

Draft Regulations laid before the National Assembly for Wales under section 13A(8) of the Local Government Finance Act 1992, for approval by resolution of the National Assembly for Wales.

DRAFT WELSH STATUTORY
INSTRUMENTS

2019 No. (W.)

COUNCIL TAX, WALES

**The Council Tax Reduction
Schemes (Prescribed Requirements
and Default Scheme) (Wales)
(Amendment) Regulations 2019**

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013 (“the Prescribed Requirements Regulations”) and the Council Tax Reduction Schemes (Default Scheme) (Wales) Regulations 2013 (“the Default Scheme Regulations”) made under section 13A(4) and (5) of, and Schedule 1B to, the Local Government Finance Act 1992.

The Prescribed Requirements Regulations require each billing authority in Wales to make a scheme specifying the reductions which are to apply to amounts of council tax payable by persons, or classes of persons, whom the authority considers are in financial need. The Prescribed Requirements Regulations also set out the matters that must be included within such a scheme.

The Default Scheme Regulations set out a scheme that will take effect, in respect of dwellings situated in the area of a billing authority, if the authority fails to make its own scheme.

These Regulations amend both the Prescribed Requirements and the Default Scheme Regulations.

The amendments to the Prescribed Requirements Regulations made by regulations 4, 6(a)(i) to (v) and 7 increase certain figures that are used in calculating whether a person is entitled to a reduction and the amount of that reduction. The uprated figures relate to

non-dependent 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 dependents of the applicant); and the applicable amount in relation to an application for a reduction (the amount against which an applicant's income is compared in order to determine the amount of reduction to which the applicant is entitled). The same amendments are made in relation to the Default Scheme Regulations by regulations 12, 14 and 15.

The amendments to the Prescribed Requirements Regulations made by regulations 5, 9(b) and 10(a) and (c) are made in consequence of a new social security benefit called Bereavement Support Payment (BSP) for surviving spouses and civil partners who are widowed on or after 6 April 2017. The amendments ensure that the various payments of BSP are disregarded in the calculation of income so that firstly, the initial larger payment and any arrears which are included in the first monthly payment are treated as capital, and a 12 month disregard is applied from the date of payment and secondly, subsequent smaller monthly payments (except for arrears) are treated as income and disregarded for a month. The same amendments are made to the Default Scheme Regulations by regulations 17(b), 18 and 19(a) and (c).

The amendments to the Prescribed Requirements Regulations made by regulations 9(a) and 10(b) are made in consequence of the change of name and transfer of functions from the Secretary of State for Health to the Secretary of State for Health and Social Care made by the Secretaries of State for Health and Social Care and for Housing, Communities and Local Government and Transfer of Functions (Commonhold Land) Order 2018. The same amendments are made to the Default Scheme Regulations by regulations 17(a) and 19(b).

The amendment to the Prescribed Requirements Regulations made by regulation 8 is intended to clarify the qualifying conditions for a disregard when an applicant is a member of a couple. It is intended to clarify that the person working must also be the person who meets the qualifying conditions by being the person who is –

- entitled to a disability premium, or
- is receiving the support component as part of their award of Employment and Support Allowance (ESA), or
- is in the work-related activity group for ESA.

The same amendment is made to the Default Scheme Regulations by regulation 16.

The amendments made to the Prescribed Requirements Regulations by regulations 3(b) and 6(b)

are made in consequence of the imminent commencement of Part 1 of the Regulation and Inspection of Social Care (Wales) Act 2016 (“the 2016 Act”) in relation to a fostering service within the meaning of that Act. The scheme by which foster parents are currently approved is set out in the Fostering Services (Wales) Regulations 2003. However, those Regulations may be replaced by further Regulations made pursuant to section 93 of the Social Services and Well-being (Wales) Act 2014 during the next financial year. The amendment is made so as to ensure that foster parents approved under the 2003 Regulations or under any Regulations made pursuant to sections 87 and 93 of the 2014 Act will be subject to provision made in the Prescribed Requirements Regulations in respect of the treatment of child care charges. Regulation 13 makes the same amendment in the Default Scheme Regulations.

The amendment to the Prescribed Requirements Regulations made by regulation 6(a)(vi) clarifies the position in respect of non dependent deductions so that no deduction will occur where a non dependent is not in the work related activity group and is in receipt of certain benefits, namely income support, state pension credit, an income-based jobseeker’s allowance or an income related employment and support allowance.

The Welsh Ministers’ Code of Practice on the carrying out of Regulatory Impact Assessments was considered in relation to these Regulations. As a result, a regulatory impact assessment has been prepared as to the likely costs and benefits of complying with these Regulations. A copy can be obtained from the Local Government Finance and Public Services Performance Division, Welsh Government, Cathays Park, Cardiff, CF10 3NQ.

Draft Regulations laid before the National Assembly for Wales under section 13A(8) of the Local Government Finance Act 1992, for approval by resolution of the National Assembly for Wales.

DRAFT WELSH STATUTORY
INSTRUMENTS

2019 No. (W.)

COUNCIL TAX, WALES

**The Council Tax Reduction
Schemes (Prescribed Requirements
and Default Scheme) (Wales)
(Amendment) Regulations 2019**

Made

*Coming into force in accordance with
regulation 1(2)*

The Welsh Ministers make the following Regulations in exercise of the powers conferred upon them by section 13A(4) and (5) of, and paragraphs 2 to 7 of Schedule 1B to, the Local Government Finance Act 1992(1).

In accordance with section 13A(8) of that Act, a draft of this instrument has been laid before and approved by resolution of the National Assembly for Wales.

Title, commencement and interpretation

1.—(1) The title of these Regulations is the Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2019.

(2) These Regulations come into force the day after the day on which they are made.

(3) These Regulations apply in relation to a council tax reduction scheme made for a financial year beginning on or after 1 April 2019.

(1) 1992 c.14. Section 13A was substituted by section 10(1) of the Local Government Finance Act 2012 (c. 17) and Schedule 1B was inserted by section 10(2) of, and Schedule 4 to, that Act.

(4) In these Regulations “council tax reduction scheme” (“*cynllun gostyngiadau'r dreth gyngor*”) means a scheme made by a billing authority in accordance with the Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013(1), or the scheme that applies in default by virtue of paragraph 6(1)(e) of Schedule 1B to the Local Government Finance Act 1992.

Amendments to the Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013

2. The Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013 are amended in accordance with regulations 3 to 10.

3. In Schedule 1 (determining eligibility for a reduction: pensioners)—

- (a) in paragraph 3 (non-dependant deductions: pensioners)—
 - (i) in sub-paragraph (1)(a) for “£13.10” substitute “£13.75”;
 - (ii) in sub-paragraph (1)(b) for “£4.35” substitute “£4.55”;
 - (iii) in sub-paragraph (2)(a) for “£205.00” substitute “£210.00”;
 - (iv) in sub-paragraph (2)(b) for “£205.00”, “£355.00” and “£8.70” substitute “£210.00”, “£365.00” and “£9.15” respectively;
 - (v) in sub-paragraph (2)(c) for “£355.00”, “£440.00” and “£10.95” substitute “£365.00”, “£450.00” and “£11.50” respectively;
- (b) in paragraph 19(8)(k) (treatment of child care charges: pensioners), for “Fostering Services (Wales) Regulations 2003” substitute “Fostering Services (Wales) Regulations 2003(2) or any Regulations made under section 87 and 93 of the Social Services and Well-being (Wales) Act 2014(3) which make provision for the approval of local authority foster parents”.

4. In Schedule 2 (applicable amounts: pensioners)—

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

(1) S.I. 2013/3029 (W. 301), as amended by S.I. 2014/66 (W.6), S.I. 2014/825 (W. 83), S.I. 2015/44 (W. 3), S.I. 2015/971, S.I. 2016/50 (W. 21), S.I. 2017/46 (W. 20) and S.I. 2018/14 (W. 7).

(2) S.I. 2003/237 (W. 35)

(3) 2014 anaw.4

- (i) in sub-paragraph (1) for “£163.00” and “£176.40” substitute “£167.25” and “£181.00” respectively;
 - (ii) in sub-paragraph (2) for “£248.80” and “£263.80” substitute “£255.25” and “£270.60” respectively;
 - (iii) in sub-paragraph (3) for “£248.80” and “£85.80” substitute “£255.25” and “£88.00” respectively;
 - (iv) in sub-paragraph (4) for “£263.80” and “£87.40” substitute “£270.60” and “£89.60” respectively;
- (b) in the Table in Part 4 (amounts of premium specified in Part 3), in the second column—
- (i) in sub-paragraph (1) for “£64.30” in each place where it occurs substitute “£65.85” and for “£128.60” substitute “£131.70”;
 - (ii) in sub-paragraph (2) for “£25.48” substitute “£26.04”;
 - (iii) in sub-paragraph (3) for “£62.86” substitute “£64.19”;
 - (iv) in sub-paragraph (4) for “£36.00” substitute “£36.85”.

5. In Schedule 5 (capital disregards: pensioners)—

- (a) in paragraph 21(2)—
 - (i) in paragraph (p) omit “or”;
 - (ii) in paragraph (q) for “.” substitute “; or”;
 - (iii) after paragraph (q) insert—
 - “(r) bereavement support payment under section 30 of the Pensions Act 2014,”;
 - and
- (b) after paragraph 28B, insert—

“**28C.** Any bereavement support payment in respect of the rate set out in regulation 3(2) or (5) of the Bereavement Support Payment Regulations 2017(1) (rate of bereavement support payment), but only for a period of 52 weeks from the date of receipt of the payment.”.

6. In Schedule 6 (determining eligibility for a reduction under an authority’s scheme, amount of reduction and calculation of income and capital: persons who are not pensioners)—

- (a) in paragraph 5 (non-dependent deductions: persons who are not pensioners)—
 - (i) in sub-paragraph (1)(a) for “£13.10” substitute “£13.75”;

(1) S.I. 2017/410.

- (ii) in sub-paragraph (1)(b) for “£4.35” substitute “£4.55”;
- (iii) in sub-paragraph (2)(a) for “£205.00” substitute “£210.00”;
- (iv) in sub-paragraph (2)(b) for “£205.00”, “£355.00” and “£8.70” substitute “£210.00”, “£365.00” and “£9.15” respectively;
- (v) in sub-paragraph (2)(c) for “£355.00”, “£440.00” and “£10.95” substitute “£365.00”, “£450.00” and “£11.50” respectively;
- (vi) in sub-paragraph (8), for paragraph (a) substitute—

“(a) who is not a member of the work-related activity group, and is on income support, state pension credit, an income-based jobseeker’s allowance or income related employment and support allowance”;

- (b) in paragraph 21(8)(k) (treatment of child care charges) for “Fostering Services (Wales) Regulations 2003” substitute “Fostering Service (Wales) Regulations 2003 or any Regulations made under sections 87 and 93 of the Social Services and Well-being (Wales) Act 2014 which make provision for the approval of local authority foster parents.”

7. In Schedule 7 (applicable amounts: persons who are not pensioners)—

- (a) in column (2) of the Table in paragraph 1 (personal allowances)—
 - (i) in sub-paragraph (1) for “£76.10” in each place in which it occurs substitute “£77.90” and for “£60.25” substitute “£61.70”;
 - (ii) in sub-paragraph (2) for “£76.10” substitute “£77.90”;
 - (iii) in sub-paragraph (3) for “£119.50” substitute “£122.35”;
- (b) in the Table in Part 4 (amounts of premiums specified in Part 3), in the second column—
 - (i) in sub-paragraph (1) for “£33.55” and “£47.80” substitute “£34.35” and “£48.95” respectively;
 - (ii) in sub-paragraph (2) for “£64.30” in each place in which it occurs substitute “£65.85” and for “£128.60” substitute “£131.70”;
 - (iii) in sub-paragraph (3) for “£62.86” substitute “£64.19”;

- (iv) in sub-paragraph (4) for “£36.00” substitute “£36.85”;
- (v) in sub-paragraph (5) for “£25.48”, “£16.40”, and “£23.55” substitute “£26.04”, “£16.80” and “£24.10” respectively;
- (c) in Part 6 (amount of components), in paragraph 24 (amount of support component), for “£37.65” substitute “£38.55”.

8. In Schedule 8 (sums disregarded in the calculation of earnings: persons who are not pensioners), in paragraph 18(2)(b), for sub-paragraph (iv) substitute—

“(iv) not being a member of a couple, is engaged in remunerative work for on average not less than 16 hours per week and—

(aa) the applicant’s applicable amount includes a disability premium under paragraph 9 of Schedule 7, or the support component under paragraph 22 of Schedule 7; or

(bb) the applicant is a member of the work-related activity group; or

(v) is a member of a couple and at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week and that member of the couple—

(aa) satisfies the qualifying conditions for the disability premium under paragraph 9 of Schedule 7 or the support component under paragraph 22 of Schedule 7; or

(bb) is a member of the work-related activity group.”

9. In Schedule 9 (sums disregarded in the calculation of income other than earnings: persons who are not pensioners)—

- (a) in paragraph 46(2), after “Secretary of State for Health” insert “and Social Care”;
- (b) after paragraph 66 insert—

“**67.** Any bereavement support payment under section 30 of the Pensions Act 2014 (bereavement support payment) except any such payment which is disregarded as capital under paragraph 12(1)(h) or 65 of Schedule 10.”

10. In Schedule 10 (capital disregards: persons who are not pensioners)—

- (a) in paragraph 12(1)—
 - (i) in sub-paragraph (g) for “,” substitute “,”;
 - (ii) after sub-paragraph (g) insert—
 - “(h) bereavement support payment under section 30 of the Pensions Act 2014,”;
- (b) in paragraph 43(2), after “Secretary of State for Health” insert “and Social Care”;
- (c) after paragraph 64, insert—

“**65.** Any bereavement support payment in respect of the rate set out in regulation 3(2) or (5) of the Bereavement Support Payment Regulations 2017 (rate of bereavement support payment), but only for a period of 52 weeks from the date of receipt of the payment.”.

Amendments to the Council Tax Reduction Schemes (Default Scheme) (Wales) Regulations 2013

11. The scheme set out in the Schedule to the Council Tax Reduction Schemes (Default Scheme) (Wales) Regulations 2013(1) is amended in accordance with regulations 12 to 19.

12. In paragraph 28 (non-dependant deductions: pensioners and persons who are not pensioners)—

- (a) in sub-paragraph (1)(a) for “£13.10” substitute “£13.75”;
- (b) in sub-paragraph (1)(b) for “£4.35” substitute “£4.55”;
- (c) in sub-paragraph (2)(a) for “£205.00” substitute “£210.00”;
- (d) in sub-paragraph (2)(b) for “£205.00”, “£355.00” and “£8.70” substitute “£210.00”, “£365.00” and “£9.15” respectively;
- (e) in sub-paragraph (2)(c) for “£355.00”, “£440.00” and “£10.95” substitute “£365.00”, “£450.00” and “£11.50”.

13. In paragraph 55(8)(k) (treatment of child care charges) for “Fostering Services (Wales) Regulations 2003” substitute “Fostering Services (Wales) Regulations 2003 or any Regulations made under sections 87 and 93 of the Social Services and Well-

(1) S.I. 2013/3035 as amended by S.I. 2014/66 (W.6), S.I. 2014/825 (W.83), S.I. 2015/44 (W.3), S.I. 2015/971, S.I. 2016/50 (W.21), S.I. 2017/46 (W.20) and S.I. 2018/14 (W.7).

being (Wales) Act 2014 which make provision for the approval of local authority foster parents”.

14. In Schedule 2 (applicable amounts: pensioners)—

- (a) in column (2) of the Table in paragraph 1 (personal allowances)—
 - (i) in sub-paragraph (1) for “£163.00” and “£176.40” substitute “£167.25” and “£181.00” respectively;
 - (ii) in sub-paragraph (2) for “£248.80” and “£263.80” substitute “£255.25” and “£270.60” respectively;
 - (iii) in sub-paragraph (3) for “£248.80” and “£85.80” substitute “£255.25” and “£88.00” respectively;
 - (iv) in sub-paragraph (4) for “£263.80” and “£87.40” substitute “£270.60” and “£89.60” respectively;
- (b) in the Table in Part 4 (amounts of premiums specified in Part 3), in the second column—
 - (i) in sub-paragraph (1) for “£64.30” in each place in which it occurs substitute “£65.85” and for “£128.60” substitute “£131.70”;
 - (ii) in sub-paragraph (2) for “£25.48” substitute “£26.04”;
 - (iii) in sub-paragraph (3) for “£62.86” substitute “£64.19”;
 - (iv) in sub-paragraph (4) for “£36.00” substitute “£36.85”.

15. In Schedule 3 (applicable amounts: persons who are not pensioners)—

- (a) in column (2) of the Table in paragraph 1 (personal allowances)—
 - (i) in sub-paragraph (1) for “£76.10” in each place in which it occurs substitute “£77.90” and for “£60.25” substitute “£61.70”;
 - (ii) in sub-paragraph (2) for “£76.10” substitute “£77.90”;
 - (iii) in sub-paragraph (3) for “£119.50” substitute “£122.35”;
- (b) in the Table in Part 4 (amount of premiums specified in Part 3), in the second column—
 - (i) in sub-paragraph (1) for “£33.55” and “£47.80” substitute “£34.35” and “£48.95” respectively;
 - (ii) in sub-paragraph (2) for “£64.30” in each place in which it occurs substitute

- “£65.85” and for “£128.60” substitute “£131.70”;
- (iii) in sub-paragraph (3) for “£62.86” substitute “£64.19”;
 - (iv) in sub-paragraph (4) for “£36.00” substitute “£36.85”;
 - (v) in sub-paragraph (5) for “£25.48”, “£16.40” and “£23.55” substitute “£26.04”, “£16.80” and “£24.10” respectively;
- (c) in Part 6 (amount of components), in paragraph 24 (amount of support component), for “£37.65” substitute “£38.55”.

16. In Schedule 6 (sums disregarded in the calculation of earnings: persons who are not pensioners), in paragraph 18(2)(b), for sub-paragraph (iv) substitute—

- “(iv) not being a member of a couple, is engaged in remunerative work for on average not less than 16 hours per week and—
 - (aa) the applicant’s applicable amount includes a disability premium under paragraph 9 of Schedule 3 or the support component under paragraph 22 of Schedule 3; or
 - (bb) the applicant is a member of the work-related activity group; or
- (v) is a member of a couple and at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week and that member of the couple—
 - (aa) satisfies the qualifying conditions for the disability premium under paragraph 9 of Schedule 3 or the support component under paragraph 22 of Schedule 3; or
 - (bb) is a member of the work-related activity group.”

17. In Schedule 7 (sums disregarded in the calculation of income other than earnings: persons who are not pensioners)—

- (a) in paragraph 46(2), after “Secretary of State for Health” insert “and Social Care”;
- (b) after paragraph 66 insert—

“**67.** Any bereavement support payment under section 30 of the Pensions Act 2014⁽¹⁾ (bereavement support payment) except any such payment which is disregarded as capital under paragraph 12(1)(h) of Schedule 9 or paragraph 65 of Schedule 9.”.

18. In Schedule 8 (capital disregards: pensioners)—

- (a) in paragraph 21(2)—
 - (i) in paragraph (p) omit “or”;
 - (ii) in paragraph (q) for “.” substitute “; or”;
 - (iii) after paragraph (q) insert—

“(r) bereavement support payment under section 30 of the Pensions Act 2014.”;
- (b) after paragraph 28B insert—

“**28C.** Any bereavement support payment in respect of the rate set out in regulation 3(2) or (5) of the Bereavement Support Payment Regulations 2017 (rate of bereavement support payment), but only for a period of 52 weeks from the date of receipt of the payment.”.

19. In Schedule 9 (capital disregards: persons who are not pensioners)—

- (a) for paragraph 12(1) substitute—

“(1) Subject to sub-paragraph (2), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of the following, but only for a period of 52 weeks from the date of the receipt of the arrears or of the concessionary payment—

 - (a) any payment specified in paragraphs 11, 13 or 14 of Schedule 7;
 - (b) an income-related benefit under Part 7 of the SSCBA⁽²⁾;
 - (c) an income-based jobseeker’s allowance;
 - (d) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001⁽³⁾;
 - (e) working tax credit and child tax credit;
 - (f) an income-related employment and support allowance;

(1) 2014 c.19.
(2) The “SSCBA” (“DCBNC”) means the Social Security Contributions and Benefits Act 1992 (c4); see definition in regulation 2 of the Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013 and in paragraph 2 of the scheme set out in the Schedule to the Council Tax Reduction Schemes (Default Schemes)(Wales) Regulations 2013.
(3) S.I. 2001/1167.

(g) universal credit;

(h) bereavement support payment under section 30 of the Pensions Act 2014⁽¹⁾.
”

(b) in paragraph 43(2), after “Secretary of State for Health” insert “and Social Care”;

(c) after paragraph 64, insert—

“**65.** Any bereavement support payment in respect of the rate set out in regulation 3(2) or (5) of the Bereavement Support Payment Regulations 2017 (rate of bereavement support payment), but only for a period of 52 weeks from the date of receipt of the payment.”.

Name

Cabinet Secretary for Finance, one of the Welsh Ministers

Date

(1) 2014 c.19