
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.

The figures in the 2012 Regulations which are updated by regulations 3(a), 4 and 5 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 amendments made by regulations 3(b) and (c) and 6 are amendments which have an impact on the calculation of the amount of an applicant’s council tax reduction. The amendments made by regulation 3(b) and (c) provide for the manner in which carer’s allowance supplement and certain child care charges to be treated when calculating an applicant’s income; the amendment made by regulation 6 provides that certain payments made as a result of an error of law are disregarded when calculating an applicant’s capital.

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