

**2017 No. 1305**

**COUNCIL TAX, ENGLAND**

**The Council Tax Reduction Schemes (Amendment) (England)  
Regulations 2017**

*Made* - - - - - *19th December 2017*

*Laid before Parliament* *21st December 2017*

*Coming into force in accordance with regulation 1(1) and (2)*

The Secretary of State makes the following Regulations in exercise of the powers conferred by section 113(1) and (2) of, and paragraphs 2 and 5 of Schedule 1A to, the Local Government Finance Act 1992(a):

**Part 1**

**General**

**Citation, commencement and application**

**1.**—(1) These Regulations may be cited as the Council Tax Reduction Schemes (Amendment) (England) Regulations 2017 and, save as provided in paragraph (2), come into force on 12th January 2018.

(2) Regulations 10, 11 and 14(b) come into force on 6th December 2018.

(3) Parts 3 and 4 of these Regulations apply in relation to council tax reduction schemes(b) made by billing authorities(c) for financial years beginning on or after 1st April 2018.

**Part 2**

**Date for Revisions to, or Replacement of, a Scheme**

**Amendment of the Local Government Finance Act 1992**

**2.** In Schedule 1A (council tax reduction schemes: England) to the Local Government Finance Act 1992, in paragraph 5(2) (revisions to and replacement of scheme) for “31 January” substitute “11 March”.

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(a) 1992 c.14. Section 113(1) and (2) were amended by paragraphs 2 and 9(a) of Schedule 1 to the Local Government Act 1999 (c.27); paragraphs 40 and 52 of Schedule 7 to the Local Government Act 2003 (c.26); section 80 of the Localism Act 2011 (c.20), and S.I. 2013/2597. Schedule 1A was inserted by Schedule 4 to the Local Government Finance Act 2012 (c.17).

(b) See section 13A(9) of the Local Government Finance Act 1992 for the definition of “council tax reduction scheme”. Section 13A was amended by section 10 of the Local Government Finance Act 2012.

(c) See section 1(2) of the Local Government Finance Act 1992 for the definition of “billing authority”.

## Part 3

### Amendment of Prescribed Requirements

#### **Amendment of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012**

3. The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012(a) are amended in accordance with this Part.

4. In regulation 2(1) (interpretation)—

(a) at the appropriate place in the alphabetical order, insert—

““approved blood scheme” means a scheme established or approved by the Secretary of State, or trust established with funds provided by the Secretary of State, for the purpose of providing compensation in respect of a person having been infected from contaminated blood products;”;

““the London Emergencies Trust” means the company of that name (number 09928465) incorporated on 23rd December 2015 and the registered charity of that name (number 1172307) established on 28th March 2017;”;

““the Scottish Infected Blood Support Scheme” means the scheme of that name administered by the Common Services Agency (constituted under section 10 of the National Health Service (Scotland) Act 1978(b));”;

““the We Love Manchester Emergency Fund” means the registered charity of that name (number 1173260) established on 30th May 2017;”;

(b) in the definition of “main phase employment and support allowance”, after “2007” insert “or the applicant is a member of the work-related activity group”;

(c) in the definition of “member of the work-related activity group”, for “claimant” substitute “person”;

(d) in the definition of “qualifying person”, after “Caxton Foundation” insert “, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund”.

5. In regulation 8 (households), in paragraph (2), in sub-paragraph (a) after “of that Act,” insert “or section 81(2) of the Social Services and Well-being (Wales) Act 2014 (ways in which looked after children are to be accommodated and maintained)(e)”.

6. Schedule 1 (pensioners: matters that must be included in an authority’s scheme) is amended in accordance with regulations 7 to 11.

7. In Part 2 (applicable amounts for the purposes of calculating eligibility for a reduction under an authority’s scheme and amount of reduction), in paragraph 6 (applicable amounts)—

(a) for sub-paragraph (1)(b), substitute—

“(b) an amount determined in accordance with paragraph 2 of that Schedule in respect of up to two individuals who are either children or young persons and who are members of his family;”;

(b) after sub-paragraph (1), insert—

“(1A) For the purposes of sub-paragraph (1)(b) as it applies apart from sub-paragraph (1C), where the family includes more than two individuals who are either children or young persons and under paragraph 2 of that Schedule a different amount applies to different

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(a) S.I. 2012/2885; relevant amending instruments are S.I. 2012/3085, S.I. 2013/3181, S.I. 2014/107, S.I. 2014/448, S.I. 2014/3312, S.I. 2015/2041 and S.I. 2016/1262.

(b) 1978 c. 29; section 10 deals with the establishment of the Common Services Agency, to which the Secretary of State may delegate functions.

(c) 2014 anaw 4.

individuals, the two amounts to be included in the applicable amount shall be those that result in the greatest possible total amount.

(1B) Sub-paragraph (1C) applies where—

- (a) (whether or not as part of a tax credit couple as defined in section 3(5A) of the Tax Credits Act 2002) the applicant has an award of child tax credit (whether or not any amount is payable by way of such credit) in respect of a child or young person who is a member of his family; and
- (b) the total amount to be included in the applicable amount under sub-paragraph (1)(b) as substituted by sub-paragraph (1C) would be higher than the total amount that would be included under paragraph (1)(b) apart from sub-paragraph (1C).

(1C) Where this paragraph applies, for sub-paragraph (1)(b) substitute—

- (b) an amount determined in accordance with paragraph 2 of that Schedule in respect of any child or young person who is a member of his family and in respect of whom the individual element of child tax credit has been included in the determination of the maximum rate of that credit;”.

**8.** In Part 3 (maximum council tax reduction for the purposes of calculating eligibility for a reduction under an Authority’s scheme and amount of reduction), in paragraph 8 (non-dependant deductions), in—

- (a) sub-paragraph (1)(a), for “£11.55” substitute “£11.90”;
- (b) sub-paragraph (1)(b), for “£3.80” substitute “£3.90”;
- (c) sub-paragraph (2)(a), for “£196.95” substitute “£202.85”;
- (d) sub-paragraph (2)(b), for “£196.95”, “£341.40” and “£7.65” substitute “£202.85”, “£351.65” and “£7.90” respectively;
- (e) sub-paragraph (2)(c), for “£341.40”, “£424.20” and “£9.65” substitute “£351.65”, “£436.90”, “£9.95” respectively;
- (f) sub-paragraph (9)(b), after “the Caxton Foundation” insert “, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund”;
- (g) sub-paragraph (10)(a), after “the Caxton Foundation” insert “, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund”;
- (h) after sub-paragraph (10)(f), insert—
  - “(g) any payment made under, or by, a trust which is approved by the Secretary of State and which is established for the purpose of giving relief and assistance to a disabled person whose disability was caused by their mother having taken a preparation containing the drug known as Thalidomide during her pregnancy.”.

**9.** Part 6 (income and capital for the purposes of calculating eligibility for a reduction under an Authority’s scheme and amount of reduction) is amended as follows—

- (a) in paragraph 16 (meaning of “income”)—
  - (i) for sub-paragraph (1)(m), substitute—
    - “(m)a pension paid by a government to victims of National Socialist persecution;”;
  - (ii) in sub-paragraph (2), after “sub-paragraph (1)” where it first appears insert “, or retirement pension income to which section 16(1)(za) to (e) of the State Pension Credit Act 2002 applies(a),”;
  - (iii) after sub-paragraph (4)(d), insert—

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(a) 2002 c. 16.

- “(e) section 14 of the Pensions Act 2014 (pension sharing: reduction in sharer’s section 4 pension)(a);
- (f) section 45B or 55B of the Social Security Contributions and Benefits Act 1992 (reduction in additional pension in Category A retirement pension and shared additional pension: pension sharing)(b).”;
- (b) in paragraph 21 (earnings of self-employed earners), in sub-paragraph (2)—
  - (i) in paragraph (b)(i), for “section 26(1)” substitute “section 26 or 26A”;
  - (ii) in paragraph (d)(iv), at the end omit “or”;
  - (iii) in paragraph (d)(v), after “2006” insert—
    - “or
    - (vi) the persons concerned where the payment is for the provision of accommodation to meet that person’s needs for care and support under section 35 or 36 of the Social Services and Well-being (Wales) Act 2014 (respectively, duty and power to meet care and support needs of an adult)(c);
  - (da) any payment or part of a payment made by a local authority in accordance with section 26A of the Children (Scotland) Act 1995 (duty to provide continuing care) to a person (“A”) which A passes on to the applicant where A—
    - (i) was formerly in the applicant’s care;
    - (ii) is aged 16 or over; and
    - (iii) continues to live with the applicant;
  - (db) any payments made to an applicant under section 73(1)(b) of the Children and Young People (Scotland) Act 2014 (kinship care assistance: further provisions)(d);”;
- (c) in paragraph 22 (notional income), in sub-paragraph (6), for “maximum amount of income which may be withdrawn from the fund” substitute “rate of the annuity which may have been purchased with the fund”;
- (d) in paragraph 25 (treatment of childcare charges), in sub-paragraph (10)(c) for “applicant’s applicable amount would include the support component on account of the other member having limited capability for work or the other member of the couple would be” substitute “other member of the couple would be a member of the support group or”.

**10.** In Part 7 (extended reductions), in paragraph 43 (continuing reductions where state pension credit is claimed)—

- (a) in sub-paragraph (1)(c)(i), omit “or, if his entitlement to income-based jobseeker’s allowance or income-related employment and support allowance continued beyond that age, has attained the age of 65”;
- (b) in sub-paragraph (2)(a)(ii), omit “or the age of 65”.

**11.** In Part 8 (when entitlement begins and change of circumstances), in paragraph 46 (date when change of circumstances is to take effect), in sub-paragraph (10), omit paragraph (a).

**12.** In Schedule 2 (applicable amounts)—

- (a) for paragraph 1 (personal allowance), substitute—

“1. The amount specified for the purposes of paragraph 6(1)(a) of Schedule 1 is—

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(a) 2014 c. 19.  
 (b) 1992 c. 4.  
 (c) 2014 anaw 4.  
 (d) 2014 asp. 8.

- (a) prior to 6th December 2018, the amount specified in column (2) of Table 1 below in respect of each person or couple referred to in column (1) of that Table;
- (b) on or after 6th December 2018, the amount specified in column (2) of Table 2 below in respect of each person or couple referred to in column (1) of that Table.

**Table 1**

<i>Column (1)</i> <i>Person, couple or polygamous marriage</i>	<i>Column (2)</i> <i>Amount</i>
(1) Single applicant or lone parent—	
(a) aged under 65;	(a) £163.00;
(b) aged 65 or over.	(b) £176.40.
(2) Couple—	
(a) both members aged under 65;	(a) £248.80;
(b) one or both members aged 65 or over	(b) £263.80.
(3) If the applicant is a member of a polygamous marriage and none of the members of the marriage has attained the age of 65—	
(a) for the applicant and the other party to the marriage;	(a) £248.80;
(b) for each additional spouse who is a member of the same household as the applicant.	(b) £85.80.
(4) If the applicant is a member of a polygamous marriage and one or more members of the marriage are aged 65 or over—	
(a) for the applicant and the other party to the marriage;	(a) £263.80;
(b) for each additional spouse who is a member of the same household as the applicant.	(b) £87.40.

**Table 2**

<i>Column (1)</i> <i>Person, couple or polygamous marriage</i>	<i>Column (2)</i> <i>Amount</i>
(1) Single applicant or lone parent who has attained pensionable age	£176.40.
(2) Couple and one or both members have attained pensionable age	£263.80.
(3) If the applicant is a member of a polygamous marriage and one or more members of the marriage have attained pensionable age —	
(a) for the applicant and the other party to the marriage;	(a) £263.80;
(b) for each additional spouse who is a member of the same household as the applicant.	(b) £87.40.”;

- (b) in Part 4 (amounts of premium specified in Part 3) in the second column of the Table—
- (i) in paragraph (1)(a) and (b)(i) for “£62.45” substitute “£64.30”;
- (ii) in paragraph (1)(b)(ii) for “£124.90” substitute “£128.60”;
- (iii) in paragraph (2) for “£24.78” substitute “£25.48”;
- (iv) in paragraph (3) for “£60.90” substitute “£62.86”;
- (v) in paragraph (4) for “£34.95” substitute “£36.00”.

**13.** In Schedule 3 (amount of alternative maximum council tax reduction) in paragraph 1, in column (1) of the Table—

- (a) for “£194.95” (twice) substitute “£201.00”;
- (b) for “£252.50” substitute “£260.00”.

**14.** Schedule 5 (amounts to be disregarded in the calculation of income other than earnings) is amended as follows—

- (a) in paragraph 1, for sub-paragraph (1)(g) substitute—  
“(g) a pension paid by a government to victims of National Socialist persecution.”;
- (b) in paragraph 11, in sub-paragraph (b), after “65” insert “or, if it was higher at the time, pensionable age”.

**15.** In Schedule 6 (capital disregards), in Part 1 (capital to be disregarded)—

- (a) in paragraph 16(1)(a), after “the Caxton Foundation,” insert “the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund”;
- (b) after paragraph 16, insert—

“**16A.** Any payment made under, or by, a trust which is approved by the Secretary of State and which is established for the purpose of giving relief and assistance to a disabled person whose disabilities were caused by their mother having taken a preparation containing the drug known as Thalidomide during her pregnancy.”;

- (c) in paragraph 29—
  - (i) in sub-paragraph (e) at the end, omit “or”;
  - (ii) in sub-paragraph (f) after “(direct payments)”, insert—  
“; or  
(g) by virtue of regulations made under section 50 or 52 of the Social Services and Well-being (Wales) Act 2014 (direct payments).”;
- (d) after paragraph 29B, insert—

“**29C.**—(1) Any payment made by a local authority in accordance with section 26A of the Children (Scotland) Act 1995 (duty to provide continuing care)(a).

(2) Any payment or part of a payment made by a local authority in accordance with that section to a person (“A”) which A passes on to the applicant where A—

- (a) was formerly in the applicant’s care;
- (b) is aged 16 or over; and
- (c) continues to live with the applicant.”.

**16.** Schedule 8 (all applicants: matters that must be included in an Authority’s scheme – other matters), is amended as follows—

- (a) in paragraph 7 (information and evidence), in sub-paragraph (7)(a) after “the Caxton Foundation” insert “, the London Emergencies Trust, the We Love Manchester Emergency Fund”;
- (b) in paragraph 9 (duty to notify changes of circumstances), in sub-paragraph (7)(b), after “13 weeks” insert “or where the absence is from Great Britain, which exceeds or is likely to exceed 4 weeks”.

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(a) 1995 c. 36.

## Part 4

### Transitional Provisions

#### **Transitional provisions for restrictions on amounts for children and young persons**

17.—(1) This regulation applies where—

- (a) on 31st March 2018, a person 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 Local Government Finance Act 1992 ("a section 13A(2) scheme"); and
- (b) the person is, or the person and the person's partner are between them, responsible for more than two individuals who are either children or young persons and who are members of the same household (each such individual is referred to as a "protected individual").

(2) Where this regulation applies, the amendments made by regulation 7 do not apply to the person entitled to a council tax reduction referred to in paragraph (1) until—

- (a) the person makes a new application for a reduction under an authority's section 13A(2) scheme; or
- (b) the person or the person's partner (if any) becomes responsible for a new individual,

whichever is the first to occur.

(3) Paragraphs (4) to (8) apply where—

- (a) the amendments made by regulation 7 apply by virtue of paragraph (2)(b);
- (b) the child tax credit provisions do not apply; and
- (c) the person has not made a new application for a reduction under an authority's scheme for a reduction under an authority's section 13A(2) scheme.

(4) Notwithstanding the default provisions, a child amount shall be included in the applicable amount in relation to any protected individual, in relation to any time when the person or the person's partner (if any) is responsible for the individual and the individual is a member of the same household.

(5) Paragraph (6) applies where—

- (a) the person or the person's partner (if any) is responsible for one or more protected individuals who are members of the same household; and
- (b) either of them is responsible for one or more new individuals who are members of the same household.

(6) Where this paragraph applies, any protected individual for whom the person or the person's partner is responsible is to be counted for the purpose of deciding whether, under the default provisions, an additional child amount is to be included in the applicable amount with respect to the new individual or individuals referred to in paragraph (5)(b).

(7) Paragraph (8) applies where—

- (a) the number of protected individuals for whom either the person or the person's partner (if any) is responsible, and who are members of the same household, is one;
- (b) the number of new individuals for whom either the person or the person's partner is responsible, and who are members of the same household, is two or more; and
- (c) a different child amount would apply to different individuals.

(8) Where this paragraph applies, the child amounts to be included in the applicable amount shall be—

- (a) the child amount in relation to the protected individual; and
- (b) a child amount in relation to such one of the new individuals as will result in the greatest possible total amount.

(9) Under paragraph (3), for the purposes of determining whether the child tax credit provisions apply, by virtue of paragraph 6(1B) of Schedule 1 to the 2012 Regulations, where the person or the person's partner is responsible for one or more protected individuals, the total amount that would be included in the applicable amount under the default provisions shall be taken to be the total that would be included under paragraphs (4), (6) and (8).

(10) For the purposes of this regulation—

- (a) “the 2012 Regulations” means the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012;
- (b) “applicable amount”, “child”, “partner” and “young person” have the same meanings as in the 2012 Regulations;
- (c) “child amount” means the amount determined under paragraph 2 of Schedule 2 to the 2012 Regulations;
- (d) “child tax credit provisions” means the provisions of paragraph 6(1)(b) of Schedule 1 to the 2012 Regulations (as substituted by paragraph 6(1C) of that Schedule);
- (e) “default provisions” means the provisions of paragraph 6(1)(b) of Schedule 1 to the 2012 Regulations (as substituted by paragraph 6(1C) of that Schedule);
- (f) “new individual” means a child or young person who is not a protected individual;
- (g) any reference to an individual being part of the same household means being part of the same household with the person who is entitled to a reduction under an authority's section 13A(2) scheme and the person's partner (if any);
- (h) a person is to be treated as responsible for a child or young person in the circumstances set out in regulation 7 of the 2012 Regulations.

Signed by authority of the Secretary of State for Communities and Local Government

*Marcus Jones*

Parliamentary Under Secretary of State

19th December 2017

Department for Communities and Local Government

### **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

Section 13A of the Local Government Finance Act 1992 (“the 1992 Act”) requires each billing authority in England to make a scheme specifying the reductions which are to apply to amounts of council tax payable by persons, or classes of person, whom the billing authority considers are in financial need (“a council tax reduction scheme”). The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (“the 2012 Regulations”) prescribe matters which must be included in such a scheme in addition to those matters which must be included in such a scheme by virtue of paragraph 2 of Schedule 1A to the 1992 Act.

Regulation 2 of these Regulations amends paragraph 5(2) of Schedule 1A to the 1992 Act by changing the date by which the authority must make revisions to its scheme (or any replacement scheme) from 31 January to 11 March in the financial year preceding the year to which the scheme applies.

Part 3 of these Regulations amends the 2012 Regulations in consequence of changes to certain social security legislative provisions.

The amendments made by virtue of regulations 4(a) and (d), 8(f) and (g) and 15(a) provide for the way in which payments under the “approved blood scheme”, the “London Emergency Trust”, the “Scottish Infected Blood Support Scheme” and the “We Love Manchester Emergency Fund” are to be taken into account when determining eligibility for a reduction and the amount of a reduction. Regulation 4(b) and (c) updates the definitions of “main phase employment and support allowance” and “member of the work-related activity group”.

Regulation 5 amends the provision dealing with the concept of a “household”.



The amendments made by regulation 7 provide that, except where an applicant is awarded child tax credit, the applicable amount for the applicant is to include a maximum of two amounts for any child or young person for whom the applicant or their partner is responsible and who are members of the same household. There are transitional provisions in regulation 17.

The figures uprated by regulations 8(a) to (e), 12 and 13 relate to non-dependant deductions (adjustments made to the maximum amount of reduction a person can receive to take account of adults living in the dwelling who are not dependants of the applicant); the applicable amount in relation to an applicant for a reduction (the amount against which an applicant's income is compared in order to determine the amount of reduction to which he or she is entitled) and the income bands in relation to which the amount of a person's alternative maximum council tax reduction is calculated.

The changes made by regulations 8(h) and 15(b) provide that payments made under or by certain trusts established for the purpose of giving relief and assistance to disabled people whose disabilities were caused by their mother having taken the drug known as Thalidomide during the pregnancy are to be ignored for certain purposes.

Regulation 9 amends provisions of the 2012 Regulations that set out how the income and capital of an applicant is calculated in deciding eligibility for a reduction, and the amount of the reduction.

The changes made by regulations 10, 11 and 14(b) align the provisions of the 2012 Regulations with the rising pensionable age.

Regulation 14(a) amends a provision relating to income that is to be disregarded in calculating an applicant's income. The changes made by regulation 15(c) and (d) provide for payments that are to be disregarded in calculating an applicant's capital.

Regulation 16 makes changes to provisions in Schedule 8 to the 2012 Regulations relating to the information and evidence that must be provided with an application, and the applicant's duty to notify the billing authority of changes of circumstances.

An impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.

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