

## POLICY NOTE

### THE COUNCIL TAX REDUCTION AND COUNCIL TAX (DISCOUNTS) (MISCELLANEOUS AMENDMENT) (SCOTLAND) REGULATIONS 2022

#### SSI 2022/125

1. The above instrument is made in exercise of the powers conferred by sections 80 and 113(1) and (2), and paragraph 11 of schedule 1 and paragraph 1 of schedule 2 of the Local Government Finance Act 1992. It is subject to the negative procedure.

**The purpose of these Regulations is to ensure that the entitlement to the Single Person discount from council tax liability, and under the Council Tax Reduction scheme, is not affected by offering accommodation to certain persons coming to the UK from Ukraine in connection with the Russian invasion which took place on 24 February 2022. These are persons who were residing in Ukraine immediately before 1 January 2022, and who have leave to enter or remain in the UK under or outside the immigration rules, or who have a right of abode in the UK.**

#### Policy Objectives

2. This instrument amends the Council Tax (Discounts) (Scotland) Regulations 1992, the Council Tax Reduction (Scotland) Regulations 2021, and the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012. In this Policy Note the term ‘Ukrainian refugees’ means persons who were residing in Ukraine immediately before 1 January, left Ukraine in connection with the Russian invasion which took place on 24 February 2022, and have leave to enter or remain in the United Kingdom granted under or outside the Immigration Rules, or who have a right of abode in the United Kingdom. (Those ‘residing’ in Ukraine immediately before 1 January 2022 may include those who consider Ukraine to be their home, but who were temporarily absent immediately before 1 January 2022.)

3. The purpose of this instrument is to ensure that entitlement under the Council Tax Reduction scheme, and to the Single Person Discount in relation to council tax liability, is not affected by providing accommodation to Ukrainian refugees. To that end the instrument makes changes to council tax legislation to meet three specific policy objectives. The first objective is to prevent a person losing their entitlement to the Single Person Discount by reason of providing accommodation, in their own home, to a Ukrainian refugee. (The Single Person Discount gives qualifying households a 25% reduction in their council tax liability.) This instrument therefore amends the Council Tax (Discounts) (Scotland) Regulations 1992 so that Ukrainian refugees are disregarded when assessing if a household qualifies for the Single Person Discount. This will mean that a household that currently receives the Single Person Discount, or would become eligible, will receive the Single Person Discount even if a Ukrainian refugee is living in the property.

4. Households in Scotland who provide accommodation as part of the UK Government’s Homes for Ukraine scheme can receive an optional ‘thank you’ payment of £350 per month for up to 12 months. The second policy objective is that this payment is disregarded for the purposes of assessing someone’s income and capital in the Council Tax Reduction (CTR) scheme. (The CTR scheme reduces someone’s council tax liability based on an assessment of their circumstances, income, and capital). Under the CTR scheme in place from 1 April 2022 these payments will be disregarded as income, but amendments are necessary to ensure

that they are also disregarded when assessing a household's capital. This instrument makes the necessary changes to the Council Tax Reduction (Scotland) Regulations 2021 and the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012.

5. The third policy objective fulfilled by this instrument is to ensure that offering accommodation to a Ukrainian refugee does not cause entitlement under the Council Tax Reduction scheme to be reduced on account of there being considered to be a non-dependant adult living in the property. These regulations therefore amend the Council Tax Reduction (Scotland) Regulations 2021 and the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012 so that Ukrainian refugees are expressly excluded from being classed as non-dependant adults.

### **Consultation**

6. No formal consultation was required to be carried out in relation to these Regulations.

### **Impact Assessments and Financial Effects**

7. The policy measures implemented in this instrument will not increase the level of council tax householders pay, or reduce the level of council tax local authorities receive. That is because all the changes maintain the current level of council tax liability that a household has, rather than reducing or increasing it. There are no specific impact assessments in relation to the changes made by this instrument.

Scottish Government  
Directorate for Local Government & Communities  
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