POLICY NOTE

THE COUNCIL TAX REDUCTION (MISCELLANEOUS AMENDMENT) (SCOTLAND) (NO. 4) REGULATIONS 2025

SSI 2025/212

The above instrument was made in exercise of the powers conferred by sections 80 and 113(1), and paragraph 1 of schedule 2 of the Local Government Finance Act 1992. The instrument is subject to the negative procedure.

Summary Box

The purpose of these Regulations is to amend:

- The Council Tax Reduction (Scotland) Regulations 2021; and
- The Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012.

The amendments make provision in relation to the entitlement to the Council Tax Reduction schemes for people returning from Israel, the Occupied Palestinian Territories or the occupied Golan Heights to ensure they are treated as meeting the residence requirements for the schemes.

Policy Objectives

In order to support people coming to the UK from Israel, the Occupied Palestinian Territories, or the occupied Golan Heights as a result of the recent escalation of violence between Israel and Iran, the Scottish Government is working in tandem with the UK Government by introducing regulations to allow those arriving from any of those places to not meet the residence requirements for Council Tax Reduction schemes for working age and pension age people, rather than wait until the Habitual Residency Test is satisfied.

This is emergency legislation in response to an international emergency, thus requiring an expedited parliamentary process during recess. To that end, the instrument will come into force on 25 July, the day after the instrument has been laid.

The instrument will exempt from having to satisfy the usual residence requirements for entitlement to reduction in council tax liability for individuals:

- with leave to enter or remain in the United Kingdom granted under or outside the Immigration Rules;
- with a right of abode in the United Kingdom; or
- who don't require leave to enter or remain in the United Kingdom,

where they were residing in Israel, the West Bank, Gaza, East Jerusalem or the occupied Golan Heights immediately before 13 June 2025, left any of those places in connection with the escalation of the violence between Israel and Iran, and arrived in Great Britain within 6 months of the escalation arising (i.e. on or before 13 December 2025).

This reflects the policy intention to assist those coming to Scotland who have had to flee their homes and country of residence because of the increased conflict and on the basis of advice from, or with the assistance of, the UK Foreign, Commonwealth and Development Office. It may also include individuals who consider their place of residence to be Israel, the West

Bank, Gaza, East Jerusalem or the occupied Golan Heights, but who were temporarily absent immediately before 13 June 2025.

The description of the territories in this regulation are in accordance with the Foreign, Commonwealth and Development Office (FCDO) travel advice as at 23 July 2025 - https://www.gov.uk/foreign-travel-advice/israel.

UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 Compatibility

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, the Scottish Ministers certify that, in their view, the Council Tax Reduction (Miscellaneous Amendment) (Scotland) (No.4) Regulations 2025 is compatible with the UNCRC requirements as defined by section 1(2) of the Act.

EU Alignment Consideration
This instrument is not relevant to the Scottish Government's policy to maintain alignment with the EU.

Consultation
Given the urgent nature of these regulations, it has not been possible to consult on this policy. The Scottish Government has engaged with the UK Government and Social Security Scotland to ensure alignment in approach.

Impact Assessments
A Children's Rights and Wellbeing impact assessment has been completed on the draft SSI and is attached. There are no children's impact issues identified.

Financial Effects
The Cabinet Secretary for Finance and Local Government confirms that no BRIA is necessary as the instrument has no financial effects on the Scottish Government, local government or on business.

There are expected to be a relatively small number of arrivals to the UK from Israel , the Occupied Palestinian Territories, and the occupied Golan Heights as a result of the recent conflict, and it's expected only a small percentage will settle in Scotland. We expect the cost of waiving the residency requirements for Council Tax Reduction for these arrivals to therefore be negligible.

Scottish Government
Local Government Directorate

24 July 2025