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SCOTTISH STATUTORY INSTRUMENTS

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**2023 No. 268**

**COUNCIL TAX**

**The Council Tax Reduction (Scotland)  
Amendment (No. 3) Regulations 2023**

*Made* - - - - 19th September 2023  
*Laid before the Scottish  
Parliament* - - - - 21st September 2023  
*Coming into force* - - 5th November 2023

The Scottish Ministers make the following Regulations in exercise of the powers conferred by sections 80, 113(1) and paragraph 1 of schedule 2 of the Local Government Finance Act 1992<sup>(1)</sup> and all other powers enabling them to do so.

**Citation and commencement**

1. These Regulations may be cited as the Council Tax Reduction (Scotland) Amendment (No. 3) Regulations 2023 and come into force on 5 November 2023.

**Amendment of the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012**

2.—(1) The Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012<sup>(2)</sup> are amended in accordance with paragraphs (2) to (6).

(2) In regulation 2(1) (interpretation)—

(a) after the definition of “the Fund” insert—

““Grenfell Tower payment” means a payment made for the purpose of providing compensation or support in respect of the fire on 14 June 2017 at Grenfell Tower;”,

(b) after the definition of “guaranteed income payment” insert—

““the Horizon System” means any version of the computer system used by the Post Office known as Horizon, Horizon Legacy, Horizon Online or HNG-X;”,

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(1) 1992 c. 14. Section 80 and paragraph 1 of schedule 2 were amended by paragraph 176 of schedule 13 of the Local Government etc. (Scotland) Act 1994 (c. 39). There are other amendments to section 80 and amendments to section 113(1) and (2) that are not relevant to these Regulations. The functions of the Secretary of State, in so far as within devolved competence, were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c. 46).

(2) S.S.I. 2012/319, which was relevantly amended by S.S.I. 2013/287, S.S.I. 2017/41, S.S.I. 2017/326, S.S.I. 2018/69, S.S.I. 2019/325, S.S.I. 2023/38 and S.S.I. 2023/149.

(c) after the definition of “polygamous marriage” insert—

““the Post Office” means Post Office Limited (registered number 02154540);

“Post Office compensation payment” means a payment made by the Post Office or the Secretary of State for the purpose of providing compensation or support which is—

- (a) in connection with the failings of the Horizon system; or
- (b) otherwise payable following the judgement in *Bates and Others v Post Office Ltd* ((No. 3) “Common Issues”)(3);”,

(d) after the definition of “universal credit”(4) insert—

““vaccine damage payment” means a payment made under the Vaccine Damage Payments Act 1979(5);”.

(3) In regulation 16(5)(1)(ii) (persons not entitled to council tax reduction: persons treated as not being in Great Britain), for “, in accordance with section 3ZA of that Act, does not require a right of abode” substitute “does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act”.

(4) In regulation 48(9) (non-dependant deductions)—

(a) at the end of sub-paragraph (c) omit “and”,

(b) after sub-paragraph (d) insert—

“;

- (e) any payment or interest on a payment made under the Windrush Compensation Scheme (Expenditure) Act 2020(6);
- (f) any redress payment made under part 4 of the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021(7);
- (g) any ex gratia payment made at the discretion of the Scottish Ministers from the Advance Payment Scheme within the meaning of section 42(7) of the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021;
- (h) any Grenfell Tower payment;
- (i) any Post Office compensation payment; and
- (j) any vaccine damage payment where the person—
  - (i) receives a vaccine damage payment or is a person for whose benefit a vaccine damage payment was made,
  - (ii) is the partner of a person referred to in head (i) and receives a payment by or on behalf of that person which is derived from a vaccine damage payment,
  - (iii) was the partner of a person referred to in head (i) immediately before the person’s death and receives a payment from their estate which is derived from a vaccine damage payment, or
  - (iv) in a case where a vaccine damage payment is made to the personal representative of a person who was severely disabled as a result of vaccination (“P”), was P’s partner immediately before P’s death and receives a payment from P’s estate which is derived from a vaccine damage payment”.

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(3) [2019] EWHC 606 (QB).

(4) The definition of universal credit was inserted by [S.S.I. 2013/287](#).

(5) [1979 c. 17](#).

(6) [2020 c. 8](#).

(7) [2021 asp 15](#).

(5) In schedule 3 (sums to be disregarded in the calculation of income other than earnings) for paragraph 24 substitute—

“24. Any payment or interest on a payment made under the Windrush Compensation Scheme (Expenditure) Act 2020(8).”.

(6) In schedule 4 (capital disregards)—

(a) in paragraph 16—

(i) after sub-paragraph (1) insert—

“(1A) Any payment or interest on a payment made under the Windrush Compensation Scheme (Expenditure) Act 2020(9),

(1B) A Grenfell Tower payment.

(1C) A Post Office compensation payment.

(1D) a vaccine damage payment where the applicant—

(a) receives a vaccine damage payment or is a person for whose benefit a vaccine damage payment was made,

(b) is the partner of a person referred to in head (a) and receives a payment by or on behalf of that person which is derived from a vaccine damage payment,

(c) was the partner of a person referred to in head (a) immediately before the person’s death and receives a payment from their estate which is derived from a vaccine damage payment, or

(d) in a case where a vaccine damage payment is made to the personal representative of a person who was severely disabled as a result of vaccination (“P”), was P’s partner immediately before P’s death and receives a payment from P’s estate which is derived from a vaccine damage payment.”.

(ii) for sub-paragraph (7) substitute—

“(7) In this paragraph “qualifying person” means a person—

(a) in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, another infected blood payment scheme, the London Bombings Relief Charitable Fund, the London Emergencies Trust or the We Love Manchester Emergency Fund, or

(b) who has received a Grenfell Tower payment, a Post Office compensation payment, a payment or interest on a payment under the Windrush Compensation (Expenditure) Act 2020 or a vaccine damage payment in any of the circumstances described in sub-paragraph (1D).”.

(b) omit paragraph 30F.

### **Amendment of the Council Tax Reduction (Scotland) Regulations 2021**

3.—(1) The Council Tax Reduction (Scotland) Regulations 2021(10) are amended in accordance with paragraphs (2) to (5).

(2) In regulation 4(1) (interpretation)—

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(8) 2020 c. 8.

(9) 2020 c. 8.

(10) S.S.I. 2021/249, which was relevantly amended by S.S.I. 2023/38, S.S.I. 2023/113 and S.S.I. 2023/149.

- (a) after the definition of “full-time student” insert—
- ““Grenfell Tower payment” means a payment made for the purpose of providing compensation or support in respect of the fire on 14 June 2017 at Grenfell Tower,”
- (b) after the definition of “higher education” insert—
- ““the Horizon System” means any version of the computer system used by the Post Office known as Horizon, Horizon Legacy, Horizon Online or HNG-X,”
- (c) after the definition of “personal pension scheme” insert—
- ““the Post Office” means Post Office Limited (registered number 02154540),
- “Post Office compensation payment” means a payment made by the Post Office or the Secretary of State for the purpose of providing compensation or support which is—
- (a) in connection with the failings of the Horizon system, or
- (b) otherwise payable following the judgement in *Bates and Others v Post Office Ltd* ((No. 3) “Common Issues”)(**11**),”
- (d) after the definition of “universal credit” insert—
- ““vaccine damage payment” means a payment made under the Vaccine Damage Payments Act 1979(**12**),”.

(3) In regulation 16(6)(m)(ii) (persons not entitled to council tax reduction: persons treated as not being in Great Britain), for “, in accordance with section 3ZA of that Act, does not require a right of abode” substitute “does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act”.

- (4) In regulation 75 (special schemes for compensation etc), after paragraph (1) insert—
- “(1A) This regulation also applies where an applicant receives any of the following payments—
- (a) any payment or interest on a payment made under the Windrush Compensation Scheme (Expenditure) Act 2020(**13**),
- (b) any redress payment made under part 4 of the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021(**14**),
- (c) any ex gratia payment made at the discretion of the Scottish Ministers from the Advance Payment Scheme within the meaning of section 42(7) of the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021,
- (d) a Grenfell Tower payment,
- (e) a Post Office compensation payment, or
- (f) a vaccine damage payment where the applicant—
- (i) receives a vaccine damage payment or is a person for whose benefit a vaccine damage payment was made,
- (ii) is the partner of a person referred to in head (i) and receives a payment by or on behalf of that person which is derived from a vaccine damage payment,

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(11) [2019] EWHC 606 (QB).

(12) 1979 c. 17.

(13) 2020 c. 8.

(14) 2021 asp 15.

- (iii) was the partner of a person referred to in head (i) immediately before the person's death and receives a payment from their estate which is derived from a vaccine damage payment, or
  - (iv) in a case where a vaccine damage payment is made to the personal representative of a person who was severely disabled as a result of vaccination ("P"), was P's partner immediately before P's death and receives a payment from P's estate which is derived from a vaccine damage payment."
- (5) In schedule 4 (capital to be disregarded)—
- (a) after paragraph 45(15) insert—
    - "46.—(1) Subject to sub-paragraph (2), where the applicant satisfies the conditions in regulation 13(3) and (7) (conditions of entitlement to council tax reduction), the whole of the applicant's capital.
    - (2) Sub-paragraph (1) does not apply where, in addition to satisfying the conditions in regulation 13(3) and (7), the applicant also satisfies the conditions in regulation 13(5) and (6)."
  - (b) omit paragraphs 38, 41 and 42.

St Andrew's House,  
Edinburgh  
19th September 2023

*TOM ARTHUR*  
Authorised to sign by the Scottish Ministers

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations make amendments to the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012 (“the 2012 Regulations”) and the Council Tax Reduction (Scotland) Regulations 2021 (“the 2021 Regulations”).

Regulation 2 amends the 2012 Regulations. Regulation 2(3) clarifies the effect of falling within section 3ZA of the Immigration Act 1971. Regulation 2(6) provides for the disregard of certain payments in calculating an applicant’s capital for the purposes of entitlement to council tax reduction. The payments are those made to provide compensation or support in respect of the Grenfell Tower Fire on 14 June 2017, payments made by the Secretary of State or the Post Office for the purpose of providing compensation or support in connection with the failings of the Post Office Horizon computer system or otherwise payable following the judgement in *Bates and Others v Post Office Ltd* ((No. 3) “Common Issues”) and certain payments made under the Vaccine Damage Payments Act 1979. It also provides for the disregard of compensation payments under the Windrush Compensation Scheme, currently provided for in paragraph 30F of schedule 4 of the 2012 Regulations. Regulation 2(4) provides that all of the payments just mentioned, together with those related to redress for historic child abuse in care, are also disregarded in calculating the income of a non-dependant adult who lives with a council tax reduction applicant, for the purposes of calculating how entitlement to council tax reduction is affected by the presence of the non-dependant adult. Regulation 2(5) amends schedule 3 of the 2012 Regulations to clarify the basis on which payments of compensation from the Windrush Compensation Scheme are disregarded when calculating income other than earnings for council tax reduction purposes. Regulation 2(2) inserts appropriate definitions into the interpretation provision in regulation 2 of the 2012 Regulations in light of these changes.

Regulation 3 amends the 2021 Regulations. Regulation 3(3) clarifies the effect of falling within section 3ZA of the Immigration Act 1971. Regulation 3(4) amends regulation 75 to provide for the disregard of the same payments as described above in relation to the 2012 Regulations when calculating an applicant’s capital for the purposes of entitlement to council tax reduction under the 2021 Regulations. It also provides for the disregard of three payments currently disregarded under schedule 4 of the 2021 Regulations, namely payments under or in connection with the Windrush Compensation Scheme, redress payments under Part 4 of the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021 and ex gratia payments from the Advance Payments Scheme in respect of cases of historic abuse in care. All disregards of compensation payments in calculation of capital are therefore now provided for in regulation 75. Regulation 3(2) inserts appropriate definitions in the interpretation provision in regulation 4 of the 2021 Regulations in light of the changes made by regulation 3(4). Regulation 3(5) amends schedule 4 of the 2021 Regulations to clarify that the whole capital of a person who is liable to pay council tax is to be disregarded when calculating their entitlement to second adult rebate.