STATUTORY INSTRUMENTS

2020 No. 23

COUNCIL TAX, ENGLAND

The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2020

Made - - - -	*9th January 2020*
Laid before Parliament	*13th January 2020*
Coming into force - -	*11th February 2020*

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

Citation, commencement and application

1.—(1) These Regulations may be cited as the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2020 and come into force on 11th February 2020.

(2) 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 2020.

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

2. The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012(**d**) are amended as follows.

Amendment of regulation 2

3. In regulation 2 (interpretation)—

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

(**a**) 1992 c.14. Section 113(1) and (2) was 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); S.I. 2013/2597 and S.I. 2016/997. Schedule 1A was inserted by Schedule 4 to the Local Government Finance Act 2012 (c.17) and was amended by S.I. 2017/1305.

(**b**) See section 13A(9) of the Local Government Finance Act 1992 for the definition of "council tax reduction scheme". Section 13A was inserted 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". Section 1(2) was amended by section 35(5) of the Local Government (Wales) Act 1994 (c.19).

(**d**) S.I. 2012/2885; relevant amending instruments are S.I. 2012/3085, 2013/3181, 2014/107, 2014/448, 2014/3255, 2014/3312, 2015/2041, 2016/1262, 2017/1305, 2018/1346.

""the Grenfell Tower charitable funds" means the funds identified in the document entitled "Charity Commission for England and Wales – Grenfell Tower charitable funds update – 29th January 2019"(**a**);";

""the Grenfell Tower Residents' Discretionary Fund" means the £5 million fund announced on 16th June 2017 and administered by Westminster City Council for the benefit of households affected by the fire at Grenfell Tower on 14th June 2017; ";

""Grenfell Tower support payment" means any payment made by the council of the Royal Borough of Kensington and Chelsea to an individual as a result of the fire at Grenfell Tower on 14th June 2017;";

""parental bereavement leave" means leave under section 80EA of the Employment Rights Act 1996(**b**);";

""statutory parental bereavement pay" means a payment to which a person is entitled in accordance with section 171ZZ6 of the Social Security Contribution and Benefits Act 1992(**c**);";

""the Windrush Compensation Scheme" means—

(a) the scheme of that name(**d**) operated by the Secretary of State for the purpose of compensating individuals who have suffered loss in connection with being unable to demonstrate their lawful status in the United Kingdom; and

(b) the policy entitled "Windrush Scheme: Support in urgent and exceptional circumstances"(**e**) which was operated by the Secretary of State for the purpose of compensating individuals who, for urgent and exceptional reasons, required support in advance of the scheme referred to in paragraph (a) of this definition becoming operational;";

(b) for the definition of "qualifying person", substitute—

""qualifying person" means—

(a) a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Grenfell Tower charitable funds, the Grenfell Tower Residents' Discretionary Fund, the Windrush Compensation Scheme or the London Bombings Relief Charitable Fund; or

(b) a person who has received a Grenfell Tower support payment;".

(**a**) This document can be found at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/774326/Grenfell_Charitable_Funds_Report_29_01_2019.pdf. A hard copy may be obtained on request by writing to the Local Taxation Division, Ministry of Housing, Communities and Local Government, 2 Marsham Street, London, SW1P 4DF.

(**b**) 1996 c.18. Section 80EA is inserted by paragraph 2 of the Schedule to the Parental Bereavement (Leave and Pay) Act 2018 (c.24) (not yet in force).

(**c**) 1992 c.4. Section 171ZZ6 is inserted by paragraph 5 of the Schedule to the Parental Bereavement (Leave and Pay) Act 2018 (not yet in force).

(**d**) The Windrush Compensation Scheme Rules were published in April 2019 and can be found at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/793028/Windrush_Compensation_Scheme_Rules.pdf. A hard copy may be obtained on request by writing to the Local Taxation Division, Ministry of Housing, Communities and Local Government, 2 Marsham Street, London, SW1P 4DF. Further information about the Windrush Compensation Scheme can be found at https://www.gov.uk/guidance/windrush-compensation-scheme.

(**e**) This policy can be found at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/765092/Windrush_Scheme_-_Support_in_Urgent_and_Exceptional_Circumstances.pdf. A hard copy may be obtained on request by writing to the Local Taxation Division, Ministry of Housing, Communities and Local Government, 2 Marsham Street, London, SW1P 4DF.

Amendment of regulation 4

4. In regulation 4 (meaning of "couple"), in paragraph (b), for "as a married couple" substitute "as if they were a married couple or civil partners".

Amendment of regulation 10

5. In regulation 10 (remunerative work), in paragraph (7), after "shared parental leave" insert ", parental bereavement leave".

Amendment of regulation 12

6. In regulation 12 (persons treated as not being in Great Britain)—

(a) in paragraph (4)—

(i) in sub-paragraph (a), omit "or Article 6 of Council Directive 2004/38/EC";

(ii) omit sub-paragraph (ab);

(iii) in sub-paragraph (b)—

(aa) for "15A(1)" substitute "16";

(bb) for "(4A)" substitute "(5)";

(cc) omit the words from "or Article 20" to the end;

(b) after paragraph (4) insert—

"(4A) For the purposes of paragraph (3), a right to reside does not include a right which exists by virtue of a person having been granted limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971(**a**) by virtue of—

(a) article 3 (grant of leave to EEA and Swiss nationals) of the Immigration (European Economic Area Nationals) (EU Exit) Order 2019(**b**) made under section 3A of that Act;

(b) Appendix EU to the immigration rules made under section 3(2) of that Act; or

(c) being a person with a Zambrano right to reside as defined in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of that Act.";

(c) in paragraph (5)—

(i) after sub-paragraph (h), insert "or";

(ii) at the end of sub-paragraph (ha), omit "or";

(iii) omit sub-paragraph (i);

(d) in paragraph (8), in the definition of "EEA Regulations" for "2006" substitute "2016(**c**)".

Amendment of Schedule 1

7. In Schedule 1 (pensioners: matters that must be included in an authority's scheme)—

(a) in paragraph 8 (non-dependant deductions)—

(i) in sub-paragraph (1)(a), for "£12.20" substitute "£12.40";

(ii) in sub-paragraph (1)(b), for "£4.00" substitute "£4.05";

(iii) in sub-paragraph (2)(a), for "£207.70" substitute "£217.00";

(iv) in sub-paragraph (2)(b), for "£207.70", "£360.10" and "£8.10" substitute "£217.00", "£377.00" and "£8.25" respectively;

(**a**) 1971 c.77.
(**b**) S.I. 2019/686.
(**c**) S.I. 2016/1052; relevant amending instruments are S.I. 2018/801, 2019/468, 2019/745 and 2019/1383.

(v) in sub-paragraph (2)(c), for "£360.10", "£447.40" and "£10.20" substitute "£377.00", "£469.00" and "£10.35" respectively;

(vi) in sub-paragraph (9)(b), after "the We Love Manchester Emergency Fund" insert ", the Grenfell Tower charitable funds, the Grenfell Tower Residents' Discretionary Fund, the Windrush Compensation Scheme";

(vii) after sub-paragraph (9)(b), insert—

"(ba) any Grenfell Tower support payment which is paid as income in kind (see sub-paragraph (13));";

(viii) in sub-paragraph (10)(a), after "the We Love Manchester Emergency Fund" insert ", the Grenfell Tower charitable funds, the Grenfell Tower Residents' Discretionary Fund, the Windrush Compensation Scheme";

(ix) after sub-paragraph (10)(a), insert—

"(aa) any Grenfell Tower support payment;";

(x) in sub-paragraph (10)(b), after "paragraph (a) refers" insert "or from a Grenfell Tower support payment";

(xi) in sub-paragraph (10)(c), after "paragraph (a) refers" insert "or from a Grenfell Tower support payment";

(xii) in sub-paragraph (10)(d), after "paragraph (a) refers" insert "or from a Grenfell Tower support payment";

(xiii) in sub-paragraph (10)(e), after "paragraph (a) refers" insert "or from a Grenfell Tower support payment";

(xiv) for sub-paragraph (10)(f), substitute—

"(f) in the case of a person to whom or for whose benefit a payment referred to in this sub-paragraph is made, any income which derives from—

(i) any payment of income or capital made under or deriving from any of the Trusts referred to in paragraph (a); or

(ii) a Grenfell Tower support payment;";

(b) in paragraph 16(1)(j) (meaning of income)—

(i) after sub-paragraph (xvia), insert—

"(xvib) statutory parental bereavement pay under Part 12ZD of that Act(**a**);";

(ii) after sub-paragraph (xx), insert—

"(xxi) early years assistance given in accordance with section 32 of the Social Security (Scotland) Act 2018(**b**);

(xxii) funeral expense assistance given in accordance with section 34 of that Act;";

(c) in paragraph 18 (earnings of employed earners), after sub-paragraph (1)(ja) insert—

"(jb)statutory parental bereavement pay under Part 12ZD of that Act(**c**);";

(d) in paragraph 19 (calculation of net earnings of employed earners), in sub-paragraph (2)(d), after "statutory shared parental pay" insert ", statutory parental bereavement pay";

(e) in paragraph 25 (treatment of child care charges)—

(i) in sub-paragraph (14)—

(aa) in the words before paragraph (a), after "shared parental leave" insert ", parental bereavement leave";

(**a**) 1992 c.4. Part 12ZD is inserted by paragraph 5 of the Schedule to the Parental Bereavement (Leave and Pay) Act 2018 (c. 24) (not yet in force).

(**b**) 2018 asp 9.

(**c**) Within paragraph 18(1)(jb), "that Act" is a reference to "the SSCBA"; see regulation 2(1) of S.I. 2012/2885 for the definition of "the SSCBA".

(bb) in paragraph (a), after "shared parental leave" insert ", parental bereavement leave";

(cc) in paragraph (c), after "statutory shared parental pay by virtue of section 171ZU or 171ZV of that Act(**a**)" insert ", statutory parental bereavement pay by virtue of section 171ZZ6 of that Act";

(ii) in sub-paragraph (15)—

(aa) in the words before paragraph (a), after "shared parental leave" insert ", parental bereavement leave";

(bb) in paragraph (b), for "statutory shared paternity pay" substitute "statutory shared parental pay, statutory parental bereavement pay";

(cc) in paragraph (c), for "statutory shared paternity pay" substitute "statutory shared parental pay, statutory parental bereavement pay".

Amendment of Schedule 2

8. In Schedule 2 (applicable amounts)—

(a) in column (2) of the Table in paragraph 1 (personal allowance)—

(i) in paragraph (1) for "£181.00" substitute "£187.75";

(ii) in paragraph (2) for "£270.60" substitute "£280.85";

(iii) in paragraph (3)(a) for "£270.60" substitute "£280.85";

(iv) in paragraph (3)(b) for "£89.60" substitute "£93.10";

(b) in column (2) of the Table in paragraph 2(1) (child or young person amounts), in paragraphs (a) and (b), for "£66.90" substitute "£68.27";

(c) in the second column of the Table in Part 4 (amounts of premium specified in Part 3)—

(i) in paragraph (1)(a) and (b)(i) for "£65.85" substitute "£66.95";

(ii) in paragraph (1)(b)(ii) for "£131.70" substitute "£133.90";

(iii) in paragraph (2) for "£26.04" substitute "£26.60";

(iv) in paragraph (3) for "£64.19" substitute "£65.52";

(v) in paragraph (4) for "£36.85" substitute "£37.50".

Amendment of Schedule 3

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

(a) in sub-paragraph (b)(i), for "£206.00" substitute "£215.00";

(b) in sub-paragraph (b)(ii), for £206.00" and "£266.00" substitute "£215.00" and "£279.00" respectively.

Amendment of Schedule 5

10. In Schedule 5 (amounts to be disregarded in the calculation of income other than earnings), in paragraph 19(2)(b), for "£57.90" substitute "£58.90".

Amendment of Schedule 6

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

(a) in paragraph 16—

(**a**) Within paragraph 25(14)(c), "that Act" is a reference to "the SSCBA"; see regulation 2(1) of S.I. 2012/2885 for the definition of "the SSCBA".

(i) in sub-paragraph (1)(a), after "the We Love Manchester Emergency Fund" insert ", the Grenfell Tower charitable funds, the Grenfell Tower Residents' Discretionary Fund, the Windrush Compensation Scheme";

(ii) after sub-paragraph (1), insert—

"(1A) Any Grenfell Tower support payment.";

(iii) in sub-paragraph (2), after "any of the Trusts" insert "or from a Grenfell Tower support payment";

(iv) in sub-paragraph (3), after "any of the Trusts" insert "or from a Grenfell Tower support payment";

(v) in sub-paragraph (5), after "any of the Trusts" insert "or from a Grenfell Tower support payment";

(vi) in sub-paragraph (6), after "any of the Trusts" insert "or from a Grenfell Tower support payment";

(vii) for sub-paragraph (7), substitute—

"(7) In the case of a person to whom or for whose benefit a payment referred to in this paragraph is made, any capital resource which derives from—

(a) any payment of income or capital made under or deriving from any of the Trusts; or

(b) a Grenfell Tower support payment.";

(b) in paragraph 21(2)—

(i) at the end of paragraph (p), omit "or";

(ii) after paragraph (q), insert—

"(r) maternity allowance under section 35 of the SSCBA(**a**) (state maternity allowance for employed or self-employed earner);

(s) early years assistance given in accordance with section 32 of the Social Security (Scotland) Act 2018; or

(t) funeral expense assistance given in accordance with section 34 of that Act".

Amendment of Schedule 8

12. In Schedule 8 (all applicants: matters that must be included in an authority's scheme – other matters), in paragraph 7 (information and evidence)—

(a) in sub-paragraph (7)(a), after "the We Love Manchester Emergency Fund" insert ", the Grenfell Tower charitable funds, the Grenfell Tower Residents' Discretionary Fund, the Windrush Compensation Scheme";

(b) after paragraph 7(a), insert—

"(aa) a Grenfell Tower support payment;".

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

Luke Hall
Parliamentary Under Secretary of State
9th January 2020 Ministry of Housing, Communities and Local Government

(**a**) See regulation 2(1) of S.I. 2012/2885 for the definition of "the SSCBA".

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. 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 3 amends regulation 2 of the 2012 Regulations (interpretation) in order to provide for new definitions, and to amend the existing definition of "qualifying person".

Regulation 4 makes provision consequential on the introduction of opposite-sex civil partnerships.

The amendments made by regulations 5, 7(b)(i) and (c) to (e) make provision consequential on the introduction of parental bereavement leave and pay. Regulation 7(d) and (e) also replaces references to "statutory shared paternity pay" with references to "statutory shared parental pay" (as statutory shared paternity pay does not exist).

The amendments made by regulations 7(a)(vi) to (xiv), 11(a) and 12 provide for the way under which payments under "the Grenfell Tower charitable funds", payments under "the Grenfell Tower Residents' Discretionary Fund", "Grenfell Tower support payments" and payments under "the Windrush Compensation Scheme" are to be taken into account when determining eligibility for a reduction and the amount of a reduction.

The amendments made by regulation 6 relate to the prescribed requirement that persons treated as not being in Great Britain must not be included in an authority's scheme. A person is treated as not being in Great Britain if they are not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland. No person shall be treated as habitually resident without a relevant right to reside in the place where they are habitually resident. However, certain categories of people are exempt from this habitual residence test. Regulation 6(a) and (d) updates references to the Immigration (European Economic Area) Regulations 2006 in this test with references to the Immigration (European Economic Area) Regulations 2016, as the latter revokes and replaces the former. Regulation 6(b) provides that certain rights to reside created for nationals of European Economic Area states in connection with the United Kingdom's withdrawal from the EU, and for Zambrano carers, are not relevant rights to reside for the purposes of establishing habitual residence. Regulation 6(c) revokes a reference to transitional measures relating to Croatian nationals following Croatia's accession to the EU.

The figures in the 2012 Regulations which are uprated by regulations 7(a)(i) to (v) and 8 to 10 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); the income bands in relation to which the amount of a person's alternative maximum council tax reduction is calculated; and the amounts to be deducted from the calculation of the applicant's income other than earnings.

The amendments made by regulations 7(b)(ii) and 11(b) insert references to new social security benefits, namely early years assistance and funeral expense assistance, to provide for how they are taken into account when determining eligibility for a reduction and the amount of a reduction. Regulation 11(b) also provides for how a payment of arrears of maternity allowance, or a payment made to compensate a person for the non-payment of maternity allowance, will be treated in the calculation of a person's capital for the purpose of assessing whether they are entitled to a reduction.

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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