti-social behaviour; the earlier they are identified, the quicker interventions are put in place to prevent escalation.

2.14 The research concluded that early risk assessment can identify those cases:

- Most likely to be resolved through mediation or Portsmouth Assessment Service, using restorative approaches, and/or prompt referral to relevant services
  - Presenting risk factors that would indicate a more complex case. Prompt referral and assertive outreach to engage these people may reduce the on-going impact and length of the anti-social behaviour
- That will only benefit from a combined multi agency and in some cases bespoke response.



- 2.15 Although only limited victim analysis has been conducted at this stage, it is clear that some cases should trigger victim support far earlier in the process. Incidents where perpetrators are known for a history of violence or where there are significant threats of harm should trigger immediate responses. Victim support is promptly implemented where the victim is deemed as vulnerable but does not seem to be consistently applied or regularly reviewed.
- 2.16 Both reports highlight concerns of yo-yo service responses with interventions and support put in place when the anti-social behaviour is most pronounced but when things quieten down the services are reduced or withdrawn, or the case is not monitored so robustly.
- 2.17 Some perpetrators with multiple problems do not engage with services and this is sometimes recorded as failure to engage. A more robust and assertive outreach together with enforcement may encourage service take up. This is most noticeable where the perpetrators have serious substance misuse issues.
- 2.18 The most effective means of supporting staff across agencies is through training and information to identify and respond appropriately to each new case; monitoring those most in need and offering single points of contact; supporting the development of multi-agency work by improving understanding and co-ordination between services and empowering multi agency forums to be more effective.
- 2.19 The majority of cases involve adults only aged between 30 and 40 years old.<sup>5</sup>
- 2.20 The Positive Family Futures Transformation Manager described the method used in Portsmouth to redesign the way her team works with families by identifying and engaging with them at the earliest point of concern. The historic experiences of 8 families' contact with agencies in the city were tracked through the system to understand how services responded. The work identified a range of missed opportunities where actions could have been taken, which would conceivably have prevented issues from escalating. Each contact with services was plotted and costed and one case was estimated to have cost £200,000 over two years. The work found that most families had been in contact with numerous agencies and professionals often over a long period of time.
- 2.21 A similar approach to complex needs may be beneficial and supports the council's strategy of rolling out the Vanguard systems thinking approach across the city council.<sup>6</sup>
- 2.22 The Breaking Boundaries 2015 report<sup>7</sup> recommends that alongside an expanded Troubled Families programme, the government should consider creating a new 'Troubled Lives' programme, based upon similar principles to the Troubled Families

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<sup>5</sup> ASB research conducted by the SPP researchers in 2015

<sup>6</sup> Vanguard systems thinking is an approach to improving the way that the 'work works' and doing that from the customer's or user's perspective. It aims to create a better service, reduce costs, improve staff morale and increase capacity.

<sup>7</sup> <http://democracy.portsmouth.gov.uk/documents/s9736/Breaking%20Boundaries%20by%20the%20Institute%20for%20Public%20Policy%20Research.pdf>

Programme. While the Troubled Families programme is aimed at coordinating support for workless families with problems of crime and antisocial behaviour and truancy, Troubled Lives would be targeted at approximately a quarter of a million individuals who experience two or more of the following problems: homelessness, substance misuse and reoffending. This approach would help to improve the lives of some of the most excluded people in society, support the integration of local services, and reform poorly targeted spending.

- 2.23 The report also notes that government spending still tends to be focused on expensive crisis care services, rather than on coordinated and preventative support. One recent study found that better coordinated interventions from statutory and voluntary agencies can reduce the cost of wider service use for people with multiple needs by up to 26 per cent (Battrick et al 2014).
- 2.24 Because services are set up to deal with single issues such as drug or alcohol use, homelessness or mental health, rather than addressing the various needs of the individual, multiple professionals are often working with the same person. It is not unusual for people to receive help from as many as eleven services or more, resulting in gross waste and inefficiency (Anderson 2010). The Troubled Families programme was developed precisely to address this problem. However, there is no framework for disadvantaged adults who do not meet the programme's criteria.
- 2.25 A growing number of initiatives around the country are demonstrating that investing in better local coordination and intensive support for individuals with multiple and complex needs can reduce demand for expensive crisis care services.

### **3 Identify ways that services could work more effectively together to manage individuals with complex needs.**

#### The Complex Cases Group.

- 3.1 There are a number of multi-agency groups already operating in the city which include representatives from police, fire, health, council and probation services. The paragraphs below combine evidence from officers and witnesses.
- 3.2 The Complex Cases Group (formerly known as dual diagnosis group) discusses management issues around people with mental health and substance misuse issues. The council's Commissioning Manager for drug treatment explained that dual diagnosis had been an issue in the city for a number of years which services have not yet successfully addressed; service users with both substance misuse and mental health issues struggle to access the services they need. Their needs are complex and lifestyles often chaotic. The dual diagnosis working group has recently changed its name to the 'complex needs group' in order to encompass people with a wider range of needs. In general, people with no clear diagnosis do not meet the thresholds of mental health services.
- 3.3 More recently the Assistant Director of Property and Housing (Environment) explained that the Anti-Social Behaviour Unit Manager set up a meeting to bring together representatives from anti-social behaviour services, property services, the police, Central Point, housing options, alcohol misuse services, Portsmouth Users' Self-Help (PUSH) Group to identify a small number of rough sleepers (8) in the

Guildhall Square and around the civic offices and agree how they would be supported.

- 3.4 The council's Community Safety Strategy and Partnership Manager explained that efforts continue to improve partnership working and reduce duplication of effort. The original list of 8 people has now been developed with information from a number of different support services. There appear to be approximately 40-50 people with the most complex needs across the city, who need active support and management.

#### Virtual Group

- 3.5 As part of the dual diagnosis pledge (appendix 3) developed by the Complex Needs Group, a 'virtual group' is being developed now to respond where urgent/emergency decisions are required to manage joint agency working with complex cases.

#### The Integrated Offender Management (IOM) Service

- 3.6 The most prolific offenders are older than the offender population as a whole and there is a correlation with complex anti-social behaviour cases where there are emerging issues such as alcohol and drug misuse, homelessness, rough sleeping, threats from drug dealers, domestic abuse, and mental health issues, and for young people, child protection issues.

- 3.7 The Integrated Offender Management Service brings a cross-agency response to the crime and reoffending threats faced by local communities and has been operating since 2006. The most persistent and problematic offenders, many of whom have complex needs, are identified and managed jointly by partner agencies working together. The Portsmouth team is based in the civic offices and meet to review cases fortnightly as the Integrated Offender Management steering group; this group currently reports to the Local Criminal Justice Board and the safer Portsmouth Partnership.

- 3.8 Data shows that the integrated offender management approach in Portsmouth is successful with a 58% reduction in offending<sup>8</sup> over 18 months; beyond the time they are on the Integrated Offender Management programme. Once the offender is on the Integrated Offender Management cohort (even if they are in prison) they will be worked with by the team until a) the end of their order which is now at least 12 months or b) everyone agrees they should be removed

- 3.9 The Police and Crime Commissioner has sought to develop joint commissioning arrangements from April 2016 as well as providing some grant aid for the Portsmouth scheme. Partners from across Hampshire are currently working to deliver a supported housing scheme for offenders (referred to as 'IOM houses') from April 2017.

- 3.10 The Strategy & Partnerships Manager explained that it is important that the effectiveness of services is regularly monitored, particularly in view of the reduction of resources. This ensures that there is mutual understanding and co-ordination

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<sup>8</sup> Individuals who began a period of supervision by the IOM Team in 2011/12 were tracked until December 2014

between services and that multi-agency forums have sufficient authority to manage cases effectively.

- 3.11 The Director of Offending for Purple Futures<sup>9</sup> Hampshire explained that there is a range of programmes to reduce offending addressing issues from drug and alcohol use, sex offending and domestic abuse.

#### Community Tasking and Co-ordination Groups (CTCGs)

- 3.12 The police Partnerships Inspector reported that from 2006 to 2012 the police provided co-ordination support for the operation of four community tasking and coordination groups (CTCGs) which aimed to problem-solve local crime and anti-social behaviour issues with a range of partner agencies (health services were not included). These have gradually ceased to function after police cuts forced the withdrawal of the co-ordinator post. Responsibility for managing the groups was given to the police beat teams and, ultimately, the need for meetings was reviewed by the police. As a result, the meetings stopped. The anti-social behaviour theme champion for the Safer Portsmouth Partnership is currently looking into how these groups could be re-instated and linked up to other work across the city.
- 3.13 It is important that the new partnership structures and objectives are understood by all and that information and resources are shared.

#### Multi-Agency Public Protection Arrangements (MAPPA)

- 3.14 The Assistant Chief Officer, Southampton, Portsmouth and Isle of Wight, National Probation Service, outlined the Multi Agency Public Protection Arrangements, which are designed to protect the public, including previous victims of crime, from serious harm by sexual and violent offenders. Local criminal justice agencies and other bodies dealing with offenders are required to work together in partnership to deal with these offenders. It is a mechanism through which partners can discharge their statutory responsibilities and protect the public in a coordinated manner. No agency should feel pressured to agree to a course of action which they consider to be in conflict with their statutory obligations or wider responsibility for public protection

#### SafetyNet database

- 3.15 The police and the (former) Police and Crime Commissioner support the SafetyNet data base to manage cases of anti-social behaviour. Partners have access to this system and are expected to provide financial support to continue the development of the system.
- 3.16 In order to improve the wider management and sharing of information between partners including the responsible authorities, the police and crime commissioner has recently undertaken a review of information management across Hampshire and the Isle of Wight. The review recommended that the Police and Crime Commissioner take over the management of SafetyNet, whilst options for the most appropriate solution for the longer term are explored. The Assistant Director Property and Housing explained that this database was used to input and review data about incidents around the city other than that it is not widely used by city council services;

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<sup>9</sup> Purple Futures is the Hampshire community rehabilitation company which works with low and medium risk offenders as stipulated by the Offender Rehabilitation Act 2014

these services tend to have systems specific to the needs of their service delivery and clients. The Strategy & Partnerships Manager added that the council has agreed to make a financial contribution to SafetyNet in 2015/16, though it is currently used by a limited number of agencies in Portsmouth as the city has had its own anti-social behaviour case management system (Caseworks) since 2001.

- 3.17 The Police and Crime Commissioner is of the view that in the past Hampshire Constabulary has been regarded as the de facto organisation to fall back on when other agencies were unable to fulfil their statutory responsibilities to attend to people in mental health crises. Work has been ongoing with partners to improve the management of demand and prevent incidents escalating by the placement of a full time mental health professional in the police call centre to speak directly with call handlers, frontline officers on the ground and callers who are in crisis with mental health issues and are calling the police. The mental health professional has full access to medical records, which ensures individuals get the most appropriate help and support.

#### Joint Commissioning

- 3.18 Joint commissioning of services is recognised as a key vehicle through which complex problems can be more effectively tackled and has become a dominant theme in the face of austerity. These strong partnership approaches can foster a collective sense of purpose, with benefits for crime prevention, community safety and public security, as well as reducing duplication and saving money.
- 3.19 The council has developed its own Integrated Commissioning Unit, bringing together local authority and health (Clinical Commissioning Group) budgets to commission services for the city. In addition to this, the community safety team have jointly commissioned support services for perpetrators of domestic abuse. Since 2012, the police and crime commissioner has also developed a number of jointly commissioned services across Hampshire and the Isle of Wight, including a collaboration with Hampshire County Council and Southampton City Council on the development of a contract to manage domestic abuse perpetrators.
- 3.20 The council's public health consultant explained that the Integrated Commissioning Unit is responsible for redesigning the substance and alcohol misuse services for high end needs. The recovery element works well and there is a strong relationship with PUSH. A significant concern for the cohort with complex needs is securing stable accommodation for them. The service will be retendered shortly and the new one launched on 1 November 2016. The service's budget will be reduced from £3m to £2m per annum. The importance of having an assertive outreach service to support people who do not want to engage was stressed. If they are not reached, problems will be stored up for the future. The number of clients that can be reached may diminish as a result of the reduction in budget and contract size. A multi-agency response is required to manage clients with high needs.
- 3.21 The CCG representative explained that mental health services in Portsmouth are commissioned directly from Solent NHS Trust. The service is currently being remodelled. A lower threshold support service and self-referral should be available in April 2016.

3.22 Service capacity for people with complex needs is less of an issue than getting clients to engage. The CCG representative reiterated that stable accommodation is the biggest issue for clients and that the CCG was concerned about the large reductions to substance misuse services and a reduction in capacity of support for homeless people (Central Point) as a result of budget savings targets. Although the reduction in capacity may mean the priority will be only the most complex cases, the re-tendering of substance misuse services provides an opportunity to join up with supported accommodation.

3.23 The CCG representative went on to describe the 'Blueprint' for Portsmouth (see appendix 4) and how this approach might provide a single mental health and substance misuse service across the city.

Identifying complex cases.

3.24 The CCG representative informed the panel that complex cases are identified via an assessment process and using the Care Programme approach. A staff member carries out a joint assessment, gives advice and signposts to the appropriate substance misuse service.

3.25 Solent NHS Trust mental health staff have all signed the complex needs pledge to work collaboratively.

3.26 The police Partnerships Inspector explained that officers complete prescribed forms for adults at risk or children and young people to report specific safeguarding concerns. These are sent to the Multi- Agency Safeguarding Hubs (MASH) where they are assessed and then forwarded to the appropriate agency/ies.

**4. To identify how partners could work together to reduce demand for public services including mental health, substance misuse, community safety, police, probation and fire services.**

4.1 The CCG representative explained that residents could be more accepting of people's differences and this can be achieved by education and information sharing. Better housing provision would help prevent escalation of issues experienced; early intervention with outreach services is often the best way to engage those with complex needs.

4.2 The former Police and Crime Commissioner suggested that partnerships need to inform the public and need to be very clear about what services they will be providing, the ones which will no longer be provided and the reasons why. Unrealistic public expectations must be dealt with at the earliest opportunity; partners need to be forthright and honest with the public.

4.3 The police Partnerships Inspector explained that the development and delivery of solutions such as restorative justice and mediation services for self or agency referral are essential in order to manage collectively residents' expectations of public services as budgets and resourcing reduces.

4.4 From a financial perspective, commitment to finding a solution comes from recognition that people cost us money anyway such as through police/ criminal

justice and health when they become very acutely unwell; if services intervene early enough the level of resourcing should be smaller. So, for instance, a commitment could be made at the most senior level that no one should be homeless. Staff across all agencies have complete authority to escalate activity to shift operational risk by bringing in other agencies to share in the management of risk. The conversation becomes "what can you do to help this risk be managed" rather than "we can't take the risk because..."

**5. To identify how residents can be encouraged to 'self-help' rather than ask for statutory services to intervene.**

5.1 The CCG representative explained that education about emotional coping skills at an early stage possibly in schools, colleges and universities is essential. If you can manage your emotions, you build emotional resilience and are less likely to require services when things go wrong. She also suggested increased levels of peer support.

5.2 The former Police and Crime Commissioner explained that the starting point is to include residents in the decision-making process, so that they feel they have a stake in any decision that may affect them, their welfare and their communities. Residents need to be informed about why decisions have been made, the consequences for them, as well as a means for them to help themselves. If communities feel empowered they may feel more confident about developing their own solutions to problems and becoming more self-reliant.

5.3 Promoting this agenda may encourage residents to take responsibility for their neighbourhoods and communities, which may strengthen community spirit. In turn this may manifest itself in a range of ways from checking in on vulnerable individuals within the community, or developing solutions to problems such as drug dealing in their communities.

5.4 Residents can help deliver those services by volunteering to support service delivery. To ensure any intervention remains longstanding and positive, residents can help agencies by supporting individuals and inform agencies as soon as possible if an individual is relapsing or is in need of additional support.

5.5 The former Police and Crime Commissioner commissioned a service to deliver restorative practice<sup>10</sup> services in Portsmouth (in addition to Southampton, south west and south east Hampshire). The provision is specifically for face to face restorative conferencing and will include assessment, supporting appropriate victims and harmers through the conferencing process and signposting to other support services where necessary. The provider works in partnership with other agencies to ensure that the appropriate risk assessment and level of support is given to those engaging in the process, which is voluntary for all concerned.

5.6 The service is led by the needs of victims and is not dependent on the victim making a formal police complaint. It is intended that restorative justice is available to all

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<sup>10</sup> Restorative Practice is a process which brings those harmed by a crime or conflict and those responsible for the harm, into communication, thereby enabling everyone affected by the incident, to play a part in repairing the harm caused, and to find a positive way forward for all parties

victims of crime and anti-social behaviour at all points of the criminal justice process. The police Partnerships Inspector explained that communication is essential through the relevant public and private channels (websites, mail-drops, emails, leaflets in GP surgeries) explaining which services are available. It is also important to have greater investment in peer support services, promotion of self-help through advertising and recovery college training. Relatively small sums deliver big outcomes by funding groups in communities.

5.7 Local groups and individuals should be actively involved in finding solutions to their community's needs. Using opportunities such as police independent advisory groups is a way of identifying the issues and services that are required by communities and then tailoring the relevant service delivery to meet those needs.

**6. To identify how partners can intervene earlier to avoid cases becoming more and more difficult to resolve.**

6.1 The Strategy & Partnership Manager explained that the early help profile (previously known as the early intervention audit) identifies children who may be at risk of developing problems; for instance when they have poor attendance at school, missed medical appointments, have parents with substance misuse issues etc. The early help profile will be used to drive the work of the multi-agency teams being developed under the governance of the Children's Trust Board. Over the last few years, there have been many changes in the way organisations work and are funded. This has resulted in reductions in early intervention and requires a different way of working.

6.2 As previously mentioned (paragraph 2.15), early risk assessment can identify those cases:

- Most likely to be resolved through mediation or Portsmouth Assessment Service and/or prompt referral to relevant services.
- Presenting risk factors that would indicate a more complex case. Prompt referral and assertive outreach to engage these people may reduce the on-going impact and length of the anti-social behaviour.
- That will only benefit from a combined multi agency and in some cases bespoke response.

6.3 Improvements to the first assessment of cases that have known risk indicators might facilitate earlier interventions and investment before the cases become entrenched and extremely complex to solve, causing major problems for both the perpetrator/victim and local community members.

6.4 The police Partnerships Inspector explained that comprehensive partnership working is the key to successful outcomes relating to managing cases of 'vulnerability'<sup>11</sup>. This needs early identification and communication of potential clients, referral into the correct services often via MASH. Governance is crucial and should ideally be owned by a body such as the SPP, with work being driven and accountable through

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<sup>11</sup> Hampshire uses the definition from the ACPO guidance and defines a vulnerable adult as: "Any person aged 18 years or over who is or may be in need of community care services by reason of mental, physical, or learning disability, age or illness AND is or may be unable to take care of him or herself or unable to protect him or herself against significant harm or exploitation."



appropriately named working groups or panels. These need the correct membership and the ability to deliver on actions or activity across all relevant agencies, in a coordinated fashion. Shared resources, focussed energy /effort and effective communication are critical.

- 6.5 The CCG representative explained that working collaboratively earlier in the person's life would prevent these cases escalating and costing the public purse more money.

## 7. Recommendations and Budget and Policy Implications

The following table highlights the budgetary and policy implications of the recommendations being presented by the panel:

<b>Recommendation</b>	<b>Action By</b>	<b>Budget &amp; Policy Framework</b>	<b>Resource Implications</b>
Identify a cohort of approximately 20-30 complex cases involving anti-social behaviour in the city and work with existing services to secure the most positive outcomes for these individuals. Each case should have a designated person responsible for as long as it is open.	Strategy and Partnerships Manager and partners agencies/services.	Within existing priorities	Within budget
Map the journey of selected cases to identify missed opportunities and gaps in service.	Strategy and Partnerships Manager	Within existing priorities	Within budget
Use the learning from the journey mapping to shape system design and delivery, including consideration of the use of multi-disciplinary case workers	Strategy and Partnership Manager	Within existing priorities	Within budget
Contribute to the Homelessness Working Group	Strategy and Partnerships Manager	Within existing priorities	Within budget
Work with the police and other front line services, including adult social care, substance misuse and mental health to improve early risk assessment and develop case tracking systems.	Strategy and Partnership Manager, ICU Commissioning leads and Hampshire Constabulary	Within existing priorities	Within budget
Raise awareness with the public in relation to risk factors such as alcohol and drug misuse	Director of Regulatory Services and Community Safety	Within existing priorities	Within budget

Recommendation	Action By	Budget & Policy Framework	Resource Implications
	& Director of Public Health		
Embed information exchange processes between services and organisations	Strategy and Partnerships Manager	Within existing priorities	Within budget
Develop a more robust and assertive outreach service and monitoring of cases	Strategy and Partnerships Manager	Within existing priorities	Within budget
Work with the police and crime commissioner to understand the impact of the restorative practice contract in Portsmouth	Director of Regulatory Services and Community Safety	Partnership review and monitoring of arrangements with Office of the Police and Crime Commissioner	Within budget
Encourage schools to deliver services to support the development of emotional coping skills and resilience, and peer support	Director of Regulatory Services and Community Safety and Assistant Director of Children's Services - Education	Within existing priorities	Within budget



## **9. Legal Comments**

The recommendations of the Scrutiny Panel do not change any existing priorities or lead to any actions that would be outside of the Local Authority's powers. However, the relevant bodies involved need to ensure that the sharing of information, about individuals, needed to progress the recommendations is carried out in line with the Data Protection Act 1998 principles.

## **10. Finance Comments**

The table contained within section 8 of this report indicates that the proposed recommendations will be implemented within the existing budget. This will therefore result in a reallocation and refocusing of existing resources.

## **11. Equality Impact Assessment.**

A preliminary EIA has been completed which indicates that the work to support individuals with complex needs will benefit a range of service users. Once a number of the recommendations have been completed and service delivery is being adapted, further EIAs will be undertaken.

**Formal Meetings Held by the Panel**

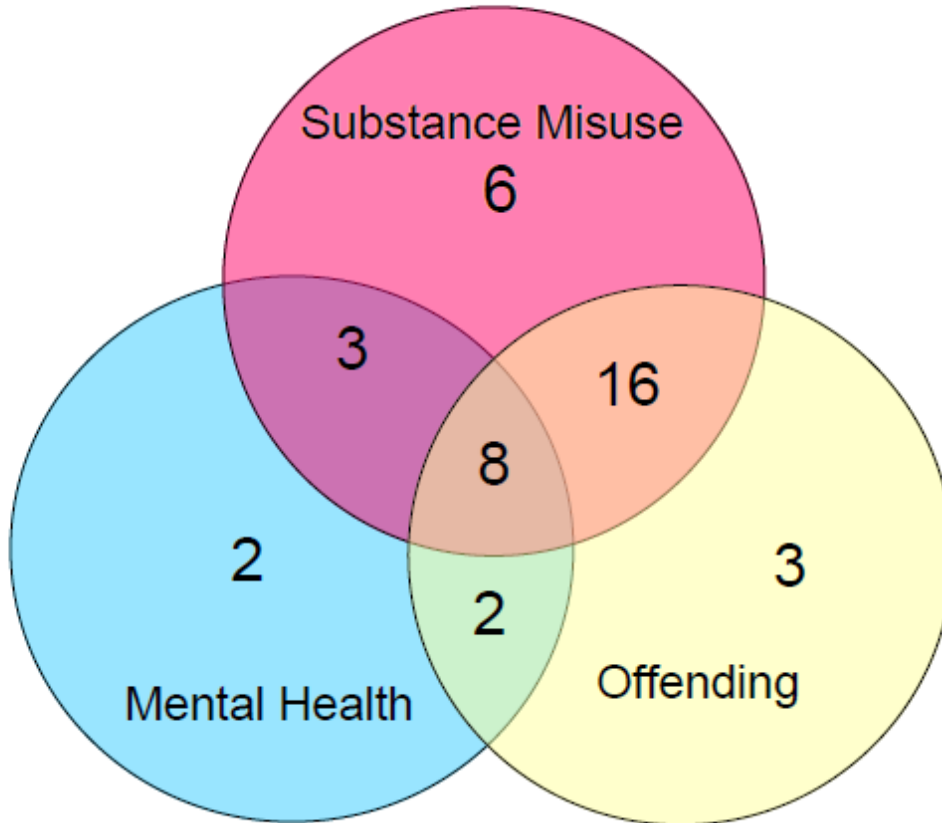
<b>DATE</b>	<b>WITNESSES</b>	<b>DOCUMENTS RECEIVED</b>
10 December 2015	Lisa Wills, Strategy and Partnership Manager, Regulatory Services, Community Safety and Troubled Families.	<ul style="list-style-type: none"> <li>• Presentation</li> <li>• The Safer Portsmouth Partnership's Strategic Assessment 2015/16.</li> </ul>
2 February 2016	<p>Chris White, Partnerships Inspector and Acting Chief Inspector</p> <p>Sarah Beattie, Local Delivery Unit Head, National Probation Service, Portsmouth and the Isle of Wight.</p> <p>Barbara Swyer, Head of Operations, Hampshire &amp; Isle of Wight, Purple Futures, Community Rehabilitation Company.</p>	<ul style="list-style-type: none"> <li>• Scoping Document.</li> <li>• Summary findings from two research projects by the SPP on complex ASB cases.</li> <li>• Breaking Boundaries - towards a troubled lives' programme for people facing multiple and complex needs - Institute for Public Policy Research</li> <li>• Joint written submission from the National Probation Service and Purple Futures, Community Rehabilitation Company</li> </ul>
16 February 2016	Jo York, Head of Better Care Programming.	
8 March 2016	<p>Collette Hill, Clean &amp; Green Service Manager</p> <p>Matt Smith, Public Health Consultant</p> <p>Barry Dickinson, Commissioning Programme Manager.</p>	
21 March 2016	<p>Sharon George, Positive Family Futures Transformation Team</p> <p>Dave Smith, Hampshire Fire &amp; Rescue</p> <p>Pete Kavanagh, Hampshire Fire &amp; Rescue</p>	<p>Presentation Solent NHS Trust - written submission</p>
28 September 2016	The report was signed off by the panel.	<ul style="list-style-type: none"> <li>• Further evidence from Partnerships Inspector and Public Health Consultant.</li> </ul>

## **References**

1. Battrick T, Crook L, Edwards K and Moselle B (2014) Evaluation of the MEAM pilots – update on our findings, FTI Consulting. <http://meam.org.uk/wp-content/uploads/2014/02/MEAM-evaluation-FTI-update-17-Feb-2014.pdf> cited in McNeil, C and Hunter, J (2015) Breaking boundaries: towards a 'Troubled Lives' programme for people facing multiple and complex needs. IPPR
2. McNeil, C and Hunter, J (2015) Breaking boundaries: towards a 'Troubled Lives' programme for people facing multiple and complex needs. IPPR
3. Safer Portsmouth Partnership Strategic Assessment 2015/16
4. 'What is Restorative Justice?' Restorative Justice Council, found at: [http://www.restorativejustice.org.uk/what\\_is\\_restorative\\_justice/](http://www.restorativejustice.org.uk/what_is_restorative_justice/), last viewed 20/08/2014

Issues Present in Complex ASB Cases

Number of known issues: 10



A dip sample of 50 complex ASB cases from 2012/13, found the following issues were present within the households:

- Substance Misuse—33 (Alcohol only—7, drug misuse only—12, both —14)
- Mental Health—15
- Offending—29 (of which 2 were domestic abuse perpetrators only and 9 were had domestic abuse and other offending).

This is a simplification of the data, using the most common issues to demonstrate complexity.

Although there are 11 cases which appear to only have one issue and a further 10 with no issues, this representation does not include other factors e.g. learning difficulties, physical disabilities,

other health issues or financial issues. It also can only show the issues which were known to the Anti Social Behaviour Unit at the time, and doesn't include issues which were suspected or possible. Therefore these figures are an underestimate.



# Agenda Item 6



Portsmouth  
CITY COUNCIL

<b>Title of meeting:</b>	Cabinet – 10th November 2016 Full Council – 15 <sup>th</sup> November 2016
<b>Subject:</b>	Council Tax Support Scheme (known nationally as Council Tax Reduction Scheme)
<b>Report by:</b>	Director of Community and Communications
<b>Wards affected:</b>	All
<b>Key decision:</b>	Yes
<b>Full Council decision:</b>	Yes

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## 1. Purpose of report

The purpose of this report is for Council to approve for implementation on 1<sup>st</sup> April 2017 Portsmouth City Council's revised scheme for Council Tax Support and an associated Hardship Fund.

## 2. Recommendations

That Cabinet agree & recommend the following to Council:

- i. **The results of the public consultation on the Council Tax Scheme are noted.**
- ii. **To implement a revised Council Tax Support Scheme for Portsmouth from 1<sup>st</sup> April 2017, with the following key features:**
  - a) **To introduce a maximum level of support for all working age applicants to 80%**
  - b) **To reduce the capital limit from the existing £16,000 to £6,000**
  - c) **To restrict the maximum level of Council Tax Reduction payable to the equivalent of a Band C**
  - d) **To set a minimum level of support at £2 per week**
  - e) **To bring the working age Council Tax Scheme in line with Housing Benefit changes proposed by Central Government**
- iii. **A Hardship Fund of £250k to be provided for 2017/18, subject to annual review, to give support to households in financial difficulty due to a reduction in the Council Tax Support they receive.**

### 3. Background

Council Tax Benefit (CTB) was abolished from 1<sup>st</sup> April 2013 as laid down in the Welfare Reform Act 2012 and replaced by a local Council Tax Support scheme.

A new local Council Tax Support Scheme was adopted by PCC from the 1<sup>st</sup> April 2013. In summary, under that scheme:

- those of a pensionable age retain 100% support as per national requirements;
- working-age households who are eligible for Council Tax Support can receive up to 80% discount on their council tax;
- some people can get 100% support if they are receiving any of the following:
  - Employment Support Allowance – Support Component;
  - Employment Support Allowance – Work Related Activity Component
  - Disability Premium;
  - Enhanced Disability Premium;
  - Severe Disability Premium;
  - Disabled Child Premium;
  - Enhanced Disability Premium for Dependents;
  - An earnings disregard in relation to disability;
  - Council Tax Disabled Persons Reduction;
  - Disability Living Allowance (or Personal Independence Payment from April 2013)
  - Incapacity Benefit at the Long Term Rate

Running the Council Tax Support scheme in Portsmouth costs more than £12m a year and on-going cuts to government funding has resulted in the council currently making up a £1.7m shortfall every year.

Responses to our budget consultation exercise in 2015 were clearly in favour of reducing the current Council Tax Scheme, with over 70% indicating that they would support such reduction.

Portsmouth City Council held a public consultation on the scheme from 11<sup>th</sup> July 2016 to 29<sup>th</sup> September 2016. Details of this can be found at Appendix 1 The consultation was responded to by 1340 customers, of which 24% stated that they were current recipients of Council Tax Support.

The consultation explored options for funding the current £1.7m per annum shortfall and detailed potential options to change the current Council Tax Support Scheme.

The potential options for funding the £1.7million shortfall were:

1. Further reduce expenditure in other Council services;
2. Increase Council Tax income to recover the shortfall from taxpayers;
3. Recover the shortfall from taxpayers who are currently in receipt of Council Tax Support.

In all three options the recovery requirement on taxpayers is already being reduced through additional income from changes to discounts and exemptions on empty homes.

The consultation asked respondents to state whether or not they felt we should increase Council Tax or reduce services rather than make changes to the Council Tax Support Scheme. For those indicating a choice, the majority felt that we should not increase Council Tax, nor should we make further reductions to services in order to meet the shortfall.

Option 3 (to change the current Council Tax Support Scheme) was determined to be the most suitable because:

- I. Consultation responses indicated a clear preference not to increase Council Tax nor reduce Council Services;
- II. Consultation responses from both 2015 budget consultation and the Council Tax Support Scheme consultation indicated a majority wanting the scheme to change;
- III. The pressure on Council Tax rates would be amplified –
  - Pensioners must receive the same level of Council Tax support as they receive now;
  - Any increase in Council Tax rates produces a significant proportionate increase in the requirement for Council Tax support.

#### **4. Reasons for recommendations**

Full details of the consultation can be found at Appendix 1. The majority of respondents when stating a preference, felt that the scheme should change, with 55% agreeing that the change should be to adopt option 4 of the consultation.

In response to the question asking for a preferred scheme from those being consulted on, the preferred choice was option 4 with 47%, with 25% selecting option 1, 16% option 3 and 12% option 2.

Adoption of option 4, would remove the current 'blanket policy' of protection for working age customers in receipt of certain benefits, whilst protecting all other recipients from a further increase to the percentage they would be asked to contribute.

It is worth noting that the benefits in question on option 4 are not taken into account when calculating someone's entitlement to Council Tax Support and in addition the customers receiving these benefits often receive additional premiums. An example of how this may work is shown below

	Mr Smith	Mr Jones
Weekly earnings	£115.20	£115.20
Weekly disability benefits	£0	£43.60
Weekly council tax support	£4.28	£11.05

As can be seen in this case, the customer in receipt of benefits receives more Council Tax Support, whilst receiving more weekly income in addition.

This option would be fairer and more equitable in that the current 'blanket policy' of protection has no regard to actual need. This would be replaced instead by assistance on a case by case basis.

Adoption of option 4 and the other recommendations listed at 2 (ii) are based on the consultation responses ( see Appendix 1 ) with 67% agreeing to a reduction in the capital limit to £6k; 58% agreeing to a restriction to Band C and 73% agreeing to a minimum level of £2 per week.

The recommendation for a Hardship Fund (see Appendix 2) will enable customers to apply for and receive additional assistance based on need. It will protect the most vulnerable households in receipt of Council Tax Support, with a total fund of £250,000 for 2017/18.

The purpose of the fund would be to ensure that a level of protection and support is available to those applicants who are in need and require additional financial assistance. This fund will be made available where an applicant is in receipt of Council Tax Support but the level of support being paid does not meet the full council tax liability and they are in financial hardship. Any payment made would be at the discretion of the council and each case would be considered on its own merits.

#### **4. Revised Council Tax Support Scheme from 1<sup>st</sup> April 2017**

For full details see Appendix 3 and for a financial analysis on how these changes may affect current recipients see Appendix 4.

The local scheme and its financial impacts have been calculated by changing specific variables that are used in assessment. The scheme is designed to take account of Local Authority duties.

The recommended changes are:

- 1) Support to be capped at a maximum of 80% of council tax liability for all working age claims.**

Capping at a maximum of 80% of council tax liability means that all working age recipients will be required to pay towards their council tax.

The effect of this change is substantial in comparison to other changes. It is based on the principle of sharing the reduction in support across the widest group possible under the rules of the scheme, so that other than pensioners, everyone will be paying something towards their council tax charge.

**2) Reduce the capital limit to £6000**

This change will mean that recipients with capital in excess of £6000 will no longer be eligible for Council Tax Support.

**3) Restrict the maximum level of Council Tax Reduction payable to the equivalent of a Band C**

The current Council Tax Reduction scheme uses the full amount of Council Tax charge irrespective of the band of the property. There are eight Council Tax Bands A to H. It is proposed that where an applicant lives in a property which is Band D, E, F, G or H then the Council Tax Reduction will be calculated on the basis of a Band C charge.

**4) Set a minimum level of support at £2 per week**

Where an applicant or current recipient is entitled to receive less than £2.00 per week no amount of Council Tax Reduction will be granted.

**5) Bring the working age Council Tax Scheme in line with Housing Benefit changes proposed by Central Government.**

Removing the Family Premium for all new working age applicants

Reducing Backdating to 1 month

Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Support to 4 weeks

To remove the element of a Work Related Activity Component in the calculation of the current scheme for new Employment and Support Allowance applicants.

To limit the number of dependent children within the calculation for Council Tax Support scheme to a maximum of two

To remove entitlement to the Severe Disability Premium where another person is paid Universal Credit (Carers Element) to look after them

**5. Equality impact assessment**

A full Equalities Impact Assessment was undertaken and is attached at Appendix 5.

Under the Equality Act, s.149, the Council has a duty to have due regard to the need to eliminate unlawful discrimination and to advance the equality of opportunity and foster good relations between people who share a protected

characteristic and those who do not. This includes meeting the needs of people with disabilities and it may need to involve treating people with disabilities more favourably than people who do not have a disability. We recognise that disabled people suffer much bigger obstacles to gaining employment which would enable them to afford paying council tax so we do not take their Disability Living Allowance or Personal Independence Payment into account as income.

We have duly considered our duties under the Equality Act and to mitigate disproportionately negative impact, although the results did not show a disproportionate impact on people with a protected characteristic but the changes will impact on working age council tax payers that have protection at the moment, making these changes will make it more equitable across all council tax payers. We have put in place a hardship fund for individuals if they are experiencing difficulties if there is an adverse impact from the changes proposed.

Every person that receives council tax support has been sent a letter informing them about the consultation and how they can access the survey.

Approximately 100 paper copies of the survey have been sent to various residents due to them not being able to access the survey online.

12 large print versions have also been sent out for people that had a visual impairment.

## **6. Legal implications**

Section 10 of the Welfare Reform Act 2012 added a new section 13A to the Local Government and Finance Act 1992 so that, in respect of dwellings in England, a person's liability to pay Council Tax is reduced in accordance with the billing authority's Council Tax Reduction Scheme. Liability may be reduced "to such an extent as the billing authority thinks fit." Billing authorities can apply a reduction in particular cases or by determining a class of case. Liability for Council Tax can be reduced to nil.

The framework within which billing authorities must devise their Council Tax Reduction schemes is contained in Part 1 of Schedule 4 to the Act. This Schedule provides that the following matters *must* be included in an authority's scheme:

- a description of the classes of person entitled to a Council Tax reduction;
- details of the reductions which are to apply to those classes (different classes of persons may be entitled to different reductions);
- the procedure under which a person may apply for a Council Tax reduction; and
- an appeals procedure covering decisions over entitlement to a reduction and the amount of any reduction due.

Schedule 4 sets out the type of considerations an authority might take into account in deciding which classes of person are entitled to a reduction, including:

- capital and income levels of the person liable to pay Council Tax;
- capital and income levels of other residents in the dwelling;
- the number of dependents of the person liable or other residents; and
- whether the person has applied for a reduction.

A reduction may take the form of:

- a discount calculated as a percentage of the amount of Council Tax due;
- a fixed discount set out in the scheme or calculated in accordance with the scheme;
- an amount of Council Tax to be paid (lower than that payable if not for the reduction scheme) which is set out in the scheme or calculated in accordance with it; or
- the whole amount of Council Tax (so the amount payable is nil).

## 7. Director of Finance's comments

The financial implications associated with the recommendations are contained at Appendix 4 of the report.

.....  
Signed by:

### Appendices:

- Appendix 1 – Consultation Summary report
- Appendix 2 – Hardship Fund
- Appendix 3 a) Council Tax Support Scheme policy  
b) Council Tax Support summary
- Appendix 4 – Financial Analysis
- Appendix 5 – Equalities Impact Assessment

### Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/  
rejected by ..... on .....

.....  
Signed by:



**Report title: Results of Council Tax Support Consultation, 2016**

**Report prepared by Kelly Dubock, Market Research Officer**

**Date: October 2016**

### **1. Background**

During the budget consultation for the financial year, 2015/16, over 70% of participants indicated that they would support a reduction in the levels of council tax support currently provided by Portsmouth City Council. Following on from information regarding the sustainability and ongoing level of support of council tax support (CTS) needed a consultation examining the possibility of change took place between Monday 11<sup>th</sup> July and Thursday 29<sup>th</sup> September 2016.

A questionnaire was developed and made available to ALL residents in the city. Although primarily available online, hard copies were available on request. In total 21 hard copies were completed.

All recipients of CTS were invited to complete the consultation questionnaire or provide feedback. Local interested groups, such as the Portsmouth Disability Forum were also invited to submit responses as an organisation, while individual members were also encouraged to complete the consultation questionnaire too.

The questionnaire closed On Thursday 29<sup>th</sup> September and had been available for just under 12 weeks, allowing ample opportunity for all interested parties to submit their views, and in excess of minimum recommended periods required for statutory consultation.

In order to ensure as many residents as possible had chance to complete the questionnaire, it was promoted to residents, businesses and council staff in the following ways:

#### **External communications**

- Promotion to the Citizens' Panel
- Writing to all CTS recipients
- Press releases encouraging participation
- Paid for Facebook posts
- Organic Facebook posts
- Twitter posts
- Information on the website: [www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

#### **Internal communications**

- Inclusion in staff bulletins

### **2. Methodology**

The focus of the consultation was to understand resident opinion on if CTS should change and on a number of different options that could be considered if they felt it needed to. In addition to exploring a number of options, respondents were also asked to indicate a preferred option, as well as given many opportunities to provide free text (verbatim) responses, all of which are available in the appendices of this report.

Respondents were also asked a number of demographic questions to understand the groups of people that responded and how they represented the overall community.

The consultation was long but this was out of necessity, in order to ensure full and comprehensive background information and examples were given in order for an informed and considered response to be submitted.

### **3. Response rates**

As of Thursday 29<sup>th</sup> September 1340 responses had been received for the consultation - of which 21 were hard copies submitted to the revenue and benefits team prior to the closing of the consultation.

The level of responses can be classed as robust - based on a population size of 210,000, a confidence level of 95% will have a margin error rate of 2% and this is acceptable for such a consultation

Three hundred and eighteen people indicated that they were in receipt of CTS (24% of the overall number of individuals responding to the consultation). It should be noted that only 57% of respondents responded to the question asking them to indicate if they were in receipt of CTS.

In terms of representation of the resident population, residents' participation across demographic indicators was in line with usual response to consultations in Portsmouth.

More women than men responded - this is usual for most research/consultation work. Age range responses also followed previous response trends with the age group 45-55 years being the largest overall group.

More respondents than is usual indicated that they had a disability - 239 (18%) of the total number who responded.

In terms of ethnic representation, those who responded follow previous consultation trends and indicated predominantly that they considered themselves British White. Other groups identified included: Irish White, Traveller, Other White backgrounds, White & Black African, multi/mixed background, Bangladeshi, Chinese, Arab, and Caribbean.

### 4. Results

#### Headline data:

- 1340 individuals responded to the consultation.
- Of those who responded, 318 (24%) are in receipt of CTS.
- The majority of respondents stating a preference - 43% said 'No' when asked if the council should keep the current CTS scheme.
- When asked to rank their preference of those that responded the overall majority, 47% indicated Option 4 as their first choice and option 2 (36%) as their second.
- Of those that indicated option 4 as their first choice, 33% of this group indicated option 2 as their second choice preference, while 31% indicated that option 1 would be their second choice option.
- The majority of those participating indicated that they thought that the capital limit should be reduced.
- The largest proportion of respondents also agreed with the principle that the maximum level of council tax reduction payable should be restricted to a maximum of a band c property.
- 73% agreed with the principle that the minimum level of council tax reduction should be £2 per week.
- The majority agreed that reducing family premium and a reduction in the period of backdating to a month was necessary.
- In addition 76% of the overall cohort also agreed that there should be a removal of the entitlement to severe disability premium.
- The majority of all respondents did not favour a council tax increase or that savings should be found to support the Council tax support scheme by reducing funding to other services (see fig. 15). In fact, of those who indicated that they wished CTS to remain unchanged, even fewer than the overall average supported a council tax increase (20%) to maintain the CTS status quo.

## Full Breakdown of all questions in the Consultation Questionnaire

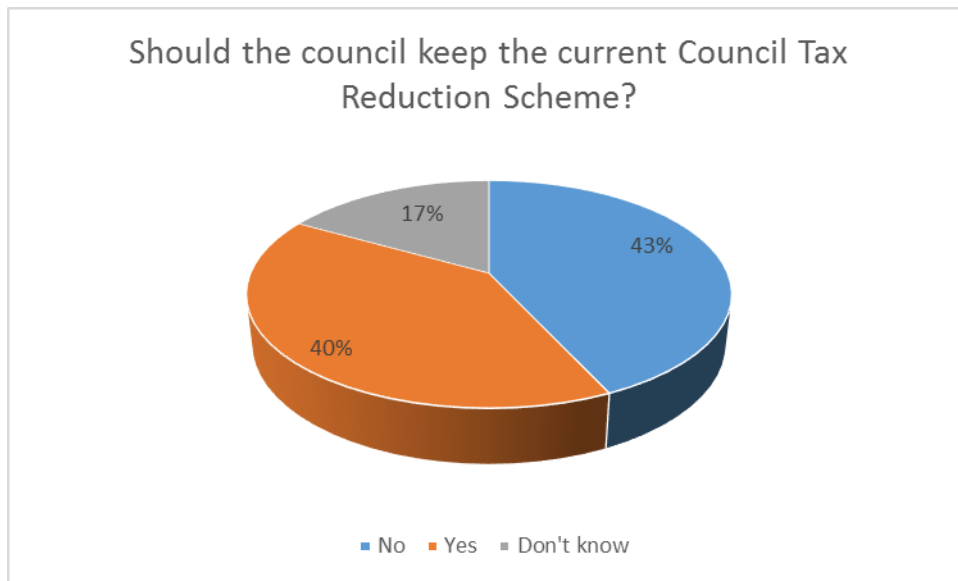


Fig. 1

## Responses to Options One-Four

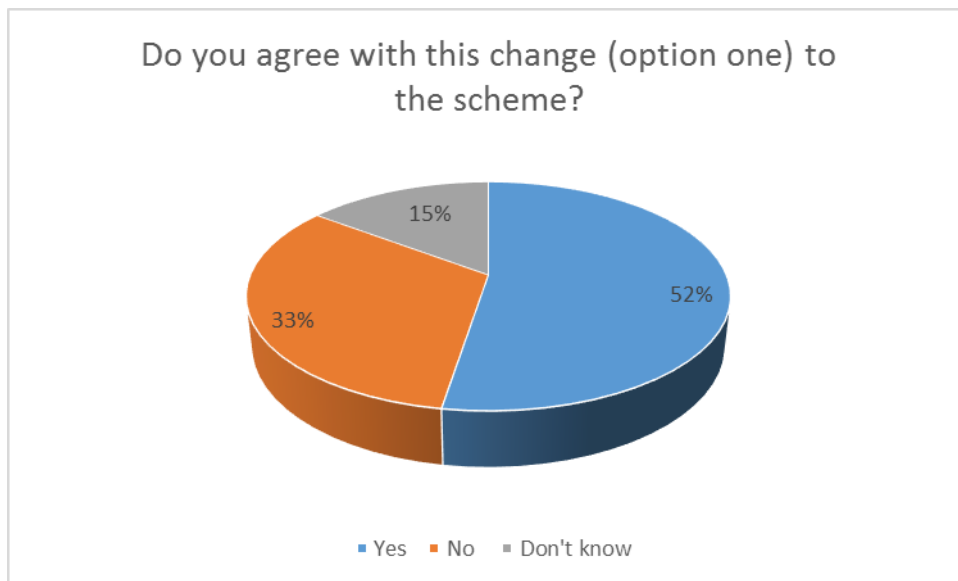


Fig. 2

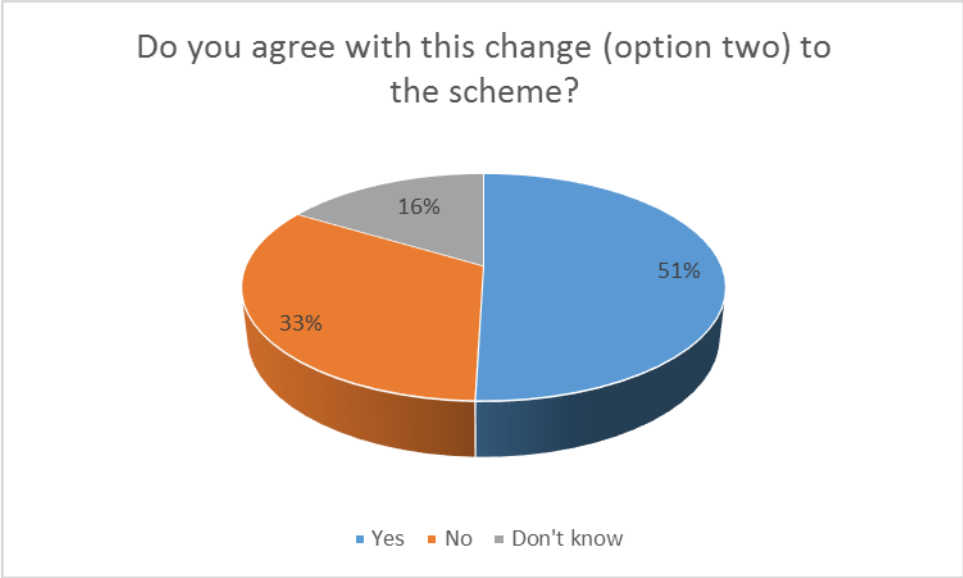


Fig. 3

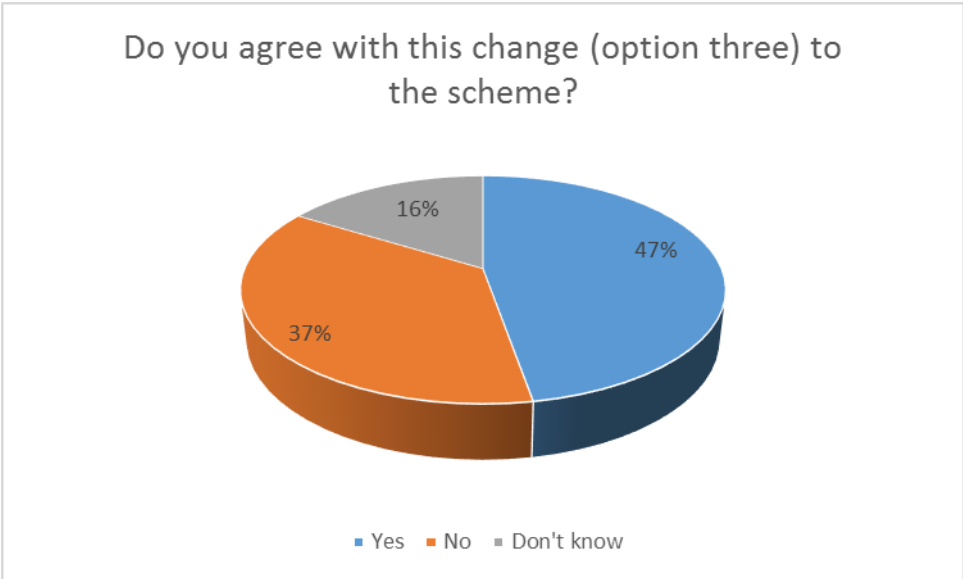


Fig. 4

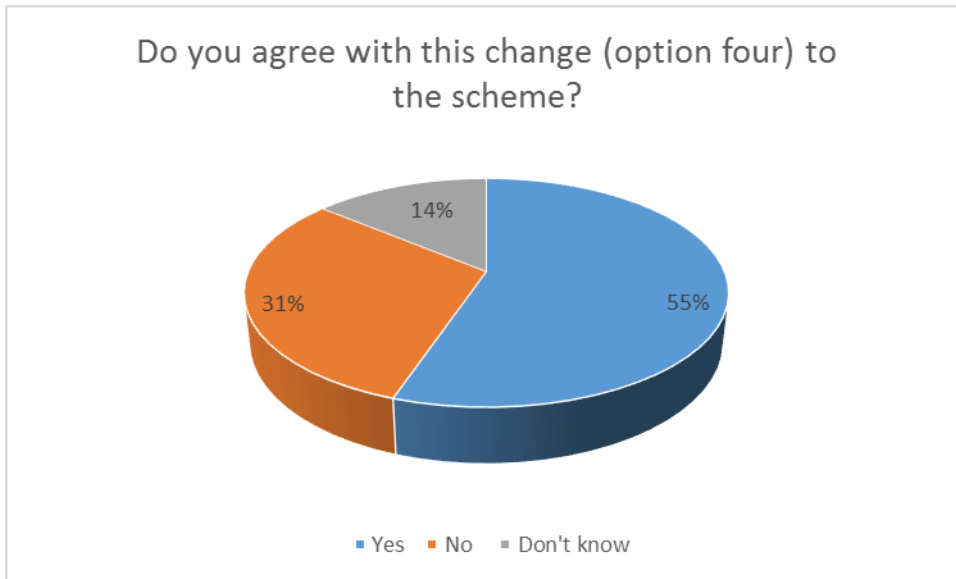


Fig. 5

**Responses relating to 'Additional Changes'**

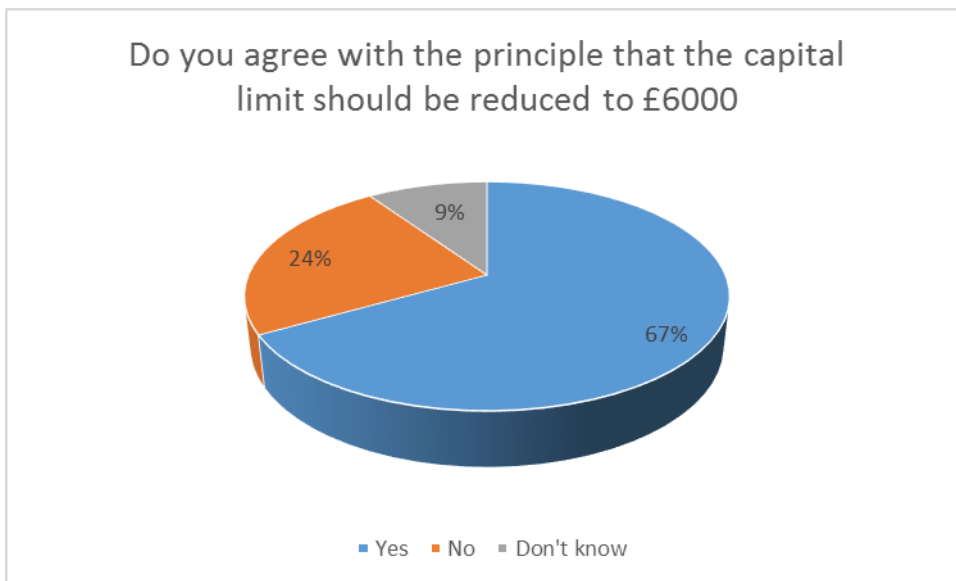


Fig. 6

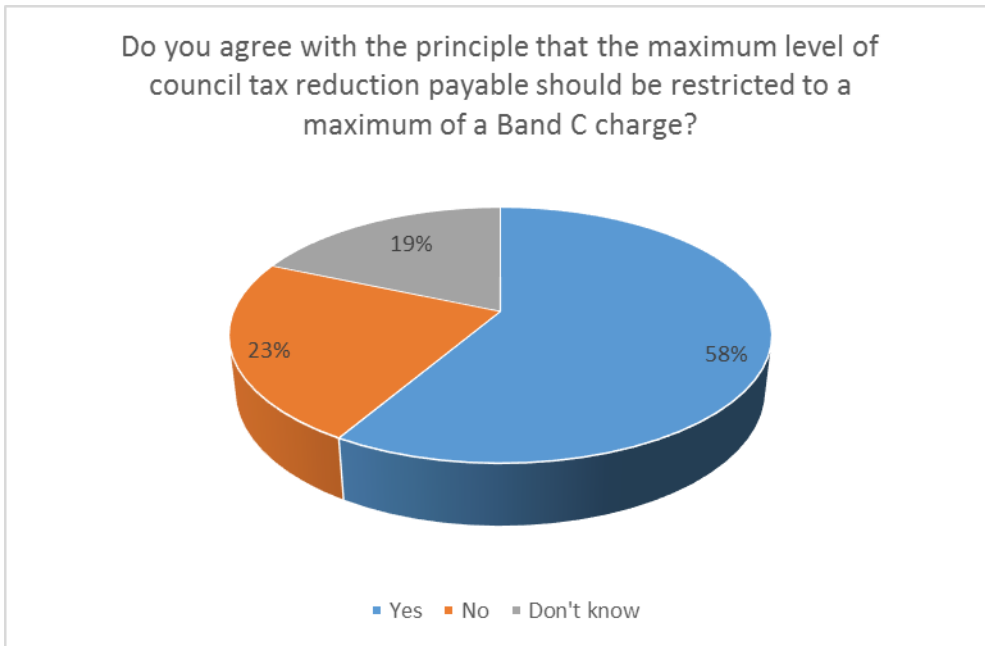


Fig. 7

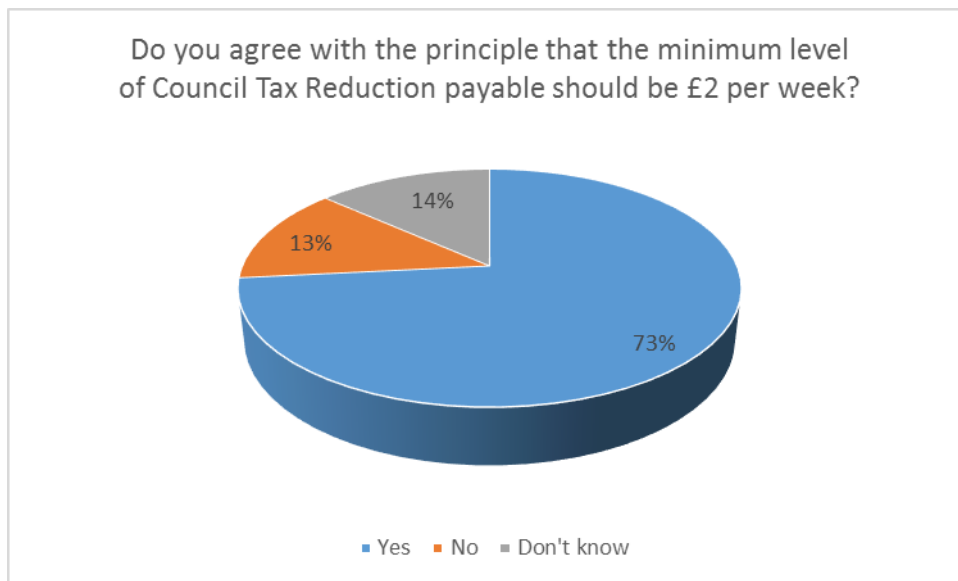


Fig. 8

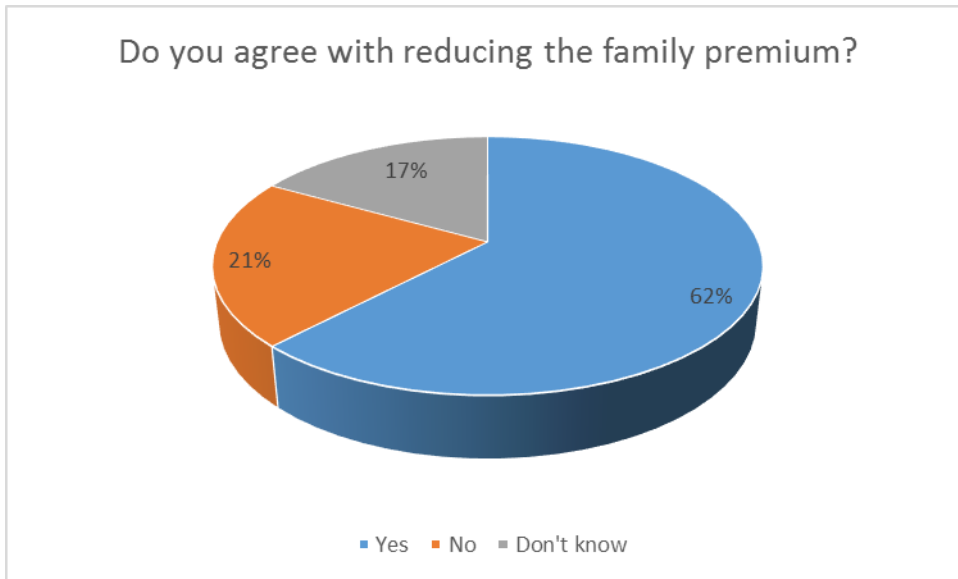


Fig. 9

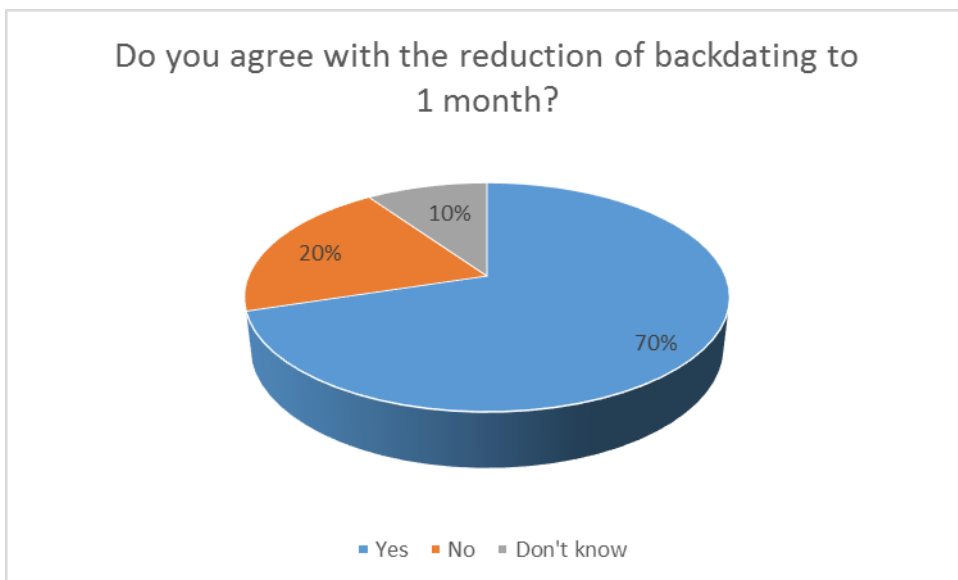


Fig.10



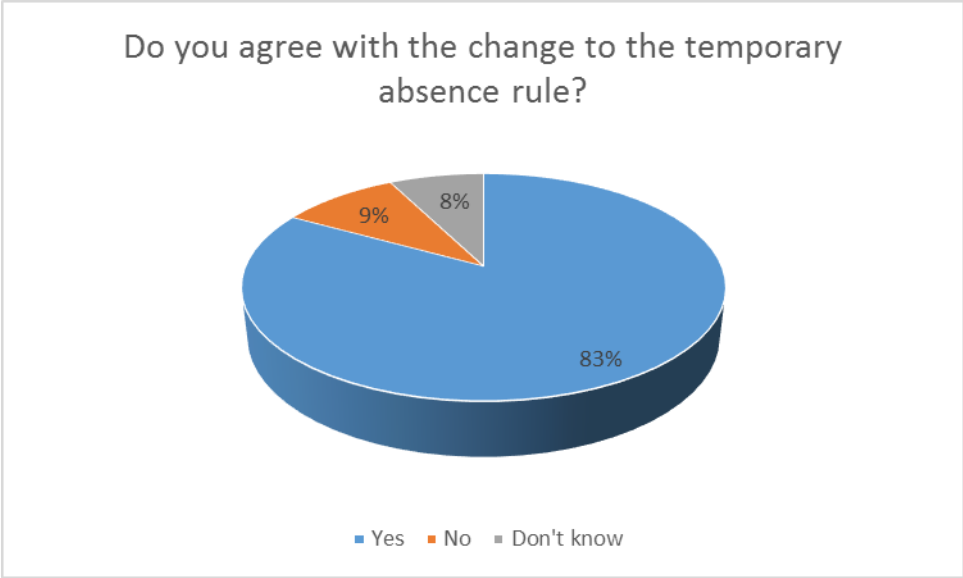


Fig. 11

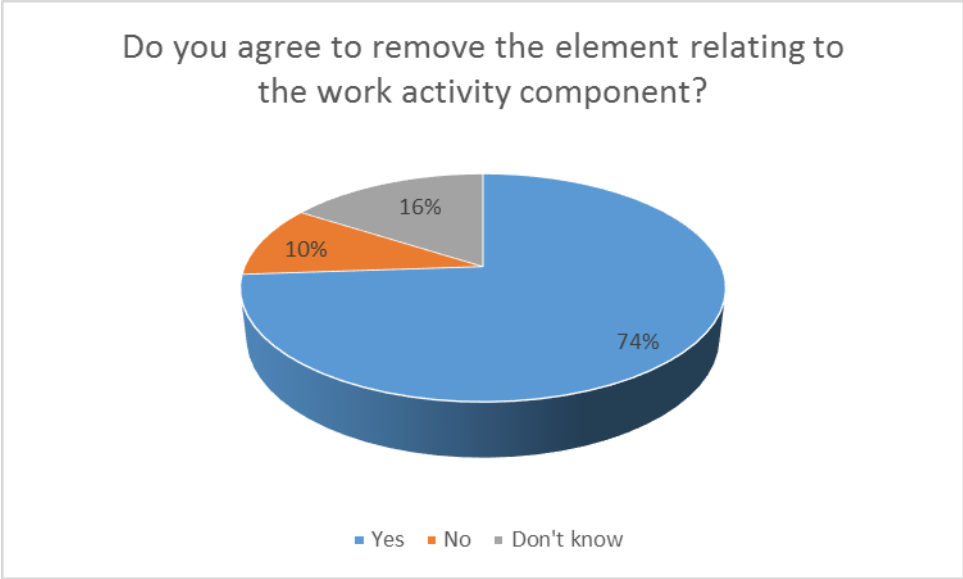


Fig. 12

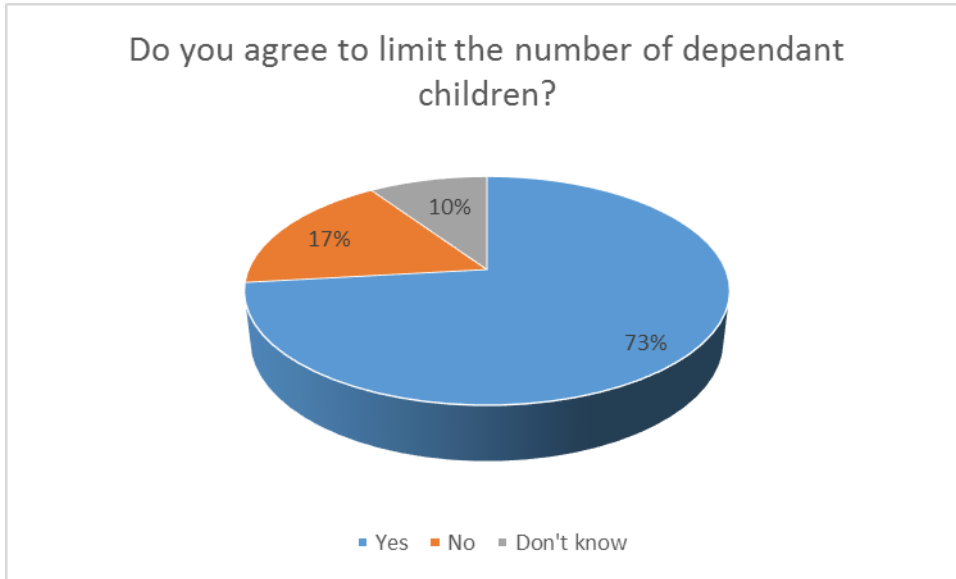


Fig. 13

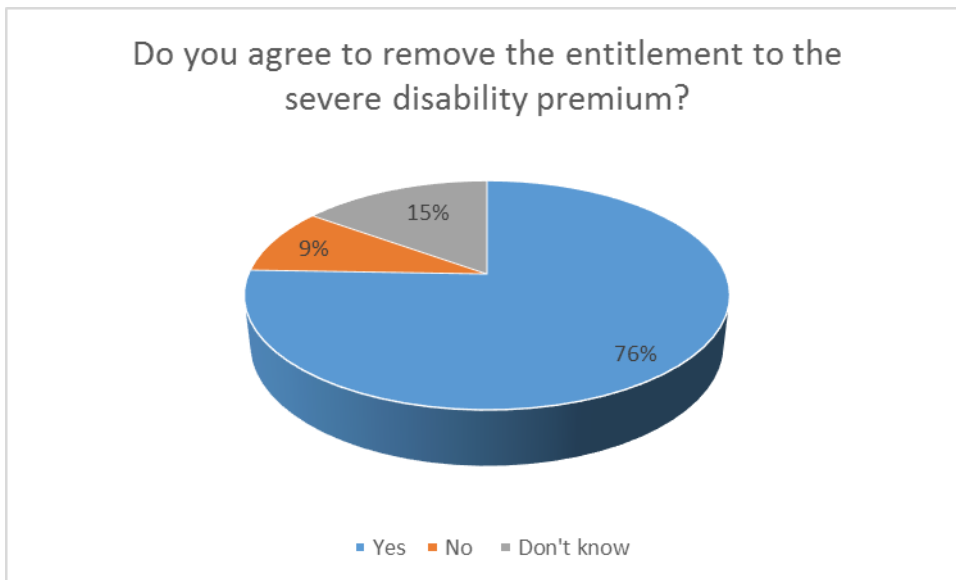


Fig. 14

	Do you agree there should be an increase in the level of council tax?		Do you agree we should find savings from cutting services?	
	Those who wish CTS to remain the same	Those who think CTS should be reduced	Those who wish CTS to remain the same	Those who think CTS should be reduced
Yes	34%	28%	38%	25%
No	53%	68%	46%	69%
Don't know	13%	4%	16%	6%

Fig. 15

## **Appendix 2**

### **Council Tax Support Scheme Exceptional Hardship Policy**

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## 1.0 Background

- 1.1 An Exceptional Hardship Fund (EHF) has been set up by the Council to assist applicants for Council Tax Support who are facing 'exceptional hardship'. The fund has been created to provide further assistance where an applicant is in receipt of Council Tax Support but the level of support being paid by the Council does not meet their full Council Tax liability for their current residence.
- 1.2 The EHF will be available to any applicant (whether pension or working age) where their daily award of Council Tax Support does not meet 100% of their Council Tax liability (less any appropriate discounts and non-dependant deductions).
- 1.3 The main features of the fund are as follows:
- The Exceptional Hardship Fund will be cash limited;
  - The operation of the Fund will be at the total discretion of the Council;
  - The Fund will be operated by the Community and Communications Directorate 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 are not payments of Council Tax Support (as defined within S13a of the Local Government Finance Act 1992);
  - Exceptional Hardship Fund payments 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 Support **must be in payment** for any day that an EHF payment is requested;
  - 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 The Council recognises the importance of protecting our most vulnerable customers with regard to the effects of the changes to Council Tax Support. This policy has been created to ensure that a level of protection and support is available to those applicants most in need. 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 the accessibility to the Fund and also the decisions made with applications.

## **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;
  - b. Provide full details of their income and expenditure;
  - c. Accept assistance from either the Council or third parties such as debt advice agencies 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 being met by Council Tax Support;
- 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;
- To pay for any overpayment of Council Tax Support 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; or
- To cover previous years Council Tax arrears

## **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 Support 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 Support 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 Support 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;
- The length of time they have lived in the property; and
- The amount available in the Exceptional Hardship Fund at the time of the application

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 Support 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 get 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 Support. 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 support 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 that may be relevant to their on-going 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**

11.0 Any Exceptional Hardship Fund payment will be made direct onto the customer'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 not part of Council Tax Support, and are therefore not subject to the statutory appeal process.

- 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 reduced 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. This decision will be final.
- 14.4 Any request for an appeal must be made within one month of the date of the notification letter confirming the original decision.
- 14.5 The outcome of the appeal will be set out in writing, detailing the reasons for the decision or upholding the original decision.

## **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 at least 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.

**Portsmouth City Council**  
**Council Tax Support Scheme Policy**  
S13A and Schedule 1a of the Local Government Finance Act 1992

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

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

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

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

The three prescribed classes are as follows;

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

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

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

Act 1992;

- e. 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 a means test, which compares income against an assessment of *applicable amounts* (unless otherwise stated). Full details of the working age scheme of the authority are contained within this document from section 2 onwards. The authority is required to specify a scheme for working age and therefore this scheme only applies to a person who;
  - a. has not attained the qualifying age for state pension credit; or
  - b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance, on an income-related employment and support allowance or on universal credit.
- 1.7 The Council has resolved that there will be *three* classes of persons who will receive a reduction in line with adopted scheme. There will be *three* main classes prescribed for, for each of which there will be a number of qualifying criteria. In all cases individuals must not be of a prescribed class exempted from 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<sup>1</sup>; or
- b. he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.
- c. be liable to pay council tax in respect of a dwelling in which he is solely or mainly resident;

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

- d. is not deemed to be absent from the dwelling;
- e. not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- f. be somebody in respect of whom a maximum Council Tax Reduction<sup>2</sup> amount can be calculated;
- g. not have capital savings above £6,000<sup>3</sup>;
- h. be a person in respect of whom a day in which s/he is liable to pay council tax falls within a week in respect of which the person's *income*<sup>4</sup> is **less** than their *applicable amount*<sup>5</sup> or the applicant or partner is in receipt of income support, jobseekers allowance (income based) or employment and support allowance (income related); and
- i. has made a valid application for reduction<sup>6</sup>.

Maximum Council Tax Reduction stated above is defined within section 57 of this scheme

#### **Class E**

To obtain reduction the individual (or partner) must:

- a. have not attained the qualifying age for state pension credit<sup>7</sup>; or
- b. he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.
- c. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance or in receipt of an award Universal Credit;
- d. be liable to pay council tax in respect of a dwelling in which they are solely or mainly resident;
- e. is not deemed to be absent from the dwelling;
- f. 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;
- g. be somebody in respect of whom a maximum Council Tax Reduction<sup>8</sup> amount can be calculated;
- h. not have capital savings above £6,000<sup>9</sup>;
- 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*<sup>10</sup> is **more** than their *applicable amount*<sup>11</sup>;
- j. have made a valid application for reduction<sup>12</sup>;
- k. be a person in respect of whom amount A exceeds amount B where
  - (i) amount A is the maximum Council Tax Reduction in respect of the day in the applicant's case; and
  - (ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount.

Maximum Council Tax Reduction stated above is defined within section 57 of this scheme

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

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

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

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

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

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

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

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

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

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

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

**Class F**

To obtain reduction the individual must:

- a. have not attained the qualifying age for state pension credit<sup>13</sup>; or
- b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance or in receipt of an award universal credit;
- c. be liable to pay council tax in respect of a dwelling in which they are solely or mainly resident;
- d. is not deemed to be absent from the dwelling;
- e. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- f. be somebody in respect of whom a maximum Council Tax Reduction<sup>14</sup> amount can be calculated;
- g. have made a valid application for reduction<sup>15</sup>;
- h. be somebody who has at least one second adult living with them who is not his partner, not somebody who pays rent, and who is on a *prescribed* low wage and/or *prescribed* benefit, as set out in within sections 62 and 63 and schedule 2 of this scheme.

Maximum Council Tax Reduction stated above is defined within section 57 of this scheme

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<sup>13</sup> Section 5 of this scheme

<sup>14</sup> Sections 57 to 63 of this scheme

<sup>15</sup> Sections 68 to 74a of this scheme

### **Council Tax Support Scheme**

Details of support to be given for **working age claimants**.



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

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

### 2.1 In this scheme–

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

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

**‘the 1973 Act’** means 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

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

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

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

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

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

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

**‘attendance allowance’** means–

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**'couple'** means;

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

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

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

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

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

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

- (a) by notice upon or with a form approved by it for the purpose of claiming council tax reduction; or
- (b) by reference upon or with such a form to some other document available from it and sent by electronic means or otherwise on application; or
- (c) by any combination of the provisions set out in sub-paragraphs (a) and (b) above;

**'disability living allowance'** means a disability living allowance under section 71 of the Act;

**'dwelling'** has the same meaning in section 3 or 72 of the 1992 Act;

**'earnings'** has the meaning prescribed in section 25 or, as the case may be, 27;

**'the Eileen Trust'** means the charitable trust of that name established on 29th March 1993 out of funds provided by the Secretary of State for the benefit of persons eligible for payment in accordance with its provisions;

**'electronic communication'** has the same meaning as in section 15(1) of the Electronic Communications Act 2000 ;

**'employed earner'** is to be construed in accordance with section 2(1)(a) of the Act and also includes a person who is in receipt of a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay or statutory maternity pay;

**'Employment and Support Allowance Regulations'** means the Employment and Support Allowance Regulations 2008 and the Employment and Support Regulations 2013 as appropriate;

**'Employment and Support Allowance (Existing Awards) Regulations'** means the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) Regulations 2010;

**'the Employment, Skills and Enterprise Scheme'** means a scheme under section 17A (schemes for assisting persons to obtain employment; 'work for your benefit' schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to assist applicants to obtain employment, including self-employment, and which may include for any individual work-related activity (including work experience or job search). This also includes schemes covered by The Jobseekers Allowance (Employment, Skills and Enterprise Scheme) Regulations 2011 as amended by the Jobseekers (Back to Work Schemes) Act 2013 – see **'Back to Work Schemes'**;

**'employment zone'** means an area within Great Britain designated for the purposes of section 60 of the Welfare Reform and Pensions Act 1999 and 2014 and an **'employment zone programme'** means a programme established for such an area or areas designed to assist applicants for a jobseeker's allowance to obtain sustainable employment;

**'employment zone contractor'** means a person who is undertaking the provision of facilities in respect of an employment zone programme on behalf of the Secretary of State for Work and Pensions;

**'enactment'** includes an enactment comprised in, or in an instrument made under, an Act of the Scottish Parliament;

**'extended reduction'** means a payment of council tax reduction payable pursuant to section 60;

**'extended reduction period'** means the period for which an extended reduction is payable in accordance with section 60A or 61A of this scheme;

**'extended reduction (qualifying contributory benefits)'** means a payment of council tax reduction payable pursuant to section 61;

**'family'** has the meaning assigned to it by section 137(1) of the Act and Section 9 of this scheme;

**'the Fund'** means moneys made available from time to time by the Secretary of State for the benefit of persons eligible for payment in accordance with the provisions of a scheme established by him on 24th April 1992 or, in Scotland, on 10th April 1992;

**'a guaranteed income payment'** means a payment made under article 15(1)(c) (injury benefits) or 29(1)(a) (death benefits) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011;

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

**'housing benefit'** means housing benefit under Part 7 of the Act; **'the Housing Benefit Regulations'** means the Housing Benefit Regulations 2006;

**'Immigration and Asylum Act'** means the Immigration and Asylum Act 1999;

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

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

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

**'independent hospital'**–

- (a) in England, means a hospital as defined by section 275 of the National Health Service Act 2006 that is not a health service hospital as defined by that section;
- (b) in Wales, has the meaning assigned to it by section 2 of the Care Standards Act 2000; and
- (c) in Scotland means an independent health care service as defined by section 10F of the National Health Service (Scotland) Act 1978;

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

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

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

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

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

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

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

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

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

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

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

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

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

**'member of a couple'** means a member of a married or unmarried couple;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**'person on income support'** means a person in receipt of income support;

**'personal independence payment'** has the meaning given by Part 4 of the Welfare Reform Act 2012 and the Social Security (Personal Independence Payments) 2013;

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

**'personal pension scheme'** means—

- a. a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993 as amended by the Public Service Pension Act 2013;
- b. an annuity contractor trust scheme approved under section 620 or 621 of the Income and Corporation Taxes Act 1988 or a substituted contract within the meaning of section 622(3) or that Act which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(f) of Schedule 36 of the Finance Act 2004<sup>16</sup>;
- c. a personal pension scheme approved under Chapter 4 of Part 14 of the Income and Corporation Taxes Act 1988 which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(g) of Schedule 36 to the Finance Act 2004;
- d. a scheme prescribed in regulation 3 of the Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;
- e. Back to Work scheme;

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

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

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

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

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

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

**'qualifying contributory benefit'** means;

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

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

**'qualifying income-related benefit'** means

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

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

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

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

**'relevant authority'** means an authority administering council tax reduction;

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

**'remunerative work'** has the meaning prescribed in section 6;

**'rent'** means 'eligible rent' to which regulation 12 of the Housing Benefit Regulations refers less any deductions in respect of non-dependants which fall to be made under regulation 74 (non-dependant deductions) of those Regulations;

<sup>16</sup> As amended by the Finance Act 2014

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

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

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

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

**'self-employment route'** means assistance in pursuing self-employed earner's employment whilst participating in—

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

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

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

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

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

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

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

**'the SSCBA'** means the Social Security Contributions and Benefits Act 1992

**'State Pension Credit Act'** means the State Pension Credit Act 2002;

**'student'** has the meaning prescribed in section 43;

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

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

**'the Tax Credits Act'** means the Tax Credits Act 2002;

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

**'training allowance'** means an allowance (whether by way of periodical grants or otherwise) payable—

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



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

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

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

**'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;

**'Working Tax Credit Regulations'** means the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 as amended<sup>17</sup>; and

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

- 2.2 In this policy, references to a claimant 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

<sup>17</sup> The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2013; The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2015

- Jobseeker's Allowance Regulations or section 19 or 20A or regulations made under section 17A of that Act;
- (c) in respect of which he is a member of a joint-claim couple for the purposes of the Jobseekers Act and no joint-claim jobseeker's allowance is payable in respect of that couple as a consequence of either member of that couple being subject to sanctions for the purposes of section 20A of that Act;
  - (d) in respect of which an income-based jobseeker's allowance or a joint-claim jobseeker's allowance would be payable but for a restriction imposed pursuant to section 6B, 7, 8 or 9 of the Social Security Fraud Act 2001 (loss of benefit provisions).
- 2.4A For the purposes of this 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 person shall be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.
- 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 4.2 applies, who normally resides with a claimant or with whom a claimant normally resides.
- 3.2 This paragraph applies to;
- a. any member of the claimant's family;
  - b. if the claimant 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 claimant 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 claimant, 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 claimant or the claimant's partner in respect of the occupation of the dwelling;
  - f. a person who lives with the claimant 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 claimant 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 support 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 claimant for council tax in respect of a dwelling and who was, at any time during the period of eight weeks prior to his becoming so liable, a non-dependant of one or more of the other residents in that dwelling who are so liable for the tax, unless the authority is satisfied that the change giving rise to the new liability was not made to take advantage of the support scheme.

#### **4.0 Requirement to provide a National Insurance Number**

- 4.1 No person shall be entitled to support unless the criteria below in 4.2 is satisfied in relation both to the person making the claim and to any other person in respect of whom he is claiming support.
- 4.2 This subsection is satisfied in relation to a person if–
- a. the claim for support is accompanied by;
    - i. a statement of the person’s national insurance number and information or evidence establishing that that number has been allocated to the person; or
    - ii. information or evidence enabling the national insurance number that has been allocated to the person to be ascertained; or
  - b. the person makes an application for a national insurance number to be allocated to him which is accompanied by information or evidence enabling such a number to be so allocated and the application for reduction is accompanied by evidence of the application and information to enable it to be allocated.
- 4.3 Paragraph 4.2 shall not apply–
- a. in the case of a child or young person in respect of whom council tax support is claimed;
  - b. to a person who;
    - i. is a person in respect of whom a claim for council tax support 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 policy as defined in section 2.2; 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 Remunerative work**

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

- 6.2 Subject to paragraph 6.3, in determining the number of hours for which a person is engaged in work where his hours of work fluctuate, regard shall be had to the average of hours worked over;
- a. if there is a recognisable cycle of work, the period of one complete cycle (including, where the cycle involves periods in which the person does no work, those periods but disregarding any other absences);
  - b. in any other case, the period of 5 weeks immediately prior to that date of claim, or such other length of time as may, in the particular case, enable the person's weekly average hours of work to be determined more accurately,
- 6.3 Where, for the purposes of paragraph 6.2 a), a person's recognisable cycle of work at a school, other educational establishment or other place of employment is one year and includes periods of school holidays or similar vacations during which he does not work, those periods and any other periods not forming part of such holidays or vacations during which he is not required to work shall be disregarded in establishing the average hours for which he is engaged in work.
- 6.4 Where no recognisable cycle has been established in respect of a person's work, regard shall be had to the number of hours or, where those hours will fluctuate, the average of the hours, which he is expected to work in a week.
- 6.5 A person shall be treated as engaged in remunerative work during any period for which he is absent from work referred to in paragraph 6.1 if the absence is either without good cause or by reason of a recognised customary or other holiday.
- 6.6 A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any reduction week shall be treated as not being in remunerative work in that week.
- 6.7 A person shall not be treated as engaged in remunerative work on any day on which the person is on maternity leave, paternity leave or adoption leave, or is absent from work because he is ill.
- 6.8 A person shall not be treated as engaged in remunerative work on any day on which he is engaged in an activity in respect of which;
- a. a sports award has been made, or is to be made, to him; and
  - b. no other payment is made or is expected to be made to him.

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

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

- 7.1 Persons treated as not being in Great Britain are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.
- 7.2 Except where a person falls within paragraph (5) or (6), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.
- 7.3 A person must not be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland unless the person has a right to reside in one of those places.
- 7.4 For the purposes of paragraph (3), a right to reside does not include a right, which exists by virtue of, or in accordance with—
- (a) regulation 13 of the EEA Regulations or Article 6 of Council Directive 2004/38/EC;
  - (aa) regulation 14 of the EEA Regulations, but only in a case where the right exists under that regulation because the person is—

- (i) a jobseeker for the purpose of the definition of “qualified person” in regulation 6(1) of those Regulations, or
    - (ii) a family member (within the meaning of regulation 7 of those Regulations) of such a jobseeker;
  - (ab) Article 45 of the Treaty on the functioning of the European Union (in a case where the person is seeking work in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland); or
  - (b) regulation 15A(1) of the EEA Regulations, but only in a case where the right exists under that regulation because the applicant satisfies the criteria in paragraph (4A) of that regulation or Article 20 of the Treaty on the Functioning of the European Union (in a case where the right to reside arises because a British citizen would otherwise be deprived of the genuine enjoyment of their rights as a European Union citizen).
- 7.5 A person falls within this paragraph if the person is—
- (a) a qualified person for the purposes of regulation 6 of the EEA Regulations as a worker or a self-employed person;
  - (b) a family member of a person referred to in sub-paragraph (a) within the meaning of regulation 7(1)(a), (b) or (c) of the EEA Regulations;
  - (c) a person who has a right to reside permanently in the United Kingdom by virtue of regulation 15(1)(c), (d) or (e) of the EEA Regulations;
  - (d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;
  - (e) a person who has been granted, or who is deemed to have been granted, leave outside the rules made under section 3(2) of the Immigration Act 1971<sup>18</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;
  - (ha) in receipt of an income-based jobseeker’s allowance and has a right to reside other than a right to reside falling within paragraph (4) or
  - (i) a person who is treated as a worker for the purpose of the definition of “qualified person” in regulation 6(1) of the EEA Regulations pursuant to regulation 5 of the Accession of Croatia (Immigration and Worker Authorisation) Regulations 2013 (right of residence of a Croatian who is an “accession State national subject to worker authorisation”)
- 7.6 A person falls within this paragraph if the person is a Crown servant or member of Her Majesty’s forces posted overseas.
- 7.7 A person mentioned in sub-paragraph (6) is posted overseas if the person is performing overseas the duties of a Crown servant or member of Her Majesty’s forces and was, immediately before the posting or the first of consecutive postings, habitually resident in the United Kingdom.
- 7.8 In this regulation—

<sup>18</sup> As amended by the Immigration Act 2014 and the Immigration Act 2014 (Commencement No. 2) Order 2014

“claim for asylum” has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999;

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

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

“Her Majesty’s forces” has the same meaning as in the Armed Forces Act 2006.

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

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

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

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

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

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

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

7A.2 The events are—

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

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

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

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

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

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

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

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

- b. a period of absence not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as;
  - i. the person intends to return to the dwelling;
  - ii. the part of the dwelling in which he usually resided is not let or sub-let; and

- iii. that period is unlikely to exceed 13 weeks; and
  - c. a period of absence within Great Britain not exceeding 52 weeks, beginning with the first whole day of absence, where and for so long as
    - i. the person intends to return to the dwelling;
    - ii. the part of the dwelling in which he usually resided is not let or sub-let;
    - iii. the person is a person to whom paragraph 8.4 applies; and
    - iv. the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period.
- 8.3A A person who is temporarily absent from a dwelling he occupies as his home and is absent outside Great Britain shall be treated as occupying that dwelling as his home whilst he is temporarily absent, for a period not exceeding 4 weeks beginning with the first day of that absence from Great Britain, provided that—
- (a) the person intends to return to occupy the dwelling as his home;
  - (b) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let; and
  - (c) the period of absence is unlikely to exceed 4 weeks.
- 8.3B A person who is temporarily absent from a dwelling he occupies as his home and is absent outside of Great Britain as a member of the armed forces away on operations, a mariner or a continental shelf worker shall be treated as occupying that dwelling as his home whilst he is temporarily absent, for a period not exceeding 26 weeks beginning with the first day of that absence from Great Britain, provided that—
- (a) the person intends to return to occupy the dwelling as his home;
  - (b) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let; and
  - (c) the period of absence is unlikely to exceed 26 weeks.
- 8.3C This paragraph applies where—
- (a) a person is temporarily absent from Great Britain;
  - (b) the temporary absence from Great Britain is in connection with the death of the—
    - (i) person's partner or a child or young person for whom he or his partner is responsible;
    - (ii) person's close relative;
    - (iii) close relative of the person's partner; or
    - (iv) close relative of a child or young person for whom the person or their partner is responsible;
  - (c) the person intends to return to occupy the dwelling as his home; and
  - (d) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let.
- 8.3D person to whom paragraph (8.3C) applies shall be treated as occupying a dwelling he is absent from as his home whilst he is temporarily absent for a period not exceeding 4 weeks beginning with the first day of that absence from Great Britain.
- 8.3E The period of absence in paragraph (8.3D) may be extended by up to 4 further weeks if the relevant authority considers it unreasonable to expect the person to return to Great Britain within the first 4 weeks
- 8.4 This paragraph applies to a person who is;

- a. detained in custody on remand pending trial or required, as a condition of bail, to reside;
    - i. in a dwelling, other than the dwelling referred to in paragraph 8.1, or
    - ii. in premises approved under section 13 of the Offender Management Act 2007, or, detained in custody pending sentence upon conviction;
  - b. resident in a hospital or similar institution as a patient;
  - c. undergoing, or his partner or his dependent child is undergoing, in Great Britain or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
  - d. following, in Great Britain or elsewhere, a training course;
  - e. undertaking medically approved care of a person residing in Great Britain or elsewhere;
  - f. undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care of medical treatment;
  - g. in Great Britain, receiving medically approved care provided in accommodation other than residential accommodation;
  - h. a student;
  - i. receiving care provided in residential accommodation other than a person to whom paragraph 8.3a) applies; or
  - j. has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.
- 8.5 This paragraph applies to a person who is:
- a. detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983 (as amended by the Mental Health (Discrimination) Act 2013), or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995) or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986; and
  - b. on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952 or the Prisons (Scotland) Act 1989
- 8.6 Where paragraph 8.5 applies to a person, then, for any day when he is on temporary release—
- a. if such temporary release was immediately preceded by a period of temporary absence under paragraph 8.3 b) or c), he shall be treated, for the purposes of paragraph 8.1, as if he continues to be absent from the dwelling, despite any return to the dwelling;
  - b. for the purposes of paragraph 8.4 a), he shall be treated as if he remains in detention;
  - c. If he does not fall within sub-paragraph a), he is not considered to be a person who is liable to pay Council Tax in respect of a dwelling of which he is resident
- 8.7 In this section;
- ‘medically approved’ means certified by a medical practitioner;
  - ‘continental shelf worker’ means a person who is employed, whether under a contract of service or not, in a designated area or a prescribed area in connection with any activity mentioned in section 11(2) of the Petroleum Act 1998
  - ‘designated area’ means any area which may from time to time be designated by Order in Council under the Continental Shelf Act 1964 as an area within which the rights of the United Kingdom with respect to the seabed and subsoil and their natural resources may be exercised;

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



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

**Sections 9 - 11**

**The family for Council Tax Support purposes**

## **9.0 Membership of a family**

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

For the purposes of the policy 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;
- on income support ;
  - an income-based jobseeker's allowance or an income related employment and support allowance; or be entitled to an award of Universal Credit; or
  - 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 policy 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 claimant and any partner and, where the claimant 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 claimant's household where he is—

- a. placed with the claimant 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 claimant or his partner under a relevant enactment; or
- b. placed, or in Scotland boarded out, with the claimant or his partner prior to adoption; or
- c. placed for adoption with the claimant or his partner in accordance with the Adoption and Children Act 2002 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 claimant 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 claimant 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 An authority shall treat a child or young person to whom paragraph 11.3 a) applies as being a member of the claimant's household in any reduction week where;

- a. that child or young person lives with the claimant 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 and the Children (Scotland) Act 1995. and the Legal Aid, Sentencing and Punishment of Offenders Act 2012 as amended.

**Sections 12 – 14 & Schedule 1**  
**Applicable Amounts for Council Tax Support purposes**

## 12.0 Applicable amounts (Living Allowances)

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

- a. an amount in respect of himself or, if he is a member of a couple, an amount in respect of both of them, determined in accordance with paragraph 1 as the case may be, of Schedule 1 of this scheme;
- b. an amount determined in accordance with paragraph 2 of Schedule 1 of this scheme in respect of any child or young person who is a member of his family;
- c. if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of Schedule 1 (family premium).  
**No family premium will be awarded where an application for reduction is received on or after 1<sup>st</sup> April 2017.**
  - i) Sub paragraph (c) shall not apply to a person who, on 31<sup>st</sup> March 2017, is entitled to Council Tax Reduction and is:
    - a. a member of a family of which at least one member is a child or young person; or
    - b. a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.
  - (ii) (i) above does not apply if—
    - (a) sub-paragraph 12.1 c (i) (a) or (b) of that paragraph ceases to apply; or
    - (b) the person makes a new claim for Council Tax Reduction.
  - (iii) For the purpose of this section "child", "polygamous marriage" and "young person" have the same meaning as in section 2 of this scheme;
- d. the amount of any premiums which may be applicable to him, determined in accordance with paragraphs 4 to 16 of Schedule 1 of this document (premiums).
- e. the amount of either the
  - i. work-related activity component; or
  - ii. support component which may be applicable to him in accordance with paragraph 17 and 18 of Schedule 1 of this document (the components)
- f. the amount of any transitional addition which may be applicable to him in accordance with paragraph 19 to 20 of Schedule 1 of this scheme (transitional addition).

## 13.0 Polygamous marriages

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

- a. the amount applicable to him and one of his partners determined in accordance with paragraph 1 of Schedule 1 of this scheme as if he and that partner were a couple;
- b. an amount equal to the amount within paragraph 1 (3) (c) of Schedule 1 of this scheme in respect of each of his other partners;
- c. an amount determined in accordance with paragraph 2 of Schedule 1 of this scheme (applicable amounts) in respect of any child or young person for whom he or a partner of his is responsible and who is a member of the same household;
- d. if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of Schedule 1 (family premium).  
**No family premium will be awarded where an application for reduction is received on or after 1<sup>st</sup> April 2017.**
  - i) Sub paragraph (d) shall not apply to a person who, on 31<sup>st</sup> March 2017, is entitled to Council Tax Reduction and is:
    - a. a member of a family of which at least one member is a child or young person;

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

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

**14.1** In determining the applicable amount for a week of a claimant—

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

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

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

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

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

**Definition and the treatment of income for Council Tax Support purposes**



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

15.1 The income and capital of a claimant's partner within this policy and for the purposes of claiming council tax support is to be treated as income and capital of the claimant and shall be calculated or estimated in accordance with the following provisions in like manner as for the claimant; and any reference to the 'claimant' shall, except where the context otherwise requires be construed for the purposes of this policy as if it were a reference to his partner.

15.2 Where a claimant or the partner of a claimant is married polygamously to two or more members of his household–

- a. the claimant 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 policy in like manner as for the claimant.

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

**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 a claimant

(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 claimant, or the claimant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.

15A.2 The authority must adjust the amount referred to in sub-paragraph (1) to take account of

(a) income consisting of the award of universal credit, determined in accordance with subparagraph (3);

(b) any sum to be disregarded under paragraphs of Schedule 3 to this scheme (sums to be disregarded in the calculation of earnings: persons who are not pensioners);

(c) any sum to be disregarded under paragraphs of Schedule 4 to this scheme (sums to be disregarded in the calculation of income other than earnings: persons who are not pensioners);

(d) section 33 (circumstances in which income and capital of non-dependant is to be treated as claimant's), if the authority determines that the provision applies in the claimant's case;

(e) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act (power of billing authority to reduce amount of council tax payable).

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

15A.4 sections 33 (income and capital of non-dependant to be treated as claimant'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 a claimant;

(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 claimant, or the claimant 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 claimant's**

- 16.1 Where it appears to the authority that a non-dependant and the claimant have entered into arrangements in order to take advantage of the council tax support scheme and the non-dependant has more capital and income than the claimant, that authority shall, except where the claimant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, treat the claimant as possessing capital and income belonging to that non-dependant, and, in such a case, shall disregard any capital and income which the claimant does possess.'
- 16.2 Where a claimant 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 claimant and any reference to the 'claimant' shall, except where the context otherwise requires, be construed for the purposes of this policy 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 policy and in line with regulation 34 of the Housing Benefit Regulations 2006 (disregard to changes in tax, contributions etc.), the income of a claimant shall be calculated on a weekly basis;
- a. by estimating the amount which is likely to be his average weekly income in accordance with this Section and in line with Sections 2, 3, 4 and 5 of the Housing Benefit Regulations 2006;
  - b. by adding to that amount the weekly income calculated in line with regulation 52 of the Housing Benefit Regulations 2006 (calculation to tariff income from capital); and
  - c. by then deducting any relevant child care charges to which section 18 (treatment of child care charges) applies from any earnings which form part of the average weekly income or, in a case where the conditions in paragraph 18.2 are met, from those earnings plus whichever credit specified in sub-paragraph (b) of that paragraph is appropriate, up to a maximum deduction in respect of the claimant's family of whichever of the sums specified in paragraph (3) applies in his case.
- 17.2 The conditions of this paragraph are that;
- a. the claimant's earnings which form part of his average weekly income are less than the lower of either his relevant child care charges or whichever of the deductions specified in paragraph (3) otherwise applies in his case; and
  - b. that claimant or, if he is a member of a couple either the claimant or his partner, is in receipt of either working tax credit or child tax credit.
- 17.3 The maximum deduction to which paragraph 17.1 c) above refers shall be;
- a. where the claimant's family includes only one child in respect of whom relevant child care charges are paid, £175.00 per week.
  - b. where the claimant's family includes more than one child in respect of whom
  - c. relevant child care charges are paid, £300.00 per week.
- 17.4 For the purposes of paragraph 17.1 'income' includes capital treated as income under section 31 (capital treated as income) and income, which a claimant is treated as possessing under section 32 (notional income).

**18.0 Treatment of child care charges**

- 18.1 This section applies where a claimant is incurring relevant child-care charges and;
- a. is a lone parent and is engaged in remunerative work;
  - b. is a member of a couple both of whom are engaged in remunerative work; or
  - c. is a member of a couple where one member is engaged in remunerative work and the other;
    - i. is incapacitated;
    - ii. is an in-patient in hospital; or

- iii. is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).
- 18.2 For the purposes of paragraph 18.1 and subject to paragraph 18.4, a person to whom paragraph 18.3 applies shall be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he—
- a. is paid statutory sick pay;
  - b. is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the Act;
  - c. is paid an employment and support allowance;
  - d. is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support Regulations; or
  - e. is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.
- 18.3 This paragraph applies to a person who was engaged in remunerative work immediately before
- a. the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or
  - b. the first day of the period in respect of which earnings are credited, as the case may be.
- 18.4 In a case to which paragraph 18.2 d) or e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.
- 18.5 Relevant child care charges are those charges for care to which paragraphs 18.6 and 18.7 apply, and shall be calculated on a weekly basis in accordance with paragraph 18.10.
- 18.6 The charges are paid by the claimant for care, which is provided
- a. in the case of any child of the claimant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or
  - b. in the case of any child of the claimant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.
- 18.7 The charges are paid for care, which is provided by one, or more of the care providers listed in paragraph 18.8 and are not paid—
- a. in respect of the child's compulsory education;
  - b. by a claimant to a partner to a claimant in respect of any child for whom either or any of them is responsible in accordance with section 10 (circumstances in which a person is treated as responsible or not responsible for another); or
  - c. in respect of care provided by a relative of the child wholly or mainly in the child's home.
- 18.8 The care to which paragraph 18.7 refers may be provided;
- a. out of school hours, by a school on school premises or by a local authority;
    - i. for children who are disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or
    - ii. for children who are disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or
  - b. by a child care provider approved in accordance with by the Tax Credit (New Category of Child Care Provider) Regulations 1999;
  - c. by persons registered under Part 2 of the Children and Families (Wales) Measure 2010;

- or
- d. by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) order 2010; or
  - e. by;
    - i. persons registered under section 59(1) of the Public Services Reform (Scotland) Act 2010
    - or
    - ii. local authorities registered under section 8(1) of that Act, where the care provided is child minding or daycare within the meaning of that Act; or
  - f. by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002 or
  - g. by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or
  - h. by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section 34(2) of that Act; or
  - i. by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or
  - j. by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of 'childcare' for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or
  - k. by a foster parent or kinship carer under the Fostering Services Regulations 2002, the Fostering Services (Wales) Regulations 2003 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering or kinship carer is looking after; or
  - l. by a domiciliary care worker under the Domiciliary Care Agencies Regulations 2002 or the Domiciliary Care Agencies (Wales) Regulations 2004; or
  - m. by a person who is not a relative of the child wholly or mainly in the child's home.
- 18.9 In paragraphs 18.6 and 18.8 a), 'the first Monday in September' means the Monday which first occurs in the month of September in any year.
- 18.10 Relevant child care charges shall be estimated over such period, not exceeding a year, as is appropriate in order that the average weekly charge may be estimated accurately having regard to information as to the amount of that charge provided by the child minder or person providing the care.
- 18.11 For the purposes of paragraph 18.1 c) the other member of a couple is incapacitated where
- a. the claimant's applicable amount includes a disability premium on account of the other member's incapacity or the support component or the work- related activity component on account of his having limited capability for work
  - b. the claimant's applicable amount would include a disability premium on account of the other member's incapacity but for that other member being treated as capable of work by virtue of a determination made in accordance with regulation made under section 171E of the Act;
  - c. the claimant's applicable amount would include the support component or the work-related activity component on account of the other member having limited capability for work but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008;
  - d. the claimant (within the meaning of this scheme) is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for

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

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

18.12A For the purposes of paragraph 18.11, once paragraph 18.11e) applies to the claimant, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter apply to him for so long as he has, or is treated as having, limited capability for work.

18.13 For the purposes of paragraphs 18.6 and 18.8 a), a person is disabled if he is a person—

- a. in respect of whom disability living allowance or personal independence payment is payable, or has ceased to be payable solely because he is a patient;

- b. who is registered as blind in a register compiled under section 29 of the National Assistance Act 1948 (welfare services) or, in Scotland, has been certified as blind and in consequence he is registered as blind in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or
- c. who ceased to be registered as blind in such a register within the period beginning 28 weeks before the first Monday in September following that person's fifteenth birthday and ending on the day preceding that person's sixteenth birthday.

18.14 For the purposes of paragraph 18.1 a woman on maternity leave, paternity leave or adoption leave shall be treated as if she is engaged in remunerative work for the period specified in paragraph 18.15 ('the relevant period') provided that—

- a. in the week before the period of maternity leave, paternity leave or shared parental leave effective from 5/4/2015 or adoption leave began she was in remunerative work or adoption leave began she was in remunerative work;
- b. the applicant is incurring relevant child care charges within the meaning of paragraph 18.5; and
- c. she is entitled to either statutory maternity pay under section 164 of the Act, statutory paternity pay by virtue of section 171ZA or 171ZB of the Act, statutory adoption pay by section 171ZL of the Act, maternity allowance under section 35 of the Act or qualifying support.

18.15 For the purposes of paragraph 18.14 the relevant period shall begin on the day on which the person's maternity, paternity leave or adoption leave commences and shall end on—

- a. the date that leave ends;
- b. if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay, statutory paternity pay or statutory adoption pay ends, the date that entitlement ends; or
- c. if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance or qualifying support, statutory maternity pay or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credits ends.

whichever shall occur first.

18.16 In paragraphs 18.14 and 18.15

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

18.17 In this section 'claimant' does not include a claimant;

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

## **19.0 Average weekly earnings of employed earners**

19.1 Where a claimant'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 a claimant'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 claimant 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 claimant's employer to furnish an estimate of the claimant's likely weekly earnings over such period as the authority may require and the claimant's average weekly earnings shall be estimated by reference to that estimate.
- 19.3 Where the amount of a claimant'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 claimant's earnings shall be calculated in accordance with sections 25 and 26

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

- 20.1 Where a claimant'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 claimant's earnings shall be calculated in accordance with section 27 to 29 of this policy

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

- 21.1 A claimant'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 an authority to disregard any such income other than that specified in Schedule 4 of this policy
- 21.2 The period over which any benefit under the benefit Acts is to be taken into account shall be the period in respect of which that support is payable.
- 21.3 For the purposes of this section income other than earnings shall be calculated in accordance with paragraphs 30 to 32 of this policy

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

- 22.1 This section applies where a claimant received 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 a claimant 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, shared parental 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, shared parental pay 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>19</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 a claimant 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 a claimant'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 claimant 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 claimant 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 claimant; and
  - d. where those earnings include a payment which is payable under any enactment having

<sup>19</sup> Social Security (Contributions)(Amendment) Regulations 2013, Social Security (Contributions)(Amendment No.2) Regulations 2013 and Social Security (Contributions)(Amendment No.2) Regulations 2013

effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, any amount deducted for those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions under the Act.

- 26.4 In this section ‘qualifying contribution’ means any sum which is payable periodically as a contribution towards a personal pension scheme.
- 26.5 The amount in respect of any qualifying contribution shall be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying contribution shall be determined—
- a. where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;
  - b. in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.
- 26.6 Where the earnings of a claimant are estimated under sub-paragraph (b) of paragraph 2) of the section 19 (average weekly earnings of employment earners), his net earnings shall be calculated by taking into account those earnings over the assessment period, less—
- a. an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate of tax applicable to the assessment period less only the personal relief to which the claimant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rata basis;
  - b. an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and
  - c. one-half of any sum which would be payable by the claimant 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 claimant 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 accommodate with the claimant under arrangements made by a local authority or voluntary organisation and payments made to the claimant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the claimant’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 claimant 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 claimant'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 support 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 claimant'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 a claimant's net profit, any sum, where applicable, specified in paragraph 1 to 14 of Schedule 3.

- 28.3 For the purposes of paragraph 28.1 a) the net profit of the employment must, except where paragraph 28.9 applies, be calculated by taking into account the earnings for the employment over the assessment period less

- a. subject to paragraphs 28.5 to 28.7, any expenses wholly and exclusively incurred in that period for the purposes of that employment;
- b. an amount in respect of;
  - (i) income tax, and
  - (ii) national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
- c. one-half of the amount calculated in accordance with paragraph (28.11) in respect of any qualifying premium.

- 28.4 For the purposes of paragraph 28.1b) the net profit of the employment shall be calculated by taking into account the earnings of the employment over the assessment period less, subject to paragraphs 28.5 to 28.7, any expenses wholly and exclusively incurred in that period for the purposes of the employment.

- 28.5 Subject to paragraph 28.6 no deduction shall be made under paragraph 28.3 a) or 28.4, in respect of—

- a. any capital expenditure;
- b. the depreciation of any capital asset;
- c. any sum employed or intended to be employed in the setting up or expansion of the employment;
- d. any loss incurred before the beginning of the assessment period;
- e. the repayment of capital on any loan taken out for the purposes of the employment;
- f. any expenses incurred in providing business entertainment, and

- g. any debts, except bad debts proved to be such, but this sub-paragraph shall not apply to any expenses incurred in the recovery of a debt.
- 28.6 A deduction shall be made under paragraph 28.3 a) or 28.4 in respect of the repayment of capital on any loan used for—
- a. the replacement in the course of business of equipment or machinery; and
  - b. the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.
- 28.7 The authority shall refuse to make deduction in respect of any expenses under paragraph 28.3 a) or 28.4 where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.
- 28.8 For the avoidance of doubt—
- a. deduction shall not be made under paragraph 28.3 a) or 28.4 in respect of any sum unless it has been expended for the purposes of the business;
  - b. a deduction shall be made thereunder in respect of—
    - i. the excess of any value added tax paid over value added tax received in the assessment period;
    - ii. any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
    - iii. any payment of interest on a loan taken out for the purposes of the employment
- 28.9 Where an applicant is engaged in employment, as a child minder the net profit of the employment shall be one-third of the earnings of that employment, less an amount in respect of
- a. income tax; and
  - b. national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
  - c. one-half of the amount calculated in accordance with paragraph 28.1 in respect of any qualifying contribution
- 28.10 For the avoidance of doubt where a claimant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments shall not be offset against his earnings in any other of his employments.
- 28.11 The amount in respect of any qualifying premium shall be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying premium shall be determined
- a. where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and divided the product by 365;
  - b. in any other case, by dividing the amount of the qualifying premium by the number equal to the number of days in the period to which the qualifying premium relates.
- 28.12 In this section, 'qualifying premium' means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of claim.
- 29.0 Deduction of tax and contributions of self-employed earners**
- 29.1 The amount to be deducted in respect of income tax under section 28.1b) i), 28.3 b) i) or 28.9 a) i) (calculation of net profit of self-employed earners) shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at the basic rate of tax applicable to the assessment period less only the personal relief to which the

claimant is entitled under section 257(1) of the Income and Corporation Taxes Act 1988(personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal reliefs deductible under this paragraph shall be calculated on a pro rata basis.

29.2 The amount to be deducted in respect of national insurance contributions under paragraphs 28.1 1 b)(i); 28.3 b) ii) or 28.9 a shall be the total of–

- a. the amount of Class 2 contributions payable under section 11(1) or, as the case may be, 11(3) of the Act at the rate applicable to the assessment period except where the applicant’s chargeable income is less than the amount specified in section 11(4) of the Act (small profits threshold) for the tax year applicable to the assessment period; but if the assessment period is less than a year, the amount specified for that tax year shall be reduced pro rata; and
- b. the amount of Class 4 contributions (if any) which would be payable under section 15 of the Act (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable to the assessment period on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year applicable to the assessment period; but if the assessment period is less than a year, those limits shall be reduced pro rata.

29.3 In this section ‘chargeable income’ means–

- a. except where sub-paragraph (b) applies, the earnings derived from the employment less any expenses deducted under paragraph (28.3)(a) or, as the case may be, (28.4) of section 28;
- b. in the case of employment as a child minder, one-third of the earnings of that employment.

### **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 a claimant 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 a claimant’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 claimant 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—

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

D

Where

A = the total amount of the relevant payment which that person would have received had he remained a student until the 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 support 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 dates is earlier

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

a. 1st January and ending on 31st March;

b. 1st April and ending on 30th June;

c. 1st July and ending on 31st August; or

d. 1st September and ending on 31st December;

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

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

a. any payment to which paragraph 25.2 (payments not earnings) applies; or

- b. in the case of a claimant 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 claimant 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 claimant's capital otherwise calculated in accordance with sections 33 to 42 of this policy 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 claimant in consequence of any personal injury to the claimant and that such payments are to be made, wholly or partly, by way of periodic payments, any such periodic payments received by the claimant (but not a payment which is treated as capital), shall be treated as income.

### **32.0 Notional income**

- 32.1 A claimant shall be treated as possessing income of which he has deprived himself for the purpose of securing entitlement of support or increasing the amount of that support.
- 32.2 Except in the case of—
- a. a discretionary trust;
  - b. a trust derived from a payment made in consequence of a personal injury;
  - c. a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund where the claimant 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 claimant upon application being made, but which has not been acquired by him, shall be treated as possessed by the claimant 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 claimant 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 claimant or, as the case may be, by that

- member;
- b. to a third party in respect of a single claimant 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 claimant 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 claimant 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 claimant or member is liable;
  - c. to a single claimant 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 claimant 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 a claimant is in receipt of any benefit (other than council tax support) 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 claimant as possession 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. claimant 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 claimant as possessing such earnings (if any) as is reasonable for that employment unless the claimant 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 a claimant 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 claimant'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 claimant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or
    - (ii) the claimant's or the claimant'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 a claimant 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 a claimant is treated as possessing any income under any of paragraph 32.1 to (32.8), the foregoing provisions of this policy 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 a claimant is treated a possessing any earnings under paragraph 32.9 the foregoing provisions of this policy 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 (32.3) of section 26 (calculation of net earnings of employed earners) shall not apply and his net earnings shall be calculated by taking into account those earnings which he is treated as possessing, less;

- a. an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the starting rate or, as the case may be, the starting rate and the basic rate of tax applicable to the assessment period less only the personal relief to which the claimant 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 claimant by way of a contribution towards an occupational or personal pension scheme.

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

**Sections 33 – 42 & Schedule 5**

**Definition and the treatment of capital for Council Tax Support purposes**

### **33.0 Capital limit**

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

### **34.0 Calculation of capital**

34.1 For the purposes of this policy, the capital of a claimant to be taken into account shall, subject to paragraph (34.2), be the whole of his capital calculated in accordance with this policy and any income treated as capital under section 36 (income treated as capital).

34.2 There shall be disregarded from the calculation of a claimant'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 claimant's family shall not be treated as capital of the claimant.

### **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 claimant's account.

36.5 In the case of employment as an employed earner, any advance of earnings or any loan made by the claimant'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 a claimant 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 a claimant 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 a claimant 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 A claimant shall be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to council tax support or increasing the amount of that support except to the extent that that capital is reduced in accordance with section 40 (diminishing notional capital rule).

- 39.2 Except in the case of

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

any capital which would become available to the claimant 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 claimant 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 claimant or, as the case may be, by that member;
  - (b) to a third party in respect of a single claimant 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 claimant 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 claimant 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 claimant or member is liable;
  - (c) to a single claimant 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 claimant 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 a claimant 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 claimant 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 a claimant 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 a claimant 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 claimant satisfies the conditions that

- (a) he is in receipt of council tax support; and
  - (b) but for paragraph 39.1, he would have received an additional amount of council tax support 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 claimant 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 claimant 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 claimant 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 claimant 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 claimant would have been entitled to council tax support 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 support to which the claimant 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 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;
  - (b) if the claimant 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 claimant 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 claimant 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 policy, 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 claimant 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 claimant makes a further claim for council tax support 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 claimant made a claim for council tax support 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 support which resulted in the weekly amount being re-determined, or
    - (iii) the date on which the last ceased to be entitled to council tax support, whichever last occurred; and
  - (b) the claimant would have been entitled to council tax support 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 support 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 claimant 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 support; or
    - (ii) was taken into account on a subsequent occasion for the purpose of determining or

re-determining his entitlement to council tax support on that subsequent occasion and that determination or re-determination resulted in his beginning to receive, or ceasing to receive, council tax support;

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 a claimant possesses capital which is disregarded under paragraph 39(5) (notional capital) where a claimant 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 claimant is treated as possessing as if it were actual capital which the claimant does possess

#### **42.0 Not Used**



**Sections 43 - 56**

**Definition and the treatment of students for Council Tax Support purposes**

### 43.0 Student related definitions

43.1 In this policy 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 Support

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

45.1 Students (except those specified in paragraph 45.3) are not able to claim Council Tax Support under Classes D and E of the Council's reduction scheme however they will be able to claim under Class F (alternative maximum council tax support or second adult rebate).

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

45.3 Paragraph 45.2 shall not apply to a student

(a) who is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance;

(b) who is a lone parent;

(c) whose applicable amount would, but for this section, include the disability premium or severe disability premium;

(d) whose applicable amount would include the disability premium but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the Act;

(e) who is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;

(ea) 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.

(f) 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;

(g) who is a single claimant 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;

(h) 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);

(i) 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 engaging in caring for that person or, as the case may be, he has subsequently recovered from that illness; and
- (c) he is not eligible for a grant or a student loan in respect of the period specified in paragraph 45.8.

45.8 The period specified for the purposes of paragraph 45.7 is the period, not exceeding one year, beginning on the day on which he ceased to be engaged in caring for that person or, as the case may be, the day on which he recovered from that illness and ending on the day before;

- (a) the day on which he resumes attending or undertaking the course; or
  - (b) the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course,
- which shall first occur.

#### **46.0 Calculation of grant income**

46.1 The amount of a student's grant income to be taken into account shall, subject to paragraphs 46.2 and 46.3, be the whole of his grant income.

46.2 There shall be excluded from a student's grant income any payment;

- (a) intended to meet tuition fees or examination fees;
- (b) in respect of the student's disability;
- (c) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;
- (d) on account of the student maintaining a home at a place other than that at which he resides during his course;
- (e) on account of any other person but only if that person is residing outside of the United Kingdom and there is no applicable amount in respect of him;

- (f) intended to meet the cost of books and equipment;
  - (g) intended to meet travel expenses incurred as a result of his attendance on the course;
  - (h) intended for the child care costs of a child dependant.
  - (i) of higher education bursary for care leavers made under Part III of the Children Act 1989.
- 46.3 Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student's grant income;
- (a) the sum of £303 per academic year in respect of travel costs; and
  - (b) the sum of £390 per academic year towards the costs of books and equipment, whether or not any such costs are incurred.
- The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).
- 46.4 There shall also be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.
- 46.5 Subject to paragraphs 46.6 and 46.7, a student's grant income shall be apportioned;
- (a) subject to paragraph 46.8, in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the reduction week, the first day of which coincides with, or immediately follows the first day of the period of study and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study;
  - (b) in any other case, equally between the weeks in the period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period for which it is payable and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.
- 46.6 Any grant in respect of dependants paid under section 63(6) of the Health Services and Public Health Act 1968 (grants in respect of the provision of instruction to officers of hospital authorities) and any amount intended for the maintenance of dependants under Part 3 of Schedule 2 to the Education (Mandatory Awards) Regulations 2004 shall be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.
- 46.7 In a case where a student is in receipt of a student loan or where he could have acquired a student loan by taking reasonable steps but had not done so, any amount intended for the maintenance of dependants to which neither paragraph 46.6 nor section 50 (other amounts to be disregarded) apply, shall be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.
- 46.8 In the case if a student on a sandwich course, any periods of experience within the period of study shall be excluded and the student's grant income shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which immediately follows the last day of the period of experience and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study.
- 47.0 Calculation of covenant income where a contribution is assessed**
- 47.1 Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account for that period and any summer vacation immediately following shall be the whole amount of the covenant income less, subject to paragraph 47.3, the amount of the contribution.

- 47.2 The weekly amount of the student's covenant shall be determined—
- (a) by dividing the amount of income which falls to be taken into account under paragraph 47.1 by 52 or 53, whichever is reasonable in the circumstances; and
  - (b) by disregarding from the resulting amount, £5.
- 47.3 For the purposes of paragraph 47.1, the contribution shall be treated as increased by the amount (if any) by which the amount excluded under paragraph 46.2(g) (calculation of grant income) falls short of the amount specified in paragraph 7(2) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (travel expenditure).

**48.0 Covenant income where no grant income or no contribution is assessed**

- 48.1 Where a student is not in receipt of income by way of a grant the amount of his covenant income shall be calculated as follows;
- (a) any sums intended for any expenditure specified in paragraph 46.2 (a) to (e) (calculation of grant income) necessary as a result of his attendance on the course shall be disregarded;
  - (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, shall be apportioned equally between the weeks of the period of study;
  - (c) there shall be disregarded from the amount so apportioned the amount which would have been disregarded under paragraph 46.2(f) and 46.3 (calculation of grant income) had the student been in receipt of the standard maintenance grant; and
  - (d) the balance, if any, shall be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 shall be disregarded.
- 48.2 Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenanted income shall be calculated in accordance with subparagraphs (a) to (d) of paragraph 48.1, except that;
- (a) the value of the standard maintenance grant shall be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 46.2 (a) to (e); and
  - (b) the amount to be disregarded under paragraph 48.1(c) shall be abated by an amount equal to the amount of any sums disregarded under paragraph 46.2(f) and (g) and 46.3.

**49.0 Student Covenant Income and Grant income – non disregard**

- 49.1 No part of a student's covenant income or grant income shall be disregarded under paragraph 15 of Schedule 4 to this policy

**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 head(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 head(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 claimant or, as the case may be, of the claimant 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 claimant 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 claimant 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 claimant or member is liable, shall be disregarded as capital but only for a period of 52 weeks from the date of the payment.

**56.0 Disregard of changes occurring during summer vacation**

56.1 In calculating a student's income the authority shall disregard any change in the standard maintenance grant, occurring in the recognised summer vacation appropriate to the student's course, if that vacation does not form part of his period of study from the date on which the change occurred to the end of that vacation.

**Sections 57 – 63**

**The calculation and amount of Council Tax Support**

## 57.0 Maximum council tax support

57.1 Subject to paragraphs 57.2 to 57.4, the amount of a person's maximum council tax support in respect of a day for which he is liable to pay council tax, shall be 80 per cent, of the amount A divided by B where;

- (a) A is the **lower** of either;
  - i. 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; or
  - ii. the amount set by the appropriate authority as the council tax for the relevant financial year in respect of a dwelling within Band C subject to any discount which may be appropriate to the person's circumstances; and
- (b) B is the number of days in that financial year, less any deductions in respect of non-dependants which fall to be made under section 58 (non-dependant deductions).

In this paragraph "relevant financial year" means, in relation to any particular day, financial year within which the day in question falls.

57.2 In calculating a person's maximum council tax support 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 a claimant 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 claimant who is a student to whom paragraph 45.2 (students who are excluded from entitlement to council tax support) applies, in determining the maximum council tax support 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 a claimant 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<sup>20</sup>

58.1 Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in section 57 (maximum council tax support) shall be;

- (a) in respect of a non-dependant aged 18 or over in remunerative work, £17.50 x 1/7;
- (b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply, £6.00 x 1/7.

58.2 In the case of a non-dependant aged 18 or over to whom paragraph 58.1(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is—

- (a) less than £195.00, the deduction to be made under this paragraph shall be that specified in paragraph 58.1(b);
- (b) not less than £195.00, but less than £338.00, the deduction to be made under this section shall be £11.50 x 1/7;
- (c) not less than £338.00, but less than £420.00, the deduction to be made under this section shall be £14.50 x 1/7;
- (d) not less than £408.00, the deduction to be made under this section is £15.00.

<sup>20</sup> The income levels shown will be updated in line with the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012. Non Dependant Deduction rates will be updated by 15% rounded to nearest 0.50 pence.

- 58.3 Only one deduction shall be made under this section in respect of a couple or, as the case may be, members of a polygamous marriage and, where, but for this paragraph, the amount that would fall to be deducted in respect of one member of a couple or polygamous marriage is higher than the amount (if any) that would fall to be deducted in respect of the other, or any other, member, the higher amount shall be deducted.
- 58.4 In applying the provisions of paragraph 58.2 in the case of a couple or, as the case may be a polygamous marriage, regard shall be had, for the purpose of that paragraph, to the couple's or, as the case may be, all members of the polygamous marriage's joint weekly gross income.
- 58.5 Where in respect of a day—
- (a) a person is a resident in a dwelling but is not himself liable for council tax in respect of that dwelling and that day;
  - (b) other residents in that dwelling (the liable persons) have joint and several liability for council tax in respect of that dwelling and that day otherwise than by virtue of section 9 or 77 or 77A of the 1992 Act (liability of spouses and civil partners); and
  - (c) the person to whom sub-paragraph (a) refers is a non-dependant of two or more of the liable persons, the deduction in respect of that non-dependant shall be apportioned equally between those liable persons.
- 58.6 No deduction shall be made in respect of any non-dependants occupying a claimant's dwelling if the claimant or his partner is—
- (a) blind or treated as blind by virtue of paragraph 9 of Schedule 1 (additional condition for the disability premium); or
  - (b) receiving in respect of himself
    - (i) attendance allowance, or would be receiving that allowance but for
      - (aa) a suspension of benefit in accordance with regulations under section 113(2) of The Act; or
      - (bb) an abatement as a result of hospitalisation; or
    - (ii) the care component of the disability living allowance, or would be receiving that component but for
      - (aa) a suspension of benefit in accordance with regulations under section 113(2) of The Act; or
      - (bb) an abatement as a result of hospitalisation; or
  - (a) the daily living component of personal independence payment, or would be receiving that allowance but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);
  - (b) an AFIP, or would be receiving that payment but for a suspension of it in accordance with any terms of the armed and reserve forces compensation scheme which allows for a suspension because a person is undergoing medical treatment in a hospital or similar institution.
- 58.7 No deduction shall be made in respect of a non-dependant if:
- a. although he resides with the applicant, it appears to the authority that his normal home is elsewhere; or
  - b. he is in receipt of a training allowance paid in connection with a youth training established under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990; or
  - c. he is a full time student within the meaning of section 44.0 (Students); or
  - d. he is not residing with the applicant because he has been a patient for a period of excess of 52 weeks, and for these purposes;
  - e. 'patient' has the meaning given within this scheme, and
  - f. where a person has been a patient for two or more distinct periods separated by one or more intervals each not exceeding 28 days, he shall be treated as having been a patient continuously for a period equal in duration to the total of those distinct periods;
  - g. he is not residing with the claimant because he is a member of the armed forces away on operations

58.8 No deduction shall be made in respect of a non-dependant to whom Schedule 1 of the 1992 Act applies (persons disregarded for purposes of discount) but this sub-paragraph shall not apply to a non-dependant who is a student to whom paragraph 4 of that Schedule refers.

58.9 In the application of paragraph 58.2 there shall be disregarded from his weekly gross income—

- (a) any attendance allowance or disability living allowance or personal independence payment received by him;
- (b) any payment made under or by the Trusts, the Fund, the Eileen Trust , MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006) which had his income fallen to be calculated under section 30 (calculation of income other than earnings) would have been disregarded under paragraph 24 of Schedule 4 (income in kind); and
- (c) any payment which had his income fallen to be calculated under section 30 would have been disregarded under paragraph 36 of Schedule 4 (payments made under certain trusts and certain other payments).

#### **59.0 Council tax support taper (applies to persons defined within Class E)**

59.1 The prescribed percentage for the purpose of calculating support as a percentage of excess of income over the applicable amount which is deducted from maximum council tax support, shall be  $3 \frac{4}{7}$  per cent. Where a claimant's income exceeds their applicable amount, their council tax support shall be calculated by deducting their excess income multiplied by the taper from their maximum council tax support as defined within section 57 of this policy

59.1A Where the claimant or partner is in receipt of a;

- Disability Premium;
- Enhanced Disability Premium;
- Severe Disability Premium;
- Disabled Child Premium;
- Enhanced Disability Premium for Dependants;
- An earnings disregard in relation to disability;
- Council Tax Disabled Persons Reduction;
- Disability Living Allowance (or Personal Independence Payment from April 2013)
- Incapacity Benefit at the Long Term Rate;
- Employment Support Allowance – Support Component; or
- Employment Support Allowance – Work Related Activity Component.

the prescribed percentage for the purpose of calculating support as a percentage of excess of income over the applicable amount which is deducted from maximum council tax support, shall be  $2 \frac{6}{7}$  per cent. Where a claimant's income exceeds their applicable amount, their council tax support shall be calculated by deducting their excess income multiplied by the taper from their maximum council tax support as defined within section 57 of this policy

#### **59A.0 Minimum Council Tax Support**

59A.1 Where any award of Council Tax Support is less than £2.00 per week (£2.00 x 1/7 per day), no Council Tax Support shall be awarded whatsoever.

#### **60.0 Extended reductions**

60.1 A claimant who is entitled to council tax support (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction where;

- (a) the claimant or the claimant's partner was entitled to a qualifying income-related benefit;
  - (b) entitlement to a qualifying income-related benefit ceased because the claimant or the claimant's partner—
    - (i) commenced employment as an employed or self-employed earner;
    - (ii) increased their earnings from such employment; or
    - (iii) increased the number of hours worked in such employment, and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more; and
  - (c) the claimant or the claimant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.
- 60.2 For the purpose of paragraph 60.1(c), a claimant or a claimant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the claimant or the claimant's partner was not entitled to any of those benefits because the claimant or the claimant's partner was engaged in remunerative work as a consequence of their participation in an employment zone programme.
- 60.3 For the purpose of this section, where a claimant or a claimant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they shall be treated as being entitled to and in receipt of jobseeker's allowance.
- 60.4A claimant must be treated as entitled to council tax support by virtue of the general conditions of entitlement where—
- (a) the claimant ceased to be entitled to council tax support because the claimant vacated the dwelling in which the claimant was resident;
  - (b) the day on which the claimant vacated the dwelling was either in the week in which entitlement to a qualifying income-related benefit ceased, or in the preceding week; and
  - (c) entitlement to the qualifying income-related benefit ceased in any of the circumstances listed in paragraph 60.1(b).
- 60.5 This section shall not apply where, on the day before a claimant's entitlement to income support ceased, regulation 6(5) of the Income Support Regulations (remunerative work: housing costs) applied to that claimant.

#### **60A.0 Duration of extended reduction period**

- 60A.1 Where a claimant is entitled to an extended reduction, the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the claimant, or the claimant's partner, ceased to be entitled to a qualifying income-related benefit.
- 60A.2 For the purpose of paragraph (60A.1), a claimant or a claimant's partner ceases to be entitled to a qualifying income-related benefit on the day immediately following the last day of entitlement to that benefit.
- 60A.3 The extended reduction period ends;
- (a) at the end of a period of four weeks; or
  - (b) on the date on which the claimant to whom the extended reduction is payable has no



liability for council tax, if that occurs first.

#### **60B.0 Amount of extended reduction**

60B.1 For any week during the extended reduction period the amount of the extended reduction payable to a claimant shall be the higher of—

- (a) the amount of council tax support to which the claimant was entitled under the general conditions of entitlement in the last reduction week before the claimant or the claimant's partner ceased to be entitled to a qualifying income-related benefit;
- (b) the amount of council tax support to which the claimant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 60 (extended reductions) did not apply to the claimant; or
- (c) the amount of council tax support to which the claimant's partner would be entitled under the general conditions of entitlement, if section 60 did not apply to the claimant.

60B.2 Paragraph 60B1 does not apply in the case of a mover.

60B.3 Where a claimant is in receipt of an extended reduction under this section and the claimant's partner makes a claim for council tax support, no amount of council tax support shall be payable by the appropriate authority during the extended reduction period.

#### **60C Extended reductions – movers**

60C.1 This section applies;

- (a) to a mover; and
- (b) from the Monday following the day of the move.

60C.2 The amount of the extended reduction payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax support which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit.

60C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second authority, the extended reduction may take the form of a payment from the appropriate authority to;

- (a) the second authority; or
- (b) the mover directly.

60C.4 Where—

- (a) a mover, or the mover's partner, makes a claim for council tax support to the second authority after the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit; and
- (b) the mover, or the mover's partner, is in receipt of an extended reduction from the appropriate authority, the second authority shall reduce the weekly amount of council tax support that the mover, or the mover's partner, is entitled to by a sum equal to the amount of the extended reduction until the end of the extended reduction period.

#### **60D.0 Relationship between extended reduction and entitlement to council tax support under the general conditions of entitlement**

60D.1 Where a claimant's council tax support award would have ended when the claimant ceased to be entitled to a qualifying income-related benefit in the circumstances listed in paragraph 60.1(b), that award will not cease until the end of the extended reduction period.

60D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction payable in accordance with paragraph 60B.1(a) or 60C.2 (amount of extended reduction – movers).

**61.0 Extended reductions (qualifying contributory benefits)**

61.1 A claimant who is entitled to council tax support (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction (qualifying contributory benefits) where;

- (a) the claimant or the claimant's partner was entitled to a qualifying contributory benefit;
- (b) entitlement to a qualifying contributory benefit ceased because the claimant or the claimant's partner;
  - (i) commenced employment as an employed or self-employed earner;
  - (ii) increased their earnings from such employment; or
  - (iii) increased the number of hours worked in such employment, and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more;
- (c) the claimant or the claimant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and
- (d) the claimant or the claimant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the claimant, or the claimant's partner, was entitled to a qualifying contributory benefit.

61.2 A claimant must be treated as entitled to council tax support by virtue of the general conditions of entitlement where;

- (a) the claimant ceased to be entitled to council tax support because the claimant vacated the dwelling in which the claimant was resident;
- (b) the day on which the claimant vacated the dwelling was either in the week in which entitlement to a qualifying contributory benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying contributory benefit ceased in any of the circumstances listed in paragraph 61.1(b).

**61A.0 Duration of extended reduction period (qualifying contributory benefits)**

61A.1 Where a claimant is entitled to an extended reduction (qualifying contributory benefits), the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the claimant, or the claimant's partner, ceased to be entitled to a qualifying contributory benefit.

61A.2 For the purpose of paragraph 61A.1, a claimant or a claimant's partner ceases to be entitled to a qualifying contributory benefit on the day immediately following the last day of entitlement to that benefit.

61A.3 The extended reduction period ends;

- (a) at the end of a period of four weeks; or
- (b) on the date on which the claimant to whom the extended reduction (qualifying contributory benefits) is payable has no liability for council tax, if that occurs first.

**61B.0 Amount of extended reduction (qualifying contributory benefits)**

61B.1 For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) payable to a claimant shall be the higher of;

- (a) the amount of council tax support to which the claimant was entitled under the general conditions of entitlement in the last reduction week before the claimant or the claimant's partner ceased to be entitled to a qualifying contributory benefit;
- (b) the amount of council tax support to which the claimant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 61 (extended reductions (qualifying contributory benefits))

- did not apply to the claimant; or
- (c) the amount of council tax support to which the claimant's partner would be entitled under the general conditions of entitlement, if section 61 did not apply to the claimant.

61B.2 Paragraph 61B.1 does not apply in the case of a mover.

61B.3 Where a claimant is in receipt of an extended reduction (qualifying contributory benefits) under this section and the claimant's partner makes a claim for council tax support, no amount of council tax support shall be payable by the appropriate authority during the extended reduction period.

#### **61C.0 Extended reductions (qualifying contributory benefits) – movers**

61C.1 This section applies;

- (a) to a mover; and
- (b) from the Monday following the day of the move.

61C.2 The amount of the extended reduction (qualifying contributory benefit) payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax support which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

61C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from the appropriate authority to–

- (a) the second authority; or
- (b) the mover directly.

61C.4 Where

- (a) a mover, or the mover's partner, makes a claim for council tax support to the second authority after the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit; and
- (b) the mover, or the mover's partner, is in receipt of an extended reduction (qualifying contributory benefits) from the appropriate authority, the second authority shall reduce the weekly amount of council tax support that the mover, or the mover's partner, is entitled to by a sum equal to the amount of the extended reduction (qualifying contributory benefits) until the end of the extended reduction period.

#### **61D.0 Relationship between extended reduction (qualifying contributory benefits) and entitlement to council tax support under the general conditions of entitlement**

61D.1 Where a claimant's council tax support award would have ended when the claimant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 61.1 (b), that award will not cease until the end of the extended reduction period.

61D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 61B.1(a) or 61C.2 (amount of extended reduction– movers).

#### **61E.0 Extended reductions: Movers Generally<sup>21</sup>**

61E.1 Where;

- a. an application is made to a billing authority ("the current authority") for a reduction under this scheme, and

<sup>21</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

- b. the claimant, or the partner of the claimant, is in receipt of an extended reduction from
- c. (i) another billing authority in England;  
(ii) a billing authority in Wales;  
(iii) a local authority in Scotland; or  
(iv) a local authority in Northern Ireland.

the current billing authority must reduce any reduction to which the claimant is entitled under this scheme by the amount of that extended reduction.

#### **62.0 Alternative maximum council tax support (Second Adult Reduction) (Class C)**

- 62.1 Subject to paragraphs 62.2 and 62.3, the alternative maximum council tax support where the conditions are satisfied shall be the amount determined in accordance with Schedule 2.
- 62.2 Subject to paragraph 62.3, where a claimant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the alternative maximum council tax support in his case, the amount determined in accordance with Schedule 2 shall be divided by the number of person who are jointly and severally liable for that tax.
- 62.3 Where a claimant is jointly and severally liable for council tax in respect of a dwelling with only his partner, solely by virtue of section 9, 77 or 77A of the 1992 Act (liability of spouses and civil partners), paragraph 62.2 shall not apply in his case.

#### **63.0 Residents of a dwelling to whom Second Adult Reduction does not apply**

- 63.1 Entitlement to an alternative maximum council tax support (Second Adult Rebate) shall not apply in respect of any person referred to in the following paragraphs namely;
  - (a) a person who is liable for council tax solely in consequence of the provisions of sections 9, 77 and 77A of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
  - (b) a person who is residing with a couple or with the members of a polygamous marriage where the claimant for council tax support is a member of that couple or of that marriage and;
    - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or
    - (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;
  - (c) a person who jointly with the claimant for support falls within the same paragraph of sections 6(2)(a) to (e) or 75(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the claimant;
  - (d) a person who is residing with two or more persons both or all of whom fall within the same paragraph of sections 6(2)(a) to (e) or 75(2)(a) to (e) of the 1992 Act and two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

**Sections 64 – 67**

**Changes of circumstances within Council Tax Support**

**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 support is made and who is otherwise entitled to that support shall be so entitled from the reduction week following the date on which that claim is made or is treated as made.

64.2 Where a person is otherwise entitled to council tax support and becomes liable for the first time for the authority's council tax in respect of a dwelling of which he is a resident in the reduction week in which his claim is made or is treated as made, he shall be so entitled from that reduction week.

**65.0 - 66.0 Not Used****67.0 Date on which change of circumstances is to take effect<sup>22</sup>**

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 an 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 claimant'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 a claimant's partner or their separation, it takes effect on the day the death or separation occurs.

67.6 If two or more changes of circumstances occurring in the same reduction week would, but for this paragraph, take effect in different reduction weeks in accordance with paragraphs (1) to (5) they take effect from the day to which the appropriate paragraph from (2) to (5) above refers, or, where more than one day is concerned, from the earlier day.

67.7 Where the change of circumstances is that income, or an increase in the amount of income, other than a benefit or an increase in the amount of a benefit under the SSCBA, 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

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

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 Support purposes**



**68.0 Who may claim<sup>23</sup>**

- 68.1 In the case of a couple or members of a polygamous marriage an application shall 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 apply, 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 paragraph (2) does not apply to him, an 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 the authority has made an appointment under paragraph (3) or treated a person as an appointee under paragraph (5);
- (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 shall terminate when the authority is notified of the appointment of a person mentioned in paragraph (2).
- 68.5 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 paragraph (3).
- 68.6 Anything required by an 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 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.

**69.0 Procedure by which a person may apply for a reduction under an authority's scheme<sup>24</sup>**

- 69.1 Paragraphs 2 to 8 apply to an application for a reduction under an authority's scheme.
- 69.2 An application may be made—
- (a) in writing,

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<sup>23</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>24</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

- (b) by means of an electronic communication in accordance with Part 4 of Schedule 7 Council Tax Reductions (Prescribed requirements) Regulations 2012 or
  - (c) (where the authority has published a telephone number for the purpose of receiving such applications) by telephone.
- 69.3 (1) An application which is made in writing must be made to the offices of the authority on a properly completed form.  
(2) The form will be provided free of charge by the authority for the purpose.
- 69.4. Where an application received by the authority 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 claimant to complete the defective application or, in the case to which sub-paragraph (b) applies, supply the claimant with the approved form or request further information and evidence.
- 69.5. (1) Where an application made in writing is defective because—
- (a) the form provided by the authority has not been properly completed; or
  - (b) if it is made in writing, but not on the form provided by the authority, and the authority does not consider the application as being in a written form which is sufficient in the circumstances of the case, the authority may request the claimant to complete the defective application or (as the case may be) supply the claimant with the form to complete or request further information or evidence.
- (2) An application made on a form provided by the authority is properly completed if completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.
- 69.6. (1) If an application made by electronic communication is defective the authority will provide the person making the application with an opportunity to correct the defect.  
(2) An application made by electronic communication is defective if the claimant does not provide all the information the authority requires.
- 69.7. 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.
- 69.8. (1) If an application made by telephone is defective the authority will provide the person making the application with an opportunity to correct the defect.  
(2) An application made by telephone is defective if the claimant does not provide all the information the authority requests during the telephone call.
- 69.9 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.
- 69.10 Where a claimant ('C')—
- (a) makes a claim which includes (or which C subsequently requests should include) a period before the claim is made; and
  - (b) from a day, in that period, up to the date when C made the claim (or subsequently requested that the claim should include a past period), C had continuous good cause for failing to make a claim (or request that the claim should include that period), the claim is to be treated as made on the date determined in accordance with paragraph 69.11

69.11 The date is the latest of—

- (a) the first day from which C had continuous good cause;
- (b) the day 1 month before the date the claim was made;
- (c) the day 1 month before the date when C requested that the claim should include a past period.

**69A.0 Date on which a claim 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 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 claimant or his partner, and
  - (ii) the application for a reduction under this scheme 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;

(b) in a case where—

- (i) a claimant 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 claimant 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 to the authority is received at the authority's offices within one month of the date of the change,

the date on which the change takes place;

(c) in a case where—

- (i) the claimant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under this scheme, and
- (ii) where the claimant makes an application for a reduction under this scheme within one month of the date of the death or the separation,

the date of the death or separation;

(d) 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 the claimant following the claimant first notifying, by whatever means, the authority of an intention to make an application, the date of first notification;

(e) in any other case, the date on which the application is received at the offices of the authority.

69A.2 For the purposes only of sub-paragraph (1)(a) 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 the defect in an application by telephone:

- (a) is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority is to 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 is to treat the

application as if it had been duly made in the first instance where it considers it has sufficient information to decide on 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 claimant 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 claimant 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 United Kingdom, 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 this scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority is to 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 United Kingdom, where the claimant is not entitled to a reduction under this 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 this scheme for a period beginning not later than

(a) in the case of an application made by a pensioner, 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 Sub-paragraph (7) applies in the case of 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.

## **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 Evidence and information<sup>25</sup>**

72.1 Subject to paragraph (2), a person who makes an application, or a person to whom a reduction under an authority's scheme has been awarded, shall 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 the authority in order to determine that person's entitlement to, or continuing entitlement to a reduction under its scheme and shall do so within one month of the authority requiring him to do so or such longer period as the authority may consider reasonable.

72.2 Nothing in this paragraph requires a person to furnish any certificates, documents, information or evidence relating to a payment to which sub-paragraph (4) applies.

72.3 Where a request is made under sub-paragraph (1), the authority shall;

- (a) inform the claimant or the person to whom a reduction under its scheme has been awarded of his duty to notify the authority of any change of circumstances; and
- (b) without prejudice to the extent of the duty owed, 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 is to be notified.

72.4 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 16 of Schedule 9 (payments made under certain trusts and certain other payments), other than a payment under the Independent Living Fund (2006);

(c) a payment which is disregarded under paragraph 29(9)(b) or (c) (non-dependant deductions) or paragraph 2(b) or (c) of Schedule 4 (second adult's gross income) other than a payment under the Independent Living Fund (2006).

72.5 Where a claimant or a person to whom a reduction under this 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 claim<sup>26</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 offices of the authority.

73.2 Where the application was made by telephone in accordance with this policy, the amendment

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<sup>25</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>26</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

may also be made by telephone.

- 73.3 Any application amended in accordance with paragraph (1) or (2) will be treated as if it had been amended in the first instance.
- 73.4 A person who has made an application may withdraw it at any time before a decision has been made on it by notice to the offices of the authority.
- 73.5 Where the application was made by telephone in accordance with this policy, the withdrawal may also be made by telephone.
- 73.6 Any notice of withdrawal given in accordance with paragraph (4) or (5) shall have effect when it is received.

**74.0 Duty to notify changes of circumstances<sup>27</sup>**

- 74.1 Subject to paragraphs (2), if at any time between the making of an application to an authority and a decision being made on it there is a change of circumstances which the claimant (or any person acting on his behalf) might reasonably be expected to know might affect his entitlement to, or the amount of, a reduction under that authority's scheme, that person is under a duty to notify that 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.
- 74.2 The duty imposed on a person by sub-paragraph (1) does not extend to notifying changes in;
- (a) the amount of a council tax payable to the authority;
  - (b) the age of the claimant or that of any member of his family;
  - (c) in the case of a claimant on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, or who has an award of universal credit, in circumstances which affect the amount of income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit but not the amount of the reduction under this scheme to which he is entitled, other than the cessation of that entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit.
- 74.3 Notwithstanding paragraph (2)(b) or (c) a claimant is required by 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 ceases to be a child or young person.

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<sup>27</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

**Sections 75- 90**

**Decisions, decision notices and awards of Council Tax Support**

**75.0 Decisions by the authority<sup>28</sup>**

75.1 An authority must make a decision on an application for a reduction under its scheme within 14 days or as soon as reasonably practicable thereafter.

**76.0 Notification of decision<sup>29</sup>**

76.1 The authority must notify in writing any person affected by a decision made by it under this 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 74.1;
- (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 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.

76.4 The written statement referred to in sub-paragraph (3) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.

76.5 For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under this scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (6).

76.6 This sub-paragraph applies to—

- a) the claimant;
- 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 who has power to apply or, as the case may be, receive benefit on the person's behalf; or
  - (iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,
- c) a person appointed by the authority under paragraph 68.2

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<sup>28</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>29</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012



**77.0 Time and manner of granting council tax support<sup>30</sup>**

- 77.1 Where a person is entitled to a reduction under this authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year ("the chargeable year"), the authority must discharge his entitlement;
- (a) by reducing, so far as possible, the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers; or
  - (b) where;
    - (i) such a reduction is not possible; or
    - (ii) such a reduction would be insufficient to discharge the entitlement to a reduction under the authority's scheme; or
    - (iii) the person entitled to the reduction is jointly and severally liable for the council tax and the authority determines that such a reduction would be inappropriate, by making payment to him of the amount of reduction to which he is entitled, rounded where necessary to the nearest penny.
- 77.2 The authority must notify the person entitled to a reduction under this scheme of the amount of that reduction and how his entitlement is to be discharged in pursuance of paragraph (1).
- 77.3 In a case to which paragraph (1)(b) refers;
- (a) if the amount of the council tax for which he remains liable in respect of the chargeable year, after any reduction to which sub-paragraph (1)(a) refers has been made, is insufficient to enable his entitlement to a reduction under the authority's scheme in respect thereof to be discharged, upon the final instalment of that tax becoming due any outstanding reduction;
    - (i) must be paid to that person if he so requires; or
    - (ii) in any other case must (as the authority determines) either be repaid or credited against any subsequent liability of the person to make a payment in respect of the authority's council tax as it has effect for any subsequent year;
  - (b) if that person has ceased to be liable for the authority's council tax and has discharged the liability for that tax, the outstanding balance (if any) of the reduction under the authority's scheme in respect thereof must be paid within 14 days or, if that is not reasonably practicable, as soon as practicable thereafter
  - (c) in any other case, the reduction under the authority's scheme must be paid within 14 days of the receipt of the application at the offices of the authority or, if that is not reasonably practicable, as soon as practicable thereafter.
- 77.4 For the purposes of this paragraph "instalment" means any instalment of the authority's council tax to which regulation 19 of the Council Tax (Administration and Enforcement) Regulations 1992 refers (council tax payments).

**78.0 Persons to whom support is to be paid<sup>31</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 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>30</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>31</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

**79.0 Shortfall in support / reduction<sup>32</sup>**

79.1 Where, on the revision of a decision allowing a reduction under an 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>33</sup>**

80.1 Where the person entitled to any reduction under an authority's 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 support 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 – 90.0 Not used**

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<sup>32</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>33</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

**Sections 91 – 94**

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

**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>34</sup>.

**92.0 Collection of information**

92.1 The authority may receive and obtain information and evidence relating to claims for council tax support, the council may receive or obtain the information or evidence from–

- (a) persons making claims for council tax support;
- (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 support.

**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 support 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 support.

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<sup>34</sup> Data Retention and Investigatory Powers Act 2014 and Data Retention Regulations 2014

**Sections 95 – 98**

**Revisions, Written Statements, Termination of Council Tax Support**

#### **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 here that person is;
- a. a claimant;
  - b. in the case of a person who is liable to make payments in respect of a dwelling and is unable for the time being to act
    - (i) a Deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit or support on his behalf,
    - (ii) in Scotland, a tutor, curator, judicial factor or other guardian acting or appointed in terms of law administering that person's estate, or
    - (iii) an attorney with a general power or a power to receive benefit or support appointed by the person liable to make those payments under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise;
  - c. a person appointed by the authority under this policy;

#### **96.0 Revisions of Decisions**

- 96.1 Subject to the provisions in this policy, 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 policy, the authority may upon request issue a written statement to a person affected to further explain the decision of the authority in relation to Council Tax Support. The request must be received within one month of the date of the notification being issued by the authority.

#### **98.0 Terminations**

- 98.1 The authority may terminate support in whole or in part the Council Tax Support where it appears to the authority that an issue arises whether;
- a. the conditions for entitlement to Council Tax Support are or were fulfilled; or
  - b. a decision as to an award of such a support should be revised or superseded.
- 98.2 The authority may terminate, in whole or in part the Council Tax Support where it appears to the authority that an issue arises whether;
- a. the conditions for entitlement to Council Tax Support are or were fulfilled; or
  - b. a decision as to an award of such a support should be revised or superseded.
- Where the person fails to provide information to the authority as requested in relation to any matter relating to their liability for Council Tax

**Section 99**

**Appeals against the authority's decisions**



**99.0 Procedure by which a person may make an appeal against certain decisions of the authority<sup>35</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>36</sup>.

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<sup>35</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>36</sup> As amended by the Tribunal Procedure (Amendment No 3 ) Rules 2014



**Section 100**

**Procedure for applying for a discretionary reduction**

**100.0 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act<sup>37</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).

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<sup>37</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

**Section 101 – 106A<sup>38</sup>**  
**Electronic Communication**

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<sup>38</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

**101.0 Interpretation**

101.1 In this Part;

“**information**” includes an application, a certificate, notice or other evidence; and  
“**official computer system**” means a computer system maintained by or on behalf of an authority for sending, receiving, processing or storing of any information.

**102.0 Conditions for the use of electronic communication**

102.1 The authority may use an electronic communication in connection with applications for, and awards of, reductions under its scheme.

102.2 A person other than the authority may use an electronic communication in connection with the matters referred to in paragraph (1) if the conditions specified in paragraphs (3) to (6) are satisfied.

102.3 The first condition is that the person is for the time being permitted to use an electronic communication by an authorisation given by means of a direction of the Chief Executive of the authority.

102.4 The second condition is that the person uses an approved method of:

- a. authenticating the identity of the sender of the communication;
- b. electronic communication;
- c. authenticating any application or notice delivered by means of an electronic communication; and
- d. subject to sub-paragraph (7), submitting to the authority any information.

102.5 The third condition is that any information sent by means of an electronic communication is in a form approved for the purposes.

102.6 The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.

102.7 Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.

102.8 In this paragraph “approved” means approved by means of a direction given by the Chief Executive of the authority for the purposes of this section.

**103.0 Use of intermediaries**

103.1 The authority may use intermediaries in connection with;

- a. the delivery of any information by means of an electronic communication; and
- b. the authentication or security of anything transmitted by such means,

and may require other persons to use intermediaries in connection with those matters.

**104.0 Effect of delivering information by means of electronic communication**

104.1 Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of an authority’s scheme on the day the conditions imposed:

- a. by this section; and
- b. by or under an enactment,

are satisfied.

104.2 The authority may determine that any information is to be treated as delivered on a different day (whether earlier or later) from the day provided for in sub-paragraph (1).

104.3 Information may not be taken to have been delivered to an official computer system by means of an electronic communication unless it is accepted by the system to which it is delivered.

**105.0 Proof of identity of sender or recipient of information**

105.1 If it is necessary to prove, for the purpose of any legal proceedings, the identity of:

- a. the sender of any information delivered by means of an electronic communication to an official computer system; or
- b. the recipient of any such information delivered by means of an electronic communication from an official computer system,

the sender or recipient, as the case may be, is to be presumed to be the person whose name is recorded as such on that official computer system.

**106.0 Proof of delivery of information**

106.1 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any information this is presumed to have been the case where;

- (a) any such information has been delivered to the relevant authority, if the delivery of that information has been recorded on an official computer system; or
- (b) any such information has been delivered by the relevant authority, if the delivery of that information has been recorded on an official computer system.

106.2 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any such information, this is presumed not to be the case, if that information delivered to the relevant authority has not been recorded on an official computer system.

106.3 If it is necessary to prove, for the purpose of any legal proceedings, when any such information sent by means of an electronic communication has been received, the time and date of receipt is presumed to be that recorded on an official computer system.

**106A.0 Proof of content of information**

106A.1 If it is necessary to prove, for the purpose of any legal proceedings, the content of any information sent by means of an electronic communication, the content is presumed to be that recorded on an official computer system.

**Section 107**  
**Counter Fraud and Compliance**

**107.0 Counter Fraud and compliance**

107.1 In order to protect the finances of the authority and also in the interests of all council taxpayers, the authority will undertake such actions as allowed by law to;

- a. Prevent and detect fraudulent claims and actions in respect of Council Tax Support;
- 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 support;
- 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 policy;
- d. will co-operate with the Department for Work and Pensions (DWP), Her Majesty's Revenues and Customs and take part in joint working including prosecutions; and
- e. will in all cases seek to recover all outstanding council tax.

107.3 The authority shall put into place such administrative policies, procedures and processes as are necessary to ensure that the actions outlined within paragraph 107.1 and 107.2 can be carried out successfully. In particular the authority shall undertake actions provided by the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.

**Schedule 1**  
**Applicable Amounts<sup>39</sup>**

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<sup>39</sup> The amounts shown within this schedule shall be updated in line with the Housing Benefit Regulations 2006 as amended



### Personal Allowance

- 1 The amounts specified in column (2) below in respect of each person or couple specified in column (1) shall be the amounts specified for the purposes the main scheme;

Column 1 Person or Couple	Column 2
1. A Single applicant who; a) is entitled to main phase employment and support allowance	£73.10
b) is aged not less than 25	£73.10
c) is aged not less than 18 but less than 25	£57.90
2. Lone Parent	£73.10
3. Couple; a) Where the applicant is entitled to the main phase of employment and support allowance	£114.85
b) Where one member is aged not less that 18	£114.85
c) Polygamous Addition	£41.75

For the purposes of paragraph 1 an applicant is entitled to main phase employment and support allowance if;

- a. Paragraph 17 or 18 is satisfied in relation to the applicant; or
- b. The applicant is entitled to a converted employment and support allowance

- 2 (1) The amount specified in column (2) below in respect of each person specified in column (1) shall, for the relevant period specified in column (1), be the amounts specified for the purposes of the main scheme

Column 1 Child or Young Person	Column 2
Person in respect of the period– (a) beginning on that person’s date of birth and ending on the day preceding the first Monday in September following that person’s sixteenth birthday;	£66.90
(b) beginning on the first Monday in September following that person’s sixteenth birthday and ending on the day preceding that person’s twentieth birthday whose date of birth falls before 1 <sup>st</sup> April 2017	£66.90
(c) third or subsequent dependent child or young person whose date of birth falls on or after 1 <sup>st</sup> April 2017	NIL

(2) In column (1) of the table in paragraph (1), “the first Monday in September” means the Monday which first occurs in the month of September in any year.

### Family Premiums

3. (1) The amount for the purposes of this scheme in respect of a family of which at least one member is a child or young person shall be
- a. where the applicant is a lone parent to whom sub-paragraph (3) of Schedule 3 of the Housing Benefit Regulations 2006 applies, £22.20;
  - b. in any other case, £17.45;

- c. **No family premium will be awarded where an application for reduction is received on or after 1<sup>st</sup> April 2017.**
- i) Sub paragraph (c) shall not apply to a person who, on 31<sup>st</sup> March 2017, is entitled to Council Tax Reduction and is:
- a. a member of a family of which at least one member is a child or young person;  
or
  - b. a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.
- (c) (i) above does not apply if—
- (a) sub-paragraph 3 c (i) (a) or (b) of that paragraph ceases to apply; or
  - (b) the person makes a new claim for Council Tax Reduction;

#### **Premiums**

4. Except as provided in paragraph 5, the premiums specified this Schedule shall, for the purposes of this scheme, be applicable to an applicant who satisfies the condition specified in paragraphs 4 to 16 in respect of that premium.
5. Subject to paragraph 6, where an applicant satisfies the conditions in respect of more than one premium in this this Schedule, only one premium shall be applicable to him and, if they are different amounts, the higher or highest amount shall apply.
- 6 (1) The following premiums, namely—
- a. severe disability premium to which paragraph 10 applies;
  - b. an enhanced disability premium to which paragraph 11 applies;
  - c. a disabled child premium to which paragraph 12 applies; and a
  - d. carer premium to which paragraph 13 applies,
- may be applicable in addition to any other premium which may apply under this Schedule
7. (1) Subject to sub-paragraph (2), for the purposes of this Schedule, once a premium is applicable to an applicant under this Part, a person shall be treated as being in receipt of any benefit for
- a. in the case of a benefit to which the Social Security (Overlapping Benefits) Regulations 1979 applies, any period during which, apart from the provisions of those Regulations, he would be in receipt of that benefit; and
  - b. any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the 1973 Act or by Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise under or section 2 of the Enterprise and New Towns(Scotland) Act 1990 for any period during which he is in receipt of a training allowance.
- (2) For the purposes of the carer premium, a person shall be treated as being in receipt of carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the Act or the daily living component of the personal independence payment under the Welfare Reform Act 2012 or an AFIP.

#### **Disability Premium**

8. The condition (s) to be met is contained in Schedule 3 (12) Housing Benefit Regulations 2006

#### **Additional Condition for the Disability Premiums**

9. The condition (s) to be met is contained in Schedule 3 (13) Housing Benefit Regulations 2006

**Severe Disability Premiums**

10. The condition (s) to be met is contained in Schedule 3 (14) Housing Benefit Regulations 2006

**Enhanced Disability Premium**

11. The condition (s) to be met is contained in Schedule 3 (15) Housing Benefit Regulations 2006

**Disabled Child Premium**

12. The condition (s) to be met is contained in Schedule 3 (16) Housing Benefit Regulations 2006

**Carer Premium**

13. The condition (s) to be met is contained in Schedule 3 (17) Housing Benefit Regulations 2006

**Persons in receipt of concessionary payments**

14. For the purpose of determining whether a premium is applicable to a person under paragraphs 8 to 13, any concessionary payment made to compensate that person for the non-payment of any benefit mentioned in those paragraphs shall be treated as if it were a payment of that benefit.

**Persons in receipt of benefit for another**

15. For the purposes of this Schedule, a person shall be regarded as being in receipt of any benefit if, and only if, it is paid in respect of him and shall be so regarded only for any period in respect of which that benefit is paid.

**Amounts of Premium**

16. For the purposes of this Schedule, the following amounts shall apply;

Premium	Amount
<b>Disability Premium</b>	£32.25
a. where the applicant satisfies the condition in paragraph 12(a) of Schedule 3 Housing Benefit Regulations 2006	
b. where the applicant satisfies the condition in paragraph 12(b) of Schedule 3 Housing Benefit Regulations 2006	£45.95
<b>Severe Disability Premium</b>	£61.85
a. where the applicant satisfies the condition in paragraph 14(2)(a) of Schedule 3 Housing Benefit Regulations 2006	
b. where the applicant satisfies the condition in paragraph 14(2)(b) of Schedule 3 Housing Benefit Regulations 2006	£61.85
i. in a case where there is someone in receipt of carer's allowance or universal credit carers element or if he or any partner satisfies that condition only by virtue of paragraph 14(5);	
ii. in a case where there is no one in receipt of such an allowance	£123.70
<b>Disabled Child Premium</b>	£60.06 in respect of each child or young person in respect of whom the condition specified in paragraph 16 of Part 3 of Schedule 3 Housing Benefit Regulations 2006
<b>Carer Premium</b>	£34.60 in respect of each person who satisfies the condition specified in paragraph 17 of Part 3

	of Schedule 3 Housing Benefit Regulations 2006
<b>Enhanced Disability Premium</b>	<p>(a) £24.43 in respect of each child or young person in respect of whom the conditions specified in paragraph 15 of Part 3 of Schedule 3 Housing Benefit Regulations 2006 are satisfied;</p> <p>(b) £15.75 in respect of each person who is neither—</p> <p>(i) a child or young person; nor</p> <p>(ii) a member of a couple or a polygamous marriage, in respect of whom the conditions specified in paragraph 15 are satisfied;</p> <p>(c) £22.60 where the applicant is a member of a couple or a polygamous marriage and the conditions specified in paragraph 15 of Part 3 of Schedule 3 Housing Benefit Regulations 2006 are satisfied in respect of a member of that couple or polygamous marriage.</p>

**The components**

17. The condition (s) to be met is contained in Schedule 3 (21 -24) Housing Benefit Regulations 2006 as amended by the Social Security (Miscellaneous Amendments) Regulations 2013
18. The amount of the work-related activity component is £29.05. The amount of the support component is £36.20. The component **will not** apply where the applicant has been awarded Employment and Support Allowance on or after 1<sup>st</sup> April 2017 **and** been placed in the Work Related Activity Group

**Transitional Addition**

19. The applicant is entitled to the transitional addition calculated in accordance with paragraph 30 of Schedule 3 of the Housing Benefit Regulations 2006 where the applicant or the applicant's partner meets the conditions contained within paragraphs 27 – 29 of Schedule 3 of the Housing Benefit Regulations 2006

**Amount of transitional addition**

20. The amount of any transitional addition is calculated in accordance with paragraphs 30 and 31 of Schedule 3 of the Housing Benefit Regulations 2006

**Schedule 2**  
**Second Adult Rebate**  
**(Alternative Maximum Council Tax Support)**

1. Subject to paragraphs 2 and 3, the alternative maximum council tax support in respect of a day for the purpose of section 62 shall be determined in accordance with the following Table and in this Table
  - a) 'second adult' means any person or persons residing with the claimant; and
  - (b) 'persons to whom paragraph 45.2 applies' includes any person to whom that section would apply were they, and their partner if they had one, below the qualifying age for state pension credit.
  
2. In this Schedule 'council tax due in respect of that day' means the council tax payable under section 10 or 78 of the 1992 Act less–
  - (a) any reductions made in consequence of any enactment in, or under, the 1992 Act; and
  - (b) in a case to which sub-paragraph (c) in column (1) of the table below applies, the amount of any discount which may be appropriate to the dwelling under the 1992 Act.

<b>Second Adult</b>	<b>Alternative Maximum Council Tax Reduction</b>
(a) Where the second adult or all second adults are in receipt of income support, an income-related employment and support allowance or state pension credit or are persons on an income-based jobseeker's allowance;	25 per cent of the council tax due in respect of that day;
(b) where the gross income of the second adult or, where there is more than one second adult, their aggregate gross income disregarding any income of persons on income support, an income-related employment and support allowance, state pension credit or an income-based jobseeker's allowance–	<p>is less than £193.00 per week; - 15 per cent of the council tax due in respect of that day;</p> <p>is not less than £193.00 per week but less than £250.00 per week; - 7.5 per cent of the council tax due in respect of that day;</p>
(c) where the dwelling would be wholly occupied by one or more persons to whom regulation 43.1 applies but for the presence of one or more second adults who are in receipt of income support, state pension credit, an income-related employment and support allowance or are persons on an income-based jobseeker's allowance	100 per cent. of the council tax due in respect of that day.

3. In determining a second adult's gross income for the purposes of this Schedule, there shall be disregarded from that income;
  - (a) any attendance allowance, or any disability living allowance under section 71 of the Act or any personal independence payment under the Welfare Reform Act 2012;
  - (b) any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006) which had his income fallen to be calculated under section 30 (calculation of income other than



- earnings) would have been disregarded under paragraph 24 of Schedule 4 (income in kind); and
- (c) any payment which had his income fallen to be calculated under section 30 would have been disregarded under paragraph 36 of Schedule 4 (payments made under certain trusts and certain other payments).
4. Where there are two or more second adults residing with the claimant for support and any such second adult falls to be disregarded for the purposes of discount in accordance with Schedule 1 of the 1992 Act, his income shall be disregarded in determining the amount of any alternative maximum council tax support, unless that second adult is a member of a couple and his partner does not fall to be disregarded for the purposes of discount.

**Schedule 3**

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



1. In the case of a claimant who has been engaged in remunerative work as an employed earner or, had the employment been in Great Britain, would have been so engaged—
  - (a) where—
    - (i) the employment has been terminated because of retirement; and
    - (ii) on retirement he is entitled to a retirement pension under the Act, or is not so entitled solely because of his failure to satisfy the contribution conditions,  
any earnings paid or due to be paid in respect of that employment, but only for a period commencing on the day immediately after the date on which the employment was terminated;
  - (b) where before the first day of entitlement to council tax support the employment has been terminated otherwise than because of retirement, any earnings paid or due to be paid in respect of that employment except—
    - (i) any payment of the nature described in  
(aa) paragraph 25.1(e), or  
  
(bb) section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds);  
and
    - (ii) any award, sum or payment of the nature described in  
  
(aa) paragraph 25.1(g) or (h), or  
(bb) section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals),  
including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;
  - (c) where before the first day of entitlement to council tax support—
    - (i) the employment has not been terminated, but
    - (ii) the claimant is not engaged in remunerative work,  
  
any earnings paid or due to be paid in respect of that employment except any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii) (bb) or paragraph 25.1(i), or (j).
2. In the case of a claimant who, before first day of entitlement to council tax support;
  - (a) has been engaged in part-time employment as an employed earner or, where the employment has been outside Great Britain, would have been so engaged had the employment been in Great Britain; and
  - (b) has ceased to be engaged in that employment, whether or not that employment has been terminated,  
any earnings paid or due to be paid in respect of that employment except;
    - (i) where that employment has been terminated, any payment of the nature described in paragraph 1(b)(i) or (ii)(bb);
    - (ii) where that employment has not been terminated, any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) or paragraph 25.1(i), (i) or (j).
- 2A. In the case of a claimant who has been engaged in remunerative work or part-time employment as a self-employed earner or, had the employment been in Great Britain would have been so engaged and who has ceased to be so employed, from the date of the cessation

of his employment any earnings derived from that employment except earnings to which paragraph 27.3 and paragraph 27.4 (earnings of self-employed earners) apply.

3. (1) In a case to which this paragraph applies and paragraph 4 does not apply, £30; but notwithstanding section 15 (calculation of income and capital of members of a claimant's family and of a polygamous marriage) if this paragraph applies to a claimant it shall not apply to his partner except where, and to the extent that, the earnings of the claimant which are to be disregarded under this paragraph are less than £30.
- (2) This paragraph applies where the claimant's applicable amount includes an amount by way of the disability premium, severe disability premium, work-related activity component or support component.
- (3) This paragraph applies where
  - (a) the claimant is a member of a couple and his applicable amount includes an amount by way of the disability premium; and
  - (b) he or his partner has not attained the qualifying age for state pension credit and at least one is engaged in employment.
- (4)–(5) Not used
4. In a case where the claimant is a lone parent, £35.
5. (1) In a case to which neither paragraph 3 nor paragraph 4 applies to the claimant and, subject to sub-paragraph (2), where the claimant's applicable amount includes an amount by way of the carer premium, £30 of the earnings of the person who is, or at any time in the preceding eight weeks was, in receipt of carer's allowance or treated in accordance with this policy as being in receipt of carer's allowance.
- (2) Where the carer premium is awarded in respect of the claimant and of any partner of his, their earnings shall for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) shall not exceed £30 of the aggregated amount.
6. Where the carer premium is awarded in respect of a claimant who is a member of a couple and whose earnings are less than £30, but is not awarded in respect of the other member of the couple, and that other member is engaged in an employment;
  - (a) specified in paragraph 8(1), so much of the other member's earnings as would not when aggregated with the amount disregarded under paragraph 5 exceed £30;
  - (b) other than one specified in paragraph 8(1), so much of the other member's earnings from such other employment up to £20 as would not when aggregated with the amount disregarded under paragraph 5 exceed £30.
7. In a case where paragraphs 3, 5, 6 and 8 do not apply to the claimant and he is one of a couple and a member of that couple is in employment, £20; but, notwithstanding section 15 (calculation of income and capital of members of claimant's family and of a polygamous marriage), if this paragraph applies to a claimant it shall not apply to his partner except where, and to the extent that, the earnings of the claimant which are to be disregarded under this paragraph are less than £20.
8. (1) In a case where paragraphs 3, 4, 5 and 6 do not apply to the claimant, £30 of earnings derived from one or more employments as–
  - (a) as a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;
  - (b) a part-time fire-fighter employed by a fire and rescue authority (as defined in

section 1 of the Fire (Scotland) Act 2005) or a joint fire and rescue board constituted by an amalgamation scheme made under section 2(1) of that Act;

- (c) an auxiliary coastguard in respect of coast rescue activities;
- (d) a person engaged part-time in the manning or launching of a life boat;
- (e) a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001;

but, notwithstanding section 15 (calculation of income and capital of members of claimant's family and of a polygamous marriage), if this paragraph applies to a claimant it shall not apply to his partner except to the extent specified in sub-paragraph (2).

- (2) If the claimant's partner is engaged in employment;
  - (a) specified in sub-paragraph (1), so much of his earnings as would not in aggregate with the amount of the claimant's earnings disregarded under this paragraph exceed £30;
  - (b) other than one specified in sub-paragraph (1), so much of his earnings from that employment up to £20 as would not in aggregate with the claimant's earnings disregarded under this paragraph exceed £30.

9. Where the claimant is engaged in one or more employments specified in paragraph 8(1), but his earnings derived from such employments are less than £30 in any week and he is also engaged in any other employment so much of his earnings from that other employment, up to £15 if he is a single claimant, or up to £20 if he has a partner, as would not in aggregate with the amount of his earnings disregarded under paragraph 8 exceed £30.

10. In a case to which none of the paragraphs 3 to 9 applies, £15.

10A. (1) Where;

- (a) the claimant (or if the claimant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;
- (b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and
- (c) paragraph 12 does not apply,

the amount specified in sub-paragraph (7) ('the specified amount').

(2) Where this paragraph applies, paragraphs 3 to 10 do not apply; but in any case where the claimant is a lone parent, and the specified amount would be less than the amount specified in paragraph 4, then paragraph 4 applies instead of this paragraph.

(3) Notwithstanding section 15 (calculation of income and capital of members of claimant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple ('A') it shall not apply to the other member of that couple ('B') except to the extent provided in sub-paragraph (4).

(4) Where A's earnings are less than the specified amount, there shall also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £30 unless the Secretary of State is satisfied that B is also undertaking exempt work.

(5) This sub-paragraph applies to a person who is;

- (a) in receipt of a contributory employment and support allowance;
- (b) in receipt of incapacity benefit;
- (c) in receipt of severe disablement allowance; or
- (d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975

(6) 'Exempt work' means work of the kind described in;

- (a) regulation 45(2), (3) or (4) of the Employment and Support Allowance

Regulations; or (as the case may be)

(b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,

and, in determining for the purposes of this paragraph whether a claimant or a member of a couple is undertaking any type of exempt work, it is immaterial whether that person or their partner is also undertaking other work.

(7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

**11.** Any amount or the balance of any amount which would fall to be disregarded under paragraph 19 or 20 of Schedule 4 had the claimant's income which does not consist of earnings been sufficient to entitle him to the full disregard thereunder.

**12.** Where a claimant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, his earnings.

**13.** Any earnings derived from employment, which are payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of those earnings.

**14.** Where a payment of earnings is made in a currency other than Sterling, any banking charge or commission payable in converting that payment into Sterling.

**15.** Any earnings of a child or young person.

**16.** (1) In a case where the claimant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under paragraphs 3 to 10A of this Schedule shall be increased by £17.10.

(2) The conditions of this sub-paragraph are that—

(a) the claimant, or if he is a member of a couple, either the claimant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit Regulations applies; or

(b) the claimant—

(i) is, or if he is a member of a couple, at least one member of that couple is aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or

(ii) is a member of a couple and

(aa) at least one member of that couple, is engaged in remunerative work for on average not less than 16 hours per week; and

(bb) his applicable amount includes a family premium; or

(iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or

(iv) is, or if he is a member of a couple, at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and;

(aa) the claimant's applicable amount includes a disability premium, the work-related activity component or the support component ;

(bb) where he is a member of a couple, at least one member of that couple satisfies the qualifying conditions for the disability premium or either of the components referred to in sub-head (aa) above and is engaged in remunerative work for on average not less than 16 hours per week; or

(c) the claimant is, or if he has a partner, one of them is, a person to whom regulation 18(3) of the Working Tax Credit Regulations (eligibility for 50 plus element) applies, or would apply if an application for working tax credit were to be made in his case.

- (3) The following are the amounts referred to in sub-paragraph (1);
- (a) the amount calculated as disregardable from the claimant's earnings under paragraphs 3 to 10A of this Schedule;
  - (b) the amount of child care charges calculated as deductible under paragraph 17(1)(c); and
  - (c) £17.10
- (4) The provisions of section 6 shall apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in paragraph (1) of that section were a reference to 30 hours.
- 17.** In this Schedule 'part-time employment' means employment in which the person is engaged on average for less than 16 hours a week.

**Schedule 4**

**Sums to be disregarded in the calculation of income other than earnings**

- 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 claimant 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 a claimant 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 (notional income).
- 2A.** Any payment in respect of expenses arising out of the applicant's participation as a service user.
- 3.** In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.
- 4.** Where a claimant 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 claimant 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 claimant's income.
- 6.** Where the claimant, or the person who was the partner of the claimant 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.
- 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 claimant 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
  - (d) (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 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 claimant 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 **(b)** 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 a claimant 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 claimant or, where the claimant is a member of a family, any other member of his family, or any council tax or water charges for which that claimant 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 claimant;
    - (d) a payment under an annuity purchased;
      - (i) pursuant to any agreement or court order to make payments to the claimant; or
      - (ii) from funds derived from a payment made, in consequence of any personal injury to the claimant; 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 claimant in consequence of any personal injury to the claimant.



- (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 claimant, or a former partner of any member of the claimant’s family; or
  - (b) the parent of a child or young person where that child or young person is a member of the claimant’s family.
- 16.** 100% of a) and b) and , £10 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 and, if the amount of that payment has been abated to less than £10 by a pension or payment falling within article 31(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005, so much of that pension or payment as would not, in aggregate with the amount of any guaranteed income payment disregarded, exceed £10;
  - (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 claimant 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 claimant 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 claimant 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(c), 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 claimant 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 claimant 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 claimant 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 claimant by a child or young person or a non-dependant.
- 22.** Where the claimant 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 claimant 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 claimant 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 claimant which is used by the third party to provide benefits in kind to the claimant.
- 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 claimant 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 claimant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
- 27.** Any payment made to the claimant 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 claimant or his partner for a person ('the person concerned'), who is not normally a member of the claimant'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 claimant.
- (2) Sub-paragraph (1) applies only where A;
- (a) was formerly in the claimant's care, and
  - (b) is aged 18 or over, and
  - (c) continues to live with the claimant.
- 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 claimant 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 claimant 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 a claimant'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 claimant'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 claimant'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 claimant'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 claimant'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 claimant'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.

**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 a claimant's applicable amount includes an amount by way of a family premium, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the claimant's former partner, or the claimant'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 claimant's family, except where the person making the payment is the claimant or the claimant'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 claimant 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 claimant's family.

(2) If the claimant 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 claimant'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 support or council tax benefit to which the claimant is entitled.

**56.** Except in a case which falls under sub-paragraph (1) of paragraph 16 of Schedule 3, where the claimant 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 claimant or where the claimant is a member of a family, any other member of his family, or any council tax or water charges for which that claimant 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 a claimant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the claimant, 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 claimant or his partner relating to a service which is provided to develop or sustain the capacity of the claimant or his partner to live independently in his accommodation.  
(2) For the purposes of sub-paragraph (1) 'local authority' includes, in England, a county council.
- 64.** Not used
- 65.** Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)
- 66.** Any payment of child benefit.



**Schedule 5**  
**Capital to be disregarded**

1. The dwelling together with any garage, garden and outbuildings, normally occupied by the claimant 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 claimant's family and of polygamous marriage), only one dwelling shall be disregarded under this paragraph.
- A2. Any payment made to the claimant 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 claimant, 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 claimant 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 claimant 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 claimant to complete the purchase.
4. Any premises occupied in whole or in part—
  - (a) by a partner or relative of a single claimant 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 claimant as his home; but this provision shall not apply where the former partner is a person from whom the claimant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.
5. Where a claimant 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 claimant 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 claimant's capital.
7. Any future interest in property of any kind, other than land or premises in respect of which the claimant 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 claimant 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 claimant 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 support 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 where such payment is made as a result of a change of circumstances.
  - (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 claimant 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 support, 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 support' 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 claimant;
    - (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 claimant 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 claimant (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 claimant to complete the purchase.
- 12.** Any personal possessions except those which have been acquired by the claimant with the intention of reducing his capital in order to secure entitlement to council tax support 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 claimant or claimant'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 claimant or the claimant's partner in consequence of any personal injury to the claimant or, as the case may be, the claimant's partner.
- (2) But sub-paragraph (1)
- (a) applies only for the period of 52 weeks beginning with the day on which the claimant 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 claimant 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 claimant.
- (3) For the purposes of sub-paragraph (2)(c), the circumstances in which a claimant no longer possesses a payment or a part of it include where the claimant has used a payment or part of it to purchase an asset.
- (4) References in sub-paragraphs (2) and (3) to the claimant 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 claimant.

(2) Sub-paragraph (1) applies only where A;

- (a) was formerly in the claimant's care, and
- (b) is aged 18 or over, and (c) continues to live with the claimant.

- 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 claimant'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 claimant'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 claimant'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 claimant'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 a claimant 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 claimant 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 claimant 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 claimant 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 claimant 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 claimant 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 claimant 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 claimant to commence occupation of those premises as his home.
- 39.** Any arrears of supplementary pension which is disregarded under paragraph 53 of Schedule 4 (sums to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 54 or 55 of that Schedule, but only for a period of 52 weeks from the date of receipt of the arrears.
- 40.** (1) Any payment or repayment made—
- (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
  - (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
  - (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies),
- but only for a period of 52 weeks from the date of receipt of the payment or repayment.
- (2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment, or repayment mentioned in sub-paragraph (1), but only for a period of 52 weeks from the date of the receipt of the

payment or repayment.

- 41.** Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins), but only for a period of 52 weeks from the date of receipt of the payment.
- 41A.** Any payment made under Part 8A of the Act (entitlement to health in pregnancy grant).
- 42.** Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.
- 43.** Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
- 44.** Not used
- 45.** Any payment made by a local authority under section 3 of the Disabled Persons (Employment) Act 1958 to homeworkers assisted under the Blind Homeworkers' Scheme.
- 46.** (1) Subject to sub-paragraph (2), where a claimant satisfies the conditions in section 131(3) and (6) of the Act (entitlement to alternative maximum council tax support), the whole of his capital.  
(2) Where in addition to satisfying the conditions in section 131(3) and (6) of the Act the claimant also satisfies the conditions in section 131(4) and (5) of the Act (entitlement to the maximum council tax support), sub-paragraph (1) shall not have effect.
- 47.** (1) Any sum of capital to which sub-paragraph (2) applies and  
(a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 (as amended by the Civil Procedure (Amendment No. 7) Rule 2013) or by the Court of Protection;  
(b) which can only be disposed of by order or direction of any such court; or  
(c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.  
(2) This sub-paragraph applies to a sum of capital which is derived from;  
(a) an award of damages for a personal injury to that person; or  
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.
- 48.** Any sum of capital administered on behalf of a person in accordance with an order made under section 13 of the Children (Scotland) Act 1995, or under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules, where such sum derives from  
(a) award of damages for a personal injury to that person; or  
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.
- 49.** Any payment to the claimant 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 claimant or, where the claimant is a member of a family, any other member of his family, or any council tax or water charges for which that claimant 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(a);  
(ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980(b);  
(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 the Education Act 2002; 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 a claimant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the claimant, 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 claimant;  
(b) the claimant's partner;  
(c) the claimant's deceased spouse or deceased civil partner; or  
(d) the claimant'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 a claimant or a member of a claimant'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 a claimant or a member of a claimant'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 claimant, the claimant’s partner, the claimant’s deceased spouse or deceased civil partner or the claimant’s partner’s deceased spouse or deceased civil partner
- (a) was a slave labourer or a forced labourer;
  - (b) had suffered property loss or had suffered personal injury; or
  - (c) was a parent of a child who had died,
- during the Second World War.
- 59** (1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the claimant or his partner relating to a service, which is provided to develop or sustain the capacity of the claimant 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 claimant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
- 62.** Any payment made to the claimant 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)

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## **Revenues & Benefits**

Council Tax Support – a summary scheme for pension credit age persons and the scheme for working age claimants

November 2016

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## **Introduction**

The Council Tax Support scheme provides local support to people on low incomes.

Central Government has decided that pensioners will be protected (persons who are of an age where they can claim pension credit) and the amount of help they receive under the Council Tax Support scheme is broadly the same and operates in a similar way to the previous council tax benefit system

The rules of the Council Tax Support scheme divide the persons who can claim support into various classes. The classes or groups are set by Central Government for pensioners and the classes or groups for working age applicants are set by the Council.

The following section shows the classes that are to be in place from 1st April 2017.

## **The Council Tax Support scheme for pensioners (persons who have reached the age at which pension credit can be claimed)**

The Government has created three classes and the Council will decide which class each applicant is in. The class will determine the level of Council Tax Support that can be provided:

### **Class A**

To obtain support the person must:

- a) Have attained the qualifying age for state pension credit;
- b) Not be somebody with a partner of working age in receipt of income support, income based jobseeker's allowance or income based employment and support allowance;
- c) Be liable to pay council tax in respect of a dwelling in which they are resident;
- d) Not have capital savings above £16,000;
- e) Must have their assessed income less than or equal to the set living allowances (applicable amounts) set by Central Government; and
- f) Have made a valid application for the support.

The class also includes persons who have successfully claimed pension credit guarantee.

### **Class B**

To obtain support the person must:

- a) Have attained the qualifying age for state pension credit;
- b) Not be somebody with a partner of working age in receipt of income support, income based jobseeker's allowance or income based employment and support allowance;
- c) Be liable to pay council tax in respect of a dwelling in which they are resident;
- d) Not have capital savings above £16,000;
- e) Have made a valid application for the scheme; and
- f) Have assessed income above the set living allowances (applicable amounts) set by Central Government.

### **Class C**

To obtain support the person must:

- a) Have attained the qualifying age for state pension credit;
- b) Not be somebody with a partner of working age in receipt of income support, income based jobseeker's allowance or income based employment and support allowance;
- c) Be liable to pay council tax in respect of a dwelling in which they are resident;
- d) Made a valid application for the scheme;
- e) Be somebody who has at least one second adult living with them who is not his/her partner, not somebody who pays rent, and who is on a prescribed low wage and/or prescribed benefit, as set out by Central Government.

## **What Council Tax Support will be payable to pension age persons?**

If a person matches the criteria in class A, including that their income is less than their living allowances (applicable amounts) that person qualifies for 100% reduction on their council tax liability, (net of any council tax discounts, such as single person discount), adjusted down for any non-dependent deductions. This also applies if a person is in receipt of state pension credit guarantee credit from the Pensions Service.

If a person matches the criteria in class B, it will mean the person's income is greater than their applicable amount (living allowances). Twenty per cent of the difference between the two will be subtracted from this individual's council tax liability (net of any council tax discounts, such as single person discount), adjusted down for any non-dependent deductions.

Council Tax Support for person in class C may be awarded in respect of a second adult sharing the household who would normally be expected to contribute towards the council tax bill, but who cannot afford to do so, based on their low income or on prescribed benefits. This reduction will equate to the second adult rebate available under the council tax benefit scheme and may be awarded at 100%, 25%, 15% or 7.5% of the council tax liability, depending on individual circumstances.

## **The Council Tax Support scheme for working age persons**

The Council has decided that there will be three classes and they will decide which class each applicant is in. The class will determine the level of Council Tax Support that can be provided:

### **Class A**

To obtain support the individual (or their partner) must:

- a) Have not attained the qualifying age for state pension credit; or
- b) Has attained the qualifying age for state pension credit if he, and/or his partner, is a person on income support, on an income based jobseeker's allowance or on an income related employment and support allowance.
- c) Be liable to pay council tax in respect of a dwelling in which he is solely or mainly resident;
- d) Not have capital savings above the capital limit;
- e) Be a person who's income is less than their living allowances (applicable amount) or the claimant or partner is in receipt of income support, jobseekers allowance (income based) or employment and support allowance (income related); and
- f) Have made a valid claim for support.

### **Class B**

To obtain support the individual (or their partner) must:

- a) Have not attained the qualifying age for state pension credit;
- b) Be liable to pay council tax in respect of a dwelling in which they are solely or mainly resident;
- c) Be somebody in respect of whom a maximum council tax support amount can be calculated;
- d) Not have capital savings above the capital limit;
- e) Be a person who's income is more than their living allowances (applicable amount);
- f) Have made a valid claim for support.

### **Class C**

To obtain support the individual must:

- a) Have not attained the qualifying age for state pension credit;
- b) Be liable to pay council tax in respect of a dwelling in which they are solely or mainly resident;
- c) Have made a valid claim for support:
- d) Be somebody, who has at least one second adult living with them who is not his partner, not somebody who pays rent, and who is on a prescribed low wage and/or a prescribed benefit.

## **What Council Tax Support will be payable to working age person?**

If a person matches the criteria in class A, including that their income is less than their living allowance (applicable amounts) that person qualifies for 80% reduction on their council tax liability (less any non dependant's deductions). This also applies if a person in receipt of income support, on an income based jobseeker's allowance or on an income related employment and support allowance

If a person matches the criteria in class B, it will mean the person's income is greater than their living allowances (applicable amount). A percentage - called a taper - of the difference between the two will be subtracted from the maximum council tax liability allowed. The Council has decided that for 2017/18, the maximum council tax liability will be 80% of council tax the person is liable to pay (less any non dependant's deductions).

Council Tax Support for person in class C may be awarded in respect of a second adult sharing the household who would normally be expected to contribute towards the council tax bill, but who cannot afford to do so, based on their low income or on prescribed benefits. This reduction will equate to the second adult rebate available under the Council Tax Benefit scheme and may be awarded at 100%, 25%, 15% or 7.5% of the maximum council tax liability allowable by the Council, depending on individual circumstances.

## **How Council Tax Support works**

### **Who can claim?**

If you have to pay council tax, you may be able to get Council Tax Support.

You can only get support if you have a right to reside and are habitually resident in the United Kingdom. If you have entered the UK within the 2 years before your claim for support, the council will ask you about this.

People given refugee status, humanitarian protection or exceptional leave to remain in the United Kingdom will continue to be eligible for support.

Most full-time students are not entitled to Council Tax Support.

### **How much Council Tax Support can I get?**

Maximum Council Tax Support depends on:

- Whether you are in the pension age scheme (attained the qualifying age for state pension credit) or are in the working age scheme;
- How much council tax you have to pay; and
- Who you live with.

### **How is maximum Council Tax Support calculated for the pension age scheme?**

For the pension age scheme the maximum Council Tax Support is set by the Government as up to 100% of the council tax you are liable to pay less any non dependant deductions (see non dependant deductions later in this document).

### **How is maximum Council Tax Support calculated for the working age scheme?**

For the working age scheme the maximum Council Tax Support is set by the Council as up to 80% of the council tax you are liable to pay less any non dependant deductions (see non dependant deductions later in this document).

## **Extended payments**

If your income support, income based jobseeker's allowance or income related employment & support allowance or incapacity benefit, severe disablement allowance or contributory employment & support allowance stops because of work.

Extended payments of Council Tax Support are available and the payment is an extra four weeks of support to help pay towards your council tax because you're going back to work, working more hours or earning more money.

You do not have to claim an extended payment if you or your partner, or civil partner (and they remain a partner throughout the claim) have stopped getting one of the benefits mentioned below because one of you is expected to do one of the following for five weeks or more:

- Return to work full time;
- Work more hours;
- Earn more money.

And you've been getting one of the following:

- Jobseeker's allowance, income support, or income related employment support allowance or a combination of these benefits continuously for at least 26 weeks; or
- Incapacity benefit, severe disablement allowance or contributory employment & support allowance continuously for at least 26 weeks; and
- You expect the work, increased hours or earnings to last five weeks or more and you've not been getting income support, income based jobseekers allowance or income related employment & support allowance with your incapacity benefit, severe disablement allowance or contributory employment & support allowance when it ceased.

Normally you'll get the same amount of Council Tax Support as you did before your income based jobseeker's allowance, income support, income related employment & support allowance, incapacity benefit, severe disablement allowance or contributory employment & support allowance stopped.

It is paid by the Council directly to your council tax account. The Council will decide whether or not you're entitled to an extended payment. The Council will also consider whether you are entitled to in-work Council Tax Support. Once your extended payment period has ended, you can move onto in-work Council Tax Support (provided you are entitled to it) without having to make a new claim.

## **If you do not get pension credit guarantee, income support, income based jobseeker's allowance or income related employment & support allowance**

Even if you do not get pension credit guarantee, income support, income based jobseeker's allowance or income related employment & support allowance you may still get some help with paying your council tax. This is worked out by comparing the maximum Council Tax Support you could get with:

- Your needs (called your living allowances or applicable amounts); and
- Your income and capital resources.

### **Capital**

Savings and investments (capital) may have an effect on the assessment of your income. If you are of working age and have more than £6,000, or of pension age and have more than £16,000 you will not normally be able to get Council Tax Support (unless you are aged 60 or over and receive the pension credit guarantee, in which case there is no limit to the amount of capital you can have).

However, even if your capital exceeds the limit, you may be able to claim second adult rebate

### **Absences from home**

There are some special situations in which you may continue to get Council Tax Support and these are explained below.

#### **Going away**

You should normally let the council know if you are temporarily absent, for example if you go away on holiday. But the Council may not need to know if you will be absent for only a short time (for example 2-3 weeks) and your circumstances remain unchanged. If in doubt, ask us.

If you are temporarily absent within Great Britain you can normally get Council Tax Support for a maximum of 13 weeks as long as:

- You intend to return home; and
- In your absence you will not let or sub-let the part of your home where you normally live; and
- You will not be away for longer than 13 weeks.

In certain circumstances, you may be able to get Council Tax Support for up to 52 weeks, for example if you are in hospital, or are held in custody on remand, provided that:

- You intend to return home; and
- In your absence you will not let or sub-let the part of your home where you normally live; and
- You will not be away for longer than 52 weeks.



If you are temporarily absent from Great Britain you can normally get Council Tax Support for up to 4 weeks as long as:

- You intend to return home; and
- In your absence you will not let or sub-let the part of your home where you normally live; and
- You will not be away for longer than 4 weeks.

## **How to claim**

Claims for Council Tax Support should be made in writing. Contact the Council for details.

All claims will need to be supported by evidence of your circumstances and this will need to be provided to the Council. If you are claiming housing benefit as well as Council Tax Support, the Council will provide you with a joint claim form.

If you are married and your husband or wife normally lives with you, or if you live with someone as though you are a married couple, only one of you can make the claim for Council Tax Support. You may choose who is to make the claim, or if you cannot agree who is to claim, the Council will nominate one of you to be the claimant.

## **Appointees**

An appointee, for the purposes for Council Tax Support, is someone over 18 appointed by the Council, to manage the Council Tax Support claim of someone who is incapable of doing so themselves (mainly because of mental incapacity).

If you are already an appointee for other benefits and wish to be the appointee for Council Tax Support, you should write to be appointed by the Council. The role and responsibilities are the same. If you wish to become an appointee you should get in touch with the Council they will explain the process and your responsibilities. The authority can end the appointment at any time. It is ended automatically if one of the people listed below is appointed. As an appointee you can resign at any time. An appointee cannot be made where there is already someone acting for the customer's financial affairs in any of the following capacities:

- A receiver appointed by the Court of Protection;
- Under Scottish law, a tutor, curator or other guardian, a continuing attorney or welfare attorney;
- Someone appointed to have the power of attorney.

## **Information and evidence**

The Council may need more information or supporting evidence so that they can calculate your Council Tax Support. If all the information they need is not on the claim form, or they need to clarify something or want some more verification of your circumstances the Council will write to you. If you do not reply within one month a decision will be made on your claim based on the evidence you have provided.

## **How long will it take to decide your claim for Council Tax Support?**

The Council will deal with your claim for Council Tax Support as soon as possible after receiving all the information from you that they need to work out your entitlement.

## **Date of claim**

The date of claim will be the date of first contact (typically in writing, by telephone, by email or face to face) provided that the claim form is returned to an office of the authority within one month of the claim form being issued.

## **If you change your address**

If you move to a different council area, you must make a new claim for Council Tax Support at your new council. If you move within the same council area, you must still tell the Council.

## **Backdating a claim**

If you are of working age, your claim to Council Tax Support may be backdated in some circumstances. You must prove to the Council that there was continuous good cause for not having made an earlier claim. However, for working age customers the maximum time the council can go back is one month from the date your claim for backdating was actually made. You must show there was 'good cause' for not making an earlier claim throughout the whole of any period you want backdated up to the date your claim for backdating was made.

If you have reached the qualifying age for state pension credit your Council Tax Support may be paid for up to three months before the date you made your claim. You do not have to ask for this and you do not have to show "good cause" for not having claimed earlier.

## **Start of Council Tax Support**

If you become liable for the council tax for the first time, for example if you move to a new address or reach the age of 18 or stop being a registered student, you should claim either in advance (you may claim up to 13 weeks before you expect to become liable), or in the week that your liability starts. You then get support from the day you start being liable for council tax. If you claim later than this, your support starts on the Monday after the day you claim.

If you are already paying the council tax and become entitled to support because you have less money or your applicable amount changes, you also start getting support on the Monday after you claim.

## **End of Council Tax Support**

If you stop being liable for the council tax, for example if you move away from an address or become exempt or start being a registered student, your Council Tax Support stops on the day you stop being liable. If you no longer qualify for Council Tax Support because, for example, your income increases or your applicable amount changes, your Council Tax Support will be stopped from the beginning of the next support week.

## **End of pension credit guarantee, income support, income based jobseeker's allowance, Universal Credit or income related employment & support allowance entitlement**

If you stop getting pension credit guarantee, income support, income based jobseeker's allowance or income related employment & support allowance, you must tell the Council and they will have to stop your Council Tax Support. At the same time they will ask you to explain your new circumstances, because you may still be able to get some help with your council tax.

## **People who live with you - non dependants**

People who normally share your accommodation but are not dependent on you for financial support are known as non dependants.

## **Non dependant deductions**

Any non dependants who normally share your accommodation could affect the amount of Council Tax Support you get whether or not you are also getting income support, income based jobseeker's allowance, income related employment & support allowance or pension credit guarantee

The following people do not count as non dependants, whether they share accommodation or not:

- Carers employed by a charity that charges for the service;
- Joint tenants;
- Subtenants;
- Boarders; and
- Tenants of owner occupiers.

They do not count as part of your household.

Non dependants are people like grown-up sons or daughters and elderly relatives. If you have non dependants living with you, your Council Tax Support may be affected.

## **Non dependant deductions from Council Tax Support**

Deductions will be made from your Council Tax Support for non dependants aged over 18 who normally live with you. There are four levels of deduction. If the non dependant is working less than 16 hours a week, the lowest deduction will apply. This will also apply if the non dependant is in receipt of income support or income based job seeker's allowance or income related employment & support allowance.

If the non dependant is doing paid work for 16 hours or more a week depend on the non dependant's gross income. A deduction will not be made from your Council Tax Support if:

- The non dependants' normal home is somewhere else; or
- You, or your partner, are registered blind or treated as blind; or
- You, or your partner, are receiving the care component of disability living allowance; or attendance allowance in respect of yourself or your partner; or
- The non dependant is receiving pension credit; or
- The non dependant is a prisoner; or
- The non dependant is severely mentally impaired; or
- The non dependant is over 18 but child benefit is still payable for them; or
- The non dependant is a student nurse or apprentice or on Youth Training; or
- The non dependant has been a patient in hospital for 52 weeks or more; or
- The non dependant is living in a residential care or nursing home; or
- The non dependant is a care worker; or
- The non dependant is a resident of a hostel or night shelter for the homeless; or
- The non dependant is a full-time student (even if they work full-time in the summer vacation).

A deduction may be delayed for 26 weeks if you or your partner is aged 65 or more and a non dependant moves into your home, or the non dependants' circumstances change to increase the deduction.

## **Working out the amount of Council Tax Support**

The maximum amount of Council Tax Support depends on:

- Whether you are in the pension age scheme (attained the qualifying age for state pension credit) or are in the working age scheme;
- How much council tax you have to pay; and
- Who you live with.

### **How is maximum Council Tax Support calculated for the pension age scheme?**

For the pension age scheme the maximum Council Tax Support is set by the Government as up to 100% of the council tax you are liable to pay less any non dependant deductions.

### **How is maximum Council Tax Support calculated for the working age scheme?**

For the Working Age the maximum Council Tax Support is set by the Council as up to 80% of the Council Tax you are liable to pay less any non dependant deductions.

If you live in a property banded above Band C any Council Tax Support will be based on the Council Tax level of Band C.

If you're weekly Council Tax Support award is less than £2.00 then no Council Tax Support will be paid.

## **What if I do not receive pension credit guarantee, income support, income based jobseeker's allowance or income related employment & support allowance?**

If you do not get pension credit guarantee, income support, income based job seeker's allowance or income related employment & support allowance, the council has to work out if you can get Council Tax Support and if so, how much you can get.

To do this, the Council works out your maximum Council Tax Support, and then compares your needs - called the living allowances or applicable amount - with your resources (your income and capital).

For customers receiving the savings credit of pension credit, the Council will use a statement supplied by The Pension Service to assess your resources (income and capital).

### **Second adult rebate**

Apart from Council Tax Support for yourself, you may also be able to get Council Tax Support if you share your home with one or more adults. This is separate from any Council Tax Support for yourself and is called second adult rebate. Second adult rebates are intended to assist you with the council tax if you share your home with someone who is on a low income. Second adult rebate may be awarded in the following circumstances:

- If you are treated as living on your own for benefit purposes, and share your home on a non-commercial basis with a person who is on a low income and who is not liable to pay the council tax;
- The second adult is aged 18 or over; and
- No other person is paying rent to you for living in your home.

In order to be classed as a second adult, they must not be:

- Liable for the council tax;
- A joint owner or tenant with you;
- Your married or unmarried partner;
- Someone who is disregarded for the purposes of a discount; or
- Living with more than one liable person.

You will need to make a claim for second adult rebate unless you have already claimed Council Tax Support for yourself. The gross income of the second adult will be taken into account when assessing entitlement to second adult rebate.

Gross income includes earnings from employment, as well as other income such as social security benefits and occupational pensions and actual interest from the second adult's capital. Any attendance allowance or disability living allowance paid to a second adult is completely disregarded. You may apply for second adult rebate even if your own capital exceeds the capital limit.

Second adult rebate is awarded on the basis of your council tax bill, after any reductions that you may be entitled to, are deducted. The amount of second adult rebate that can be awarded is as follows;

Second adult	Alternative maximum Council Tax Support*
Where the second adult or all second adults are in receipt of income support, an income related employment and support allowance or state pension credit or are persons on an income based jobseeker's allowance;	25% of the Council Tax due in respect of that day
Where the gross income of the second adult or, where there is more than one second adult, their aggregate gross income disregarding any income of persons on income support, an income related employment and support allowance, state pension credit or an income based jobseekers allowance	Is less than £193.00 per week; - 15% on the council tax due in respect of that day;  Is not less than £193.00 per week but less than £235.00 per week: - 7.5% of the council tax due in respect of that day
If the dwelling is occupied by a second adult/adults on state pension-credit, income related jobseeker's allowance income related employment and support allowance or income support, living with a full-time student(s).	100% of the council tax due in respect of the day.

\*figures mentioned in b and c above are subject to review each April

### **Income less than applicable amount**

In this case you get maximum Council Tax Support (depending on whether you are of pension age or working age this may vary in amount).

You will also get maximum Council Tax Support if your income is the same as your applicable amount.

Maximum support is your council tax liability (net of any council tax discounts, such as single person discount), adjusted down for any non-dependent deductions.

### **Income greater than applicable amount**

In this case you will get an amount less than your maximum Council Tax Support. The amount by which your Council Tax Support is reduced is based on the difference between your income and your needs.

A percentage of this difference - called a taper - is taken away from your maximum Council Tax Support.

For pension age claimants maximum support is based on 100% of your council tax liability (net of any council tax discounts, such as single person discount), adjusted down for any non dependant deductions. For working age claimants maximum Council Tax Support is set by the Council as up to 80% of the council tax you are liable to pay less any non dependant deductions.

### **Calculating your needs**

Your needs are known as your living allowance or applicable amount and this is an amount that is set each year. For the pension age scheme this is set and approved by Parliament. For the working age scheme this is set by the Council. Your applicable amount takes into account the size of your family, your age and extra needs you may have. It is made up of personal allowances and premiums. Premiums are included if you have a family, or disability, or a disabled child.



## **Living allowances or applicable amounts**

The living allowances or applicable amount represents the needs of you and your family if you have one. The larger your family then the larger your applicable amount. The applicable amount is made up of three parts:

- A personal allowance; and
- Personal allowances for children in your family; and
- Premiums.

### **Personal allowance**

Your applicable amount always includes a personal allowance. Different amounts apply according to your age and whether you have a partner.

### **Personal allowances for children**

If you are looking after children (other than foster children) then you get an allowance for each child included in your applicable amount according to his or her age. This allowance is included until that child leaves school or reaches their 20th birthday.

A special rule applies if the child has left school and started work before the child benefit stops.

The maximum number of children included in assessments will be two for households with new children born on or after 1<sup>st</sup> April 2017.

There will be exceptions where there are multiple births after 1<sup>st</sup> April 2017, where children are adopted or where households merge.

### **Premiums for your family**

Once personal allowances and allowances for children have been worked out, premiums can be added - if they apply - to make up your applicable amount.

### **Your children**

A family premium will be included if you have any dependent children in your household. No matter how many children you have, you can only get one family premium. The family premium will not be awarded for all new working age applicants for claims made from 1<sup>st</sup> April 2017.

### **Premiums or components for disabilities**

These premiums are included in your applicable amount for people in your family with disabilities. There are three premiums and two components in this group:

- Disabled child premium (for each disabled child in your household);
- Disability premium (if you or your partner gets one of the benefits listed below or you have been off sick for more than 52 weeks);
- Severe disability premium (if you are disabled and live in special circumstances);
- Work related activity component; and
- Support component.

## **Disabled child premium**

The disabled child premium is a flat-rate premium, which may be awarded for each disabled child in your household and can be included with any other premiums. Your child is considered disabled if they are:

- Registered blind; or
- Receiving disability living allowance.

## **Disability premium**

Disability premium will be included in your applicable amount if you and your partner are aged less than pension credit age and:

- Either of you is registered blind; or
- Either of you gets one of the qualifying benefits listed below; or
- Has been off sick for 52 weeks or more.

### **Qualifying benefits**

You will get the disability premium if you or your partner gets any of the following benefits:

- Disability living allowance; or
- Working tax credit disability element; or
- Constant attendance allowance; or
- War pensioners' mobility supplement; or
- Severe disablement allowance; or
- Incapacity benefit - long term.

### **Severe disability premium**

This premium cannot be included on its own. You must first qualify for the disability premium.

#### **If you are single or a lone parent**

The severe disability premium may be included in your applicable amount if you:

- Receive the care component of disability living allowance at the highest or middle rate, attendance allowance or constant attendance allowance; and
- Live alone (but if others live with you, see below); and
- No one receives carer's allowance for looking after you.

#### **If you have a partner**

You may get the severe disability premium if you both:

- Receive the care component of disability living allowance at the highest or middle rate, attendance allowance or constant attendance allowance; or
- Your partner is blind and you receive the care component of disability living allowance at the highest or middle rate, attendance allowance or constant attendance allowance; and
- No one lives with you; and
- No one receives carers allowance for looking after either one or both of you.

For the purposes of severe disability premium your Council Tax Support is not affected if other people living with you are:

- Children; or
- Aged 16-17; or
- A person who is registered blind; or
- Receiving the care component of disability living allowance at the highest or middle rate, or attendance allowance; or
- People caring for you who are employed by a charity that makes a charge for this service.

### **Enhanced disability premium**

Enhanced disability premium is awarded where you, or a member of your family, who is aged under 60 years receives the highest rate of disabled living allowance or where the claimant is in receipt of employment & support allowance support component. This premium will remain in payment if the disabled living allowance is suspended during hospitalisation. This premium is awarded at three different rates.

They are:

- A rate for each dependent child/young person in your household who receives the highest rate of disabled living allowance;
- A rate for a single person who receives the highest rate of disabled living allowance;
- A rate for couples where at least one member of the couple receives the highest rate of disabled living allowance.

### **Support component**

This is awarded where you or your partner receives main phase employment & support allowance and receive a similar component within that benefit.

### **Carer premium**

The carer premium is awarded if either you or your partner is looking after a disabled person and:

- Receive carer's allowance; or
- Made a claim for carer's allowance and would be entitled but for an overlapping benefit.

If both you and your partner satisfy the qualifying conditions two premiums can be awarded.

The carer premium continues for eight weeks after caring ceases.

## Calculating your resources

Your resources are made up of your income and your capital. These are worked out as a weekly amount of income.

### Income

Income is all the money that you have coming in from earnings, social security benefits, maintenance payments and other sources. Depending on the type of income, it may be completely or partially ignored in the calculation of your Council Tax Support (the disregards), or taken fully into account.

Normally, your resources and those of your partner are taken together when your income and capital are worked out.

### Income from employment

This explains what counts as your income from work you do, when you are employed by someone else. If you are a company director or any other officeholder in a company you are classed as an employee of that company.

Earnings from employment mean any money you are paid when you work for someone else. This includes the following types of payments:

- Bonuses or commission (including tips);
- Money you get instead of your normal pay (for example, a liquidator may give you money when your employer stops trading and you are owed some pay);
- Money you get in place of notice to end your employment, or money you get to make up for losing your job;
- Money you get for holidays you did not take (holiday pay) - but not holiday pay owed to you more than four weeks after you stopped work;
- Money you get if you are kept on while doing no work (for example, a retainer paid to school cooks during school holidays);
- Expenses you are given to cover your travel to and from work;
- Expenses you are given to cover the costs of looking after someone in your family
- Any expenses you are given that are not essential for you to carry out your work;
- Money you get, under the Employment Protection Consolidation Act 1978 (as amended by the employment rights act 1996) when you are not given work because of bad weather, or money you get because of unfair dismissal;
- Money that an employment tribunal orders your employer to give you if the period of notice or redundancy that is required by law has not been given.
- Money you get from your former employer's redundancy funds if the business goes into liquidation;
- Statutory sick pay or statutory maternity pay;
- Statutory paternity pay and statutory adoption pay;
- Employer's sick pay or employer's maternity pay
- Earnings from permitted work, that is, work while you are getting an incapacity benefit which your doctor thinks would benefit your health.

Earnings from employment do not include:

- Payment in kind (where no money is involved);
- Expenses you are given that are essential for you to carry out work;
- Any occupational pension.

### **Net earnings**

Once your gross earnings have been worked out, your council will take away:

- Your income tax payments (allowing for personal relief); and
- Your national insurance contributions; and
- Half of any contributions you make to an occupational or personal pension scheme (any amounts paid to a pension scheme by your employer do not count).

This gives your net earnings, which are used to work out your Council Tax Support

### **Self-employed earnings**

If you are self-employed, all the money you earn when you are not employed by someone else is known as your earnings from self-employment. You may have self-employed earnings even if you are also working for someone else, or if you are a franchise holder.

When working out your earnings the Council will want to know how much you earn when you are self-employed, and you will be asked to provide evidence of how much you earn.

There are three stages in working out your self-employed earnings. The first is calculating the gross profit of your business. In the second stage, deductions - which are called allowable expenses - are taken away from the gross profit to give the net profit of the business. In the third stage, tax, national insurance, and pension payments are taken away from your net profit to give your net earnings.

### **Child minders**

If you are a child minder only one third of your earnings from child minding will be taken into account when your council works out your Council Tax Support.

## Earnings and earnings disregards

After working out your net earnings, any amount that is not counted in the calculation of your Council Tax Support is known as a disregard.

The amount of your earnings that is not counted depends on which premium is included in your applicable amount. There is more information on the applicable amount and premiums.

**When £15 is not counted** - If you are single and you cannot get a greater disregard by any of the means explained below, up to £15 of your weekly earnings will not be counted.

**When £20 is not counted** - If you have a partner and you cannot get the £30 disregard by any of the means explained below, up to £20 of your joint weekly earnings will not be counted.

**When £30 is not counted** - £30 per week of your earnings will not be counted if your applicable amount includes:

- The disability premium; or
- The severe disability premium; or
- A component with employment & support allowance; or
- Or the carer premium (where the carer is working).

If both you and your partner are carers, the total disregard cannot be more than £30. The carer premium and this earnings disregard can continue for a further eight weeks after caring ceases.

If you have a partner, your earnings are added together when your Council Tax Support is worked out.

If you cannot get the £30 disregard under the above categories, you may still be able to get it if you are:

- A part-time fire fighter; or
- An auxiliary coastguard; or
- A part-time member of a crew launching or manning a lifeboat; or
- A member of the Territorial Army or the Reserve Forces.

**When £35 is not counted** - If you are a lone parent up to £35 of your weekly earnings will not be counted.

### Additional disregard

If you work on average 30 hours a week or more you will usually be able to get an extra earnings disregard. In certain circumstances you can also qualify for the higher earnings disregard if you work 16 hours or more e.g. if you are a lone parent or disabled. This is the same amount as the 30 hour tax credit in your working tax credit.

## **Childcare charges**

In certain circumstances, average childcare charges of up to £175 (for one child) or up to £300 for 2 or more children per week per family can be offset against your earnings. This disregard, which is in addition to the other earnings disregards, is available to:

- Lone parents who are working 16 hours or more per week;
- Couples where both are working 16 hours or more per week;
- Couples where one member is working 16 hours or more per week and, generally, the disability premium is included in the applicable amount on account of the other member's incapacity or the other member is in hospital or in prison.

It applies where formal childcare is provided by, for example, registered child minders or day nurseries for children until the first Monday in September following their 15th birthday (or the 16th birthday for children who are entitled to disability living allowance or who are registered blind).

In certain circumstances, help with childcare costs can be given while you are on maternity leave or paternity or adoption leave or you are sick. The authority will be able to give you more details.

Figures mentioned are subject to renew each April.

**In some other cases explained here, different amounts of your earnings are not counted.**

If you are in receipt of pension credit guarantee, income support, income based jobseeker's allowance or income related employment & support allowance then any earnings you get will not be counted again in working out Council Tax Support

## **Notional earnings**

If you have done some work and you seem to have been paid very little for it then the council will estimate what that work is worth. If you have a good reason for the pay being so low - for example, if you worked for someone who had very little money - then you should let the council know. If necessary, the Council may check your statement of earnings by asking-your employer.

## **Other income**

Other income is all the other money you have coming in apart from earnings from employment or self-employment. It is sometimes called unearned income. In some cases none of your unearned income is counted. Sometimes part of it is counted in other cases it is all counted.



## **State benefits**

The following benefits are counted in full as income for Council Tax Support:

- Contribution-based jobseeker's allowance;
- Contribution-based employment & support allowance;
- Universal credit;
- State pension;
- Incapacity benefit;
- Severe disablement allowance;
- Carer' allowance;
- Industrial injuries disablement benefit;
- Industrial death benefit;
- Working tax credit;
- Child tax credit (ignored if you or your partner are pension age);
- Savings credit or pension credit;
- Bereavement benefits (ignored if you or your partner are pension age).

The following types of income are not counted by the Council when it works out your Council Tax Support:

- Any income you get if you are getting the guarantee credit of pension credit, income support, income related employment & support allowance or income based jobseeker's allowance;
- Disability living allowance (personal independence payments from April 2013);
- Attendance allowance or constant attendance allowance;
- Attendance allowances paid as part of a war disablement pension or industrial injuries disablement benefit;
- Child benefit;
- Child maintenance (spousal maintenance is taken into account in part or in full depending on whether you have a child);
- Money you get which takes the place of disability living allowance, attendance allowance, constant attendance allowance, or income support;
- War pensioners' mobility supplement;
- Any money you get from the Social Fund;
- Guardian's allowance;
- Money you get as a holder of the Victoria Cross, the George Cross, or any comparable award;
- Any grants or allowances you get from your local education authority if you have a dependent child who continues in education after school leaving age;
- Any training premium and any refunded travelling expenses or living away from home allowances when you are on a Department for Education & Employment Training Scheme training course or at an employment rehabilitation centre;
- Any money such as interest or dividends from savings or investments; '
- Any expenses you get from an employer that you need to carry out your work;
- Any expenses you get from a charity so that you can carry out unpaid work;
- Any income in kind (where you are given something other than money);
- Any income you have which has been held back outside this country, as long as it remains held back, and it is not within your control;
- Any money you get for fostering a child;
- Any money you get for looking after an elderly or disabled person temporarily (community boarding out schemes);
- Any money you get from a local social services department to help keep a child at home instead of putting them into care;
- Any housing benefit you have received;
- Special payments made with your war widow's pension if you have been designated as a pre-1973 war widow;
- Any charitable or voluntary payments which are made regularly;
- Payments made under the Employment Department's 'Access to Work' scheme for disabled people; or
- War disablement pension or a war widow's/widower's pension, or any similar payment from another country.

Some types of income may be counted as capital.

## **Unearned income that is counted in part**

The following are the types of unearned income that are only partly counted.

- The first £15 of widowed mother's allowance or widowed parent's allowance;
- The first £20 of any money from sub-tenants; or
- The first £20 then 50% of the excess of money you receive from a boarder is ignored.

The balance is treated as income.

## **Notional income**

The council may think that there is income, which you could get, but you are not claiming it. This is known as notional income because you do not actually receive that income. The Council may take this into account for Council Tax Support purposes

## **Parental contributions to students**

If you are making a parental contribution to a student then part of your income is not counted to take account of this.

## **Capital**

Your capital includes savings and investments held by yourself in any form (for example, bank and building society accounts, investment trusts, and shares) from any source (for example, inheritance, redundancy payments, and irregular payments from a charitable or voluntary source). It will normally also include the net sale value of land and housing that you do not occupy, after deducting 10% for expenses of sale.

If you have a partner, capital belonging to your partner is treated as yours for the purposes of Council Tax Support

## **Capital outside the United Kingdom**

If you have capital - in the form of liquid or fixed assets - outside this country, the council will need to know how soon it can be transferred and how much it is worth. If the capital cannot be brought into this country, enquiries will be made about how easily it can be sold, and whether a willing buyer can be found. If no willing buyer can be found, it may not be counted.

## **Capital for working age**

The first £6,000 of capital is not counted. If you have capital over £6,000 Council Tax Support will not normally be payable.

## **Capital for pension age**

The first £10,000 of capital is not counted. Capital over £10,000 up to £16,000 will be taken into account at £1 a week for each £500 (or part of £500) of capital over £6,000. Actual interest payments or dividends are not counted as income but as capital.

For customers who receive the guarantee credit of pension credit there is no upper limit on the capital you can have.

If you have capital over £16,000, you may still be entitled to second adult rebate, as your income and savings are not taken into account. However, the actual income received from the second adult's capital will be taken into account.

## **Personal possessions**

Personal possessions - for example, a car, furniture and fittings in your house, and family belongings - are usually not included in the calculation of capital. However, this may not be the case where the Council has good reason to believe that something has been bought to reduce your capital in order to gain or increase entitlement to support. If the council decides that you deliberately got rid of capital just so that you can get Council Tax Support, it may assume that you have notional capital to the value of the capital you disposed of.

## **If you own your home**

The value of your property (including the house, garage and outbuildings) is not counted unless any part of the property could reasonably be sold off separately. Loans raised on the property will be counted as capital.

## **Property you own but do not occupy**

The value of this property is counted as capital but you may be able to get Council Tax Support even if the value of the property means that your savings are more than the capital limit. This is because the value of the property may be ignored when your savings are worked out, in certain circumstances.

If the property is occupied by an elderly or disabled relative as their home, its value is not taken into account for as long as it is so occupied.

If you have recently acquired the property and you intend to occupy it as your home, its value may not be counted for 26 weeks, or for a longer period if reasonable, from the date you acquired it.

If you are trying to sell the property, its value may not be counted for the first 26 weeks after you start doing this. It may not be counted for longer than this if you are finding it difficult to sell the property.

If you are carrying out essential repairs or alterations so that you can live in the property, its value may not be counted for a period of 26 weeks from the date you first arranged for repairs to be carried out. It may not be counted for longer than this if you are finding it difficult to finish the work.

If you are taking legal action so that you can live in the property, its value may not be counted for the first 26 weeks after you start doing this. It may not be counted for longer than this if legal action is continuing and you cannot live in the property.

If you have left the property after the breakdown of a relationship, and it is occupied by your former partner, its value may not be counted for the first 26 weeks after you left. If the property is occupied by your former partner and they are a lone parent, the property will not be counted for as long as it continues to be so occupied.

### **Deposits on your accommodation**

Sums that have to be deposited with a housing association as a condition of your tenancy: are not counted.

### **Earmarked capital**

If capital from the sale of a house is kept for a house purchase, it is not counted for up to six months, or longer if:

- Major repairs or adaptations are needed for you to occupy your home; or
- The completion of the purchase of your new home is unavoidably delayed.

Compensation received for a burglary or for damage to or loss of a house is also not counted for six months, as long as it is to be used for repair or replacement

### **Valuation of property**

Property will be valued at the price it would be expected to fetch on the open market, less any outstanding mortgage or legal charges on the property. Ten per cent of the current market value will also be deducted to take into account the cost of the sale.

If you have property outside Great Britain and there is no restriction on transferring money to this country, your property will be valued at its local sale value. If there is a restriction, its notional value will be the value of a sale to someone in the United Kingdom. In both cases, any outstanding legal charges on the property or mortgages will be deducted, together with 10% of the total to cover the cost of the sale.

### **National savings certificates**

National savings certificates of the current issue are valued at purchase price. Certificates of a previous issue are valued as if they were purchased on the last day of that issue.

### **Life assurance policies**

The surrender value of life assurance policies is not taken into account when assessing Council Tax Support

### **Arrears of benefits**

Any arrears of disability living allowance, attendance allowance, pension credit, income support, income based jobseeker's allowance, housing benefit, working tax credit and child tax credit that you get are not counted for up to 12 months.

## **Lump sum payment of deferred state pension**

The gross amount of lump sum, or an interim payment made on account of a final lump sum, paid at the end of the period of deferring state pension will be disregarded as capital for the life of the recipient

## **Compensation payments**

For Council Tax Support purposes, compensation payments will normally be counted in full as capital. Capital will not be counted if it is held in trust or by the 'Court of Protection' as a result of a personal injury payment - for example, a criminal injury payment or a vaccine damage payment. For persons of pension age compensation payments made as a result of personal injury are ignored whether or not placed in a trust.

## **Business assets**

Business assets of a self-employed earner are not counted while engaged in that business. Nor are they counted in certain other circumstances, but any shares owned will be treated as capital.

## **Notional capital**

The council may think that there is capital which you could get but which you do not have. This is known as notional capital because you do not actually possess that capital.

- Capital you have disposed of - You will be treated as having notional capital if you have disposed of capital in order to get Council Tax Support or to get more Council Tax Support.
- Capital you could have got - If you have the right to money held in a private trust, then that is actually your capital, and will be taken fully into account.

If the Council has decided to treat you as possessing notional capital they will reduce the amount of this capital on a regular basis by a set calculation. This calculation reduces your notional capital by the amount of support you have lost as a result of deprivation.

## **How Council Tax Support is paid**

If you are liable to pay the council tax, the Council will normally send you a council tax bill from which your Council Tax Support has already been deducted. You will then have to pay only the reduced amount. This means that you will not actually receive any money, but your Council Tax bills will be reduced.

## **How you will be notified about your Council Tax Support**

The Council will reach a decision and advise you on your entitlement to Council Tax Support as soon as possible after our claim and all supporting evidence is received.

## **How can I appeal?**

If you disagree with the decision you will need to write to the Council stating the reasons. The council has two months to reply to you. If the Council agrees with your appeal then the Council Tax Support will be amended and you will receive another council tax bill showing the revised amount.

If the council does not agree with your appeal or you do not receive a response within two months, you may appeal to the Valuation Tribunal. This is an independent tribunal who will hear your case (either in person or in writing). If the Valuation Tribunal agrees with you they will instruct the Council to amend your Council Tax Support accordingly.

Throughout the appeal you will still be required to make payment of your council tax liability as determined by the Council.

## **Change of circumstances**

You must notify your Council immediately if there is a change in anything that might affect your right to or the amount of Council Tax Support.

This will include:

- You, or anyone who lives with you, starts or leaves a job;
- Your income, or the income of anyone living with you changes: this includes wages, all benefits, all pensions and tax credit changes etc.;
- Any of your children leave full time education;
- Anyone moves into or out of your home (including children, other adult family or friends, lodgers, sub tenants and if a baby is born etc.);
- You or anyone who lives with you, cease to be entitled to income support, jobseekers allowance, pension credit or employment and support allowance, universal credit;
- You or your partner's capital, savings or investments change;
- You or anyone living with you, becomes a student, goes on a youth training scheme, goes into hospital or a nursing home or goes into prison;
- You move from your address;
- You or your partner are going to be away from home for more than a month;
- You receive any decision from the Home Office about your immigration status;
- Any changes to the level of child care costs you pay;
- If there is any other change in your circumstances which may affect your right to claim Council Tax Support.

The changes must be notified in writing although in certain circumstances the council may accept this by telephone or electronically.

Most of these changes will affect your Council Tax Support in the following support week, but changes in the amount of council tax payable will affect your Council Tax Support from the day on which the change occurs.

If more Council Tax Support is awarded than you are entitled to, this will be added to your council tax account and a revised bill will be issued.

## **Students**

Council Tax Support is not normally available for students. The exceptions are:

- Some students, such as disabled students and lone parents;
- Part-time students; and
- Couples where one partner is not a student.

Students who are liable to pay the council tax may claim second adult rebate.

## **Loan and grant income**

The grant money you get is generally paid to cover the period you are studying. If it does not cover this period your council, or Student Awards Agency for Scotland, will tell you the period it does cover.

If you are eligible for a loan or have been awarded a grant the Council will assume that these amounts are paid, whether they are actually paid or not.

The money you receive in your loan is your income for the period between the beginning of September and the end of June and is divided by the number of weeks in that period to give a weekly amount

If you receive a dependants grant this will be taken into account over the same period as your loan unless you also receive, or only receive, a grant towards your personal maintenance.

Because much of your loan is meant for essential educational items, some of the grant is ignored when working out your income for Council Tax Support. The following elements of your loan or grant are not counted:

- Tuition and examination fees;
- Any disability allowance in your grant;
- The cost of term-time residential study away from your college;
- The two homes grant - given when you have to maintain another home away from college;
- An allowance for books and equipment; and
- Travel expenses.

## **Students and partners**

Your grant may have been reduced to allow for your partner's income because your partner can make a contribution to your expenses. An amount - equal to that contribution - is then ignored when the council works out your joint income for Council Tax Support. If a student is required to contribute to his own grant income, an equivalent amount is disregarded from the income used to assess that contribution.

## **Other income**

Other income will be treated in the same way as grant income, if it is intended for expenditure that is needed on the course. If the income is not intended for expenditure on the course, it is treated under the normal rules for income.



## **Loans from the Student Loans Company**

The maximum loan available to you will be taken into account regardless of whether you have borrowed up to your limit or not. The loan will be divided by the number of weeks between the beginning of September and the end of June to arrive at a weekly figure for assessment purposes. Up to £10 a week of the loan may be ignored.

## **Access funds**

These are discretionary payments made by educational establishments to students who are facing financial hardship.

The amount of the payment to be taken into account will depend on how it is to be paid and what the payment is for. Some payments from the funds can be disregarded in full.

## **Information and information sharing**

The Council will use information provided by the Department of Work & Pension and Her Majesty's Revenues and Customs for the purposes of Council Tax Support, council tax liability, billing, administration and enforcement.

The Council may receive and obtain information and evidence relating to claims for Council Tax Support, the council may receive or obtain the information or evidence from:

- a) Persons making claims for Council Tax Support;
- b) Other persons in connection with such claims;
- c) Other local authorities; or
- d) Central government department including the Department of Work & Pensions and Her Majesties Revenues & Customs.

The Council may verify relevant information supplied to, or obtained for Council Tax Support purposes.

## **Counter fraud and compliance**

In order to protect the finances of the Council 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 Support;
- b) Carry out investigations fairly, professionally and in accordance with the law;
- c) Ensure that sanctions are applied in appropriate cases; and
- d) Will seek recovery of any incorrectly paid Council Tax Support.

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## **Appendix 4 - Financial Analysis**

**Recommendation A** - Introduce a maximum level of support for all working age applicants to 80%

Under this recommendation there would be an estimated £948,000 reduction in the level of Council Tax Support (CTS) provided

As a result of this action, 0.33% of all existing recipients will no longer receive any CTS

The most common reduction in CTS per recipient would be between £2.00 and £2.99 per week

**Recommendation B** - Reduce the capital limit from the existing £16,000 to £6,000

Under this recommendation there would be an estimated £99,000 reduction in the level of CTS provided

As a result of this action, 0.89% of all existing recipients will no longer receive any CTS

The most common reduction in CTS per recipient would be between £12.00 and £14.99 per week

**Recommendation C** - To restrict the maximum level of Council Tax Reduction payable to the equivalent of a Band C

Under this recommendation there would be an estimated £35,000 reduction in the level of CTS provided

As a result of this action, 0.03% of all existing recipients will no longer receive any CTS

The most common reduction in CTS per recipient would be less than £3 per week

**Recommendation D** - To set a minimum level of support at £2 per week

Under this recommendation there would be an estimated £12,000 reduction in the level of CTS provided

As a result of this action, 1.10% of all existing recipients will no longer receive any CTS

## **Summary**

The overall effect of all four of the recommendations applied simultaneously would be an estimated reduction of £1,091,000 in CTS.

However assuming collection rates of 50% and 80% the estimated additional income would be £546,000 and £873,000 respectively.

These combined recommendations would result in 2.31% of all existing recipients no longer receiving any CTS.

Of those affected by these changes, 46.53% will see a reduction in their weekly CTS of less than £3.00, with a further 49.21% experiencing a reduction of between £3.00 and £5.99.



# Equality Impact Assessment

Full assessment form v5 / 2013

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

**Directorate:**

Director of Community & communications

**Function e.g. HR,  
IS, carers:**

Revenues and benefits

**Title of policy, service, function, project or strategy (new or old):**

Amend the Council tax support scheme to enable a reduction in annual expenditure.

**Type of policy, service, function, project or strategy:**

New / proposed

Changed

Existing

**Lead officer**

Alan Knight

**People involved with completing the EIA:**

Alan Knight  
Gina Perryman

## Introductory information (Optional)

Portsmouth City Council's council tax support (CTS) was introduced in 2013 to replace Council Tax Benefit. It is a local discount which the City Council administers to assist those on low incomes with their council tax, the current cost of the scheme is circa £12.3m per annum.

The scheme can be amended following appropriate consultation with stakeholders for working age customers. The scheme for pensioners is set by Central Government; the City Council must administer this in the prescribed form

The current Council Tax Support scheme is means-tested and is based largely on the former Council Tax Benefit. It is administered alongside Housing Benefit by the Revenues & Benefits team.

A protection currently exists which means that people of working age who have limited access to work or who receive a disability benefit are able to have up to 100% of their council tax liability covered by Council Tax Support. These customers are classified as 'vulnerable'; there is no legislation which defines vulnerable status and this is a local definition for the purposes of Council Tax Support

All other working age customers not classified as vulnerable are able to have up to 80% of their council tax liability met by Council Tax Support.

Changes to the Council Tax Support scheme will have some impact on the Council's Tax Base & Collection Fund. The Collection Rate will be directly affected by the ability of residents to meet the costs of new/increased Council Tax bills. The Tax Base is directly affected by the amount of Council Tax Reduction that is given to residents.

## Step 1 - Make sure you have clear aims and objectives

### What is the aim of your policy, service, function, project or strategy?

This EIA relates to the amendment of the localised scheme for council tax support, which was introduced under the Local Government Finance Act to reduce the annual expenditure for Council tax.

In reviewing the proposed council tax support scheme we have had a proper regard to the aims of the Equality Duty under the Equality Act 2010, s.149, and specifically the need to eliminate unlawful discrimination and advance equality of opportunity between people who possess particular protected characteristics and those who do not.

There are a number of changes that could be made to the Council Tax Support scheme which would reduce the amount of annual expenditure. The following are the main options being offered to members for consideration:

Currently approximately 16,547 people receive council tax support.

Option 1 - Increase the amount of council tax that working age customers pay excepting people in receipt of a disability benefit

People who currently have to pay 20% of their council tax would see the proportion they would have to pay rise to a minimum of 25%. People with limited capacity for work would start to pay at least 25% of their council tax, but those on disability benefits would continue to have up to 100% of the council tax

met by council tax support.

If members elected for option 1 then approximately 7,259 people would be affected.

Option 2 - Increase the amount of council tax that working age customers pay, and cap the amount of council tax support for those with limited capacity for work or people on disability benefits at a lower level.

All working age customers in receipt of council tax support would see an increase in the amount of council tax they would have to pay to a minimum of 30% of their total liability and people with limited capacity for work or on disability benefits would have to pay a minimum of 10% of their council tax liability.

If members elected for option 2 then approximately 10,083 people would be affected.

Option 3 - Increase the amount of council tax that working age customers pay and remove the protection to those with limited capacity for work or people on disability benefits.

All working age customers in receipt of council tax support would have to pay a minimum of 30% of their council tax liability, no protection would be offered to any vulnerable groups.

If members elected for option 3 then approximately 10,083 people would be affected.

Option 4 - Make a minimum council tax amount payable by all working age customers

Currently people on employment support and disability benefits are able to have up to 100% of their council tax liability met through Council Tax Support. This proposal would mean that all working age customers would have to pay at least 20% of their council tax. There would be no distinction between people who are available for work, have limited capacity for work and those on disability benefits.

If members elected for option 4 then approximately 5,502 people would be affected.

There are also some supplementary changes that it is proposed to include in the consultation; these would have a lesser impact than those outlined above.

Restrict council tax support to the level of band C

Customers in receipt of Council Tax Support in properties banded at D or above would have their support calculation based on the council tax liability for a band C property. If this change was implemented then this would affect approximately 187 people.

Introduce a minimum Council Tax Support award of £2.00 per week

Any award of Council Tax Support that is calculated at less than £2.00 per week would be withdrawn. If this change was implemented then 182 people would be affected.

Introduce a capital limit of £6,000

At present council tax support allows people to have up to £16,000 total savings before they are excluded from receiving help with their council tax. This proposal would reduce the amount of savings allowable to £6,000.

Alignment with Housing Benefit Regulations

It is proposed that Council Tax Support be aligned with the changes made to the housing benefit scheme by Central Government. These changes will have a small impact on overall council tax support expenditure.

The changes are as follows:

- Reduce the length of time a claim for council tax support can be backdated from 3 months to 1 month

(working age claims only)

- Reduce the time that someone can be absent from Great Britain and still receive council tax support from 13 weeks to 4 weeks
- Remove the family premium from council tax support, it is unknown how many people would be affected as it relates to future events.
- Limit the number of dependants affecting a claim for council tax support to two (currently unlimited). Again this is unknown about how many people would be affected as it relates to future events.
- Remove the employment support allowance work related activity component, this is unknown about how many people this would affect but, it will not affect the amount of council tax support they receive.
- Remove the severe disablement premium when a person receives universal credit (carer element) for them. We don't know how many people would be affected by this change as it relates to future events.

### **Who is the policy, service, function, project or strategy going to benefit or have a detrimental effect on and how?**

Where customers in receipt of council tax support are experiencing difficulty making their payments they can apply for short-term assistance from the hardship fund. This is designed to provide help with council tax payments while adjusting to a change in their circumstances or while working to manage their finances in the long term.

Customers will be asked to complete an income and expenditure form to enable an assessment to be made. Individual circumstances will be considered and this will allow a decision to be made on the length and amount of any award.

Provision is made for £250,000 exceptional hardship, it is envisioned that this will provide support for people who would be affected by any changes to the CTS scheme.

Option 1 would effect all working age customers apart from those in receipt of disability benefits (including those receiving Employment Support Allowance and have limited capacity for work), and mean that these people would have at least 25% of their council tax liability to pay. Currently there are approximately 7,259 people that would be effected by option 1.

Option 2 would effect all working age applicants. People would see an increase of 10% in the minimum amount of their council tax liability that they would have to pay, affecting approximately 4,581 people who currently have to pay 20%, 2,430 people who receive Employment Support Allowance and approximately 3,072 people who receive disability benefits. In total 10,083 people would see an increase in the amount of council tax they would have to pay.

Option 3 would effect all working age applicants. People would see an increase in the minimum amount of their council tax liability that they would have to pay, affecting 4,581 people who currently have to pay 20% whose council tax contribution would increase by 10%. People who receive Employment Support Allowance (approx 2,430) and people who receive disability benefits (approx 3,072) would see a 30% increase in the amount of council tax they would have to pay. In total approximately 10,083 people would see an increase in the amount of council tax they would have to pay.

Option 4 would effect working age applicants who receive Employment Support Allowance (2,430) and disability benefits (3,072) who would have a minimum of 20% of their council tax liability to pay.



## AVERAGE EFFECT ON CLAIMANTS

- Average CTS award to vulnerable people is £15.88 per week
- 20% reduction would mean £3.18 average to pay each week (£13.78 per month, £165.36 per year)
- 25% reduction would mean £3.97 average to pay each week (£17.21 per month, £206.44 per year)
- 10% reduction would mean £1.59 average to pay each week (£6.89 per month, £82.68 per year)
- 30% reduction would mean £4.76 average to pay each week (£20.63 per month, £247.52 per year)

There are also some supplementary changes that it is proposed to include in the consultation; these would have a lesser impact than those outlined above.

### Restrict council tax support to the level of band C

Customers in receipt of Council Tax Support in properties banded at D or above would have their support calculation based on the council tax liability for a band C property. If this change was implemented then this would affect 187 people.

### Introduce a minimum Council Tax Support award of £2.00 per week

Any award of Council Tax Support that is calculated at less than £2.00 per week would be withdrawn. If this change was implemented then 182 people would be affected.

### Introduce a capital limit of £6,000

At present council tax support allows people to have up to £16,000 total savings before they are excluded from receiving help with their council tax. This proposal would reduce the amount of savings allowable to £6,000.

### Alignment with Housing Benefit Regulations

It is proposed that Council Tax Support be aligned with the changes made to the housing benefit scheme by Central Government. These changes will have a small impact on overall council tax support expenditure.

The changes are as follows:

- Reduce the length of time a claim for council tax support can be backdated from 3 months to 1 month (working age claims only)
- Reduce the time that someone can be absent from Great Britain and still receive council tax support from 13 weeks to 4 weeks
- Remove the family premium from council tax support, it is unknown how many people would be affected as it relates to future events.
- Limit the number of dependants affecting a claim for council tax support to two (currently unlimited). Again this is unknown about how many people would be affected as it relates to future events.
- Remove the employment support allowance work related activity component, this is unknown about how many people this would affect but, it will not affect the amount of council tax support they receive.
- Remove the severe disablement premium when a person receives universal credit (carer element) for them. We don't know how many people would be affected by this change as it relates to future events.

- Total Number of CTS claimants - approximately 16,547
- Currently approximately 5,502 customers receiving vulnerable protection (33% of total CTS claimants)
- Currently approximately 2900 customers in receipt of disability benefits (18% of total CTS claimants)

**What outcomes do you want to achieve?**

To ensure that the consultation process meets the needs and reflected the needs of all the residents.

That the duties under the Equality Act 2010 are fully complied with.

A fair and reasonable outcome for all those effected by the changes.

The scheme is accessible

**What barriers are there to achieving these outcomes?**

Affordability for residents who will need to pay more or start paying towards their council tax

## Step 2 - Collecting your information

**What existing information / data do you have? (Local or national data)** If you don't have any data contact the Equalities and diversity team for some ideas

There are approximately 16,547 council tax support claimants.

For the purpose of this consultation they are classed under three categories:

Currently approx 6,464 are pensioners who are exempt from the changes (Approx 39%)

Currently approx 5,502 customers in receipt of disability benefits/limited capacity to work (Approx 33% of total CTS claimants)

Currently approx 4,581 customers of working age (Approx 28% of total CTS claimants)

**Using your existing data, what does it tell you?**

Our existing data shows that people of working age that have protection at the moment will need to pay something towards their council tax, pensioners are exempt from any of the changes proposed so they will not be affected by the changes.

## Step 3 - Now you need to consult!

## Who have you consulted with?

Every person that receives council tax support which equates to 16,600 recipients.

It was advertised on our Facebook page

Promotion to the Citizens' Panel

Twitter posts

Information on the website: [www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

A council officer attended a open access forum meeting that Portsmouth Disability Forum arranges where the consultation document was submitted as a group but also individuals were encouraged to fill out an individual survey as well.

## If you haven't consulted yet please list who you are going to consult with

## Please give examples of how you have or are going to consult with specific groups or communities e.g. meetings, surveys

Every person that receives council tax support have been sent a letter informing them about the consultation and how they can access the survey.

Approximately 100 paper copies of the survey have been sent to various residents due to them not being able to access the survey online.

12 large print versions have also been sent out for people that had a visual impairment.

## Step 4 - What's the impact?

**Is there an impact on some groups in the community? (think about race, gender, disability, age, transgender, religion or belief, sexual orientation, pregnancy and maternity and other socially excluded communities or groups)**

### Generic information that covers all equality strands (Optional)

1,340 people filled out the consultation document but some questions were skipped.

1,183 people answered Question 2 which asked if the council tax support scheme should stay the same or change, 474 (40%) people said they wanted to keep the council tax scheme as it is, while 510 (43%) people disagreed with this statement and wanted the scheme to change.

The total number of people that filled out the survey and was in receipt of CTS was 318 (24%). 1,183 people answered.

### Ethnicity or race

Portsmouth is an ethnically diverse city with the black, Asian, Minority and ethnic (BAME) residents comprising of 16% of its total population, according to the 2011 Census.

No specific ethnicity data is held centrally regarding council tax.

570 (84%) of the respondents were White British who answered the race equality question and 107 (16%) were from other races which mirrors the demographics of Portsmouth.

249 (44%) people who are White British are in receipt of CTS, while 38 (36%) people from a Black, Asian, Minority ethnic background were receiving CTS.

#### Option 1

This would not impact on CTS claimants that are in receipt of any disability benefits although people on ESA would be impacted on this change but each case would be assessed on an individual basis if individuals were experiencing hardship.

303 (54%) White British agreed with this proposal, 67 (65%) BAME agreed with the proposal.

#### Option 2

All working age household receiving Council tax reduction would be required to pay more although protected groups would pay a lower amount of 10% towards their council tax.

279 (50%) White British agreed with this proposal, 67 (64%) BAME agreed with the proposal.

#### Option 3

This would impact on all disabled people and those within a protected group although a number of applicants could still claim 100%.

259 (84%) White British agreed with this proposal, 50 (62%) BAME agreed with the proposal.

#### Option 4

All protection would be removed on this option but a number of claimants would still be able to receive 100% support. This option would need assistance on a case to case basis.

308 (47%) White British agreed with this proposal, 58 (66%) BAME agreed with the proposal.

People who answered the race equality question in the consultation had the preferred options:

-1st preferred choice of Option 4, (194, 44% White British, 54, 59% BAME)

-2nd preferred choice was Option 2, (140, 34% White British, 112, 43% BAME)

There were 3 other questions asked as additional changes:

1) Reduce the capital limit from the existing £16,000 to £6,000

677 people answered this question, 66% white British agreed with the proposal, 24% disagreed and 10% didn't know. 74% of people from a BAME background agreed with the proposal, 16% disagreed and 10% didn't know.

2) Restrict the maximum level of council tax reduction payable to the equivalent of a Band C charge

677 people answered this question, 58% white British agreed with the proposal, 23% disagreed and 19% didn't know. 63% of people from a BAME background agreed with the proposal, 21% disagreed and 16% didn't know.

3) To set a minimum level of support to £2 per week

668 people answered this question, 72% white British agreed with the proposal, 14% disagreed and 14% didn't know. 80% of people from a BAME background agreed with the proposal, 10% disagreed

and 10% didn't know.

## Gender including transgender

According to mid-2011 population estimates by the ONS, the gender split in Portsmouth is roughly 50:50.

The number of males that completed the survey were 290 (40%) and females that filled out the survey were 425 (60%)

189 females that completed the survey were in receipt of CTS, while 109 males were claiming CTS.

No statistics are kept for CTS claimants that are transgendered and no equality data was collected for this protected group.

Question 2-Should the Council keep the current Council Tax Reduction scheme?

Of the 423 females that answered this question, 150 (35%) wanted the scheme to continue in its present form, 205 (49%) females said the CTS should change the way it is run and 68 (16%) didn't know

### Option 1

This would not impact on CTS claimants that are in receipt of any disability benefits although people on ESA would be impacted on this change but each case would be assessed on an individual basis if individuals were experiencing hardship.

166 (58%) males agreed with this proposal, 233 (56%) females agreed with the proposal.

### Option 2

All working age household receiving Council tax reduction would be required to pay more although protected groups would pay a lower amount of 10% towards their council tax.

153 (54%) males agreed with this proposal, 218 (53%) females agreed with the proposal.

### Option 3

This would impact on all disabled people and those within a protected group although a number of applicants could still claim 100%.

141 (52%) males agreed with this proposal, 191 (48%) females agreed with the proposal.

### Option 4

All protection would be removed on this option but a number of claimants would still be able to receive 100% support. This option would need assistance on a case to case basis.

161 (57%) males agreed with this proposal, 241 (58%) females agreed with the proposal.

People who answered the gender question in the consultation had the preferred options:

-1st preferred choice of Option 4, (107, 46% males, 161, 48% females)

-2nd preferred choice was Option 2, (80, 47% males, 112, 35% females)

There were 3 other questions asked as additional changes:

1) Reduce the capital limit from the existing £16,000 to £6,000

290 males answered this question, 68% agreed with the proposal, 24% disagreed and 7% didn't know. 425 females answered this question, 69% agreed with the proposal, 20% disagreed and 10% didn't know.

2) Restrict the maximum level of council tax reduction payable to the equivalent of a Band C charge

290 males answered this question, 62% agreed with the proposal, 24% disagreed and 14% didn't know. 425 females answered this question, 57% agreed with the proposal, 22% disagreed and 21% didn't know.

3) To set a minimum level of support to £2 per week

288 males answered this question, 77% agreed with the proposal, 15% disagreed and 8% didn't know. 420 females answered this question, 73% agreed with the proposal, 11% disagreed and 16% didn't know.

No specific issues have been raised with regard to gender in the consultation results. It is not envisaged that the changes to the council tax support scheme changes will have a negative disproportionate impact due to gender.

## Age

People affected are:

Working age with vulnerable protection-approx 5,502 people, this equates to 33% of CTS claimants  
Working age-approx 4,581 people, this equates to 28% of CTS claimants.

The age range that that responded to the survey were mostly from 18-64 (678 people) although we did collect data from all age ranges from 18-85+, this could be due people of pensionable age would not be affected by the changes. Only 8 people of pensionable age completed the survey.

Across the age ranges 302 (43%) people were in receipt of CTS, while 400 (57%) people did not receive CTS that completed the survey and filled out the age equality question.

### Question 2

Should the Council keep the current Council Tax Reduction scheme?

Of the 719 people across all age ranges who that answered this question, 254 (35%) wanted the scheme to continue in its present form, 367 (51%) people across the ages said the CTS should change the way it is run and 98 (14%) didn't know.

There was no significant results across the the age protected group regarding Question 2 of changing the CTS as the majority of people were of working age, while the rest were at pensionable age which this does not impact on them or they skipped the age question.

### Option 1

This would not impact on CTS claimants that are in receipt of any disability benefits although people on ESA would be impacted on this change but each case would be assessed on an individual basis if individuals were experiencing hardship.

402 (57%) people from across all ages agreed with this proposal, 219 (31%) people disagreed with the proposal.

### Option 2

All working age household receiving Council tax reduction would be required to pay more although protected groups would pay a lower amount of 10% towards their council tax.

370 (53%) people from the age ranges agreed with this proposal, 225 (32%) people disagreed with the proposal.

### Option 3

This would impact on all disabled people and those within a protected group although a number of applicants could still claim 100%.

336 (50%) people across the age ranges agreed with this proposal, 238 (35%) people disagreed with the proposal.

#### Option 4

All protection would be removed on this option but a number of claimants would still be able to receive 100% support. This option would need assistance on a case to case basis.

404 (58%) people from the age ranges agreed with this proposal, 202 (29%) people disagreed with the proposal.

People from the age ranges who answered the consultation had the preferred options:

- 1st preferred choice of Option 4, (270 people, 47%)
- 2nd preferred choice was Option 2, (195 people, 36%)

There were 3 other questions asked as additional changes:

#### 1) Reduce the capital limit from the existing £16,000 to £6,000

709 people across all ages answered this question, 68% working age people agreed with the proposal, 22% disagreed and 10% didn't know. 83% of people of pensionable age agreed with the proposal, 15% disagreed and 2% didn't know.

#### 2) Restrict the maximum level of council tax reduction payable to the equivalent of a Band C charge

709 people across all ages answered this question, 58% working age people agreed with the proposal, 24% disagreed and 18% didn't know. 69% of people of pensionable age agreed with the proposal, 21% disagreed and 10% didn't know.

#### 3) To set a minimum level of support to £2 per week

712 people across all ages answered this question, 73% working age people agreed with the proposal, 13% disagreed and 14% didn't know. 88% of people of pensionable age agreed with the proposal, 5% disagreed and 7% didn't know.

Working age current and future applicants will not be negatively affected by the proposed council tax benefit support scheme changes as these changes were brought in when we introduce our own council tax benefit scheme. However, it is the Government's decision to automatically protect successful claimants of pensionable age from the CTS changes. Therefore, the council has no discretion to offer an alternative that would be less discriminatory on the basis of age.

No specific issues have been raised with regard to age in the consultation results. It is not envisaged that the changes to the council tax support scheme will have a disproportionate negative impact due to age.

## Disability

In Portsmouth there are approximately 20% of the population that has a disability that affects their day to day activities. The consultation had a return of 18% of disabled people that responded to the survey.

Under the Equality Act, s.149, the Council has a duty to have due regard to the need to eliminate unlawful discrimination and to advance the equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. This includes meeting the needs of

people with disabilities and it may need to involve treating people with disabilities more favourably than people who do not have a disability.

We recognise that disabled people suffer much bigger obstacles to gaining employment which would enable them to afford paying council tax so we do not take their Disability Living Allowance or Personal Independence Payment into account as income.

We have duly considered our duties under the Equality Act and to mitigate disproportionately negative impact, although the results did not show a disproportionate impact on people with a protected characteristic but it will impact on working age council tax payers that have protection at the moment, making these changes will make it more equitable across all council tax payers. We have put in place a hardship fund for individuals if they are experiencing difficulties if there is an adverse impact from the changes proposed.

Currently approx 5,502 customers in receipt of disability benefits this equates to 33% of CTS claimants. 1,340 people filled out the consultation document but some questions were skipped, 239 of these people had a disability which represents 18% of the completed surveys, although it was not broken down to whether it was a mobility, learning disability or a visual/hearing impairment.

Question 2 which asked if the council tax support scheme should stay the same or change. 474 (40%) people said they wanted to keep the council tax scheme as it is, 129 (27%) were disabled people while 510 (43%) people disagreed with this statement and wanted the scheme to change, 69 (14%) who answered this question was disabled.

#### Option 1

This would not impact on CTS claimants that are in receipt of any disability benefits although people on ESA would be impacted on this change but each case would be assessed on an individual basis if individuals were experiencing hardship.

90 (38%) of those respondents had a disability agreed with option 1, while 108 (45%) disabled people disagreed. The remaining respondents marked the survey as don't know and the remaining skipped this question.

#### Option 2

All working age household receiving Council tax reduction would be required to pay more although protected groups would pay a lower amount of 10% towards their council tax.

89 (38%) of disabled people agreed with the proposal, where 99 (42%) who disagreed. The remaining respondents either didn't know or skipped the question.

#### Option 3

This would impact on all disabled people and those within a protected group although a number of applicants could still claim 100%.

82 (37%) of disabled people that answered agreed with this option, while 107 (47%) disabled people disagreed with the scheme.

#### Option 4

All protection would be removed on this option but a number of claimants would still be able to receive 100% support. This option would need assistance on a case to case basis.

91 (19%) were disabled respondents and agreed with option 4, while 104 (39%) who were disabled disagreed.

People that were disabled who answered the consultation had the following preferred choices:



- 1st preferred choice of Option 4, (72 people)
- 2nd preferred choice was Option 2, (49 people)

There were 3 other questions asked as additional changes:

1) Reduce the capital limit from the existing £16,000 to £6,000

236 disabled people answered this question about reducing the capital limit to £6,000, 63% agreed with the decision, 26% disagreed with the proposal and 11% didn't know.

2) Restrict the maximum level of council tax reduction payable to the equivalent of a Band C charge

230 disabled people answered this question about the principle that the maximum level of Council Tax Reduction payable should be restricted to a maximum of a Band C charge. 54% of disabled people agreed with the principle, 24% disagreed, and 22% didn't know.

3) To set a minimum level of support to £2 per week

237 disabled people answered this question about the principle that the maximum level of Council Tax Reduction payable should be restricted to a maximum of a Band C charge. 66% of disabled people agreed with the principle, 14% disagreed, and 20% didn't know.

It is not envisaged that the change council tax support scheme changes will have a disproportionately negative impact due.

### **Religion or belief**

No specific issues have been raised with regard to religion or belief in the consultation results. It is not envisaged that the local council tax support scheme changes will have a negative impact due to religion or belief. We do not collect this equality data.

### **Sexual orientation**

It is estimated that between 5-7% of the UK population is lesbian, gay or bi-sexual. However, there is no hard data to support that as national census has never captured that information.

There is no evidence or feedback from the consultation that the local council tax support scheme will have a negative impact due to a person's sexual orientation. The Revenues and Benefits Service adhere to the equalities and diversity agenda and our service will provide good service to every council tax support customer, whatever their age, sexuality, gender, religion, belief or disability.

No specific issues have been raised with regard to sexual orientation in the consultation results. It is not envisaged that the local council tax support scheme changes will have a negative impact due to sexual orientation.

### **Pregnancy and maternity**

No specific issues have been raised with regard to pregnancy and maternity in the consultation results. It is not envisaged that the local council tax support scheme changes will have a negative impact due to pregnancy and maternity. Unknown as currently no data held.

**Other socially excluded groups or communities e.g. carers, areas of deprivation, low literacy skills**

From the comments made via the consultation by both residents and organisations the main area of concern is the added financial pressure for residents claiming council tax support who are on a low income.

However, it is proposed to continue to provide a limited financial hardship fund to assist council tax support customers who are in financial need.

## Health Impact

**Have you referred to the Joint Needs Assessment ([www.jsna.portsmouth.gov.uk](http://www.jsna.portsmouth.gov.uk)) to identify any associated health and well-being needs?**

Yes       No

**What are the health impacts, positive and / or negative? For example, is there a positive impact on enabling healthier lifestyles or promoting positive mental health? Could it prevent spread of infection or disease? Will it reduce any inequalities in health and well-being experienced by some localities, groups, ages etc? On the other hand, could it restrict opportunities for health and well-being?**

**Health inequalities are strongly associated with deprivation and income inequalities in the city. Have you referred to Portsmouth's Tackling Poverty Needs Assessment and strategy (available on the JSNA website above), which identifies those groups or geographical areas that are vulnerable to poverty? Does this have a disproportionately negative impact, on any of these groups and if so how? Are there any positive impacts?, if so what are they?**

Across the city, one in four children is living in poverty. Nearly one in five older people (60+) in Portsmouth are experiencing income deprivation.

Adults from Black and Minority Ethnic communities in Portsmouth have been identified as one of the groups most vulnerable to poverty.

Within the scheme it is legislated that pensioners will continue to receive the same level of council tax support as they currently receive under council tax benefit.

It is also proposed a limited financial hardship fund will continue to assist council tax support customers who are in financial need. The purpose of the fund is to ensure that a level of protection and support is available to those applicants who are in need and require additional financial assistance. This fund will be made available where an applicant is in receipt of Council Tax Support but the level of support being paid does not meet the full council tax liability and they are in financial hardship. Any payment made would be at the discretion of the council and each case would be considered on its own merits.

## Step 5 - What are the differences?

**Are any groups affected in a different way to others as a result of your policy, service, function, project or strategy?**

Legislation provides pensioners will continue to receive the same level as support as they did whilst receiving council tax benefit.

**Does your policy, service, function, project or strategy either directly or indirectly discriminate?**

Yes  No

**If you are either directly or indirectly discriminating, how are you going to change this or mitigate the negative impact?**

We are indirectly discriminating against all working age claimants as legislation dictates that people of pensionable age will not be affected by the changes but people who receive protection at the moment may need to pay something or more towards their council tax.

To mitigate any potential negative impacts it is proposed to continue with a financial hardship fund this will be to assist council tax support customers who are in financial need. The purpose of the fund is to ensure that a level of protection and support is available to those applicants who are in need and require additional financial assistance. This fund will be made available where an applicant is in receipt of Council Tax Support but the level of support being paid does not meet the full council tax liability and they are in financial hardship. Any payment made would be at the discretion of the council and each case would be considered on its own merits.

## Step 6 - Make a recommendation based on steps 2 - 5

**If you are in a position to make a recommendation to change or introduce the policy, service, project or strategy clearly show how it was decided on**

The first recommendation is Option 4, this was the preferred choice-All protection would be removed on this option but a number of claimants would still be able to receive 100% support via the financial hardship fund.

The other 3 recommendations that are being put forward are:

- 1) Reduce the capital limit from the existing £16,000 to £6,000
- 2) Restrict the maximum level of council tax reduction payable to the equivalent of a Band C charge
- 3) To set a minimum level of support to £2 per week

Also the additional changes which is alignment with Housing Benefit Regulations:

- Reduce the length of time a claim for council tax support can be backdated from 3 months to 1 month (working age claims only)
- Reduce the time that someone can be absent from Great Britain and still receive council tax support from 13 weeks to 4 weeks
- Remove the family premium from council tax support, it is unknown how many people would be affected as it relates to future events.
- Limit the number of dependants affecting a claim for council tax support to two (currently unlimited). Again this is unknown about how many people would be affected as it relates to future events.
- Remove the employment support allowance work related activity component, this is unknown about how many people this would affect but, it will not affect the amount of council tax support they receive.
- Remove the severe disablement premium when a person receives universal credit (carer element) for them. We don't know how many people would be affected by this change as it relates to future events.

### **What changes or benefits have been highlighted as a result of your consultation?**

From the comments made via the consultation by both residents and organisations the main area of concern is the added financial pressure for residents claiming council tax support who are on a low income and people with disabilities.

However, it is proposed a limited financial hardship fund will continue to assist council tax support customers who are in financial need.

**If you are not in a position to go ahead what actions are you going to take?**  
(Please complete the fields below)

**Action**

**Timescale**

**Responsible officer**

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How are you going to review the policy, service, project or strategy, how often and who will be responsible?

## Step 7 - Now just publish your results

This EIA has been approved by: Alan Knight

Contact number: x1460

Date: 18/10/16

Please email a copy of your completed EIA to the Equality and diversity team. We will contact you with any comments or queries about your full EIA.

Telephone: 023 9283 4789

Email: [equalities@portsmouthcc.gov.uk](mailto:equalities@portsmouthcc.gov.uk)

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