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## 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 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 matters set out in paragraph 2 of Schedule 1A to the 1992 Act.

These Regulations amend the 2012 Regulations. The amendment in regulation 2(5)(a) has the effect that rights of a person who is a jobseeker within the description referred to in the provision are not to be treated as a right to reside for the purposes of entitlement under a council tax reduction scheme. The amendments in regulation 2(5)(b) amend the list of persons who do not need to show habitual residence, first, to update the provision covering persons with leave to remain in the United Kingdom and, secondly, to include those in receipt of certain income-related benefits and nationals of Croatia who are subject to the worker authorisation scheme and who are treated as workers under that scheme.

The amendment in regulation 2(6) amends the provision which excludes “persons subject to immigration control” from being eligible for a reduction. It excepts from that exclusion persons who benefit from the European Convention on Social and Medical Assistance and European Social Charter.

The amendments in regulation 2(7)(c)(i) to (v), (8), (9) and (11) increase certain of the figures which are used in calculating whether a person is entitled to a reduction and the amount of that reduction. The up-rated figures 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 a disregard that applies when calculating a person’s income (including inserting some new text into paragraph 8(2)(b)(b) and (c) of Schedule 1 to the 2012 Regulations).

The amendment in regulation 2(7)(c)(vi) has the effect that a non-dependant deduction will not be made in respect of a member of the armed forces away on operations.

The amendments in regulation 2(12) provide that certain payments made by local government for welfare purposes, certain arrears of universal credit, and payments made to annuitants of the Equitable Life Assurance Company, are disregarded when assessing an applicant’s capital.

The amendments in regulation 2(2) to (4), (7)(a), (b) and (d), (10) and (13) make minor amendments to the 2012 Regulations to correct drafting errors in the 2012 Regulations or make changes consequential on new legislation.

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