

## Notice of Meeting

# Council

A meeting of the Test Valley Borough Council will be held on

**Date:** Wednesday 23 January 2019

**Time:** 4.00 pm

**Venue:** Crosfield Hall, Broadwater Road, Romsey, Hampshire, SO51 8GL

when your attendance is required to consider the business set out in the agenda.



Head of Legal and Democratic Services

**For further information or enquiries please contact:**

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**Legal and Democratic Service**

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**PUBLIC PARTICIPATION SCHEME**

*If members of the public wish to address the meeting they should notify the Legal and Democratic Service at the Council's Beech Hurst office by noon on the working day before the meeting.*

**Council**

Wednesday 23 January 2019

**AGENDA**

**The order of these items may change as a result of members  
of the public wishing to speak**

- 1 Apologies**
- 2 Public Participation**
- 3 Declarations of Interest**
- 4 Prayers**
- 5 To approve the minutes of the meeting of the Council held on 21 November 2018**
- 6 Mayor's Announcements**
- 7 To receive and adopt Committee reports 4 - 23**

To receive and, where necessary, adopt reports of Committees.
- 8 Questions on resolved items - Rule 11.1**
- 9 Questions under Rule 11.2**
- 10 Notice of Motion - Rule 12**
- 11 Council Tax Support Scheme for 2019/20 24 - 210**

To allow the Council to formally adopt the local Council Tax Support Scheme for 2019/20.
- 12 Project Integra Management Board 211 - 212**

To seek approval for the substitution of the Council's Deputy Project Integra Management Board representative.

**13**     **Members' Allowances Scheme - Recommendations of  
the Independent Review Panel**

**213 - 290**

To approve the Members' Allowances Scheme for  
2019/21.

**ITEM 7 To receive and, where necessary, adopt the following reports of Committees:**

**To receive and, where necessary, adopt the following reports of Committees:**

(Some reports may involve the disclosure of exempt information. If the Council wishes to debate them, for each individual case the Council will need to adopt a suitable motion).

**7.1 To receive the minutes of the following meetings:**

- 7.1.1 Southern Area Planning Committee – 30 October 2018
- 7.1.2 Planning Control Committee – 6 November 2018
- 7.1.3 General Purposes Committee – 7 November 2018
- 7.1.4 Cabinet – 7 November 2018
- 7.1.5 Overview and Scrutiny Committee – 14 November 2018
- 7.1.6 Northern Area Planning Committee – 15 November 2018
- 7.1.7 Southern Area Planning Committee – 20 November 2018
- 7.1.8 Licensing Committee – 22 November 2018
- 7.1.9 Cabinet – 5 December 2018
- 7.1.10 Northern Area Planning Committee – 6 December 2018
- 7.1.11 Southern Area Planning Committee – 11 December 2018
- 7.1.12 Overview and Scrutiny Committee – 12 December 2018
- 7.1.13 Northern Area Planning Committee – 3 January 2019
- 7.1.14 Southern Area Planning Committee – 8 January 2019
- 7.1.15 Cabinet – 16 January 2019
- 7.1.16 Overview and Scrutiny Committee – 21 January 2019

(Note: in relation to 7.1.14, 7.1.15 and 7.1.16 these minutes are not included in the minute book and will be presented at the next Council meeting but members are able to ask questions on resolved items.)

**7.2 To adopt recommendations from the following:**

7.2.1 Cabinet – 5 December 2018

**7.2.1.1 Community Infrastructure Levy (CIL) – Allocation of CIL Funds (APPENDIX A)**

Consideration was given to a report of the Planning Portfolio Holder which set out a summary of the bids received during 2018, evaluation of each one and the funding recommendation made for each project.

Statutory consultation was undertaken on the Regulation 123 List prior to its adoption in November 2016. The Council's public sector partners such as Hampshire County Council and the Environment Agency had contributed to the Regulation 123 List as well as Parish Councils through their contributions to the Test Valley Access Plan.

Therefore the Council has taken the step through the CIL Spending Protocol approach to ensure that CIL funds were distributed in a fair, transparent and equitable way to maximise opportunities for the projects on the CIL Regulation 123 List to be delivered.

**Recommended:**

**1. That the following projects be approved for CIL funding:**

- **Kings Somborne Community Building – £95,000**
- **Romsey Flood Alleviation Scheme – £25,000**
- **Hurstbourne Tarrant Flood Alleviation Scheme – £15,126**
- **Southampton Road shared Pedestrian and Cycle Route – £270,000**
- **Barton Stacey Multi Use Games Area (MUGA) – £35,715**
- **Botley Road informal crossing point – £35,000**

**2. That the sum of £475,841 be drawn from the CIL Reserve to finance these projects.**

7.2.2 Southern Area Planning Committee – 8 January 2019

Recommendations to follow (if any)

7.2.3 Cabinet – 16 January 2019

Recommendations to follow (if any)

7.2.4 Overview and Scrutiny Committee – 21 January 2019

Recommendations to follow (if any)

**Report to Cabinet – 5 December 2018**

**APPENDIX A**

**ITEM            Community Infrastructure Levy (CIL) – Allocation of  
CIL funds**

Report of the Planning Portfolio Holder

**Recommended:**

1. That the following projects be approved for CIL funding:
  - Kings Somborne Community Building – £95,000
  - Romsey Flood Alleviation Scheme – £25,000
  - Hurstbourne Tarrant Flood Alleviation Scheme – £15,126
  - Southampton Road shared Pedestrian and Cycle Route – £270,000
  - Barton Stacey Multi Use Games Area (MUGA) – £35,715
  - Botley Road informal crossing point – £35,000
2. That the sum of £475,841 be drawn from the CIL Reserve to finance these projects.

**Recommendation to Council**

**SUMMARY:**

- The report sets out a summary of the bids received during 2018 and an evaluation of each one, and
- Funding recommendations made for each project

**1 Introduction**

- 1.1 The report outlines all 8 projects that were submitted during the first round of the CIL bidding process and the resultant funding recommendations
- 1.2 The report includes a brief description of each project, a percentage score against the Spending Protocol scoring criteria and a funding recommendation.
- 1.3 There is currently £1,022,348 in the main infrastructure pot. Further financial information is available in Annex 2 of the report.

**2 Background**

- 2.1 The CIL Spending Protocol and scoring methodology was adopted by Council on the 08 November 2017.
- 2.2 The following paragraphs outline each project and provide a recommendation for funding based on the approved scoring methodology.

- 2.3 The approved Bid Assessment document is attached at Annex 1 of the report. This is made up of 10 questions with a maximum score of 120 points. An average percentage score is presented below alongside a funding recommendation.
- 2.4 All bids are assessed against the same criteria meaning that a scheme with a total cost of £15,000 will be scored in the same way as a scheme with a total cost of £15,000,000.
- 2.5 Smaller schemes are likely to score lower as the level of detail required for the project is not as significant as a large scheme. This means that the threshold for recommendation reduces along with total project cost.

## 2.6 **Funding Recommendations**

### 2.7 **Project 1 – Kings Somborne Community Building**

**Lead Organisation** – Kings Somborne Parish Council

**Description** – Provision of a prefabricated modular building designed not only for use as a preschool but for other community activities as well.

**Evaluation of project** – The Parish Council project provided a large amount of evidence of need as well as answering all of the questions in the criteria in a detailed and clear manner. The level and depth of consultation that was conducted was thorough and detailed.

**Average Score** – 74%

**Recommendation** – Approve the release of £95,000 towards the Kings Somborne Community Building project.

### 2.8 **Project 2 – Romsey Flood Alleviation Scheme**

**Lead Organisation** – Environment Agency (EA)

**Description** – A scheme of works including installing flow control, earth embanking and drainage improvements to reduce the risk of fluvial (river) flooding from the River Test and surface water flooding in the Mainstone areas of Romsey

**Evaluation of project** – The project scored highly against the criteria assessing how the project mitigates development and enables development. The evidence of need was demonstrated and also the level of consultation showed significant public support for the scheme following the 2014 floods. This is a well rounded bid with far reaching benefits for the residents of Romsey. The bid answered all of the questions in a detailed manner providing statistical evidence where required.

**Average Score** – 76%

**Recommendation** – Approve the release of £25,000 towards the Romsey Flood Alleviation Scheme.

**2.9 Project 3 – Hurstbourne Tarrant Flood Alleviation Scheme (Operation Pathfinder)**

**Lead Organisation** – Hampshire County Council

**Description** – Reinstatement and repair of riverbed of the River Swift between Hurstbourne Tarrant and Vernham Dean.

**Evaluation of project** – The answers to both breadth and depth of benefits from the project scored highly along with the evidence of need. The Parish Council will cover the costs of maintaining the works and is likely to have further involvement with future works planned.

**Average Score** – 60%

**Recommendation** – Approve the release of £15,126 towards the Hurstbourne Tarrant Flood Alleviation Scheme.

**2.10 Project 4 – Southampton Road, Romsey, shared Pedestrian and Cycle Route**

**Lead Organisation** – Test Valley Borough Council

**Description** – To provide a safe and improved route for pedestrians and cyclists to access Lee Lane from Romsey. The proposed route is currently a footway and would be widened to enable shared use by pedestrians and cyclists.

**Evaluation of project** – The project provides direct benefits and will reduce risks for both motorists and cyclists in the area and increasing opportunities for cyclists on quieter and less fast routes.

**Average Score** – 53%

**Recommendation** – Approve the release of £270,000 towards the Southampton Road shared Pedestrian and Cycle Route. These funds will be held until feasibility work is completed and will only be released if the project is to proceed.

**2.11 Project 5 – Barton Stacey Multi Use Games Area (MUGA). Fun and Fitness in Barton Stacey**

**Lead Organisation** – Barton Stacey Parish Council

**Description** – Installation of a MUGA on Parish Council owned land which will provide a formal and informal recreation area for the whole community through play and exercise. The MUGA will offer tennis, basketball, netball, football, hockey and as well as an informal kick about space.

**Evaluation of project** – The project received lower scores for the breadth of impacts and enabling development but did receive high scores in evidence of need, community benefits and funding options.



**Average Score – 49%**

**Recommendation** – Approve the release of £35,715 towards the Barton Stacey MUGA.

## **2.12 Project 6 – Botley Road, Romsey, informal crossing point**

**Lead Organisation** – Test Valley Borough Council

**Description** – To create a safe informal crossing point for pedestrians wishing to cross Botley Road in the vicinity of the new Co-op food store. The provision of dropped kerbs and a 2 metre wide refuge island enabling pedestrians to cross one lane of traffic at a time.

**Evaluation of project** – The project scored highly for the mitigation of development, impact on intended users and capturing local ambitions. The risk assessment criteria impacted the score of the scheme due to the nature of highways works. The scheme will be unable to go through full feasibility until there is a certainty of funding. The monies for this scheme will be held until feasibility has been completed. The costs of feasibility studies are not derived from the CIL funds being bid for.

**Average Score – 48%**

**Recommendation** – Approve the release of £35,000 towards the Botley Road informal crossing point. These funds will be held until feasibility work is completed and will only be released if the project is to proceed.

## **2.13 Project 7 – Ampfield Recreation Ground. Preparation for new and relocated playground and provision of car parking**

**Lead Organisation** – Ampfield Parish Council

**Description** – Preparatory work to facilitate relocation and upgrading of the play area. To also install a car park to serve the recreation ground and new children's playground.

**Evaluation of project** – The project did not provide supporting information for the answers provided and did not address the removal of an existing play space asset.

**Average Score – 38%**

**Recommendation** – Refuse the request for £38,489 for the preparation for new relocated playground and provision of car parking at Ampfield Recreation Ground. It is suggested that Ampfield Parish Council submit a new bid in 2019 that includes provision of a new playground.

## **2.14 Project 8 – Braishfield Village signage and amenity improvement project**

**Lead Organisation** – Braishfield Parish Council

**Description** – To install new signage at Village entrances, the village shop and to signpost leisure facilities in the area.

**Evaluation of project** – The project does not provide a sufficient benefit to the local community and does not address any evidenced need. The project did not supply sufficient supporting information to the answers provided..

**Average Score** – 22%

**Recommendation** – Refuse the request for £10,505 for the Braishfield Village signage and amenity improvement project.

### **3 Objectives and Priorities**

- 3.1 This report covers all Corporate Priorities set out in the Corporate Plan 2015 – 2019 as shown below.
- 3.2 Live – A large portion of CIL receipts are generated from residential developments. These contributions help provide infrastructure to mitigate the impact of development by providing funds for new or improved infrastructure.
- 3.3 Work and do Business – The Flood Alleviation Schemes in this report help to ensure certainty of investment in these communities and assist in retaining existing businesses.
- 3.4 Enjoy – A new MUGA, Community Building and Shared Pedestrian and Cycle Route will assist in enjoying the natural and built environment of Test Valley. The MUGA delivers a new leisure facility for the Borough. The pedestrian and cycle route will assist in increasing our green credentials and promotes alternative modes of transport in the area.
- 3.5 Contribute – The CIL Spending Protocol affords local communities financial support to get their projects off the ground. Communities action plans can be moved forward to deal with flooding, improving the green credentials of their area and looking out for those who are most vulnerable as seen in Kings Somborne’s community building bid.

### **4 Consultations/Communications**

- 4.1 There has been no consultation on the contents of this report. Projects listed have gone through various forms of consultation prior to bids being submitted as is required by the assessment criteria.
- 4.2 However, statutory consultation was undertaken on the Regulation 123 List prior to its adoption in November 2016. The Council’s public sector partners such as Hampshire County Council and the Environment Agency have contributed to the Regulation 123 List as well as Parish Councils through their contributions to the Test Valley Access Plan. Therefore the Council has taken the step through the CIL Spending Protocol approach to ensure that CIL funds are distributed in a fair, transparent and equitable way to maximise opportunities for the projects on the CIL Regulation 123 List to be delivered.

## **5 Options**

5.1 **Option 1** – Support the recommendations and approve the release of £475,841.

5.2 **Option 2** – To refuse/approve projects against the recommendations.

## **6 Option Appraisal**

### **Option 1**

6.1 The recommendations are transparent and fair using the criteria approved by Cabinet on the 18 October 2017.

### **Option 2**

6.2 Projects may be approved or refused against the recommendations. Feedback will be given to applicants where a project is refused funding.

## **7 Risk Management**

7.1 An evaluation of the risks associated with the matters in this report indicate that further risk assessment is not needed because the changes/issues covered do not represent significant risks or have previously been considered by Councillors.

## **8 Resource Implications**

8.1 The funding for these projects will come from the Council's CIL receipts. No other resources will be used. The current balance in the CIL Reserve is £1,022,348. If all recommended projects are approved at a cost of £475,841, the balance remaining will be £546,507. However, this reserve is expected to increase over time as further CIL contributions are received.

## **9 Legal Implications**

9.1 No legal implications for Option 1

## **10 Equality Issues**

10.1 An EQIA screening has been completed in accordance with the Council's EQIA methodology and no potential for unlawful discrimination and/or low level or minor negative impact have been identified, therefore a full EQIA has not been carried out.

## **11 Other Issues**

11.1 Wards/Communities Affected – The projects listed affect the following parishes: Romsey Town, Romsey Extra, Braishfield, Barton Stacey, Kings Somborne, Hurstbourne Tarrant, Vernham Dean and Ampfield.

## 12 Conclusion

12.1 Approval is sought to release CIL funds to the following projects:

- Kings Somborne Community Building – £95,000
- Romsey Flood Alleviation Scheme – £25,000
- Hurstbourne Tarrant Flood Alleviation Scheme – £15,126
- Southampton Road shared Pedestrian and Cycle Route – £270,000
- Barton Stacey Multi Use Games Area (MUGA) – £35,715
- Botley Road informal crossing point – £35,000

Background Papers (Local Government Act 1972 Section 100D)

Reference the Cabinet reports for the Reg 123 List and Spending Protocol.

Confidentiality

It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.

No of Annexes:	2	File Ref:	N/A
(Portfolio: Planning) Councillor Nick Adams-King			
Officer:	Oliver McCarthy	Ext:	8176
Report to:	Cabinet	Date:	5 December 2018

# Community Infrastructure Levy CIL Bid Assessment



# CIL Bid Assessment

<b>Project name:</b>	<b>Applicant :</b>	<b>Project cost:</b>	<b>Band:</b>	<b>Total score: /120</b>
			<b>1: £10 - £50K</b>	
			<b>2: £50 - £100K</b>	<b>Percentage:</b>
			<b>3: £100K+</b>	

This forms purpose is to assess bids for CIL funds and follows on from the CIL Bid Form. The CIL Bid Form obtains initial information, such as whether planning permission is required, about the scheme to progress to the assessment of the CIL bids using the assessment criteria contained within this form.

The purpose of the assessment criteria below is to determine how well the proposed scheme delivers benefits to the residents and businesses of Test Valley.

Question 1 and 2 are designed to reflect the purpose of CIL which is to mitigate and enable development. The score for the first 2 questions are weighted more heavily that the remainder of the questions in the assessment, being scored out of 20. From question 3, each question is scored out of 10. The higher the score the better the proposal has performed against the criteria. Scoring guidance has been provided to assist with scoring each bid against each of the criteria below.

Applicants are asked to address each question under a separate heading to assist with scoring. The more information that is provided in addressing each criteria, the more likely it is that a higher score will be achieved.

## Section 1: Development and Local Communities

Question 1 Evidence of need		What evidence is available to demonstrate that the project mitigates the impact of development in the area?								
0	2	4	6	8	10	12	14	16	18	20
<b>Scoring guidance</b>		<p>2 - Anecdotal evidence that proposal is needed to mitigate growth from development in the area but no quantitative evidence to support proposed bid.</p> <p>10 – An audit or an assessment of need has been undertaken identifying quantitative deficits. Evidence or data has been gathered to suggest that the project is required to accommodate increased demand from development</p> <p>20 – The scheme has been identified and fully justified through both quantitative and qualitative assessments. Evidence or data has been gathered to demonstrate that infrastructure is reaching/has reached capacity and that the project is required increase capacity due to an increase in usage</p>								

Question 2 Enabling development		How does the proposal demonstrate that it helps bring forward development?								
0	2	4	6	8	10	12	14	16	18	20
<b>Scoring guidance</b>		<p>0 – The project doesn't enable development</p> <p>10 – Evidence that the proposal would attract development. Some evidence that this would have secondary effects such as increasing foot fall to local shops or shortens journey times for pedestrians &amp; cyclists to key destinations</p> <p>20 –Project unlocks sites to enable development or is a catalyst for further development by attracting more people and businesses. May be that the project is required to enable another project to come forward.</p>								

Question 3 Evidence gathering - Engagement with communities and stakeholders		How well does the proposal show that it has captured the ambitions of local and interested communities or organisations about the details of the project through a variety of engagement techniques?									
0	1	2	3	4	5	6	7	8	9	10	
<b>Scoring guidance</b>		<p>1 – Limited consultation. No direct contact with stakeholders or end users seeking engagement or feedback (possibly 0 score). Consultation limited to informing local communities of proposal.</p> <p>5 – Some attempt to engage more meaningfully with local communities such as surveys or questionnaires and meetings capturing quantitative data. Analysis of feedback may include minor amendments of a proposal to address consultation responses from local communities (e.g. Parish Plan)</p> <p>10 – Range of consultation techniques used to engage local residents such as workshops, exhibitions, questionnaires. These techniques should be targeted to capture a wide range of stakeholders at different times over a period of time. The scheme should demonstrate how engagement attempted to build consensus amongst interested groups and local communities to meet the identified need and address the issue/deficit</p>									

Question 4 Benefits		What are the direct benefits and are there any potential indirect benefits?									
0	1	2	3	4	5	6	7	8	9	10	
<b>Scoring guidance</b>		<p>1 – Limited to a small number of direct benefits (<u>e.g. road crossing – enables pedestrians to cross more safely</u>).</p> <p>5 – Greater number of direct benefits intended to address the issue/deficit identified (e.g. safer crossing, reduces vehicle speeds)</p> <p>10 – Multitude of direct and indirect benefits that fully addresses the issue/deficit that has been identified (e.g. increase the perception of safety, reduce risk of pedestrian injury, encourage walking, reduce obesity)</p>									



Question 5 Breadth of Impact		How many different communities is the proposal likely to benefit? What proportion of those communities will benefit (e.g. all ages or under 12's)? (Communities can be defined by geography or by a common issue/interest).								
0	1	2	3	4	5	6	7	8	9	10
<b>Scoring guidance</b>		<p>1 – Specific user group. The project generally serves only a specific community or a limited proportion of the community</p> <p>5 – Multiple user groups. Serves a number of communities equally. May only serve a small or limited proportion of these communities.</p> <p>10 – Serves all or a significant number of communities. May extend well beyond communities in the local vicinity (e.g. other villages or towns) and serve a high proportion of each of those communities</p>								

Question 6 Impact of benefits		How do the benefits of the proposal impact upon the intended users? (To address this criteria, see Annex 1 - CIL Bid Form 2 regarding equalities impact assessment.)								
0	1	2	3	4	5	6	7	8	9	10
<b>Scoring guidance</b>		<p>1 – Benefits with limited impact. E.g. the benefits of the proposal would provide an experience that users would enjoy or find desirable but are probably not essential to meet their needs. The proposal may have a negative impact on certain 'protected' groups that has not been minimised or eliminated. Users may be able to have their needs met elsewhere should the proposal not be provided</p> <p>5 – Benefits would have a positive effect on users lives. An attempt has been made to address any negative impact the proposal has on users with 'protected' characteristics. The needs of all users can be met through alternative means but the proposal is the preferred option to maximise opportunities to improve the quality of their lives.</p> <p>10 – The proposal would have a profound positive effect on users or particular groups of users. Their level of need may be high and the provision of the project may be crucial to better their quality of life. Negative impacts on all users, particularly those with protected characteristics have been full assessed and minimised or eliminated. Users needs cannot be met through an alternative scheme or elsewhere. If the proposal wasn't provided it may have a negative impact on their lives. Community may not function well without this piece of infrastructure</p>								

<b>Question 7 Negative impacts and mitigation measures</b>		<b>Have any permanent/long term negative impacts of the proposal been considered and how are they proposed to be mitigated? (e.g. cycle link proposed but some loss of hedgerow, new crossing point but loss of a parking space).</b>									
<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	
<b>Scoring guidance</b>		<p>1 – Impacts not considered (0 score). Minimal consideration of impacts but no mitigation proposed.</p> <p>5 – Impacts identified and assessed. Mitigation measures proposed but limited information about how and when they will be delivered.</p> <p>10 – All potential impacts identified and assessed. Full package of mitigation measures proposed which have been costed as part of the scheme. Advice from relevant expertise, where necessary, sought on impacts and mitigation. Programme of works provided setting out how and when mitigation will be integrated and delivered as part of proposed scheme.</p>									

## Section 2: Financial viability

<b>Question 8 Funding</b>		<b>What are the options for funding the proposal?</b>									
<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	
<b>Scoring guidance</b>		<p>1 – Proposal is wholly reliant on CIL and no other funding options (e.g. CAF) have been explored (0 score). Securing other funding is reliant on CIL funding being granted (Possible score of 1 or more).</p> <p>5 – Proposal is partly reliant on CIL. Other funding options have been explored. Other funding may have been secured</p> <p>10 – Proposal is partly reliant on CIL and other funding has been secured. Greater weight can be given to well-prepared large scale projects that seek funding but where the amount of CIL reserves available is insufficient. Bid is accompanied by a project plan evidencing how much is needed and why CIL funds are required to be set aside over successive years.</p>									

Question 9 Delivery risks		What measures have been explored to minimise the risk of the project not being delivered?									
0	1	2	3	4	5	6	7	8	9	10	
<b>Scoring guidance</b>		<p>1 – Limited assessment of various risks undertaken. None or few measures to demonstrate that project will be carefully managed, the contractor/supplier is adequately insured, capable of undertaking the project, or able to provide guarantees.</p> <p>5 – Budget management measures explored. Contractor/supplier has delivered a project of this scale and type before and can demonstrate capability. Minimal guarantees offered.</p> <p>10 – Multiple budget management measures secured (e.g. fixed price contract tenders). All approvals and permissions have been secured. Contractor/supplier can provide guarantees and all insurances are in place. All risks against going over budget fully assessed and mitigated.</p>									

Question 10 Sustainability-		How have any ongoing costs been covered?									
0	1	2	3	4	5	6	7	8	9	10	
<b>Scoring guidance</b>		<p>0 – Future costs not considered</p> <p>5 – Some future costs covered or may be covered for a limited time (e.g. through guarantees/warranty/certification)</p> <p>10 – No ongoing costs. Ongoing costs covered by another organisation or project may be self-funding</p>									

Question	score	
1	/20	
2	/20	
3	/10	
4	/10	
5	/10	
6	/10	
7	/10	
8	/10	
9	/10	
10	/10	
<b>Total</b>	/120	%



## **Planning and Building Service**

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[www.testvalley.gov.uk](http://www.testvalley.gov.uk)



TestValleyBC



@TestValleyBC

## Community Infrastructure Levy (CIL) Income and Expenditure Report

### Income

Total CIL receipts:	£1,277,934.90
Secured but not yet received:	£905,225.42

### Breakdown of current receipts

Main infrastructure pot:	£1,022,347.92
Neighbourhood/Parish portion:	£191,690.24
Administrative expenses:	£63,896.75

### Parish and Town Council portions:

Abbots Ann:	£2,709.00
Andover:	£15,883.35
Awbridge:	£20,343.75
Barton Stacey:	£84.42
Chilworth:	£5,328.41
East Dean:	£3,858.75
Goodworth Clatford:	£5,565.00
Houghton:	£23,794.63
Monxton:	£3,703.12
North Baddesley:	£6,245.69
Penton Grafton:	£2,709.00
Romsey:	£4,648.16
Romsey Extra:	£72,546.21
Sherfield English:	£4,698.75
Vernham Dean:	£5,859.00
Wellow:	£13,713.00

## **ITEM 11 Council Tax Support Scheme for 2019/20**

Report of the Finance Portfolio Holder

### **Recommended:**

**That the local Council Tax Support Scheme (also known as the Council Tax Reduction Scheme), detailed at Annex 1 to the report, be adopted - the main principles of which are as follows:**

- a) **base the local Council Tax Support Scheme for 2019/20 on the existing scheme for 2018/19 with the following changes for working age customers:**
  - i. **apply a cap of 90% for customers not in receipt of Support Component of Employment Support Allowance or Limited Capacity for Work element of Universal Credit,**
  - ii. **increase the minimum amount of Council Tax Support payable to £1.00 per week,**
  - iii. **set a minimum tolerance level for cumulative changes in income of £30.00 per week;**
- b) **continue to disregard 100% of certain payments (for working age and pensioner age customers) made under the War Pension and Armed Forces Compensation Scheme;**
- c) **the annual uplift of the components of the Council Tax Support Scheme is in line with the uplift for the national Council Tax Support Scheme for Pensioners and the Housing Benefit Scheme.**

#### **SUMMARY:**

The purpose of this report is to allow the Council to formally adopt the local Council Tax Support Scheme for 2019/20.

### **1. Introduction**

- 1.1. At its meeting held on 5 December 2018 Cabinet considered a report from the Overview and Scrutiny Committee (attached at Annex 2) concerning the design of the local Council Tax Support (CTS) Scheme for 2019/20. CTS replaced Council Tax Benefit with effect from 1 April 2013.
- 1.2. The report to the Overview and Scrutiny Committee contained an appraisal of the current position and detailed the results of a public consultation, together with recommendations made by a Council Tax Support Member Panel.
- 1.3. Cabinet resolved -
  - **That the recommendations of the Overview and Scrutiny Committee**



**on the Review of the Council Tax Support Scheme for 2019/20 be endorsed for submission, with a full report and draft scheme, to Council on 23 January 2019.**

- 1.4. The detailed CTS Scheme is attached at Annex 1. It is a legal requirement that the whole scheme is included in this report for approval by Members and for this reason the annex is very large. A 'short guide' giving a summary of the scheme is available on the Council's website.
- 1.5. There remains the possibility of legislative changes to CTS, welfare benefits and other related legislation. In order that the Council might respond to such changes it was previously agreed to delegate authority to the Acting Head of Revenues (Benefits & Customer Services) in consultation with the Head of Finance and Finance Portfolio Holder to make amendments to the Scheme to the extent that any such changes are purely procedural or administrative in nature, for example a change in other welfare benefits. Any further changes to the principle of the scheme will require explicit Member approval. For the avoidance of doubt it is intended that such authority shall not extend to anything which would alter the effect of the recommendations in this report.

## **2. Background**

- 2.1. In January 2018 Council approved the existing CTS Scheme for 2018/19 and supported a review of the scheme for 2019/20 in light of the welfare reforms and in particular the fact that Universal Credit was rolling out across Test Valley.
- 2.2. The Overview & Scrutiny Committee appointed a Member Panel to review the current CTS scheme and consider a number changes for 2019/20 that could be taken forward for public consultation.
- 2.3. On 21 March 2018 the Overview & Scrutiny Committee recommended to Cabinet a number of options to be considered as part of a public consultation. Cabinet approved these recommendations on 18 April 2018 and added a protection from any cap on financial support for Council Tax payers receiving the following:
  - Support Component of Employment Support Allowance, or
  - Limited Capacity for Work element of Universal Credit.
- 2.4. A consultation questionnaire was developed and the consultation was made live on the Council's website on 17 September 2018. A press release was issued and a paper questionnaire was posted to all working age residents currently receiving Council Tax Support.
- 2.5. On 14 November 2018 the Overview and Scrutiny Committee considered the report of the Council Tax Support Member Panel and recommended a number of options to change the CTS scheme for 2019/20. Cabinet approved these recommendations on 5 December 2018.

### **3. Corporate Objectives and Priorities**

- 3.1. The matters described in this report are in response to legislative changes that have been introduced by the Government. They potentially impact the Corporate Plan aims relating to where residents live and help to support them back to work.

### **4. Consultations/Communications**

- 4.1. An eight week consultation process commenced on 17 September 2018 and ended on 12 November 2018. A full report detailing the responses can be found on the Council's website.
- 4.2. The Council has also consulted with the major precepting authorities (Hampshire County Council, Hampshire Police and Crime Commissioner, Hampshire Fire Authority). Their response is included in the Overview and Scrutiny report attached at Annex 2.

### **5. Options**

- 5.1. The OSCOM Council Tax Support Member Panel has undertaken a full review of the CTS scheme and recommended to OSCOM that the local CTS Scheme for 2019/20 to be based on the existing scheme for 2018/19 with the following changes for working age customers:
  - Apply a cap of 90% for customers not in receipt of Support Component of Employment Support Allowance or Limited Capacity for Work element of Universal Credit.
  - Increase the minimum amount of Council Tax Support payable to £1.00 per week
  - Set a minimum tolerance level for cumulative changes in income of £30.00 per week
- 5.2. OSCOM approved the recommendations of the panel and in turn recommended the changes to the scheme to Cabinet.
- 5.3. Cabinet supported these recommendations on 5 December 2018 and requested that the Acting Head of Revenues prepare the CTS scheme for 2019/20 for consideration by Council on this basis.
- 5.4. The 2019/20 CTS scheme has been prepared on this basis and is attached at Annex 1.

### **6. Option Appraisal**

- 6.1. Apply a cap of 90% for customers not in receipt of Support Component of Employment Support Allowance or Limited Capacity for Work element of Universal Credit. The cap would not apply to those Council Tax payers unable to work because of disability.
  - A cap of 90% will ensure the CTS Scheme can continue to be delivered

without any further financial pressures on the Council whilst protecting the most vulnerable customers. This option was supported by the results of the public consultation.

- Applying a larger cap would achieve financial savings for the Council; however this would place a greater burden on low income residents who may struggle to pay.
- Applying a lower or no cap would create a financial pressure on the Council with continued increases in Council Tax.

6.2. Increase the minimum amount of Council Tax Support payable to £1.00 per week.

- Setting the minimum Council Tax Support level at £1.00 per week recognises that this amount is of benefit to low income residents. This option was supported by the results of the public consultation.
- Setting a higher minimum level places a greater burden on low income residents who may struggle to pay.
- Setting a lower minimum level is uneconomical to administer.

6.3. Set a minimum tolerance level for cumulative changes in income of £30.00 per week.

- Setting the tolerance level at £30.00 per week (cumulative) ensures small changes in income will not result in a recalculation of Council Tax Support and generate multiple changes (and consequently multiple Council Tax bills) throughout the year. This option was supported by the results of the public consultation.
- Setting a higher tolerance level will have a financial impact on the scheme as large increases or decreases in a resident's income will not be taken into account.
- Setting a lower or no tolerance level causes an administrative burden; residents will receive multiple Council Tax bills throughout the year for minor changes in their income.

## **7. Risk Management**

7.1. The result of applying a 90% cap for Council Tax Support will result in the Council having to collect small amounts of money from residents. The Acting Head of Revenues (Local Taxation) advises that he believes that this is feasible and will be monitoring collection throughout the year.

7.2. The Revenues Service currently has an amber risk for the inability to collect local taxes. The current control measure in place for this is to monitor collection rates on monthly basis and advise the Head of Finance of any potential shortfall arising from negative deviation from the expected trend. This risk will be updated if the proposed options are implemented.

## **8. Resource Implications**

- 8.1. Under the previous CTB scheme, the Council was reimbursed in full, for the amount of CTB paid out correctly. In times of economic difficulty as the amount of benefit the Council paid out increased the Council was reimbursed by the Government.
- 8.2. Under the current scheme, funding for CTS is included in the local government finance settlement. A specific amount of funding was identified in year one of the scheme, which included a 10% cut in funding. However, funding for CTS schemes is now provided through the business rates retention scheme rather than through a separate grant for all authorities. Any additional cost of the CTS scheme therefore has to be met by the Council and major precepting authorities via the Collection Fund. The Council's share of any surplus or deficit is approximately 11.0% for 2018/19.
- 8.3. The overall level of CTS awarded has been increasing over recent years; this is due to the increases in Council Tax. In 2018/19 all the major preceptors increased their Council Tax charge by the maximum permitted amount.
- 8.4. The actual amount of CTS awarded at the start of 2017/18 was £4.883M. This reflected the amount of support that the Council would pay if every recipients' circumstances remain the same throughout the year, that is to say it is an annual estimate based on circumstances on a given date. The final cost of the CTS scheme in 2017/18 was £4.735M due to the caseload falling throughout the year.
- 8.5. The actual amount of CTS awarded at the start of 2018/19 was £5.015M significantly increasing the level of support compared to the previous year despite falls in caseload. The current estimate for 2018/19 is £4.899M. The impact on the Council of the increase from £4.735M in 2017/18 to £4.899M in 2018/19 is approximately £18,000.
- 8.6. Based on current Council Tax levels, the recommended 90% cap would achieve estimated CTS scheme savings of around £220,000 in 2019/20, the share for the Council being £24,000. Assuming that HCC, Hampshire Fire & Rescue and the Police and Crime Commissioner increase their Council Tax charge by the maximum permitted amount applying a 90% cap will reduce the estimated savings to £5,000 in 2019/20.
- 8.7. The estimated collection rate for Council Tax payers in receipt of CTS is 90% and this will be monitored throughout the year.

## **9. Legal Issues**

- 9.1. The Council must approve the Scheme for 2019/20 by 11 March 2019; however in practical terms this needs to be considered at this point in the financial year in order to feed into the Council Tax billing arrangements.
- 9.2. In determining the Scheme the Council must have due regard to the requirement to consult major preceptors and other stakeholders and must

carry out a robust equality impact assessment on any proposed changes. Both of these requirements have been fulfilled.

**10. Equality Issues**

- 10.1. A full equality impact assessment of the options proposed can be viewed in Annex 2.

**11. Conclusion and reasons for recommendation**

This report sets out the background and rationale for the recommended CTS scheme for 2019/20 for consideration by Council.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
None			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	2		
Author:	Janice Broomfield	Ext:	8563
File Ref:	N/A		
Report to:	Council	Date:	23 January 2019



**Test Valley Borough Council**  
**Council Tax Reduction 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 Reduction scheme for the period from 1<sup>st</sup> April 2019.
- 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 2019 for a period of one financial year.
- 1.3 The scheme in respect of pension age applicants is defined by Central Government within the following:
- Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012;
  - Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012;
  - Council Tax Reduction Schemes (Transitional Provision) (England) Regulations 2013;
  - Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013;
  - Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013;
  - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2) Regulations 2014;
  - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015;
  - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016;
  - The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017
  - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2018; 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.

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

- c. be liable to pay council tax in respect of a dwelling in which he is solely or mainly resident;
- d. is not deemed to be absent from the dwelling;
- e. not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- f. be somebody in respect of whom a maximum Council Tax Reduction<sup>2</sup> amount can be calculated;
- g. not have capital savings above £16,000<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 £16,000<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

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<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 Reduction Scheme**

Details of reduction to be given for **working age applicants** for the financial year 2019/20

**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 (Civilian) 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;

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

**'Scottish basic rate'** means the rate of income tax of that name calculated in accordance with section 6A of the Income Tax Act 2007;

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



**'Scottish taxpayer'** has the same meaning as in Chapter 2 of Part 4A of the Scotland Act 1998

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

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

	<p>Jobseeker's Allowance Regulations or section 19 or 20A or regulations made under section 17A of that Act;</p> <p>(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;</p> <p>(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).</p>
2.4A	<p>For the purposes of this scheme, a person is on an income-related employment and support allowance on any day in respect of which an income-related employment and support allowance is payable to him and on any day;</p> <p>(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</p> <p>(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.</p>
2.5	<p>For the purposes of this scheme, two persons shall be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.</p>
2.6	<p>In this scheme, references to any person in receipt of state pension credit includes a person who would be in receipt of state pension credit but for regulation 13 of the State Pension Credit Regulations 2002 (small amounts of state pension credit).</p>
<b>3.0</b>	<b>Definition of non-dependant</b>
3.1	<p>In this policy, 'non-dependant' means any person, except someone to whom paragraph 3.2 applies, who normally resides with an applicant or with whom an applicant normally resides.</p>
3.2	<p>This paragraph applies to;</p> <p>a. any member of the applicant's family;</p> <p>b. if the applicant is polygamously married, any partner of his and any child or young person who is a member of his household and for whom he or one of his partners is responsible;</p> <p>c. a child or young person who is living with the applicant but who is not a member of his household by virtue of section 11(membership of the same household);</p> <p>d. subject to paragraph 3.3, any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under sections 6, 7 or 75 of the 1992 Act (persons liable to pay council tax);</p> <p>e. subject to paragraph 3.3, any person who is liable to make payments on a commercial basis to the applicant or the applicant's partner in respect of the occupation of the dwelling;</p> <p>f. a person who lives with the applicant in order to care for him or a partner of his and who is engaged by a charitable or voluntary organisation which makes a charge to the applicant or his partner for the services provided by that person.</p>
3.3	<p>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–</p> <p>a. a person who resides with the person to whom he is liable to make payments in respect of the dwelling and either;</p> <p>i. that person is a close relative of his or her partner; or</p> <p>ii. the tenancy or other agreement between them is other than on a commercial basis;</p> <p>b. a person whose liability to make payments in respect of the dwelling appears to the</p>

authority to have been created to take advantage of the council tax reduction scheme except someone who was, for any period within the eight weeks prior to the creation of the agreement giving rise to the liability to make such payments, otherwise liable to make payments of rent in respect of the same dwelling;

- c. a person who becomes jointly and severally liable with the applicant for council tax in respect of a dwelling and who was, at any time during the period of eight weeks prior to his becoming so liable, a non-dependant of one or more of the other residents in that dwelling who are so liable for the tax, unless the authority is satisfied that the change giving rise to the new liability was not made to take advantage of the reduction scheme.

#### **4.0 Requirement to provide a National Insurance Number<sup>18</sup>**

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

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

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

4.3 Paragraph 4.2 shall not apply–

- a. in the case of a child or young person in respect of whom council tax reduction is claimed;
- b. to a person who;
  - i. is a person in respect of whom a claim for council tax reduction is made;
  - ii. is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act;
  - iii. is a person from abroad for the purposes of this scheme; and
  - iv. has not previously been allocated a national insurance number.

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

5.1 This scheme applies to a person if:

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

#### **6.0 Remunerative work**

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

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<sup>18</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 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>19</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—  
 “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;

<sup>19</sup> As amended by the Immigration Act 2014 and the Immigration Act 2014 (Commencement No. 2) Order 2014

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

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

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

- ii. the part of the dwelling in which he usually resided is not let or sub-let;
- iii. the person is a person to whom paragraph 8.4 applies; and
- iv. the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period.

8.4 This paragraph applies to a person who is;

- a. detained in custody on remand pending trial or required, as a condition of bail, to reside;
  - i. in a dwelling, other than the dwelling referred to in paragraph 8.1, or
  - ii. in premises approved under section 13 of the Offender Management Act 2007 as amended by the Offender Rehabilitation Act 2014, or, detained in custody pending sentence upon conviction;
- b. resident in a hospital or similar institution as a patient;
- c. undergoing, or his partner or his dependent child is undergoing, in the United Kingdom or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
- d. following, in the United Kingdom or elsewhere, a training course;
- e. undertaking medically approved care of a person residing in the United Kingdom or elsewhere;
- f. undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care of medical treatment;
- g. in the United Kingdom or elsewhere, receiving medically approved care provided in accommodation other than residential accommodation;
- h. a student;
- i. receiving care provided in residential accommodation other than a person to whom paragraph 8.3a) applies; or
- j. has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.

8.5 This paragraph applies to a person who is;

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

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

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

8.7 In this section;

- 'medically approved' means certified by a medical practitioner;
- 'patient' means a person who is undergoing medical or other treatment as an in-patient in any hospital or similar institution; 'residential accommodation' means accommodation which is provided;
  - a. in a care home;
  - b. in an independent hospital;
  - c. in an Abbeyfield Home; or
  - d. in an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services



authority;

- 'training course' means a course of training or instruction provided wholly or partly by or on behalf of or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

**Sections 9 - 11**

**The family for Council Tax Reduction purposes**

**9.0 Membership of a family**

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

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

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

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

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

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

ii. in any other case the person who has the primary responsibility for him.

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

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

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

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

- a. placed with the applicant or his partner by a local authority under section 23(2)(a) of the Children Act 1989 or by a voluntary organisation under section 59(1)(a) of that Act, or in Scotland boarded out with the applicant or his partner under a relevant enactment; or
- b. placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or
- c. placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002<sup>20</sup> or the Adoption Agencies (Scotland) Regulations 2009.

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

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

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

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

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

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<sup>20</sup> The Adoption and Children Act 2002 (Commencement No. 12) Order 2014

**Sections 12 – 14 & Schedule 1**

**Applicable Amounts for Council Tax Reduction purposes**

**12.0 Applicable amounts**

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

- a. an amount in respect of himself or, if he is a member of a couple, an amount in respect of both of them, determined in accordance with paragraph 1 as the case may be, of Schedule 1 of this scheme;
- b. an amount determined in accordance with paragraph 2 of Schedule 1 of this scheme in respect of any child or young person who is a member of his family;
- c. if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of Schedule 1 (family premium);
- 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 lowest amount within paragraph 1 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 or another partner of the polygamous marriage is responsible for a child or young person who is a member of the same household, the amount specified in paragraph 3 of Schedule 1 of this scheme (family premium);
- e. the amount of any premiums which may be applicable to him determined in accordance with paragraphs 4 to 16 of Schedule 1 of this scheme (premiums).
- f. the amount of either the;
  - i. work-related activity component; or
  - ii. support component which may be applicable to him in accordance with paragraph 17 and 18 of Schedule 1 (the components).
- g. the amount of any transitional addition which may be applicable to him in accordance with paragraphs 19 and 20 of Schedule 1 of this scheme (transitional addition)

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

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

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

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

- 14.2 The adjustment referred to in sub-paragraph (1) is to multiply the maximum amount by 12 and divide the product by 52.
- 14.3 In this paragraph “maximum amount” means the maximum amount calculated by the Secretary of State in accordance with section 8(2) of the Welfare Reform Act 2012

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

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



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

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

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

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

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

**15A.0 Calculation of income and capital: persons who are not pensioners who have an award of universal credit**

15A.1 In determining the income of an applicant

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

an award of universal credit the authority must, subject to the following provisions of this paragraph, use the calculation or estimate of the income of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.

15A.2 The authority 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 applicant's), if the authority determines that the provision applies in the applicant's case;

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

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

15A.4 sections 33 (income and capital of non-dependant to be treated as applicant's) and 52 and 53 (disregards from income) apply (so far as relevant) for the purpose of determining any adjustments, which fall to be made to the figure for income under sub-paragraph (2)

15A.5 In determining the capital of an applicant;

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

an award of universal credit, the authority must use the calculation or estimate of the capital of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining that award

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

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

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

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

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

- 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 applicant's family of whichever of the sums specified in paragraph (3) applies in his case.

17.2 The conditions of this paragraph are that;

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

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

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

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

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

**18.0 Treatment of child care charges**

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

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

	<p>following their sixteenth birthday; or</p> <ul style="list-style-type: none"><li>b. by a child care provider approved in accordance with by the Tax Credit (New Category of Child Care Provider) Regulations 1999;</li><li>c. by persons registered under Part 2 of the Children and Families (Wales) Measure 2010; or</li><li>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</li><li>e. by;<ul style="list-style-type: none"><li>i. persons registered under section 59(1) of the Public Services Reform Scotland Act 2010;</li><li>or</li><li>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</li></ul></li><li>f. by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002 or</li><li>g. by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or</li><li>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</li><li>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</li><li>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</li><li>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</li><li>l. by a domiciliary care worker under the Domiciliary Care Agencies Regulations 2002 or the Domiciliary Care Agencies (Wales) Regulations 2004; or</li><li>m. by a person who is not a relative of the child wholly or mainly in the child's home.</li></ul>
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 <ul style="list-style-type: none"><li>a. the applicant's applicable amount includes a disability premium on account of the other member's incapacity or the support component or the work-related activity component on account of his having limited capability for work</li><li>b. the applicant's applicable amount would include a disability premium on account of the other member's incapacity but for that other member being treated as capable of work by virtue of a determination made in accordance with regulation made under section 171E of the Act;</li><li>c. the applicant's applicable amount would include the support component or the work-related activity component on account of the other member having limited capability for work but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support</li></ul>

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

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

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

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

- 18.14 For the purposes of paragraph 18.1 a 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 of section 171ZL of the Act, maternity allowance under section 35 of the Act or qualifying support.

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

whichever shall occur first.

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

- 18.17 In this section 'applicant' does not include an applicant;
- a. who has, or
  - b. who (jointly with his partner) has,  
an award of universal credit

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

- 19.1 Where an applicant's income consists of earnings from employment as an employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment—
- a. over a period immediately preceding the reduction week in which the claim is made or treated as made and being a period of
    - i. 5 weeks, if he is paid weekly; or
    - ii. 2 months, if he is paid monthly; or
  - b. whether or not sub-paragraph 19.1a i) or ii) applies, where an applicant's earnings fluctuate,

over such other period preceding the reduction week in which the claim is made or treated as made as may, in any particular case, enable his average weekly earnings to be estimated more accurately.

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

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

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

19.4 For the purposes of this section the applicant's earnings shall be calculated in accordance with sections 25 and 26 or, where the applicant is in receipt of Universal Credit, the authority may use the determination of earnings provided by the Department for Work and Pensions.

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

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

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

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

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

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

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

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

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

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

22.3 Where the instalment in respect of which payment of a tax credit is made is;

- a. a daily instalment, the period is 1 day, being the day in respect of which the instalment is

- paid;
- b. a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;
- c. a two weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;
- d. a four weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.

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

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

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

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

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

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

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

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

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

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

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

- a. any bonus or commission;
- b. any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
- c. any payment in lieu of notice or any lump sum payment intended as compensation for the loss of employment but only in so far as it represents loss of income;
- d. any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;



- e. any payment by way of a retainer;
- f. any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of—
  - i. travelling expenses incurred by the applicant between his home and his place of employment under arrangements made for the care of a member of his family owing to the applicant's absence from home;
  - ii. 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);
- g. 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);
- h. any such sum as is referred to in section 112 of the Act (certain sums to be earnings for social security purposes);
- i. any statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;
- j. any remuneration paid by or on behalf of an employer to the applicant who for the time being is on maternity leave, paternity leave or adoption leave or is absent from work because he is ill;
- k. 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>21</sup>.

25.2 Earnings shall not include—

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

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

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

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

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

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

- a. any amount deducted from those earnings by way of
  - i) income tax;
  - ii) primary Class 1 contributions under the Act;
- b. one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;
- c. one-half of the amount calculated in accordance with paragraph 26.5 in respect of any qualifying contribution payable by the applicant; and

<sup>21</sup> Social Security (Contributions)(Amendment) Regulations 2013, Social Security (Contributions)(Amendment No.2) Regulations 2013 and Social Security (Contributions)(Amendment No.2) Regulations 2013

	<p>d. where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, any amount deducted for those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions under the Act.</p> <p>26.4 In this section 'qualifying contribution' means any sum which is payable periodically as a contribution towards a personal pension scheme.</p> <p>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—</p> <p>a. where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;</p> <p>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.</p> <p>26.6 Where the earnings of an applicant are estimated under sub-paragraph (b) of paragraph 2) of the section 19 (average weekly earnings of employment earners), his net earnings shall be calculated by taking into account those earnings over the assessment period, less—</p> <p>a. an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988(personal allowances) as is appropriate to his circumstances but, if the assessment period is less than a year, the earnings to which the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rata basis;</p> <p>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</p> <p>c. one-half of any sum which would be payable by the applicant by way of a contribution towards an occupational or personal pension scheme, if the earnings so estimated were actual earnings.</p> <p><b>27.0 Earnings of self-employed earners</b></p> <p>27.1 Subject to paragraph 27.2, 'earnings', in the case of employment as a self- employed earner, means the gross income of the employment any allowance paid under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 to the applicant for the purpose of assisting him in carrying on his business unless at the date of claim the allowance has been terminated.</p> <p>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 applicant under arrangements made by a local authority or voluntary organisation and payments made to the applicant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the applicant's care) nor shall it include any sports award.</p> <p>27.3 This paragraph applies to—</p> <p>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</p> <p>b. any payment in respect of any—</p> <p>(i) book registered under the Public Lending Right Scheme 1982; or</p>
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(ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982, where the applicant is the first owner of the copyright, design, patent or trade mark, or an original contributor to the book of work concerned.

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

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

28.1 For the purposes of section 20 (average weekly earnings of self-employed earners) the earnings of an applicant to be taken into account shall be

- a. in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
- b. in the case of a self-employed earner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975, his share of the net profit derived from that employment, less—
  - i. an amount in respect of income tax and of national insurance contributions payable under the Act calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
  - ii. one-half of the amount calculated in accordance with paragraph (11) in respect of any qualifying premium.

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

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

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

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

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

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

	<p>f. any expenses incurred in providing business entertainment, and</p> <p>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.</p>
28.6	<p>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—</p> <p>a. the replacement in the course of business of equipment or machinery; and</p> <p>b. the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.</p>
28.7	<p>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.</p>
28.8	<p>For the avoidance of doubt—</p> <p>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;</p> <p>b. a deduction shall be made thereunder in respect of—</p> <p>i. the excess of any value added tax paid over value added tax received in the assessment period;</p> <p>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;</p> <p>iii. any payment of interest on a loan taken out for the purposes of the employment</p>
28.9	<p>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</p> <p>a. income tax; and</p> <p>b. national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and</p> <p>c. one-half of the amount calculated in accordance with paragraph 28.1 in respect of any qualifying contribution.</p>
28.10	<p>For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments shall not be offset against his earnings in any other of his employments.</p>
28.11	<p>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</p> <p>a. where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and divided the product by 365;</p> <p>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.</p>
28.12	<p>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.</p>
<b>29.0</b>	<b>Deduction of tax and contributions of self-employed earners</b>
29.1	<p>The amount to be deducted in respect of income tax under section 28.1b) i), 28.3 b) i) or 28.9 a) i) (calculation of net profit of self-employed earners) shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the</p>

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

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

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

29.3 In this section 'chargeable income' means—

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

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

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

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

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

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

30.5 Where an award of any working tax credit or child tax credit under the Tax Credits Act is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under paragraph 27.1 shall be the amount of working tax credit or child tax credit awarded less the amount of that deduction.

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

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

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

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

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 an applicant who is receiving support under section 95 or 98 of the Immigration and Asylum Act including support provided by virtue of regulations made under Schedule 9 to that Act, the amount of such support provided in respect of essential living needs of the applicant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act.

**31.0 Capital treated as income**

31.1 Any capital payable by instalments which are outstanding at the date on which the claim is made or treated as made, or, at the date of any subsequent revision or supersession, shall, if the aggregate of the instalments outstanding and the amount of the applicant's capital otherwise calculated in accordance with sections 33 to 42 of this scheme exceeds £16,000, be treated as income.

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

31.3 Any earnings to the extent that they are not a payment of income shall be treated as income.

31.4 Any Career Development Loan paid pursuant to section 2 of the 1973 Act shall be treated as income

31.5 Where an agreement or court order provides that payments shall be made to the applicant in consequence of any personal injury to the applicant and that such payments are to be made, wholly or partly, by way of periodic payments, any such periodic payments received by the applicant (but not a payment which is treated as capital), shall be treated as income.

**32.0 Notional income**

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

32.2 Except in the case of—

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

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

32.3 – 32.5 Not used

32.6 Any payment of income, other than a payment of income specified in paragraph 32.7 made—  
a. to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under or by a

- personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
- b. to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred to in sub-paragraph a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
  - c. to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.
- 32.7 Paragraph 32.6 shall not apply in respect of a payment of income made—
- a. under the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006);
  - b. pursuant to section 19(1)(a) of the Coal Industry Act 1994 (concessionary coal);
  - c. pursuant to section 2 of the 1973 Act in respect of a person's participation—
    - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;
    - (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
    - (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
    - (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations or;
    - (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
  - d. in respect of a previous participation in the Mandatory Work Activity Scheme;
  - e. under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
    - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
    - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
    - (iii) the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.
- 32.8 Where an applicant is in receipt of any benefit (other than council tax reduction) under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter, the authority shall treat the applicant as 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. applicant performs a service for another person; and
  - b. that person makes no payment of earnings or pays less than that paid for a comparable employment in the area, the authority shall treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.
- 32.10 Paragraph 32.9 shall not apply—



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

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

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

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

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

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

**Sections 33 – 42 & Schedule 5**

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

**33.0 Capital limit**

33.1 For the purposes of this scheme, the prescribed amount is £16,000 and no reduction shall be granted when the applicant has an amount greater than this level

**34.0 Calculation of capital**

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

34.2 There shall be disregarded from the calculation of an applicant's capital under paragraph (34.1), any capital, where applicable, specified in Schedule 5.

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

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

**36.0 Income treated as capital**

36.1 Any bounty derived from employment to which paragraph 8 of Schedule 3 applies and paid at intervals of at least one year shall be treated as capital.

36.2 Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E shall be treated as capital.

36.3 Any holiday pay which is not earnings under section 25(1)(d) (earnings of employed earners) shall be treated as capital.

36.4 Except any income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28, 47 or 48 of Schedule 5, any income derived from capital shall be treated as capital but only from the date it is normally due to be credited to the applicant's account.

36.5 In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer shall be treated as capital.

36.6 Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006) or the London Bombings Charitable Relief Fund, shall be treated as capital.

36.7 There shall be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self-employment route, but only in so far as those receipts were payable into a special account during the period in which that person was receiving such assistance.

36.8 Any arrears of subsistence allowance which are paid to an applicant as a lump sum shall be treated as capital.

36.9 Any arrears of working tax credit or child tax credit shall be treated as capital.

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

37.1 Capital which an applicant possesses in the United Kingdom shall be calculated at its current market or surrender value less—

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

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

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

- a. in a case where there is no prohibition in that country against the transfer to the United Kingdom of an amount equal to its current market or surrender value in that country, at that value.
- b. in a case where there is such a prohibition, at the price which it would realise if sold in the United Kingdom to a willing buyer,  
less, where there would be expenses attributable to sale, 10 per cent. and the amount of any encumbrances secured on it.

**39.0 Notional capital**

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

39.2 Except in the case of

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

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

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

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

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

- (a) under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;
- (b) pursuant to section 2 of the 1973 Act in respect of a person's participation
  - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the

	<p>Jobseeker's Allowance Regulations;</p> <ul style="list-style-type: none"><li>(ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;</li><li>(iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;</li><li>(iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or</li><li>(v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;</li></ul> <p>(bb) in respect of a person's participation in the Mandatory Work Activity Scheme; Enterprise Scheme;</p> <p>(bc) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;</p> <p>(c) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—</p> <ul style="list-style-type: none"><li>(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;</li><li>(ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and</li><li>(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.</li></ul>
39.5	<p>Where an applicant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he may be treated as if he were such sole owner or partner and in such a case</p> <ul style="list-style-type: none"><li>a. the value of his holding in that company shall, notwithstanding section 34 (calculation of capital) be disregarded; and</li><li>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.</li></ul>
39.6	<p>For so long as the applicant undertakes activities in the course of the business of the company, the amount which, he is treated as possessing under paragraph 39.5 shall be disregarded.</p>
39.7	<p>Where an applicant is treated as possessing capital under any of paragraphs 39.1 to 39.2 the foregoing provisions of this Section shall apply for the purposes of calculating its amount as if it were actual capital, which he does possess.</p>
<b>40.0</b>	<b>Diminishing notional capital rule</b>
40.1	<p>Where an applicant is treated as possessing capital under section 39.1 (notional capital), the amount which he is treated as possessing;</p> <ul style="list-style-type: none"><li>a. in the case of a week that is subsequent to<ul style="list-style-type: none"><li>(i) the relevant week in respect of which the conditions set out in paragraph 40.2 are satisfied; or</li><li>(ii) a week which follows that relevant week and which satisfies those conditions, shall be reduced by an amount determined under paragraph 40.3;</li></ul></li><li>b. in the case of a week in respect of which paragraph 40.1(a) does not apply but where<ul style="list-style-type: none"><li>(i) that week is a week subsequent to the relevant week; and</li><li>(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.</li></ul></li></ul>
40.2	<p>This paragraph applies to a reduction week or part-week where the applicant satisfies the conditions that</p> <ul style="list-style-type: none"><li>a. he is in receipt of council tax reduction; and</li></ul>

- b. but for paragraph 39.1, he would have received an additional amount of council tax reduction in that week.
- 40.3 In a case to which paragraph 40.2 applies, the amount of the reduction for the purposes of paragraph 40.1(a) shall be equal to the aggregate of
- a. the additional amount to which sub-paragraph 40.2 (b) refers;
  - b. where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of that benefit to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 49(1) of the Housing Benefit Regulations (notional capital);
  - c. where the applicant has also claimed income support, the amount of income support to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 51(1) of the Income Support Regulations (notional capital);
  - d. where the applicant has also claimed a jobseeker's allowance, the amount of an income-based jobseeker's allowance to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 113 of the Jobseeker's Allowance Regulations (notional capital) and
  - e. where the applicant has also claimed an employment and support allowance, the amount of an income-related employment and support allowance to which he would have been entitled in respect of the whole or part of reduction week to which paragraph 40.2 refers but for the application of regulation 115 of the Employment and Support Allowance Regulations (notional capital).
- 40.4 Subject to paragraph 40.5, for the purposes of paragraph 40.1(b) the condition is that the applicant would have been entitled to council tax reduction in the relevant week but for paragraph 39.1, and in such a case the amount of the reduction shall be equal to the aggregate of
- a. the amount of council tax reduction to which the applicant would have been entitled in the relevant week but for paragraph 39.1; and for the purposes of this sub-paragraph is the amount is in respect of a part-week, that amount shall be determined by dividing the amount of council tax reduction to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7;
  - b. if the applicant would, but for regulation 49(1) of the Housing Benefit Regulations, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the reduction week which includes the last day of the relevant week, the amount which is equal to—
    - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
    - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled,and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of housing benefit to which he would have been so entitled by the number equal to that number of days in the part-week and multiplying the quotient so obtained by 7;
  - c. if the applicant would, but for regulation 51(1) of the Income Support Regulations, have been entitled to income support in respect of the reduction week, within the meaning of regulation 2(1) of those Regulations, which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of the income support to which he would have been so entitled by the number equal to the number of days in the part- week and multiplying the quotient so obtained by 7
  - d. if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations, have been entitled to an income-based jobseeker's allowance in respect of the reduction week, within the meaning of this scheme, which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this

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

- of this sub-paragraph the later or latest such reduction week or, as the case may be, the later or latest such part-week;
- c. 'relevant subsequent week' means the reduction week or part-week which includes the day on which the further claim or, if more than one further claim has been made, the last such claim was made.

**41.0 Capital jointly held**

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

**42.0 Calculation of tariff income from capital**

42.1 Where the applicant's capital calculated in accordance with this scheme exceeds £6,000 it shall be treated as equivalent to a weekly income of £1 for each complete £250 of in excess of £6,000 but not exceeding £16,000

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

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



**Sections 43 - 56**

**Definition and the treatment of students for Council Tax Reduction purposes<sup>22</sup>**

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<sup>22</sup> Amounts shown in sections 43 to 56 will be uprated in line with the Housing Benefit Regulations 2006 (as amended)

**43.0 Student related definitions**

43.1 In this scheme the following definitions apply;

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

**'access funds'** means;

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

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

**'contribution'** means;

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

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

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

**'education authority'** means a government department, a local education authority as defined in section 12 of the Education Act 1996 (interpretation), a local education authority as defined in section 123 of the Local Government (Scotland) Act 1973 an education and library board established under Article 3 of the Education and Libraries (Northern Ireland) Order 1986, any body which is a research council for the purposes of the Science and Technology Act 1965 or any analogous government department, authority, board or body of the Channel Island, Isle of Man or any other country outside Great Britain;

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

- a. is not funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers or a full-time course of study which is not funded in whole or in part by the Scottish Ministers

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

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

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

**'grant income'** means

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

**'higher education'** means higher education within the meaning of Part 2 of the Further and Higher Education (Scotland) Act 1992; 'last day of the course' means;

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

**'period of study'** means—

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

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

**'qualifying course'** means a qualifying course as defined for the purposes of Parts 2 and 4 of the

Jobseeker's Allowance Regulations;

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

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

**'standard maintenance grant'** means—

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

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

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

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

- 43.2 For the purposes of the definition of 'full-time student', a person shall be regarded as attending or, as the case may be, undertaking a full-time course of study or as being on a sandwich course
- a. in the case of a person attending or undertaking a part of a modular course which would be a full-time course of study for the purposes of this Part, for the period beginning on the day on which that part of the course starts and ending:
    - (i) on the last day on which he is registered with the educational establishment as attending or undertaking that part as a full-time course of study; or
    - (ii) on such earlier date (if any) as he finally abandons the course or is dismissed from it;
  - b. in any other case, throughout the period beginning on the date on which he starts attending or undertaking the course and ending on the last day of the course or on such earlier date (if any) as he finally abandons it or is dismissed from it.
- 43.3 For the purposes of sub-paragraph (a) of paragraph 43.2, the period referred to in that sub-paragraph shall include;
- a. where a person has failed examinations or has failed to successfully complete a module relating to a period when he was attending or undertaking a part of the course as a full-time course of study, any period in respect of which he attends or undertakes the course for the purpose of retaking those examinations or that module;
  - b. any period of vacation within the period specified in that paragraph or immediately following that period except where the person has registered with the educational establishment to attend or undertake the final module in the course and the vacation immediately follows the last day on which he is required to attend or undertake the course.

**44.0 Treatment of students**

44.1 The following sections relate to students who claim Council Tax Reduction

**45.0 Students who are excluded from entitlement to Council Tax Reduction**

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

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

45.3 Paragraph 45.2 shall not apply to a student

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

(b) who is a lone parent;

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

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

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

(f) who has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations for a continuous period of not less than 196 days, and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period.

(g) who has a partner who is also a full-time student, if he or that partner is treated as responsible for a child or young person;

(h) who is a single applicant with whom a child is placed by a local authority or voluntary organisation within the meaning of the Children Act 1989, or, in Scotland, boarded out within the meaning of the Social Work (Scotland) Act 1968;

(i) who is;

(i) aged under 21 and whose course of study is not a course of higher education, or

(ii) a qualifying young person or child within the meaning of section 142 of the Act (child and qualifying young person);

(j) in respect of whom

i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;

(ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) or regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;

(iii) a payment has been made under section 2 of the Education Act 1962 or under or by virtue of regulations made under the Teaching and Higher Education Act 1998;

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

(v) a supplementary requirement has been determined under paragraph 9 of

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

on account of his disability by reason of deafness.

45.3A For the purposes of paragraph 45.3(h)(i) the student must have begun, or been enrolled or accepted onto the course before attaining the age of 19

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

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

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

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

- (a) at any time during an academic year, with the consent of the relevant educational establishment, he ceases to attend or undertake a course because he is;
  - (i) engaged in caring for another person; or
  - (ii) ill;
- (b) he has subsequently ceased to be engaged in 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 sub-paragraphs (a) to (d) of paragraph 48.1, except that;

- (a) the value of the standard maintenance grant shall be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 46.2 (a) to (e); and
- (b) the amount to be disregarded under paragraph 48.1(c) shall be abated by an amount equal to the amount of any sums disregarded under paragraph 46.2(f) and (g) and 46.3.

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

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

#### **50.0 Other amounts to be disregarded**

50.1 For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with section 51, any amounts intended for any expenditure specified in paragraph 46.2 (calculation of grant income), necessary as a result of his attendance on the course shall be disregarded but only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under paragraphs 46.2 or 46.3, 47.3, 48.1(a) or (c) or 51.5 (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

#### **51.0 Treatment of student loans**

51.1 A student loan shall be treated as income.

51.2 In calculating the weekly amount of the loan to be taken into account as income

- (a) in respect of a course that is of a single academic year's duration or less, a loan which is payable in respect of that period shall be apportioned equally between the weeks in the period beginning with;



- (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of the single academic year;
  - (ii) where the student is required to start attending the course in August or where the course is less than an academic year's duration, the reduction week, the first day of which coincides with, or immediately follows, the first day of the course, and ending with the reduction week, the last day of which coincides with, or immediately precedes with last day of the course,
- (b) in respect of an academic year of a course which starts other than on 1st September, a loan which is payable in respect of that academic year shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year and ending with the reduction week, the last day of which coincides with or immediately precedes, the last day of that academic year but excluding any reduction weeks falling entirely within the quarter during which, in the opinion of the Secretary of State, the longest of any vacation is taken and for the purposes of this sub-paragraph, 'quarter' shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2005;
- (c) in respect of the final academic year of a course (not being a course of a single year's duration), a loan which is payable in respect of that final academic year shall be apportioned equally between the weeks in the period beginning with;
- (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year;
  - (ii) where the final academic year starts on 1st September, the reduction week, the first day of which coincide with, or immediately follows, the earlier of 1st September or the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;
- (d) in any other case, the loan shall be apportioned equally between the weeks in the period beginning with the earlier of;
- (i) the first day of the first reduction week in September; or
  - (ii) the reduction week, the first day of which coincides with, or immediately follows the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;

and, in all cases, from the weekly amount so apportioned there shall be disregarded £10.

51.3 A student shall be treated as possessing a student loan in respect of an academic year where;

- (a) a student loan has been made to him in respect of that year; or
- (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

51.4 Where a student is treated as possessing a student loan under paragraph 51.3, the amount of the student loan to be taken into account as income shall be, subject to paragraph 51.5

- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to
  - (i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
  - (ii) any contribution whether or not it has been paid to him;
- (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if;
  - (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
  - (ii) no deduction in that loan was made by virtue of the application of a means test.

- 51.5 There shall be deducted from the amount of income taken into account under paragraph 51.4
- (a) the sum of £303 per academic year in respect of travel costs; and
  - (b) the sum of £390 per academic year towards the cost of books and equipment, whether or not any such costs are incurred.

The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).

**51A.0 Treatment of fee loans**

- 51A. 1A loan for fees, known as a fee loan or a fee contribution loan, made pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998, section 22 of the Teaching and Higher Education Act 1998 or section 73(f) of the Education (Scotland) Act 1980, shall be disregarded as income.

**52.0 Treatment of payments from access funds**

- 52.1 This paragraph applies to payments from access funds that are not payments to which paragraph 55.2 or 55.3 (income treated as capital) applies.

- 52.2 A payment from access funds, other than a payment to which paragraph 52.3 applies, shall be disregarded as income.

- 52.3 Subject to paragraph 52.4 of this section and paragraph 35 of Schedule 4,
- a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family and
  - b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable, shall be disregarded as income to the extent of £20 per week.

- 52.4 Where a payment from access funds is made—
- (a) on or after 1st September or the first day of the course, whichever first occurs, but before receipt of any student loan in respect of that year and that payment is intended for the purpose of bridging the period until receipt of the student loan; or
  - (b) before the first day of the course to a person in anticipation of that person becoming a student,
- that payment shall be disregarded as income.

**53.0 Disregard of contribution**

- 53.1 Where the applicant or his partner is a student and for the purposes of assessing a contribution to the student's grant or student loan, the other partner's income has been taken into account, an amount equal to that contribution shall be disregarded for the purposes of assessing that other partner's income.

**54.0 Further disregard of student's income**

- 54.1 Where any part of a student's income has already been taken into account for the purpose of assessing his entitlement to a grant or student loan, the amount taken into account shall be disregarded in assessing that student's income.

**55.0 Income treated as capital**

- 55.1 Any amount by way of a refund of tax deducted from a student's covenant income shall be treated as capital.

55.2 Any amount paid from access funds as a single lump sum shall be treated as capital.

55.3 An amount paid from access fund as a single lump sum which is intended and used for an item other than food, ordinary clothing or footwear, household fuel or rent, or which is used for an item other than any council tax or water charges for which that applicant or member is liable, shall be disregarded as capital but only for a period of 52 weeks from the date of the payment.

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

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

**Sections 57 – 63**

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

**57.0 Maximum council tax reduction**

- 57.1 Subject to paragraphs 57.2 to 57.4, the amount of a person's maximum council tax reduction in respect of a day for which he is liable to pay council tax, shall be 90 per cent, of the amount A divided by B where;
- (a) A is the amount set by the appropriate authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and
  - (b) B is the number of days in that financial year, less any deductions in respect of non-dependants which fall to be made under section 58 (non-dependant deductions).
- 57.1A Where the applicant or their partner is in receipt of:
- (a) The support component of Employment and Support Allowance; or
  - (b) the Limited Capability for Work Related Activity element within Universal Credit
- then the percentage shown in paragraph 57.1 above shall be 100 per cent.
- 57.2 In calculating a person's maximum council tax reduction any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act, shall be taken into account.
- 57.3 Subject to paragraph 57.4, where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons but excepting any person so residing with the applicant who is a student to whom paragraph 45.2 (students who are excluded from entitlement to council tax reduction) applies, in determining the maximum council tax reduction in his case in accordance with paragraph 57.1, the amount A shall be divided by the number of persons who are jointly and severally liable for that tax.
- 57.4 Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, paragraph 57.3 shall not apply in his case

**57A.0 Minimum Award Value**

- 57A.1 Where any council tax reduction entitlement would be less than £1 per week, no reduction shall be payable whatsoever.

**58.0 Non-dependant deductions<sup>23</sup>**

- 58.1 Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in section 57 (maximum council tax reduction) shall be;
- (a) in respect of a non-dependant aged 18 or over in remunerative work, £12.20 x 1/7;
  - (b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply, £4.00 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 £207.70, the deduction to be made under this paragraph shall be that specified in paragraph 58.1(b);
  - (b) not less than £207.70, but less than £360.10, the deduction to be made under this section shall be £8.10 x 1/7
  - (c) not less than £360.10, but less than £447.40, the deduction to be made under this section shall be £10.20 x 1/7;

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<sup>23</sup> The amounts shown within this section shall be updated in line with the Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012

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

- 58.8 No deduction shall be made in respect of a non-dependant;
- (a) who is on income support, state pension credit, an income-based jobseeker's allowance or an income-related employment and support allowance;
  - (b) to whom Schedule 1 of the 1992 Act applies (persons disregarded for purposes of discount) but this sub-paragraph shall not apply to a non-dependant who is a student to whom paragraph 4 of that Schedule refers;
  - (c) who is entitled to an award of universal credit where the award is calculated on the basis that the person does not have any earned income.";  
For the purposes of sub-paragraph (c), "earned income" has the meaning given in regulation 52 of the Universal Credit Regulations 2013.
- 58.9 In the application of paragraph 58.2 there shall be disregarded from his weekly gross income:
- a. any attendance allowance, disability living allowance or personal independence payment or an AFIP received by him;
  - b. any payment made under or by the Trusts, the Fund, the Eileen Trust , MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006) which had his income fallen to be calculated under section 30 (calculation of income other than earnings) would have been disregarded under paragraph 24 of Schedule 4 (income in kind); and
  - c. any payment which had his income fallen to be calculated under section 30 would have been disregarded under paragraph 36 of Schedule 4 (payments made under certain trusts and certain other payments).
- 59.0 Council tax support taper (applies to persons defined within Class E)**
- 59.1 The prescribed daily percentage for the purpose of calculating reduction as a percentage of excess of income over the applicable amount which is deducted from maximum council tax reduction, shall be 2 6/7 per cent. Where an applicant's income exceeds their applicable amount, their council tax reduction shall be calculated by deducting their excess income multiplied by the taper from their maximum council tax reduction as defined within section 57 of this scheme
- 60.0 Extended reductions**
- 60.1 An applicant who is entitled to council tax reduction (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction where;
- (a) the applicant or the applicant's partner was entitled to a qualifying income- related benefit;
  - (b) entitlement to a qualifying income-related benefit ceased because the applicant or the applicant's partner—
    - (i) commenced employment as an employed or self-employed earner;
    - (ii) increased their earnings from such employment; or
    - (iii) increased the number of hours worked in such employment,and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more; and
  - (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.
- 60.2 For the purpose of paragraph 60.1(c), an applicant or an applicant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the applicant or the applicant's partner was not entitled to any of those benefits because the applicant or the applicant's partner was engaged in remunerative work as a consequence of their participation

in an employment zone programme.

60.3 For the purpose of this section, where an applicant or an applicant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they shall be treated as being entitled to and in receipt of jobseeker's allowance.

60.4 An applicant must be treated as entitled to council tax reduction by virtue of the general conditions of entitlement where—

- (a) the applicant ceased to be entitled to council tax reduction because the applicant vacated the dwelling in which the applicant was resident;
- (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying income-related benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying income-related benefit ceased in any of the circumstances listed in paragraph 60.1(b).

60.5 This section shall not apply where, on the day before an applicant's entitlement to income support ceased, regulation 6(5) of the Income Support Regulations (remunerative work: housing costs) applied to that applicant.

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

60A.1 Where an applicant is entitled to an extended reduction, the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying income-related benefit.

60A.2 For the purpose of paragraph (60A.1), an applicant or an applicant's partner ceases to be entitled to a qualifying income-related benefit on the day immediately following the last day of entitlement to that benefit.

60A.3 The extended reduction period ends;

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

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

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

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

60B.2 Paragraph 60B.1 does not apply in the case of a mover.

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

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

60C.1 This section applies;



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

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

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

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

60C.4 Where—

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

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

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

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

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

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

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

61.2 An applicant must be treated as entitled to council tax reduction by virtue of the general

conditions of entitlement where;

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

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

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

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

61A.3 The extended reduction period ends;

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

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

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

- (a) the amount of council tax reduction to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;
- (b) the amount of council tax reduction to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 61 (extended reductions (qualifying contributory benefits)) did not apply to the applicant; or
- (c) the amount of council tax reduction to which the applicant's partner would be entitled under the general conditions of entitlement, if section 61 did not apply to the applicant.

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

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

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

61C.1 This section applies;

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

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

61C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second

authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from the appropriate authority to—

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

**61C.4** Where

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

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

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

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

**61E.0 Extended reductions: movers into the authority's area<sup>24</sup>**

61E.1 Where;

- a. an application is made to the authority for a reduction under its scheme, and
- b. the applicant or the partner of the applicant, is in receipt of an extended reduction from;
  - (i) another billing authority in England; or
  - (ii) a billing authority in Wales,the current authority must reduce any reduction to which the applicant is entitled under its Council Tax Reduction scheme by the amount of that extended reduction..

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

62.1 Subject to paragraphs 62.2 and 62.3, the alternative maximum council tax reduction where the conditions are satisfied shall be the amount determined in accordance with Schedule 2.

62.2 Subject to paragraph 62.3, where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the alternative maximum council tax reduction in his case, the amount determined in accordance with Schedule 2 shall be divided by the number of persons who are jointly and severally liable for that tax.

62.3 Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, solely by virtue of section 9, 77 or 77A of the 1992 Act (liability of spouses and civil partners), paragraph 62.2 shall not apply in his case.

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

63.1 Entitlement to an alternative maximum council tax reduction (Second Adult Rebate) shall not

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

apply in respect of any person referred to in the following paragraphs namely:

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

**Sections 64 – 67**

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

**64.0 Date on which entitlement is to begin**

64.1 Subject to paragraph 64.2, any person to whom or in respect of whom a claim for council tax reduction is made and who is otherwise entitled to that reduction shall be so entitled from the reduction week following the date on which that claim is made or is treated as made.

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

**65.0 Tolerances for Changes in circumstances**

65.1 Where any change of circumstances occurs which would result in an increase or decrease in the claimant's income of less than £30 per week, no change in council tax reduction will be effected.

**66.0 Not Used**

**67.0 Date on which change of circumstances is to take effect**

67.1 Except in cases where section 24 (disregard of changes in tax, contributions, etc.) applies and subject to the following provisions of this paragraph, a change of circumstances which affects entitlement to, or the amount of, a reduction under the authority's scheme ("change of circumstances"), takes effect from the first day of the reduction week following the date on which the change actually occurs, and where that change is cessation of entitlement to any benefit under the benefit Acts, the date on which the change actually occurs shall be the day immediately following the last day of entitlement to that benefit.

67.2 Subject to paragraph (3), where the change of circumstances is a change in the amount of council tax payable, it takes effect from the day on which it actually occurs.

67.3 Where the change of circumstances is a change in the amount a person is liable to pay in respect of council tax in consequence of regulations under section 13 of the 1992 Act (reduced amounts of council tax) or changes in the discount to which a dwelling may be subject under sections 11 or 12 of that Act, it shall take effect from the day on which the change in amount has effect.

67.4 Where the change of circumstances is the applicant's acquisition of a partner, the change takes effect on the day on which the acquisition takes place.

67.5 Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.

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

67.7 Where the change of circumstances is that income, or an increase in the amount of income, other than a benefit or an increase in the amount of a benefit under the Act, is paid in respect of a past period and there was no entitlement to income of that amount during that period, the change of circumstances shall take effect from the first day on which such income, had it been paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

67.8 Without prejudice to paragraph (7), where the change of circumstances is the payment of income, or arrears of income, in respect of a past period, the change of circumstances takes effect from the first day on which such income, had it been timeously paid in that period at

intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

**Sections 68– 74A**

**Claiming and the treatment of claims for Council Tax Reduction purposes**



**68.0 Making an application<sup>25</sup>**

68.1 In the case of a couple or members of a polygamous marriage an application is to be made by whichever one of them they agree should so apply or, in default of agreement, by such one of them as the authority determines.

68.2 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act, and;

- (a) a deputy has been appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
- (b) in Scotland, his estate is being administered by a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on his behalf; or
- (c) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,

that deputy, judicial factor, guardian or attorney, as the case may be, may make an application on behalf of that person.

68.3 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and sub-paragraph (2) does not apply to him, the authority may, upon written application made to them by a person who, if a natural person, is over the age of 18, appoint that person to exercise on behalf of the person who is unable to act, any right to which that person might be entitled under the authority's scheme and to receive and deal on his behalf with any sums payable to him.

68.4 Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).

68.5 Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4);

- (a) it may at any time revoke the appointment;
- (b) the person appointed may resign his office after having given 4 weeks notice in writing to the authority of his intention to do so;
- (c) any such appointment terminates when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).

68.6 Anything required by the authority's scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the person appointed or treated as appointed under this paragraph and the receipt of any such person so appointed shall be a good discharge to the authority for any sum paid.

68.7 The authority must;

- (a) inform any person making an application of the duty imposed by paragraph 9(1)(a);
- (b) explain the possible consequences (including prosecution) of failing to comply with that duty; and
- (c) set out the circumstances a change in which might affect entitlement to the reduction or its amount.

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<sup>25</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

**69.0 Procedure by which a person may apply for a reduction under the authority's scheme<sup>26</sup>**

69.1. Paragraphs 2 to 7 apply to an application made under the authority's scheme.

69.2. An application may be made;

- (a) in writing,
- (b) by means of an electronic communication in accordance with Part 4 of this Schedule, or
- (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone; or
- (d) by any notification from the Department for Work and Pensions of any award of Universal Credit.

69.3 (1) An application which is made in writing must be made to the designated office on a properly completed form.  
(2) The form must be provided free of charge by the authority for the purpose.

69.4 (1) Where an application made in writing is defective because—  
(a) it was made on the form supplied for the purpose but that form is not accepted by the authority as being properly completed; or  
(b) it was made in writing but not on the form approved for the purpose and the authority does not accept the application as being in a written form which is sufficient in the circumstances of the case having regard to the sufficiency of the written information and evidence,

the authority may, in a case to which sub-paragraph (a) applies, request the applicant to complete the defective application or, in the case to which sub-paragraph (b) applies, supply the applicant with the approved form or request further information and evidence.

(2) An application made on a form provided by the authority is properly completed if it is completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

69.5. (1) If an application made by electronic communication is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

69.6. In a particular case the authority may determine that an application made by telephone is only valid if the person making the application approves a written statement of his circumstances provided by the authority.

69.7 (1) If an application made by telephone is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

69.8 Notwithstanding other paragraphs within this section, the authority will determine the method by which claims are to be made as well as where claims should be sent or delivered.

69.9 Where an applicant ('C')—

- (a) makes a claim which includes (or which C subsequently requests should include) a period

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<sup>26</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 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 69.10

69.10 The date is the latest of–

- (a) the first day from which C had continuous good cause;
- (b) the day 6 months before the date the claim was made;
- (c) the day 6 months before the date when C requested that the claim should include a past period.

**69A.0 Date on which an application is made**

69A.1 Subject to sub-paragraph (7), the date on which an application is made is;

(a) in a case where;

- (i) an award of state pension credit which comprises a guarantee credit has been made to the applicant or his partner, and
- (ii) the application for a reduction is made within one month of the date on which the claim for that state pension credit which comprises a guarantee credit was received at the appropriate DWP office,

the first day of entitlement to state pension credit which comprises a guarantee credit arising from that claim;

(b) in a case where

- (i) an applicant or his partner is a person in receipt of a guarantee credit,
- (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling he occupies as his home, and
- (iii) the application is received at the designated office within one month of the date of the change,

the date on which the change takes place;

(c) in a case where;

- (i) an award of income support, an income-based jobseeker's allowance or an income-related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and
- (ii) the application is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,

the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim;

(d) in a case where;

- (i) an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,
- (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
- (iii) the application is received at the designated office within one month of the date of the change,

the date on which the change takes place;

(e) in a case where;

- (i) an applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under the authority's scheme, and
- (ii) the applicant makes an application for a reduction under that scheme within one month of the date of the death or the separation, the date of the death or separation;

(f) except where paragraph (a), (b) or (e) is satisfied, in a case where a properly completed application is received within one month (or such longer period as the authority considers

reasonable) of the date on which an application form was issued to an applicant following the applicant first notifying, by whatever means, the authority of an intention to make an application, the date of first notification;  
(g) in any other case, the date on which an application is received at the designated office.

69A.2 For the purposes only of sub-paragraph (1)(c) a person who has been awarded an income-based jobseeker's allowance or an income-related employment and support allowance is to be treated as entitled to that allowance for any days which immediately precede the first day in that award and on which he would, but for regulations made under;

(a) in the case of income-based jobseeker's allowance, paragraph 4 of Schedule 1 to the Jobseekers Act 1995 (waiting days); or

(b) in the case of income-related employment and support allowance, paragraph 2 of Schedule 2 to the Welfare Reform Act 2007 (waiting days),  
have been entitled to that allowance.

69A.3 Where there is a defect in an applications by telephone;

(a) is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance;

(b) is not corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance where it considers it has sufficient information to decide the application.

69A.4 The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.

69A.5 The conditions are that—

(a) where the authority receives the properly completed application or the information requested to complete it or the evidence within one month of the request, or such longer period as the authority may consider reasonable; or

(b) where an application is not on approved form or further information requested by authority applies;

(i) the approved form sent to the applicant is received at the offices of the authority properly completed within one month of it having been sent to him; or, as the case may be;

(ii) the applicant supplies whatever information or evidence was requested within one month of the request; or,

in either case, within such longer period as the authority may consider reasonable; or

(c) where the authority has requested further information, the authority receives at its offices the properly completed application or the information requested to complete it within one month of the request or within such longer period as the authority considers reasonable.

69A.6 Except in the case of an application made by a person treated as not being in Great Britain, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for a reduction under that authority's scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority must treat the application as having been made on the day on which the liability for the tax arises.

69A.7 Except in the case of an application made by a person treated as not being in Great Britain, where the applicant is not entitled to a reduction under the authority's scheme in the reduction week immediately following the date of his application but the authority is of the opinion that unless there is a change of circumstances he will be entitled to a reduction under its scheme for a period beginning not later than;

(a) in the case of an application made by;

(i) a pensioner, or

(ii) a person who has attained, or whose partner has attained, the age which is 17 weeks younger than the qualifying age for state pension credit, the seventeenth reduction week following the date on which the application is made, or

(b) in the case of an application made by a person who is not a pensioner, the thirteenth reduction week following the date on which the application is made, the authority may treat the application as made on a date in the reduction week immediately preceding the first reduction week of that period of entitlement and award a reduction accordingly.

69A.8 In this paragraph “appropriate DWP office” means an office of the Department for Work and Pensions dealing with state pension credit or an office which is normally open to the public for the receipt of claims of income support, a job seekers allowance or an employment and support allowance.

**70.0 Submission of evidence electronically**

70.1 The authority may accept such evidence, documents and certificates to support the claim electronically where it feels that this would be acceptable given the nature of the claim

**71.0 Use of telephone provided evidence**

71.1 The authority may accept such evidence to support the claim by telephone where it feels that this would be acceptable given the nature of the claim

**72.0 Information and evidence<sup>27</sup>**

72.1 Subject to sub-paragraph (3), a person who makes an application for a reduction under an authority’s scheme must satisfy sub-paragraph (2) in relation both to himself and to any other person in respect of whom he is making the application.

72.2 This sub-paragraph is satisfied in relation to a person if—

(a) the application is accompanied by;

(i) a statement of the person’s national insurance number and information or evidence establishing that that number has been allocated to the person; or

(ii) information or evidence enabling the authority to ascertain the national insurance number that has been allocated to the person; or

(b) the person has made an application for a national insurance number to be allocated to him and the application for the reduction is accompanied by;

(i) evidence of the application for a national insurance number to be so allocated; and

(ii) the information or evidence enabling it to be so allocated.

72.3 Sub-paragraph (2) does not apply;

(a) in the case of a child or young person in respect of whom an application for a reduction is made;

(b) to a person who;

(i) is a person treated as not being in Great Britain for the purposes of this scheme;

(ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and

(iii) has not previously been allocated a national insurance number.

72.4 Subject to sub-paragraph (5), a person who makes an application, or a person to whom a reduction under the authority’s scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or

<sup>27</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

any question arising out of the application or the award, as may reasonably be required by that authority in order to determine that person's entitlement to, or continuing entitlement to a reduction under its scheme and must do so within one month of the authority requiring him to do so or such longer period as the authority may consider reasonable.

72.5 Nothing in this paragraph requires a person who is a pensioner to furnish any certificates, documents, information or evidence relating to a payment to which sub-paragraph (7) applies.

72.6 Where the authority makes a request under sub-paragraph (4), it must;  
(a) inform the applicant or the person to whom a reduction under its scheme has been awarded of his duty under paragraph 9 (duty to notify change of circumstances) to notify the authority of any change of circumstances; and  
(b) without prejudice to the extent of the duty owed under paragraph 9, indicate to him either orally or by notice or by reference to some other document available to him on application and without charge, the kind of change of circumstances which must be notified.

72.7 This sub-paragraph applies to any of the following payments;  
(a) a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation the London Emergencies Trust, the We Love Manchester Emergency Fund, or the London Bombings Relief Charitable Fund;  
(b) a payment which is disregarded under paragraph 24 of Schedule 5, other than a payment under the Independent Living Fund (2006);  
(c) a payment which is disregarded under paragraph 58.9.

72.8 Where an applicant or a person to whom a reduction under the authority's scheme has been awarded or any partner has attained the qualifying age for state pension credit and is a member of, or a person deriving entitlement to a pension under, a personal pension scheme, he must where the authority so requires furnish the following information;  
(a) the name and address of the pension fund holder;  
(b) such other information including any reference or policy number as is needed to enable the personal pension scheme to be identified.

**73.0 Amendment and withdrawal of application<sup>28</sup>**

73.1 A person who has made an application may amend it at any time before a decision has been made on it by a notice in writing delivered or sent to the designated office.

73.2 Where the application was made by telephone the amendment may also be made by telephone.

73.3 Any application amended is to be treated as if it had been amended in the first instance.

73.4 A person who has made an application may withdraw it by notice to the designated office at any time before a decision has been made on it.

73.5 Where the application was made by telephone, the withdrawal may also be made by telephone.

73.6 Any notice of withdrawal given in accordance with sub-paragraph (4) or (5) has effect when it is received.

73.7 Where a person, by telephone, amends or withdraws an application the person must (if required to do so by the authority) confirm the amendment or withdrawal by a notice in writing

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<sup>28</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

delivered or sent to the designated office.

**74.0 Duty to notify changes of circumstances<sup>29</sup>**

- 74.1 Subject to sub-paragraphs (3), (6) and (7), an applicant (or any person acting on his behalf) must comply with sub-paragraph (2) if there is a relevant change of circumstances at any time;
- (a) between the making of an application and a decision being made on it, or
  - (b) after the decision is made (where the decision is that the applicant is entitled to a reduction under the authority's scheme) including at any time while the applicant is in receipt of such a reduction.
- 74.2 The applicant (or any person acting on his behalf) must notify any change of circumstances which the applicant (or that person) might reasonably be expected to know might affect his entitlement to, or the amount of, a reduction under the authority's scheme (a "relevant change of circumstances") by giving notice to the authority;
- (a) in writing; or
  - (b) by telephone—
    - (i) where the authority has published a telephone number for that purpose unless the authority determines that in any particular case or class of case notification may not be given by telephone; or
    - (ii) in any case or class of case where the authority determines that notice may be given by telephone; or
  - (c) by any other means which the authority agrees to accept in any particular case, within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.
- 74.3 The duty imposed on a person by sub-paragraph (1) does not extend to notifying
- (a) changes in the amount of council tax payable to the authority;
  - (b) changes in the age of the applicant or that of any member of his family;
  - (c) in the case of an applicant in receipt of a relevant benefit, changes in circumstances which affect the amount of the benefit but not the amount of the reduction under the authority's scheme to which he is entitled, other than the cessation of that entitlement to the benefit.
- 74.4 For the purposes of sub-paragraph (3)(c) "relevant benefit" means income support, an income-based jobseeker's allowance or an income-related employment and support allowance or universal credit.
- 74.5 Notwithstanding sub-paragraph (3)(b) or (c) an applicant is required by sub-paragraph (1) to notify the authority of any change in the composition of his family arising from the fact that a person who was a member of his family is now no longer such a person because he has ceased to be a child or young person.
- 74.6 The duty imposed on a person by sub-paragraph (1) includes in the case of a person falling within alternative maximum council tax reduction, giving written notice to the authority of changes which occur in the number of adults in the dwelling or in their total gross incomes and, where any such adult ceases to be in receipt of state pension credit, the date when this occurs.
- 74.7 A person who has been awarded a reduction under the authority's scheme who is also on state pension credit must report;
- (a) changes affecting the residence or income of any non-dependant normally residing with the applicant or with whom the applicant normally resides;

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<sup>29</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

(b) any absence from the dwelling which exceeds or is likely to exceed 13 weeks.

74.8 In addition to the changes required to be reported under sub-paragraph (7), a person whose state pension credit comprises only a savings credit must also report—

(a) changes affecting a child living with him which may result in a change in the amount of reduction under the authority's scheme allowed in his case, but not changes in the age of the child;

(b) any change in the amount of the applicant's capital to be taken into account which does or may take the amount of his capital to more than £16,000;

(c) any change in the income or capital of;

(i) a non-dependant whose income and capital are treated as belonging to the applicant; or

(ii) a person to whom their partner is treated as member of the household, and whether such a person or, as the case may be, non-dependant stops living or begins or resumes living with the applicant.

74.9 A person who is entitled to a reduction under the authority's scheme and on state pension credit need only report to the authority the changes specified in sub-paragraphs (7) and (8).

74.10 All changes in circumstances should be notified to the authority in writing (or by whatever format agreed by the authority) within one calendar month of the happening of the event or change in circumstance. This timescale may be extended at the discretion of the authority. Where such a change is not received within that timescale and where the change would increase the level of reduction payable, the authority will use the Monday following the date of notification as the effective date.



**Sections 75- 90**

**Decisions, decision notices and awards of Council Tax Reduction**

**75.0 Decisions by the authority<sup>30</sup>**

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

**76.0 Notification of decision<sup>31</sup>**

76.1 The authority must notify in writing any person affected by a decision made by it under its scheme;

(a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;

(b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.

76.2 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement;

(a) informing the person affected of the duty imposed by paragraph 9(1);

(b) explaining the possible consequences (including prosecution) of failing to comply with that duty; and

(c) setting out the circumstances a change in which might affect entitlement to the reduction or its amount.

76.3 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement as to how that entitlement is to be discharged.

76.4 In any case, the notification under sub-paragraph (1) must inform the person affected of the procedure by which an appeal may be made and must refer the person to the provisions in the authority's scheme relating to the procedure for making an appeal.

76.5 A person affected to whom the authority sends or delivers a notification of decision may, within one month of the date of the notification of that decision request in writing the authority to provide a written statement setting out the reasons for its decision on any matter set out in the notice.

76.6 The written statement referred to in sub-paragraph (5) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.

76.7 For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under its scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (8).

76.8 This sub-paragraph applies to—

(a) the applicant;

(b) in the case of a person who is liable to pay council tax in respect of a dwelling and is unable for the time being to act;

(i) a deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or

(ii) in Scotland, a judicial factor or any guardian acting or appointed under the

Adults with Incapacity (Scotland) Act 2000(3) who has power to apply or, as the case may be, receive benefit on the person's behalf; or

(iii) an attorney with a general power or a power to apply or, as the case may be,

<sup>30</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>31</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,

(c) a person appointed by the authority to act for a person unable to act.

**77.0 Time and manner of granting council tax reduction<sup>32</sup>**

77.1 Where a person is entitled to a reduction under this authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year ("the chargeable year"), the authority must discharge his entitlement;

- (a) by reducing, so far as possible, the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers; or
- (b) where;
  - (i) such a reduction is not possible; or
  - (ii) such a reduction would be insufficient to discharge the entitlement to a reduction under the authority's scheme; or
  - (iii) the person entitled to the reduction is jointly and severally liable for the council tax and the authority determines that such a reduction would be inappropriate, by making payment to him of the amount of reduction to which he is entitled, rounded where necessary to the nearest penny.

77.2 The authority must notify the person entitled to a reduction under this scheme of the amount of that reduction and how his entitlement is to be discharged in pursuance of paragraph (1).

77.3 In a case to which paragraph (1)(b) refers;

- (a) if the amount of the council tax for which he remains liable in respect of the chargeable year, after any reduction to which sub-paragraph (1)(a) refers has been made, is insufficient to enable his entitlement to a reduction under the authority's scheme in respect thereof to be discharged, upon the final instalment of that tax becoming due any outstanding reduction;
  - (i) must be paid to that person if he so requires; or
  - (ii) in any other case must (as the authority determines) either be repaid or credited against any subsequent liability of the person to make a payment in respect of the authority's council tax as it has effect for any subsequent year;
- (b) if that person has ceased to be liable for the authority's council tax and has discharged the liability for that tax, the outstanding balance (if any) of the reduction under the authority's scheme in respect thereof must be paid within 14 days or, if that is not reasonably practicable, as soon as practicable thereafter
- (c) in any other case, the reduction under the authority's scheme must be paid within 14 days of the receipt of the application at the offices of the authority or, if that is not reasonably practicable, as soon as practicable thereafter.

77.4 For the purposes of this paragraph "instalment" means any instalment of the authority's council tax to which regulation 19 of the Council Tax (Administration and Enforcement) Regulations 1992 refers (council tax payments).

**78.0 Persons to whom reduction is to be paid<sup>33</sup>**

78.1 Subject to section 80 (payment on death) and paragraph (2), any payment of the amount

<sup>32</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>33</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

of a reduction must be made to that person.

78.2 Where a person other than a person who is entitled to a reduction under this authority's scheme made the application for the reduction and that first person is a person acting pursuant to an appointment or is treated as having been so appointed, the amount of the reduction may be paid to that person.

**79.0 Shortfall in reduction<sup>34</sup>**

79.1 Where, on the revision of a decision allowing a reduction under the authority's scheme to a person, it is determined that the amount allowed was less than the amount to which that person was entitled, the authority must either;

- (a) make good any shortfall in reduction which is due to that person, by reducing so far as possible the next and any subsequent payments he is liable to make in respect of the council tax of the authority as it has effect for the chargeable financial year until that shortfall is made good; or
- (b) where this is not possible or the person concerned so requests, pay the amount of any shortfall in reduction due to that person within 14 days of the revision of the decision being made or if that is not reasonable practicable, as soon as possible afterwards.

**80.0 Payment on the death of the person entitled<sup>35</sup>**

80.1 Where the person entitled to any reduction under this scheme has died and it is not possible to award the reduction which is due in the form of a reduction of the council tax for which he was liable, the authority must make payment of the amount of the reduction to his executor or administrator in accordance with regulation 58(4) of the Council Tax (Administration and Enforcement) Regulations 1992.

**81.0 Offsetting**

81.1 Where a person has been allowed or paid a sum of council tax reduction under a decision which is subsequently revised or further revised, any sum allowed or paid in respect of a period covered by the subsequent decision shall be offset against arrears of entitlement under the subsequent decision except to the extent that the sum exceeds the arrears and shall be treated as properly awarded or paid on account of them.

**82.0 Payment where there is joint and several liability<sup>36</sup>**

82.1 Where;

- (a) a person is entitled to a reduction under the authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year;
- (b) the person entitled to the reduction is jointly and severally liable for the council tax; and
- (c) the authority determines that discharging his entitlement by reducing the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992(7) refers would be inappropriate,

it may make a payment to him of the amount of the reduction to which he is entitled, rounded where necessary to the nearest penny.

<sup>34</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>35</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>36</sup> Inserted by Schedule 8 of the Council Tax Reductions Scheme (Prescribed Requirements) (England) Regulations 2012

82.2 Subject to sub-paragraph (3) any payment made under sub-paragraph (1) must be made to the person who is entitled to the reduction.

82.3 Where a person other than a person who is entitled to a reduction under the authority's scheme made the application and that first person is a person acting pursuant to an appointment under paragraph 4(3) or is treated as having been so appointed by virtue of paragraph 4(4), the amount of the reduction may be paid to that person.

**83.0 – 90.0 Not used**

**Sections 91 – 94**

**Collection, holding and forwarding of information for Council Tax Reduction 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>37</sup>.

**92.0 Collection of information**

92.1 The authority may receive and obtain information and evidence relating to claims for council tax reduction, the council may receive or obtain the information or evidence from—

- (a) persons making claims for council tax reduction;
- (b) other persons in connection with such claims;
- (c) other local authorities; or
- (d) central government departments including the DWP and HMRC

92.2 The authority may verify relevant information supplied to, or obtained.

**93.0 Recording and holding information**

93.1 The authority may

- (a) may make a record of such information; and
- (b) may hold that information, whether as supplied or obtained or recorded, for the purpose of forwarding it to the person or authority for the time being administering council tax reduction.

**94.0 Forwarding of information**

94.1 The authority may forward it to the person or authority for the time being administering claims to or awards of council tax reduction to which the relevant information relates, being

- (i) a local authority;
- (ii) a person providing services to a local authority; or
- (iii) a person authorised to exercise any function of a local authority relating to council tax reduction.

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<sup>37</sup> Data Retention and Investigatory Powers Act 2014 and Data Retention Regulations 2014

**Sections 95 – 98**

**Revisions, Written Statements, Termination of Council Tax Reduction**



**95.0 Persons affected by Decisions**

- 95.1 A person is to be treated as a person affected by a relevant decision of the authority where that person is;
- a. an applicant;
  - b. in the case of a person who is liable to make payments in respect of a dwelling and is unable for the time being to act
    - (i) a Deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit or reduction on his behalf,
    - (ii) in Scotland, a tutor, curator, judicial factor or other guardian acting or appointed in terms of law administering that person's estate, or
    - (iii) an attorney with a general power or a power to receive benefit or reduction appointed by the person liable to make those payments under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise;
  - c. a person appointed by the authority under this scheme;

**96.0 Revisions of Decisions**

- 96.1 Subject to the provisions in this scheme, a relevant decision ('the original decision') may be revised or further revised by the authority, which made the decision where the person affected makes an application for a revision within;
- (i) one month of the date of notification of the original decision; or
  - (ii) such extended time as the authority may allow.
- 96.2 The authority may revise or further revise that original decision at any time. Where further information is required from the person affected, the authority shall request such information and evidence as it feels is reasonable. Such information must be supplied within;
- i) one month of the date of notification of the additional information; or
  - (ii) such extended time as the authority may allow

**97.0 Written Statements**

- 97.1 Subject to the provisions in the scheme, the authority may upon a written request issue a written statement to a person affected to further explain the decision of the authority in relation to Council Tax Reduction. The request must be received within one month of the date of the notification being issued by the authority.

**98.0 Terminations**

- 98.1 The authority may terminate reduction in whole or in part the Council Tax Reduction where it appears to the authority that an issue arises whether;
- a. the conditions for entitlement to Council Tax Reduction are or were fulfilled; or
  - b. a decision as to an award of such a reduction should be revised or superseded.
- 98.2 The authority may terminate, in whole or in part the Council Tax Reduction where it appears to the authority that an issue arises whether;
- a. the conditions for entitlement to Council Tax Reduction are or were fulfilled; or
  - b. a decision as to an award of such a reduction should be revised or superseded.
- Where the person fails to provide information to the authority as requested in relation to any matter relating to their liability for Council Tax

**Section 99**

**Appeals against the authority's decisions**

**99.0 Procedure by which a person may make an appeal against certain decisions of the authority<sup>38</sup>**

- 99.1 A person who is aggrieved by a decision of the authority, which affects;
- (a) the person's entitlement to a reduction under its scheme, or
  - (b) the amount of any reduction to which that person is entitled,
- may serve a written notice on the authority stating the matter by which, and the grounds on which, he is aggrieved.
- 99.2 The authority must
- (a) consider the matter to which the notice relates;
  - (b) notify the aggrieved person in writing;
    - (i) that the ground is not well founded, giving reasons for that belief; or
    - (ii) that steps have been taken to deal with the grievance, stating the steps taken.
- 99.3 Where, following notification under sub-paragraph (2)(b)(i) or (ii), the person is still aggrieved, or if the authority fails to notify the person aggrieved in accordance with sub-paragraph (2)(b) within two months of the service of his notice, he may appeal to the valuation tribunal under section 16 of the 1992 Act<sup>39</sup>.

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<sup>38</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>39</sup> As amended by the Tribunal Procedure (Amendment No 3 ) Rules 2014

**Section 100**

**Procedure for applying for a discretionary reduction**

**100.0 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act<sup>40</sup>**

- 100.1 An application to the authority for a reduction under section 13A(1)(c)(1) of the 1992 Act may be made;
- (a) in writing,
  - (b) by means of an electronic communication in accordance with Part 4 of this Schedule, or
  - (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- 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).
- 100.3 An application to the authority for a reduction not in accordance with paragraph 1 on the grounds of Exceptional Hardship under this scheme must be made:
- (a) in writing,
  - (b) by any means acceptable to the authority.

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<sup>40</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

**Section 101 – 106A<sup>41</sup>**  
**Electronic Communication**

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<sup>41</sup> Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

**101.0 Interpretation**

101.1 In this Part;  
“**information**” includes an application, a certificate, notice or other evidence; and  
“**official computer system**” means a computer system maintained by or on behalf of an authority for sending, receiving, processing or storing of any information.

**102.0 Conditions for the use of electronic communication**

102.1 The authority may use an electronic communication in connection with applications for, and awards of, reductions under its scheme.

102.2 A person other than the authority may use an electronic communication in connection with the matters referred to in sub-paragraph (1) if the conditions specified in sub-paragraphs (3) to (6) are satisfied.

102.3 The first condition is that the person is for the time being permitted to use an electronic communication by an authorisation given by means of a direction of the Chief Executive of the authority.

102.4 The second condition is that the person uses an approved method of;

- (a) authenticating the identity of the sender of the communication;
- (b) electronic communication;
- (c) authenticating any application or notice delivered by means of an electronic communication; and
- (d) subject to sub-paragraph (7), submitting to the authority any information.

102.5 The third condition is that any information sent by means of an electronic communication is in a form approved for the purposes.

102.6 The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.

102.7 Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.

102.8 In this paragraph “approved” means approved by means of a direction given by the Chief Executive of the authority for the purposes of this section.

**103.0 Use of intermediaries**

103.1 The authority may use intermediaries in connection with;

- (a) the delivery of any information by means of an electronic communication; and
- (b) the authentication or security of anything transmitted by such means,

and may require other persons to use intermediaries in connection with those matters.

**104.0 Effect of delivering information by means of electronic communication**

104.1 Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of an authority’s scheme on the day the conditions imposed;

- (a) by this section; and
- (b) by or under an enactment,

are satisfied.

104.2 The authority may determine that any information is to be treated as delivered on a different day (whether earlier or later) from the day provided for in sub-paragraph (1).

104.3 Information may not be taken to have been delivered to an official computer system by means of an electronic communication unless it is accepted by the system to which it is delivered.

**105.0 Proof of identity of sender or recipient of information**

105.1 If it is necessary to prove, for the purpose of any legal proceedings, the identity of—  
(a) the sender of any information delivered by means of an electronic communication to an official computer system; or  
(b) the recipient of any such information delivered by means of an electronic communication from an official computer system,  
the sender or recipient, as the case may be, is to be presumed to be the person whose name is recorded as such on that official computer system.

**106.0 Proof of delivery of information**

106.1 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any information this is presumed to have been the case where;

(a) any such information has been delivered to the relevant authority, if the delivery of that information has been recorded on an official computer system; or

(b) any such information has been delivered by the relevant authority, if the delivery of that information has been recorded on an official computer system.

106.2 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any such information, this is presumed not to be the case, if that information delivered to the relevant authority has not been recorded on an official computer system.

106.3 If it is necessary to prove, for the purpose of any legal proceedings, when any such information sent by means of an electronic communication has been received, the time and date of receipt is presumed to be that recorded on an official computer system.

**106A.0 Proof of content of information**

106A.1 If it is necessary to prove, for the purpose of any legal proceedings, the content of any information sent by means of an electronic communication, the content is presumed to be that recorded on an official computer system.



**Section 107**  
**Counter Fraud and Compliance**

**107.0 Counter Fraud and compliance**

107.1 In order to protect the finances of the authority and also in the interests of all council taxpayers, the authority will undertake such actions as allowed by law to;

- a. Prevent and detect fraudulent claims and actions in respect of Council Tax Reduction;
- b. Carry out investigations fairly, professionally and in accordance with the law; and
- c. Ensure that sanctions are applied in appropriate cases

107.2 The authority believes that it is important to minimise the opportunity for fraud and;

- a. will implement rigorous procedures for the verification of claims for council tax reduction;
- b. will employ sufficient Officers to fulfil the authority's commitment to combat fraud;
- c. will actively tackle fraud where it occurs in accordance with this scheme;
- d. will co-operate with the Department for Work and Pensions (DWP), Her Majesty's Revenues and Customs and take part in joint working including prosecutions; and
- e. will in all cases seek to recover all outstanding council tax.

107.3 The authority shall put into place such administrative policies, procedures and processes as are necessary to ensure that the actions outlined within paragraph 107.1 and 107.2 can be carried out successfully. In particular the authority shall undertake actions provided by the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.

**Schedule 1**  
**Applicable Amounts<sup>42</sup>**

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<sup>42</sup> <sup>42</sup> The amounts shown within this schedule shall be updated in line with the Housing Benefit Regulations 2006 as amended

**Personal Allowance**

- 1 The amounts specified in column (2) below in respect of each person or couple specified in column (1) shall be the amounts specified for the purposes the main scheme;

Column 1 Person or Couple	Column 2
1. A Single applicant who; a) is entitled to main phase employment and support allowance	£73.10
b) is aged not less than 25	£73.10
c) is aged not less than 18 but less than 25	£57.90
2. Lone Parent	£73.10
3. Couple; a) Where the applicant is entitled to the main phase of employment and support allowance	£114.85
b) Where one member is aged not less than 18	£114.85
c) Polygamous Addition	£41.75

For the purposes of paragraph 1 an applicant is entitled to main phase employment and support allowance if;

- a. Paragraph 17 or 18 is satisfied in relation to the applicant; or
- b. The applicant is entitled to a converted employment and support allowance

- 2 (1) The amount specified in column (2) below in respect of each person specified in column (1) shall, for the relevant period specified in column (1), be the amounts specified for the purposes of the main scheme

Column 1 Child or Young Person	Column 2
Person in respect of the period– (a) beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday;	£66.90
(b) beginning on the first Monday in September following that person's sixteenth birthday and ending on the day preceding that person's twentieth birthday.	£66.90

(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;

**Premiums**

4. Except as provided in paragraph 5, the premiums specified in 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 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
  - 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>	£34.35
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	£48.95
<b>Severe Disability Premium</b>	£65.85
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	£65.85
i. in a case where there is someone in receipt of carer's allowance or if he or any partner satisfies that condition only by virtue of paragraph 14(5);	
ii. in a case where there is no one in receipt of such an allowance	£131.70
<b>Disabled Child Premium</b>	£64.19 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>	£36.85 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>	(a) £26.04 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; (b) £16.80 in respect of each person who is neither— (i) a child or young person; nor (ii) a member of a couple or a polygamous marriage, in respect of whom the conditions specified in paragraph 15 are satisfied; (c) £24.10 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.
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**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 £38.55.

**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 Reduction)**



1. Subject to paragraphs 2 and 3, the alternative maximum Council Tax Reduction in respect of a day for the purpose of section 62 shall be determined in accordance with the following Table and in this Table
  - a) 'second adult' means any person or persons residing with the applicant; and
  - b) 'persons to whom paragraph 45.2 applies' includes any person to whom that section would apply were they, and their partner if they had one, below the qualifying age for state pension credit.
2. In this Schedule 'council tax due in respect of that day' means the council tax payable under section 10 or 78 of the 1992 Act less—
  - (a) any reductions made in consequence of any enactment in, or under, the 1992 Act; and
  - (b) in a case to which sub-paragraph (c) in column (1) of the table below applies, the amount of any discount which may be appropriate to the dwelling under the 1992 Act.

<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—	is less than £206.00 per week; - 15 per cent of the council tax due in respect of that day;  is not less than £206.00 per week but less than £266.00 per week; - 7.5 per cent of the council tax due in respect of that day;
(c) where the dwelling would be wholly occupied by one or more persons to whom regulation 43.1 applies but for the presence of one or more second adults who are in receipt of income support, state pension credit, an income-related employment and support allowance or are persons on an income-based jobseeker's allowance	100 per cent. of the council tax due in respect of that day.

In determining a second adult's gross income for the purposes of this Schedule, there shall be disregarded from that income;

- a. any attendance allowance, or any disability living allowance under section 71 of the Act or any personal independence payment under the Welfare Reform Act 2012 or an AFIP;
- b. any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006)

which had his income fallen to be calculated under section 30 (calculation of income other than earnings) would have been disregarded under paragraph 24 of Schedule 4 (income in kind); and

- c. any payment which had his income fallen to be calculated under section 30 would have been disregarded under paragraph 36 of Schedule 4 (payments made under certain trusts and certain other payments).
3. Where there are two or more second adults residing with the applicant for reduction and any such second adult falls to be disregarded for the purposes of discount in accordance with Schedule 1 of the 1992 Act, his income shall be disregarded in determining the amount of any alternative maximum Council Tax Reduction, unless that second adult is a member of a couple and his partner does not fall to be disregarded for the purposes of discount.

**Schedule 3**

**Sums to be disregarded in the calculation of earnings<sup>43</sup>**

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<sup>43</sup> All amounts within this schedule will be amended in line with the Housing Benefit Regulations 2006 (as amended)

- 1.** In the case of an applicant who has been engaged in remunerative work as an employed earner or, had the employment been in Great Britain, would have been so engaged—
- (a) where—
    - (i) the employment has been terminated because of retirement; and
    - (ii) on retirement he is entitled to a retirement pension under the Act, or is not so entitled solely because of his failure to satisfy the contribution conditions,  
any earnings paid or due to be paid in respect of that employment, but only for a period commencing on the day immediately after the date on which the employment was terminated;
  - (b) where before the first day of entitlement to council tax reduction the employment has been terminated otherwise than because of retirement, any earnings paid or due to be paid in respect of that employment except—
    - (i) any payment of the nature described in
      - (aa) paragraph 25.1(e), or
      - (bb) section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds); and
    - (ii) any award, sum or payment of the nature described in
      - (aa) paragraph 25.1(g) or (h), or
      - (bb) section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals),  
including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;
  - (c) where before the first day of entitlement to council tax reduction—
    - (i) the employment has not been terminated, but
    - (ii) the applicant is not engaged in remunerative work,  
  
any earnings paid or due to be paid in respect of that employment except any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) or paragraph 25.1(i), or (j).
- 2.** In the case of an applicant who, before first day of entitlement to council tax reduction;
- (a) has been engaged in part-time employment as an employed earner or, where the employment has been outside Great Britain, would have been so engaged had the employment been in Great Britain; and
  - (b) has ceased to be engaged in that employment, whether or not that employment has been terminated,  
any earnings paid or due to be paid in respect of that employment except;
    - (i) where that employment has been terminated, any payment of the nature described in paragraph 1(b)(i) or (ii)(bb);
    - (ii) where that employment has not been terminated, any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) or paragraph 25.1(i), (i) or (j).
- 2A.** In the case of an applicant who has been engaged in remunerative work or part-time employment as a self-employed earner or, had the employment been in Great Britain would have been so engaged and who has ceased to be so employed, from the date of the cessation

of his employment any earnings derived from that employment except earnings to which paragraph 27.3 and paragraph 27.4 (earnings of self-employed earners) apply.

- 3.** (1) In a case to which this paragraph applies and paragraph 4 does not apply, £20; but notwithstanding section 15 (calculation of income and capital of members of an applicant's family and of a polygamous marriage) if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £20.

(2) This paragraph applies where the applicant's applicable amount includes an amount by way of the disability premium, severe disability premium, work-related activity component or support component.

(3) This paragraph applies where

  - (a) the is a member of a couple and his applicable amount includes an amount by way of the disability premium; and
  - (b) the or his partner has not attained the qualifying age for state pension credit and at least one is engaged in employment.

(4)–(5) Not used
- 4.** In a case where the applicant is a lone parent, £25.
- 5.** (1) In a case to which neither paragraph 3 nor paragraph 4 applies to the applicant and, subject to sub-paragraph (2), where the applicant's applicable amount includes an amount by way of the carer premium, £20 of the earnings of the person who is, or at any time in the preceding eight weeks was, in receipt of carer's allowance or treated in accordance with this scheme as being in receipt of carer's allowance.

(2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings shall for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) shall not exceed £20 of the aggregated amount.
- 6.** Where the carer premium is awarded in respect of an applicant who is a member of a couple and whose earnings are less than £20, but is not awarded in respect of the other member of the couple, and that other member is engaged in an employment;

  - (a) specified in paragraph 8(1), so much of the other member's earnings as would not when aggregated with the amount disregarded under paragraph 5 exceed £20;
  - (b) other than one specified in paragraph 8(1), so much of the other member's earnings from such other employment up to £10 as would not when aggregated with the amount disregarded under paragraph 5 exceed £20.
- 7.** In a case where paragraphs 3, 5, 6 and 8 do not apply to the applicant and he is one of a couple and a member of that couple is in employment, £10; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £10.
- 8.** (1) In a case where paragraphs 3, 4, 5 and 6 do not apply to the applicant, £20 of earnings derived from one or more employments as–

  - (a) as a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;
  - (b) a part-time fire-fighter employed by a fire and rescue authority (as defined in section

<p>1 of the Fire (Scotland) Act 2005(a)) or a joint fire and rescue board constituted by an amalgamation scheme made under section 2(1) of that Act;</p> <ul style="list-style-type: none"><li>(c) an auxiliary coastguard in respect of coast rescue activities;</li><li>(d) a person engaged part-time in the manning or launching of a life boat;</li><li>(e) a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001;</li></ul> <p>but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except to the extent specified in sub-paragraph (2).</p> <ul style="list-style-type: none"><li>(2) If the applicant's partner is engaged in employment;<ul style="list-style-type: none"><li>(a) specified in sub-paragraph (1), so much of his earnings as would not in aggregate with the amount of the applicant's earnings disregarded under this paragraph exceed £20;</li><li>(b) other than one specified in sub-paragraph (1), so much of his earnings from that employment up to £10 as would not in aggregate with the applicant's earnings disregarded under this paragraph exceed £20.</li></ul></li></ul> <p><b>9.</b> Where the applicant is engaged in one or more employments specified in paragraph 8(1), but his earnings derived from such employments are less than £20 in any week and he is also engaged in any other employment so much of his earnings from that other employment, up to £5 if he is a single applicant, or up to £10 if he has a partner, as would not in aggregate with the amount of his earnings disregarded under paragraph 8 exceed £20.</p> <p><b>10.</b> In a case to which none of the paragraphs 3 to 9 applies, £5.</p> <p><b>10A.</b> (1) Where;</p> <ul style="list-style-type: none"><li>(a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;</li><li>(b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and</li><li>(c) paragraph 12 does not apply, the amount specified in sub-paragraph (7) ('the specified amount').</li></ul> <p>(2) Where this paragraph applies, paragraphs 3 to 10 do not apply; but in any case where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 4, then paragraph 4 applies instead of this paragraph.</p> <p>(3) Notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple ('A') it shall not apply to the other member of that couple ('B') except to the extent provided in sub-paragraph (4).</p> <p>(4) Where A's earnings are less than the specified amount, there shall also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.</p> <p>(5) This sub-paragraph applies to a person who is;</p> <ul style="list-style-type: none"><li>(a) in receipt of a contributory employment and support allowance;</li><li>(b) in receipt of incapacity benefit;</li><li>(c) in receipt of severe disablement allowance; or</li><li>(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</li></ul> <p>(6) 'Exempt work' means work of the kind described in;</p>	
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(a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations; or (as the case may be)  
(b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,  
and, in determining for the purposes of this paragraph whether an applicant or a member of a couple is undertaking any type of exempt work, it is immaterial whether that person or their partner is also undertaking other work.

(7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

11. Any amount or the balance of any amount which would fall to be disregarded under paragraph 19 or 20 of Schedule 4 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full disregard thereunder.
12. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, his earnings.
13. Any earnings derived from employment, which are payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of those earnings.
14. Where a payment of earnings is made in a currency other than Sterling, any banking charge or commission payable in converting that payment into Sterling.
15. Any earnings of a child or young person.
16. (1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under paragraphs 3 to 10A of this Schedule shall be increased by £17.10.  
  
(2) The conditions of this sub-paragraph are that—
  - (a) the applicant, or if he is a member of a couple, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit Regulations applies; or
  - (b) the applicant—
    - (i) is, or if he is a member of a couple, at least one member of that couple is aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or
    - (ii) is a member of a couple and
      - (aa) at least one member of that couple, is engaged in remunerative work for on average not less than 16 hours per week; and
      - (bb) his applicable amount includes a family premium; or
    - (iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or
    - (iv) is, or if he is a member of a couple, at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and
      - (aa) the applicant's applicable amount includes a disability premium, the work-related activity component or the support component ;
      - (bb) where he is a member of a couple, at least one member of that couple satisfies the qualifying conditions for the disability premium or either of the components referred to in sub-head (aa) above and is engaged in remunerative work for on average not less than 16 hours per week; or
  - (c) the applicant 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 applicant's earnings under paragraphs 3 to 10A of this Schedule;
  - (b) the amount of child care charges calculated as deductible under paragraph 17(1)(c); and
  - (c) £17.10
- (4) The provisions of section 6 shall apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in paragraph (1) of that section were a reference to 30 hours.

**17.** In this Schedule 'part-time employment' means employment in which the person is engaged on average for less than 16 hours a week.



**Schedule 4**

**Sums to be disregarded in the calculation of income other than earnings<sup>44</sup>**

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<sup>44</sup> Any amounts shown in this schedule will be uprated in line with the Housing Benefit Regulations 2006 as amended

1. Any amount paid by way of tax on income, which is to be taken into account under section 30 (calculation of income other than earnings).
- A2. Any payment made to the claim and in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme.
- A3. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme, but only for 52 weeks beginning with the date of receipt of the payment.
2. Any payment in respect of any expenses incurred or to be incurred by an applicant who is—
  - (a) engaged by a charitable or voluntary organisation, or
  - (b) volunteer,if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under section 32.0 (notional income).
- 2A. Any payment in respect of expenses arising out of the applicant's participation as a service user
3. In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.
4. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance the whole of his income.
5. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker's allowance, the whole of the applicant's income.
6. Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.
7. Any disability living allowance or personal independence payment
8. Any concessionary payment made to compensate for the non-payment of;
  - (a) any payment specified in paragraph 7 or 10;
  - (b) income support;
  - (c) an income-based jobseeker's allowance.
  - (d) an income-related employment and support allowance.
9. Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.
10. Any attendance allowance.
11. Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.
12. (1) Any payment—
  - (a) by way of an education maintenance allowance made pursuant to;
    - (i) regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc);

- (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);
      - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992
    - (b) corresponding to such an education maintenance allowance, made pursuant to;
      - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
      - (ii) regulations made under section 181 of that Act; or
      - (iii) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.
  - (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
    - (a) regulations made under section 518 of the Education Act 1996;
    - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
    - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992, in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).
- 13.** Any payment made to the applicant by way of a repayment under regulation 11(2) of the Education (Teacher Student Loans) (Repayment etc.) Regulations 2002.
- 14**
- (1) Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 except a payment;
    - (a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;
    - (b) of an allowance referred to in section 2(3) of the 1973 Act or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or
    - (c) intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.
  - (2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1)(c) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
- 15**
- (1) Subject to sub-paragraph (2), any of the following payments;
    - (a) a charitable payment;
    - (b) a voluntary payment;
    - (c) a payment (not falling within sub-paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;
    - (d) a payment under an annuity purchased;
      - (i) pursuant to any agreement or court order to make payments to the applicant; or
      - (ii) from funds derived from a payment made, in consequence of any personal injury to the applicant; or
    - (e) a payment (not falling within sub-paragraphs (a) to (d) received by virtue of any agreement or court order to make payments to the applicant in consequence of

any personal injury to the applicant.

- (2) Sub-paragraph (1) shall not apply to a payment, which is made or due to be made by—
  - (a) a former partner of the applicant, or a former partner of any member of the applicant's family; or
  - (b) the parent of a child or young person where that child or young person is a member of the applicant's family.
- 16.** 100% of any of the following, namely
  - (a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 9 or 10);
  - (b) a war widow's pension or war widower's pension;
  - (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
  - (d) a guaranteed income payment;
  - (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
  - (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
  - (g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria;
  - (h) Armed Forces Compensation scheme payment.
- 17.** Subject to paragraph 35, £15 of any;
  - (a) widowed mother's allowance paid pursuant to section 37 of the Act;
  - (b) widowed parent's allowance paid pursuant to section 39A of the Act.
- 18.** (1) Any income derived from capital to which the applicant is or is treated under section 41 (capital jointly held) as beneficially entitled but, subject to sub-paragraph (2), not income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28 of Schedule 5.  
(2) Income derived from capital disregarded under paragraphs 2, 4 or 25 to 28 of Schedule 5 but only to the extent of—
  - (a) any mortgage repayments made in respect of the dwelling or premises in the period during which that income accrued; or
  - (b) any council tax or water charges which the applicant is liable to pay in respect of the dwelling or premises and which are paid in the period during which that income accrued.  
(3) The definition of 'water charges' in paragraph 2(1) shall apply to sub-paragraph (2) of this paragraph with the omission of the words 'in so far as such charges are in respect of the dwelling which a person occupies as his home'.
- 19.** Where the applicant makes a parental contribution in respect of a student attending a course at an establishment in the United Kingdom or undergoing education in the United Kingdom, which contribution has been assessed for the purposes of calculating—
  - (a) under, or pursuant to regulations made under powers conferred by, sections 1 or 2 of the Education Act 1962 or section 22 of the Teaching and Higher Education Act 1998(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 applicant is the parent of a student aged under 25 in advanced education who either;
- (a) is not in receipt of any award, grant or student loan in respect of that education; or
  - (b) is in receipt of an award under section 2 of the Education Act 1962 (discretionary awards) or an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,
- and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 19, an amount specified in sub-paragraph (2) in respect of each week during the student's term.
- (2) For the purposes of sub-paragraph (1), the amount shall be equal to–
- (a) the weekly amount of the payments; or
  - (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),
- whichever is less.
- 21.** Any payment made to the applicant by a child or young person or a non- dependant.
- 22.** Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person other than one to whom paragraph 21 or 23 refers and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family–
- (a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or
  - (b) where the aggregate of any such payments is £20 or more per week, £20.
- 23.** (1) Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to–
- (a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20.00, 100 per cent. of such payments;
  - (b) where the aggregate of any such payments exceeds £20.00, £20.00 and 50 per cent. of the excess over £20.00.
- (2) In this paragraph, 'board and lodging accommodation' means accommodation provided to a person or, if he is a member of a family, to him or any other member of his family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises.
- 24.** (1) Any income in kind, except where regulation 30(11)(b) (provision of support under section 95 or 98 of the Immigration and Asylum Act in the calculation of income other than earnings) applies.
- (2) The reference in sub-paragraph (1) to 'income in kind' does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.
- 25.** Any income which is payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.

- 26.** (1) Any payment made to the applicant in respect of a person who is a member of his family—
- (a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance or with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978**(b)** (schemes for payments of allowances to adopters); or in accordance with an Adoption Allowance Scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (Adoption Allowances Schemes)
  - (b) not used
  - (ba) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child’s maintenance where the child is living with a person as a result of a residence order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);
  - (c) which is a payment made by an authority, as defined in Article 2 of the Children Order, in pursuance of Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child’s maintenance);
  - (d) in accordance with regulations made pursuant to section 14F of the Children Act 1989(c) (special guardianship support services);
- (2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
- 27.** Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made
- (a) by a local authority under—
    - (i) section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),
    - (ii) section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or
    - (iii) regulations 33 or 51 of the Looked After Children (Scotland) Regulations 2009 (fostering and kinship care allowances and fostering allowances); or
  - (b) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).
- 28.** Any payment made to the applicant or his partner for a person (‘the person concerned’), who is not normally a member of the applicant’s household but is temporarily in his care, by—
- (a) a health authority;
  - (b) a local authority but excluding payments of housing benefit made in respect of the person concerned;
  - (c) a voluntary organisation;
  - (d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;
  - (e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or
  - (f) a Local Health Board established under section 16BA of the National Health Service Act 1977 or established by an order made under section 11 of the National Health Service (Wales) Act 2006
- 29.** Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).
- 29A.** (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989(e) or section 29 of the Children (Scotland) Act 1995(local authorities’ duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person (‘A’) which A passes on

- to the applicant.
- (2) Sub-paragraph (1) applies only where A;
- (a) was formerly in the applicant's care, and
  - (b) is aged 18 or over, and
  - (c) continues to live with the applicant.
- 30.** (1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments;
- (a) on a loan which is secured on the dwelling which the applicant occupies as his home; or
  - (b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.
- (2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—
- (a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (b); and
  - (b) meet any amount due by way of premiums on—
    - (i) that policy; or
    - (ii) in a case to which sub-paragraph(1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).
- 31.** Any payment of income which, by virtue of section 36 (income treated as capital) is to be treated as capital.
- 32.** Any social fund payment made pursuant to Part 8 of the Act (the Social Fund) or any local welfare provision as defined by the Social Security (Miscellaneous Amendments) Regulations 2013
- 33.** Any payment under Part 10 of the Act (Christmas bonus for pensioners).
- 34.** Where a payment of income is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
- 35.** The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under paragraph 15.2 (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under paragraph 47.2(b) and paragraph 48.1(d) (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 51(2) (treatment of student loans), paragraph 52(3) (treatment of payments from access funds) and paragraphs 16 and 17 shall in no case exceed £20 per week.
- 36.** (1) Any payment made under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).
- (2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
  - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
  - (c) any young person who is a member of that person's family or who was such a

member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of;

- (a) the person who is suffering from haemophilia or who is a qualifying person;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
- (b) the payment is made either;
  - (i) to that person's parent or step-parent, or
  - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and
- (b) the payment is made either
  - (i) to that person's parent or step-parent, or
  - (ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation and the London Bombings Relief Charitable Fund.

**37.** Any housing benefit.

**38.** Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.

**39. - 40.** not used



- 41.** Any payment to a juror or witness in respect of attendance at a court other than compensation for loss of earnings or for the loss of a benefit payable under the benefit Acts.
- 42.** Not used
- 43.** Any payment in consequence of a reduction of council tax under section 13 or section 80 of the 1992 Act (reduction of liability for council tax).
- 44.** Not used
- 45.** (1) Any payment or repayment made—  
(a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);  
(b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);  
(c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies).  
(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment or repayment, mentioned in sub-paragraph (1).
- 46.** Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins).
- 47.** Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.
- 48.** (1) Where an applicant's applicable amount includes an amount by way of a family premium, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the applicant's former partner, or the applicant's partner's former partner.  
(2) For the purpose of sub-paragraph (1) where more than one maintenance payment falls to be taken into account in any week, all such payments such be aggregated and treated as if they were a single payment.  
(3) A payment made by the Secretary of State in lieu of maintenance shall, for the purpose of sub-paragraph (1), be treated as a payment of maintenance made by a person specified in sub-paragraph (1).
- 48A.** (1) Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the applicant's family, except where the person making the payment is the applicant or the applicant's partner.  
(2) In paragraph (1) 'child maintenance' means any payment towards the maintenance of a child or young person, including any payment made voluntarily and payments made under;  
(a) the Child Support Act 1991;  
(b) the Child Support (Northern Ireland) Order 1991;  
(c) a court order;  
(d) a consent order;  
(e) a maintenance agreement registered for execution in the Books of Council and Session or the sheriff court books;  
'liable relative' means a person listed in regulation 54 (interpretation) of the Income Support (General) Regulations 1987, other than a person falling within sub-paragraph (d) of that

	definition.
<b>49.</b>	Not used
<b>50.</b>	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.
<b>51.</b>	Any guardian's allowance.
<b>52.</b>	<p>(1) If the applicant is in receipt of any benefit under Parts 2, 3 or 5 of the Act, any increase in the rate of that benefit arising under Part 4 (increases for dependants) or section 106(a) (unemployability supplement) of the Act, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.</p> <p>(2) If the applicant is in receipt of any pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006, any increase in the rate of that pension or allowance under that Order, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.</p>
<b>53.</b>	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.
<b>54.</b>	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.
<b>55</b>	<p>(1) Any payment which is</p> <p>(a) made under any of the Dispensing Instruments to a widow, widower or</p> <p>(b) surviving civil partner of a person;</p> <p>(i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and</p> <p>(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.</p> <p>(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).</p>
<b>55A.</b>	Any council tax reduction or council tax benefit to which the applicant is entitled.
<b>56.</b>	Except in a case which falls under sub-paragraph (1) of paragraph 16 of Schedule 3, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10
<b>56A.–56B.</b>	Not used
<b>57.</b>	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).
<b>58.</b>	<p>(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–</p> <p>(a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;</p>
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- (b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity, in respect of which such assistance is or was received.
- (2) Sub-paragraph (1) shall apply only in respect of payments, which are paid to that person from the special account
- 59.** (1) Any payment of a sports award except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).  
(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.  
(3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.
- 60.** Where the amount of subsistence allowance paid to a person in a reduction week exceeds the amount of income-based jobseeker's allowance that person would have received in that reduction week had it been payable to him, less 50p, that excess amount.
- 61.** In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise.
- 62.** Any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001 as amended by the Welfare Reform Act 2012 (Consequential Amendments) Regulations 2013.
- 63.** (1) Any payment made by a local authority or by the Welsh Ministers to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.  
(2) For the purposes of sub-paragraph (1) 'local authority' includes, in England, a county council.
- 64.** Not used
- 65.** Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)
- 66.** Any payment of child benefit.
- 67.** Any payments disregarded for Housing Benefits under the Social Security (*Emergency Funds*) Amendment) Regulations 2017.
- 68.** Any Bereavement Support payments made under the Bereavement Support Payment Regulations 2017.

**Schedule 5**  
**Capital to be disregarded<sup>45</sup>**

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<sup>45</sup> Any amounts shown in this schedule will be uprated in line with the Housing Benefit Regulations 2006 as amended

1. The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular 5, in Scotland, any croft land on which the dwelling is situated; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of polygamous marriage), only one dwelling shall be disregarded under this paragraph.
- A2. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.
- A3. Any payment made to the applicant in respect of any travel or other expenses incurred or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme but only for 52 weeks beginning with the date of receipt of the payment but only for 52 weeks beginning with the date of receipt of payment.
2. Any premises acquired for occupation by the applicant, which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.
3. Any sum directly attributable to the proceeds of sale of any premises formerly occupied by the applicant as his home which is to be used for the purchase of other premises intended for such occupation within 26 weeks of the date of sale or such longer period as is reasonable in the circumstances to enable the applicant to complete the purchase.
4. Any premises occupied in whole or in part—
  - (a) by a partner or relative of a single applicant or any member of the family as his home where that person has attained the qualifying age for state pension credit or is incapacitated;
  - (b) by the former partner of the applicant as his home; but this provision shall not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.
5. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his capital.
6. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and his partner is on income-based jobseeker's allowance, the whole of the applicant's capital.
7. Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.
8.
  - (1) The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner, or if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of any such asset.
  - (2) The assets of any business owned in whole or in part by the applicant where—
    - (a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but
    - (b) he intends to become engaged or, as the case may be, re-engaged as a self-employed earner in that business as soon as he recovers or is able to become engaged or re-engaged in that business;

for a period of 26 weeks from the date on which the claim for council tax reduction is made, or is treated as made, or, if it is unreasonable to expect him to become engaged

or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.

(3) In the case of a person who is receiving assistance under the self-employment route, the assets acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is being received.

(3) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

9. (1) Subject to sub-paragraph (2), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of;
- (a) any payment specified in paragraphs 7, 9 or 10 of Schedule 4;
  - (b) an income-related benefit under Part 7 of the Act;
  - (c) an income-based jobseeker's allowance;
  - (d) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;
  - (e) working tax credit and child tax credit
  - (f) an income-related employment and support allowance

but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.

(2) In a case where the total of any arrears and, if appropriate, any concessionary payment referred to in sub-paragraph (1) relating to one of the specified payments, benefits or allowances amounts to £5,000 or more (referred to in this sub-paragraph and in sub-paragraph (3) as 'the relevant sum') and is

- (a) paid in order to rectify or to compensate for, an official error as defined in regulation 1(2) of the Decisions and Appeals Regulations; and
- (b) received by the applicant in full on or after 14th October 2001,

sub-paragraph (1) shall have effect in relation to such arrears or concessionary payment either for a period of 52 weeks from the date of receipt, or, if the relevant sum is received in its entirety during the award of council tax reduction, for the remainder of that award if that is a longer period.

- (3) For the purposes of sub-paragraph(2), 'the award of council tax reduction' means—
- (a) the award in which the relevant sum is first received (or the first part thereof where it is paid in more than one instalment); and
  - (b) where that award is followed by one or more further awards which, or each of which, begins immediately after the end of the previous award, such further award provided that for that further award the applicant;
    - (i) is the person who received the relevant sum; or
    - (ii) is the partner of the person who received the relevant sum, or was that person's partner at the date of his death.

10. Any sum
- (a) paid to the applicant in consequence of damage to, or loss of the home or any personal possession and intended for its repair or replacement; or
  - (b) acquired by the applicant (whether as a loan or otherwise) on the express condition that it is to be used for effecting essential repairs or improvement to the home, which is to be used for the intended purpose, for a period of 26 weeks from the date on which it was so paid or acquired or such longer period as is reasonable in the circumstances to effect the repairs, replacement or improvement.

- 11.** Any sum—
- (a) deposited with a housing association as defined in section 1(1) of the Housing Associations Act 1985 or section 338(1) of the Housing (Scotland) Act 1987 as a condition of occupying the home;
  - (b) which was so deposited and which is to be used for the purchase of another home, for the period of 26 weeks or such longer period as may be reasonable in the circumstances to enable the applicant to complete the purchase.
- 12.** Any personal possessions except those which have been acquired by the applicant with the intention of reducing his capital in order to secure entitlement to council tax reduction or to increase the amount of that reduction.
- 13.** The value of the right to receive any income under an annuity or the surrender value (if any) of such an annuity.
- 14.** Where the funds of a trust are derived from a payment made in consequence of any personal injury to the applicant or applicant's partner, the value of the trust fund and the value of the right to receive any payment under that trust.
- 14A.** (1) Any payment made to the applicant or the applicant's partner in consequence of any personal injury to the applicant or, as the case may be, the applicant's partner.
- (2) But sub-paragraph (1)
- (a) applies only for the period of 52 weeks beginning with the day on which the applicant first receives any payment in consequence of that personal injury;
  - (b) does not apply to any subsequent payment made to him in consequence of that injury (whether it is made by the same person or another);
  - (c) ceases to apply to the payment or any part of the payment from the day on which the applicant no longer possesses it;
  - (d) does not apply to any payment from a trust where the funds of the trust are derived from a payment made in consequence of any personal injury to the applicant.
- (3) For the purposes of sub-paragraph (2)(c), the circumstances in which an applicant no longer possesses a payment or a part of it include where the applicant has used a payment or part of it to purchase an asset.
- (4) References in sub-paragraphs (2) and (3) to the applicant are to be construed as including references to his partner (where applicable).
- 15.** The value of the right to receive any income under a life interest or from a life rent.
- 16.** The value of the right to receive any income, which is disregarded under paragraph 13 of Schedule 3 or paragraph 25 of Schedule 4.
- 17.** The surrender value of any policy of life insurance.
- 18.** Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.
- 19.** Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or sections 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).
- 19A.** (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the

applicant.

(2) Sub-paragraph (1) applies only where A;

- (a) was formerly in the applicant's care, and
- (b) is aged 18 or over, and
- (c) continues to live with the applicant.

- 20.** Any social fund payment made pursuant to Part 8 of the Act.
- 21.** Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.
- 22.** Any capital which, by virtue of sections 31 or 51 (capital treated as income, treatment of student loans) is to be treated as income.
- 23.** Where any payment of capital is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
- 24.** (1) Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the Charitable Fund.

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) the person who is suffering from haemophilia or who is a qualifying person;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
- (b) the payment is made either;



(i) to that person's parent or step-parent; or  
(ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,  
but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or any of the Trusts to which sub-paragraph (1) refers, where

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either;

(i) to that person's parent or step-parent; or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited the Skipton Fund, the Caxton Foundation, and the London Bombings Relief Charitable Fund.

**25.** (1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

(2) In this paragraph 'dwelling' includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated.

**26.** Any premises where the applicant is taking reasonable steps to dispose of those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

**27.** Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.

**28.** Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.

**29.** Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of

	entitlement to housing benefit.
<b>30.</b>	Not used
<b>31.</b>	The value of the right to receive an occupational or personal pension.
<b>32.</b>	The value of any funds held under a personal pension scheme
<b>33.</b>	The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.
<b>34.</b>	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).
<b>35.</b>	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.
<b>36.</b>	Not used.
<b>37.</b>	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.
<b>38.</b>	<p>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—</p> <ul style="list-style-type: none"><li>(a) to purchase premises intended for occupation as his home; or</li><li>(b) to carry out repairs or alterations which are required to render premises fit for occupation as his home,</li></ul> <p>for a period of 26 weeks from the date on which he received such a grant or such longer period as is reasonable in the circumstances to enable the purchase, repairs or alterations to be completed and the applicant to commence occupation of those premises as his home.</p>
<b>39.</b>	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.
<b>40.</b>	<p>(1) Any payment or repayment made—</p> <ul style="list-style-type: none"><li>(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);</li><li>(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);</li><li>(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),</li></ul> <p>but only for a period of 52 weeks from the date of receipt of the payment or repayment.</p> <p>(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment, or repayment mentioned in subparagraph (1), but only for a period of 52 weeks from the date of the receipt of the payment or repayment.</p>
<b>41.</b>	Any payment made to such persons entitled to receive benefits as may be determined by or

under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins), but only for a period of 52 weeks from the date of receipt of the payment.

- 41A.** Any payment made under Part 8A of the Act (entitlement to health in pregnancy grant).
- 42.** Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.
- 43.** Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
- 44.** Not used
- 45.** Any payment made by a local authority under section 3 of the Disabled Persons (Employment) Act 1958 to homeworkers assisted under the Blind Homeworkers' Scheme.
- 46.** (1) Subject to sub-paragraph (2), where an applicant satisfies the conditions in section 131(3) and (6) of the Act (entitlement to alternative maximum council tax reduction), the whole of his capital.  
(2) Where in addition to satisfying the conditions in section 131(3) and (6) of the Act the applicant also satisfies the conditions in section 131(4) and (5) of the Act (entitlement to the maximum council tax reduction), sub-paragraph (1) shall not have effect.
- 47.** (1) Any sum of capital to which sub-paragraph (2) applies and  
(a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 (as amended by the Civil Procedure (Amendment No. 7) Rule 2013) or by the Court of Protection;  
(b) which can only be disposed of by order or direction of any such court; or  
(c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.  
(2) This sub-paragraph applies to a sum of capital which is derived from;  
(a) an award of damages for a personal injury to that person; or  
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.
- 48.** Any sum of capital administered on behalf of a person in accordance with an order made under section 13 of the Children (Scotland) Act 1995, or under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules, where such sum derives from  
(a) award of damages for a personal injury to that person; or  
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.
- 49.** Any payment to the applicant as holder of the Victoria Cross or George Cross.
- 50.** Not used
- 51.** In the case of a person who is receiving, or who has received, assistance under the self-employment route, any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.
- 52.** (1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that payment except to the extent that it has been made in respect of any one or more of the items

specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

- 53.** (1) Any payment;
- (a) by way of an education maintenance allowance made pursuant to—
    - (i) regulations made under section 518 of the Education Act 1996;
    - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;
    - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
  - (b) corresponding to such an education maintenance allowance, made pursuant to;
    - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
    - (ii) regulations made under section 181 of that Act ;

or in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
- (a) regulations made under section 518 of the Education Act 1996;
  - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
  - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992, in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

**53A.-53B.** Not used

**54.** In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.

**55.** Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of receipt of the payment.

**56.** Where an ex-gratia payment of £10,000 has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or interment of—

- (a) the applicant;
- (b) the applicant's partner;
- (c) the applicant's deceased spouse or deceased civil partner; or
- (d) the applicant's partner's deceased spouse or deceased civil partner,

by the Japanese during the Second World War, £10,000.

- 57.** (1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant's family who is
- (a) a diagnosed person;
  - (b) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;

- (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
  - (d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.
- (2) Where a trust payment is made to;
- (a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;
  - (b) a person referred to in sub-paragraph (1)(c), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending two years after that date;
  - (c) a person referred to in sub-paragraph (1)(d), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending—
    - (i) two years after that date; or
    - (ii) on the day before the day on which that person—
      - (aa) ceases receiving full-time education; or
      - (bb) attains the age of 20,whichever is the latest.
- (3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is—
- (a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
  - (b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
  - (c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death, but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.
- (4) Where a payment as referred to in sub-paragraph (3) is made to—
- (a) a person referred to in sub-paragraph (3)(a), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending on the date on which that person dies;
  - (b) a person referred to in sub-paragraph (3)(b), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending two years after that date; or
  - (c) person referred to in sub-paragraph (3)(c), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending—
    - (i) two years after that date; or
    - (ii) on the day before the day on which that person
      - (aa) ceases receiving full-time education; or
      - (bb) attains the age of 20,whichever is the latest.
- (5) In this paragraph, a reference to a person—
- (a) being the diagnosed person's partner;
  - (b) being a member of a diagnosed person's family;
  - (c) acting in place of the diagnosed person's parents,
- at the date of the diagnosed person's death shall include a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home, an Abbeyfield Home or an independent hospital on that date.

<p>(6)</p>	<p>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.</p>
<p>58.</p>	<p>The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant’s partner, the applicant’s deceased spouse or deceased civil partner or the applicant’s partner’s deceased spouse or deceased civil partner</p> <ul style="list-style-type: none"><li>(a) was a slave labourer or a forced labourer;</li><li>(b) had suffered property loss or had suffered personal injury; or</li><li>(c) was a parent of a child who had died,</li></ul> <p>during the Second World War.</p>
<p>59</p>	<p>(1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service, which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.</p> <p>(2) For the purposes of sub-paragraph (1) ‘local authority’ includes in England a county council.</p>
<p>60.</p>	<p>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).</p>
<p>61.</p>	<p>Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.</p>
<p>62.</p>	<p>Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).</p>
<p>63.</p>	<p>Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)</p>
<p>64.</p>	<p>Any payments disregarded for Housing Benefits under the Social Security (<i>Emergency Funds</i>) Amendment) Regulations 2017.</p>
<p>65.</p>	<p>Any Bereavement Support payments made under the Bereavement Support Payment Regulations 2017.</p>

Report to Overview and Scrutiny Committee – 14 November 2018

## **Review of Council Tax Support Scheme for 2019/20**

Report of the Council Tax Support Member Panel

### **Recommended:**

- 1. That Overview and Scrutiny Committee consider the information presented in this report.**
- 2. That the Committee recommend options for changing the Council Tax Support scheme for 2019/20.**

#### **SUMMARY:**

- This report provides an update on the current consultation to enable the Committee to make recommendations for changing the Council Tax Support scheme for 2019/20.
- The Overview & Scrutiny Committee need to consider options made by a Member Panel in respect of the Council Tax Support scheme for 2019/20.

### **1 Introduction**

- 1.1** The Council Tax Support scheme replaced Council Tax Benefit from 1 April 2013 and the Government reduced the funding for this scheme by 10%. The Council had the option of absorbing this burden or making up this shortfall by reducing the level of support for working age claims. There is no discretion to amend the pensioner claims other than allow a higher disregard for war pensions.
- 1.2** The Council undertook extensive consultation in 2012 to develop a scheme and the options considered were to restrict support for higher banded properties and make everyone pay at least 10% of their Council Tax. At the same time higher charges would be levied on empty properties.
- 1.3** Following the consultation, and in light of the impending introduction of the Universal Credit scheme, Members decided to leave the Council Tax Support scheme unchanged from the previous scheme but to offset the extra cost of this with the higher charges for empty properties.

- 1.4 In the intervening years the Council has been asked to approve a Council Tax Support Scheme for each financial year. Each year the Council has rolled forward the scheme pending the introduction and roll out of Universal Credit in the Test Valley area. As in other areas of the country, Universal Credit in this area has suffered from delays in implementation.
- 1.5 Back in 2015, Overview & Scrutiny Committee appointed a Member Panel to review the scheme and make recommendations for potential changes to the scheme for 2017/18.
- 1.6 The Panel presented their findings to the Overview & Scrutiny Committee on 2 December 2015 and at that time it was decided not to make any changes to the scheme and to review the position annually.
- 1.7 In December 2017 Cabinet approved a recommendation from OSCOM to keep the existing scheme for 2018/19 but to review the scheme for 2019/20 in light of the welfare reforms and in particular the fact that Universal Credit has gone live across Test Valley.
- 1.8 On 20 December 2017 the Overview & Scrutiny Committee appointed another Member Panel to consider a number of options for changing the Council Tax Support Scheme that could be taken forward for public consultation.
- 1.9 On 21 March 2018 the Overview & Scrutiny Committee recommended a number of options to be considered as part of a public consultation. This report is shown in Annex 1.

## **2 Background**

- 2.1 A consultation document was drawn up and agreed by Members. This was made live on the Councils website on 17 September 2018 and a press release was issued. A paper questionnaire was posted to all working age residents currently receiving Council Tax Support.
- 2.2 The Panel met on 29 October 2018 to consider the results received so far from the public consultation. The Panel have considered results received to date and the Acting Head of Revenues (Benefits and Customer Services); will provide a verbal update at the Overview and Scrutiny Committee meeting on 14 November 2018 to ensure all responses have been taken into account.

## **3 Options**

- 3.1 In reviewing the results of the public consultation the Panel recommends the following changes to the Council Tax Support scheme for 2019/20. Although described as options they do not represent an either or choice. In effect the panel is recommending all three options to work alongside one another. However any combination of the options could also be considered.
- 3.2 **Option 1 – Apply a cap of 90%, 85% or 80%**



- 3.2.1 The Panel recommends initially applying a cap of 90% as supported by the highest number of responses to this question in the public consultation.
- 3.2.2 The Panel noted the high number of comments from residents who were already struggling with household bills and would like to review the financial position in 12 months time. The review will include the impact of the application of the cap on Council Tax collection rates and consider any changes made to the existing welfare system. The Panel will then consider whether to recommend the application of a different cap in 2020/21.
- 3.2.3 The Panel recommends that people in receipt of Support Component of Employment Support Allowance or Limited Capacity for Work element of Universal Credit should not be subject to the cap and still receive Council Tax Support up to 100%.
- 3.2.4 The Panel recommends the development of an Exceptional Hardship Scheme which will allow additional support to be provided to any applicant who suffers exceptional hardship through changes in support.
- 3.3 Option 2 – Increase the minimum amount of Council Tax Support payable from £0.50 to £1.00 per week**
- 3.3.1 The Panel recommends raising the minimum amount of Council Tax Support from £0.50 per week to £1.00 per week. This recommendation is supported by the highest number of responses to this question in the public consultation.
- 3.3.2 The Panel recognises that receiving £1.00 per week in support is beneficial and that any lower amounts would be uneconomical to administer.
- 3.4 Option 3 – To set a minimum tolerance level for changes in income of £30.00 per week**
- 3.4.1 The Panel recommends applying a tolerance level of £30.00. This recommendation is supported by the highest number of responses to this question in the public consultation.
- 3.4.2 The Panel believes that it is not cost effective to send new Council Tax bills for every minor change in income.
- 3.4.3 The Panel recommends that once more residents have moved onto Universal Credit further changes are made to the Council Tax Support scheme. The aspiration is for a simple discount scheme where income amounts are linked to levels of support. The Panel will meet to consider the principles of a new scheme for 2020/21 early in 2019.
- 4 Risk Management**
- 4.1 A risk assessment, in accordance with the Council's risk management process, will be carried out if changes to the current Scheme are to be considered.

## **5 Resource Implications**

- 5.1 Under the previous CTB scheme, the Council was reimbursed in full, for the amount of CTB paid out correctly. In times of economic difficulty as the amount of benefit the Council paid out increased the Council was reimbursed by the Government.
- 5.2 Under the current scheme, funding for CTS is included in the local government finance settlement. A specific amount of funding was identified in year one of the scheme, which included a 10% cut in funding. However, funding for CTS schemes is now provided through the business rates retention scheme rather than through a separate grant for all authorities. Any additional cost of the CTS scheme therefore has to be met by the Council and major precepting authorities via the Collection Fund. The Council's share of any surplus or deficit is approximately 11.0% for 2018/19.
- 5.3 The overall level of CTS awarded has been increasing over recent years; this is due to the increases in Council Tax. All the major preceptors increased their Council Tax charge by the maximum permitted amount.
- 5.4 The actual amount of CTS awarded at the start of 2017/18 was £4.883M. This reflected the amount of support that the Council would pay if every recipients' circumstances remain the same throughout the year, that is to say it is an annual estimate based on circumstances on a given date. The final cost of the CTS scheme in 2017/18 was £4.735M due to the caseload falling throughout the year.
- 5.5 The actual amount of CTS awarded at the start of 2018/19 was £5.015M significantly increasing the level of support compared to the previous year despite falls in caseload. The impact of the increase from £4.883M to £5.015M on the Council is approximately £15,000.

## **6 Corporate Objectives and Priorities**

- 6.1 The matters described in this report are in response to legislative changes that have been introduced by the Government. They potentially impact the Corporate Plan aims relating to where residents live and help to support them back to work.

## **7 Consultation**

- 7.1 An eight week consultation process commenced on 17 September 2018 and ends on 12 November 2018. A copy of the questionnaire can be found at Annex 2. Annex 3 details the results to date, however, in order to fully consider all responses a final report will be shared at the meeting.
- 7.2 The Council has also consulted with the major precepting authorities (Hampshire County Council, Hampshire Police and Crime Commissioner, Hampshire Fire Authority) and their joint response is as follows:

*Thank you for consulting us about proposed changes to Test Valley's council tax support scheme. This is a joint response from the three major precepting authorities in Hampshire (County Council, Fire and Rescue Authority, Police and Crime Commissioner).*

*Test Valley propose to introduce a minimum payment for working age adults (apart from those receiving either the Support Component of Employment and Support Allowance or the Limited Capability for Work Related activity element within Universal Credit). Minimum payments of 10%, 15% or 20% of the bill are proposed. We do not feel that we have sufficient information to give a view on what level would be appropriate but agree that the cost of the scheme needs to be kept within the resources available, which have unfortunately been cut by the Government. We would like the impact on vulnerable groups to be minimised, so the proposed exceptions are welcome.*

*Two other changes are also proposed. The first involves not making an award if the reduction would be less than £1 a week. The second change is to not adjust assessments for minor changes in household income (proposed to be £30 a week). These both seem reasonable adjustments which should reduce administration costs whilst having little impact on recipients.*

## **8 Legal Issues**

- 8.1 The Council must approve the Scheme for 2019/20 by 11 March 2019; however this needs to be approved prior to the Council Tax bills being issued.
- 8.2 In determining the Scheme the Council must have due regard to the requirement to consult major preceptors and other stakeholders and must carry out a robust equality impact assessment on any proposed changes.

## **9 Equality Issues**

- 9.1 A full equality impact assessment of the options proposed can be found at Annex 4.

## **10 Conclusion and reasons for recommendation**

- 10.1 This report gives Overview and Scrutiny Committee the opportunity to recommend changes in respect of the Council Tax Support Scheme for 2019/20.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	4		
Author:	Dorothy Baverstock	Ext:	
File Ref:			
Report to:	OSCOM	Date:	14 November 2018

Report to Overview and Scrutiny Committee – 21 March 2018

## **Review of Council Tax Support**

Report of the Council Tax Support Review Panel

### **Recommended:**

- 1. That Overview and Scrutiny Committee consider the information presented in this report.**
- 2. The Panel recommends consulting on options 5, 6 and 7 as shown below.**

#### **SUMMARY:**

- The Overview & Scrutiny Committee appointed a Member Panel to review the current scheme and make recommendations for options to consult on changes to the Council Tax Support Scheme for 2019/20.
- This report details the options that have been considered by the Panel.

### **1 Introduction**

- 1.1 The Council Tax Support scheme replaced Council Tax Benefit from 1 April 2013 and the Government reduced the funding for this scheme by 10%. The Council had the option of absorbing this burden or making up this shortfall by reducing the level of support for working age claims. There is no discretion to amend the pensioner claims other than allow a higher disregard for war pensions.
- 1.2 The Council undertook extensive consultation in 2012 to develop a scheme and the options considered were to restrict support for higher banded properties and make everyone pay at least 10% of their Council Tax. At the same time higher charges would be levied on empty properties.
- 1.3 Following the consultation and considering the findings of the Equality Impact Assessment, Members decided to leave the Council Tax Support scheme unchanged from the previous scheme but to offset the extra cost of this with the higher charges for empty properties.
- 1.4 The Overview & Scrutiny Committee appointed a Member Panel to review the current scheme and make recommendations for options to consult on changes to the Council Tax Support Scheme for 2017/18.

- 1.5 The Panel presented their findings to the Overview & Scrutiny Committee on 2 December 2015 and at that time it was decided not to make any changes to the scheme and to review the position annually.
- 1.6 On 20 December 2017 the Overview & Scrutiny Committee appointed a Member Panel to consider a number of options for changing the Council Tax Support Scheme that could be taken forward for public consultation.

## 2 Background

- 2.1 The Panel met on 15 January 2018 and on 19 February 2018. The Panel has reviewed information regarding the current Council Tax Support (CTS) Scheme including:

- The option appraisal document compiled from the last Panel review (see annex 1)
- The CTS schemes in place in Hampshire and Wiltshire showing any changes over the last four years (see annex 2)
- The number of customers impacted and estimated financial savings should the Council decide to apply a 5%, 10% or 15% cap on support for customers (see annex 3)

- 2.2 When considering the CTS Schemes for Hampshire and Wiltshire the Panel noted that the information did not reflect the national picture. From 1 April 2017, only 37 councils (out of 326) were continuing to provide the levels of support available under the former Council Tax Benefit scheme. From April 2017, 264 schemes include a minimum payment, up from 259 in April 2016 and 229 in April 2013. The Panel felt that the administration costs needed to recover 5% of Council Tax would outweigh any savings and agreed to recommend amending the cap amounts for consultation to 10%, 15% or 20%.

## 3 Options

- 3.1 In reviewing the options from the previous Panel (annex 1) the Panel recommends not to take forward any of the following options:

### **Option 1 – Continue with the current level of support and review in 12 months time**

The Panel noted that the year on year increases in Council Tax may not be offset by a continuing fall in caseload and this will add a budget pressure if the existing scheme continues. The Panel does not recommend this option.

### **Option 2 – Leave the scheme unchanged until all working age cases have migrated to Universal Credit (Expected to complete in 2021)**

The Panel noted that the final area in Test Valley is due to go live with Universal Credit Full Service in July 2018. When joint claims for Housing Benefit and Council Tax Support are no longer being made this presents an opportunity to simplify the scheme and align the rules for Council Tax Support

and Universal Credit. The Panel does not recommend this option.

**Option 3 – Reflect the changes that are being made to the Housing Benefit scheme and Tax Credits under the Governments programme of welfare reforms**

The Panel noted that this will have limited impact as more cases migrate from Housing Benefit to Universal Credit. The Panel does not recommend this option.

3.2 The Panel has considered a number of new and revised options

**Option 4 - Restricting support by the Council Tax band**

The Panel noted that this could adversely affect residents living in rural areas and outlying estates. The Panel felt that additional transport costs was a factor for residents not serviced by regular bus services. The Panel does not recommend this option.

**Option 5 - Apply a 10%, 15% or 20% cap to the level of Support**

The Panel recommends this option and would like to consultation to ask 'Should the Council protect certain groups?

- In receipt of disability benefits?
- Families with young children?
  - Up to what age should the youngest child be to receive protection?
- Any other groups?

**Option 6 - Simplification of the Scheme**

The Panel recommends this option which will include:

- Applying income bands linked to the Universal Credit calculation so that small changes will not generate a recalculation of support and reissue of Council Tax Bills
- Apply minimum income floor for self employed claims (to mirror the Universal Credit calculation) where the business had been trading over 12 months.

**Option 7 - Increase minimum weekly CTS award from £0.50 to £1.00**

The Panel recommends this option because this amount has remained unchanged for many years and does not reflect the cost of administering claims for Support with very low entitlement.

**4 Risk Management**

- 4.1 A risk assessment, in accordance with the Council's risk management process, will be carried out if changes to the current Scheme are to be considered.

## **5 Resource Implications**

- 5.1 Under the previous CTB scheme, the Council was reimbursed in full, for the amount of CTB paid out correctly. In times of economic difficulty as the amount of benefit the Council paid out increased the Council was reimbursed by the Government.
- 5.2 Under the current scheme, funding for CTS is included in the local government finance settlement. A specific amount of funding was identified in year one of the scheme, which included a 10% cut in funding. However, funding for CTS schemes is now provided through the business rates retention scheme rather than through a separate grant for all authorities. Any additional cost of the CTS scheme therefore has to be met by the Council and major precepting authorities via the Collection Fund. The Council's share of any surplus or deficit is approximately 11.0% for 2018/19.
- 5.3 The overall level of CTS awarded has reduced over recent years; this is due to the reduction in caseload.
- 5.4 In setting budgets for 2016/17, all the major preceptors increased their Council Tax charge by the maximum permitted amount. The effect of this was that the actual amount of Council Tax Support awarded at the start of 2016/17 was £4.883M.
- 5.5 The £4.883M above reflected the amount of support that the Council would pay if every recipients' circumstances remain the same throughout the year, that is to say it is an annual estimate based on circumstances on a given date. The final cost of the CTS scheme in 2016/17 was £4.668M; this was due to a reduction in caseload throughout the year.
- 5.6 The actual amount of CTS awarded at the start of 2017/18 was £4.883M mirroring the same level of support for the previous year despite further increases in Council Tax.

## **6 Corporate Objectives and Priorities**

- 6.1 The matters described in this report are in response to legislative changes that have been introduced by the Government. They potentially impact the Corporate Plan aims relating to where residents live and help to support them back to work.

## **7 Consultation**

- 7.1 If any options for change are to be considered a 12 week consultation process would need to be carried out following consultation with the major precepting authorities.
- 7.2 A proposed timeline for the consultation is as follows:

<b>Date</b>	<b>Action</b>
21 March 2018	OSCOM recommend options for consultation
18 April 2018	Cabinet approval of recommendations from OSCOM
04 June 2018	12 week consultation commences
27 August 2018	Compile results and Equality Impact Assessment
19 September 2018	OSCOM Consider results and EQIA and recommend changes to scheme for 2019/20
10 October 2018	Cabinet approval of recommendations from OSCOM
23 January 2019	Council Meeting to approve final scheme

## **8 Legal Issues**

- 8.1 The Council must approve the Scheme for 2019/20 by 11 March 2019.
- 8.2 In determining the Scheme the Council must have due regard to the requirement to consult major preceptors and other stakeholders and must carry out a robust equality impact assessment on any proposed changes.

## **9 Equality Issues**

- 9.1 A comprehensive equality impact assessment was carried out in 2012 and the findings of that assessment have been considered in setting previous schemes. If any options for change are to be considered further a full equality impact assessment of those options will need to be carried out.

## **10 Conclusion and reasons for recommendation**

- 10.1 This report gives Overview and Scrutiny Committee the opportunity to review the work undertaken by the Panel in respect of a Council Tax Support Scheme for 2019/20.



**What is this about?**

Now that the roll out of Universal Credit has commenced across the Test Valley area the Council needs to review the way the current Council Tax Reduction Scheme works.

**What is Council Tax Reduction?**

Council Tax Reduction is a discount for Council Tax. The level of discount is based on the income of the household. Currently, the maximum discount is 100% of Council Tax for working age households. Pensioners can also receive up to 100% Council Tax Reduction as their scheme is determined by Central Government.

**Why is a change to the Council Tax Reduction scheme being considered?**

Until April 2013 there was a national scheme called Council Tax Benefit. The Government made local Councils responsible for replacement schemes from 1 April 2013 and reduced funding to support the schemes. Since then, funding has further reduced and the Council has continued to absorb this burden, however, the cost of the current scheme is becoming unsustainable.

The continued roll out of Universal Credit, (Central Government's new benefit which replaces Income Support, Income Based Job Seeker's Allowance, Income Related Employment and Support Allowance, Housing Benefit for working age applicants and Tax Credits), with its rolling reassessment of entitlement means that many Council Tax Reduction applicants receive multiple Council Tax demands each year. This is leading to confusion for applicants, changes in Council Tax liability and a significant increase in the administration that has to be undertaken by the Council.

**Who will this affect?**

Working age households in the Borough who currently receive or will apply for Council Tax Reduction. Pension age households will not be affected as Central Government prescribed the scheme.

The Council has agreed to protect those applicants who are unable to work due to a disability. Applicants receiving either the Support Component of Employment and Support Allowance or the Limited Capability for Work Related activity element within Universal Credit would still be able to receive up to 100% Council Tax Reduction.

**Are there any alternatives to changing the existing Council Tax Reduction scheme?**

We have thought about other ways to achieve the savings we need to make and maintain the current scheme's level of financial support. These have not been completely rejected and you are asked about them in the Questionnaire, but at the moment we do not think we should implement them for the reasons given.

**We have considered:****1. Increasing Council Tax**

This would mean all council tax payers in the Borough paying towards the scheme. The decision to increase Council Tax may need to be made by voting in a local referendum.

**2. Reduce funding to other Council services**

Keeping the current Council Tax Reduction scheme will mean less money available to deliver other Council services; or

**3. Use the Council's reserves to keep the Council Tax Reduction scheme**

Using reserves would be a short-term option. Once used they will no longer be available to support and invest in other Council services.

**\* 1. I have read the background information (above) about the Council Tax Reduction Scheme**

Yes

No



Paying for the Scheme

**2. Should the Council keep the current Council Tax Reduction scheme? (Should it continue to reduce Council Tax for applicants in the way and to the extent that it does at the moment?)**

- Yes
- No
- Don't know

**3. Please use the space below to make any comments you have on protecting the Council Tax Reduction Scheme.**

## Options to change the current Council Tax Reduction scheme

As explained in the background information, the Council is consulting on the following proposals to change the existing Council Tax Reduction Scheme from 1st April 2019. This would reduce the cost of the scheme and make administrative savings. Your responses will then inform our decision. Set out below are the proposals being considered.

**Option 1 – Reducing the maximum level of support for working age applicants from 100% to 90% but to allow protection for some applicants**

The Council currently allows all working age applicants to receive up to 100% of their Council Tax depending on the level of their income. This option would require all working age applicants to pay a minimum of 10% towards their Council Tax. Those applicants receiving either the Support Component of Employment and Support Allowance or the Limited Capability for Work Related activity element within Universal Credit would still be able to receive up to 100% Council Tax Reduction.

Reducing the maximum level of support available is a simple change to the scheme which is easily understood. The Council is conscious that any minimum payment must be affordable given the household's circumstances.

The benefits of this are:

- It is a simple alteration to the scheme which is easy to understand;
- It is fair because everyone shares the increase and applicants receiving either the Support Component of Employment and Support Allowance or the Limited Capability for Work Related activity element within Universal Credit would still be able to receive up to 100% support; and
- All applicants would be able to apply for additional support on a case by case basis where they experience exceptional hardship.

The drawback of doing this is:

- All working age households receiving Council Tax Reduction and not protected will be required to pay more.

4. Do you agree with this change to the scheme?

- Yes
- No
- Don't know

5. if you disagree what alternative would you propose?

**Option 2 – Reducing the maximum level of support for working age applicants from 100% to 85% but to allow protection for some applicants**

The Council currently allows all working age applicants to receive up to 100% of their Council Tax depending on the level of their income. This option would require all working age applicants to pay a minimum of 15% towards their Council Tax. Those applicants receiving either the Support Component of Employment and Support Allowance or the Limited Capability for Work Related activity element within Universal Credit would still be able to receive up to 100% Council Tax Reduction.

Reducing the maximum level of Council Tax Reduction available is a simple change to the scheme which is easily understood. The Council is conscious that any minimum payment must be affordable given the household's circumstances.

The benefits of this are:

- It is a simple alteration to the scheme which is easy to understand;
- It is fair because everyone shares the increase and applicants receiving either the Support Component of Employment and Support Allowance or the Limited Capability for Work Related activity element within Universal Credit would still be able to receive up to 100% Council Tax Reduction; and
- All applicants would be able to apply for additional support on a case by case basis where they experience exceptional hardship

The drawback of doing this is:

- All working age households receiving Council Tax Reduction and not protected will be required to pay more.

6. Do you agree with this change to the scheme?

- Yes
- No
- Don't know

7. If you disagree what alternative would you propose?

**Option 3 - Reducing the maximum level of support for working age applicants from 100% to 80% but to allow protection for some applicants**

The Council currently allows all working age applicants to receive up to 100% of their Council Tax depending on the level of their income. This option would require all working age applicants to pay a minimum of 20% towards their Council Tax. Those applicants receiving either the Support Component of Employment and Support Allowance or the Limited Capability for Work Related activity element within Universal Credit would still be able to receive up to 100% Council Tax Reduction.

Reducing the maximum level of Council Tax Reduction available is a simple change to the scheme which is easily understood. The Council is conscious that any minimum payment must be affordable given the household's circumstances.

The benefits of this are:

- It is a simple alteration to the scheme which is easy to understand;
- It is fair because everyone shares the increase and applicants receiving either the Support Component of Employment and Support Allowance or the Limited Capability for Work Related activity element within Universal Credit would still be able to receive up to 100% Council Tax Reduction; and
- All applicants would be able to apply for additional support on a case by case basis where they experience exceptional hardship

The drawback of doing this is:

- All working age households receiving Council Tax Reduction and not protected will be required to pay more.

8. Do you agree with this change to the scheme?

- Yes
- No
- Don't know

9. If you disagree what alternative would you propose?

**Option 4 - To not make an award of Council Tax Reduction where an award would be less than £1 per week**

Currently, the scheme will allow Council Tax Reduction from 50p per week per applicant. This is administratively inefficient and costly given the need to notify all applicants by letter. The Council is proposing to increase the minimum level of Council Tax Reduction to £1 per week. Where an applicant would receive less than £1 per week no amount of Council Tax Reduction will be granted.

The benefit of this is:

- It reduces administration costs; and
- The change will not affect any person on the lowest income

The drawbacks of this are:

- If any applicant would have received less than £1 per week, no Council Tax Reduction will be granted.

10. Do you agree with the principle that the minimum level of Council Tax Reduction payable should be £1 per week?

- Yes
- No
- Don't know

11. If you disagree what alternative would you propose?

**Option 5 - To set a minimum tolerance level for changes in income**

In the current scheme, each time a household's income changes, Council Tax Reduction will be amended. This leads to new Council Tax demands being issued and the monthly instalments being recalculated. The roll out of Universal Credit within the Test Valley area means that a large proportion of working age Council Tax Reduction applicants will see changes in their income each month which will result in multiple changes to their Council Tax liability.

To avoid these multiple changes, the Council is looking to introduce a 'tolerance' level of £30 per week. In effect this means, that unless a change in the applicant's circumstance would mean a change of either an increase or decrease of £30 per week, no change would be made at that time. Changes will only be made when the accumulation of all of the changes exceed the tolerance level.

The benefit of this is:

- It reduces administration costs;
- It will avoid confusion, with applicants receiving fewer changes to their Council Tax bill; and
- If any applicant would have received less Council Tax Reduction, no change will be made until the accumulation of all changes is at least £30 per week or more.

The drawbacks of this are:

- If any applicant would have received more Council Tax Reduction, no change will be made until the accumulation of all changes is at least £30 per week or more.

12. Do you agree that there should be a tolerance level of £30 per week?

- Yes
- No
- Don't know

13. If you disagree what alternative would you propose?



### Alternatives to reducing the amount of help provided by the Council Tax Reduction Scheme

Do you think we should choose any of the following options rather than the proposed changes to the Council Tax Reduction Scheme? Please select one answer for each source of funding.

14. Increase the level of Council Tax

- Yes  
 No  
 Don't know

15. Find savings from other Council Services

- Yes  
 No  
 Don't know

16. Use the Council's reserves

- Yes  
 No  
 Don't know

17. If the Council were to choose these other options to make savings, what would be your order of preference? Please rank in order of preference by writing a number from 1 – 3 in the boxes below, where 1 is the option that you would most prefer and 3 is the least.

⋮	<input type="text"/>	Increase the level of Council Tax
⋮	<input type="text"/>	Reduce funding available for other Council Services
⋮	<input type="text"/>	Use the Council's reserves

18. Please use this space to make any other comments on the scheme.

19. Please use the space below if you would like the Council to consider any other options (please state).

20. If you have any further comments or questions to make regarding the Council Tax Reduction scheme that you haven't had opportunity to raise elsewhere please use the space below.

## About You

We ask these questions:

1. To find out if different groups of people in the Council's population have been able to take part in the consultation and identify if any groups have been excluded. This means it is not about you as an individual but to find out if people with a range of characteristics have had their say.
2. To find out if different groups of people feel differently about the options and proposals in comparison to each other and all respondents. This means it is not about you as an individual but to find out if people with similar characteristics have answered in the same way or not.

**This information is completely confidential and anonymous.** Your personal information will not be passed on to anyone and your personal details will not be reported alongside your responses.

21. Are you, or someone in your household, getting a Council Tax Reduction at this time?

- Yes
- No
- Don't know

22. What is your gender?

- Male
- Female
- Prefer not to say
- Other

23. What is your age?

- |                             |                             |
|-----------------------------|-----------------------------|
| <input type="radio"/> 16-24 | <input type="radio"/> 45-54 |
| <input type="radio"/> 25-34 | <input type="radio"/> 55-64 |
| <input type="radio"/> 35-44 | <input type="radio"/> 65+   |

24. Disability: Are your day to day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?

- Yes
- No
- Don't know
- Prefer not to say



Thank you for completing the questionnaire.

Progress reports on the consultation will be added to our website: [www.testvalley.gov.uk](http://www.testvalley.gov.uk)

You may submit further evidence, ideas or comments by email ([benefits@testvalley.gov.uk](mailto:benefits@testvalley.gov.uk))

The consultation closes on 12 November 2018.

We will listen carefully to what residents tell us and take the responses into consideration when making a final decision on the 2019/20 scheme.

Following the decision, the full results from the consultation will be available on the Council's website.

The new scheme will start on 1 April 2019. The Council will consider the impact of the scheme annually and consult again if it thinks further changes need to be made.

## Council Tax Support 2019/20 Consultation Results

### Background

Now the roll out of Universal Credit has commenced across the Test Valley area the Council needs to review the way the current Council Tax support (also known as Council Tax reduction) scheme works. The Council has consulted on a range of options to take effect from 1 April 2019 and has encouraged Council Tax payers and local partners, groups and organisations to submit a response.

The consultation document was published on the website between 17 September and 12 November 2018. A press release was issued by the Council and all working age customers in receipt of Council Tax Support were sent a paper questionnaire form.

### Summary of Results

These are the results received up to 25 October 2018.

There were 72 online forms completed and 58 paper forms returned, this gives a total number of 130 responses.

#### Should the Council Keep the current Council Tax Reduction Scheme?

Answer	Online	Paper	Total	Percentage
Yes	40	32	<b>72</b>	<b>55%</b>
No	12	10	<b>22</b>	<b>17%</b>
Don't know/ No answer	20	16	<b>36</b>	<b>28%</b>

#### Comments on protecting the scheme:

Comment	Number
The scheme protects the most vulnerable people/ people are already struggling to pay bills	34
Keep the scheme/it is a good scheme	4
Protect those that cannot work	3
Make everyone pay something	3
Simplify the scheme	2
Other – not relevant to the scheme	6

**Reducing the maximum levels of support from 100%**

Reduce to:	Answer	Online	Paper	Total	Percentage
<b>90%</b>	Yes	30	20	<b>50</b>	<b>38%</b>
	No	16	24	<b>40</b>	<b>31%</b>
	Don't know/ No answer	26	14	<b>40</b>	<b>31%</b>
<b>85%</b>	Yes	19	13	<b>32</b>	<b>25%</b>
	No	28	29	<b>57</b>	<b>44%</b>
	Don't know/ No answer	25	16	<b>41</b>	<b>31%</b>
<b>80%</b>	Yes	18	10	<b>28</b>	<b>22%</b>
	No	26	30	<b>56</b>	<b>43%</b>
	Don't know/ No answer	28	18	<b>46</b>	<b>35%</b>

**Comments on alternative proposals:**

Comment
90% is high enough
Keep existing scheme
Contribute small fee to services such as rubbish collection
Tax people who can afford it/increase tax on large houses
Have a smaller reduction say 95%
Have a larger percentage at least 45%
Cut pay for upper management
Get funding from Government
Include it in Universal Credit
Make those that can work pay something
Make people pay who have 2 properties
Increase minimum amount to £5 per week
Give financial support to those in low paid essential jobs

**Do you agree with the principle that the minimum level of Council Tax Reduction payable should be £1 per week?**

Answer	Online	Paper	Total	Percentage
Yes	31	28	59	45%
No	12	9	21	16%
Don't know/ No answer	29	21	50	39%

**Comments on alternative proposals:**

Comment
Benefits should be rounded to the nearest pound to save administrative costs
Suggest this is increased every year until the administrative costs start paying for themselves
Reducing the minimum payment to £5 per week would save a lot of money and protect the people who need it most

**Do you agree that there should be a tolerance level of £30 per week?**

Answer	Online	Paper	Total	Percentage
Yes	27	21	48	37%
No	10	14	24	18%
Don't know/ No answer	35	23	58	45%

**Comments on alternative proposals:**

Comment
Take it up with the Government
Quarterly or biannual reassessment rather than every month
Reducing the minimum payment to £5 per week would save a lot of money and protect the people who need it most



### Alternatives to reducing the amount of help provided by the Council Tax Reduction Scheme

#### Increase level of Council Tax

Answer	Online	Paper	Total	Percentage
Yes	9	5	14	11%
No	26	21	47	36%
Don't know/No answer	37	32	69	53%

#### Find savings from other Council services?

Answer	Online	Paper	Total	Percentage
Yes	20	20	40	31%
No	19	7	26	20%
Don't know/No answer	33	31	64	49%

#### Use the Council's reserves?

Answer	Online	Paper	Total	Percentage
Yes	18	20	38	29%
No	21	10	31	24%
Don't know/No answer	33	28	61	47%

#### Order of preference

	Option	Online	Paper	Total
<b>1</b>	Increase Council Tax	17	11	28
	Reduce funding other services	19	15	34
	Use reserves	13	23	36
<b>2</b>	Increase Council Tax	7	6	13
	Reduce funding other services	17	20	37
	Use reserves	21	13	34
<b>3</b>	Increase Council Tax	21	24	45
	Reduce funding other services	9	9	18
	Use reserves	14	7	21

## Monitoring Questions

### Currently getting a Council Tax Reduction

Answer	Online	Paper	Total	Percentage
Yes	38	47	85	65%
No	7	2	9	7%
Don't know/ No answer	27	9	61	28%

### Gender

Answer	Online	Paper	Total	Percentage
Male	13	20	33	25%
Female	34	31	65	50%
Prefer not to say/ No answer	25	7	61	25%

### Age

Answer	Online	Paper	Total	Percentage
16-24	0	1	1	1%
25-34	9	4	13	10%
35-44	8	8	16	13%
45-54	18	8	26	20%
55-64	13	29	42	32%
65+	0	3	3	2%
Prefer not to say/ No answer	24	5	29	22%

### Health Problem/Disability

Answer	Online	Paper	Total	Percentage
Yes	23	30	53	41%
No	20	13	33	25%
Prefer not to say/ No answer	29	15	44	34%

### **Comments on the scheme**

1. *Surely some of the highest earners in the council could have a pay freeze. Reduce council expenditure for example on utilities. All the things the government expect people of working age to do.*
2. *Don't force people into criminality.*
3. *Using Council's reserves vs. reducing other Council Services raises some ambiguity because we do not know if or how much money is wasted or spent unnecessarily. Whilst I understand the wish to maintain the historic charm of a market town like Romsey, the Council stands out for it's minimal refuse and recycling collections. Once a fortnight for black bins is, in warmer months, a health hazard. No glass collection scheme for a town with so many elderly residents? The NFDC scheme is superb: can we learn something from them? The problem is, of course, funding and this is where the ambiguity comes in. A delightful market town which features an almost overwhelming amount of social and cultural events, (bringing even more rubbish to) already overflowing rubbish bins, smells, maggots, wasps and flies, is not good. Overall, it seems to me that residents in Test Valley are more inclined to have higher incomes, bigger properties and higher Council Tax rates so why does Council Tax not cover such basics as environmental waste and it's associated health hazards? Eg. our retirement development has 37 flats, some with couples. We have 8 black bins between us. How can a fortnightly collection be adequate? Surely Council Tax should be enabling this fundamental service?*
4. *It sounds as if substantial savings could be made simply from making the administration more sensible. That should be done before anything else. My preferred next option would be an increase in the level of council tax, with a greater increase for the highest rates and little or no increase for those at the bottom. Only after all that has been done would I then think it appropriate to make the very poorest pay more, especially given the potential for very serious harm to those who are vulnerable due to mental health or other conditions that are not properly reflected in their ESA/Universal Credit award. (It almost sounds as if central government hasn't considered the implications of their policy for local councils... surely not!)*
5. *i think its a good scheme*
6. *We agree with T.V.B.C. that U.C. is a complete & utter failure. J.S.A. & E.S.A. was less volatile and resulted in us not receiving a continuous flow of differing C.T. bills. (We have admin as well.)*
7. *There are many council funding schemes that I would vote as un-necessary or over funded. There are also many schemes that I would vote to have increased. Un-happily the amount of recourses demanded by the population serviced by our Council is out of balance with the income the Council receives. May be look elsewhere for additional funds by closer management of Sub Contracts that bleed Cash with little return or the correlation between Debit collection Cost and actual cash reclaimed. Its a hard world and its going to get tighter. Please stop overpaying contracted services that provide inefficient or substandard returns.*
8. *This problem isnt a local problem but a national one, companies and the well off that use tax havens to avoide paying little to no tax are the reason as a country we are failing. Tax the rich or let them face imprisonment protect the poor and needy. Stop government employees taking back handers to crew our economy and persecute the needy.*
9. *Working aged people on benefits who already pay spare room tax are unable to move as there is no other homes to exchange to, Families on very low incomes should not be left to get into council tax debt to save tvbc admin charges!!!!*
10. *Too many people get full relief from council tax. Everyone can pay . even a small amount. to even out the payments would help the whole budget.I have had sometimes 10 letters in one week about different changes in my council tax.If the first check was done properly and with the truth from people every one would benefit. Less admin. less people getting 100% help more people getting a small amount. Every thing would equal out*

11. *as long as an increase in council tax was ringfenced to provide help to those in most need (for reduction / 100% relief) i would be in favour of a small increase in what i pay*
12. *Increase council to everyone that is on universal credit and reduce to the people that actually is working hard to pay 100% or more*
13. *This entire matter is an utter disgrace. Roll on the next General and local elections*
14. *a change in government will probably mean a change*
15. *people don't ask for help unless they truly need it*
16. *don't understand some of the questions*
17. *wish I did not have to pay this as income is low*
18. *change the Government*
19. *when you move into part time work will you still get support?*
20. *making an increase in council tax would be devastating for people because wages are staying the same and does not allow for income to be put anywhere else*
21. *send notifications by email or text message to save money*
22. *sadly it will be the poorest in society that feel the sharp end, the cuts are too deep, roll out universal credit before you decide*

### **Other Options the Council should consider**

1. *Lean six-sigma is a proven methodology for eliminating waste. There will be a lot to go at and each project is usually targeted at £1,000,000. If this is not palatable, then evidence that this has been tried is imperative, before targeting the poor.*
2. *Larger families use more Council services, why not charge them? Vulnerable persons have no choice but to obey U.C. rules. Why pick on us (about the lowest & most ignored) group of citizens?*
3. *Increase taxation on the rich*
4. *i do not understand why tvbc feels it need to change the scheme, More and more people are moving to Andover and paying Council tax, TVBC are cutting services every year*
5. *Reduce 100% reduction for household with 2 adults on benefits whatever benefits they are on. Unemployed should be paying at least 20% towards, there are MANY jobs out there so they're being fussy or just don't want to work. However what about care leavers, will they see 100% reductions when/if needed? They don't have family to fall back on and I think they should really be included in this too, of course if they're working full time then yes they should pay but when they struggle they have no one to fall back on so I think they should be thought about.*
6. *i would like to see private landlords share the burden of the council tax reduction scheme, particularly if the rents they charge are considerably higher than social housing rents. This may encourage landlords to revise/reduce their rental rates thus potentially save on housing benefit costs too. council tax; is afterall; determined by property value which is not exactly fair on those who rent.*
7. *Like before everyone that receives universal credit needs to pay their council tax at least to 35% of the cost of the area that are living in*
8. *fine people for anti social behaviour and use this money*
9. *reduce benefit to 80% and people pay 20% seem fair*
10. *challenge central government instead of putting politics first*
11. *get 10% back from the recycling contract*
12. *too much money goes to library refit, managers could take less wages*
13. *I am happy to pay £24 per week*
14. *send fewer letters by post*
15. *stop penalising people who are trying but struggling to find work*
16. *consider asking the government for that money that has been taken away that may pay towards your admin fees*

**Other comments or questions regarding the scheme**

1. *When will this be discussed publicly? What will happen to non-payers? Who will decide on affordability and how? What would be the impact on the general population of funding the GAP? Not the scheme, but the required amount to keep the scheme as is. A more detailed breakdown is required to make a fully informed decision. Otherwise, the COUNCIL are asking the completers of this questionnaire to make a vote similar to turkeys voting for Christmas. I am sure the COUNCIL expect a rough ride for this proposal, as those affected don't have the means to find the money. The COUNCIL's breakdown of affordability for claimants (i.e. living expenses vs Benefits) would help everyone to see how easy (or difficult) it would be for benefits claimants to absorb the impact of this change. An interesting read I am sure.*
2. *Thank you for giving us the chance to comment on the proposals.*
3. *Possible cash saving: Abolish mayoral cars, Sell the Old magistrates court, town hall & Duttons Road sites in Romsey & relocate to Portacabins near Beech Hurst in Andover.*
4. *This scheme is yet another attack on the poor and dissabled just as universal credit is. The poor are not to blame for the state of our economy thats the fault of big buisness and the banks Instead of sending out notifications via post, email people, or at least let it be an option for notifications as it would save money on stationery and postage costs.*
5. *i would like the council to explore what "tax liabilities" private landlords have with regards rental incomes, capital gains etc. And the rents they charge. Any rent set at an annual yield above a set % (15% as eg) of property value should incur a council tax levy/charge of some description. My feeling is that private rental rates can be too high, coupled with lack of social housing – this certainly has a detrimental effect on those on low income. as above - council tax is grossly unfair to those who have to rent*
6. *please sort out potholes*
7. *the scheme has been an amazing help I hope it is protected*
8. *I found this hard to fill in and make sense of*
9. *calculate changes 6 monthly*
10. *you will do what you want regardless of what other people think, I don't support this because you cut back all the time*
11. *try not to make it any harder for low income people, don't let them lose even more. They need to eat and keep warm please remember this when you make your final decision, far more important than admin costs*

## Equality Impact Assessment

Service:	Revenues
Officer(s) completing the assessment:	Janice Broomfield
Date:	August 2018
Name of service, strategy, policy, project or function being assessed:	Council Tax Reduction Scheme for Working Age Applicants (Also referred to as Council Tax Support)

1.	<p>What are the aims, objectives, outcomes, purpose of the service, strategy, policy, project or function that you are assessing?</p>	<p>The Council Tax Reduction scheme provides support for certain taxpayers who have a low income. Where entitled, the scheme provides a reduction in liability for Council Tax. The replacement scheme is designed to:</p> <ul style="list-style-type: none"> <li>• provide savings for the authority to offset the impact of reductions in grants from Central Government; and</li> <li>• overcome the significant administrative complications for applicants who are in receipt of Universal Credit within the area.</li> </ul> <p>The main issues are;</p> <ul style="list-style-type: none"> <li>• The current level of support needs to be adjusted</li> <li>• The current scheme is too reactive to the constant changes in Universal Credit. With the frequent changes in liability, taxpayers receive multiple Council Tax demands which in turn has a negative effect on the taxpayer’s ability to manage their finances and on collection levels;</li> </ul> <p>The intention is to introduce the new scheme for working age applicants from 1<sup>st</sup> April 2019 <b>The changes will NOT affect Pension Age applicants</b></p>
2.	<p>Who implements or delivers the service, strategy, policy, project or function?  State if this is delivered by more than one service or team, including any external partners.</p>	<p>Revenues Service</p>

3.	Who will be affected by the service, strategy, policy, project or function?	All working age Council Tax Reduction applicants. <b>The changes will NOT affect Pension Age applicants who are protected under the Central Government Prescribed Scheme</b>
4.	What are the likely <b>positive impacts</b> for the protected groups (see above)?  Are any particular groups more affected and why?	Pensioners will not be affected by any changes.  Working Age applicants <b>could</b> be affected positively as follows: <ul style="list-style-type: none"> <li>• Changes in circumstance which reduce their entitlement to Council Tax Reduction will not be effected unless the change (or accumulation of changes) were £30 or more per week.</li> <li>• In effect this could mean that a person who would normally receive a reduction in their Council Tax Reduction will not have their entitlement changed if their income change is below the £30 per week 'tolerance' level</li> </ul>
5.	What are the likely <b>negative impacts</b> for the protected groups (see above)?  Are any particular groups affected more and why?	Working Age applicants <b>could</b> be affected negatively as follows: <ol style="list-style-type: none"> <li>1. Working age applicants who are not protected will be required to pay a minimum amount (to be decided) towards their Council Tax. This will affect applicants who currently receive 100% support towards their Council Tax or those applicants who currently receive more than any proposed maximum entitlement;</li> <li>2. The scheme will be amended to only grant Council Tax reduction where the entitlement is at least £1 per week. The current minimum payment is 50p per week. Any working age applicant whose entitlement would receive less than £1 per week will not receive any support; and</li> <li>3. Changes in circumstance which increase their entitlement to Council Tax Reduction will not be effected unless the change (or accumulation of changes) were £30 or more per week. In effect this could mean that a person who would normally receive an increase in their Council Tax Reduction will not have their entitlement changed if it is below the £30 per week 'tolerance' level</li> </ol>

6.	What consultation and engagement has taken place (or is planned) with the affected groups and other interested parties?	Consultation is to be carried out in accordance with the legislation. Major preceptors will be consulted as well as the public and interested groups. Consultation will be carried out from late Summer and the results will be analysed and taken into account when the scheme is decided by full Council.
7.	What plans do you have in place, or are developing, to mitigate the likely negative impacts, i.e. how will you reduce the impact on the protected groups?	The scheme will include the development of an Exceptional Hardship Scheme which will allow additional support to be provided to any applicant who suffers exceptional hardship through changes in support.
8.	Please summarise or provide links to the information, data, research used in this assessment	<p>Outcome of the original consultation which sets out the Government priorities for Council Tax Reduction Schemes</p> <p><a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/8467/2053712.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/8467/2053712.pdf</a></p> <p>Previous Council Tax Reduction Schemes - Also know as Council Tax Support are published on the Council's website</p> <p><a href="http://www.testvalley.gov.uk/benefitsandcounciltax/benefits/test-valley-borough-councils-council-tax-support-s">http://www.testvalley.gov.uk/benefitsandcounciltax/benefits/test-valley-borough-councils-council-tax-support-s</a></p> <p>Council Tax Reduction Schemes for near neighbours.</p> <p><a href="https://www.counciltaxsupport.org">https://www.counciltaxsupport.org</a></p> <p>When considering the CTS Schemes for Hampshire and Wiltshire the Panel noted that the information did not reflect the national picture. From 1 April 2017, only 37 councils (out of 326) were continuing to provide the levels of support available under the former Council Tax Benefit scheme. From April 2017, 264 schemes include a minimum payment, up from 259 in April 2016 and 229 in April 2013.</p>



<b>What course of action does this EQIA suggest that you take? (tick one of the following options)</b>	
<b>Outcome 1: No major change required</b> The EQIA has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken.	
<b>Out come 2: Adjust the policy</b> to remove barriers identified by the EQIA or better promote equality. Are you satisfied that the policy adjustments will remove the barriers identified?	
<b>Outcome 3: Continue the policy</b> despite potential for adverse impact or missed opportunities to promote equality identified. You should ensure that the EQIA clearly sets out the justifications for continuing with the policy. You should consider whether there are sufficient plans to reduce negative impact and/or plans to monitor the actual impact	X
<b>Outcome 4: Stop and rethink</b> the policy when the EQIA shows actual or potential unlawful discrimination	

<b>Summary of your proposals - copy and paste into any report for Cabinet, Council or General Purposes Committee</b>	
What are the key impacts - positive and negative?	
What course of action are you advising as a result of this EQIA?	
Are there any particular groups affected more than others?	
<p>It is proposed that the current Council Tax Reduction scheme for working age applicants is changed with effect from 1<sup>st</sup> April 2019 as follows:</p> <ol style="list-style-type: none"> <li>1. That all working age applicants who are not protected will be required to pay a minimum level of Council Tax. The level is to be decided by full Council. Consideration will be given as to whether the amount should be 10%, 15% or 20%. This will only affect those cases who currently receive more than the proposed maximum level of support. It will only affect working age applicants as pension age applicants are protected under the Central Government prescribed scheme;</li> <li>2. The scheme will be amended to only grant Council Tax reduction where the entitlement is at least £1 per week. The current minimum payment is 50p per week. Any working age applicant whose entitlement would receive less than £1 per week will not receive any support; and</li> <li>3. The current scheme is too reactive to the rolling reassessment of entitlement in Universal Credit. With the frequent changes in liability, taxpayers receive multiple Council Tax demands which in turn has a negative effect on the taxpayer’s ability to manage their finances and on collections levels. To avoid this the</li> </ol>	

<p>Council will introduce a 'tolerance level'. Changes in circumstance which affect an entitlement to Council Tax Reduction will not be applied unless the change (or accumulation of changes) increases or decreases by £30 or more per week. In effect this could mean that a person who would normally receive an increase or decrease in their Council Tax Reduction will not have their entitlement changed if it is below the £30 per week 'tolerance' level. Where an applicant has multiple changes (of under £30), a single change will be made to their entitlement when the total number of changes reach the tolerance (£30) level.</p>	
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<p><b>Head of Service sign off (name):</b></p>	<p>Janice Broomfield Acting Head of Revenues (Benefits &amp; Customer Services)</p>
<p><b>Date: August 2018</b></p>	

## **ITEM 12                      Project Integra Management Board**

Report of the Corporate Portfolio Holder

### **Recommended:**

**That Councillor Flood be replaced by Councillor Ward as Deputy representative on the Project Integra Management Board.**

#### **SUMMARY:**

- Council approval is sought for the substitution of the Council's Deputy Project Integra Management Board representative.

### **1        Background**

- 1.1 Appointment of Members to Outside Bodies is made at Annual Council each year.
- 1.2 Project Integra is Hampshire's Waste Management Partnership between all Hampshire Local Authorities and the County Council.
- 1.3 On 9 May 2018 Council resolved that Councillor Stallard be appointed to the Project Integra Management Board with Councillor Flood as his Deputy.
- 1.4 Due to changing commitments it is now recommended that Councillor Flood is replaced by Councillor Ward as the Council's Deputy Project Integra Management Board representative.

### **2        Risk Management**

- 2.1 No risks are identified.

### **3        Resource Implications**

- 3.1 There are no resource implications.

### **4        Legal Implications**

- 4.1 There are no legal implications. A resolution of full Council is required to effect the replacement appointment.

### **5        Equality Issues**

- 5.1 None are identified.

### **6        Conclusion and reasons for recommendation**

- 6.1 It is recommended that Councillor Ward is appointed as Deputy representative to the Project Integra Management Board.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
None			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972 (as amended) and can be made public.			
No of Annexes:	None	File Ref:	N/A
(Portfolio: Corporate) Councillor Flood			
Officer:	Karen Dunn	Ext:	8401
Report to:	Council	Date:	23 January 2019

## **ITEM 13 Members' Allowances Scheme – Recommendations of the Independent review Panel**

Report of the Corporate Portfolio Holder

### **Recommended:**

- 1. That the Scheme of Members' Allowances adopted by the Council on 28 January 2015 will operate unchanged from the period May 2019 to May 2021.**
- 2. That the Independent Remuneration Panel will meet in Autumn 2020 and recommend a new 4-year Scheme to apply from May 2021.**

### **SUMMARY:**

- The current Members' Allowances Scheme was reviewed by an Independent Remuneration Panel in October 2018 who made recommendations for the Members' Allowance Scheme to take effect from May 2019.
- Council's approval of a Members' Allowance Scheme to operate from 2019 is required.
- The Panel recommended that the current scheme continue to operate unchanged (subject to indexation) from May 2019 to May 2021 and that a further review take place in the Autumn of 2020 with a view to recommending a new scheme to apply from May 2021.
- A Scheme in those terms is proposed to Council for approval.

### **1 Introduction**

- 1.1** A review of Test Valley Borough Council's Members' Allowances Scheme by an Independent Remuneration Panel took place in October 2014. The recommendations of that review were adopted by full Council on 28 January 2015 resulting in the current Members' Allowances Scheme. The Scheme sets the rates payable for the various allowances and the mechanisms by which they are indexed annually.
- 1.2** The October 2014 report also recommended a review of allowances in summer/autumn 2018 to consider the Scheme of Allowances to take effect from May 2019.
- 1.3** The Independent Remuneration Panel met on 2 October 2018 and made recommendations which are reflected in the above recommendations to Council. A copy of the Panel's 2018 report appears at Annex 1.
- 1.4** A copy of the Panel's 2014 report appears at Annex 2 and the report, resolutions and minutes adopting the 2014 recommendations appear at

Annex 3. A copy of the current Members' Allowance Scheme appears at Annex 4.

- 1.5 Before the Council can approve a Scheme of Allowances it is required to have regard to the views and recommendations of its Independent Remuneration Panel.

## **2 Background**

- 2.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 provide for each Local Authority to decide its own scheme of allowances and the amounts to be paid under that scheme.
- 2.2 Councils are required to establish and maintain an Independent Remuneration Panel to provide the Council with advice on its Members' Allowances Scheme and the amounts to be paid.
- 2.3 An Independent Remuneration Panel comprising of Trevor Cox (from the former "My Test Valley" Panel), Michael Cronin (Independent Person) and Steven Vale, Chair and HR Consultant was convened at Beech Hurst on 2 October 2018 to review the Members' Allowance Scheme. This is the same panel which carried out the 2014 review. Mr Vale has Chaired the previous four Independent Remuneration Panels.
- 2.4 **Independent Remuneration Panel's Report**
- 2.5 Usually, the Panel will recommend a Scheme which lasts for four years. The reason for this is that legislation does not permit reliance on an index for the purpose of annual adjustment for a period exceeding four years without further recommendation from an Independent Remuneration Panel.
- 2.6 The Panel's October 2018 report identified certain forthcoming changes which will be likely to have an impact on the scale and nature of the duties of elected Members, namely:
- a. the reduction in the number of elected members from 48 to 43 following the Local Government Boundary Commission's 2017 review taking effect in May 2019; meaning a reduced number of Members serving the same head of population; and
  - b. the potential roll out to members of the 'paper-light' meetings regime which is currently the subject of a pilot. If fully rolled out, this scheme would result in the issue of i-pads to all Members on which agendas and supporting documentation would be available electronically and dispensing with hard copy agendas. The element of the Basic Allowance intended to cover the purchase of hardware and software to access the Council's IT systems and to cover telecommunications, printing and the like (previously the 'Communications Allowance') can be considered once any roll out is concluded and the impact fully understood.
- 2.7 The Independent Remuneration Panel found that they could not predict the impact of the above changes in a way that would enable them to recommend

a scheme which properly reflected the workloads and accountabilities of elected members in the light of those changes.

- 2.8 The Panel concluded that it would be sensible to recommend that the Members Allowances' Scheme should continue in its current form and at current levels (subject to indexation) from May 2019 to May 2021 to enable the changes to bed-in and the effects to become clear.
- 2.9 The Panel addressed their minds to whether it should recommend that the Scheme remain as currently for a period of one or two years. They noted that if a Panel were to meet in Summer/Autumn 2019 to recommend a scheme from April 2020, the above changes would only have been in place for six months or so which would not be long enough for the implications for Members to become apparent.
- 2.10 The Panel therefore concluded that meeting in Autumn 2020 to consider a new Scheme to take effect from May 2021 would be preferable as better evidence would be available at that time.
- 2.11 The Panel recommended as follows:
- a. The Scheme of Allowances adopted by the Council on 28 January 2015 (following the Panel's 6<sup>th</sup> report) should continue to operate unchanged for the period from May 2019 to May 2021.
  - b. For clarity, the indexation arrangements contained in that Scheme should continue to apply during the period May 2019 to May 2021 so that the Basic and Special Responsibility Allowances are increased in line with any overall percentage increases awarded to employees by the National Joint Council for Local Government Services during that period and other allowances are increased on 1 April in line with the Consumer Prices Index for the preceding September.
  - c. The Panel should meet again in the Autumn of 2020 to consider and recommend a new 4-year Scheme to apply from May 2021 and should be convened in the interim if necessary in the period from May 2019 to May 2021.
- 2.12 It should be noted that the current scheme provides that mileage allowances and passenger payments are paid in line with HMRC's assessment of "per mile" operating costs and would increase in line with any HMRC increase. It is proposed that this continues and this is encompassed in the recommendation that the Scheme approved on 28 January 2005 continues unchanged. This is highlighted for clarity since the recommendation at 2.11 b. above refers to "other allowances" being increased in line with CPI whereas Travel Allowance is not so increased under the current scheme.

### **3 Consultations/Communications**

- 3.1 Members were advised via the Members Information Bulletin on 6 September 2018 of the intention to invite the Panel to carry out an interim (as opposed to a full 'four year') review for the above reasons and no queries were raised.

## **4 Options**

- 4.1 Option 1. To adopt the recommendations of this report.
- 4.2 Option 2. To reject the recommendation. If the recommendations are rejected, alternative arrangements will need to be considered and approved by Council to establish a Scheme of Allowances to operate from May 2019.

## **5 Option Appraisal**

- 5.1 The Council is required to 'have regard to' the recommendations of the Independent Review Panel. It is recommended that Option 1 above is adopted, being the recommendations of a properly constituted Independent Remuneration Panel who give sound and logical reasons for their recommendations.

## **6 Risk Management**

- 6.1 A Risk Management questionnaire has been completed and indicates this report does not require a risk assessment because the changes/issues covered by this report are not significant in terms of risk or have previously been considered.

## **7 Resource Implications**

- 7.1 The sum of £407,102.00 for Members' Allowances 2019/2020 is contained in the 2019/2020 budget which will come before Council for approval in February 2019.

## **8 Legal Implications**

- 8.1 Legislation requires a Council to make a Scheme for payment of allowances to Members and to have regard to the recommendations of an Independent Remuneration Panel before making or amending a Scheme. Adopting the recommendations of this report would fulfil these requirements.

## **9 Equality Issues**

- 9.1 This report identifies no Equality issues.

## **10 Conclusion and reasons for recommendation**

- 10.1 It is recommended that the current scheme continues, subject to indexation, until May 2021 and that the Independent Remuneration Panel meets in Autumn 2020 to recommend a scheme from May 2021. This proposal follows the recommendations of the Independent Review Panel.



<p><u>Background Papers (Local Government Act 1972 Section 100D)</u>                  Members' Allowances Scheme 7<sup>th</sup> Report by the Independent Advisory Panel                  October 2018.</p>			
<p><u>Confidentiality</u>                  It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972 (as amended) and can be made public.</p>			
No of Annexes:	4	File Ref:	N/A
(Portfolio: Corporate ) Councillor Flood			
Officer:	Karen Dunn	Ext:	8401
Report to:	Council	Date:	23 January 2019



# **Members' Allowances Scheme**

**For**

**Test Valley Borough Council**

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## **7<sup>th</sup> Report by the Independent Advisory Panel**

**October 2018**

## Background

1. The Local Authorities (Members Allowances) (England) Regulations 2003 (as amended) effectively require the Borough Council to seek further recommendations from its Independent Remuneration Panel (IRP) on its members allowance scheme at least once every four years.
2. The IRP's last recommendations to the Council were made in October 2014, and the scheme adopted by the Council in response to these recommendations was put in place from May 2015. At that time, the Council resolved that the IRP should meet again in 2018, with a view to recommending a revised allowance scheme for implementation from May 2019.
3. A Council's scheme of allowances must cover:
  - The Basic Allowance
  - Special Responsibility Allowances
  - Dependent Carers Allowance
  - Travel and Subsistence Allowances
  - Co-optees Allowances
  - Indexation of allowances
4. Before it can agree on any scheme of allowances from May 2019, the Council is required to have regard to the views and recommendations of its Independent Review Panel on all of the above issues.
5. The 7<sup>th</sup> Test Valley Independent Remuneration Panel met on 2nd October 2018 to consider its recommendations for a new scheme. The panel consisted of:

Trevor Cox, from the former "My Test Valley" panel;

Michael Cronin, Independent Person;

Steve Vale, an HR consultant, chairing the Panel, having chaired the previous four IRPs.
6. This was the same membership as in 2014.

## Our approach in 2018

7. Whilst our initial expectation would have been to carry out a full review of the scheme in the same manner as we had done on previous occasions, including seeking views and evidence from elected members, we had been provided with a report by the Council's Head of Legal and Democratic Services in advance of our meeting.
8. This report, which is set out in full at Appendix 1, noted important changes which would become effective in the early part of 2019, and which could have a major impact on the scale and nature of the duties and expectations of elected members in the future.
9. In essence, these changes are:
  - First, following the Local Government Boundary Review Commission's Electoral Review in 2017, ward boundaries and representation will change in May 2019, and the total number of elected members will reduce from 48 to 43, essentially serving the same populace.

- Second, the Digital Transformation programme will change the way in which members work, moving to paper-light working, and will also have an impact of the costs members incur on printing, technology and peripherals.
10. The report argued that the impact of these changes was difficult to predict with any detailed accuracy at this stage, and that, therefore, it would not be appropriate at present to attempt to establish a new 4-year allowances scheme which sought to take account of them.
  11. On that basis, it invited the panel to consider the merits of recommending that the existing scheme (including the indexation provisions for allowances) should remain in place for another two years.
  12. The implication was that, by October 2020, the impact of the changes referred to above would be clear, so that we could gather evidence of their implications for a new allowances scheme, and produce a further report at that stage, recommending a new allowances scheme for implementation from May 2021.
  13. We were advised that elected members had been advised of the intention to ask the panel to consider a 2-year extension of the existing scheme, and that no concerns or questions had been raised in relation to this. We took this to mean that elected members would be content for the current scheme to continue to operate for a further 2 years.
  14. It was therefore clear that the arguments in the report by the Council's Head of Legal and Democratic Services had support across the Council, and that we should take full account of them.

## **Our considerations**

15. Having carefully considered the report by the Council's Head of Legal and Democratic Services, we accepted the logic of its conclusions. It was obvious to us that we would not be able to predict the impact of the changes next year in a way which would enable us to recommend a new allowances scheme which properly reflected the workloads, accountabilities and expenses of elected members in the new set-up.
16. We therefore agreed that it would make sense to recommend that the allowances scheme in operation immediately after May 2019 should be the same as the current one, in all aspects.
17. We did, however, debate whether the scheme should continue to operate for one or two more years.
18. On the one hand, the need to ensure that any subsequent scheme was based on sound and empirical evidence implications of the 2019 changes, particularly those relating to the reduction in the number of Councillors, suggested that two years would be most appropriate. If the current scheme were extended for only one year, any new scheme would need to operate from May 2020, and the panel would have to meet in late 2019 in order to consider and recommend that scheme. But, at that point in time, the new Council would only have been in place for around 6 months – hardly long enough for the changed implications for Councillors to have become fully apparent.
19. Meeting in the autumn of 2020 to consider and recommend a new scheme to operate from May 2021 would therefore be greatly preferable in terms of the evidence available to us about the workload and accountabilities of members after the 2019 change.
20. On the other hand, extending the current scheme means that the Special Responsibility Allowances (SRAs) it contains could be paid only to the roles specifically nominated within it as eligible to receive an SRA. Any new roles emerging after May 2019 which

might potentially merit an SRA could not receive one unless some amendment was made to the current scheme.

21. We were advised that there was, at this stage, no intention to change the roles attracting SRAs, and it is conceivable that there might not be any change for a short period after May 2019. But we thought it unlikely that no new roles meriting consideration of an SRA would emerge in the two years after the 2019 changes.
22. Therefore, continuing with the current scheme for two further years creates a strong likelihood of the panel having to hold one or more interim meetings during the later part of the period, between May 2019 and May 2021 to consider changes to the SRAs payable. Whilst would not be a problem in any legal or procedural context, it will be an administrative inconvenience to the Council, which might be avoided if we continued with the current scheme for just one year.
23. On balance, we felt that the better evidence which would be available if we looked at the new scheme in the autumn of 2020 outweighed the latter consideration. We also noted that it might be possible to agree small changes to the extended scheme by e-mail or electronic conference, rather than convening the Panel.
24. We therefore agreed to recommend that the existing scheme should continue to be applied for two years, at the same time drawing the Council's attention to risk that such an extension might result in the need for interim panel meetings during the extension period.

## Recommendation

25. The Panel recommends that:
  - The Scheme of Allowances adopted by the Council on 28<sup>th</sup> January 2015 (following the panel's 6<sup>th</sup> report) should continue to operate unchanged for the period from May 2019 to May 2021;
  - (For clarity) the indexation arrangements contained in that scheme should continue to apply during the period May 2019 to May 2021, so that the Basic and Special Responsibility Allowances are increased in line with any overall percentage increases awarded to employees by the National Joint Council for Local Government Services during that period, and other allowances are increased on 1<sup>st</sup> April in line with Consumer Prices Index for the preceding September;
  - The Panel should meet again in the autumn of 2020 to consider and recommend a new 4-year allowances scheme to apply from May 2021 and is convened in the interim if and when necessary to make any changes to the scheme which will apply from May 2019 to 2021.

## Acknowledgments

26. We would like to thank the Council's Head of Legal and Democratic Services, Karen Dunn, for her support and advice in outlining the issues facing the Council and helping us arrive at our recommendation.
27. We would like to thank Caroline Lovelock and Sally Prior for organising our meeting and for advising us during the meeting.



# **Members' Allowances Scheme**

**For**

**Test Valley Borough Council**

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**6<sup>th</sup> Report by the**

**Independent Advisory Panel**

**October 2014**

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## SUMMARY OF RECOMMENDED ALLOWANCES SCHEME

Before it can agree a new scheme of allowances for 2015 to 2019, the Council is required to have regard to the views and recommendations of its Independent Review Panel. It is not required to accept those recommendations, but must take proper account of them. The Independent Remuneration Panel is recommending the Borough Council to revise its current scheme of allowances with effect from 7<sup>th</sup> May 2015, to include the provisions set out below.

- **The payment of the following Basic and Special Responsibility Allowances from 7<sup>th</sup> May 2015:**

<b>Basic Allowance (BA):</b>	<b>Current level</b>	<b>From 7 May 2015</b>
<b>All Councillors</b>	£6,313	<b>£6,313*</b>
* to be adjusted to reflect any national pay award(s) for local government employees agreed before 7 <sup>th</sup> May 2015		
<b>Special Responsibility Allowances (SRAs):</b>	<b>Current level</b>	<b>From 7 May 2015</b>
<b>Leader of Council</b>	1.9 x BA	<b>1.9 x BA</b>
<b>Deputy Leader</b>	1.3 x BA	<b>1.3 x BA</b>
<b>Portfolio Holders</b>	1.21 x BA	<b>1.21 x BA</b>
<b>Chairman of Overview and Scrutiny Committee</b>	1 x BA	<b>1 x BA</b>
<b>Chairman of Planning Control Committee</b>	0.75 x BA	<b>0.75 x BA</b>
<b>Chairmen of Area Planning Committees</b>	0.75 x BA	<b>0.75 x BA</b>
<b>Chairman of Licensing Committee</b>	0.75 x BA	<b>0.6 x BA</b>
<b>Minority Opposition Group Leader</b>	0.45 x BA	<b>0.45 x BA</b>
<b>Chairman of Council</b>	0.45 x BA	<b>0.45 x BA</b>
<b>Chairman of General Purposes Committee</b>	0.33 x BA	<b>0.33 x BA</b>
<b>Vice-Chairmen of Area Planning Committees</b>	20% of Chairman's SRA	<b>20% of Chairman's SRA</b>
<b>Vice-Chairman of Overview and Scrutiny Committee</b>	20% of Chairman's SRA	<b>20% of Chairman's SRA</b>
<b>Vice-Chairman of Planning Control Committee</b>	20% of Chairman's SRA	<b>20% of Chairman's SRA</b>
<b>Vice-Chairman of Licensing Committee</b>	20% of Chairman's SRA	<b>20% of Chairman's SRA</b>
<b>Vice-Chairman of Council</b>	20% of Chairman's SRA	<b>20% of Chairman's SRA</b>
<b>Vice-Chairman of General Purposes Committee</b>	20% of Chairman's SRA	<b>20% of Chairman's SRA</b>

- **All the above allowances will also be increased annually in line with any overall percentage increases awarded to employees by the National Joint Council (NJC) for Local Government Services after 7<sup>th</sup> May 2015.**
- **No member of the Council shall receive more than one SRA.**
- **The arrangement whereby, if a member is unable to undertake all or most of the duties covered by a Special Responsibility Allowance for a continuous period of one calendar month or more because of illness, the provision in the Member Allowances regulations to adjust the allowance payable to that member *pro rata* to the proportion of the year for which the special responsibilities have not been undertaken will be applied.** (Conversely, a member who takes on the duties covered by an SRA for a continuous period of a month or more, when another member is ill, shall be entitled to receive the SRA, *pro rata*, for the period in question).
- **Continuation of the current Child Care and Dependent Carers scheme which:**
  - **Makes payment towards the costs necessarily incurred by a member in engaging a carer to look after children or other dependants who live at the same address as the member, when the member is absent from home**



**undertaking any of the duties set out in Regulation 7 (1) (a) to (h) of the new Regulations**

- **Provides an hourly payment in line with actual costs incurred by the Councillor in purchasing the care, up to a maximum of £12.14 per hour (subject to any CPI-based adjustment in April 2015).**
  - **Precludes any payment if the caring is undertaken by a member of the Councillor’s own immediate family (e.g. spouse, partner, older child or grandparent).**
  - **Limits the maximum level of payment in any one week to a maximum of 8 hours or the duration of 2 meetings (whichever is the lesser period).**
  - **Travel and subsistence allowances will be paid in respect of the same “approved duties” as in the Council’s existing arrangements for such allowances.**
  - **Subsistence allowances to be paid at costs actually incurred by members, but not exceeding the following rates (subject to any CPI-based adjustment in April 2015):**
    - **Daytime (more than 4 hours away, ending before 7pm): £6.62**
    - **Evening (more than 4 hours away, ending after 7pm): £11.59**
  - **Where exceptional circumstances justify it, the Head of Administration should be able to authorise reimbursement of the cost of accommodation which has been booked directly by members and costs more than the £149.02 limit (subject to any CPI-based adjustment of the limit in April 2015.)**
  - **The payment of the following rates of travel allowance:**
    - **Use of members own car: 45p per mile (all engine sizes)**
    - **Use of members own motorcycle: 24p per mile (all engine sizes)**
    - **Use of members own bicycle: 20p per mile**
    - **Payment for carrying passengers 5p per passenger per mile**
- with the above rates being kept in line with the HMRC’s assessment of “per mile” operating costs.**
- **Reimbursement of the costs for rail travel be restricted to the appropriate class other than 1<sup>st</sup> class.**
  - **Payments to any co-opted members of the same travel and subsistence allowances which apply to Councillors in respect of attendance at meetings etc., plus any reasonable out-of-pocket expenses they incur, subject to the approval of the Head of Administration.**
  - **All the above allowance rates, other than the BA, SRAs, and rates of travel allowance, will be subject to**
    - **(prior to implementation) an increase on 1<sup>st</sup> April 2015 by the same percentage as the increase in the Consumer Prices Index for the preceding September; and**

- **increases thereafter on 1<sup>st</sup> April each year by the same percentage as the increase in the Consumer Prices Index for the preceding September, commencing with an increase in April 2016.**
- **The withholding or recovery of allowances from any member who is suspended or disqualified.**
- **The publication on the Council's website of figures showing the attendance records of members at meetings, in accordance with the arrangements set out in paragraphs 51 to 57, below.**
- **A full review of all allowances by the Independent Review Panel in summer/autumn 2018 (with a view to recommending a revised allowance scheme for implementation from May 2019), unless members wish allowances to be reviewed again at an earlier stage, or there are changes in the Council's organisation or structure which require an earlier review of the current scheme.**

**The Borough Council is also recommended to set its Mayoral and Deputy Mayoral Allowances for the financial years 2015/16 to 2018/19 so as to provide gross allowances to the holders of these offices at the same level paid in 2014/15 (£15,000 and £5,500, respectively), to maintain these allowances at the same level throughout that period, and, from May 2015 onwards, to pay the allowances in monthly instalments.**

## DETAILED COMMENTARY AND BASIS FOR RECOMMENDATIONS

### Background

1. The Local Authorities (Members Allowances) (England) Regulations 2003 (as amended) require the Borough Council to seek further recommendations from its Independent Remuneration Panel (IRP) on its members allowance scheme at least once every four years.
2. The IRP's last recommendations to the Council were made in October 2010, and the scheme adopted by the Council in response to these recommendations was put in place from May 2011. At that time, the Council resolved that the IRP should meet again in 2014, with a view to recommending a revised allowance scheme for implementation from May 2015
3. A Council's scheme of allowances must cover:
  - The Basic Allowance
  - Special Responsibility Allowances
  - Dependent Carers Allowance
  - Travel and Subsistence Allowances
  - Co-optees Allowances
  - Indexation of allowances

(Note that the Regulations have recently been amended so that it is no longer possible for members to have access to the Local Government Pension Scheme in any circumstances.)
4. Before it can agree its scheme of allowances, a Council is required to have regard to the views and recommendations of its Independent Review Panel on all of the above issues, with the exception of the withholding or recovery of allowances (although the Panel has commented on the latter issue in any case).
5. As well as recommending a new allowances scheme under the 2003 Regulations, the current panel was also asked to examine the current allowances paid to the Mayor and Deputy Mayor to cover their expenses, and to recommend the future level of these allowances.
6. The 6<sup>th</sup> Test Valley Independent Remuneration Panel met on 7<sup>th</sup> and 8<sup>th</sup> October 2014 to review the current allowances scheme, and to consider its recommendations for a new scheme, together with the Mayoral and Deputy Mayoral allowances. The panel consisted of:

Trevor Cox, from the "My Test Valley" panel;

Michael Cronin, Independent Person (Appeals and Ethics Sub-Committee);

Steve Vale, an HR consultant, chairing the Panel, having chaired the previous three IRPs.

## Our approach in 2014

7. Before considering any changes to previous allowances, we sought to obtain views on the strengths and weaknesses of the current scheme from as many members as possible. We therefore:
  - Reviewed the results of a questionnaire survey of all members, seeking their views on the principal elements of the current scheme;
  - Gave an opportunity to any member who wished to make representations to us in person to do so (5 Councillors took up our invitation).
  - Took the opportunity to ask those we interviewed about a number of issues which had emerged from the questionnaire survey, including:
    - the level of Basic Allowance, with particular attention on its adequacy in enabling members to meet the costs of IT equipment and running costs, telephone and connection costs, printing costs etc..
    - the roles for which Special Responsibility Allowances were payable, and the level at which they are paid, with particular attention to those payable to the Chairmen and Vice-Chairmen of the Licensing and General Purposes Committees, and to Committee Vice-Chairmen generally.
    - Measures to ensure that members are accountable and undertake the roles and duties expected of them, and for which allowances are paid.
    - The levels and adequacy of the Mayors and Deputy Mayor's Allowances
8. The Panel also felt obliged to continue to take account of circumstances which had affected its previous set of recommendations, including:
  - The local economic situation and changes in the local labour market;
  - The financial squeeze facing the public sector and local authorities in particular, which (all the indications are) will continue to bite in the years following the 2015 local elections; and
  - Greater public interest in and scrutiny of the remuneration paid for all public sector roles and duties, encouraged, to some extent, by Government ministers.
9. The combination of these factors led the panel to pursue an overall objective of keeping the cost of allowances in 2015/16 as near as possible to the cost of the existing allowances scheme (in cash terms) in 2014/15. Our assumption was that the local community would expect such an approach in the current circumstances.

## Outcomes of the questionnaire survey

10. The questionnaire survey, which was conducted on our behalf prior to our meeting, elicited responses from 15 out of 48 members. This was a poorer response rate (31%) than previously, but we felt that any members with strong views on any of the issues would have completed a questionnaire, or, alternatively arranged to attend the Panel. On this basis we felt able to regard the views expressed in the survey, complemented by the views expressed by the members we met, as reasonably representative of the views of members.
11. The results of the questionnaire survey can be summarised as indicating that:

- The majority of members (67%) felt that the current Basic Allowance was adequate in relation to the work expected of them;
- For the most part, a substantial majority of members felt that Special Responsibility Allowances (SRAs) were paid in respect of the correct roles, and were paid at an appropriate level – the majority of these allowances had the approval of over 70% of members. The one exception was the SRAs payable to the Chair and Vice Chair of the General Purposes Committee, where only 13% supported their payment.
- Some members had raised questions over whether SRAs should be payable in respect of Overview and Scrutiny Lead members and the Council's representatives on certain outside bodies.
- The majority of members (over 85%) were content with the existing rates of travel and subsistence allowances, and the duties for which they are paid.
- All Members who responded were supportive of the principle of paying travel and subsistence payments, and out-of-pocket expenses to co-opted members (although the Council currently has no co-opted members);
- 100% of members felt that allowance payments should cease to any member who has been suspended;
- The great majority of members (over 85%) support the Council's Childcare and Dependant Carers Allowance scheme.
- The majority of those who responded on the issue (around two thirds) thought that the allowances currently paid to the Mayor and Deputy were adequate and should continue at the same level; but most members supported a move to paying these allowances on a monthly basis.
- Data provided by members on estimates of the costs they incurred on IT equipment and running costs, telephone and connection costs, printing costs etc. varied greatly, with some estimates with the notional £800 per annum figure which is included within the BA, but others substantially in excess of this.

### **The Basic Allowance (BA)**

12. Given the level of satisfaction with the level of the Basic Allowance (BA) expressed in the survey, our inclination was to maintain the Basic Allowance at its current level.
13. This view was based on our perception that:
  - the number of hours of members' input assumed in previous IRP reports (i.e. 728 hours per annum) still appears valid,
  - the principle of a proportion of those hours (45%) not being remunerated and treated as a voluntary contribution was still supported, and
  - (therefore) the total remunerated time input should be 400 hours per year.

In addition, earnings data from the Office of National Statistics (ONS) confirmed that average hourly pay rates for employees in the Test Valley area had not increased since 2010.

14. We did, however, examine closely the levels of expenditure members reported on IT equipment and running costs, telephone and connection costs, printing costs etc in some depth. (Following the demise of the separate communications allowance in 2007, the BA is now intended to cover all the basic costs of being a Councillor, including these elements of expenditure. However, it is still possible to identify a notional sum of £800 within the BA for these costs).
15. As already noted, the estimates of costs incurred on these elements of expenditure varied considerably, but there was no clear evidence or indication that all members were experiencing costs in excess of the notional £800. In addition, having looked at the reported costs carefully and assessed what was necessary for effective performance, we were satisfied that £800 was adequate to meet costs in this area.
16. **On this basis, we agreed to recommend that the BA should:**
  - **Remain at its current level (£6313); but**
  - **Continue to be subject to the existing indexation arrangements, so that any increases to reflect national pay awards between now and next May should be applied to the BA which would be payable from 7<sup>th</sup> May 2015 onwards.** (We noted that the national pay award due in April 2014 had not yet been agreed, and that another award would potentially be due in April 2015.)

### **Special Responsibility Allowances (SRAs)**

17. The questionnaire survey revealed that, for the most part, the current provisions on which roles should receive SRAs, and the amounts of those SRAs, had the support of most Councillors. Against this background we could see little justification in a wholesale review of the distribution and amounts of SRAs.
18. Retention of the “no more than one SRA per member” rule also makes obvious sense.
19. There were, however, 5 specific issues which needed our attention:
  - The SRA payable to the Chairman of Licensing;
  - The SRA payable to the Chairman of the General Purposes Committee;
  - The payment of SRAs to Vice-Chairmen of Committees;
  - Possible payment to SRAs to Overview and Scrutiny lead members;
  - Possible payments of SRAs in respect of appointments to outside bodies.
20. With regard to the **SRA payable to the Chair of Licensing**, we received evidence of the changing workload of the Licensing Committee, with a marked reduction in the number of meetings from the previous peak. We took the view that the work of the Chairman was not now as extensive as those of the Chairs of the Planning Committees (although still more demanding than some other roles attracting SRAs). On this basis, **we agreed to recommend reducing the SRA payable to the Chairman of the Licensing Committee to 0.6 times the BA.** (This recommendation will also have a knock-on effect on the SRA payable to the Vice-Chairman of the Licensing Committee.)
21. With regard to the **payment of SRAs to the Chairman and Vice Chairman of the General Purposes Committee**, we noted that no payments were currently being made as the Leader and Deputy Leader were fulfilling these roles. However, this might not be the case in future, so that the question of an SRA payment for these roles was still a valid one.

22. Having considered the potential importance of the role, in terms of responsibility for workforce matters, for audit and for ethical issues, we concluded that **the Allowances Scheme should continue to provide for an SRA for the Chair of the General Purposes at the current level of 0.33 times the BA** (with the existing pro-rata payment for the Vice Chair.)
23. The practice of **paying SRAs to all Committee Vice-Chairs**, although not followed by all Councils, appears well supported at Test Valley (around 80% of survey respondents supported their payment), and we received evidence that the role of Vice-Chair involved elements of work in planning for meetings, being ready to take the Chair at short notice, and acting as a “sounding board” for the Chairman in relation to the handling of difficult issues. **On this basis, we agreed to continue to recommend that SRAs should be payable to all Vice-Chairmen, at the level of 20% of the SRA paid to the relevant Chairman.**
24. We were appreciative of the work undertaken by members who took on **lead roles within Overview and Scrutiny**. But we noted that:
- These roles did not feature in the Council’s constitution but were a *modus operandi* with the Overview and Scrutiny Committee, which could easily be changed;
  - The roles were transient and “task and finish” in nature, and, therefore, the responsibilities of the members undertaking them were fluid, variable and subject to change;
  - The workload attaching to the different lead roles would vary considerably.
25. On this basis, and bearing in mind the guidance to panels that the payment of SRAs to more than 50% of the elected members on a Council would be rightly questioned by the local electorate, we **agreed not to recommend SRA payments to those undertaking lead roles within Overview and Scrutiny**
26. With regard to **service on outside bodies**, we were provided with information of the large number of organisations to which the Council appoints representatives, and reminded ourselves that service on a small number of outside bodies was an implied part of the role of every Councillor. **We therefore could not recommend the payment of SRAs for service on any outside bodies.**
27. As a result of the decisions set out in the preceding paragraphs the SRAs we are recommending from 7<sup>th</sup> May 2015 are:

<b>Role:</b>	<b>SRA payable</b>
Leader of Council	1.9 x BA
Deputy Leader	1.3 x BA
Portfolio Holders	1.21 x BA
Chairman of Overview and Scrutiny Committee	1 x BA
Chairman of Planning Control Committee	0.75 x BA
Chairmen of Area Planning Committees (x 2)	0.75 x BA
Chairman of Licensing Committee	0.6 x BA
Minority Opposition Group Leader	0.45 x BA
Chairman of Council	0.45 x BA
Chairman of General Purposes Committee	0.33 x BA
Vice-Chairmen of Area Planning Committees (x 2)	20% of Chairman’s SRA
Vice-Chairmen of Overview and Scrutiny Committee	20% of Chairman’s SRA
Vice-Chairman of Planning Control Committee	20% of Chairman’s SRA
Vice-Chairman of Licensing Committee	20% of Chairman’s SRA
Vice-Chairman of Council	20% of Chairman’s SRA
Vice-Chairman of General Purposes Committee	20% of Chairman’s SRA



### Pro-rata'ing of SRAs

28. We re-iterate our support for the existing provision in the Councils scheme of allowances to the effect that the pro-rata'ing of SRAs should be applied in the context of long-term illness.
29. The provision in the Regulations which permits such pro-rata'ing should be applied automatically where the member concerned is prevented from undertaking all or most of the duties covered by the SRA for a period of more than a calendar month by illness.
30. By the same token, it is logical that a member who takes on the duties covered by an SRA for a continuous period of a month or more, when another member is ill, should be entitled to receive the SRA, *pro rata*, for the period in question.

### Child Care and Dependent Carers allowance

31. The Council has accepted previous recommendations that the members allowances scheme should include provision for a dependent carers allowance, which is designed to help members meet the cost of having their children and other dependents cared for whilst they are undertaking formal Council duties. Although take-up has been very low, the retention of such a scheme had strong support in the survey. We concur with this, as we believe that the scheme still has some role to play in enabling a wider cross-section of the community to consider becoming Councillors.
32. We therefore recommend that a Child Care and Dependant Carers Allowance continue to be included in the Council's allowances scheme, and should operate on the same principles as previously, viz
  - Making payment towards the costs necessarily incurred by a member in engaging a carer to look after children or other dependants who live at the same address as the member, when the member is absent from home undertaking any of the duties set out in Regulation 7 (1) (a) to (h) of the Regulations
  - Precluding any payment if the caring is undertaken by a member of the Councillor's own immediate family (e.g. spouse, partner, older child or grandparent)
  - Limiting the maximum level of payment in any one week to a maximum of 8 hours or the duration of 2 meetings (whichever is the lesser period).
33. We made a check on whether the level of payment available under the scheme was in line with current rates for childcare, and concluded that it would usually be possible for members to obtain a full refund of childcare costs under the scheme. We therefore recommend that, from May 2015, the maximum hourly amount that Councillors could seek to have reimbursed under the scheme should continue at the current rate of £12.14 per hour, subject to any CPI rating in April 2015.

### Travel and subsistence allowances

34. We divided our consideration of travel and subsistence allowances into two issues– first, the range of “approved” duties for which they are paid; and, second, the rates at which they are paid.
35. On the first point, “**approved duties**”, we received no evidence that any change was required



36. With regard to the **rates of subsistence allowances**, we noted that 100% of members regard the current rates as acceptable, and therefore recommend that the current rates of
- Daytime (more than 4 hours away, ending before 7pm): £6.62
  - Evening (more than 4 hours away, ending after 7pm): £11.59
- should be retained in the new allowances scheme, subject to any CPI-based up-rating to be applied in April 2015.
37. With regard to the **rate of travel allowances**, we noted that the standard mileage payment of 45p per mile for cars (in line with the HMRC approved cost of operating a such vehicle), the equivalent rates for motorcycles and bicycles (24 p and 20p per mile, respectively) and the 5p passenger rate were supported by almost all members, and we recommend:
- that these rates be continued in the scheme of allowances after May 2015; and
  - that the rates for these allowances be indexed to and increased in line with the HMRC approved figure for “per mile” costs.
38. We recommend that the other aspects of the Council’s current travel allowance rates, relating to travel by public transport, taxi, air etc. be continued unchanged in the allowance scheme after May 2015.
39. As the non-vehicular travel allowances are based around reimbursement of actual cost, there is no need for any indexation arrangement.
40. A further element of the scheme is the limit on the costs of overnight accommodation where members book this directly. This is currently set at £149.04, so that, if members book more expensive accommodation, they have to fund the difference from their own pocket. We recommend that this limit be retained in the 2015 allowances scheme, at the same level, subject to any CPI-based adjustments in April 2015.
41. At the same time, we recommend that:
- wherever possible, the Council books accommodation on behalf of members, so that the problem does not arise.
  - **where exceptional circumstances justify it**, the Head of Administration should be able to authorise reimbursement of the cost of accommodation which has been booked directly by members and is more than the limit.

### **Allowances for co-opted members**

42. The Member Allowances Regulations potentially allow the Council to provide for payments to co-opted members in its scheme of allowances. Currently, the Council has no co-opted members, although there are independent persons.
43. Nonetheless, it is possible that co-opted members could be appointed within the lifetime of the new scheme, and the questionnaire survey showed clear support for current provision for the payment of travel and subsistence allowances to any co-opted members in respect of attending meetings etc at the same rates which apply to Councillors, plus the re-imburement of any reasonable out-of-pocket expenses they have incurred in order to avoid actual or potential financial loss (subject to the approval of the Council’s Head of Administration).
44. We therefore recommend that such a provision is replicated in the new scheme of allowances from May 2015.

## **Indexation of allowances**

45. We support the Council's use of the indexation provisions in the Regulations, so that it is only necessary to revise the scheme of allowances every four years, coinciding with the Council's electoral cycle.
46. We can see no reason to change the current indexing arrangements, and therefore recommend their continuation:
  - The BA and SRAs should be increased in line with any overall percentage increases awarded to employees by the National Joint Council (NJC) for Local Government Services (but not to reflect any increases which Test Valley Borough Council may opt to pay its employees which are additional to those agreed by the NJC.).
  - Travel allowances should be increased in line with HMRC approved costs (see above).
  - All other allowances, should be increased on 1<sup>st</sup> April each year by the same percentage as the increase in the Consumer Prices Index for the preceding September. (For clarity, an increase should be applied in April 2015, and the relevant allowances in the new scheme should include this increase).

## **Ceasing payments of allowances to members who have been suspended**

47. Whilst the new Regulations do not require us to make a recommendation on this issue, we reiterate our support for the Council to making full use of the ability to withhold or recover allowances from members who have been suspended or disqualified.

## **Financial implications**

48. Given the limited extent of the change between the current scheme and the new one we are recommending, the change in expenditure as a result of implementing the new scheme is likely to be very small.

## **Mechanism for SRAs in relation to new Committees etc.**

49. As the allowances scheme the panel is recommending is expected to last for 4 years, there is always a possibility that, during that period, the Council may constitute new Committees and/or new roles, and that a question will then arise as to whether an SRA is warranted for new Chairmen, Vice-Chairmen etc.
50. The best way of dealing with such a situation will be via a brief meeting of the IRP if and when it arises. Given modern communications, decisions over any issue could be made quickly and easily, without the need for a formal meeting – e.g. through e-mail exchanges.

## **Accountability**

51. Previous panels have expressed concerns that, under the statutory regime for member allowances which has been in place since 2001, there was a risk that certain members might claim their BA entitlement, but fail to undertake their duties adequately.

52. We reviewed meeting attendance figures for all members, and were concerned that attendance rates were below 40% in a number of instances, suggesting that this risk remains a real one.
53. The Council has already agreed to implement some measures to guard against such risk, the main one being compiling raw figures showing the proportion of possible meetings members had actually attended, These figures have then been used privately– i.e. they have been supplied to the party leaders so that they could take any remedial action – as well being provided to any member of the public who requests them..
54. We now feel that, in view of the recent attendance rates, the Council should not only continue with the practice of compiling such figures, but **should publish the resultant figures annually in table format on its website**, commencing with figures for 2015/16, and then adding figures for the next three years, until the next IRP review of allowances.
55. Our reasons for making this recommendation are:
- It will help improve accountability to a small extent;
  - The increasing public expectations of transparency in all aspects of local government;
  - The fact that the data can, in any case, be assembled by a member of the public (if they have the time or inclination) from the published minutes of meetings;
56. We recognise that the publication of such figures is a crude measure of member performance, which can easily give a false impression.
57. Therefore:
- In publishing figures, the Council should remind the public that attendance at meetings is not the only measure of a member’s effectiveness and that there may be a number of reasons why members were unable to attend meetings, including because they were attending to other Councillor duties of equal or greater priority. The figures should therefore not be seen as in any way definitive of a Councillor’s effectiveness nor of the time they devote to their role.
  - It is important that attendance figures are presented in terms of actual numbers of meetings attended/not attended, not percentages, which can themselves be misleading.
  - It would be helpful if any table published had a facility to indicate extenuating circumstances for non-attendance – e.g. long-term illness.

## Mayoral Allowance

58. As well as recommending a new allowances scheme under the 2003 Regulations, the panel was also asked to examine the current allowances paid to the Mayor and Deputy Mayor to cover their expenses, and to recommend the future level of these allowances.
59. The current allowances are set at a level to provide a gross allowance £15,000 and £5,500 for the Mayor and Deputy Mayor respectively.
60. In the course of our meeting, we were able to speak to the current Mayor and a number of former mayors about the adequacy of otherwise of these allowances, which have been at a similar level for many years.

61. The outcome of these discussions gave a mixed picture, with some members indicating that they had decided or been obliged to supplement the allowance from their own funds during their year as Mayor, and others indicating that, with care and creativity, the allowance was adequate to enable the Mayor to operate effectively in representing the Council and maintaining its public profile.
62. Our overall conclusion, however, is that the allowances remain sufficient to support the roles.
63. **We therefore recommend that the allowances for the Mayor and Deputy Mayor in 2015/16, and subsequent years through to 2018, should be set at the current level of £15,000 and £5,500 respectively.** (We felt that, to keep pressure on future Mayors and Deputies to derive the best possible value from the allowances, there should be no indexation or up-rating of the allowances over the next 4 years.)
64. We were offered convincing arguments for these allowances being paid in monthly instalments, rather than on the present system, and we recommend that they be paid in this way from May 2015 onwards.

### **Future meetings of the IRP**

65. The Member Allowances Regulations allow the Council to continue to operate a scheme of allowances implemented following a recommendation from its IRP for up to four years (with indexation), before seeking fresh recommendations from the IRP.
66. We recommend that the Council should take full advantage of this provision, and should therefore schedule a full review of all allowances by the Independent Review Panel in summer/autumn 2018 (with a view to recommending a revised allowance scheme for implementation from May 2019), unless members wish allowances to be reviewed again at an earlier stage, or there are changes in the Council's organisation or structure which require an earlier review of the current scheme by the IRP.

### **Acknowledgments**

67. We are grateful to all those Councillors who completed and returned questionnaires and, particularly, to those who attended our meetings, answered our questions and gave us their views
68. We would like to thank the Council's Head of Administration, Tom van der Hoven, for his support and advice in outlining some of the issues affecting allowances and helping us arrive at our recommendations.
69. We would especially like to thank Caroline Lovelock for organising our meeting and arranging the interviews with members, for undertaking the questionnaire survey on our behalf and analysing the results, for providing us with comprehensive background documents, and for generally advising and looking after us during the 2 days of our meeting.

**ITEM 13 Members' Allowances Scheme – Recommendations of the Independent Review Panel**

Report of the Corporate Portfolio Holder

**Recommended:**

- 1 That the Independent Review Panel's report, attached as Annex 1 to the report, be noted.**
- 2 That the following recommendations be considered and if accepted that these take effect from 7 May 2015.**
  - 2.1 That payment of the Basic Allowance and Special Responsibility Allowance be paid as set out in Annex 2.**
  - 2.2 That the above allowances be increased annually from 1 April 2016 in line with any overall percentage increases awarded to employees by the National Joint Council (NJC) for Local Government Services after 7 May 2015.**
  - 2.3 That no Member of the Council receive more than one SRA.**
  - 2.4 That SRAs are automatically adjusted pro rata where a Member is unable to undertake all or most of the duties covered by an SRA for a continuous period of one calendar month or more because of illness and where a Member takes on these duties as set out in the Independent Review Panel's report.**
  - 2.5 That the Childcare and Dependent Carers scheme be adopted as set out in the Independent Review Panel's report.**
  - 2.6 Travel and Subsistence Allowances be paid in respect of the same "approved duties" as in the Council's existing arrangements for such allowances except that the Head of Legal and Democratic Services be delegated authority to authorise reimbursement of the cost of accommodation which has been booked directly by Members and costs more than the limit in exceptional circumstances.**
  - 2.7 That Subsistence rates be paid at costs actually incurred by Members as set out in the Independent Review Panel's report.**
  - 2.8 That Travel Allowances continue and passenger payments be kept in line with the Inland Revenue's assessment of "per mile" operating costs.**
  - 2.9 That reimbursement for rail travel be restricted to all classes other than 1<sup>st</sup> Class.**

- 2.10 That payments be made to co-opted Members at the same rate of travel and subsistence allowance which applies to Councillors in respect of attendance at meetings etc., plus any reasonable out-of-pocket expenses they incur subject to the approval of the Head of Legal and Democratic Services.**
- 2.11 That all the above allowances, other than the BA, SRAs and rates of travel allowance, be increased on 1 April each year by the same percentage as the increase in the Consumer Prices Index for the preceding September, commencing with an increase in April 2016 and followed by increases in April 2017 and 2018.**
- 2.12 That allowances be recovered from any Member who is suspended or disqualified.**
- 3 That attendance figures be published annually on the Council’s website showing the attendance records of Members at meetings commencing with figures for 2015/16.**
- 4 That the Mayoral and Deputy Mayoral Allowances for the financial years 2015 to 2018 be provided at the same level of net payments (£11,770 and £4,267 respectively) as currently and to maintain these allowances at the same level throughout that period.**
- 4.1 That from May 2015 the Mayoral and Deputy Mayoral Allowances be paid in monthly instalments.**
- 5 That a full review of all allowances by the Independent Review Panel be carried out in summer/autumn 2018 (with a view to recommending a revised allowance scheme for implementation from May 2019), unless Members wish allowances to be reviewed again at an earlier stage, or there are changes in the Council’s organisation or structure which requires an early review of the current scheme.**

### **Recommendation to Council**

#### **SUMMARY:**

- The Independent Review Panel consisting of Mr Steve Vale, Mr Trevor Cox and Mr Michael Cronin met on 7 and 8 October 2014 to recommend a new scheme of allowances to be effective from 7 May 2015.
- The recommendations of the Independent Review Panel are set out in the report attached as Annex 1.

**1 Introduction**

- 1.1 Council at its meeting on 27 October 2010 agreed that a full review of all allowances by the Independent Review Panel (The Panel) be held in summer/autumn 2014 with a view to recommending a revised allowance scheme for implementation from the fourth day following the Borough Elections in 2015.

**2 Background**

- 2.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 provides for each local authority to decide its scheme and the amounts to be paid under that scheme.
- 2.2 Councils are required to establish and maintain an Independent Remuneration Panel to provide the Council with advice on its Members' Allowances Scheme and the amounts to be paid. The Panel was also requested to examine the current allowances paid to the Mayor and Deputy Mayor to cover their expenses and to recommend the future level of these allowances.
- 2.3 The Panel met on 7 and 8 October 2014 and comprised Mr Trevor Cox, from My Test Valley Panel, Mr Michael Cronin, Independent Person (Appeals and Ethics Sub-Committee) and Mr Steve Vale, an HR consultant, who chaired the panel.

**3 Independent Remuneration Panel's Report**

- 3.1 The Panel's report sets out the summary of main recommendations and detailed commentary and basis for recommendations and is attached at Annex 1.
- 3.2 The Panel agreed that in general the Scheme would continue as currently except that Special Responsibility Allowance for the Chairman of Licensing Committee to be reduced from 1.75 x BA to 1.6 x BA with effect from 7 May 2015.
- 3.3 The Panel also recommended that the Mayoral and Deputy Mayoral Allowance continue at the current level for 2015 to 2019 and from May 2015 that this allowance be paid in monthly instalments.

**4 Consultations/Communications**

- 4.1 A questionnaire survey was carried out with all Members and 15 out of 48 Members responded. A summary of the responses from the questionnaire are set out in The Panel's report.
- 4.2 All Members were invited to address the Panel of which 5 Members took up the offer.

**5 Options**

- 5.1 Legislation requires Council to have regard to the recommendations of The Panel. However, Council has the option to establish an alternative scheme or to make changes to any of the recommendations of The Panel.

**6 Option Appraisal**

- 6.1 It is a statutory requirement that the Members' Allowances Scheme be reviewed at least every 4 years. If no new scheme is approved no allowances can be paid from 7 May 2015.

**7 Risk Management**

- 7.1 An evaluation of the risks associated with the matters in this report indicate that further risk assessment is not needed because the changes/issues covered have previously been considered by Councillors.

**8 Resource Implications**

- 8.1 In 2014/15 the sum of £401,000 was included in the budget to cover the costs of Members' Basic and Special Responsibility Allowances. If the Panel's recommendations on Basic and Special Responsibility Allowances were accepted then this would reduce the budget in 2015/16 by approximately £1,150. This would not take into account any national pay award(s) for local government employees agreed before 7 May 2015.
- 8.2 The table at Annex 2 sets out the current and proposed Basic and Special Responsibility Allowance rates and the variances.
- 8.3 The Panel has recommended that the changes be implemented from 11 May 2015 which will come into effect the day that Members' term of office commences following the Elections on 7 May 2015.
- 8.4 It was recommended that subsistence and childcare allowance be increased on 1 April each year commencing on 1 April 2015 by the rate of CPI for the preceding September.

**9 Equality Issues**

- 9.1 An EQIA is not needed because the issues covered have previously been considered by Councillors.

**10 Conclusion**

- 10.1 Whilst there is no statutory duty upon the Council to agree the recommendations of the Panel, legislation requires Members to have regard to the Panel's recommendations and to have a reasonable approach when considering its proposals.



<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	2	File Ref:	
(Portfolio: Corporate) Councillor Busk			
Officer:	Tom van der Hoven	Ext:	8014
Report to:	Cabinet	Date:	17 December 2014

	<u>2014-2015</u>	<u>2015-2016</u>	<u>Difference</u>
		£	£
Basic Allowance	6,313	6,313	0
Leader	11,969	11,969	0
Deputy Leader	8,181	8,181	0
Portfolio Holders	7,626	7,626	0
Chair of O & S	6,313	6,313	0
Chair of Planning Control	4,747	4,747	0
Chair of Area Planning	4,747	4,747	0
Chair of Licensing	4,747	3,800	-947
Chair of G.P	2,071	2,071	0
Min Opp Group Leader	2,828	2,828	0
Chair of Council	2,828	2,828	0
V/C of Area Planning	960	960	0
V/C of O & S	1,263	1,263	0
V/C of Planning Control	960	960	0
V/C of Licensing	960	760	-200
V/C of Council	556	556	0
V/C of GP	404	404	0

**CABINET****Date: 17 December 2014****STATEMENT OF CABINET DECISIONS**

**NOTE: No action can be taken on the following items until the 7<sup>th</sup> working day after the meeting. If an item is called in, Heads of Service will be contacted by the Head of Administration.**

**This is a Statement in accordance with Regulation 12 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.**

<b><u>Distribution</u></b> All Members of Council Chief Executive Corporate Directors All Heads of Service File	c.c. Kathryn Lamb Christine Hastings Carole Powell Keith Harrold	
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Agenda No.	Recommended/ Resolved	Decision	Officer to take action/author
7		<b><u>Review of the Romsey Town Access Plan SPD (2014)</u></b>	Head of Planning Policy and Transport
	Resolved	1. That the Review of the Romsey Town Access Plan SPD (2014) attached as Annex 1 be approved for public consultation subject to the following amendments: <ol style="list-style-type: none"> <li>a. That TVBC0053 on page 42 of the agenda be amended to include "pedestrians along the bypass."</li> <li>b. That the Scheme Proposal in TVBC 0053 on page 42 of the agenda be amended to include investigation of the provision of lighting.</li> <li>c. That the Scheme Proposal in TVBC 0070 on page 46 of the agenda be amended to include bus shelters and appropriate hard standing.</li> <li>d. That the pay and display spaces in paragraph 3.23 of the report be amended by replacing "631" with "951" and "56" with "45".</li> <li>e. That the words "... private car parking areas..." in paragraph 3.23 of the report be replaced with "... other car parking areas....".</li> </ol> 2. That the Head of Planning Policy and Transport be delegated to make changes of a	

		minor nature to improve the presentation of the documents and correct typographical errors prior to publication.	
	<b>Reasons for decision</b>	As detailed in the report.	
	<b>Alternative Options considered but rejected</b>	As detailed in the report.	
	<b>Declared conflicts of Interest</b>	None	
	<b>Note of Dispensations Granted</b>	N/A	
8		<b><u>OSCOM Task and Finish Panel Review: The Member's Role in Planning</u></b>	<b>Head of Planning and Building</b>
	<b>Resolved</b>	<ol style="list-style-type: none"> <li>1. Planning training for all Members be provided by officers and external trainers on a regular basis;</li> <li>2. An initial general briefing session be introduced for all Members that covers the areas described by officers in the Annex attached to the report;</li> <li>3. A rolling programme of training for Members be introduced covering specific aspects of planning including, updates, procedure and good practice;</li> <li>4. The Head of Planning and Building be instructed to identify a suitable training provider to deliver high quality Members' training;</li> <li>5. The cost of the new training be contained within the Members' Development budget;</li> <li>6. An evaluation process based on how training sessions have assisted Members in their planning role be introduced through the use of a feedback questionnaire for participants;</li> <li>7. Members be advised of training sessions via a number of routes, including email, the Council Calendar and the Members' Information Bulletin;</li> <li>8. Any Member who attends an independently provided specialist planning training session should provide a briefing note for all members;</li> <li>9. The proposal to establish a "planning club" not be pursued;</li> <li>10. Training sessions on planning should take the form of workshops, involve officers and members working together, and adopt a case-study approach;</li> <li>11. The proposal to introduce a mentoring system be not pursued;</li> </ol>	

		<p>12. The meeting of the Planning Chairmen and Vice-Chairmen be asked to regularly consider and recommend further training requirements, for all Members;</p> <p>13. Training for Planning Chairmen and Vice-Chairmen continue to be provided as part of the Member's induction programme and further training be provided as required;</p> <p>14. The proposals to introduce a system for the maintenance/updating of Members' planning training records and a "training passport be not pursued;</p> <p>15. Data on committee and training attendance should be circulated to Group Leaders, the Planning and Transport Portfolio Holder and the Planning Committee Chairmen on an annual basis and not to all Members as suggested by the OSCOM Panel;</p> <p>16. The OSCOM Panel's recommendation that only members who have undergone induction training should sit on planning committees, be supported and the Head of Legal and Democratic Service's comments on the matter as set out in in 6.1.15 on page 60 of the agenda be noted;</p> <p>17. The OSCOM Panel's recommendations in respect of Member conduct be supported and the Head of Legal and Democratic Service's comments as set out in in 6.1.15 on page 60 of the agenda that these issues are, in the main, addressed by the Local Code for Councillors and Officers Dealing with Planning Matters ("the Local Code") or otherwise by effective training in areas of planning and related law, be noted;</p> <p>18. The OSCOM Panel's recommendation to enhance all Members' opportunity to take part in planning policy formulation and to introduce a more structured approach to reviewing the effectiveness of policies and their impact be supported and the Head of Planning Policy and Transport be requested to present a further report to Cabinet, in April 2015, on the practical implementation of these recommendations;</p> <p>19. The Head of Planning and Building be instructed to survey Members on their requirements of reports presented to Planning Committees and be asked to collate the information received and consider any suggestions with me, as Portfolio Holder, and agree what changes, if any, should be introduced;</p> <p>20. The Planning Advisory Service be employed from time to time to monitor the committee decision processes, provide feedback and identify any issues to be addressed.</p>	
	<b>Reasons for decision</b>	As detailed in the report.	
	<b>Alternative Options</b>	As detailed in the report.	

	considered but rejected		
	<b>Declared conflicts of Interest</b>	None	
	<b>Note of Dispensations Granted</b>	N/A	
9		<b><u>Management of Andover Museum</u></b>	<b>Head of Community and Leisure Services</b>
	<b>Resolved</b>	<ol style="list-style-type: none"> <li>1. That Test Valley Borough Council and Hampshire County Council jointly agree to cease cross-subsidy (TVBC to Andover Museum and HCC to the Lights) with effect from 01 April 2015.</li> <li>2. That a deed of waiver be drafted to formally agree for the Joint Management Agreement (JMA) to be terminated by mutual agreement, also with effect from 01 April 2015.</li> <li>3. That the Joint Management Committee cease from 01 April 2015.</li> </ol>	
	<b>Reasons for decision</b>	As detailed in the report.	
	<b>Alternative Options considered but rejected</b>	As detailed in the report.	
	<b>Declared conflicts of Interest</b>	None	
	<b>Note of Dispensations Granted</b>	N/A	
10		<b><u>Write Off of Uncollectable Debts</u></b>	<b>Head of Revenues</b>
	<b>Resolved</b>	That the debts as detailed in the report, totalling £101,704.93 be written off in the Council's accounts as uncollectable.	
	<b>Reasons for decision</b>	As detailed in the report.	
	<b>Alternative Options considered but rejected</b>	As detailed in the report.	
	<b>Declared conflicts of Interest</b>	None	
	<b>Note of Dispensations Granted</b>	N/A	
11		<b><u>Review of Council Tax Support Scheme for 2015/16</u></b>	<b>Head of Revenues</b>
	<b>Resolved</b>	<ol style="list-style-type: none"> <li>1. That the Head of Revenues bring forward the local Council Tax Support Scheme (also known as the</li> </ol>	

		<p>Test Valley Borough Council - Council - 23 January 2019  <b>Council Tax Reduction Scheme for 2015/16</b>, based on the principles of the 2014/15 Scheme, for approval by Council in January 2015 and that the scheme continues to disregard 100% of certain payments (for working age and pensioner age customers) made under the War Pension and Armed Forces Compensation Schemes.</p> <p>2. That the Head of Revenues, in preparing the 2015/16 scheme for approval, include provision for the components of the Council Tax Support Scheme to be uplifted in line with the national Council Tax Support Pensioner Scheme and national Housing Benefit Scheme.</p>	
	<b>Reasons for decision</b>	As detailed in the report.	
	<b>Alternative Options considered but rejected</b>	As detailed in the report.	
	<b>Declared conflicts of Interest</b>	None	
	<b>Note of Dispensations Granted</b>	N/A	
12		<b><u>Request for an Increase in Hackney Carriage Fares</u></b>	Head of L&D
	<b>Resolved</b>	<p>1. An increase in the Hackney Carriage fares in the Borough, as requested by the Test Valley Taxi Association and detailed in this report, be granted and that the Head of Legal and Democratic Services make the necessary arrangements for the implementation of the new fare structure.</p> <p>2. The responsibility for approving future fare increases be delegated to the Head of Legal and Democratic Services in consultation with the Corporate Portfolio Holder.</p>	
	<b>Reasons for decision</b>	As detailed in the report.	
	<b>Alternative Options considered but rejected</b>	As detailed in the report.	
	<b>Declared conflicts of Interest</b>	None	
	<b>Note of Dispensations Granted</b>	N/A	
13		<b><u>Members' Allowances Scheme – Recommendations of the Independent Review Panel</u></b>	Head of L&D
	<b>Recommended to Council</b>	<p>1. That the Independent Review Panel's report, attached as Annex 1 to the report, be noted.</p> <p>2. That the following recommendations be considered and if accepted that these take effect from 7 May 2015.</p> <p>2.1 That payment of the Basic Allowance and Special Responsibility Allowance be paid as</p>	

		<p>2.2 That the above allowances be increased annually from 1 April 2016 in line with any overall percentage increases awarded to employees by the National Joint Council (NJC) for Local Government Services after 7 May 2015.</p> <p>2.3 That no Member of the Council receive more than one SRA.</p> <p>2.4 That SRAs are automatically adjusted pro rata where a Member is unable to undertake all or most of the duties covered by an SRA for a continuous period of one calendar month or more because of illness and where a Member takes on these duties as set out in the Independent Review Panel's report.</p> <p>2.5 That the Childcare and Dependent Carers scheme be adopted as set out in the Independent Review Panel's report.</p> <p>2.6 Travel and Subsistence Allowances be paid in respect of the same "approved duties" as in the Council's existing arrangements for such allowances except that the Head of Legal and Democratic Services be delegated authority to authorise reimbursement of the cost of accommodation which has been booked directly by Members and costs more than the limit in exceptional circumstances.</p> <p>2.7 That Subsistence rates be paid at costs actually incurred by Members as set out in the Independent Review Panel's report.</p> <p>2.8 That Travel Allowances continue and passenger payments be kept in line with the Inland Revenue's assessment of "per mile" operating costs.</p> <p>2.9 That reimbursement for rail travel be restricted to all classes other than 1<sup>st</sup> Class.</p> <p>2.10 That payments be made to co-opted Members at the same rate of travel and subsistence allowance which applies to Councillors in respect of attendance at meetings etc., plus any reasonable out-of-pocket expenses they incur subject to the approval of the Head of Legal and Democratic Services.</p> <p>2.11 That all the above allowances, other than the BA, SRAs and rates of travel allowance, be increased on 1 April each year by the same percentage as the increase in the Consumer Prices Index for the preceding September, commencing with an increase in April 2016 and followed by increases in April 2017 and 2018.</p> <p>2.12 That allowances be recovered from any Member who is suspended or disqualified.</p> <p>3. That attendance figures be published annually on the Council's website showing the attendance records of Members at meetings commencing with figures for 2015/16.</p> <p>4. That the Mayoral and Deputy Mayoral</p>	
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		<p>Allowances for the financial years 2015 to 2018 be provided at the same level of net payments (£11,770 and £4,267 respectively) as currently and to maintain these allowances at the same level throughout that period.</p> <p>4.1 That from May 2015 the Mayoral and Deputy Mayoral Allowances be paid in monthly instalments.</p> <p>5. That a full review of all allowances by the Independent Review Panel be carried out in summer/autumn 2018 (with a view to recommending a revised allowance scheme for implementation from May 2019), unless Members wish allowances to be reviewed again at an earlier stage, or there are changes in the Council's organisation or structure which requires an early review of the current scheme.</p>	
	<b>Reasons for decision</b>	As detailed in the report.	
	<b>Alternative Options considered but rejected</b>	As detailed in the report.	
	<b>Declared conflicts of Interest</b>	None	
	<b>Note of Dispensations Granted</b>	N/A	
14		<b><u>Proper Officer Appointments and Scheme of Delegations to Head of Administration</u></b>	Head of L&D
	<p><b>Resolved</b></p> <p><b>Recommended to Council</b></p>	<p>1. That the Scheme of Delegations attached as Annex 1 to the report in so far as it applies to the powers and duties of the Cabinet, be delegated to the Head of Legal and Democratic Services.</p> <p>2. That the Head of Legal and Democratic Services be appointed Proper Officer for the functions listed in Annex 2 to the report in so far as it applies to the powers and duties of the Cabinet.</p> <p>3. That the Legal Service Manager be authorised to attest to the affixing of the Seal.</p> <p><b>Recommended to Council:</b></p> <p>1. That the Scheme of Delegations attached as Annex 1 to the report in so far as it applies to the powers and duties of the Council, be delegated to the Head of Legal and Democratic Services.</p> <p>2. That the Head of Legal and Democratic Services be appointed Proper Officer for the functions listed in Annex 2 to the report in so far as it applies to the powers and duties of the Council.</p> <p>3. That the Legal Service Manager be authorised to attest to the affixing of the Seal.</p>	

	<b>Reasons for decision</b>	As detailed in the report.	
	<b>Alternative Options considered but rejected</b>	As detailed in the report.	
	<b>Declared conflicts of Interest</b>	None	
	<b>Note of Dispensations Granted</b>	N/A	
15		<b><u>Appointment to Licensing Committee</u></b>	<b>Head of L&amp;D</b>
	<b>Recommended to Council</b>	<b>That Councillor Janet Whiteley be appointed to the Licensing Committee.</b>	
	<b>Reasons for decision</b>	As detailed in the report.	
	<b>Alternative Options considered but rejected</b>	As detailed in the report.	
	<b>Declared conflicts of Interest</b>	None	
	<b>Note of Dispensations Granted</b>	N/A	
16		<b><u>HR Resourcing</u></b>	<b>Human Resources Manager</b>
	<b>Resolved</b>	<ol style="list-style-type: none"> <li>1. That additional hours equivalent to an increase of 1 FTE HR Advisor post be added to the HR establishment.</li> <li>2. That £24,050 be added to the HR budget for 2015/16 and this to be reflected in the next budget update report to Cabinet.</li> </ol>	
	<b>Reasons for decision</b>	As detailed in the report.	
	<b>Alternative Options considered but rejected</b>	As detailed in the report.	
	<b>Declared conflicts of Interest</b>	None	
	<b>Note of Dispensations Granted</b>	N/A	
17		<b><u>Exclusion of the Public</u></b>	
	<b>Resolved</b>	<b>That pursuant to Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting for the consideration of reports on the following matters on the grounds that they involve the likely disclosure of exempt information as defined in the following Paragraphs of</b>	

		Part 9 of Schedule 12A of the Local Government Act 1972, as amended, indicated below. The public interest in maintaining the exemption outweighs the public interest in disclosing the information for the reason given below:  <b>Housing Options Staffing Arrangements: Paragraphs 1 and 3</b>	
	<b>Reasons for decision</b>	As detailed in the report.	
	<b>Alternative Options considered but rejected</b>	As detailed in the report.	
	<b>Declared conflicts of Interest</b>	None	
	<b>Note of Dispensations Granted</b>	N/A	
18		<b><u>Housing Options Staffing Arrangements</u></b>	<b>Head of Housing and Environmental Health</b>
	<b>Resolved</b>	<ol style="list-style-type: none"> <li>1. That the posts identified in paragraph 5.11 of the report be made permanent with immediate effect.</li> <li>2. That the funding options as set out in paragraph 8 of the report be approved.</li> </ol>	
	<b>Reasons for decision</b>	As detailed in the report.	
	<b>Alternative Options considered but rejected</b>	As detailed in the report.	
	<b>Declared conflicts of Interest</b>	None	
	<b>Note of Dispensations Granted</b>	N/A	

Should any member wish to call in any of the decisions listed above please write to the Head of Administration by noon on the 6<sup>th</sup> working day following the day of the meeting (2<sup>nd</sup> January 2015).

**Minutes of the Cabinet**  
**of the Test Valley Borough Council**  
 held in The Annexe, Crosfield Hall, Broadwater Road, Romsey  
 on Wednesday 17 December 2014 at 5.30 pm

Attendance:

<b>Councillor I Carr</b> <b>(Leader)</b>	(P)	<b>Councillor M Hatley</b> <b>(Deputy Leader)</b>	(P)
Councillor D Busk	(A)	Councillor P Giddings	(P)
Councillor S Hawke	(P)	Councillor G Stallard	(P)
Councillor A Ward	(P)		

Also in attendance:

Councillor M Cooper	Councillor I Hibberd
Councillor K Tilling	

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**Minutes**

**Resolved:**

**That the minutes of the meeting held on 26 November 2014 be confirmed and signed as a correct record.**

214

**Review of the Romsey Town Access Plan SPD (2014)**

The Romsey Town Access Plan Supplementary Planning Document (SPD) was first adopted in 2011 and the document now needs to be reviewed to take account of the changing planning framework and to update the list of potential highway improvements.

The purpose of the Romsey Town Access Plan is to provide a strategy for how to access facilities and services. It provides a mechanism for the co-ordination of developer contributions and funding sources to deliver specific measures contained within the document

Following public consultation and its adoption it will replace the existing document.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

**Resolved:**

1. **That the Review of the Romsey Town Access Plan SPD (2014) attached as Annex 1 be approved for public consultation subject to the following amendments:**
  - a. **That TVBC0053 on page 42 of the agenda be amended to include “pedestrians along the bypass.”**

- b. That the Scheme Proposal in TVBC 0053 on page 42 of the agenda be amended to include investigation of the provision of lighting.
  - c. That the Scheme Proposal in TVBC 0070 on page 46 of the agenda be amended to include bus shelters and appropriate hard standing.
  - d. That the pay and display spaces in paragraph 3.23 of the report be amended by replacing “631” with “951” and “56” with “45”.
  - e. That the words “... private car parking areas...” in paragraph 3.23 of the report be replaced with “... other car parking areas....”.
2. That the Head of Planning Policy and Transport be delegated to make changes of a minor nature to improve the presentation of the documents and correct typographical errors prior to publication.

215

### **OSCOM Task and Finish Panel Review:** **The Member’s Role in Planning**

A review has been undertaken of the Member’s role in the Planning Policy and Development Management processes by an OSCOM task and finish panel. This review has involved a member survey, discussions with officers and the analysis of relevant statistical information.

The Panel’s findings suggest that:

- Planning training programmes should be revised and extended.
- Members’ contributions on planning committees require additional monitoring and support.
- The infrastructure around training and committee work should be enhanced and consolidated.

Cabinet agreed that the Head of Planning Policy and Transport, the Head of Planning and Building and the Head of Legal and Democratic Services report to Cabinet on the feasibility of implementing the recommendations of the OSCOM Task and Finish panel. The report advised on the outcome of this work.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

#### **Resolved:**

1. **Planning training for all Members be provided by officers and external trainers on a regular basis;**
2. **An initial general briefing session be introduced for all Members that covers the areas described by officers in the Annex attached to the report;**

- 3. A rolling programme of training for Members be introduced covering specific aspects of planning including, updates, procedure and good practice;**
- 4. The Head of Planning and Building be instructed to identify a suitable training provider to deliver high quality Members' training;**
- 5. The cost of the new training be contained within the Members' Development budget;**
- 6. An evaluation process based on how training sessions have assisted Members in their planning role be introduced through the use of a feedback questionnaire for participants;**
- 7. Members be advised of training sessions via a number of routes, including email, the Council Calendar and the Members' Information Bulletin;**
- 8. Any Member who attends an independently provided specialist planning training session should provide a briefing note for all members;**
- 9. The proposal to establish a "planning club" not be pursued;**
- 10. Training sessions on planning should take the form of workshops, involve officers and members working together, and adopt a case-study approach;**
- 11. The proposal to introduce a mentoring system be not pursued;**
- 12. The meeting of the Planning Chairmen and Vice-Chairmen be asked to regularly consider and recommend further training requirements, for all Members;**
- 13. Training for Planning Chairmen and Vice-Chairmen continue to be provided as part of the Member's induction programme and further training be provided as required;**
- 14. The proposals to introduce a system for the maintenance/updating of Members' planning training records and a "training passport be not pursued;**
- 15. Data on committee and training attendance should be circulated to Group Leaders, the Planning and Transport Portfolio Holder and the Planning Committee Chairmen on an annual basis and not to all Members as suggested by the OSCOM Panel;**
- 16. The OSCOM Panel's recommendation that only members who have undergone induction training should sit on planning committees, be supported and the Head of Legal and Democratic Service's comments on the matter as set out in in 6.1.15 on page 60 of the agenda be noted;**

17. **The OSCOM Panel’s recommendations in respect of Member conduct be supported and the Head of Legal and Democratic Service’s comments as set out in in 6.1.15 on page 60 of the agenda that these issues are, in the main, addressed by the Local Code for Councillors and Officers Dealing with Planning Matters (“the Local Code”) or otherwise by effective training in areas of planning and related law, be noted;**
18. **The OSCOM Panel’s recommendation to enhance all Members’ opportunity to take part in planning policy formulation and to introduce a more structured approach to reviewing the effectiveness of policies and their impact be supported and the Head of Planning Policy and Transport be requested to present a further report to Cabinet, in April 2015, on the practical implementation of these recommendations;**
19. **The Head of Planning and Building be instructed to survey Members on their requirements of reports presented to Planning Committees and be asked to collate the information received and consider any suggestions with me, as Portfolio Holder, and agree what changes, if any, should be introduced;**
20. **The Planning Advisory Service be employed from time to time to monitor the committee decision processes, provide feedback and identify any issues to be addressed.**

216

### **Management of Andover Museum**

Over the past two years, Hampshire County Council (HCC) and Winchester City Council (WCC) have been in consultation with numerous stakeholders (including District Councils) regarding their proposal to form a new cultural trust and to transfer their Arts and Museums venues (including Andover Museum) into the new Trust’s management.

The transfer was formally agreed by HCC and WCC on 01 November 2014.

The report of the Community and Leisure Portfolio Holder sought approval for amendments to governance and funding agreements as necessary, specifically for Andover Museum (as the one venue in Test Valley which is affected as a consequence).

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

#### **Resolved:**

1. **That Test Valley Borough Council and Hampshire County Council jointly agree to cease cross-subsidy (TVBC to Andover Museum and HCC to the Lights) with effect from 1 April 2015.**
2. **That a deed of waiver be drafted to formally agree for the Joint Management Agreement (JMA) to be terminated by mutual agreement, also with effect from 1 April 2015.**
3. **That the Joint Management Committee cease from 1 April 2015.**

217

### **Write Off of Uncollectable Debts**

Under Financial Procedure Rule E2.2 the Head of Finance has responsibility, in consultation with the appropriate Chief Officer, to agree the write-off of bad debts or other sums due to the Authority up to a limit of £5,000. Amounts in excess of £5,000 have to be authorised by the Head of Finance in consultation with the Economic Portfolio Holder, but amounts in excess of £25,000 must be referred to the Cabinet for approval..

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

#### **Resolved:**

**That the debts as detailed in the report, totalling £101,704.93 be written off in the Council's accounts as uncollectable.**

218

### **Review of Council Tax Support Scheme for 2015/16**

Council Tax Benefit (CTB) was replaced with a local Council Tax Support (CTS) Scheme from 2013/14. The Council must now consider the options for 2015/16.

The national welfare reform programme is on-going and Universal Credit (UC), which will have a significant impact on the CTS Scheme, is currently scheduled to be completed around 2017.

Benefits customers continue to experience a time of significant change. The current CTS Scheme works well and provides support for those on the lowest incomes and in greatest financial need.

The estimated cost of the 2015/16 recommended Scheme can be met within current budget estimates and therefore does not create an additional budget pressure.

Given the current and future scale of welfare reform it is recommended that the current CTS Scheme continues to be adopted for 2015/16, with an uplift in value in some elements of the scheme in line with the arrangements for national benefits.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

#### **Resolved:**

- 1. That the Head of Revenues bring forward the local Council Tax Support Scheme (also known as the Council Tax Reduction Scheme) for 2015/16, based on the principles of the 2014/15 Scheme, for approval by Council in January 2015 and that the scheme continues to disregard 100% of certain payments (for working age and pensioner age customers) made under the War Pension and Armed Forces Compensation Schemes.**



2. **That the Head of Revenues, in preparing the 2015/16 scheme for approval, include provision for the components of the Council Tax Support Scheme to be uplifted in line with the national Council Tax Support Pensioner Scheme and national Housing Benefit Scheme.**

## 219 **Request for an Increase in Hackney Carriage Fares**

A request for an increase in Hackney Carriage fares charged by taxis in the Borough had been submitted by the Test Valley Taxi Association.

Cabinet previously agreed a request at its meeting held on 1 October 2014 but for technical reasons this tariff of fares could not be implemented and so Test Valley Taxi Association have subsequently submitted a revised tariff.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

### **Resolved:**

1. **An increase in the Hackney Carriage fares in the Borough, as requested by the Test Valley Taxi Association and detailed in this report, be granted and that the Head of Legal and Democratic Services make the necessary arrangements for the implementation of the new fare structure.**
2. **The responsibility for approving future fare increases be delegated to the Head of Legal and Democratic Services in consultation with the Corporate Portfolio Holder.**

## 220 **Members' Allowances Scheme – Recommendations of the Independent Review Panel**

The Independent Review Panel consisting of Mr Steve Vale, Mr Trevor Cox and Mr Michael Cronin met on 7 and 8 October 2014 to recommend a new scheme of allowances to be effective from 7 May 2015.

The recommendations of the Independent Review Panel were set out in the report attached as Annex 1 to the agenda.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

### **Recommended to Council:**

1. **That the Independent Review Panel's report, attached as Annex 1 to the report, be noted.**
2. **That the following recommendations be considered and if accepted that these take effect from 7 May 2015.**

- 2.1 That payment of the Basic Allowance and Special Responsibility Allowance be paid as set out in Annex 2.**
- 2.2 That the above allowances be increased annually from 1 April 2016 in line with any overall percentage increases awarded to employees by the National Joint Council (NJC) for Local Government Services after 7 May 2015.**
- 2.3 That no Member of the Council receive more than one SRA.**
- 2.4 That SRAs are automatically adjusted pro rata where a Member is unable to undertake all or most of the duties covered by an SRA for a continuous period of one calendar month or more because of illness and where a Member takes on these duties as set out in the Independent Review Panel's report.**
- 2.5 That the Childcare and Dependent Carers scheme be adopted as set out in the Independent Review Panel's report.**
- 2.6 Travel and Subsistence Allowances be paid in respect of the same "approved duties" as in the Council's existing arrangements for such allowances except that the Head of Legal and Democratic Services be delegated authority to authorise reimbursement of the cost of accommodation which has been booked directly by Members and costs more than the limit in exceptional circumstances.**
- 2.7 That Subsistence rates be paid at costs actually incurred by Members as set out in the Independent Review Panel's report.**
- 2.8 That Travel Allowances continue and passenger payments be kept in line with the Inland Revenue's assessment of "per mile" operating costs.**
- 2.9 That reimbursement for rail travel be restricted to all classes other than 1<sup>st</sup> Class.**
- 2.10 That payments be made to co-opted Members at the same rate of travel and subsistence allowance which applies to Councillors in respect of attendance at meetings etc., plus any reasonable out-of-pocket expenses they incur subject to the approval of the Head of Legal and Democratic Services.**
- 2.11 That all the above allowances, other than the BA, SRAs and rates of travel allowance, be increased on 1 April each year by the same percentage as the increase in the Consumer Prices Index for the preceding September, commencing with an increase in April 2016 and followed by increases in April 2017 and 2018.**
- 2.12 That allowances be recovered from any Member who is suspended or disqualified.**

3. That attendance figures be published annually on the Council's website showing the attendance records of Members at meetings commencing with figures for 2015/16.
4. That the Mayoral and Deputy Mayoral Allowances for the financial years 2015 to 2018 be provided at the same level of net payments (£11,770 and £4,267 respectively) as currently and to maintain these allowances at the same level throughout that period.
  - 4.1 That from May 2015 the Mayoral and Deputy Mayoral Allowances be paid in monthly instalments.
5. That a full review of all allowances by the Independent Review Panel be carried out in summer/autumn 2018 (with a view to recommending a revised allowance scheme for implementation from May 2019), unless Members wish allowances to be reviewed again at an earlier stage, or there are changes in the Council's organisation or structure which requires an early review of the current scheme.

## 221 Proper Office Appointments and Scheme of Delegations to Head of Administration

The purpose of the report is to transfer the Proper Officer appointments and delegations from the Head of Administration who retires at the end of December 2014 to the Head of Legal and Democratic Services.

The Leader thanked the Head of Administration for his service to the Council and to Members and wished him well for the future.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

### Resolved:

1. That the Scheme of Delegations attached as Annex 1 to the report in so far as it applies to the powers and duties of the Cabinet, be delegated to the Head of Legal and Democratic Services.
2. That the Head of Legal and Democratic Services be appointed Proper Officer for the functions listed in Annex 2 to the report in so far as it applies to the powers and duties of the Cabinet.
3. That the Legal Service Manager be authorised to attest to the affixing of the Seal.

### Recommended to Council:

1. That the Scheme of Delegations attached as Annex 1 to the report in so far as it applies to the powers and duties of the Council, be delegated to the Head of Legal and Democratic Services.

2. **That the Head of Legal and Democratic Services be appointed Proper Officer for the functions listed in Annex 2 to the report in so far as it applies to the powers and duties of the Council.**
3. **That the Legal Service Manager be authorised to attest to the affixing of the Seal.**

222

**Appointment to Licensing Committee**

A replacement Member is required following a resignation from the Committee.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

**Recommended to Council:**

**That Councillor Janet Whiteley be appointed to the Licensing Committee.**

223

**HR Resourcing**

The report considered the resourcing of the HR team and recommended that additional hours were introduced at the HR Advisor level.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

**Resolved:**

1. **That additional hours equivalent to an increase of 1 FTE HR Advisor post be added to the HR establishment.**
2. **That £24,050 be added to the HR budget for 2015/16 and this to be reflected in the next budget update report to Cabinet.**

224

**Exclusion of the Public****Resolved:**

**That pursuant to Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting for the consideration of the following matters on the grounds that they involve the likely disclosure of exempt information as defined in the following Paragraph of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, indicated below. The public interest in maintaining the exemption outweighs the public interest in disclosing the information for the reason given below:**

**Housing Options Staffing Arrangements –****Paragraphs 1 and 3**

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because reference is made to individual staff members and their salary costs.

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**Housing Options Staffing Arrangements**

The report related to two temporary posts in the Housing and Environmental Health Service.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

**Resolved:**

1. That the posts identified in paragraph 5.11 of the report be made permanent with immediate effect.
2. That the funding options as set out in paragraph 8 of the report be approved.

(Meeting terminated at 6.35 pm)

**ITEM 8 To receive and, where necessary, adopt the following reports of Committees:****To receive and, where necessary, adopt the following reports of Committees:**

(Some reports may involve the disclosure of exempt information. If the Council wishes to debate them, for each individual case the Council will need to adopt a suitable motion).

**8.1 To receive the minutes of the following meetings:**

- 8.1.1 Northern Area Planning Committee – 23 October 2014
- 8.1.2 Southern Area Planning Committee – 28 October 2014
- 8.1.3 Cabinet – 29 October 2014
- 8.1.4 Southern Area Planning Committee – 4 November 2014
- 8.1.5 Overview & Scrutiny Committee – 5 November 2014
- 8.1.6 Northern Area Planning Committee – 13 November 2014
- 8.1.7 Southern Area Planning Committee – 18 November 2014
- 8.1.8 Licensing Committee – 20 November 2014
- 8.1.9 Southern Area Planning Committee – 25 November 2014
- 8.1.10 Cabinet – 26 November 2014
- 8.1.11 Overview & Scrutiny Committee – 3 December 2014
- 8.1.12 Northern Area Planning Committee – 4 December 2014
- 8.1.13 Southern Area Planning Committee – 9 December 2014
- 8.1.14 Planning Control Committee – 16 December 2014
- 8.1.15 Cabinet – 17 December 2014
- 8.1.16 Planning Control Committee – 18 December 2014
- 8.1.17 Northern Area Planning Committee – 23 December 2014
- 8.1.18 Cabinet – 14 January 2015

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- 8.1.19 Overview & Scrutiny Committee – 21 January 2015
- 8.1.20 Northern Area Planning Committee – 22 January 2015
- 8.1.21 Southern Area Planning Committee – 27 January 2015

(Note: in relation to 8.1.18, 8.1.19, 8.1.20 and 8.1.21 these minutes are not included in the minute book and will be presented at the next Council meeting but members are able to ask questions on resolved items.)

## 8.2 **To adopt recommendations from the following:**

- 8.2.1 Cabinet – 26 November 2014

### Capital Programme Update – 2014/15 to 2016/17

The report of the Economic Portfolio Holder provided an update on the progress of the existing 2014/15 Capital Programme and included forecast changes to its timescale and total cost.

It also put forward proposals for new capital schemes recommended to be added to the Capital Programme over the period 2014/15 to 2016/17.

The total cost of bids recommended for inclusion in the Capital Programme was £1.185M. After taking into account external funding the net cost of these bids was £670,000.

The net cost of the capital bids was recommended to be funded from the New Homes Bonus Reserve.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

### **Recommended to Council:**

1. **That the capital schemes with a total cost £1.185M, as shown in Annex 1 to the report, be added to the 2014/15 to 2016/17 Capital Programme.**
2. **That the revised estimates and financing for the 2014/15 to 2016/17 Capital Programme, as shown in Annex 2 to the report be approved.**
3. **That £1.178M of the receipt in respect of Right-to-Buy sales in 2013/14 be earmarked for future Housing-related capital projects (see paras 5.8 & 5.9 of the report).**

Asset Management Plan Update

The report provided an update on the approved 2014/15 Asset Management Plan (AMP) and recommended the projects to be included in the 2015/16 budget.

It provided an update on the financing of AMP projects, including a forecast of the balance on the Asset Management Reserve at 31 March 2016.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Recommended to Council:

1. **That the revised 2014/15 and original 2015/16 Asset Management Plan, as shown in annexes 1 and 2 to the report, be approved.**
2. **That the Head of Finance, after consultation with the Economic Portfolio holder and Head of Service responsible for any project, be authorised to amend the Asset Management Plan during the year, as discussed in paragraph 7.3 of the report.**

Gypsy and Travellers DPD

The report set out the Council's proposed Gypsy and Traveller Development Plan Document for public consultation.

The Planning and Transport Portfolio Holder proposed an amendment to paragraph 1.9 of annex 1 to the Gypsy & Traveller DPD to reflect further discussions with Natural England/ County Council Ecologist.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Recommended to Council:

1. **That the Gypsy and Traveller DPD (annex 1 to the report) together with the Sustainability Appraisal and Habitats Regulation Assessment be approved for public consultation subject to para 1.9 of the DPD being replaced with:-**

***“The Council has produced a Habitats Regulations Assessment which identifies where there may be an adverse effect on the integrity of any Natura 2000 or Ramsar site. This work has identified that mitigation may be required to address impacts on International Sites in line with Policy COM1 of the Revised Local Plan.”***



2. **That the Head of Planning Policy & Transport be authorised to make changes of a minor nature to improve the presentation of the document and correct typographical errors prior to publication.**

#### 8.2.2 Cabinet – 17 December 2014

##### Members' Allowances Scheme – Recommendations of the Independent Review Panel

The Independent Review Panel consisting of Mr Steve Vale, Mr Trevor Cox and Mr Michael Cronin met on 7 and 8 October 2014 to recommend a new scheme of allowances to be effective from 7 May 2015.

The recommendations of the Independent Review Panel were set out in the report attached as Annex 1 to the agenda.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

##### Recommended to Council:

1. **That the Independent Review Panel's report, attached as Annex 1 to the report, be noted.**
2. **That the following recommendations be considered and if accepted that these take effect from 7 May 2015.**
  - 2.1 **That payment of the Basic Allowance and Special Responsibility Allowance be paid as set out in Annex 2.**
  - 2.2 **That the above allowances be increased annually from 1 April 2016 in line with any overall percentage increases awarded to employees by the National Joint Council (NJC) for Local Government Services after 7 May 2015.**
  - 2.3 **That no Member of the Council receive more than one SRA.**
  - 2.4 **That SRAs are automatically adjusted pro rata where a Member is unable to undertake all or most of the duties covered by an SRA for a continuous period of one calendar month or more because of illness and where a Member takes on these duties as set out in the Independent Review Panel's report.**
  - 2.5 **That the Childcare and Dependent Carers scheme be adopted as set out in the Independent Review Panel's report.**

- 2.6 Travel and Subsistence Allowances be paid in respect of the same “approved duties” as in the Council’s existing arrangements for such allowances except that the Head of Legal and Democratic Services be delegated authority to authorise reimbursement of the cost of accommodation which has been booked directly by Members and costs more than the limit in exceptional circumstances.**
- 2.7 That Subsistence rates be paid at costs actually incurred by Members as set out in the Independent Review Panel’s report.**
- 2.8 That Travel Allowances continue and passenger payments be kept in line with the Inland Revenue’s assessment of “per mile” operating costs.**
- 2.9 That reimbursement for rail travel be restricted to all classes other than 1<sup>st</sup> Class.**
- 2.10 That payments be made to co-opted Members at the same rate of travel and subsistence allowance which applies to Councillors in respect of attendance at meetings etc., plus any reasonable out-of-pocket expenses they incur subject to the approval of the Head of Legal and Democratic Services.**
- 2.11 That all the above allowances, other than the BA, SRAs and rates of travel allowance, be increased on 1 April each year by the same percentage as the increase in the Consumer Prices Index for the preceding September, commencing with an increase in April 2016 and followed by increases in April 2017 and 2018.**
- 2.12 That allowances be recovered from any Member who is suspended or disqualified.**
- 3. That attendance figures be published annually on the Council’s website showing the attendance records of Members at meetings commencing with figures for 2015/16.**
- 4. That the Mayoral and Deputy Mayoral Allowances for the financial years 2015 to 2018 be provided at the same level of net payments (£11,770 and £4,267 respectively) as currently and to maintain these allowances at the same level throughout that period.**
  - 4.1 That from May 2015 the Mayoral and Deputy Mayoral Allowances be paid in monthly instalments.**

- 5 That a full review of all allowances by the Independent Review Panel be carried out in summer/autumn 2018 (with a view to recommending a revised allowance scheme for implementation from May 2019), unless Members wish allowances to be reviewed again at an earlier stage, or there are changes in the Council's organisation or structure which requires an early review of the current scheme.**

Proper Officer Appointments and Scheme of Delegations to Head of Administration

The purpose of the report is to transfer the Proper Officer appointments and delegations from the Head of Administration who retires at the end of December 2014 to the Head of Legal and Democratic Services.

The Leader thanked the Head of Administration for his service to the Council and to Members and wished him well for the future.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Resolved:

1. That the Scheme of Delegations attached as Annex 1 to the report in so far as it applies to the powers and duties of the Cabinet, be delegated to the Head of Legal and Democratic Services.
2. That the Head of Legal and Democratic Services be appointed Proper Officer for the functions listed in Annex 2 to the report in so far as it applies to the powers and duties of the Cabinet.
3. That the Legal Service Manager be authorised to attest to the affixing of the Seal.

Recommended to Council:

1. **That the Scheme of Delegations attached as Annex 1 to the report in so far as it applies to the powers and duties of the Council, be delegated to the Head of Legal and Democratic Services.**
2. **That the Head of Legal and Democratic Services be appointed Proper Officer for the functions listed in Annex 2 to the report in so far as it applies to the powers and duties of the Council.**

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**3. That the Legal Service Manager be authorised to attest to the affixing of the Seal.**

Appointment to Licensing Committee

A replacement Member is required following a resignation from the Committee.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

**Recommended to Council:**

**That Councillor Janet Whiteley be appointed to the Licensing Committee.**

8.2.3 Cabinet – 14 January 2015

Recommendations to follow (if any)

8.2.4 Overview & Scrutiny Committee – 21 January 2015

Recommendations to follow (if any)

8.2.5 Northern Area Planning Committee – 22 January 2015

Recommendations to follow (if any)

8.2.6 Southern Area Planning Committee – 27 January 2015

Recommendations to follow (if any)

Minutes of the Proceedings of the **Test Valley Borough Council**  
 held in the Crosfield Hall, Broadwater Road, Romsey  
 on Wednesday 28 January 2015 at 4:00 pm

Details of Attendance	Cllr J Lovell - The Worshipful the Mayor (Chairman)	(P)
	Cllr I Andersen - Deputy Mayor (Vice-Chairman)	(P)
	Cllr I Carr (Leader of the Council)	(P)
Cllr J Anderdon	(-)	Cllr P Giddings (P)
Cllr G Bailey	(P)	Cllr K Hamilton (P)
Cllr D Baverstock	(P)	Cllr M Hatley (P)
Cllr A Beesley	(P)	Cllr S Hawke (P)
Cllr K Bird	(P)	Cllr I Hibberd (P)
Cllr C Borg-Neal	(A)	Cllr A Hope (A)
Cllr P Boulton	(P)	Cllr P Hurst (P)
Cllr A Brook	(A)	Cllr A Johnston (P)
Cllr Z Brooks	(P)	Cllr P Lashbrook (A)
Cllr J Budzynski	(P)	Cllr N Long (P)
Cllr P Bundy	(P)	Cllr C Lynn (P)
Cllr D Busk	(P)	Cllr J Neal (A)
Cllr E Charnley	(-)	Cllr P North (P)
Cllr C Collier	(P)	Cllr B Page (P)
Cllr M Cooper	(A)	Cllr I Richards (P)
Cllr S Cosier	(A)	Cllr I Robin (A)
Cllr A Dowden	(P)	Cllr G Stallard (P)
Cllr C Dowden	(P)	Cllr K Tilling (P)
Cllr K Dunleavy	(A)	Cllr A Tupper (P)
Cllr B Few Brown	(P)	Cllr A Ward (A)
Cllr A Finlay	(P)	Cllr J Whiteley (P)
Cllr M Flood	(P)	Cllr N Whiteley (P)
Cllr A Gentle	(P)	

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**Prayers**

Prayers were led by Reverend Tim Sledge.

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**Apologies****Resolved:**

**That the apologies of Councillors Borg-Neal, Brook, Cooper, Cosier, Dunleavy, Hope, Lashbrook, Neal, Robin and Ward be noted.**

252

**Minutes****Resolved:**

**That the minutes of the meeting of the Council held on 12 November 2014 be confirmed and signed as a correct record.**

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**Public Participation**

In accordance with Council's Procedure Rules, the following members of the public spoke on agenda item 7.2.2.1 – Test Valley Revised Local Plan:

Mr R Larby  
 Mr B Russett  
 Ms S Smith

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**Mayor's Announcements**

The Worshipful the Mayor welcomed Emma Silverton the New Democratic Services Manager and thanked Tom van der Hoven, who retired as Head of Administration at the end of December 2014, for his support given to the Civic Office. The Worshipful the Mayor also thanked Tom for his many years of advice and guidance to the Test Valley Association of Parish and Town Councils.

The Worshipful the Mayor mentioned two events she attended on Christmas Day. The first was to read the poem 'A Carol from Flanders' at Vigo Recreation Ground to remember the Christmas Day truce during WWI, and the second was attending the Andover Community Lunch. The Mayor thanked Reverend Jill Bentall for organising the lunch.

The Worshipful the Mayor also mentioned that she had the privilege to represent Test Valley at 'Space for Peace' a vigil at Winchester Cathedral as part of Holocaust Memorial Day.

255

**Committee Reports**

255.1

**Minutes of Meetings****Resolved:**

**That the minutes of the following Committees and Cabinet meetings be received.**

Northern Area Planning Committee – 23 October 2014

Southern Area Planning Committee – 28 October 2014

Cabinet – 29 October 2014

Southern Area Planning Committee – 4 November 2014

Overview & Scrutiny Committee – 5 November 2014

Northern Area Planning Committee – 13 November 2014

Southern Area Planning Committee – 18 November 2014

Licensing Committee – 20 November 2014

Southern Area Planning Committee – 25 November 2014

Cabinet – 26 November 2014

Overview & Scrutiny Committee – 3 December 2014

Northern Area Planning Committee – 4 December 2014

Southern Area Planning Committee – 9 December 2014

Planning Control Committee – 16 December 2014

Cabinet – 17 December 2014

Planning Control Committee – 18 December 2014

Northern Area Planning Committee – 23 December 2014

255.2 **Recommendations**

255.2.1 Cabinet – 26 November 2014

255.2.1.1 **Capital Programme Update – 2014/15 to 2016/17**

**Resolved:**

1. That the capital schemes with a total cost £1.185M, as shown in Annex 1 to the report, be added to the 2014/15 to 2016/17 Capital Programme.
2. That the revised estimates and financing for the 2014/15 to 2016/17 Capital Programme, as shown in Annex 2 to the report be approved.
3. That £1.178M of the receipt in respect of Right-to-Buy sales in 2013/14 be earmarked for future Housing-related capital projects (see paras 5.8 & 5.9 of the report).

255.2.1.2 **Asset Management Plan Update**

**Resolved:**

1. That the revised 2014/15 and original 2015/16 Asset Management Plan, as shown in annexes 1 and 2 to the report, be approved.
2. That the Head of Finance, after consultation with the Economic Portfolio holder and Head of Service responsible for any project, be authorised to amend the Asset Management Plan during the year, as discussed in paragraph 7.3 of the report.

255.2.1.3 **Gypsy and Traveller DPD**

**Resolved:**

1. That the Gypsy and Traveller DPD (annex 1 to the report) together with the Sustainability Appraisal and Habitats Regulation Assessment be approved for public consultation subject to para 1.9 of the DPD being replaced with:-

*“The Council has produced a Habitats Regulations Assessment which identifies where there may be an adverse effect on the integrity of any Natura 2000 or Ramsar site. This work has identified that mitigation may be required to address impacts on International Sites in line with Policy COM1 of the Revised Local Plan.”*



2. That the Head of Planning Policy & Transport be authorised to make changes of a minor nature to improve the presentation of the document and correct typographical errors prior to publication.

255.2.2 Cabinet – 17 December 2014

255.2.2.1 **Members' Allowances Scheme – Recommendations of the Independent Review Panel**

**Resolved:**

1. That the Independent Review Panel's report, attached as Annex 1 to the report, be noted.
2. That the following recommendations take effect from 7 May 2015.
  - 2.1 That payment of the Basic Allowance and Special Responsibility Allowance be paid as set out in Annex 2.
  - 2.2 That the above allowances be increased annually from 1 April 2016 in line with any overall percentage increases awarded to employees by the National Joint Council (NJC) for Local Government Services after 7 May 2015.
  - 2.3 That no Member of the Council receive more than one SRA.
  - 2.4 That SRAs are automatically adjusted pro rata where a Member is unable to undertake all or most of the duties covered by an SRA for a continuous period of one calendar month or more because of illness and where a Member takes on these duties as set out in the Independent Review Panel's report.
  - 2.5 That the Childcare and Dependent Carers scheme be adopted as set out in the Independent Review Panel's report.
  - 2.6 Travel and Subsistence Allowances be paid in respect of the same "approved duties" as in the Council's existing arrangements for such allowances except that the Head of Legal and Democratic Services be delegated authority to authorise reimbursement of the cost of accommodation which has been booked directly by Members and costs more than the limit in exceptional circumstances.

- 2.7 That Subsistence rates be paid at costs actually incurred by Members as set out in the Independent Review Panel's report.**
- 2.8 That Travel Allowances continue and passenger payments be kept in line with the Inland Revenue's assessment of "per mile" operating costs.**
- 2.9 That reimbursement for rail travel be restricted to all classes other than 1<sup>st</sup> Class.**
- 2.10 That payments be made to co-opted Members at the same rate of travel and subsistence allowance which applies to Councillors in respect of attendance at meetings etc., plus any reasonable out-of-pocket expenses they incur subject to the approval of the Head of Legal and Democratic Services.**
- 2.11 That all the above allowances, other than the BA, SRAs and rates of travel allowance, be increased on 1 April each year by the same percentage as the increase in the Consumer Prices Index for the preceding September, commencing with an increase in April 2016 and followed by increases in April 2017 and 2018.**
- 2.12 That allowances be recovered from any Member who is suspended or disqualified.**
- 3. That attendance figures be published annually on the Council's website showing the attendance records of Members at meetings commencing with figures for 2015/16.**
- 4. That the Mayoral and Deputy Mayoral Allowances for the financial years 2015 to 2018 be provided at the same level of net payments (£11,770 and £4,267 respectively) as currently and to maintain these allowances at the same level throughout that period.**
  - 4.1 That from May 2015 the Mayoral and Deputy Mayoral Allowances be paid in monthly instalments.**
- 5 That a full review of all allowances by the Independent Review Panel be carried out in summer/autumn 2018 (with a view to recommending a revised allowance scheme for implementation from May 2019),**

unless Members wish allowances to be reviewed again at an earlier stage, or there are changes in the Council's organisation or structure which requires an early review of the current scheme.

255.2.2.2 **Proper Officer Appointments and Scheme of Delegations to Head of Administration**

**Resolved:**

1. That the Scheme of Delegations attached as Annex 1 to the report in so far as it applies to the powers and duties of the Council, be delegated to the Head of Legal and Democratic Services.
2. That the Head of Legal and Democratic Services be appointed Proper Officer for the functions listed in Annex 2 to the report in so far as it applies to the powers and duties of the Council.
3. That the Legal Service Manager be authorised to attest to the affixing of the Seal.

255.2.2.3 **Appointment to Licensing Committee**

**Resolved:**

That Councillor Janet Whiteley be appointed to the Licensing Committee.

255.2.3 Cabinet – 14 January 2015

255.2.3.1 **CIL Draft Charging Schedule – Submission for Examination**

**Resolved:**

1. That the CIL Draft Charging Schedule set out in Annex 3 and evidence base documents are submitted to the Planning Inspectorate for Examination in Public.
2. That the CIL Statement of Modifications set out in Annex 2 be published for notification.
3. That the Head of Planning Policy & Transport be authorised to make changes of a minor nature to improve the presentation of the document and correct typographical errors prior to submission and publication.

- 4. That the CIL Charging Schedule is reviewed 12 months after adoption.**

255.2.3.2 **Draft Calendar of Meetings**

**Resolved:**

**That the draft Calendar of Meetings for 2017 as set out in the annex to the report, be approved.**

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**Council Tax Support Scheme for 2015/16**

Support for Council Tax was localised from 2013/14. This meant that the Council had to design its own CTS Scheme for Test Valley residents to replace the national CTB Scheme. After a comprehensive consultation exercise the Council introduced a local CTS Scheme for 2013/14 which did not change the underlying basis on which the amount of financial support the Council provided was calculated.

Council Tax Benefit (CTB) was replaced with a local Council Tax Support (CTS) Scheme from 2013/14. The Council must now consider the options for 2015/16. The national welfare reform programme is on-going and Universal Credit (UC), which will have a significant impact on the CTS Scheme, is currently scheduled to be completed around 2017.

Benefits customers continue to experience a time of significant change. The current CTS Scheme works well and provides support for those on the lowest incomes and in greatest financial need.

The estimated cost of the 2015/16 recommended Scheme can be met within current budget estimates and therefore does not create an additional budget pressure.

**Resolved:**

- 1. That the local Council Tax Support Scheme (also known as the Council Tax Reduction Scheme), detailed at Annex A, be adopted - the main principles of which are as follows:**
  - a) base the local Council Tax Support Scheme for 2015/16 on the existing scheme for 2014/15;**
  - b) continue to disregard 100% of certain payments (for working age and pensioner age customers) made under the War Pension and Armed Forces Compensation Scheme;**
  - c) the annual uplift of the components of the Council Tax Support Scheme is in line with the uplift for the national Council Tax Support Scheme for Pensioners and the Housing Benefit Scheme.**

2. **That approval to make routine amendments to the local Council Tax Support Scheme, where necessary in light of legislative change to Council Tax Support, welfare benefits and other related legislation, be delegated to the Acting Head of Revenues (Benefits, Systems & Customer Services) in consultation with the Head of Finance and Economic Portfolio Holder and that the Council's Scheme of Delegation to officers be updated accordingly.**

## 257 **Romsey Public Walk and Pleasure Ground Scheme**

The Council is the owner of land held on trust as a Public Walk and Pleasure Ground. The Council is the sole Trustee. The effect of the trust is to require that the Council maintains the use of the Trust land as a Public Walk and Pleasure Ground.

An environmental improvement scheme has been prepared by Test Valley Borough Council to enhance the land to the west of Romsey Abbey. The extent of the scheme includes improvement to the Council's land, Trust land, public highway and land in the ownership of Parochial Church Council.

The proposal was seeking permission from the Council as Trustee to release £85,000 of Trust funds to be spent on the project in the 2015 financial year. The scheme has been designed to provide a significant enhancement of the area, having regard to its location within the conservation area and its proximity to Romsey Abbey.

### **Resolved:**

1. **That the Council acting as Trustee approve the environmental improvements to the Trust Land and the expenditure of £85,000 from funds held in trust for the benefit of the Trust Land adjacent to Romsey Abbey.**
2. **That Head of Legal and Democratic Services discharge all necessary procedural and legal requirements as may be required by the Charity Commission and Hampshire County Council and the Parochial Church Council.**
3. **That the approval of any amendment to the environmental improvement scheme be delegated to the Head of Planning Policy and Transport in consultation with the Planning and Transport Portfolio Holder.**

(The meeting ended at 5:15 pm)

**ANNEX 4****Payment of allowances to Councillors****1. General**

This memorandum is to draw Members' attention to the allowances available, basis of claim, procedures and other relevant information. It incorporates amendments to the Council's scheme and is effective from 1 April 2018.

<b>Subject</b>	<b>Index</b>	<b>Para. No.</b>
Members' Allowance Code		2
Basic Allowance		3
Special Responsibility Allowance		4
Travelling Allowance		5
Subsistence Allowance		6
Child Care and Dependant Carers' Allowance		8
Claiming the Allowances Due		9
Members who serve on two or more Local Authorities		10
Income Tax		11
Social Security		12

**2. Members' Allowance Code**

As from 1st May, 2003, the Members' Allowances Code is subject to the amendments made to section 18 of the 1989 Act as amended by section 99 of the Local Government Act 2000, by section 100 of the 2000 Act and the Local Authorities (Members' Allowances) (England) Regulations 2003.

Councillors are entitled to claim the following expenses in respect of approved duties covered by this memorandum: -

- (a) Basic Allowance.
- (b) Special Responsibility Allowance.
- (c) Travelling Allowance.
- (d) Subsistence Allowance.
- (e) Dependant Carers Allowance.

**3. Basic Allowance**

Basic Allowance will be paid to Members automatically. Members not wishing to receive this allowance should notify the Head of Legal and Democratic Services in writing.

The Council has resolved that the rate of Basic Allowance per member per annum is £6,582 to be paid at £548.50 per month. Allowances will be adjusted on a daily basis for Members retiring from or joining the Council during the financial year. The

Independent Review Panel met in Autumn 2014 to review the scheme and make recommendations to Council.

Council having had regard to the recommendations agreed a new Scheme which came into effect following the Borough Council elections on 7 May 2015.

The Basic Allowance also incorporates an allowance (previously Communications Allowance) for the purchase of hardware and software to enable Councillors to access the Council's IT Services where required and to carry out their Council business. This allowance also covers telecommunications.

This allowance is taxable (referred to later in paragraph 11) and is subject to the regulations relating to Class 1 contributions under the Social Security Act 1975.

#### **4. Special Responsibility Allowances**

The Council has the right to pay Special Responsibility Allowances to Members holding certain offices. This allowance will be paid automatically and Members not wishing to receive it should notify the Head of Legal and Democratic Services in writing.

No member of the Council shall receive more than one Special Responsibility Allowance

The allowance will be paid in 12 monthly instalments. Allowances will be adjusted on a daily basis for Members retiring from or joining the Council during the financial year, and when changes in office held are made.

This allowance is taxable (referred to later in paragraph 10) and is subject to the regulations relating to Class 1 contributions under the Social Security Act 1975.

The current scale of Special Responsibility Allowances as resolved by the Council is shown in Appendix A.

#### **5. Travelling Allowance**

The scale of Travelling Expenses is as shown in Appendix 'B'.

- (a) Rail Travel - is restricted to all classes other than 1<sup>st</sup> Class.
- (b) Car Mileage Allowance - Members may claim at the rates shown in Appendix B for the use of a motor vehicle.
- (c) Motorcycle Allowance - Members may claim at the rates shown in Appendix B for the use of a motorcycle.
- (d) Cycle Allowance - Members may claim at the rate shown in Appendix B for the use of a cycle.

Mileage under 45p per mile is not taxable. Mileage is restricted to the maximum of the return distance between home and the venue of the meeting. Mileage would also be claimable for journeys between venues when held on the same day and the timings are such that one would be unable to return home.

Only in exceptional circumstances, and with the approval by the Chief Executive, either Corporate Director, or the Head of Legal and Democratic Services, would mileage be claimable in excess of that distance. The essence of travelling expenses is that a Member may only claim expenditure actually incurred within the scales at Appendix 'B' and conditions laid down at Appendix 'C'.

## **6. Subsistence Allowances**

Scale of Subsistence Allowance is as stated in Appendix 'C'.

Where the Subsistence Allowance is payable, Members may claim up to the scale allowance for meals taken and paid for during the appropriate period of absence.

**Receipts must be provided by the claimant before any claim shall be authorised.** In exceptional circumstances the Head of Legal and Democratic Services has discretion to approve payment without a receipt. Regulations require that travel and subsistence expenses may only be claimed for an approved duty which has been approved before the duty is performed.

Approved duties for Travelling and Subsistence are only those relating directly to the Eligibility of Duties at Appendix 'C' and attendance as a representative of the Council at meetings of the bodies on Appendix 'E'.

A Member shall not be entitled to any payment of Travelling and Subsistence Allowance in respect of the performance of an approved duty within the Parish as a Parish Council Member.

## **7. Child Care and Dependant Carers' Allowance**

Child Care and Dependant Carers' Allowance is available to those Councillors who incur expenditure for the care of dependant relatives or children whilst undertaking approved duties of the Council. Approved duties are specified at Appendix 'F'.

A Carer's Allowance of up to £12.76 per hour, i.e. actual expenditure incurred up to a maximum of £12.76 per hour will be paid for care of dependants for children, elderly people or people with disabilities, while a member is on Council business where an annual allowance or travel and subsistence is payable.

Precludes any payment if the caring is undertaken by a member of the Councillor's own immediate family (e.g. spouse, partner, older child or grandparent).

Limits the maximum level of payment in any one week to a maximum of 8 hours or the duration of 2 meetings (whichever is the lesser period).



This allowance is taxable (referred to later in paragraph 11) and is subject to the regulations relating to Class 1 contributions under the Social Security Act 1975.

## **8. Claiming the Allowances Due**

The Regulations require that a Member who desires to claim any payment under the Allowances Code shall complete and claim in the appropriate form set forth in the Regulations. Members are, therefore, requested to complete and forward the appropriate form(s) to the Head of Legal and Democratic Services, Beech Hurst, Weyhill Road, Andover. This method of payment is by way of bank credit on the 18th of each month. In order for this process to be adhered to, claims should be received by the last working day of each month preceding the pay day.

The Regulations state that claims for Allowances should be made within two months of the date on which the duty was carried out. It is however, recommended that Members minimise their exposure to National Insurance contributions by making regular monthly claims.

Basic Allowance and Special Responsibility Allowance, where appropriate, will be paid to members automatically unless notification in writing declining allowances is sent to the Head of Legal and Democratic Services. Details of these allowances are set out in paragraphs 3, 4 and 7.

## **9. Members who serve on two or more Local Authorities**

Members' attention is drawn to the fact that if a Councillor is a member of one or more Local Authorities:

- (a) A Member shall not be entitled to take expenditure on travelling into account for the purposes of more than one claim.
- (b) A Member shall not be entitled to take any period of absence from his usual place of residence into account for the purposes of more than one claim.

## **10. Income Tax**

Travelling expenses and some subsistence expenses are not taxable.

Basic Allowance, Special Responsibility Allowance and Child Care and Dependant Carer's Allowance are taxable - the position being as follows:-

New members, who have no P45 (Certificate of pay and tax from a previous employer), will be issued with a P46. Page 1 of that form should be completed, and returned to the Payroll Section it will be forwarded to the Tax Office who will issue a tax code. Until notification from the Tax Office is received, tax will be deducted at the basic rate if appropriate.

## **11. Social Security**

As has been stated previously, the Basic Allowance, Special Responsibility Allowance and Cycle Allowance are subject to the provisions of the Social Security Act 1975. The position is outlined below:-

(A) Contributions - with effect from 6th April 2001.

- (i) A Member is liable for National Insurance contributions in respect of the above allowances, as follows:-
- (ii) Members who have reached retirement age will not be liable for any contributions at all, but must provide the Authority with a certificate of age exemption. Married women who pay reduced contributions must provide the Authority with a certificate of election for reduced liability.
- (iii) Each employment or office is to be considered separately for contribution purposes and no account is to be taken of the fact that a Member may be employed or the holder of another office under another employer, or self-employed.

(B) Benefits

Members should notify their Department of Social Security local offices of any allowance payments they receive if they are claiming or receiving benefit, including supplementary benefit.

From 6th April 1986, Councillors who are under State Pension age are entitled to be paid Statutory Sick Pay by the Authority for the first twenty eight weeks of incapacity. The Authority must be notified of any sickness which lasts for four calendar days or more within ninety-one days of the sickness period. The amount of SSP payable is determined by the amount of average weekly earnings and is only payable if the average exceeds the NI lower earnings limit of £87.00 per week.

**Appendix A**

## Special Responsibility Allowance (wef 1.4.18)

Post	Committee/Sub-Committee	£
Leader of Council		12,728
Deputy Leader		8,700
Minority Opposition Group Leader		3,007
Chairman of Council		3,007
Vice-Chairman of Council		592
Portfolio Holders		8,109
Chairman	Planning Control Committee	5,048
Vice Chairman	Planning Control Committee	1,021
Chairman	Overview & Scrutiny Committee	6,714
Vice-Chairman	Overview & Scrutiny Committee	1,343
Chairman	Northern Area Planning Committee	5,048
Vice Chairman	Northern Area Planning Committee	1,021
Chairman	Southern Area Planning Committee	5,048
Vice Chairman	Southern Area Planning Committee	1,021
Chairman	Licensing Committee	4,041
Vice-Chairman	Licensing Committee	808
Chairman	General Purposes Committee	2,202
Vice-Chairman	General Purposes Committee	429

## Appendix B

### Rates of travelling allowance and provisions relating thereto

- 1.1 The rate for travel by public transport shall not exceed the amount of the ordinary fare or any available cheap fare, and where more than one class of fare is available the rate shall be determined, in the case of travel by ship by reference to second class fares unless the body determines, either generally or specifically, that first class fares shall be substituted.
- 1.2 The rate specified in the preceding sub-paragraph may be increased by supplementary allowances not exceeding expenditure actually incurred:(a) on Pullman Car or similar supplements, reservation of seats and deposit or portage of luggage; and (b) on sleeping accommodation engaged by the Member for an overnight journey, subject, however, to reduction by one-third of any subsistence allowance payable to him for that night.
- 1.3 The rate for travel by a Member's own private motor vehicle, or one belonging to a member of his family or otherwise provided for his/her use, other than a solo motor cycle is 45p per mile.
- 1.4 The rates specified in the preceding sub-paragraph may be increased in respect of the carriage of passengers, not exceeding 4, to whom a travelling allowance be payable under any enactment, by not more than 5.0 pence per passenger per mile
- 1.5 For the purposes of this paragraph, the cylinder capacity shall be that entered in the vehicle registration book or document by the Secretary of State under the Vehicles (Excise) Act 1971.
- 1.6 The rate for travel by motorcycle 24p per mile.
- 1.7 The rate of cycle allowance is 20p a mile.
- 1.8 The rate of travel by taxicab or cab shall not exceed:
  - in cases of urgency or where no public transport is reasonably available, the amount of the actual fare and any reasonable gratuity paid, and
  - in any other case, the amount of the fare for travel by appropriate public transport.
- 1.9 The rate for travel by a hired motor vehicle other than a taxi-cab shall not exceed the rate which would have been applicable had the vehicle belonged to the member who hired it: Provided that where the body so approves the rate may be increased to an amount not exceeding the actual cost of hiring.

1.10 The rate for travel by air shall not exceed the rate applicable to travel by appropriate alternative means of transport together with an allowance equivalent to the amount of any saving in attendance allowance or financial loss allowance, and subsistence allowance consequent on travel by air: Provided that where the body resolves, either generally or specifically, that the saving in time is so substantial as to justify payment of the fare for travel by air, there may be paid an amount not exceeding:

the ordinary fare or any available cheap fare for travel by regular air service, or

where no such service is available or in case of urgency, the fare actually paid by the Member.

## Appendix C

### Eligibility of Duties for Travel and Subsistence

#### 1. INTERNAL MEETINGS

Travel and Subsistence are payable in the following cases:

- a. A Councillor attending Council, or a Councillor attending as a member of a Committee, Sub-Committee, Working Party etc. (including the Benefit Review Board) which is convened by the Chief Executive or the Head of Legal and Democratic Services.
- b. A Chairman and/or Vice Chairman and a spokesperson for each of the other political groups attending a Group Representative Briefing for a Committee.
- c. Where a Chairman (or in his/her absence, Vice Chairman), Portfolio Holder or Cabinet Member has been invited to meet with a Chief Officer.
- d. A Councillor attending a tour of the District or a Councillor appointed to attend a site visit accompanied by officers, in both cases which a Committee or Sub-Committee has resolved should be made.
- e. A Councillor appointed by Committee or given prior approval by the Chief Executive to attend an official meeting with other local authorities.
- f. A Councillor attending a meeting or visit where a minimum of two political Groups are invited to attend, called by the Chief Officer, subject to prior approval of the Chief Executive.
- g. A Councillor attending any formal meeting of the Council, it's Committee or Sub-Committees.
- h. Member Training - subject to the following:  
  
It should be arranged by a Head of Service as a training seminar with a formal invitation sent or prior approval given by the Chief Executive or Head of Legal and Democratic Services.
- j. Attendance of a Member before any representative of the Commission for Local Administration, at the latter's request, in connection with any investigation under Part III of the Local Government Act 1974 (Ombudsman Complaints).
- k. Attendance of a Member before the District Auditor at the latter's request in connection with a matter being considered at audit other than a payment to or a pecuniary claim by that Member.

- l. Attendance of a Member, at the written request of the Head of Legal and Democratic Services, in connection with a public inquiry or legal proceedings to which the Council is a party.
- m. Attendance of a member of the Council at public inquiries where a Member is called by the Head of Legal and Democratic Services as a witness to represent the Council's position.
- n. Travel to and from formal meetings of Town and Parish Councils.
- o. Travel by a member of the Licensing Sub-Committee to visit the site of a license application prior to a meeting of the Sub-Committee at which they are due to consider that application.

## 2. EXTERNAL MEETINGS

PLEASE NOTE THAT FOR CATEGORIES A AND B BELOW, IF ANY PAYMENT IS AVAILABLE FROM THE HOST ORGANISATION, FOR TRAVEL OR SUBSISTANCE, THEN NO PAYMENT CAN BE MADE UNDER THIS SCHEME FOR THE CATEGORY FOR WHICH THE HOST ORGANISATION HAS MADE AN ALLOWANCE.

WHERE PAYMENT IS PERMITTED UNDER THE FOLLOWING CATEGORIES, ALL MEMBERS APPOINTED BY COUNCIL, OR A COMMITTEE, TO ATTEND A DUTY ARE ELIGIBLE TO CLAIM, EXCEPT WHERE A LIMITATION ON THE NUMBERS RECEIVING PAYMENT HAS BEEN AGREED, WHICH IS REFERRED TO BY EACH ITEM.

- a. Category "A" - Travel and Subsistence Payable

Local Government Association General Assembly

(NB: The LGA has its own Members' Allowance Scheme and payment is made direct, including for attendance at LGA committees. Appointed Members will receive details of this separately. Travel costs will be reimbursed by the Council.)

Members appointed by Council to outside bodies.

- b. Category "B" - Can be Approved on an Ad-Hoc Basis either Travel and Subsistence, or Travel Only

Where a Member wishes to attend an ad-hoc meeting, or an official event on behalf of the Council, which is not listed in Category A in the Scheme, prior approval needs to be obtained from the Cabinet.

c. Category "C" - No Travel or Subsistence is Payable

Remuneration is only payable for the specific duties listed in the categories of the Scheme, and not for any other activity, even though it may be linked to Council business. The following list of duties not eligible for payment is not an exhaustive list, but includes duties where it is not considered appropriate to pay, or where other bodies reimburse travel costs.

No allowance is payable in respect of duties in connection with any of the following:

Universities, Colleges and Schools  
Residents' interest and action groups



## Appendix D

*Rates of subsistence allowance and provisions relating thereto. These rates are index linked to the CPI for the preceding September and will be increased on 1 April 2016, 2017 and 2018.*

1. The rate of subsistence allowance for meals taken shall not exceed:
  - (a) in the case of an absence, not involving an absence overnight, from the usual place of residence:
    - (i) Daytime allowance (more than 4 hours away or less before 7pm) £6.96
    - (ii) Evening allowance (more than 4 hours away or after 7pm) £12.18
  - (b) In the case of an absence overnight from the usual place of residence, members are requested to book accommodation through Democratic Services after prior approval from the Head of Legal and Democratic Services. Where accommodation is booked directly by the member, reimbursement will be limited to £156.61 except in exceptional circumstances and following prior approval of the Head of Legal and Democratic Services.
2. Any rate determined under paragraph 1 (b) above shall be deemed to cover a continuous period of absence of 24 hours.
3. Meals on trains - When main meals (i.e. a full breakfast, lunch or dinner) are taken on trains during a period for which there is an entitlement to day subsistence, the reasonable cost of the meals (including VAT), may be reimbursed in full.

## **Appendix E**

### Local Government Act 1972 – Representations on outside bodies

The Council pays travelling expenses only to Members in accordance with Section 175 of the Local Government Act 1972 in respect of attendance at meetings of the bodies mentioned in the Yearbook where the Members are representing the Borough Council and where travelling expenses are not available from any other source.

Please note

Allowances cannot be paid to Members nominated to act as School Governors. Any allowances payable would be administered by the County Council under a code within Section 58 of the Education (No. 2) Act 1986 (DOE Circ. 2/91)

## **Appendix F**

### Approved Duties for the purposes of Child Care and Dependant Carer's Allowance

- A meeting of the Cabinet.
- A meeting of a Committee of the Cabinet.
- A meeting of the Authority.
- A meeting of a Committee or Sub-Committee of the Authority.
- A meeting of some other body to which the Authority makes appointments or nominations, or a meeting of a Committee or Sub-Committee of a body to which the Authority makes appointments or nominations.
- A meeting which has been both authorised by the Authority, a Committee or Sub-Committee of the Authority or a joint Committee of the Authority and one or more other Authorities, or a Sub-Committee of a joint Committee and to which representatives of more than one political group have been invited or to which two or more Councillors have been invited.
- A meeting of a local Authority Association of which the Authority is a member
- Duties undertaken on behalf of the Authority in pursuance of any Standing Order requiring, a Member or Members to be present while tender documents are opened.
- Duties undertaken on behalf of the Authority in connection with the discharge of any function of the Authority conferred by or under any enactment and empowering or requiring the Authority to inspect or authorise the inspection of premises.