

You are hereby summoned to attend a meeting of the

MAIDSTONE BOROUGH COUNCIL



Date: Wednesday 7 December 2016

Time: 6.30 p.m.

Venue: Town Hall, High Street,
Maidstone

Membership:

Councillors Adkinson, Barned, Mrs Blackmore,
Boughton, Brice, D Burton, M Burton,
Butler (Mayor), Clark, Cox, Cuming,
Daley, Ells, English, Fermor,
Fissenden, Fort, Garland, Garten,
Mrs Gooch, Greer, Mrs Grigg, Harper,
Harvey, Harwood, Hastie, Hemsley,
Mrs Hinder, Joy, Lewins, McLoughlin,
B Mortimer, D Mortimer, Munford,
Naghi, Newton, Perry, Pickett, Powell,
Prendergast, Revell, Mrs Ring,
Mrs Robertson, Round, J Sams,
T Sams, Springett, Mrs Stockell,
Vizzard, Webb, Webster,
de Wiggondene, Wilby, Willis and
Mrs Wilson

Continued Over/:

Issued on 29 November 2016

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Alison Broom

**Alison Broom, Chief Executive, Maidstone Borough Council,
Maidstone House, King Street, Maidstone, Kent ME15 6JQ**

AGENDA

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1. Prayers
2. Apologies for Absence
3. Dispensations (if any)
4. Disclosures by Members and Officers
5. Disclosures of Lobbying
6. To consider whether any items should be taken in private because of the possible disclosure of exempt information.
7. Minutes of the meeting of the Borough Council held on 21 September 2016 1 - 18
8. Mayor's Announcements
9. Petitions
10. Question and Answer Session for Members of the Public
11. Questions from Members of the Council to the Chairmen of Committees
12. Current Issues - Report of the Leader of the Council, Response of the Group Leaders and Questions from Council Members
13. Report of the Audit, Governance and Standards Committee held on 19 September 2016 - Audit, Governance and Standards Committee - Annual Report to Council 2015/16 19 - 32
14. Report of the Strategic Planning, Sustainability and Transportation Committee held on 11 October 2016 - Community Infrastructure Levy: Draft Charging Schedule Submission 33 - 56
15. Report of the Communities, Housing and Environment Committee held on 18 October 2016 - Adoption of Byelaws for Cosmetic Piercing and Semi-Permanent Skin Colouring 57 - 66
16. Report of the Strategic Planning, Sustainability and Transportation Committee held on 8 November 2016 - Staplehurst Neighbourhood Development Plan 67 - 133
17. Report of the Democracy Committee held on 16 November 2016 - St Michael's School Polling Station Review 134 - 135
18. Report of the Democracy Committee held on 16 November 2016 - Webcasting Service 136 - 137
19. Report of the Policy and Resources Committee held on 23 November 2016 - Council Tax Reduction Scheme 2017/18 138 - 369
20. Oral Report of the Heritage, Culture and Leisure Committee to be held on 29 November 2016 (if any)

21. Oral Report of the Licensing Committee to be held on 1 December 2016 (if any)
22. Report of the Director of Finance and Business Improvement - External Audit Procurement 370 - 403
23. Membership of Committees
- The Council is asked to approve the following changes to reflect the wishes of the Leader of the Conservative Group:

Heritage, Culture and Leisure Committee

Add Councillor Prendergast as a Substitute Member of the Committee

Licensing Committee

Delete Councillor Greer as a Member of the Committee and add Councillor Revell

Add Councillor Greer as a Substitute Member of the Committee

Planning Committee

Add Councillor Greer as a Substitute Member of the Committee

Policy and Resources Committee

Add Councillors Perry and Prendergast as Substitute Members of the Committee

PUBLIC SPEAKING

In order to book a slot to speak at this meeting of the Council, please contact Debbie Snook on 01622 602030 or by email on debbiesnook@maidstone.gov.uk by 5.00 p.m. one clear working day before the meeting. If asking a question, you will need to provide the full text in writing and specify the Councillor to whom it is to be put. If making a statement, you will need to say which agenda item you wish to speak on. Please note that slots will be allocated on a first come, first served basis.

Agenda Item 7

MAIDSTONE BOROUGH COUNCIL

MINUTES OF THE MEETING OF MAIDSTONE BOROUGH COUNCIL **HELD AT THE TOWN HALL, HIGH STREET, MAIDSTONE ON** **WEDNESDAY 21 SEPTEMBER 2016**

Present: Councillor Butler (The Mayor) and Councillors Adkinson, Boughton, D Burton, M Burton, Clark, Cox, Cuming, Daley, Ells, Fissenden, Fort, Garten, Mrs Gooch, Greer, Mrs Grigg, Harper, Harvey, Hastie, Hemsley, Mrs Hinder, Mrs Joy, Lewins, McLoughlin, B Mortimer, D Mortimer, Munford, Naghi, Newton, Perry, Powell, Prendergast, Revell, Mrs Ring, Mrs Robertson, Round, J Sams, T Sams, Springett, Mrs Stockell, Vizzard, Webb, Webster, de Wiggondene, Wilby, Willis and Mrs Wilson

43. PRAYERS

Prayers were said by the Reverend Elizabeth Attaway of Boxley Church.

44. APOLOGIES FOR ABSENCE

It was noted that apologies for absence had been received from Councillors Barned, Mrs Blackmore, Brice, English, Fermor, Garland, Harwood and Pickett.

Councillor Perry informed Members that Councillor Mrs Blackmore had been taken ill earlier during the week.

RESOLVED: That Members' best wishes for a speedy recovery be sent to Councillor Mrs Blackmore.

45. DISPENSATIONS

There were no applications for dispensations.

46. DISCLOSURES BY MEMBERS AND OFFICERS

Councillor Hastie said that the subject of Councillor Boughton's motion set out at agenda item 17 was sufficiently close to her area of work that she had taken advice from the Head of Legal Partnership, and, to remain impartial, it had been agreed that she would take no part in the discussions and withdraw from the meeting for that item.

47. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

48. EXEMPT ITEMS

RESOLVED: That the items on the agenda be taken in public as proposed.

49. MINUTES OF THE MEETING OF THE BOROUGH COUNCIL HELD ON 20 JULY 2016

RESOLVED: That the Minutes of the meeting of the Borough Council held on 20 July 2016 be approved as a correct record and signed.

50. MAYOR'S ANNOUNCEMENTS

The Mayor congratulated Councillor Barned, in his absence, on his return to the Council following the Shepway South by-election, making reference also to the decision of Councillor Newton to switch from Independent to UKIP.

The Mayor then updated Members on recent/forthcoming events, and thanked them for their support.

51. PETITIONS

There were no petitions.

52. QUESTION AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

Questions to the Chairman of the Communities, Housing and Environment Committee

Mr Neil Hollands asked the following question of the Chairman of the Communities, Housing and Environment Committee:

Since moving to a property within Maidstone Borough Council a year ago, my partner and I have become increasingly frustrated with the fly tipping and litter in our Road (Wildfell Close) and surrounding areas of Walderslade Woods/Lordswood. We'd like to know what the Council is planning to do to combat/deter the increasing problem of litter and fly tipping.

The Chairman of the Communities, Housing and Environment Committee replied that:

The Council takes a zero tolerance approach to environmental crime and actively encourages responsible waste management through a combination of education and enforcement. The Council carries out educational workshops in schools as well as attending local events to raise awareness. Notices warning of the penalties for fly tipping are also displayed in hotspots to act as a deterrent and cameras are used where possible. The Council has also started issuing new fixed penalty notices for fly tipping which enables a swifter response for smaller offences.

Walderslade is on a regular cleansing regime and we strive to respond to all fly tips within 2 working days. Wildfell Close has not been identified as a fly tipping hotspot as we have received very few reports over the past 6 months. However the Enforcement Team will continue to monitor the situation and use cameras where possible to identify those responsible and take action. Warning notices will also be displayed in the area.

The Mayor then asked if any Group Leader/representative present would also like to respond.

Councillor Mrs Wilson, the Leader of the Liberal Democrat Group, and Councillor Perry, on behalf of the Leader of the Conservative Group, responded to the question.

Mr Hollands asked the following supplementary question of the Chairman of the Communities, Housing and Environment Committee:

We have reported fly tipping at least five times over the last year but there seems to be an issue with the online system used to report fly tipping instances; it does not recognise Wildfell Close as an area. A large number of UK local authorities allow the reporting of fly tipping and littering by members of the public through social media apps such as Littergram and FixMyStreet, and it seems that Maidstone Borough Council is in a minority by not supporting these methods of reporting. Surely, Maidstone Borough Council wants to make it as easy as possible for everyone to report such issues so is there a reason why it does not subscribe to these particular apps and online social media?

The Chairman of the Communities, Housing and Environment Committee replied that:

The Council does the best it can with its technology and it is noted that across the country Councils have different systems in place for reporting littering and fly tipping. The issue was discussed at the meeting of the Communities, Housing and Environment Committee last night when Members received good feedback from the Officers who suggested a way forward, but things do not happen overnight. The Council has a system in place and is looking at how it can be made to work for every resident in the Borough. The number of fly tips reported is actually down across the Borough. If you continue to experience problems, please contact me, but I can assure you that we are working on all aspects of technology in terms of reporting.

The Mayor then asked if any Group Leader/representative present would also like to respond.

There were no further responses to the supplementary question.

Questions to the Chairman of the Planning Committee

Mr Paul Thomas asked the following question of the Chairman of the Planning Committee:

I would like to ask Councillor John Perry as Chairman of the Planning Committee, why is the Council's Planning Committee making decisions which are not in support of Maidstone Borough Council's emerging Local Plan?

The Chairman of the Planning Committee replied that:

Maidstone Borough Council's emerging Local Plan does carry weight in respect of existing planning applications and that weight has increased recently with the submission of this document for Independent Examination by a government appointed Planning Inspector. However, full weight cannot be given to this document until it has successfully passed Independent Examination (with any associated modifications) and subsequently been adopted by the Council. I should add that this situation also applies to Neighbourhood Plans prepared by residents' associations and Parish Councils.

In the meantime, the existing Local Plan documents retain weight, where they are in conformity with government guidance and policy. In addition, while Local Plans provide important policies and proposals to guide future development, there are also other material considerations that apply to a specific development and these also carry weight when assessing planning applications. Planning applications are therefore considered on all relevant factors.

I must emphasise that at the end of the day, each planning application must be considered on its own merits, and this is what the Planning Committee does based on the evidence put before it.

The Mayor then asked if any Group Leader/representative present would also like to respond.

Councillor Harper, the Leader of the Labour Group, Councillor Mrs Wilson, the Leader of the Liberal Democrat Group, Councillor Mrs Gooch, the Leader of the Independent Group, and Councillor Powell, the Leader of the UKIP Group, responded to the question.

Mr Thomas asked the following supplementary question of the Chairman of the Planning Committee:

The decision in question relates to draft employment allocations and appears to undermine an already adopted Economic Development Strategy, and there is a perception that the Council is stifling job creation in the Borough. What action is the Council going to take to send a positive message to businesses and to encourage inward investment into the Borough especially as appeals are a very expensive route to it?

The Chairman of the Planning Committee replied that:

I will take this question from a planning perspective because that is how the Committee makes its judgement. A balance has to be struck on the evidence presented. The Planning Committee will judge all of the

objective evidence on the day and economic issues will be judged, but there will be other benefits and disbenefits; for example, heritage and open countryside. They are all issues that have to be taken into account by the Planning Committee. No one denies the importance of economic development in this Borough, but it has to be in the right place, and the Planning Committee will use its judgement at that time based on the evidence that it is given, and it will make its decision accordingly. I think that is probably the straightest answer I can give you on this.

The Mayor then asked if any Group Leader/representative present would also like to respond.

Councillor Mrs Wilson, the Leader of the Liberal Democrat Group, Councillor Harper, the Leader of the Labour Group, Councillor Mrs Gooch, the Leader of the Independent Group, and Councillor Powell, the Leader of the UKIP Group, responded to the question.

Questions to the Chairman of the Policy and Resources Committee

Miss Abigail Hogg asked the following question of the Chairman of the Policy and Resources Committee:

Council support is vital for charities within Maidstone to provide the help that meets the needs of local people, such as Citizens' Advice Bureau, Age UK, homeless centres to name a few of many.

Is it true that the Council now plans in cutting down the money given to these charities, including the ones mentioned, that have been supported by Maidstone Borough Council for up to 15 years, which have in the past and continue to provide exceptional service to all residents of the Borough, that rely on the Council's support in order to survive?

The Chairman of the Policy and Resources Committee replied that:

I am quite grateful that you have brought this question because the Council has tried to be extremely transparent about the financial situation it is currently in and letting people know, but with that has gone a great deal of misunderstanding of where we are in terms of looking at what we hope to do to address the situation.

I could say that as part of the development of the Council's Efficiency Plan all areas of expenditure are being reviewed and obviously we have to make any cuts suit the outcomes set out in the Council's Strategic Plan, but that is all jargon.

This Council has to look at everything it does and that will include looking at the agreements and partnerships it has with all of these organisations. This does not mean that any of us would willingly seek to cut their funding; we rely a lot on the voluntary sector, whether they have charitable status or not, to a great extent and they do a lot of work to support the most vulnerable people in our society, but we do have to make sure that the agreements and partnerships we have with these very

valued people are producing the outcomes that we all agree we need. That has not been looked at for quite some time, and we do have the economic situation to deal with.

It just so happens that a report will be coming shortly to the Communities, Housing and Environment Committee looking at all aspects of the funding that Committee deals with, one part of which is the Council's relationships with these organisations.

So, I would like to give you some assurance that this will be looked at extremely seriously and with full knowledge of the work of all of these people (who give up a lot of time to help others), but we would be at fault if we did not look at it. We have not made any decisions and I have to emphasise that because there is a lot going out in the press I notice that seems to assume that we have already made up our minds about everything to do with the budget. We have not.

The Mayor then asked if any Group Leader/representative present would also like to respond.

Councillor Perry, on behalf of the Leader of the Conservative Group, Councillor Adkinson, on behalf of the Leader of the Labour Group, and Councillor Powell, the Leader of the UKIP Group, responded to the question.

Miss Hogg did not wish to ask a supplementary question of the Chairman of the Policy and Resources Committee arising out of the original question or the reply.

Mr Mike Hogg asked the following question of the Chairman of the Policy and Resources Committee:

In recent weeks the Council has stated savings of over 4 million pounds have to be found. Over the past year, this Council has cut the freight service available for residents which fly tipping has increased, raised Council Tax to over 2% in order to maintain standards of services, but has seen a build up of litter filling the streets and bins being left overflowing. Now proposed plans include extending the timings of car parking fees at Mote Park, increasing car parking fees by 50% and cuts of £225K to CCTV is also at risk by this Council, a service which provides so much reassurance to many residents and has been effective in recent weeks/months when tackling crime. Even cutting the budget for public toilets, where many previously have campaigned to relieve pressures of the lack of facilities to ensure increases were made, but instead not pushed through with these ambitions.

All these proposed plans that affect the services provided to residents to save 4 million pounds have been rated on a scale of their importance, yet the Council is purchasing the old sorting office next to Maidstone East Station with KCC for the sum of in between 4.5 to 6 million pounds.

Does the Chairman of the Policy and Resources Committee feel it is more essential to rate and buy a derelict building as a higher priority over ensuring public safety and the quality and availability of vital services for the people who you are elected to represent, especially when Council Tax and fees would inevitably be raised, and more cuts to services to pay for something that the Council really can't afford?

The Chairman of the Policy and Resources Committee replied that:

What I rate most of all is protecting as many frontline services as possible for the benefit of the people of this Borough, but people must not confuse revenue accounts with capital accounts.

The situation the Council is in is not of the Council's making. It does not matter who has been running the Council in recent years, there has been prudent looking after of the Council's accounts. It is entirely because central government has decided to stop funding to us of a type we used to get and, furthermore, contrary to what people may have read in the press about us getting 100% of Business Rates, central government has now decided to take a larger slice of the Business Rates we currently have. So, to reiterate, the situation is not of the Council's making.

Fortunately, the Council has been prudent. It has not used its savings to prop up revenue as so many other Councils have done. The Council has never done that. There are only three ways you can make savings. The first is to stop a service, the second is to cut back a service and the third is to make an income which helps to cover the cost of the services you have got. The simple fact of the matter is that we have chosen in this instance to purchase this property with Kent County Council because we do believe that it will produce revenue for us as time goes by. Yes, you can say that it is somewhat derelict at the moment, but until we have in place a long term plan for the site we have a holding strategy that will bring in income to cover the baseline costs while going forward.

People of this Borough need to clearly understand that it is not putting buying a bit of property over protecting frontline services, it is part of a plan to protect frontline services and that is the situation we are in at the moment. It is a grim situation, but this Council, I am sure, will get through it in the way it always has, but for the first time we are finding that we are at the stage where we cannot tighten belts much further. It is a really difficult situation and I would never put buying a derelict property over a frontline service; it is part of a plan to try to protect everything we can in the long term.

The Mayor then asked if any Group Leader/representative present would also like to respond.

Councillor Mrs Gooch, the Leader of the Independent Group, Councillor Perry, on behalf of the Leader of the Conservative Group, Councillor Harper, the Leader of the Labour Group, and Councillor Powell, the Leader of the UKIP Group, responded to the question.

Mr Hogg did not wish to ask a supplementary question of the Chairman of the Policy and Resources Committee arising out of his original question or the reply.

Mr Jon Hicks asked the following question of the Chairman of the Policy and Resources Committee:

Does Maidstone have a formal, published Council Tax Debt Recovery Policy to avoid maladministration in Council Tax recovery?

The Chairman of the Policy and Resources Committee replied that:

Maidstone Borough Council carries out its Council Tax debt recovery under legislation contained in the Council Tax (Administration and Enforcement) Regulations 1992. These Regulations set out clear procedures for local councils to follow to enforce non-payment of Council Tax. These are the procedures we follow.

The Mayor then asked if any Group Leader/representative present would also like to respond.

There were no further responses to the question.

Mr Hicks asked the following supplementary question of the Chairman of the Policy and Resources Committee:

Does the Council have a special arrangement with the Courts using bankruptcy procedures to save them enforcing already secured debts such as Charging Orders for Council Tax whilst using specially brought in fee paid judges that do not have to follow the Insolvency Act and rules?

On behalf of the Chairman of the Policy and Resources Committee, the Chief Executive said that the answer was no.

The Mayor then asked if any Group Leader/representative present would also like to respond.

There were no further responses to the question.

Ms Rebecca Thomas asked the following question of the Chairman of the Policy and Resources Committee:

When was the Council's automated payment system updated with a warning that any money paid in using the Council's automated system for arrears of Council Tax is allocated firstly towards the oldest debt?

Your system does not specify whether or not it applies to the oldest unsecured debt or a debt that has already been secured, for example by a Charging Order on a home. How can you call the Council outside of office hours or contact them if you do not have access to a computer or if you are paying by automated telephone?

The Chairman of the Policy and Resources Committee replied that:

The software system does specify which debt a payment is allocated to. There is a statement on our website which says: "If you have Council Tax arrears and the payment you make does not match the amount that is due for the current year, then your payment will be allocated to the oldest debt. You'll need to let us know which debt you are making a payment for, by emailing counciltax@maidstone.gov.uk or calling 01622 602003."

If the payment matches an amount due, it is allocated against that payment. If the payment does not match an amount due, it is allocated against the oldest debt on the system irrespective of any recovery proceedings that have taken place.

The Council can be contacted out of hours by email (via smartphones if no computer), or by writing to the Council through the letterbox, but clearly out of hours means what it says so you can make the contact but there will not be someone to answer it at that point in time because we do not expect normally that there would be an answer necessary overnight for example to questions of this nature. If staff have written to you previously, you may be able to leave a message on a direct line if one has been quoted on correspondence sent to you.

The Mayor then asked if any Group Leader/representative present would also like to respond.

There were no further responses to the question.

Ms Thomas asked the following supplementary question of the Chairman of the Policy and Resources Committee:

Has the Council corrected the accounts of those that have paid by automated telephone before your warning was put into place on your system who have a letter afterwards confirming what the payment was used for or has the Council ignored this letter and bankrupted instead of using their funds towards a debt already secured on their home?

The Leader of the Council said that she would ask the Officers to produce a written response to this question on her behalf.

The Mayor said that he did not believe that any Group Leader/representative present wished to respond.

Mr Arthur Thomas asked the following question of the Chairman of the Policy and Resources Committee:

How many Councillors have scrutinised Council Tax enforcement procedures and attended court as a witness?

The Chairman of the Policy and Resources Committee replied that:

The Council currently does not have a formal Scrutiny Committee. The process of agreeing the Council Tax Base and making recommendations to full Council sits with the Policy and Resources Committee. As set out in the answer to Mr Hicks' question, the process of enforcing non-payment of Council Tax is set out quite clearly in legislation. All day to day operational matters are dealt with by the Head of the Revenues and Benefits team and the team, who work within the legislation. However, the Policy and Resources Committee has the strategic oversight of that work and would be made aware of any major issues or decisions affecting the Revenues and Benefits service.

No Councillors have attended court to act as a witness on enforcement procedures. It would not be the Council's practice to request Councillors to attend court in this capacity. However, individual Councillors may have attended court in their private capacity to support individuals. This is a matter entirely for them.

As Council staff have the day to day responsibility for all operational work, this would include attending court as a witness to give evidence in enforcement proceedings if necessary.

The Mayor then asked if any Group Leader/representative present would also like to respond.

There were no further responses to the question.

Mr Thomas asked the following supplementary question of the Chairman of the Policy and Resources Committee:

How can the Councillors be sure that the Council is following the correct bankruptcy procedure or using an outsourced solicitors' firm in a process that the Council has not scrutinised? Are there any Councillors present who would be interested in attending as Visiting Members to hold the Council accountable if they are not following the correct procedures at next week's meeting of the Policy and Resources Committee especially as Councillors' allowances have been in excess of £385k in a year?

The Mayor ruled that this supplementary question did not relate to the original question or the reply.

Ms Gail Hanagan had given notice of her wish to ask a question of the Chairman of the Policy and Resources Committee, but was unable to attend the meeting due to an injury.

Note: Councillor Springett entered the meeting prior to Mr Paul Thomas asking his supplementary question (6.55 p.m.).

Councillor Springett said that she had no interests to declare in any items on the agenda.

53. QUESTIONS FROM MEMBERS OF THE COUNCIL TO THE CHAIRMEN OF COMMITTEES

Questions to the Chairman of the Policy and Resources Committee

Councillor Newton asked the following question of the Chairman of the Policy and Resources Committee:

Will the Chairman of the Policy and Resources Committee confirm that at the present time the Maidstone Borough-Wide Local Plan 2000 together with its saved objectives and policies remains extant and being used by MBC Planners in determining planning applications or are the DRAFT policies in the DRAFT Local Plan consistently being used ahead of the Public Examination by the Inspector in the determination of planning applications?

The Chairman of the Policy and Resources Committee replied that:

The word "consistently" did not form part of your original question, but I will answer it anyway. This is a grey area because Maidstone Borough Council's emerging Local Plan does carry weight in respect of existing planning applications and that weight has increased recently with the submission of this document for Independent Examination by a government Planning Inspector. However, full weight cannot be given to this document until it has successfully passed Independent Examination (with any associated modifications) and subsequently been adopted by the Council. In the meantime, the existing Local Plan documents, including the Maidstone Borough-Wide Local Plan 2000, retain weight where they are in conformity with government guidance and policy.

So I could say to you that you can interpret that as you wish because as we move forward our draft Plan gains weight, our existing Plan has not gone but it does have to comply with all the planning rules and a lot of those have changed since the original Plan came into force.

Councillor Newton asked the following supplementary question of the Chairman of the Policy and Resources Committee:

Although it is claimed that the draft Local Plan is carrying weight has that been written down anywhere because the Local Plan 2000 is written down and I believe it is being skirted over in many planning applications; ENV28 in particular. Although it is claimed that it is carrying weight do we have documentary evidence from the Inspector that it is carrying weight?

The Chairman of the Policy and Resources Committee replied that:

The answer is that you only have to keep an eye on planning applications up and down the country and what is happening with appeals and what Inspectors are saying and doing. It is quite clear, if you have been following the situation like Councillor David Burton and I have over the past eighteen months or so, that Inspectors are taking the tack that you have got a Local Plan, it is still extant but carrying less weight if not in

conformity with the NPPF and other legislation and that the draft Local Plans that people have are being taken into account to a greater or lesser degree. That is like all law in this country, a great deal of it is based on results from previous law.

Councillor Boughton asked the following question of the Chairman of the Policy and Resources Committee:

With the significant budgetary pressures this Council faces, and following the decision of the Democracy Committee on 7 July 2016 to conduct a review of Borough Council elections every 4 years, would the Chairman of the Policy and Resources Committee agree that this would deliver a significant saving for the Council?

The Chairman of the Policy and Resources Committee replied that:

Some years ago this was looked at in great detail and I was on the small working group that carried out the review. I think that what everyone has to bear in mind is that as with everything we do at this Council we have to balance out financial savings with other benefits and disbenefits. At that time some people believed it would be better to go to a four year system and some believed it would not and the tables were very clearly laid out. I would hope that when you do your piece of work over the next few weeks or months you have a look at that document.

It would be very wrong of me to pre-empt any decision that comes out of the review to be undertaken and I am a little concerned that you as Chairman of the Committee conducting the review seem to have already made up your mind in advance of doing the work that it will deliver a significant saving. I await the outcome of the review with great interest and I hope that it will be a genuine in depth piece of work looking at every aspect of whether it is or not a good idea to move to four yearly elections.

Councillor Boughton asked the following supplementary question of the Chairman of the Policy and Resources Committee:

One could argue that the Chairman of the Policy and Resources Committee/Leader of the Council has made her own mind up on this issue based on what she has said before, and, as she has said, you have to balance financial considerations with other factors so would the Chairman of the Policy and Resources Committee/Leader of the Council agree that a continual review is the right way to go about something as important as this for the Borough?

The Chairman of the Policy and Resources Committee replied that:

I do not think I said that you should not review this again. I said that a review had been done previously and you should take a look at the findings because it might give you a good starting point to see what you need to revisit, what has changed and what has not. I have not made up my mind, but I do believe that issues other than finance actually enter into the equation. I await the outcome of your review with interest.

54. CURRENT ISSUES - REPORT OF THE LEADER OF THE COUNCIL,
RESPONSE OF THE GROUP LEADERS AND QUESTIONS FROM COUNCIL
MEMBERS

The Leader of the Council submitted her report on current issues.

After the Leader of the Council had submitted her report, Councillor Perry, on behalf of the Leader of the Conservative Group, Councillor Mrs Gooch, the Leader of the Independent Group, Councillor Powell, the Leader of the UKIP Group, and Councillor Harper, the Leader of the Labour Group, responded to the issues raised.

A number of Members then asked questions of the Leader of the Council on the issues raised in her speech.

55. REPORT OF THE POLICY AND RESOURCES COMMITTEE HELD ON 7
SEPTEMBER 2016 - MEDIUM TERM FINANCIAL STRATEGY AND
EFFICIENCY PLAN

It was moved by Councillor Mrs Wilson, seconded by Councillor Perry, that the recommendations of the Policy and Resources Committee relating to the Medium Term Financial Strategy and Efficiency Plan be approved.

RESOLVED: That the draft Medium Term Financial Strategy and Efficiency Plan be agreed, and that the Government's offer of a four year funding settlement be accepted, subject to the following:

That authority be delegated to the Chief Executive and Section 151 Officer, in consultation with the Chairman and Vice-Chairman of the Policy and Resources Committee, to make any amendments to the Efficiency Plan, within the parameters of the agreed Medium Term Financial Strategy, that may be required based on emerging new information between now and the submission deadline.

56. ORAL REPORT OF THE STRATEGIC PLANNING, SUSTAINABILITY AND
TRANSPORTATION COMMITTEE HELD ON 13 SEPTEMBER 2016

There was no report from the Strategic Planning, Sustainability and Transportation Committee on this occasion.

57. ORAL REPORT OF THE AUDIT, GOVERNANCE AND STANDARDS
COMMITTEE HELD ON 19 SEPTEMBER 2016

There was no report from the Audit, Governance and Standards Committee on this occasion.

58. ORAL REPORT OF THE COMMUNITIES, HOUSING AND ENVIRONMENT
COMMITTEE HELD ON 20 SEPTEMBER 2016

There was no report from the Communities, Housing and Environment Committee on this occasion.

59. NOTICE OF MOTION - GRAMMAR SCHOOLS

The following motion was moved by Councillor Boughton, seconded by Councillor Perry:

In view of the Government's recent announcement to allow Grammar Schools to expand, this Council would like to express its support for Maidstone's four Grammar Schools, and all other Secondary Schools in the Borough. This Council calls on all national parties to support this move, which enables children from deprived areas of the Borough the best possible opportunity to achieve a good education.

Amendment moved by Councillor Cox, seconded by Councillor Mrs Wilson, that the second sentence of the motion be deleted and the following inserted:

This Council calls upon Government to ensure that all schools give all children the best possible chance to achieve a good education by providing a fair funding formula that is equitable between all schools; that admission criteria is transparently clear and fair and that other bars to children accepting a school place, such as cost of travel, are removed.

Note: The first sentence of the motion to remain the same.

AMENDMENT CARRIED

A request by Councillors Boughton and Perry for permission to withdraw the substantive motion was refused by the Council.

The substantive motion was then put to the vote.

SUBSTANTIVE MOTION CARRIED

RESOLVED: That in view of the Government's recent announcement to allow Grammar Schools to expand, this Council would like to express its support for Maidstone's four Grammar Schools, and all other Secondary Schools in the Borough. This Council calls upon Government to ensure that all schools give all children the best possible chance to achieve a good education by providing a fair funding formula that is equitable between all schools; that admission criteria is transparently clear and fair and that other bars to children accepting a school place, such as cost of travel, are removed.

Note: Councillor Hastie left the meeting whilst this item was discussed.

60. REPORT OF THE HEAD OF LEGAL PARTNERSHIP - APPOINTMENT OF MONITORING OFFICER

It was moved by Councillor Mrs Wilson, seconded by Councillor Cox, that the recommendations set out in the report of the Head of Legal Partnership relating to the appointment of an Interim Head of Legal Partnership and Monitoring Officer for the Council be approved.

RESOLVED:

1. That Estelle Culligan be appointed as the Interim Head of Legal Partnership and Monitoring Officer for the Council with effect from 3 October 2016.
2. That the Interim Head of Legal Partnership be authorised to exercise the Head of Legal Partnership's delegated functions and responsibilities in the Council's Constitution with effect from 3 October 2016.

61. MR JOHN SCARBOROUGH - HEAD OF LEGAL PARTNERSHIP

It was noted that this would be the last Council meeting that John Scarborough, Head of Legal Partnership, would attend before taking up an appointment at another local authority. Members thanked Mr Scarborough for his services to the Council over the last few years.

62. REPORT OF THE HEAD OF POLICY AND COMMUNICATIONS - REVIEW OF ALLOCATION OF SEATS ON COMMITTEES

It was moved by Councillor Mrs Wilson, seconded by Councillor B Mortimer, that the allocation of seats on Committees be as set out in amended Appendix A to the report of the Head of Policy and Communications.

RESOLVED: That the allocation of seats on Committees be as set out in amended Appendix A to the report of the Head of Policy and Communications (copy attached as Appendix A).

63. MEMBERSHIP OF COMMITTEES

It was moved by Councillor Mrs Wilson, seconded by Councillor Perry, that the wishes of the Group Leaders with regard to the membership of Committees and Substitute membership, as set out in the lists circulated, be accepted.

RESOLVED: That the wishes of the Group Leaders with regard to the membership of Committees and Substitute membership, as set out in the lists circulated, be accepted.

MAIDSTONE BOROUGH COUNCIL ACTING AS CORPORATE TRUSTEE OF THE CHARITY KNOWN AS THE COBTREE MANOR ESTATE

64. REPORT OF THE HEAD OF POLICY AND COMMUNICATIONS - REVIEW OF ALLOCATION OF SEATS ON THE COBTREE MANOR ESTATE CHARITY COMMITTEE

It was moved by Councillor Mrs Wilson, seconded by Councillor McLoughlin, that the allocation of seats on the Cobtree Manor Estate Charity Committee be as follows:

| | |
|-------------------|---|
| Conservative | 2 |
| Liberal Democrats | 2 |
| Independent | 1 |

RESOLVED: That the allocation of seats on the Cobtree Manor Estate Charity Committee be as follows:

| | |
|-------------------|---|
| Conservative | 2 |
| Liberal Democrats | 2 |
| Independent | 1 |

65. MEMBERSHIP OF THE COBTREE MANOR ESTATE CHARITY COMMITTEE

It was moved by Councillor Mrs Wilson, seconded by Councillor Ells, that the wishes of the Group Leaders with regard to the membership of the Cobtree Manor Estate Charity Committee and Substitute membership, as set out in the lists circulated, be accepted.

RESOLVED: That the wishes of the Group Leaders with regard to the membership of the Cobtree Manor Estate Charity Committee and Substitute membership, as set out in the lists circulated, be accepted.

MAIDSTONE BOROUGH COUNCIL ACTING AS CORPORATE TRUSTEE OF THE QUEEN'S OWN ROYAL WEST KENT REGIMENT MUSEUM TRUST

66. REPORT OF THE HEAD OF POLICY AND COMMUNICATIONS - REVIEW OF ALLOCATION OF SEATS ON THE QUEEN'S OWN ROYAL WEST KENT REGIMENT MUSEUM TRUST COMMITTEE

It was moved by Councillor Mrs Wilson, seconded by Councillor B Mortimer, that the allocation of seats on the Queen's Own Royal West Kent Regiment Museum Trust Committee be as follows:

| | |
|-------------------|---|
| Conservative | 2 |
| Liberal Democrats | 2 |
| UKIP | 1 |

RESOLVED: That the allocation of seats on the Queen's Own Royal West Kent Regiment Museum Trust Committee be as follows:

| | |
|-------------------|---|
| Conservative | 2 |
| Liberal Democrats | 2 |
| UKIP | 1 |

67. MEMBERSHIP OF THE QUEEN'S OWN ROYAL WEST KENT REGIMENT MUSEUM TRUST COMMITTEE

It was moved by Councillor Mrs Wilson, seconded by Councillor Mrs Ring, that the wishes of the Group Leaders with regard to the membership of the Queen's Own Royal West Kent Regiment Museum Trust Committee and Substitute membership, as set out in the lists circulated, be accepted.

RESOLVED: That the wishes of the Group Leaders with regard to the membership of the Queen's Own Royal West Kent Regiment Museum Trust Committee and Substitute membership, as set out in the lists circulated, be accepted.

68. DURATION OF MEETING

6.30 p.m. to 8.50 p.m.

APPENDIX A

ALLOCATION OF SEATS ON COMMITTEES

| | Service Committees | | | | | | | | | | | | | |
|------------------------------|----------------------|---|--------------------------------------|-------------------------------|--------------------|---------------------|----------------------|----------------------------|---------------------|---|------------------------------|-------------------|--|---------------------|
| | Policy and Resources | Strategic Planning, Sustainability and Transportation | Communities, Housing and Environment | Heritage, Culture and Leisure | Planning Committee | Licensing Committee | Employment Committee | Joint Transportation Board | Democracy Committee | Audit, Governance and Standards Committee | Planning Referrals Committee | Urgency Committee | Total of entitlement on individual Committees etc. | Overall entitlement |
| Seats to be Allocated | 15 | 9 | 9 | 9 | 13 | 12 | 12 | 9 | 9 | 9 | 3 | 5 | 114 | 114 |
| Con | 6 | 4 | 4 | 4 | 6 | 5 | 5 | 4 | 4 | 4 | 1 | 1 | 48 | 48 |
| Lib Dem | 6 | 4 | 4 | 4 | 5 | 5 | 4 | 4 | 4 | 4 | 1 | 1 | 46 | 46 |
| Ind | 1 | 1 | 0 | 0 | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 1 | 8 | 8 |
| UKIP | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 0 | 0 | 1 | 8 | 8 |
| Lab | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 1 | 4 | 4 |
| Total Allocated | 15 | 9 | 9 | 9 | 13 | 12 | 12 | 9 | 9 | 9 | 3 | 5 | 114 | 114 |

Agenda Item 13

MAIDSTONE BOROUGH COUNCIL

COUNCIL

7 DECEMBER 2016

REPORT OF THE AUDIT, GOVERNANCE AND STANDARDS COMMITTEE HELD ON 19 SEPTEMBER 2016

AUDIT, GOVERNANCE AND STANDARDS COMMITTEE – ANNUAL REPORT TO COUNCIL 2015/16

Issue for Decision

To note the Audit, Governance and Standards Committee Annual Report for 2015/16.

Recommendation Made

That the Audit, Governance and Standards Committee Annual Report 2015/16, which demonstrates how the Committee discharged its duties during 2015/16, provides assurance that important internal control, governance and risk management issues are being monitored and addressed by the Committee and provides additional assurance to support the Annual Governance Statement, be noted.

Reasons for Recommendation

The Audit, Governance and Standards Committee, at its meeting held on 19 September 2016, considered its Annual Report for 2015/16 (copy attached as Appendix A). It was noted that:

- The report represented a retrospective review of the activity of the Committee and reflected its terms of reference. It provided assurance that important internal control, governance and risk management issues were being monitored and addressed by the Committee and provided additional assurance to support the Annual Governance Statement.
- The report also included a refreshed programme of development briefings, to be delivered prior to each meeting of the Committee, designed to complement and provide insight into the types of issues that the Committee would be considering over the course of the year.

The Committee agreed that the Audit, Governance and Standards Committee Annual Report for 2015/16 be approved for submission to the Council.

The Committee also felt that the proposed programme of development briefings represented a comprehensive package to address Members' needs, but asked the Officers to consider whether the proposed briefing on commissioning, procurement and contracting could be delivered during 2016/17.

Alternatives Considered and Why Not Recommended

No alternative actions are considered appropriate as the report demonstrates how the Committee discharged its duties during 2015/16, provides assurance that important internal control, governance and risk management issues are being monitored and addressed by the Committee and provides additional assurance to support the Annual Governance Statement.

Background Documents

None



Audit, Governance & Standards Committee

Annual Report 2015/16



Introduction by Chairman of Audit, Governance and Standards Committee

This report provides an overview of the Audit, Governance and Standards Committee's activity during the municipal year 2015/16.

I am pleased to report the continued good work of the Committee in providing an independent overview of the Council's governance. This role includes detailed consideration of the work of external and internal audit plus robust scrutiny and challenge of the Council's financial performance and, through our Ethical Standards role, the approach the Council takes in investigating complaints made about Members.

During 2015/16 the Committee met five times and was pleased to note, among the highlights, a further unqualified accounts and value for money opinion from our external auditors and a positive conclusion on the Council's control and governance from our internal auditors.

Notably, the Committee commissioned its first piece of work itself this year to investigate the effectiveness of the Whistleblowing arrangements for the Council. We worked with our internal auditors and are really pleased as a result of the review to have made a significant contribution to improving the arrangements.

Once again during 2015/16 the Committee is grateful for the contributions of its members and parish members, as well as to those officers who support its work.



*Councillor Steve McLoughlin
Audit, Governance & Standards Committee Chairman (2015/16)*

Introduction

Maidstone Borough Council has always supported and understood the value and benefits of having an independent Audit Committee. In 2015 the Council established the Audit, Governance and Standards (AGS) Committee. Its functions incorporate those undertaken by the former Audit Committee as well as some of the functions previously the responsibility of the Standards Committee.

The AGS Committee is an essential check on the corporate governance framework, providing an independent and high-level overview of the internal control, governance and risk management for the Council.

The Committee monitors internal and external audit activity, reviews and comments on the effectiveness of the Council's regulatory framework and reviews and approves the Council's annual statements of accounts.

The Committee is independent from the Council's executive management and Service Committee functions and has clear reporting lines and rights of access to discharge its responsibilities in line with its Terms of Reference (Appendix I). This includes direct access to the Council's Appointed Auditor and Head of Audit Partnership without the presence of other officers where appropriate.

The Committee is not a substitute for the management function in relation to internal or external audit, risk management, governance, or any other review or assurance function. It is the Committee's role to examine these functions, and to offer views and recommendations on the way the management of these functions is conducted.

Effective audit committees can bring many benefits to local authorities and these benefits are described in CIPFA's Audit Committees - Practical Guidance for Local Authorities as:

- Increased public confidence in the objectivity and fairness of Council financial and other reporting.
- Reinforcing the importance and independence of internal and external audit and similar review processes.
- Providing additional assurance through the process of independent review and challenge.
- Increasing emphasis and awareness of internal control, governance and risk management.

Statement of Purpose

The promotion and maintenance of high standards of Councillor and Officer conduct within the Council, adoption and reviewing the Council's Annual Governance Statement; independent assurance of the adequacy of the financial and risk management framework and the associated control environment, independent review of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment, and to oversee the financial reporting processing.

*Maidstone Borough
Council Constitution*

Membership

The Audit, Governance and Standards Committee comprised of 11 members: 9 Borough Councillors and 2 Parish Councillors.

| Audit, Governance and Standards Committee Members 2015/16 | |
|--|--|
| Borough Councillors | Parish Representatives |
| CLlr McLoughlin (Chairman) CLlr Mrs Gooch (Vice-Chairman) CLlr Butler CLlr Clark CLlr Garland CLlr Perry CLlr Daley CLlr Ross CLlr Vizzard | Parish CLlr Butcher Parish CLlr Mrs Riden |

Meetings & Attendance

The Audit, Governance and Standards Committee met five times in 2015/16:

- 20 July 2015
- 21 September 2015
- 23 November 2015
- 18 January 2016
- 21 March 2016

On all occasions the Committee was well attended and able to fulfil its duties.

The Audit, Governance & Standards Committee is supported by senior officers of the Council who are regularly present at meetings, including:

- Head of Finance & Resources (Section 151)
- Head of Audit Partnership & Deputy Head of Audit Partnership
- Head of Policy & Resources
- Head of Shared Revenues & Benefits
- Fraud Manager

In addition, the Council's External Auditors (Grant Thornton) attended each meeting of the Committee during 2015/16.

All of the Committee agenda papers and minutes are available on the Council's [website](#).

Business

During the year the Audit, Governance & Standards Committee has commented, examined and reviewed the following:

| Audit Activity |
|--|
| <ul style="list-style-type: none">• Internal Audit Annual Report |
| <ul style="list-style-type: none">• Internal Audit Interim Report |
| <ul style="list-style-type: none">• Internal Audit Plan |
| <ul style="list-style-type: none">• Internal Audit Charter |
| <ul style="list-style-type: none">• Whistleblowing review |
| External Audit (Grant Thornton) |
| <ul style="list-style-type: none">• Fee Letter |
| <ul style="list-style-type: none">• Findings Report |
| <ul style="list-style-type: none">• Audit Committee Update |
| <ul style="list-style-type: none">• Annual Audit Letter |
| <ul style="list-style-type: none">• Grant Claim Certification |
| <ul style="list-style-type: none">• Audit Plan and Update |
| Finance |
| <ul style="list-style-type: none">• Statement of Accounts |
| <ul style="list-style-type: none">• Treasury Management Annual Review |
| <ul style="list-style-type: none">• Treasury Management Half Yearly review |
| <ul style="list-style-type: none">• Treasury Management Strategy |
| Governance |
| <ul style="list-style-type: none">• Update on Complaints received under the Members' Code of Conduct |
| <ul style="list-style-type: none">• Local Code of Corporate Governance |
| <ul style="list-style-type: none">• Annual Governance Statement |
| <ul style="list-style-type: none">• Annual Governance Statement – Action Plan Update |
| <ul style="list-style-type: none">• Audit, Governance & Standards – Member Briefings |
| <ul style="list-style-type: none">• Benefit Fraud Annual Report |
| <ul style="list-style-type: none">• Work Programme & Audit Committee Annual Report |

Conclusion

The Audit, Governance & Standards Committee, in partnership with the Council's Internal and External Auditors, and with the support of Officers has provided robust and effective independent assurance to the Council on a wide range of risk, governance and internal control issues.

The Committee can demonstrate that it has appropriately and effectively fulfilled its duties during 2015/16.

Sources of Assurance

In drawing a conclusion for the year, the Audit, Governance and Standards Committee gained assurance from the following sources:

The work of Internal Audit

The Head of Audit Partnership issued an unqualified Head of Audit Opinion in 2014/15 which concluded that the Council was operating an effective sound system of internal control, governance and risk management. Throughout the year the Committee has been kept up to date with delivery of the Internal Audit plan, implementation of audit recommendations, and has been kept aware of any emerging risks.

The Internal Audit plan for 16/17 included a breakdown of internal audit assurance for the coming year, and the Committee were given the opportunity to comment on the work of internal audit prior to endorsing the plan for delivery.

Adverse audit opinions and progress against the implementation of audit recommendations have been presented to the Committee and at request, have been provided with regular progress updates on the implementation of audit recommendations.

The Committee has continued to show its support to the Internal Audit team throughout the year, and has recognised the role, responsibility and authority of the service within the Audit Charter which was updated and agreed by the Committee in March 2016.

Whistleblowing

This year the Committee also commissioned a specific piece of work to review the Whistleblowing arrangements. Resulting from this work, the Council has updated its policy and is taking necessary steps to improve the arrangements.

The work of External Audit (Grant Thornton)

The external auditors report back to the Audit, Governance & Standards Committee providing regular updates on their programme of work. During the year, the External Auditors presented an unqualified value for money conclusion and an unqualified opinion on the financial statements.

The Committee has provided effective challenge to the External Auditors as appropriate and gained assurance from the reports and updates provided during the year.

Finance & Governance Reports

The Committee provided robust challenge prior to approving the financial reports of the Council in September 2015.

The Committee receives updates on the Councils Treasury Management activity and have provided robust challenge and comment to the overall Strategy and performance of investments.

The Committee specifically gains assurance from the Annual Governance Statement which is a statutory document that explains the processes and procedures in place to enable the council to carry out its functions effectively.

The statement is produced following a review of the council's governance arrangements and includes actions to address any significant governance issues identified. The Committee reviewed and approved the 2014/15 Annual Governance Statement.

Dealing with Complaints about Council Members

The Localism Act 2011 obliges Councils to have both a Code of Conduct and a procedure for dealing with allegations that a member has breached that Code of Conduct. The Act further provides that the District/Borough Council for the area is responsible for dealing with complaints against all the Parish and Town Councillors for its area as well as dealing with complaints against Borough Councillors. Full Council, at its meeting on 5 July 2012, resolved to adopt the 'Kent Procedures' for dealing with Member Complaints. The 'Kent Procedures' are so called because they were devised by the Kent Monitoring Officer Group and have been adopted by Kent County Council and most of the Kent Districts/Boroughs. The concept of proportionality runs through the procedures such that the level of resource and decision on each complaint should be proportionate to the seriousness of the complaint. This very much represents the guidance from Central Government which has stressed Councils should not adopt 'gold plated' arrangements.

Under the procedures, authority is delegated to the Monitoring Officer to make an initial assessment of the complaint (in consultation with the Independent Person appointed under the provisions of the Localism Act 2011) and, if appropriate, the Monitoring Officer will seek to resolve the complaint informally. If it is decided the complaint should be investigated, then following that investigation a Sub-Committee of the Audit, Governance and Standards Committee will determine the complaint.

The Localism Act 2011 sets out the role of the Independent Person in any procedures designed for investigating allegations that a member has breached the Code of Conduct. The Independent Person's views must be sought and taken into account prior to a decision being made following an investigation into a complaint. The Independent Person's views may also be sought at other times during the process. This Council's Independent Person, Ms Barbara Varney, was appointed by Full Council in July 2013 following an interview process.

During the year ending 31 March 2016, eight new Member complaints were received. Four of the complaints did not proceed because they did not satisfy either the legal jurisdiction test or the local assessment criteria set out in the Kent Procedures. The remaining four complaints resulted in findings of no breach of the respective Code of Conduct. Five of the complaints related to Borough Councillors. The remaining three complaints related to parish councillors.

Member Development

In March 2014 the Committee agreed a programme of development briefings to be conducted prior to each Committee meeting. This programme was revised and updated in September 2015 and the Committee Members continued to show desire and support to want to continually develop their knowledge and skills.

The programme of available briefing sessions and suggested timings are attached below:

| Briefing theme & potential specific topics | Suggested timing |
|---|--|
| Reviewing an audit plan <ul style="list-style-type: none"> Member roles in relation to internal audit Ensuring effective internal audit Performance measures in audit | Delivered in January 2016 |
| Reviewing the Annual Governance Statement <ul style="list-style-type: none"> The AGS within the Council's governance Specific topics within the AGS Comparative review of AGS across local gov | Spring to align with AGS approval in June |
| Countering Fraud <ul style="list-style-type: none"> Whistleblowing Investigative practice Fraud risks and the Councils response Governance polices | Delivered in March 2015 |
| Risk Management <ul style="list-style-type: none"> Risk appetite Specific strategic and operational risks Risk management strategy Local government risk outlook | Delivered in January 2015 |
| Role of internal and external audit <ul style="list-style-type: none"> Differences in internal/external audit role Assuring effective external audit External auditor appointment | Delivered in June 2015 |
| Understanding local authority accounts <ul style="list-style-type: none"> General understanding of accounts Specific update/annual issues Comparative review of LG accounts | Spring/Summer to align with September accounts |
| Assurance across partnerships <ul style="list-style-type: none"> Governance challenges in partnership working Review on specific partnerships | Flexible timing at any point in the year |
| Commissioning, procurement and contracting <ul style="list-style-type: none"> Risks in commissioning Effective procurement processes | Flexible timing at any point in the year |
| Assurance on value for money <ul style="list-style-type: none"> How external audit assess VfM conclusion Measuring value for money in local government Data quality and performance measurement | Delivered in March 2016 |
| Internal Audit Standards <ul style="list-style-type: none"> How standards are set and monitored | Autumn to align with external assessment |

| Briefing theme & potential specific topics | Suggested timing |
|---|---|
| <ul style="list-style-type: none"> Specific work on IA conformance | |
| Treasury Management <ul style="list-style-type: none"> Investment and borrowing options for local authorities Prudential Code Financial outlook for local authorities | Winter to align with approval of treasury management policy |
| Standards/Code of Conduct <ul style="list-style-type: none"> The Kent Code Hearing practices Case studies | Delivered in June 2015 |

Proposed Programme 2016/17

The table below sets out the proposed programme of updates and briefings to be delivered 2016/17:

| Briefing theme & potential specific topics | Proposed timing |
|---|-------------------|
| Internal Audit Standards <ul style="list-style-type: none"> How standards are set and monitored Specific work on IA conformance | 19 September 2016 |
| Risk Management <ul style="list-style-type: none"> Risk appetite Specific strategic and operational risks Risk management strategy Local government risk outlook | 21 November 2016 |
| Treasury Management <ul style="list-style-type: none"> Investment and borrowing options for local authorities Prudential Code Financial outlook for local authorities | 16 January 2017 |
| Reviewing the Annual Governance Statement <ul style="list-style-type: none"> The AGS within the Council's governance Specific topics within the AGS Comparative review of AGS across local gov. | 20 March 2017 |

Terms of Reference & Responsibilities

| Audit Activity |
|--|
| <p>a) To consider the Head of Internal Audit Partnership's annual report and opinion, and a summary of Internal Audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements.</p> <p>b) To consider reports dealing with the management and performance of Internal Audit Services, including consideration and endorsement of the Strategic Internal Audit Plan and any report on agreed recommendations not implemented within a reasonable timescale; and the Internal Audit Charter.</p> <p>c) To consider the External Auditor's Annual Audit Letter, relevant reports, and any other report or recommendation to those charged with governance; and ensure that the Council has satisfactorily addressed all issues raised. To comment on the scope and depth of external audit work and to ensure it gives value for money.</p> <p>d) To review and approve the annual statement of accounts. Specifically to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Policy and Resources Committee or Council.</p> <p>e) Consider and review the effectiveness of the Treasury Management Strategy, Investment Strategy, Medium Term Financial Strategy, Annual Report and Mid-Year review and make recommendations to the Policy and Resources Committee and Council. Recommend and monitor the effectiveness of the Council's Counter-Fraud and Corruption Strategy.</p> |
| Governance |
| <p>a) To maintain a financial overview of the operation of Council's Constitution in respect of contract procedure rules, financial regulations and codes of conduct and behaviour.</p> <p>b) In conjunction with Policy and Resources Committee to monitor the effective development and operation of risk management and corporate governance in the Council to ensure that strategically the risk management and corporate governance arrangements protect the Council.</p> <p>c) To monitor Council policies on 'Raising Concerns at Work' (Whistleblowing) and the 'Anti-fraud and corruption' strategy.</p> <p>d) To oversee the production of the authority's Annual Governance Statement and to agree its adoption.</p> <p>e) The Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice and high standards of ethics and probity. This Committee will receive the annual review of the Local Code of Corporate Governance and may make recommendations to Policy and Resources Committee for proposed amendments, as necessary.</p> <p>f) To consider whether safeguards are in place to secure the Council's compliance with its own and other published standards and controls.</p> |

Standards

- a) The promotion and maintenance of high standards of conduct within the Council.
- b) To advise the Council on the adoption or revision of its Codes of Conduct.
- c) To monitor and advise the Council about the operation of its Codes of Conduct in the light of best practice, and changes in the law, including in relation to gifts and hospitality and the declaration of interests.
- d) Assistance to Councillors, Parish Councillors and co-opted members of the authority to observe the Code of Conduct.
- e) To ensure that all Councillors have access to training in Governance, Audit and the Councillor Code of Conduct; that this training is actively promoted; and that Councillors are aware of the standards expected under the Councils Codes and Protocols.
- f) To deal with complaints that Councillors of the Borough Council and Parish Councils may have broken the Councillor Code of Conduct.
- g) Following a formal investigation and where the Monitoring Officer's investigation concludes that there has been a breach of the Code of Conduct a hearing into the matter will be undertaken. *See the procedure at 4.2 of the Constitution for dealing with complaints that a Councillor has breached the Code of Conduct.*
- h) Advice on the effectiveness of the above procedures and any proposed changes.
- i) Grant of dispensations to Councillors with disclosable pecuniary interests and other significant interests, in accordance with the provisions of the Localism Act 2011.

Agenda Item 14

MAIDSTONE BOROUGH COUNCIL

COUNCIL

7 DECEMBER 2016

REPORT OF THE STRATEGIC PLANNING, SUSTAINABILITY AND TRANSPORTATION COMMITTEE HELD ON 11 OCTOBER 2016

COMMUNITY INFRASTRUCTURE LEVY: DRAFT CHARGING SCHEDULE SUBMISSION

Issue for Decision

To approve the Community Infrastructure Levy: Draft Charging Schedule (set out in Appendix A) and Draft Regulation 123 List (Appendix B) for submission to the Planning Inspectorate for examination in accordance with Regulation 19 of the Community Infrastructure Levy Regulations 2010 (as amended).

Recommendation Made

That the Community Infrastructure Levy: Draft Charging Schedule (set out in Appendix A) and Draft Regulation 123 List (Appendix B) be approved for submission to the Planning Inspectorate for examination in accordance with Regulation 19 of the Community Infrastructure Levy Regulations 2010 (as amended).

Reasons for Recommendation

At its meeting on 11 October 2016, the Strategic Planning, Sustainability and Transportation Committee considered the report and the urgent update report of the Head of Planning and Development following consultation on the Draft Charging Schedule and Draft Regulation 123 List undertaken between 5 August and 16 September.

Having regard to the representations received in response to the consultation exercise, minor changes were agreed to the Draft Regulation 123 List. No changes were proposed to the Draft Charging Schedule itself.

The Strategic Planning, Sustainability and Transportation Committee is satisfied that the Community Infrastructure Levy: Draft Charging Schedule and Draft Regulation 123 List can be submitted for examination.

Alternatives Considered and Why Not Recommended

An option to reject the Community Infrastructure Levy: Draft Charging Schedule (set out in Appendix A) and Draft Regulation 123 List (Appendix B) for submission to the Planning Inspectorate for examination in

accordance with Regulation 19 of the Community Infrastructure Levy Regulations 2010 (as amended) is not recommended as it is considered that the documents meet the specific assessment criteria available to the Independent Examiner.

Background Papers

None

**COMMUNITY INFRASTRUCTURE LEVY
DRAFT CHARGING SCHEDULE**

Community Infrastructure Levy Draft Charging Schedule



This document is produced by
Maidstone Borough Council

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| | |
|---|-----------|
| 1 Consultation | 1 |
| 2 Introduction | 2 |
| 3 Infrastructure Delivery | 4 |
| 4 Local Plan Viability Testing | 6 |
| Residential | 6 |
| Non-residential | 7 |
| 5 Implementation | 8 |
| 6 Duty to pass CIL to local councils | 10 |
| Duty to pass CIL to local councils | 10 |

Appendices

| | |
|--|-----------|
| A CIL charging zones | 11 |
| B Calculation of the CIL charge | 13 |

1.1 The Community Infrastructure Levy (CIL) Draft Charging Schedule consultation commences on Friday 5 August 2016 and closes at 5pm on Friday 16 September 2016.

1.2 Comments on the Draft Charging Schedule can be submitted to the Council's online consultation web page at: maidstone-consult.limehouse.co.uk/portal.

1.3 Comments can also be submitted using the CIL consultation form, which is available from the council web page, or in hard copy from the Spatial Policy team. CIL consultation forms or other written comments can be submitted either electronically or by post.

Introduction

2.1 Consultation on the Preliminary Draft CIL Charging Schedule was undertaken between 21 March and 7 May 2014, alongside consultation on the draft Maidstone Borough Local Plan (2011 - 2031). Planning, Transport and Development Overview and Scrutiny Committee subsequently considered responses to the consultation on 16 September 2014.

2.2 This document produces the Draft CIL Charging Schedule for consultation which is the next stage in the process in introducing the CIL for Maidstone Borough.

2.3 The Council will seek to implement the CIL in a timely manner following adoption of the Maidstone Borough Local Plan (2011 - 2031). The table below outlines the key stages and timetable for adoption of CIL.

| Stage | Date |
|---|----------------------------|
| Preliminary Draft CIL Charging Schedule | March - May 2014 |
| Draft Charging Schedule | August - September 2016 |
| Submission of CIL Draft Schedule to Planning Inspectorate | December 2016 |
| CIL Examination | March 2017 ⁽¹⁾ |
| Adoption and implementation of CIL | Autumn 2017 ⁽²⁾ |

Table 1: CIL Timetable

1. Dependent upon outcome of Local Plan EiP
2. Dependent upon outcome of Local Plan EiP

2.4 The Government considers that the CIL should provide a faster, fairer, more certain and transparent means of collecting developer contributions towards infrastructure, compared to individually negotiated section 106 agreements. The CIL is a per square metre charge payable on almost all new development which creates net additional floorspace (calculated on gross internal area). The charge can be differentiated by geographical area, and by development type, and must be based on viability evidence.

2.5 The purpose of the charge is to provide a funding source which will help to deliver necessary infrastructure to accommodate new development across the borough. This necessary infrastructure is identified within the Maidstone Borough Local Plan and the accompanying Infrastructure Delivery Plan.

2.6 Some types of development, notably affordable housing, self-build housing and charitable uses, are exempt from being charged the CIL. A size threshold of 100m² also applies to non-residential developments. Where exemptions do not apply, the council must set a CIL charge, even if it is £0 per m². The proposed CIL charging rates are set out in part five of this document.

2.7 In light of the viability evidence, and given the very rare circumstances in which relevant criteria would be satisfied, the council has decided not to introduce exceptional circumstances relief policy.

Infrastructure Delivery

Maidstone Borough Local Plan

3.1 The Maidstone Borough Local Plan (2011 - 2031) will replace the existing Maidstone Borough-Wide Local Plan 2000. The new Local Plan sets out a strategy to meet identified development needs for housing through the provision of at least 18,560 homes, in addition to new employment, retail and open space and gypsy and traveller accommodation.

3.2 The Infrastructure Delivery Plan (IDP) sets out the infrastructure schemes which have been identified as necessary to support the delivery of development proposed in the Maidstone Borough Local Plan. The IDP is published separately to the Local Plan and is updated as necessary. The infrastructure identified in the IDP is not intended to deal with existing deficits, rather it is to accommodate new development. However, in practice these two outcomes are often delivered together.

3.3 The council has produced the IDP in consultation with a range of local service providers and partners, including but not limited to Southern Water, South East Water, Kent County Council, West Kent Clinical Commissioning Group and the Environment Agency. The IDP takes account of the latest available evidence including documents such as the Integrated Transport Strategy and the County Council's School Commissioning Plan for Kent, and identifies broadly how and when the schemes will be delivered.

Relationship between the CIL and Section 106 planning obligations

3.4 The Community Infrastructure Levy Regulations (2010) (as amended) set into statute the tests for using section 106 planning obligations. This represents a tightening of the rules and has meant that local planning authorities and developers are both being more careful with regard to what potential planning obligations can be considered legitimate.

Tests for a section 106 planning obligation

A planning obligation may only constitute a reason for granting planning permission for the development if the obligation is -

- a. necessary to make the development acceptable in planning terms;
- b. directly related to the development; and
- c. fairly and reasonably related in scale and kind to the development.

3.5 In addition, the CIL Regulations now restrict the pooling of section 106 agreements where five or more obligations for that project or type of infrastructure have already been entered into since 6 April 2010. The introduction of the CIL will therefore provide greater flexibility for the council and infrastructure providers in delivering strategic infrastructure, as receipts can be pooled and spent without such restrictions.

3.6 Following the introduction of the CIL, the use of section 106 agreements will be scaled back and limited to site specific infrastructure necessary to make development acceptable in planning terms. The CIL will therefore become the primary mechanism by which developers make contributions towards the delivery of strategic infrastructure. The list of relevant infrastructure (Regulation 123 List) sets out how the CIL and section 106 agreements will be used following the introduction of the CIL.

3.7 Where the council provides funding for infrastructure from CIL receipts, it will require an agreement, similar to a deed of obligation [used with section 106 obligations], that specifies how the infrastructure provider will use the funding for its intended purpose.

List of relevant infrastructure (Regulation 123 List)

3.8 The Local Plan and IDP support the development of the CIL Regulation 123 List which identifies the infrastructure types and/or projects intended to be funded wholly or partly by the CIL. The council must demonstrate that developers will not be charged twice for the same infrastructure projects, and therefore the Regulation 123 List also identifies the exclusions where section 106 agreements will continue to be used to fund infrastructure.

3.9 It should be noted that the inclusion of a project or type of infrastructure in this list does not represent a commitment from the council to fund it, either in whole or in part. The order of the table does not imply any order of preference for the use of CIL receipts.

3.10 The list of relevant infrastructure will be reviewed each year as part of the council's CIL monitoring process. This review will determine, as the Local Plan period progresses, whether the list remains appropriate to be able to deliver infrastructure in support of the Local Plan. This will take into account the ongoing performance of infrastructure delivery and will determine if for any reason the list needs to be amended. The council must consult on amendments to the list of relevant infrastructure, however, the specific process for doing this is within the council's discretion. Amendments to the list that adversely affect plan viability will prompt a necessary review of the charging schedule.

Local Plan and CIL Viability Testing

4.1 In July 2015, the council published a Revised Plan and CIL Viability Study⁽¹⁾ undertaken by Peter Brett Associates to inform updated Maidstone Borough Local Plan policies and the continued development of the CIL. The Viability Study considered the viability and deliverability of the Local Plan as a whole and assessed the viability of development allocations to inform the setting of CIL charging rates.

4.2 The Viability Study provides a high level analysis, undertaken in accordance with the Royal Institute for Chartered Surveyors (RICS) valuation guidance, and tested a number of hypothetical and named schemes that represent the proposed allocation of development land, as identified in the Local Plan. The approach involves a comparison of the "residual value" with a benchmark land value to determine the balance that could be available to support policy costs, such as affordable housing and infrastructure.

4.3 The viability testing was split between residential and non-residential uses.

Residential

4.4 To provide comprehensive coverage of the variety sites and schemes proposed in the Local Plan, some 24 different typologies of residential development were tested. The factors considered included small/large sites, brownfield/greenfield development and urban/rural locations, in addition to more specialist types of residential development including care homes, extra care facilities and retirement homes. Site specific assessments were undertaken for two urban brownfield development sites, including Springfield, Royal Engineers Road, Maidstone (Policy H1 (11) in the Local Plan).

4.5 The assessment indicated that all typologies tested were viable without policy requirements, and proceeded to test a number of alternative scenarios to establish potential viability at a range of affordable housing rates. The assessment was used to inform the setting of affordable housing rates in the Local Plan, as set out in Policy DM13. A summary of the rates is provided below.

| Development Type/Location | Affordable Housing Rate (%) |
|--|-----------------------------|
| Residential (Urban) | 30 |
| Residential (Rural) | 40 |
| Residential (Springfield H1 (11)) | 20 |
| Retirement housing / extra care | 20 |
| Residential care homes / nursing homes | 0 |

Table 2: Local Plan Affordable Housing Rates (Policy DM13)

1 <http://www.maidstone.gov.uk/residents/planning/local-plan/evidence>

4.6 Taking these rates into account, CIL charges are calculated using the residual "headroom" and allowing for a buffer to account for potential section 106/278 costs and changes in site specific circumstances.

Non-residential

4.7 Viability testing of non-residential uses adopted a similarly high level approach and considered the viability of 10 different typologies including a variety of retail, commercial and business uses to reflect the types of uses likely to come forward during the period of the Local Plan. The assessment specifically considered the viability of retail and office uses within the town centre.

4.8 The development types tested do not need to coincide with those defined in the Use Classes Order (as updated in 2013). In practice this means that for viability and CIL purposes, a degree of sensitivity can be applied to uses that in traditional terms might be considered to be part of the same use class. The principal example of such differentiation within the same use class having been applied is in the case of retail. Charging Authorities have sought to justify a differentiation between convenience and comparison retail, based on varying characteristics and, importantly, significant differences in development viability. In Maidstone, it is clear that town centre comparison retail cannot sustain a CIL charge, whereas comparison retail located outside of the town centre can. The assessment suggests however that convenience retailing can sustain a CIL charge both within and outside of the town centre.

4.9 Although a variety of other non-residential uses were tested for viability, the assessment indicates that none of the other uses would be able to sustain a CIL charge.

Implementation

Setting the CIL Rates

5.1 The rates are informed by the viability evidence base at a level that does not put the overall quantum of development proposed in the Local Plan at risk. CIL charges should not be set near the margins of viability and therefore the proposed rates accommodate an adequate buffer to allow for potential section 106/278 costs and changes in site specific circumstances. In accordance with the CIL Regulations, for any types of uses that are unable to sustain a CIL charge a £0 CIL rate has been applied.

5.2 Charges for residential development vary depending on the location of development. Development located outside of the Urban Boundary will attract the higher rate whereas development located within the Urban Boundary will attract the lower rate. Land at Springfield, Royal Engineers Road, Maidstone (Policy H1 (11)) attracts a significantly lower rate, based on the viability evidence. Figure 1 at Appendix A shows the boundaries applicable to residential development.

5.3 Charges for comparison retail also vary depending on the location of development. Development located outside of the Town Centre Boundary will attract a charge, whilst development within the Town Centre Boundary will not. Figure 2 at Appendix A shows the boundaries applicable to comparison retail development.

5.4 All other charges apply at the same rate across the borough.

5.5 The proposed charging schedule is set out below.

| Development Type / Location | CIL Charge (£ per sqm) |
|---|------------------------|
| Residential (Within the Urban Boundary) | £93 |
| Residential (Outside the Urban Boundary) | £99 |
| Site H1 (11) Springfield, Royal Engineers Road, Maidstone | £77 |
| Retirement and extra care housing | £45 |
| Retail - wholly or mainly convenience | £150 |
| Retail - wholly or mainly comparison (Outside the Town Centre Boundary) | £75 |
| All other forms of CIL liable floorspace | £0 |

Table 3: Proposed CIL Charging Rates

Payment in Kind

5.6 In accordance with Regulation 73 of the CIL Regulations, the Council may support the payment of part of a CIL liability in the form of one or more land payments. This will be subject to the following conditions:

- The Council must be satisfied that the land to be transferred would be appropriate for the provision of necessary infrastructure to support growth in the Borough. It is entirely at the Council's discretion as to whether to accept a land transfer in lieu of CIL.
- Transfers of land as payment in kind in lieu of CIL will only take place in exceptional circumstances and is in addition to any transfer of land which may be required via section 106 agreements.
- The chargeable development must not have commenced before a written agreement with the Council to pay part of the CIL amount in land has been made. This agreement must state the value of the land to be transferred.
- The person transferring the land to the charging authority as payment must have assumed liability to pay CIL and completed the relevant CIL forms.
- The land to be transferred must be valued by a suitably qualified and experienced independent person as agreed with the Council. The valuation must represent a fair market price for the land on the day that it is valued and reflect the relevant purposes for which the land will be utilised.
- The land, subject to the transfer, must be free from any interest in land and encumbrance to the land, buildings or structures.
- The land, subject to the transfer, must be fit for a relevant purpose being the provision of necessary infrastructure to support growth in the Borough.
- The Council may transfer the land, at no cost, to a third party for the provision of infrastructure.

Duty to pass CIL to local councils

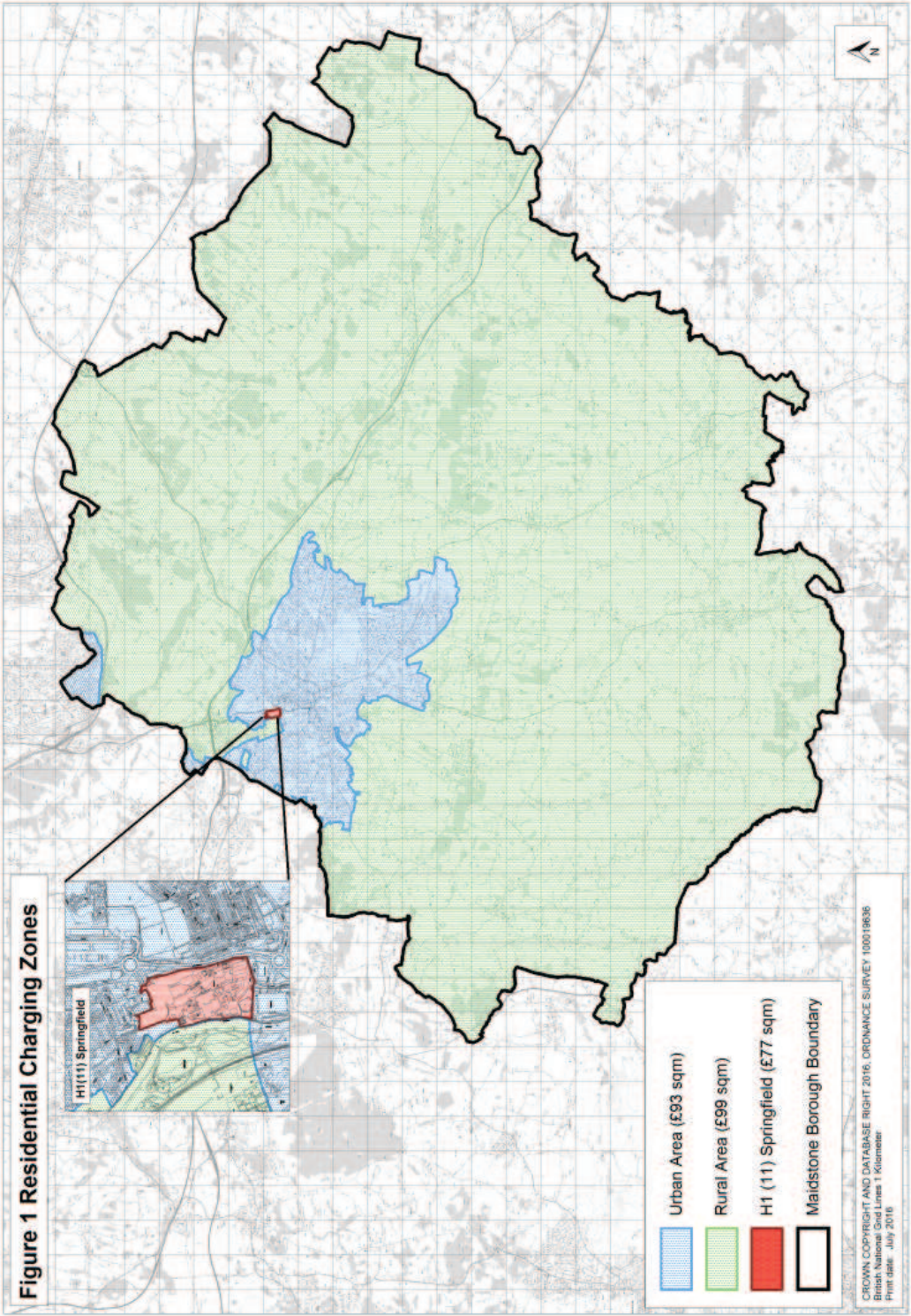
6.1 The Community Infrastructure Levy (Amendment) Regulations 2013 make provision for a proportion of CIL receipts - known as the neighbourhood portion - to be passed to Parish Councils, or be spent on behalf of communities where there is no Parish Council. The proportion passed to the Parish Council, or spent on behalf of the neighbourhood, is dependent on whether or not a neighbourhood plan has been "made" within the relevant area.

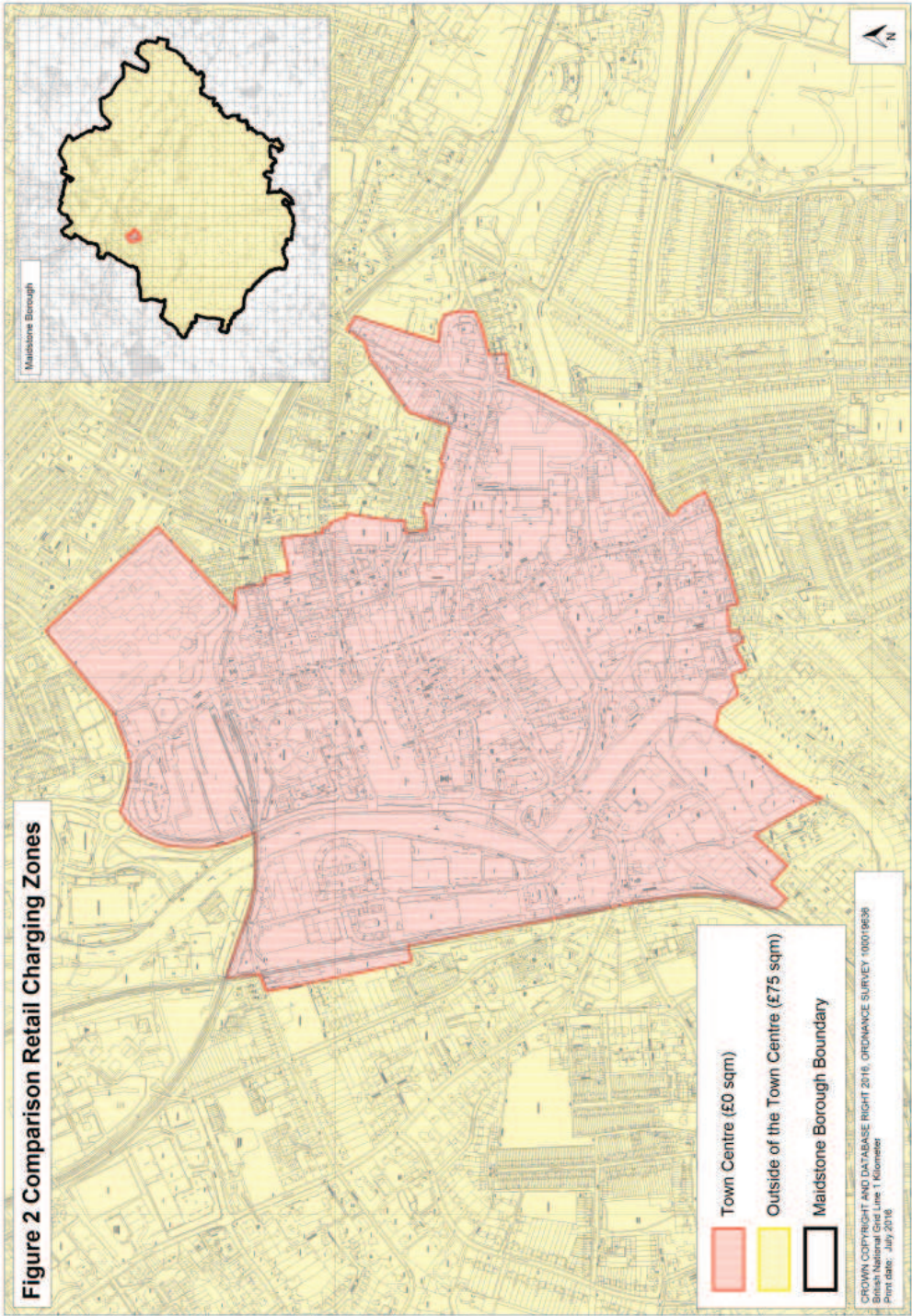
6.2 In areas where no neighbourhood plan is in place, 15% of the receipts associated with a development in that area (capped at £100 per existing council tax dwelling) will be paid to the Parish Council or will be spent on behalf of the community. Where a neighbourhood plan has been "made" 25% of CIL receipts (with no cap) will be passed to the Parish Council or will be spent on behalf of the community.

6.3 Much of Maidstone Town lies outside of established Parish boundaries and a significant level of development is expected within this area. CIL receipts collected in this area will be retained by the council as Charging Authority, however the council will engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding. Where development takes place within an area with a neighbourhood plan, the council and communities will consider how the neighbourhood portion can be used to deliver the infrastructure identified in the neighbourhood plan as required to address the demands of development.

6.4 The neighbourhood portion of the levy funding is subject to a much wider definition in regards to how the monies can be spent. The monies must be spent on supporting the development of the area however this can be achieved through:

- The provision, improvement, replacement, operations or maintenance of infrastructure; or
- Anything else that is concerned with addressing the demands that development places on an area.





Calculation of the CIL Charge

The method of calculation of the CIL charge is set out in Regulation 40 in the CIL Regulations 2010 as amended by the 2014 Regulations:

“Calculation of chargeable amount

40.-(1) The collecting authority must calculate the amount of CIL payable (“chargeable amount”) in respect of a chargeable development in accordance with this regulation.

(2) The chargeable amount is an amount equal to the aggregate of the amounts of CIL chargeable at each of the relevant rates.

(3) But where that amount is less than £50 the chargeable amount is deemed to be zero.

(4) The relevant rates are the rates, taken from the relevant charging schedules, at which CIL is chargeable in respect of the chargeable development.

(5) The amount of CIL chargeable at a given relevant rate (R) must be calculated by applying the following formula-

$$\frac{R \times A \times I_p}{I_c}$$

Where-

A = the deemed net area chargeable at Rate R, calculated in accordance with paragraph (7);

I_p = the index figure for the year in which planning permission was granted; and

I_c = the index figure for the year in which the charging schedule containing rate R took effect.

(6) In this regulation the index figure for a given year is-

(a) the figure for 1st November for the preceding year in the national All-in Tender Price Index published from time to time by the Building Cost Information Service of the Royal Institution of Chartered Surveyors(1); or

(b) if the All-in Tender Price Index ceases to be published, the figure for 1st November for the preceding year in the retail prices index.

(7) The value of A must be calculated by applying the following formula-

$$\frac{G_R - K_R - (G_R \times E)}{G}$$

Where –

G = the gross internal area of the chargeable development;

G_R = the gross internal area of the part of the chargeable development chargeable at rate R ;

K_R = the aggregate of the gross internal areas of the following-

- i. retained parts of in-use buildings, and
- ii. for other relevant buildings, retained parts where the intended use following completion of the chargeable development is a use that is able to be carried on lawfully and permanently without further planning permission in that part on the day before planning permission first permits the chargeable development;

E = the aggregate of the following-

- i. the gross internal areas of parts of in-use buildings that are to be demolished before completion of the chargeable development, and
- ii. for the second and subsequent phases of a phased planning permission, the value E_x (as determined under paragraph (8)), unless E_x is negative,

provided that no part of any building may be taken into account under both of paragraphs (i) and (ii) above.

(8) The value E_x must be calculated by applying the following formula-

$$E_P - (G_P - K_{PR})$$

Where-

E_P = the value of E for the previously commenced phase of the planning permission;

G_P = the value of G for the previously commenced phase of the planning permission; and

K_{PR} = the total of the values of K_R for the previously commenced phase of the planning permission.

(9) Where a collecting authority does not have sufficient information, or information of sufficient quality, to enable it to establish that a relevant building is an in-use building, it may deem it not to be an in-use building.

(10) Where a collecting authority does not have sufficient information, or information of sufficient quality, to enable it to establish-

- a. whether part of a building falls within a description in the definitions of K_R and E in paragraph (7); or
- b. the gross internal area of any part of a building falling within such a description,

It may deem the gross internal area of the part in question to be zero.

(11) In this regulation-

“building” does not include-

- i. a building into which people do not normally go,
- ii. a building into which people go intermittently for the purpose of maintaining or inspecting machinery, or
- iii. a building for which planning permission was granted for a limited period;

“in-use building” means a building which-

- i. is a relevant building, and
- ii. contains a part that been in lawful use for continuous period of at least six months within the period of three years ending on the day planning permission first permits the chargeable development;

“new build” means that part of the chargeable development which will comprise new buildings and enlargements to existing buildings;

“relevant building” means a building which is situated on the relevant land on the day planning permission first permits the chargeable development;

“relevant charging schedules” means the charging schedules which are in effect-

- i. at the time planning permission first permits the chargeable development, and
- ii. in the area in which the chargeable development will be situated;

“retained part” means part of a building which will be-

- i. on the relevant land on completion of the chargeable development (excluding new build),
- ii. part of the chargeable development on completion, and
- iii. chargeable at rate R.

1. Registered in England and Wales RC00487.”

DRAFT REGULATION 123 LIST

Community Infrastructure Levy: Draft Charging Schedule – Draft Regulation 123 List (October 2016)

Community Infrastructure Levy: Draft Charging Schedule

Draft Regulation 123 List

Regulation 123 of the CIL Regulations (as amended) requires a council to identify the infrastructure types and/or projects which it intends will be, or may be, wholly or partly funded through the CIL. The inclusion of a project or type of infrastructure in the Regulation 123 List does not represent a commitment from the council to fund it, either in whole or in part. The order of the table does not imply any order of preference for the use of CIL receipts.

| Infrastructure projects/types that may be funded wholly or partly through the CIL | Exclusions – To be funded through s106 planning obligations, s278 of the Highway Act; other legislation or through planning condition |
|--|--|
| Highways and transportation Transport infrastructure including highway improvement schemes, walking and cycling (including public realm) and public transport infrastructure and improvements. | On or off site infrastructure and improvements required to make the development acceptable in planning terms. Improvements or works to the Strategic Road Network. |
| Education provision Education infrastructure including primary and secondary education infrastructure and improvements. | On or off site primary and secondary school facilities required specifically to serve a new development including the following schemes identified in the Infrastructure Delivery Plan: <ul style="list-style-type: none">- Provision of a new primary school on site H1 (10) Land South of Sutton Road;- Expansion of an existing school within South East Maidstone to accommodate site H1 (8); and- Provision of a new 2FE primary school within Broad Location H2 (2) Invicta Barracks, Maidstone. |
| Health provision Health infrastructure including primary healthcare infrastructure and improvements. | On or off site health infrastructure facilities required to make the development acceptable in planning terms. |

Community Infrastructure Levy: Draft Charging Schedule – Draft Regulation 123 List (October 2016)

| Infrastructure projects/types that may be funded wholly or partly through the CIL | Exclusions – To be funded through s106 planning obligations, s278 of the Highway Act; other legislation or through planning condition |
|--|---|
| Social and community infrastructure Social and community infrastructure including social care infrastructure, libraries and community facilities. | On or off site community facilities required to make the development acceptable in planning terms. |
| Public services infrastructure Public services infrastructure including police, fire and ambulance service infrastructure and strategic waste management infrastructure. | On or off site waste management infrastructure required to make the development acceptable in planning terms. |
| Green and blue infrastructure Strategic green and blue infrastructure measures and improvements. | On or off site infrastructure, including open space, improvements and mitigation required to make the development acceptable in planning terms. |
| Flood prevention and mitigation Strategic flood prevention and mitigation infrastructure measures and improvements. | On or off site infrastructure, improvements and mitigation, including drainage infrastructure, required to make the development acceptable in planning terms. |

Agenda Item 15

MAIDSTONE BOROUGH COUNCIL

COUNCIL

7 DECEMBER 2016

REPORT OF THE COMMUNITIES, HOUSING AND ENVIRONMENT COMMITTEE HELD ON 18 OCTOBER 2016

ADOPTION OF BYELAWS FOR COSMETIC PIERCING AND SEMI- PERMANENT SKIN COLOURING

Issue for Decision

To consider the adoption of new byelaws to cover cosmetic piercing and semi-permanent skin colouring.

Recommendation Made

That byelaws be adopted for registering businesses involved in cosmetic piercing and semi-permanent skin colouring by implementing Section 120 and Schedule 6 of the Local Government Act 2003 based on models provided by the Department of Health as set out in Appendices 1 and 2.

Reasons for Recommendation

At its meeting on 18 October 2016 the Committee considered the report of the Head of Housing and Community Services related to the adoption of byelaws for cosmetic piercing and semi-permanent skin colouring.

The Council has adopted powers set out in the Local Government (Miscellaneous Provisions) Act 1982 which require the registration of businesses providing tattooing, electrolysis, ear piercing and acupuncture. The purpose behind this requirement is to prevent the transmission of blood borne virus infections, such as Hepatitis B, Hepatitis C and HIV and other infections between persons through these invasive treatments. The Local Government Act 2003 extended the range of activities, which are required to be registered with the Council, to include cosmetic piercing and skin colouring, treatments that also have the potential to transmit communicable diseases.

This report seeks approval to adopt additional byelaws to give the Council similar powers to protect public health to correspond with existing byelaws for other treatments. The intention of byelaws is to ensure that hygienic and safe skin piercing practices are carried out by operators, to protect the health and safety of those being pierced and those carrying out the piercing activities.

The new byelaws will be based on models provided by the Department of Health attached at Appendix 1 and 2 to the report, and cover cosmetic piercing and semi-permanent skin colouring. The adoption of the additional byelaws requires approval by Council and then confirmation by the Secretary of State for Health.

Alternative Recommendations and Why Not Considered

Do Nothing – The Council would continue to have a registration regime where only some of the special treatments are covered by byelaws. This effectively would reduce the Council's ability to enforce proper provisions of hygiene to protect public health.

Background documents

None.

COSMETIC PIERCING BYELAWS – APPENDIX 1

Byelaws for the purposes of securing the cleanliness of premises registered under section 15 of the Local Government (Miscellaneous Provisions) Act 1982 and fittings in those premises and of registered persons and persons assisting them and the cleansing and, so far as appropriate, sterilization of instruments, materials and equipment used in connection with the business of cosmetic piercing made by Maidstone Borough Council in pursuance of section 15(7) of the Act.

Interpretation

1.—(1) In these byelaws, unless the context otherwise requires—

“The Act” means the Local Government (Miscellaneous Provisions) Act 1982;

“Client” means any person undergoing treatment;

“Operator” means any person giving treatment;

“Premises” means any premises registered under Part VIII of the Act;

“Proprietor” means any person registered under Part VIII of the Act;

“Treatment” means any operation in effecting cosmetic piercing;

“The treatment area” means any part of premises where treatment is given to clients.

(2) The Interpretation Act 1978 shall apply for the interpretation of these byelaws as it applies for the interpretation of an Act of Parliament.

2.—(1) For the purpose of securing the cleanliness of premises and fittings in such premises a proprietor shall ensure that—

- (a) all internal walls, doors, windows, partitions, floors, floor coverings and ceilings are kept clean and in such good repair as to enable them to be cleaned effectively;
- (b) all waste material, and other litter arising from treatment should be handled and disposed of as clinical waste in accordance with relevant legislation and guidance as advised by the local authority;
- (c) all needles used in treatment are single-use and disposable, as far as is practicable; and are stored and disposed of as clinical waste in accordance with the relevant legislation and guidance as advised by the local authority;
- (d) all furniture and fittings in the premises are kept clean and in such good repair as to enable them to be cleaned effectively;
- (e) all tables couches and seats used by clients in the treatment area, and any surface on which the items specified in 3b below are placed immediately prior to treatment, have a smooth impervious surface which is disinfected immediately after use and at the end of each working day.
- (f) where tables and couches are used they are covered by a disposable paper sheet which is changed for each client;
- (g) no eating, drinking, or smoking is permitted in the treatment area and a notice or notices reading “No Smoking”, and “No Eating or Drinking” is prominently displayed there.

3.—(1) For the purpose of securing the cleansing and so far as is appropriate, the sterilization of needles, instruments, jewellery, materials and equipment used in connection with the treatment—

- (a) an operator shall ensure that, before use in connection with treatment—
 - any gown, wrap or other protective clothing, paper or other covering, towel, cloth or other such article used in the treatment—
 - i. is clean and in good repair and, so far as is appropriate, sterile;
 - ii. has not previously been used in connection with any other client unless it consists of a material which can be and has been adequately cleaned and, so far as is appropriate, sterilized.
- (b) An operator shall ensure that any needle, metal instrument, or other item of equipment used in treatment or for handling instruments and needles used in the treatment is in a sterile condition and kept sterile until it is used;
- (c) a proprietor shall provide—

- (i) adequate facilities and equipment for the purpose of sterilization, [unless pre-sterilized items are used] and of cleansing, as required in pursuance of these byelaws;
- (ii) sufficient and safe gas points and/or electrical socket outlets to enable compliance with these byelaws;
- (iii) an adequate constant supply of clean hot and cold water readily available at all times on the premises;
- (iv) adequate storage for all items mentioned in byelaw 3a and b above, so that those items are properly stored in a clean and suitable place so as to avoid, as far as possible, the risk of contamination.

4.—(1) For the purpose of securing the cleanliness of operators, a proprietor shall ensure that —

- (i) Any operator keeps his hands and nails clean and his nails short;
- (ii) Any operator wears disposable surgical gloves that have not previously been used with any other client;
- (iii) Any operator of the premises wears a gown, wrap or protective clothing that is clean and washable, or alternatively a disposable covering that has not previously been used in connection with any other client;
- (iv) Any operator keeps any open boil, sore, cut or open wound on an exposed part of the body effectively covered by an impermeable dressing;
- (v) Any operator does not smoke or consume food or drink in the treatment area.
- (b) A proprietor shall provide—

- (i) suitable and sufficient washing facilities for the sole use of operators, including hot and cold water and sanitising soap or detergent;
- (ii) suitable and sufficient sanitary accommodation for operators.

COUNCIL'S SIGNATURE

COUNCIL'S SEAL

The foregoing byelaws are hereby confirmed by the Secretary of State for Health
on _____ and shall come into operation on _____

[Printed name]

Member of the Senior Civil Service

Department of Health

NOTE – THE FOLLOWING DOES NOT FORM PART OF THE BYELAWS

Proprietors must take all reasonable steps to ensure compliance with these byelaws by persons working on premises. Section 16(9) of the Act provides that a registered person shall cause to be prominently displayed on the premises a copy of these byelaws and a copy of any certificate of registration issued to him under Part VIII of the Act.

Section 16 of the Local Government (Miscellaneous Provisions) Act 1982 provides that any person who contravenes these byelaws shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 3 on the standard scale. If a person registered under Part VIII of the Act is found guilty of contravening these byelaws the Court may, instead of or in addition to imposing a fine, order the suspension or cancellation of his registration and of the registration of the premises in which the offence was committed if such premises are occupied by the person found guilty of the offence. It shall be a defence for the person charged under sub-sections (1), (2), (8), or (10) of section 16 to prove that he took all reasonable precautions and exercised all due diligence to avoid commission of the offence.

Nothing in these byelaws extends to the practice of cosmetic piercing by or under the supervision of a person who is registered as a medical practitioner, or to premises in which the practice of cosmetic piercing is carried out by or under the supervision of such a person.

SEMI-PERMANENT SKIN-COLOURING BYELAWS – APPENDIX 2

Byelaws for the purposes of securing the cleanliness of premises registered under section 15 of the Local Government (Miscellaneous Provisions) Act 1982 and fittings in such premises and registered persons and persons assisting them and the cleansing and, so far as appropriate, sterilization of instruments, materials and equipment used in connection with the business of semi-permanent skin-colouring made by Maidstone Borough Council in pursuance of section 15(7) of the Act.

Interpretation

5.—(1) In these byelaws, unless the context otherwise requires—

“The Act” means the Local Government (Miscellaneous Provisions) Act 1982;

“Client” means any person undergoing treatment;

“Operator” means any person giving treatment, including a proprietor;

“Premises” means any premises registered under Part VIII of the Act;

“Proprietor” means any person registered under Part VIII of the Act;

“Treatment” means any operation in effecting semi-permanent skin-colouring;

“The treatment area” means any part of premises where treatment is given to clients.

(2) The Interpretation Act 1978 shall apply for the interpretation of these byelaws as it applies for the interpretation of an Act of Parliament.

6.—(1) For the purpose of securing the cleanliness of premises and fittings in such premises a proprietor shall ensure that—

- (a) all internal walls, doors, windows, partitions, floors, floor coverings and ceilings are kept clean and in such good repair as to enable them to be cleaned effectively;
- (b) the treatment area is used solely for giving treatment;
- (c) the floor of the treatment area is provided with a smooth impervious surface;
- (d) all waste material, and other litter arising from treatment should be handled and disposed of as clinical waste in accordance with relevant legislation and guidance as advised by the local authority;
- (e) all needles used in treatment are single-use and disposable, as far as is practicable, and are stored and disposed of as clinical waste in accordance with relevant legislation and guidance as advised by the local authority;
- (f) all furniture and fittings in the premises are kept clean and in such good repair as to enable them to be cleaned effectively;
- (g) all tables couches and seats used by clients in the treatment area, and any surface on which the items specified in 3b below are placed immediately prior to treatment, have a smooth impervious surface which is disinfected immediately after use and at the end of each working day;

- (h) where tables and couches are used they are covered by a disposable paper sheet which is changed for each client;
- (i) no eating, drinking, or smoking is permitted in the treatment area and a notice or notices reading "No Smoking", and "No Eating or Drinking" is prominently displayed there.

7.—(1) For the purpose of securing the cleansing and so far as is appropriate, the sterilization of instruments, materials and equipment used in connection with the treatment—

- (a) An operator shall ensure that, before use in connection with treatment—

any gown, wrap or other protective clothing, paper or other covering, towel, cloth or other such article used in the treatment—

- i. is clean and in good repair and, so far as is appropriate, sterile;
- ii. has not previously been used in connection with any other client unless it consists of a material which can be and has been adequately cleaned and, so far as is appropriate, sterilized.

- (b) An operator shall ensure that—

i any needle, metal instrument, or other item of equipment used in treatment or for handling instruments and needles used in treatment is in a sterile condition and kept sterile until it is used;

ii all dyes used for semi-permanent skin-colouring are sterile and inert;

iii the containers used to hold the dyes for each customer are either disposed of at the end of each session of treatment, or are cleaned and sterilized before re-use;

- (c) a proprietor shall provide—

- (i) adequate facilities and equipment for the purpose of sterilization, [unless pre-sterilized items are used] and of cleansing, as required in pursuance of these byelaws;
- (ii) sufficient and safe gas points and/or electrical socket outlets to enable compliance with these byelaws;
- (iii) an adequate constant supply of clean hot and cold water readily available at all times on the premises;
- (iv) adequate storage for items mentioned in byelaw 3a and b above, so that those items are properly stored in a clean and suitable place so as to avoid, as far as possible, the risk of contamination.

8.—(1) For the purpose of securing the cleanliness of operators—

- a. a proprietor shall ensure that —

- (i) any operator keeps his hands and nails clean and his nails short;
- (ii) any operator wears disposable surgical gloves that have not previously been used with any other client;

- (iii) any operator of the premises wears a gown, wrap or protective clothing that is clean and washable, or alternatively a disposable covering that has not previously been used in connection with any other client;
 - (iv) any operator keeps any open boil, sore, cut or open wound on an exposed part of the body effectively covered by an impermeable dressing;
 - (v) any operator does not smoke or consume food or drink in the treatment area.
- (b) A proprietor shall provide—
- (i) suitable and sufficient washing facilities for the sole use of operators, including hot and cold water, sanitising soap or detergent;
 - (ii) suitable and sufficient sanitary accommodation for operators.

COUNCIL'S SIGNATURE

COUNCIL'S SEAL

The foregoing byelaws are hereby confirmed by the Secretary of State for Health
on _____ and shall come into operation on _____

[Printed name]

Member of the Senior Civil Service

Department of Health

NOTE – THE FOLLOWING DOES NOT FORM PART OF THE BYELAWS

Proprietors shall take all reasonable steps to ensure compliance with these byelaws by persons working on premises. Section 16(9) of the Act provides that a registered person shall cause to be prominently displayed on the premises a copy of these byelaws and a copy of any certificate of registration issued to him under Part VIII of the Act.

Section 16 of the Local Government (Miscellaneous Provisions) Act 1982 provides that any person who contravenes any of these byelaws shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 3 on the standard scale. If a person registered under Part VIII of the Act is found guilty of contravening these byelaws the Court may, instead of or in addition to imposing a fine, order the suspension or cancellation of his registration and of the registration of the premises in which the offence was committed if such premises are occupied by the person found guilty of the offence. It shall be a defence for the person charged under sub-sections (1), (2), (8), or (10) of section 16 to prove that he took all reasonable precautions and exercised all due diligence to avoid commission of the offence.

Nothing in these byelaws extends to the practice of cosmetic piercing by or under the supervision of a person who is registered as a medical practitioner, or to premises in which the practice of cosmetic piercing is carried out by or under the supervision of such a person.

Agenda Item 16

MAIDSTONE BOROUGH COUNCIL

COUNCIL

7 DECEMBER 2016

REPORT OF THE STRATEGIC PLANNING, SUSTAINABILITY AND TRANSPORTATION COMMITTEE HELD ON 8 NOVEMBER 2016

STAPLEHURST NEIGHBOURHOOD DEVELOPMENT PLAN

Issue for Decision

To make (adopt) the Staplehurst Neighbourhood Development Plan ("the Neighbourhood Plan") to become part of the Development Plan for Maidstone.

Recommendation Made

That the Staplehurst Neighbourhood Development Plan ("the Neighbourhood Plan"), attached as Appendix A, be made and becomes part of the Development Plan for Maidstone.

Reasons for Recommendation

At its meeting on 8 November 2016 the Strategic Planning, Sustainability and Transportation Committee considered a report and an Urgent Update Report of the Head of Planning and Development on the Staplehurst Neighbourhood Development Plan.

In November 2015 the Strategic Planning, Sustainability and Transportation Committee approved the Council's response to the formal consultation on the Neighbourhood Plan. The response, along with all others received was sent to the appointed Examiner early in 2016.

A series of events led to the cessation of the original examination and a new Examiner was appointed. The second examination was undertaken by Mr Derek Stebbing and the Strategic Planning, Sustainability and Transportation Committee agreed his recommendations and resolved to send the Neighbourhood Plan to a local referendum.

The referendum took place on 3 November 2016 as required by the Town and Country Planning, England, Neighbourhood Planning (Referendums) Regulations 2012, with the process being overseen by the Registration Services team. One polling station was used: Polling district YA – Village Centre, High Street, Staplehurst with the official count having taken place after the close of the poll.

The turnout for the referendum was 33.77%, with 92.56% voting 'Yes' to the question: "Do you want Maidstone Borough Council to use the Neighbourhood

Plan for Staplehurst to help it decide planning applications in the neighbourhood area?”. The total number of votes cast was 1,586; ‘Yes’ votes were 1,468, ‘No’ votes were 118 and there were no void or rejected ballot papers.

Alternatives Considered and Why Not Recommended

There are no alternative recommendations to be considered as when the outcome of a referendum is a ‘Yes’ the Regulations (Section 38A (4) of the Planning and Compulsory Purchase Act 2004) require that the Council must make (adopt) the Plan as soon as reasonably practicable after the referendum.

Background Documents

There are no background documents.



STAPLEHURST NEIGHBOURHOOD PLAN

REFERENDUM PLAN 2016 — 2031
SEPTEMBER 2016

**STAPLEHURST NEIGHBOURHOOD PLAN
FINAL PLAN**

September 2016

|||||

This plan has been prepared by:

**Staplehurst Parish Council, The Parish Office, Village
Centre, High Street, Staplehurst, Kent, TN12 0BJ.**

Digital copies of this document can be downloaded from:

**www.staplehurstvillage.org.uk
www.maidstone.gov.uk**

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BUILDING A STAPLEHURST FIT FOR THE FUTURE PLAN PERIOD 2016 — 2031



doc. ref: 099_Q_160922_Referendum-Plan_FINAL

Feria Urbanism is a planning and design studio that specialises in neighbourhood strategies, public participation and community engagement. Established in 2007, we have been involved in a diverse range of projects across the UK and have developed key skills in organising community engagement events to inform excellent planning and design.

Contact for further information

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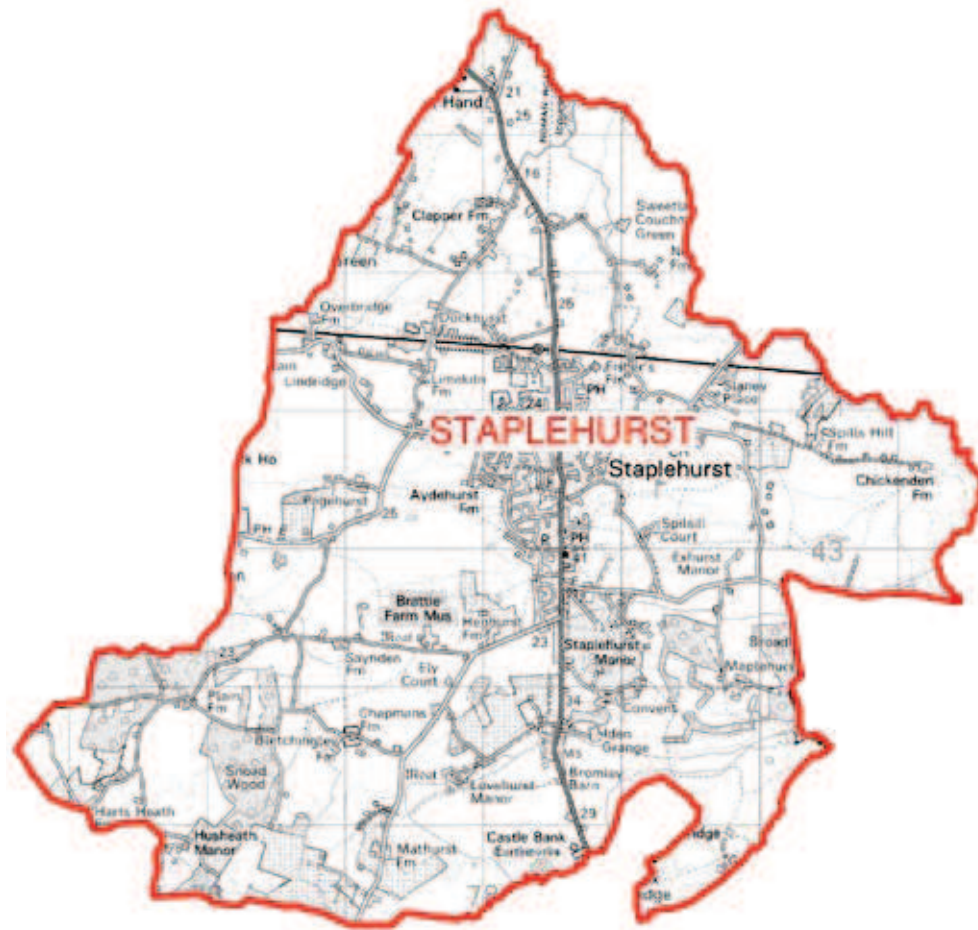
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MAINTAINING + ENHANCING THE VILLAGE CHARACTER



Neighbourhood Plan Boundary This boundary is contiguous with the parish boundary and therefore the plan policies apply to the whole parish. The neighbourhood plan boundary was formally approved by Maidstone Borough Council 14th January 2013.

1.1 THIS NEIGHBOURHOOD PLAN HAS BEEN PREPARED BY STAPLEHURST PARISH COUNCIL ON BEHALF OF THOSE THAT LIVE AND WORK WITHIN THE PARISH OF STAPLEHURST.

1.2 THE PLAN SETS OUT A VISION FOR THE PARISH THROUGH UNTIL 2031 AND IS SUPPORTED BY A SET OF PLANNING POLICIES AND A SERIES OF SPECIFIC PROJECTS. IN ACCORDANCE WITH THE NEIGHBOURHOOD PLANNING REGULATIONS, THIS PLAN HAS BEEN PREPARED THROUGH EXTENSIVE COMMUNITY CONSULTATION.

1.3 The community engagement process has informed the plan's primary aims and ambitions. The plan must therefore:

- Coordinate all new development proposals
- As far as is possible, provide certainty regarding the future of the parish
- Describe the necessary additional community infrastructure required to support a growing village
- Strengthen and enhance the historic village heart
- Improve choice over access and movement
- Introduce high quality architecture
- Ensure the feel of a village community is retained
- Support more retail opportunities
- Support continued investment in education
- Make walking and cycling easier and safer
- Create a happy and fulfilling place.

1.4 This neighbourhood plan comprises specific planning policies and objectives, all grouped under six policy themes. These are all supported by a strategic village framework, indicating how new development needs to integrate with the existing village. This plan has been informed by a series of distinct public engagement events, each using a wide range of different public consultation techniques.



Residents work together to decide how best to describe their community and their place.

PLANNING FOR THE FUTURE

2.1 Staplehurst Parish Council recognises the need to plan for the future. There is much value in preparing plans and policies that anticipate changes to village life to help ensure an appropriate and coordinated response. Change is inevitable but how the village responds to this change is what matters.

2.2 This neighbourhood plan represents the first opportunity in the history of Staplehurst for the community to create a legally binding, statutory plan that explains how new developments must integrate with the existing village; sets out the expected quality of design for new development and also links housing growth to investment in new village infrastructure, including improved community facilities.

ALL PLACES ARE EITHER GROWING OR DECLINING. NOTHING STAYS THE SAME.

2.3 There has been a settlement near All Saints church, Staplehurst since about 1000 AD and the village lies on the Roman Road from Maidstone to Hastings, now the A229. The road between Marden and Headcorn crosses the A229 in the centre to create a crossroads, known as Cuckold's Corner.

2.4 Most development was confined to areas along this road until a number of residential areas were built, mainly in the 1960s and 1970s and to the east and west of the main A229 road. The parish covers an extensive area of countryside, mostly devoted to farming and industries related to agriculture, and there is a significant rural population in the parish, including traveller communities.

2.5 Although the railway station is next to the A229, it is some distance from the church so that the built up area of the village now extends nearly two kilometres from the station in the north to just south of Pinnock Lane. The station serves a wider catchment than just the parish and much of the vehicle traffic heading to the station brings people that live outside the parish. Although many people travel out of the parish to work (and a smaller number commute in), the community has large areas of dedicated employment land in the north west of the village adjacent to the station and sustains a large number of voluntary organisations providing a diverse range of activities and services. In addition to children growing up in the village, there are also a significant number of retired people, many living in retirement and care homes.



These images of Station Road (left) and Cuckold's Corner (right) reveal the significant changes that the village has undergone in the last century.

COMMUNITY CONCERNS

2.6 The community engagement event in September 2013 revealed that a primary concern of the community was regarding the impact of housing growth on the character of the village. This reflected the findings of the Staplehurst Housing Survey 2010 (report by Tessa O'Sullivan, Rural Housing Enabler with support from Staplehurst Parish Council, Staplehurst Rural Settlement Group and Maidstone Borough Council) that highlighted a widespread concern about new developments within the parish. Key findings included:

- 454 (64%) respondents indicated that they could not support more housing development in Staplehurst
- 601 (85%) respondents felt that the current infrastructure would not support more housing, with the most frequent comments relating to access and movement, and retail and the inadequacies of both.

2.7 Of the respondents who said they would support more development, 157 (22%) felt that affordable housing for people with a connection to the parish was needed.



Village Visioning Event September 2013

2.8 Further analysis found that the need for affordable housing was fairly evenly spread between single people, couples and families.

2.9 Given this background research, the neighbourhood plan seeks to directly address the deficiencies in infrastructure (especially foul and surface water drainage, community facilities, retail, access and movement) and the need for some affordable housing to meet specific needs.

NEIGHBOURHOOD PLAN VISION

2.10 In response to this anxiety about new development in the village, combined with a recognition that some new affordable housing is desirable, the neighbourhood plan has been prepared with the express vision of:

1. Maintaining and enhancing the rural character of Staplehurst village, its immediate setting and the wider parish.
2. Coordinating all new development so that it contributes to the creation of safe, sustainable, liveable and mixed communities with good access to jobs and essential services for all members of the community.
3. Creating a robust yet flexible access and movement network appropriate for all modes of travel and for current and future populations.
4. Using land and resources efficiently so that new developments have a reduced demand for energy and move towards carbon neutrality.
5. Protecting and enhancing the natural and historic environment, the quality and character of the whole built environment and the wider countryside.
6. Enforcing the quality of new development through use of materials, details and inclusive design that responds to context.
7. Ensuring that land made available for development will be developed in such a way as to improve people's quality of life, for both new and existing residents.
8. Delivering the community infrastructure necessary to support a growing village in the 21st Century.

2.11 Finally, the neighbourhood plan must be in general conformity with Maidstone Borough Council's adopted Local Plan (2000) and its emerging Local Plan, as represented by the Maidstone Borough Local Plan Preparation (Regulation 18) 2014 — without such general conformity the neighbourhood plan cannot be adopted as a statutory planning document.



Effective community consultation is a key part of meeting the basic conditions necessary for a robust neighbourhood plan.

MEETING THE CONDITIONS

3.1 This neighbourhood plan must meet certain basic conditions before they can come into force. It will be checked by the local planning authority and be tested by independent examination before going to referendum. The plan needs to accord with the Neighbourhood Plans (General) Regulations 2012, the National Planning Policy Framework and Maidstone Borough Council planning policies.

3.2 The neighbourhood plan does not simply repeat the local or national planning policies. The Localism Act 2011 enables communities to create a plan that reflects the needs of the local population and future residents. A collaborative approach, led by Staplehurst Parish Council and involving local residents and other interest groups, including developers and neighbouring communities, has created a plan that broadly reflects local aspirations.

GENERAL CONFORMITY

3.3 The planning context for the production of neighbourhood plans is set out in the Localism Act 2011, the Town and Country Planning Act 1990 (as amended), the National Planning Policy Framework (NPPF) and the Neighbourhood Planning (General) Regulations 2012. For a neighbourhood plan to be approved, it must demonstrate that it:

- is in compliance with national planning policy as set out by the NPPF
- contributes to sustainable development
- is in general conformity with the spatial policies of the development plan for the local area
- is compatible with European policies
- reflects best practice in terms of quality urban design and sustainable planning principles.

3.4 The Staplehurst Neighbourhood Plan also:

- contains a mix of uses that meets the need of the local community
- has been developed through widespread local consultation
- has general support from the residents of Staplehurst
- has general support of the various land owners/developers on whose land new development is being proposed
- provides development that will add to the village without unnecessarily infringing upon protected countryside
- creates a welcoming environment for residents, tourists and business interests alike
- promotes sustainable development through a holistic approach to development in the village
- enhances pedestrian and cycle routes in the village
- encourages a strong village economy through extra retail and employment opportunities to support the local jobs and reduce the need to travel.

PLANNING POLICY CONTEXT

3.5 This neighbourhood plan is in conformity with the National Planning Policy Framework (NPPF) which has been taken into consideration at all stages of the plan's development.

3.6 Paragraphs 1 and 2 of the NPPF make clear that neighbourhood plans need to take the policies in the NPPF into account and that these policies are a material consideration in the determination of planning applications, alongside local documents such as the Local Plan and neighbourhood plans.

3.7 Paragraph 16 of the NPPF states that neighbourhoods should develop plans that support the strategic development needs set out in Local Plans, including policies for housing and economic development and that neighbourhoods plan positively to support local development, shaping and directing development in their area that is outside the strategic elements of the Local Plan.

3.8 Staplehurst Parish Council considers that this neighbourhood plan supports both of these objectives. The range of policies in this neighbourhood plan both addresses the strategic growth agenda in the Maidstone Local Plan and helps shape and support development in response to the local context.

3.9 Paragraph 28 of the NPPF states that neighbourhood plans should include a policy on economic growth in the rural areas. This neighbourhood plan contains such a policy, PW1. Paragraph 58 of the NPPF requires neighbourhood plans to include policies that encourage good design in their areas and this is met through neighbourhood plan policies H1 and H2.

3.10 Paragraphs 150 — 157 of the NPPF set out how development plans should be aspirational but practical and should spatially address the economic, social and environmental dimensions of sustainable development. This neighbourhood plan has been generated to address all of these aspects while remaining flexible in order to respond to change in the parish.



Three Day Design Forum **October 2013**

3.11 Paragraphs 183 — 185 of the NPPF provide some general guidance on the production of neighbourhood plans in addition to the requirements of paragraph 16. In particular, paragraph 184 makes it clear that “... neighbourhood plans should not promote less development than is set out in the Local Plan or undermine its strategic policies”.

3.12 This neighbourhood plan accepts the principle of development within the housing allocations as set out in the (Regulation 18) draft Local Plan and it is therefore considered to meet the objectives of paragraph 184 of the NPPF. It should also be noted that paragraph 185 of the NPPF states that once approved, the policies in the neighbourhood plan will take precedence over existing non-strategic policies in the Local Plan for that neighbourhood.

3.13 Staplehurst Parish Council acknowledges that there is no up to date and adopted Local Plan in place at Maidstone Borough Council. It therefore wishes to move quickly, but thoroughly, towards the adoption of this neighbourhood plan in order to give the community that lives and works in the parish the certainty and control it needs over its future.

SUSTAINABILITY

3.14 Paragraphs 7 and 14 of the NPPF identify the components of sustainable development, and how planning applications and Local Plans can meet these requirements. It is considered that the Staplehurst Neighbourhood Plan fills an economic, social and environmental role in planning positively to shape the future development and needs of the parish. In addition, the neighbourhood plan is in general conformity with the policies set out in the emerging Maidstone Local Plan. This neighbourhood plan has been produced with the requirements of paragraph 14 of the NPPF in mind.

3.15 The policies in the Staplehurst Neighbourhood Plan have been produced in general conformity with the strategic policies of the emerging Maidstone Local Plan. These Local Plan policies have been subject to a Sustainability Appraisal (SA) in line with the relevant European directives. The policies in the neighbourhood plan therefore supplement and help to implement these strategic policies. They are therefore considered sustainable in line with these regulations.

3.16 This neighbourhood plan is a sustainable plan that incorporates employment, key services and new facilities together with a range of access and movement options that help reduce the need to travel.

3.17 As part of the evidence base for the preparation of the neighbourhood plan, the parish council has undertaken a housing needs survey to understand local need to inform an appropriate mix of house types and tenures in Staplehurst. It has also held collaborative design and planning workshops to determine the most appropriate locations for new development that can contribute to the overall sustainability of the village while minimising any negative impact upon attractive areas of countryside.

RURAL SERVICE CENTRE

3.18 This neighbourhood plan positively supports development by accepting the village's strategic role as a designated Rural Service Centre (RSC). The parish council acknowledges that Policy SP3 in the draft Maidstone Borough Council (Regulation 18) Local Plan designates Staplehurst a Rural Service Centre — that is, a larger rural settlement deemed suitable by MBC for additional houses.

3.19 This neighbourhood plan is in general conformity with the policy themes and growth agenda as set out by Maidstone Borough Council. In this respect, the parish council firmly believes it meets the general conformity test for neighbourhood planning with respect to the borough or district level planning policies.

3.20 Staplehurst Parish Council recognises the importance of new development and the significant role the village can play in accommodating this development as a designated Rural Service Centre. This neighbourhood plan gives the community in Staplehurst the control and confidence it needs to help it develop as a prosperous and attractive Kentish village.

SUPPORTING NEW DEVELOPMENT

3.21 This plan supports new development in a sustainable way. Development is located and designed so as to create a compact and balanced settlement that enhances connections across the village. This will help create a sustainable settlement that will connect residential neighbourhoods with services through the increased use of non-car modes of travel. The sites identified for development are informed by their immediate context. This is a direct response to paragraph 47 of the NPPF on delivering high quality homes in a rural environment; this plan identifies key sites in the village that reflect locations suitable for the long term success of the village.



This neighbourhood plan contains an assessment of the qualities that make Staplehurst special.

81 BEST PRACTICE IN RURAL DESIGN

3.22 To ensure that the design and layouts of new development are appropriate to the village, the plan encourages high quality design and sustainable planning based on an assessment of the positive qualities of the existing village. This plan seeks to integrate new development with the necessary social and physical infrastructure. Paragraphs 47 — 55 in the NPPF expect the delivery of high quality homes to match appropriate housing needs through sensitively designed new places. This plan indicates appropriate housing sites in the context of the wider village. In terms of design, a positive relationship between existing built areas and the new will be critical to the successful assimilation of new development.

3.23 The selection of the indicated development sites has been based on striking the right balance between the need for more housing and the protection of the countryside environment. Paragraph 58 of the NPPF states that new developments “... will function well and add to the overall quality of the area, not just for the short term”. The parish council considers this draft plan to be a long-term strategy that will enhance the village through high quality architectural form and layout.

MEETING THE NEEDS OF THE LOCAL COMMUNITY

3.24 The parish council believes that this neighbourhood plan supports the needs of the wider community by addressing the social, economic and environmental aspects of village life. This has been expressed through the identification of new areas of housing, new retail opportunities, together with a sustainable access and movement network across the village. The specific policy themes within the plan will benefit all elements of the community.

EFFECTIVE LOCAL CONSULTATION

3.25 As set out in Section 14 (a) of the 2012 Neighbourhood Planning (General) Regulations, consultation on the plan and the plan-making process must be brought to the attention of the people who live or work in the village. Staplehurst Parish Council has ensured that this is a plan that reflects local opinions and local needs. To ensure that public engagement and consultation were effective, input from the community has been sought at every stage and has been invaluable to the production of the plan. Throughout the process, members of the community have been able to shape discussions and form dialogues with fellow residents, with land owners and with other interest groups. The result has been that different groups have been able to find shared outcomes.

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3.26 There has been a series of consultation and engagement events that have directly influenced the drafting of the plan. All consultation material relating to these events (e.g. slideshows, reports and posters) have been published online during the plan preparation.

3.27 Please see the accompanying Consultation Statement for full details on the consultation process undertaken as part of the preparation of this neighbourhood plan. Please see the accompanying Conditions Statements for more details on how the neighbourhood plan meets the required conditions.

BROAD LOCAL SUPPORT

3.28 From the outset, Staplehurst Parish Council has tried to ensure that a broad cross-section of the local community has been involved in the plan-making process. The consultation and engagement process has been open and transparent and interest groups such as land owners, local developers and school representatives have all been included in the process. All these groups are considered appropriate consultation bodies to include, as defined in the Neighbourhood Planning (General) Regulations Schedule 1.

3.29 This approach towards finding shared solutions to resolve issues in the village has the support from the various interest groups and from those on whose land development is being proposed. It is hoped that this support for the process will also translate into support for this neighbourhood plan.

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ESTABLISHING THE OVERALL VISION

3.30 The results of the local consultation and the parallel work to ensure the plan meets the basic conditions have been combined to establish a shared vision, bringing the plan in line with paragraph 183 of the NPPF. This vision is expressed in the form of eight key vision points. These points have structured the neighbourhood plan and informed the development of the individual policies and objectives.



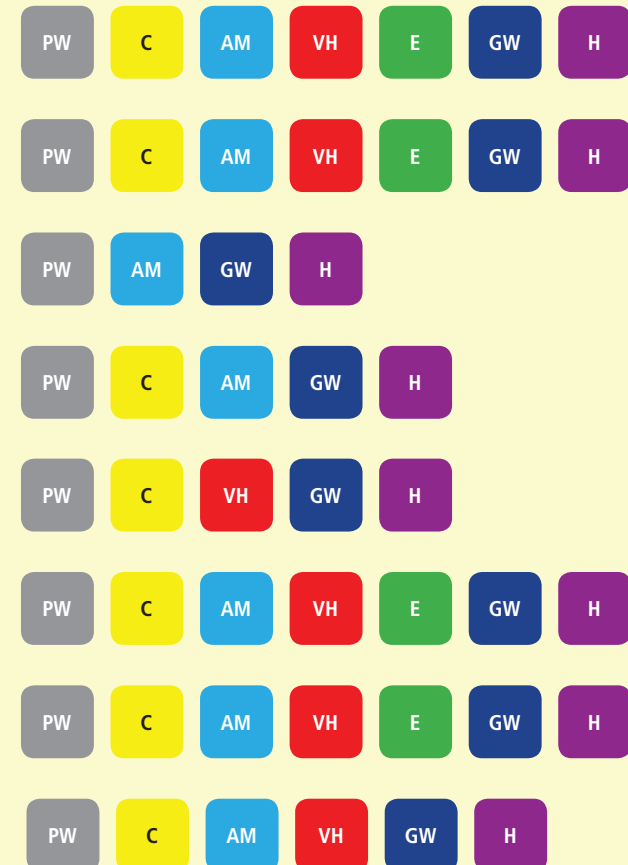
These are the six policy themes that sit below a set of parish-wide planning policies. Together, they all ensure the plan can meet the vision and objectives.

HOW HAVE THE PLANNING POLICIES + OBJECTIVES BEEN INFORMED BY THE VISION?

NEIGHBOURHOOD PLAN VISION POINTS

PRINCIPAL POLICY THEMES DEVELOPED TO MEET THE OBJECTIVE

- 1 Maintaining and enhancing the rural character of Staplehurst village, its immediate setting and the wider parish.
- 2 Coordinating all new development so that it contributes to the creation of safe, sustainable, liveable and mixed communities with good access to jobs and essential services for the whole community.
- 3 Creating a robust yet flexible access and movement network appropriate for all modes of travel and for current and future populations.
- 4 Using land and resources efficiently so that new developments have a reduced demand for energy and move towards carbon neutrality
- 5 Protecting and enhancing the natural and historic environment, the quality and character of the whole built environment and the wider countryside.
- 6 Enforcing the quality of new development through use of materials, details and inclusive design that responds to context.
- 7 Ensuring that land made available for development will be developed in such a way as to improve people's quality of life, for both new and existing residents.
- 8 Delivering the community infrastructure necessary to support a growing village in the 21st Century.



Policies + Objectives Table This table sets out how the planning policy themes of the neighbourhood plan link back to the eight vision points established through the consultation and engagement work. See pages 24 to 61 for a full description of each policy theme and the individual policies and objectives contained within.



Even historic places have been planned through deliberate decisions taken over the years, contributing to what is often seen as organic growth. This neighbourhood plan aims to continue this proven tradition of creating a planned settlement.

STRATEGIC PLANNING

4.1 A critical role of the neighbourhood plan is to provide a coordinated vision for the future of the village. This will make sure that individual development sites contribute in an effective and appropriate way to an overall vision. Without such coordination there is a risk of fragmented or piecemeal development.

4.2 To better understand how new development should respond to the local context, an assessment of the village's activities, uses, street patterns, character and form has been undertaken, together with an appreciation of the landscape setting. This assessment is set out in a series of diagrams that help inform a strategic framework plan that will guide Staplehurst over the coming years.

LIFE + ACTIVITY

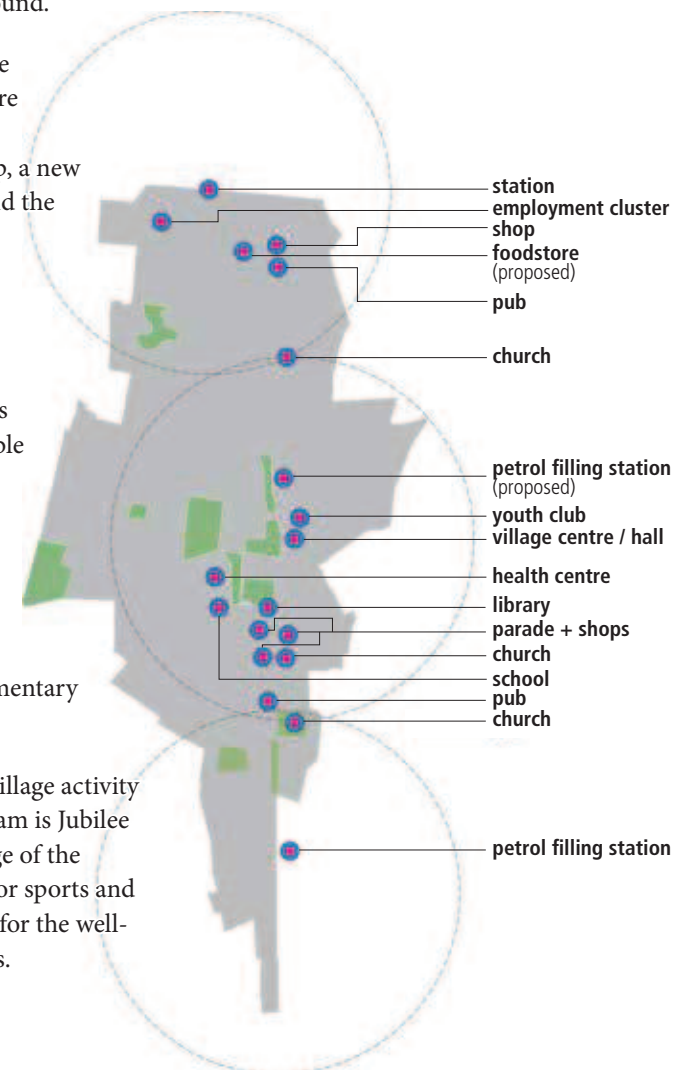
The essential village services and facilities

4.3 The distribution of the village's essential services and facilities is very much skewed towards the village heart, reflecting the historic origins of Staplehurst. This is where the Village Centre, youth club, health centre, parade of shops, school and three churches can be found.

4.4 Other services can be found to the north, where there is another pub, a local convenience shop, a new foodstore (proposed) and the railway station. To the south, there is a petrol filling station.

4.5 The village can therefore be described as comprising three walkable "neighbourhoods" (i.e. north, central and south), each of around one kilometre across. The plan seeks to further define these and ensure they are complementary with one another.

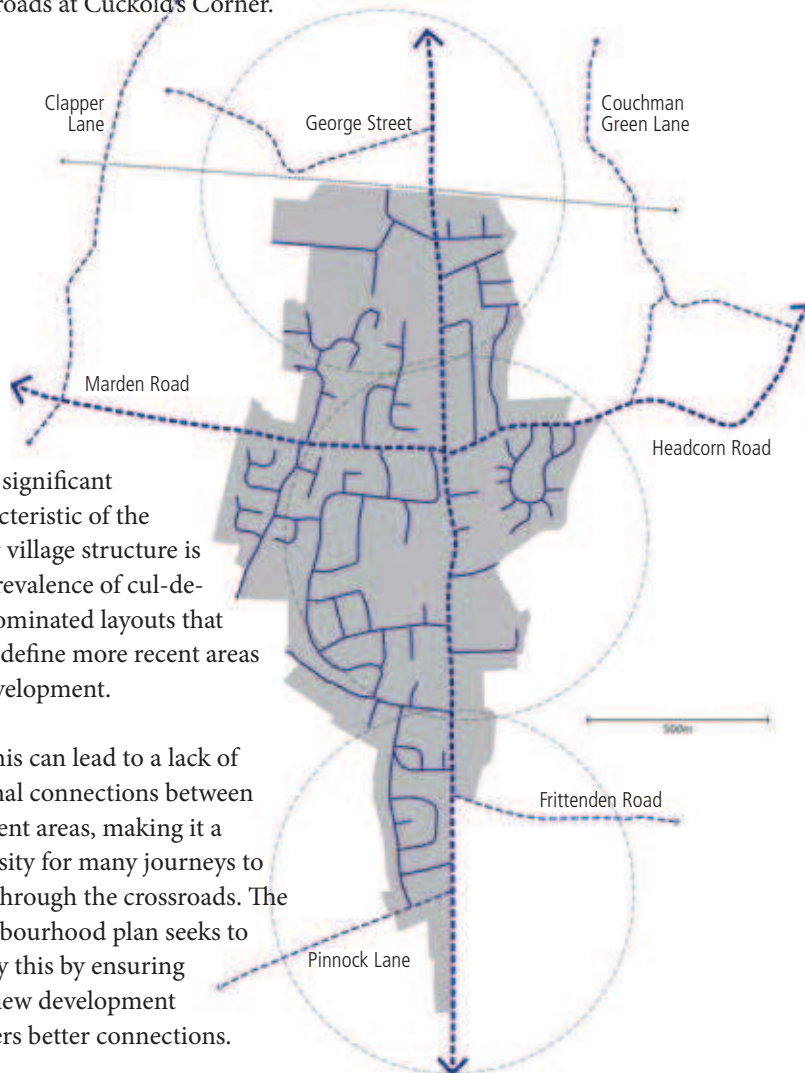
4.6 A vital location for village activity not shown on this diagram is Jubilee Field, on the eastern edge of the village. This is a centre for sports and recreation and essential for the well-being of village residents.



STREET STRUCTURE

The historic street pattern informs movement choices

4.7 The structure of the village is very much defined by its historic street pattern, formed around a crossroads at Cuckold's Corner.



4.8 A significant characteristic of the wider village structure is the prevalence of cul-de-sac dominated layouts that often define more recent areas of development.

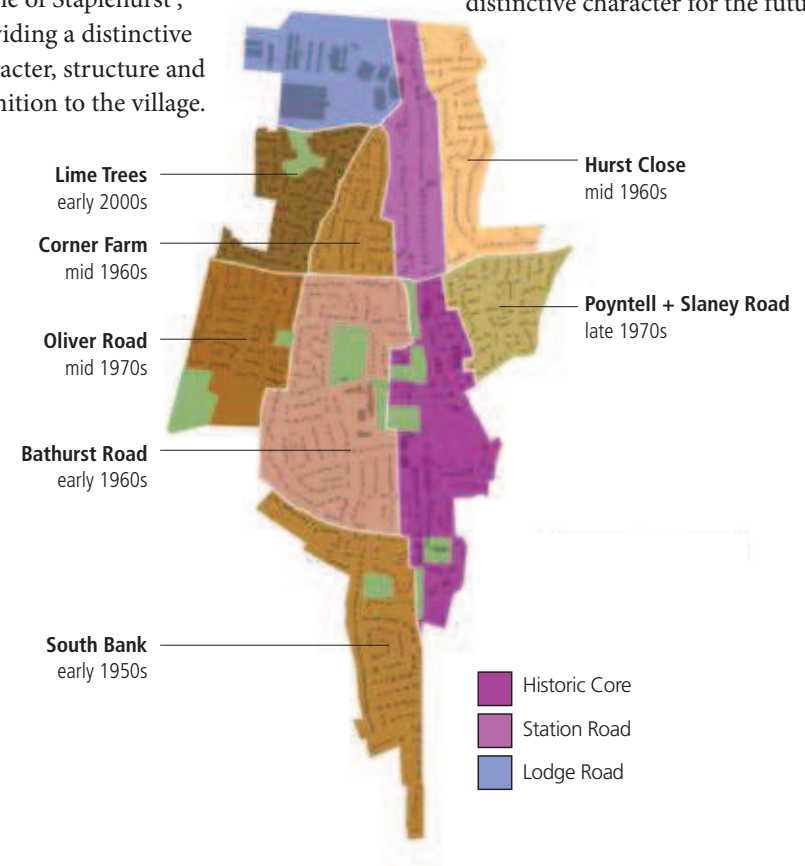
4.9 This can lead to a lack of internal connections between different areas, making it a necessity for many journeys to pass through the crossroads. The neighbourhood plan seeks to rectify this by ensuring that new development delivers better connections.

CHARACTER AREAS

The different land uses and building layouts

4.10 The historic heart of the village is located between the crossroads and the All Saints Church on top of the hill. To the north, lies the Station Road character area of brick villas fronting the road. These two areas contain most of the village's essential services and facilities and can be described as the "spine of Staplehurst", providing a distinctive character, structure and definition to the village.

4.11 Attached to this spine, are various areas of predominantly residential development. These are the neighbourhoods that provide good homes for the residents of Staplehurst. New developments need to be of a high quality design that will also add new residential and mixed-use areas of distinctive character for the future.



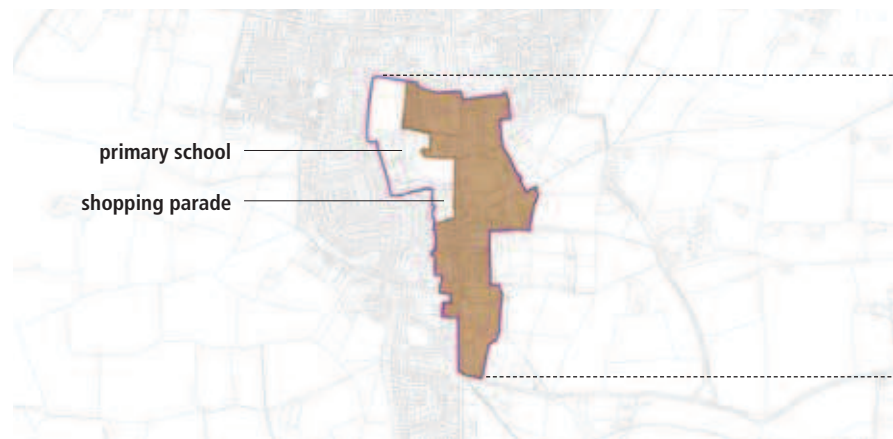
CONSERVATION AREA + VILLAGE HEART

The village core

4.12 There is widespread support from within the community for creating a stronger village heart. The cluster of uses in and around the High Street that support the social and community life of Staplehurst is vital for a growing village.

4.13 All ages and all activities can be found in this one part of Staplehurst. Primary school children and their parents, the elderly and teenagers. Football games, book reading, grocery shopping, pub meals and local Kentish beer. Taken together, these “people, places and activities” are what makes village life special. This village heart is defined by the purple boundary line shown below.

4.14 Maidstone Borough Council has 41 conservation areas that cover areas of special architectural or historic interest. One of these is in Staplehurst, shown by the brown shaded area below. Of the features in the village heart, only the school and shopping parade are not in the Conservation Area.

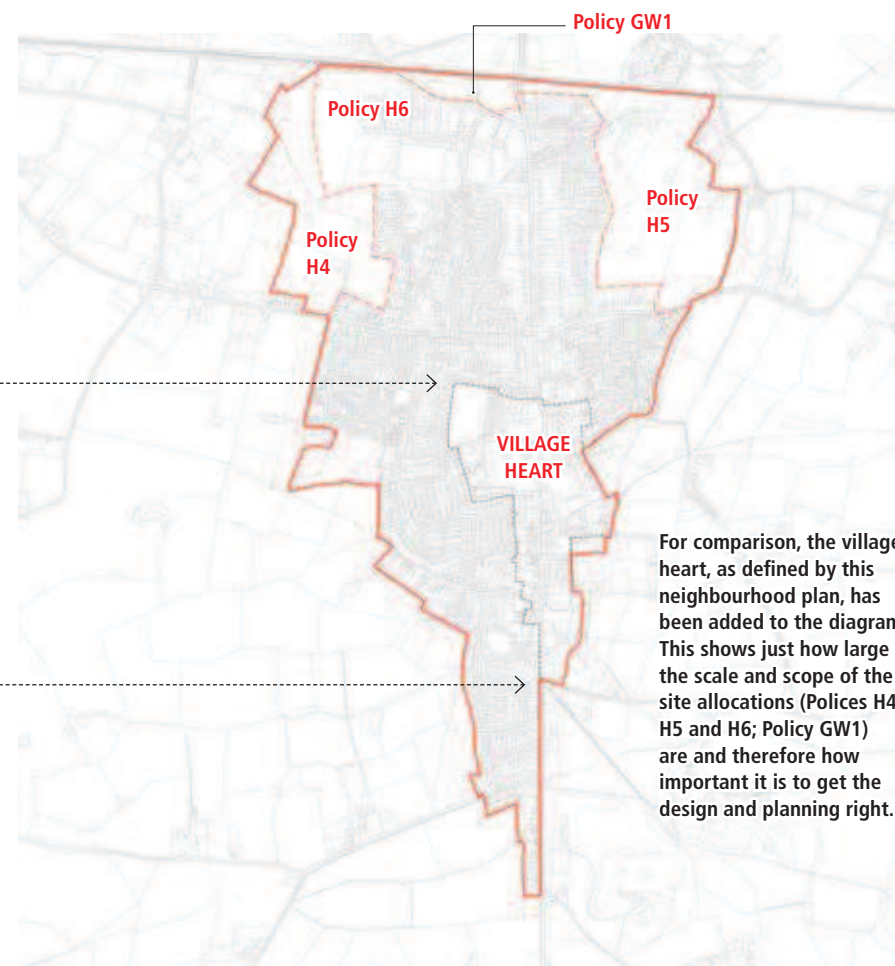


4.15 There is no “Article 4 Direction” for the Staplehurst Conservation Area. Under this direction, any work that changes the external appearance of a building, or affects its grounds may require planning permission from the Borough Council.

LIMITS OF BUILT FORM

The new village envelope

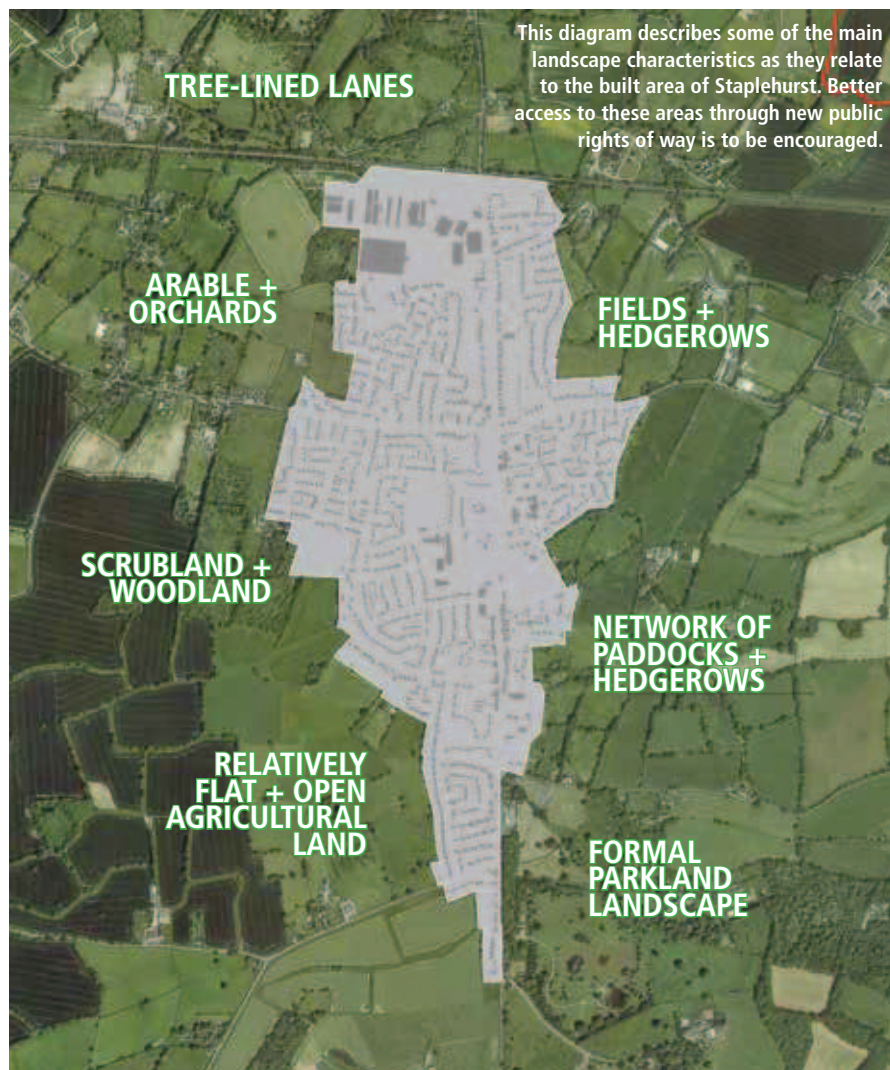
4.16 The inclusion of two housing allocations on the east and west of the village means the village envelope will increase. The diagram below shows a new village envelope for the neighbourhood plan period to 2031, indicated by the solid red line. The previous boundary is shown by the dotted red lines for the locations only where it was not contiguous with the new envelope line.



RURAL CHARACTER

How the countryside informs the village setting

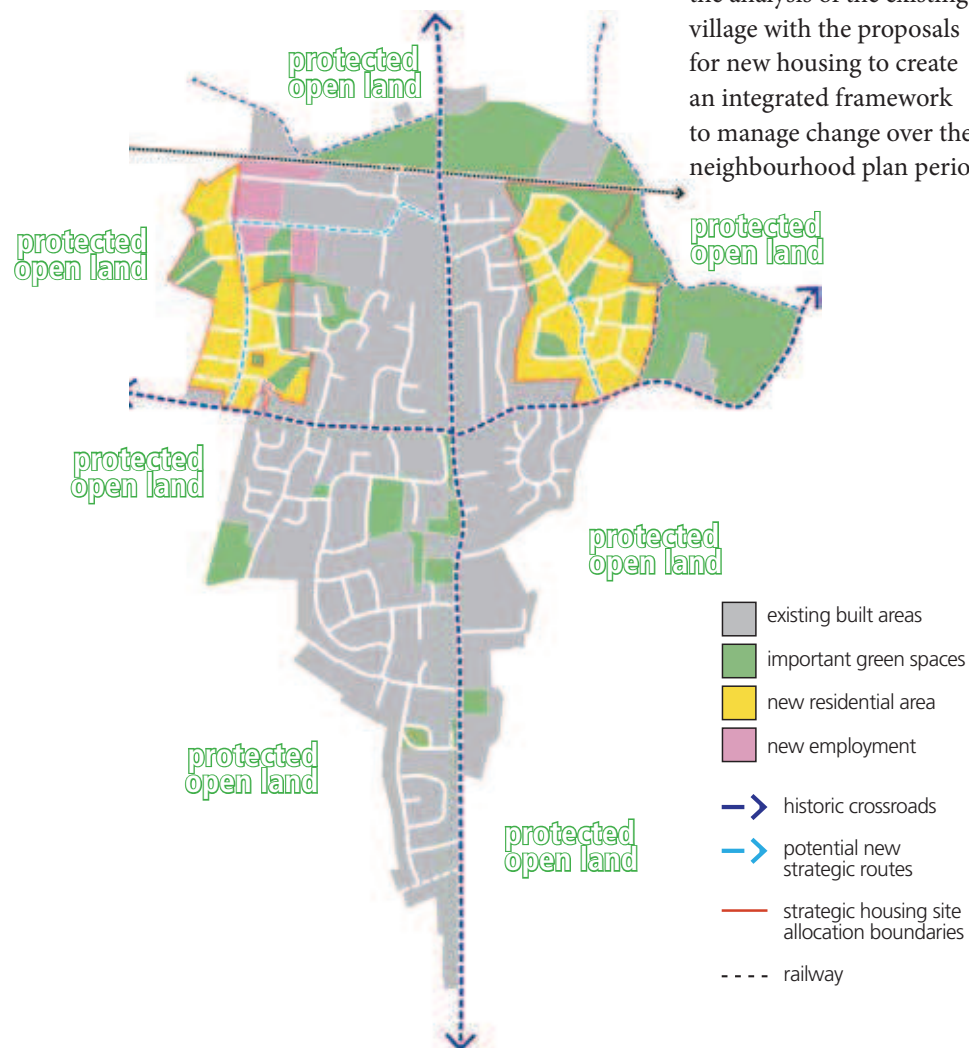
4.17 The immediate rural area comprises different areas of character. Their relationship with the built form of the village gives a particular sense of place.



FRAMEWORK DIAGRAM

Bringing It All Together

4.18 This plan brings together the analysis of the existing village with the proposals for new housing to create an integrated framework to manage change over the neighbourhood plan period.



CONCEPT DRAWING + FRAMEWORK DIAGRAM

4.19 A principal aim of the plan-making process, in particular the consultation and engagement events, has been to ensure a strategic approach is taken at all times. Individual development sites have been assessed within the context of the whole village and wider parish to test how they can contribute to the bigger picture.

4.20 The concept drawing that emerged from the three day design forum has provided a sound basis for moving forward with the neighbourhood plan preparation. This drawing was tested at consultation events in January, February and March 2014, and through a questionnaire, and a majority of respondents (57% of respondents) supported it as a basis for future work.

4.21 The framework diagram (page 19) is based on refinements to the three day concept drawing and brings together the existing built areas with the potential areas for new homes and new employment. The framework diagram shows how the two housing allocations need to be sensitively but effectively integrated with the existing fabric of the village. This requires the landowners and developers to think strategically by looking beyond their red line allocation boundaries. This is necessary to ensure that the early phases of development do not prejudice the longer term objectives of the overall vision for a connected and integrated village.

THE MAIDSTONE BOROUGH LOCAL PLAN

4.22 Policy SP3 in the Maidstone Borough Local Plan Preparation (Regulation 18) 2014 designates Staplehurst a Rural Service Centre — that is, a larger rural settlement with a range of existing facilities and transport links making it suitable for additional houses.

4.23 These new homes are allocated in the Maidstone Borough Local Plan Preparation (Regulation 18) 2014 Appendix A Housing Allocations to the east and west of the A229. Policy H1(36) is the housing allocation shown by the red line to the west of the village. According to Maidstone Borough Council calculations, this can accommodate up to 250 new homes. Policy H1(37) is the housing allocation shown by the red line to the east of the village and, according to Maidstone Borough Council calculations, this can accommodate up to 400 new homes. This is a total of up to 650 new homes over the plan period, based on Maidstone Borough Council housing number calculations for the capacity of each site.

4.24 The neighbourhood plan framework diagram looks beyond these two red lines to test how these two allocations will need to be integrated with the rest of the village. This is something this neighbourhood plan must do as the Maidstone Borough Council Local Plan does not address this integration issue.

PLANNING POLICIES + KEY AREAS OF CHANGE





White timber cladding is a feature of the high street and should be reserved for use on prominent buildings.

VILLAGE CHARACTER

06
/ 22

5.1 What makes the historic heart of Staplehurst distinctive? The way the buildings frame and enclose space contributes significantly to the sense of place. Special buildings, such as the pub, are located on corners to create small but memorable landmarks. New developments in Staplehurst can and should take inspiration from the village heart.

5.2 New housing should be influenced by the traditional character and style of the village, referencing the local context through high quality materials and styles appropriate to the place. The aim for all new developments should be to leave a positive architectural legacy and to add to the character of the village. This does not exclude innovative modern or contemporary architecture and this will be encouraged where appropriate.



High Street, Staplehurst Buildings linked together in a terraced row help enclose the space and define the street's form. The roof line has a distinct rhythm created by chimneys, towers and visible gable ends. Most building lines are on the back of footway with no private front garden spaces.



The King's Head Pub This taller building located on a corner plot on higher ground helps create a distinctive local landmark. The pub rises to three storeys with a steeply pitched roof. The built form comprises several different blocks with a modulated building line, stepping back from the footway on occasions to define doorways and entrances.

ARCHITECTURAL DETAILS FROM STAPLEHURST

5.3 These particular architectural details have been selected as they represent some of the more effective building and design techniques that help add to the character and quality of the parish. The fact these examples have primarily been drawn from the older parts of the village does not mean more recent developments in Staplehurst are poor quality. Rather that the distinctive sense of place evident in the historic heart is what the community admire most about where they live. New development proposals must learn from this and look to incorporate techniques such as this, where appropriate. See also the Staplehurst Village Design Statement (April 2005) that remains a valid document and a source of useful guidance for all new development.



01



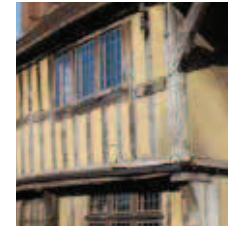
02



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14

- 01 Simple but traditional Palladian-style housing provides the sense of importance and quality to some of the properties in Staplehurst.
- 02 Careful and deliberate use of colour helps to identify and pronounce the characteristics of the building. In this example brick, coloured window frames, traditional tall roofing all contrast with the white rendered walls.
- 03 The use of double bays on the ground creates flexible spaces that help allow a building to change use from residential to retail/cafe.
- 04 Careful use of brick, timber and tile cladding on buildings creates a Kentish village aesthetic and creates a sense of a strong and robust buildings.
- 05 Structural elements standing proud and on show (e.g. external timber trusses and joists) can accentuate a building's longevity.
- 06 Buildings positioned side-on to main streets can help mitigate traffic impacts and also allow for deliberate orientation in relation to the sun.
- 07 Traditional lapped-timber cladding can be accurately reproduced using modern materials for a longer lifespan.

- 08 Low rise mature hedging provides clear and defensible boundaries but does not obstruct the view of the fine architecture behind it.
- 09 Medieval stonework of the All Saints church needs to be celebrated and welcoming to not only visitors but villagers too.
- 10 Traditional fencing and shrub-planted borders used to separate private gardens from public streets or roads.
- 11 Maintaining the traditional look of the village pubs is important; there must be resistance against any modern or corporate identities being applied to their external appearances through branding or signage.
- 12 Half-timbered elevations on an arts and crafts style house, with a distinctive tall chimney feature.
- 13 Mature planting vegetation within private gardens softens the street scene and adds distinctive rural qualities to some buildings in the village.
- 14 The terraced row of houses at Cross-At-Hand represents a high density form of development appropriate to a village or rural setting.



Throughout the process, residents have been encouraged to share their ideas through facilitated discussions.

PLANNING POLICIES

6.1 In order to achieve the ambitions of the neighbourhood plan, a robust set of planning policies has been written. These set out what development can and cannot do, where it should be located and how the existing parts of the parish will benefit from new investment related to the new development.

6.2 The neighbourhood plan policies must be in “general conformity” with the Maidstone local plan and with national and European planning policy. General conformity means they do not have to be exactly the same and it is encouraged that they add more detail and more local knowledge to make the plan as responsive as possible to local people.

7.1 PARISH-WIDE THEME (Policy Code PW)

“Create an integrated set of neighbourhood planning policies that support sustainable development objectives across the whole of Staplehurst parish”

Policy Theme Background

7.2 While many of the planning policies deal with issues in and around the village of Staplehurst, this neighbourhood plan needs to deal with the whole parish. The neighbourhood plan therefore contains four overarching parish-wide policies that apply to all six of the policy themes that sit beneath them.

7.3 These four parish-wide policies are considered to be relevant to the whole parish and apply equally to all developments, be these community infrastructure (such as a new community hall or new shops), new homes, a new school site or new footpaths and countryside access.

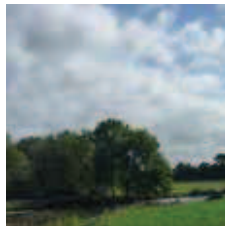
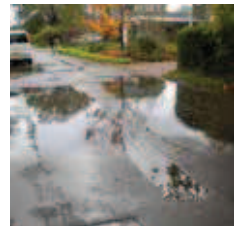
7.4 The parish-wide policies deal with the need to achieve the right level of investment in utilities and infrastructure for a growing village; the need to protect the countryside and biodiversity; the need to support a strong local economy with access to jobs and employment opportunities and the need to support renewable energy technologies in the right locations.

POLICY PW1

PROPOSALS FOR NEW AND IMPROVED COMMUNITY INFRASTRUCTURE AND UTILITIES IN THE PLAN AREA, INCLUDING THE PROJECTS LISTED AT PARAGRAPHS 7.10-7.16, WILL BE SUPPORTED SUBJECT TO THOSE PROPOSALS MEETING THE OBJECTIVES OF THIS PLAN AND BEING COMPATIBLE WITH OTHER PLANNING POLICIES IN THE PLAN.

Policy Supporting Text

7.5 Staplehurst will inevitably experience growth over the next decade or more. This can only happen if the right level of investment is made in improvements to the infrastructure at the right time. Delivery of infrastructure need not all be 'up-front' but current and forecasted infrastructure shortfalls must be independently evaluated and a full mitigation plan must be supplied by the developer before large-scale housing applications can be approved. Investment in the necessary infrastructure to improve the streets and roads network and to address drainage issues, applies to all new development sites, be they residential, community or employment focused.



Flooding on Chapel Lane (far left) and open countryside north of the village (left).

7.6 Access + Movement Future changes to the street and road network need to acknowledge the rural character of the village; encourage more choice of routes throughout the village to help reduce traffic congestion at peak times on the A229 and Marden and Headcorn Roads. Changes to the streets and roads improvements must encourage greater use of other modes of transport, including walking and cycling throughout the village, to make them a safer and more viable option. Better links between the east and west and the north and south of the village will help reduce congestion and promote healthier lifestyles through active travel modes.

7.7 Drainage Infrastructure Staplehurst has experienced a number of incidents of surface water flooding, both from public foul water sewers and rainwater drains, in recent years. Further development must incorporate robust measures to avoid making the situation worse, and if possible, ameliorate the problems that exist at present time. The integration of proven and effective techniques, including the selective use of Sustainable Drainage Systems (SuDS) where shown to be appropriate, will be essential through a number of interventions to prevent further flooding. Best practice guidance indicates a number of means to positively reduce the risk of flooding in Staplehurst, including use of permeable surfaces, on-site attenuation systems and the inclusion of specially designed landscape into all new development.

7.8 Policy PW1 is linked to a set of specific projects identified through the neighbourhood plan process. Policy PW1 will act as "hook" or a starting point for these projects to be developed further. The projects may require further feasibility work, perhaps outside the scope of the neighbourhood plan, to establish how they can be funded and delivered.

7.9 While community consultation confirmed a new Village Centre building as the main project, this order of priority should not be seen as fixed or definitive but more as an overall indication of preference. The list needs to be treated as flexible if it is to be responsive to different funding opportunities.

Specific projects linked to Policy PW1 in a general order of preference and the further work required

7.10 Improved Village Centre

Feasibility study to understand the cost/benefit of redeveloping the site through demolition, rebuild, conversion or refurbishment with the aim of creating a community hall fit for purpose. An improved village hall and/or village centre is a priority for the village and so will also be a priority for any s106 and/or CIL contributions; and the present Village Centre site should be protected as being in community use.

7.11 Improved drainage infrastructure

All new developments to use best practice techniques in mitigating against further drainage problems.

7.12 Investment in the school

Continued investment in the primary school. Land search required for a suitable site to be safeguarded for another education site, subject to land ownership and support from Kent County Council.

7.13 Better retail opportunities

Development of two retail clusters, one in the village heart, another at the railway station. Feasibility study, to including land owner agreements, needed at the station.

7.14 Investment in the medical centre, sports facilities + the library

Continued investment in medical facilities and the library in the village heart. Focus new sports investment at facilities in Jubilee Field subject to funding applications.

7.15 Buses, parking + traffic

Rationalisation of parking provision in the village heart, better crossing points and better bus services. Landowner agreements needed.

7.16 Better broadband communications

Use the expected growth of the village, to be managed through the neighbourhood plan, to argue for better telecommunications and broadband technology in Staplehurst. Cooperation of utility companies needed.

POLICY PW2

PROPOSALS FOR NEW DEVELOPMENT IN THE COUNTRYSIDE BEYOND THE EXTENDED VILLAGE ENVELOPE WILL BE ASSESSED IN TERMS OF THE POTENTIAL IMPACT OF THE DEVELOPMENT UPON THE VISUAL SETTING AND LANDSCAPE FEATURES OF THE SITE AND ITS SURROUNDINGS, THE POTENTIAL IMPACT UPON THE BIODIVERSITY OF THE AREA AND OTHER RELEVANT PLANNING CONSIDERATIONS, SUCH AS THE IMPACT OF TRAFFIC AND NOISE. PROPOSALS WHICH FAIL TO DEMONSTRATE THESE IMPACTS CAN BE SATISFACTORILY ADDRESSED WILL NOT BE SUPPORTED.

Policy Supporting Text

7.17 The neighbourhood plan strongly supports the protection of the wider countryside outside the areas identified for new development. See page 18 for map showing the village envelope. There is, therefore, a presumption against the development of any land other than those sites identified as suitable for development within this neighbourhood plan. The proximity of Staplehurst to the countryside is an important part of the identity of the village. Greater access to this countryside through improvements to the rights of way network will be sought from the developers of the new built areas of the village.

7.18 The countryside is well-loved by the local community and is often cited as a key reason why recent incomers to the village moved here from elsewhere. It is also an important attraction for tourism, an increasingly important part of an active rural economy. Maintaining and enhancing the biodiversity of the countryside is an integral part of this protection. The introduction of green corridors, both between and within new and existing areas of development, will be encouraged in the design of new development areas. These green corridors must link to the wider countryside. The introduction of easy-to-access recreational routes to help demarcate the interface between the built areas of the village and the wider countryside beyond will also be actively encouraged.

POLICY PW3

RENEWABLE ENERGY PROJECTS WILL BE SUPPORTED SUBJECT TO THE FOLLOWING CRITERIA:

- 1) Installations should be sensitive to the existing communities and the impact they may have upon the landscape and views.**
- 2) Productive agricultural land of the highest quality (e.g. Grades 1, 2 and 3a) should be protected.**
- 3) Schemes on previously developed land and on the roofs of industrial or employment buildings will be given priority consideration over those in other locations.**

Policy Supporting Text

7.19 Integral to the protection of countryside (see Policy PW2) is the need to sensitively promote sustainable forms of energy production in appropriate locations. The parish council acknowledges the role that renewable energy schemes will play in safeguarding the nation's energy security and the increasing role they will need to play to combat the harmful effects of climate change by helping to decarbonise energy generation.

7.20 However, the scale and size of certain renewable technologies, especially wind and solar, can have significant visual impacts upon the existing countryside scene. Developers will need to demonstrate the impact of their schemes clearly through the planning application process, a process which the parish council will be involved in as a statutory consultee.



Wind power can be visually obtrusive but can also play an important role in power generation. Solar farms should be kept off prime agricultural land.

POLICY PW4

NEW DEVELOPMENTS WITHIN STAPLEHURST MUST HAVE REGARD TO THE HISTORIC ENVIRONMENT AND THE HERITAGE THAT IS AN INTEGRAL PART OF THE LANDSCAPE. LARGE DEVELOPMENTS (i.e. OVER 0.5 HECTARE) SHOULD BE SUITABLY INFORMED AND MAY NEED AN APPROPRIATE ARCHAEOLOGICAL DESK BASED ASSESSMENT AND HISTORIC LANDSCAPE SURVEY.

Policy Supporting Text

7.21 Staplehurst has a rich and diverse heritage and has been an area favored for occupation and farming since the prehistoric period. There are some major route-ways traversing Staplehurst parish, some of which date back to the Roman period and possibly before, relating to the Iron Age and later use of the Weald's rich resources. Staplehurst itself is one of Kent's post medieval market towns, serving the medieval and post medieval farm and horticultural holdings in the surrounding area. Some of this heritage is identified in the Kent Historic Environment Record (held at Kent County Council) as designated and un-designated heritage assets. However, heritage is an integral part of the landscape. It is reflected as sites and the surrounds of sites but it is also the pattern of fields, route-ways and clusters of houses and farms. Understanding the heritage of an area includes understanding the landscape as a whole.

7.22 New developments within Staplehurst need to have regard to the historic environment and consultation with the Heritage Team at Kent County Council is advisable. There should also be regard to NPPF Section 12 on the historic environment and to Local Plans policies. Large developments (i.e. over 0.5 hectare) should be suitably informed and may need an appropriate archaeological desk based assessment and historic landscape survey. NPPF encourages "the wider social, cultural, economic and environmental benefits that conservation of the historic environment can bring" and that wherever possible, opportunities should be identified "to draw on the contribution made by the historic environment to the character of a place."

COMMUNITY THEME (Policy Code C)

"Ensure that housing development brings an appropriate level of investment into community infrastructure"

Policy Theme Background

8.1 New housing development in Staplehurst over the coming years should seek to bring with it financial investment in community infrastructure. This includes the village hall, the school, the library, the shops and services, the railway station, children's play areas, footpaths, bus and rail services, countryside access and all the other services and facilities that make working and living in Staplehurst the positive experience it is. A growing village needs the level and quality of the associated community infrastructure to be expanded and improved to meet the needs of its residents and workers.

8.2 Planning permission for new housing will come with conditions attached that require the developer concerned to make an appropriate financial contribution to the village. This is known as "planning gain" and is an established planning procedure in the UK.

8.3 The difference in areas with an adopted neighbourhood plan is that the community, through the plan, can directly influence and prioritise the areas of village infrastructure it feels are in most need of investment. Early ideas include investment in the "Village Heart" area and also around the station in the north, including a possible new bridge over the tracks. The neighbourhood plan can also set out a long term plan to link housing growth to levels of community investment. Furthermore, a parish with an adopted neighbourhood plan will receive 25% of the revenues from the forthcoming Community Infrastructure Levy (CIL) to be charged by Maidstone Borough Council arising from the development that a parish chooses to accept in its plan area. Parishes without a neighbourhood plan, but where CIL is charged, will receive just 15%.

POLICY C1

MAINTAIN AND ENHANCE THE PUBLIC LIBRARY BUILDING, INCLUDING ITS EXTENSION IF NECESSARY, TO MEET THE NEEDS OF THE COMMUNITY.

Policy Supporting Text

8.4 The Staplehurst Neighbourhood Plan supports the continued investment in the local library site. The library is located at the heart of the village in proximity to other local services that are equally important to the community. The library provides a vital service to village life and the surrounding rural areas.

8.5 The library supports the local community cohesion and supports education and learning for all age groups. Investment here must aim to maintain and enhance the library as a modern, flexible space offering the right range of services, including internet connections and an appropriate range of up-to-date books, that will allow the library to continue to connect communities within Staplehurst village and the wider parish.

8.6 The neighbourhood plan identifies this as a key service to be protected, maintained and enhanced. Through the planning obligations linked to future development in Staplehurst, an appropriate level of funding will be directed towards the library service to ensure it will meet the needs of a growing village.



The library is a vital resource in the heart of the village.



Policies C1, C2, C3, C4 and C6 Location of community facilities to be maintained and enhanced shown by the red lines. The "village heart" (see page 41) is shown by the black dotted line.

POLICY C2

MAINTAIN AND ENHANCE THE PRIMARY SCHOOL AND ITS FACILITIES, INCLUDING THEIR EXTENSION, TO MEET THE NEEDS OF THE COMMUNITY.

Policy Supporting Text

8.7 The primary school is a vital asset to Staplehurst village, the wider parish and beyond. The relatively central location of the school ensures direct access for much of the local community. It also lies in close proximity to the other services and facilities in the heart of the village. The planned future growth of Staplehurst will put the primary school under increased pressure to provide additional school places to children living in Staplehurst. Therefore, investment in the primary school to help it meet this demand is vital to ensure that it can continue to provide an excellent start in life for those growing up in the village.

8.8 Continued engagement will be required between Staplehurst Parish Council, Maidstone Borough Council, the school governors and Kent County Council to ensure this investment is delivered in a timely manner and at the appropriate level.



The primary school is a vital village service and will be under increasing pressure as the village grows.

POLICY C3

MAINTAIN AND ENHANCE THE YOUTH CLUB BUILDING AND ITS FACILITIES, INCLUDING THEIR EXTENSION IF NECESSARY, TO MEET THE NEEDS OF THE COMMUNITY.

Policy Supporting Text

8.9 Investment in youth facilities (including the youth club building and youth services delivered by the voluntary sector) in Staplehurst is necessary and required to ensure a balanced and happy community. The neighbourhood plan aims to maintain and enhance all local services that are used by its young residents.

8.10 A range of youth facilities is needed for different demographics within the under-18 population in Staplehurst, from pre-school children to independent teenagers. The current youth groups are popular and well-attended; the planned growth of the village means funding must be secured to ensure these services continue to meet the needs of the growing young population. Better youth facilities could be incorporated into a new Village Centre and this needs to be considered as part of any feasibility study.



Youth club facilities are currently in the heart of the village, adjacent to the Village Centre.

POLICY C4

MAINTAIN AND ENHANCE THE HEALTH CENTRE BUILDING AND ITS FACILITIES, INCLUDING THEIR EXTENSION IF NECESSARY, TO MEET THE NEEDS OF THE COMMUNITY.

Policy Supporting Text

8.11 Demand placed on the excellent health facilities in the centre of the village is certain to increase following village expansion. Residents of all ages need access to high quality, local care. In order to ensure that the health care provision is maintained and enhanced for the current and future residents, a higher level of investment is needed. The current health centre is located in the heart of the village, in proximity to other vital village services.

8.12 The neighbourhood plan supports further investment into this single site, rather than into new satellite centres, to ensure the best quality service for its residents. The relatively central location makes it accessible to the majority of local residents and allows for “linked trips” as those attending the health centre can also perhaps drop children off at school or attend events in the Village Centre as part of the same journey.



The health centre provides excellent care for current residents but it will need more investment as the village expands.

POLICY C5

MAINTAIN AND ENHANCE THE JUBILEE FIELD SPORTS AND RECREATION SITE, INCLUDING THE DEVELOPMENT OF NEW AND IMPROVED FACILITIES AT THE SITE.

Policy Supporting Text

8.13 The process of engagement developing the Staplehurst neighbourhood plan has highlighted the need for enhanced sports and recreational facilities in the village. The Jubilee Field site, on the eastern edge of the village with access to wide open sports pitches, is considered to be the best location for further investment. There is currently a lack of indoor sports facilities within the parish (e.g. a high ceiling sports hall, performance space or similar) with most residents having to travel outside of the village to use such a space.

8.14 The Jubilee Field site has the capacity to accommodate new indoor and outdoor sports facilities for the current and future populations of Staplehurst. Through the planning obligations linked to future development in Staplehurst, an appropriate level of funding will be directed towards the sports and recreation facilities to ensure it will meet the needs of a growing village. These funds may be matched with grants from national agencies, sports federations and national governing bodies.

8.15 Investment in facilities at Jubilee Field must be complementary to investment within the “village heart” and not place both sites and their respective facilities in a competitive situation with one another.



Jubilee Field will remain the focus for outdoor recreational facilities.



Policy C5 Location of the Jubilee Field where facilities to be maintained and enhanced.

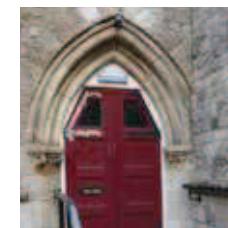
POLICY C6

SUPPORT THE REDEVELOPMENT OF THE VILLAGE CENTRE SITE, RETAINING IMPORTANT ARCHITECTURAL FEATURES OF THE EXISTING BUILDING IF APPROPRIATE, TO PROVIDE NEW AND IMPROVED COMMUNITY CENTRE FACILITIES.

Policy Supporting Text

8.16 The current Village Centre building was the village school from 1873 to 1987 and now serves the parish in a variety of ways. It provides space for clubs, societies and groups across the parish, as well as hosting the parish office. However, demand in the area is greater than the supply that can be provided by the current building. Moreover, the building is in need of repair and has significant running costs due to its inefficient heating and lighting systems. The building needs to be made fit for the current and future residents of the village. The engagement events as part of the neighbourhood planning process highlighted this as a critical issue for the village.

8.17 The majority feeling amongst residents was that the existing location of the Village Centre must be retained. This location is also within walking distance of the existing parade of shops in the centre of the village, allowing further linked trips between existing community facilities. The facility forms a key component of the cluster of facilities that comprise the village heart and it has relatively easy access directly off the high street. This location also gives it a prominence to “passing trade” and a new building here will have the opportunity to become a “shop window” or showcase for the range of village activities, subject to the right building configuration and design.



The current building might survive in a renovated or modified state but the location of the new Village Centre should be on the same site, right in the heart of the village.

8.18 Discussions were held as part of the neighbourhood planning process about whether or not to demolish, refurbish or rebuild. There was a general feeling that it would be a shame to demolish the entire building. The handsome stonework of the facade, the articulation of the main elevation and main structural elements could all be worth retaining. A creative architectural brief, that requires the skillful blending of the old and the new together to form a more modern building fit for the future, could be prepared. A more modern building, but with retained heritage elements, could generate a revenue stream for the village through function hire (e.g. weddings).

8.19 However, a cleared site could offer more flexibility to the design, and perhaps be more economically viable as it will not have the added restoration costs associated with the retention of heritage elements already on site. A cleared site may also allow fresh thinking as regards site layout and access arrangements, to create more useable outdoor spaces and allow for striking, modern design that is nevertheless sympathetic to the village context.

8.20 A decision on exactly how to proceed with this project — that is, retain, refurbish, convert, modify or demolish and rebuild — can only be taken following more thorough cost-benefit analysis outside the scope of this plan. Whatever the preferred approach will be, it must deliver a multi-purpose building of special architectural merit right in the heart of the village.

8.21 Investment in facilities at the Village Centre must be complementary to investment within the Jubilee Field and not place both sites in a competitive situation with one another.

ACCESS + MOVEMENT THEME

“Reduce pressure on the crossroads by ensuring alternative access routes; develop a better connected series of village streets”

Policy Theme Background

9.1 The work undertaken so far on the neighbourhood plan has revealed a weakness in the current design and layout of Staplehurst in that “all roads lead to the crossroads”. This means that many journeys through and around the village will pass through the Cuckcold’s Corner simply because other route options do not exist. See street structure diagram, page 17.

9.2 Therefore, new developments must seek to create alternative routes between:

- 1) different areas within the village; and,
- 2) outlying areas of the parish and the village.

9.3 This will allow people access to their homes and other destinations in Staplehurst without necessarily passing through the crossroads. Creating alternative routes will give people a greater choice of movement and reduce the pressure on the crossroads.

9.4 At the three day design forum in October 2013, minor modifications were suggested to ease traffic flows through the crossroads. These modifications are likely to be affordable, environmentally sensitive and reduce queuing times (see drawings on pages 49, 50, 60 and 61 in the Three-Day Design Forum report for more details).

9.5 Any design intervention at the crossroads must be combined with improvements to the street network across the village to encourage greater levels of walking and cycling, helping to reduce dependence on the car for short trips.

Neighbourhood Plan Objective 01

There is a need to safeguard access points for new railway bridge crossings to the west of the current high street bridge link.

This can be achieved by ensuring that the layout of all new developments does not prevent the delivery of a new bridge link in future, either in this plan period or future plan periods.

9.6 New and enhanced access points over the railway to the west of the current A229 road bridge will provide an alternative to the current limited number of routes. A new bridge crossing will be important if the growing village is to have the better connectivity it requires for the future.

9.7 The primary function of this link will be to provide attractive, safe and convenient access for existing and new residents that live and work in the area to the west of the village. The secondary function will be to alleviate traffic levels along the main road (A229) by providing an alternative route for local traffic, reducing the impact of new development on the A229 crossroads.

9.8 The safeguarding of these access points, and routes to them, is therefore vital to the formation of more sustainable access and movement links across the village. The layout of future development adjacent to these access points must acknowledge this requirement by delivering residential and employment layouts that provide clear and direct connections to the safeguarded sites.

9.9 The precise location and scale of the crossing will be determined through further design and feasibility work. However, it is envisaged that the bridge will be a low impact, small-scale bridge or crossing suitable for local traffic only. Not only will a bridge of this type be more affordable to deliver but it will also deter or even prevent larger vehicles (e.g. HGVs) and high speed or high volumes of traffic. Instead, the bridge will provide local access for local residents using private cars, helping to reduce the impact of new traffic movements on the A229. Bridges should also be accessible for pedestrians and cyclists.

9.10 The financing of a new railway crossing could be through a combination of funding from Kent County Council and Network Rail. There may also be a role for Community Infrastructure Levy (CIL) and Section 106 agreements to help finance the new crossing. The delivery of the new railway crossing could be triggered by specific phasing of the adjacent development.

9.11 However, the precise nature of the funding and timing will be determined through a specific project agreement. In the first instance, the neighbourhood plan seeks to ensure that development plans and proposals secure the ability to deliver a new link through responsive and flexible housing layouts that do not prejudice the ability to deliver the link at a later date.



Further detailed design work is required to understand exactly how and where a new rail bridge crossing could be delivered.

Neighbourhood Plan Objective 02

Ensure the network of footpaths and footways throughout the village is safe, convenient and comfortable, with wider footways where necessary.

9.12 The network of the existing footpaths and footways throughout Staplehurst does not always allow for safe and convenient access. In many places, they are too narrow to be used comfortably. In other places, there are historical features of merit, such as the listed steps by Vine House, that add special character to the village but further frustrate easy movement.

9.13 To encourage more people to walk, the existing and future footpaths around the village need to be generous, well-surfaced, safe and well-connected. In the centre of the village, particularly around the crossroads, many existing footpaths could be widened to make walking more comfortable. The dominance of the through road is further emphasised by narrow footpaths that do not allow convenient access around the village and these can be widened to give greater priority to pedestrians. In heritage areas where features such as steps cannot be moved, alternative measures must be introduced, such as ramps or pavement build-outs, to help overcome the barriers to movement that steps can present.

9.14 With space for car parking limited within the historic part of the village, especially around the parade of shops, the school, health centre, library and Village Centre, an increase in the numbers of people walking will go some way to ease the pressure on giving over more land to car parking.



Pavement widths adjacent to Cuckold's Corner are inadequate and must be made wider through highways improvements.

Neighbourhood Plan Objective 03

The proposed layout for new development sites must deliver a series of connected streets and lanes that will ensure a choice of routes for new and existing residents.

9.15 Future development proposals for residential sites must be based on a series of well-connected streets and lanes that provide genuine movement choices for new and existing residents. The design and nature of these new streets and lanes must be informed by the existing positive characteristics of the village.

9.16 Residential development sites must avoid layouts dominated by wide, fast roads and many cul-de-sac streets as these frustrate movement choices and lead to additional car traffic. Instead, a well-designed hierarchy of street types must be used to create flexible layouts that respond to wide variety of activities, including car parking, children's play, walking and cycling and help foster a sense of community and well-being amongst the people that live there.

9.17 New streets and lanes must also be effectively "plugged into" the edges of the existing village so as to integrate new and existing communities with minimal disturbance and disruption. Feelings or perceptions of a series of disconnected neighbourhoods must be minimised through sensitive integration of new and existing areas.



Unwelcoming pedestrian "cut-throughs" need to be avoided in new developments in favour of a well-connected street network.

Neighbourhood Plan Objective 04

Create a series of on-street and off-street cycling routes that are safe, convenient and comfortable and will encourage people to cycle for short trips in and around the village.

9.18 The creation of new connected layouts comprising safe streets and lanes will also need to create streets safe for cycling. In certain areas, segregated or dedicated cycling infrastructure may be required, for example, at key junctions or around the school. These measures will help raise the level of utility cycling (e.g. riding to work, the shops or to school). Good quality cycle infrastructure will give cyclists the space they need to ride safely on the roads and keep the pavement space for pedestrians. Facilities that are to be shared between pedestrians and cyclists must be avoided if at all possible within the built-up part of the village.

9.19 Meanwhile, Staplehurst is surrounded by attractive open green space and areas. The creation of off-street recreational cycling routes will enhance existing access and connections between the built-up village and the green spaces beyond. These routes need to be convenient, accessible and enjoyable if they are to help encourage cycling as a recreational activity which in turn, may help raise levels of utility cycling. Such off-road routes through the countryside can often be safely and successfully shared between walkers and cyclists. Regular access to green open space has a significant positive impact upon an individual's mental health and access to the countryside setting of Staplehurst must be promoted by well-connected accessible cycle routes.



Quality provision for cycling needs to be incorporated into all new developments.

Neighbourhood Plan Objective 05

Create better and more frequent pedestrian crossings, including along the A229 as the road passes through the village.

9.20 The A229 carries a combination of through-traffic and local traffic. It is also a vital walking route between the heart of the village and residential areas. Better and more frequent pedestrian crossings at specific points (i.e. Railway Tavern, Village Centre and Pinnock Lane) will be required to provide safer and more convenient access between where people live and where people want to get to.

9.21 In line with the aims of other policies in the plan, these interventions will help encourage more local trips to be made on foot. With limited space for car parking within the historic part of the village, especially around the parade of shops, the school, health centre, library and Village Centre, an increase in the numbers of people walking will go some way to ease the pressure on giving more land over to car parking. Being able to cross the main road safely and more conveniently will support this.

9.22 There is also a need for new dedicated crossing points along the Marden Road and the Headcorn Road, the precise sites to be identified.



There is a generously wide pedestrian crossing point adjacent to the parade of shops but similar provision is lacking elsewhere.

Neighbourhood Plan Objective 06

Improvements to the Marden Road – Headcorn Road – Station Road – High Street crossroads, to ease traffic flow and improve conditions for pedestrians and cyclists while retaining the village character that is special to Staplehurst.

9.23 The crossroads marks a historic location within the village and provides a distinct rural identity to Staplehurst. The magnificent row of horse chestnut trees, the small green space, the Martyr's Monument, the right angled turns in the street and the handsome residences all combine to provide an attractive village scene.

9.24 However, the levels of traffic currently using the crossroads, combined with the relative narrowness of the carriageway and the turning lanes can lead to congestion and tailbacks during peak hours. Relatively minor and affordable interventions are therefore sought at the crossroads area to help ease traffic flows and remove the likelihood of tailbacks and long waiting queues during peak hours.

9.25 These interventions could include widening and or realignment of the footpaths and footways; realignment and/or remarking of the right turn lanes to provide more generous passing room for through traffic; a better setting for the monument (that is currently on the north west corner of the crossroads and can remain there); thinning of hedge rows to make more of the village green open space on the south west corner of the junction; tree maintenance to lift the crowns and provide a more visible location for village welcome signs and directional arrows.

9.26 The crossroads is about more than just moving cars across and through the village; it marks an historic place and is part of the rural fabric of Staplehurst. This special character will be maintained. Careful and considerate design must deliver both a better village scene, an enhanced sense of place and also help ease movement and travel patterns.



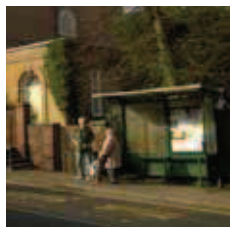
Could a new footway to the west of the chestnut trees release land to help deliver a more generous right turn lane to help avoid tailbacks?

Neighbourhood Plan Objective 07

Improvements to bus services and bus waiting facilities.

9.27 With more people living and working in the village, investment in the bus services and bus waiting facilities (e.g. shelters, stops, real time information systems, a dedicated bus stop for the railway station etc.) will be required. Existing shelters must to be upgraded where appropriate, new stops and shelters installed along new routes and support for more frequent services to the most popular destinations will be sought.

9.28 The design and layout of new areas of housing must be able to accommodate new bus routes so that future residents will not be too far away from a bus stop. If the bus service is to offer a viable alternative to the private car, then it needs to be accessible, reliable and affordable to all that live and work in Staplehurst.



Better bus shelters should be installed across the village.

VILLAGE HEART THEME (Policy Code VH)

“Strengthen the focal heart of the village around the Village Centre, Library, Health Centre, Primary School and Parade of Shops”

Policy Theme Background

10.1 The historic heart of Staplehurst contains the cluster of uses and activities that make the village a special place to live and work. There are the community activities at the Village Centre (that includes the parish office) the library and the churches. There is also the commercial activity at the parade of shops, a variety of shops on the opposite side of the road, a cafe and the pub. Together, all these uses give life and vitality to the village. The central area of the village also has Conservation Area status, awarded by Maidstone Borough Council and contains many high quality buildings

10.2 The three day design forum revealed a widespread desire to strengthen and enhance this cluster of uses rather than locate new community facilities elsewhere. Investment must aim to expand the facilities where necessary and deliver better connections between each of the uses to make them easier to access. Several of the buildings can also be made more attractive and visible to passers-by especially the Village Centre and the Parade. Options for the redevelopment or demolition and rebuild of the Village Centre remain under consideration.

10.3 The cluster of facilities at Jubilee Field, on the eastern edge of the village, will also be maintained and enhanced. This location is considered less accessible than the village heart and so will have a greater emphasis on outdoor recreation, sports facilities and uses that need large areas of open space. The result will be an area that complements the uses in the village heart.

POLICY VH1

SUPPORT THE RETENTION AND ENHANCEMENT OF THE EXISTING RETAIL AND ANCILLARY FACILITIES IN THE VILLAGE HEART, INCLUDING IMPROVEMENTS WHERE NECESSARY TO MEET THE NEEDS OF USERS OF THOSE FACILITIES.

Policy Supporting Text

10.4 With a growing village and with new housing sites identified on the outer edges of the current village, some distance from the existing retail offer, it will be necessary to provide a greater range of shops and services in closer proximity to its resident population if the village is to have a sustainable future. Without this, many residents will choose to leave the village, often by car, in order to obtain groceries and other regular items of shopping.

10.5 Existing parade of shops on the High Street, and other retail facilities in the village heart, are to be protected and enhanced. As the historic heart of the village, this area has been identified by residents as an important commercial area for both now and into the future. This plan supports continued investment in local retail and associated services in this location. As this site is well-connected to existing residential areas, it must provide high quality and convenient shops and services to a local catchment that can arrive on foot and by bicycle, as well as to a wider catchment from further afield.



Policy VH1 Location of the existing retail and ancillary facilities to be maintained and enhanced.

/ 39



The existing retail cluster around the parade of shops needs to be retained and enhanced.



Parking in and around the parade of shops needs to be rationalised with a better management regime and more appropriate waiting times.

Neighbourhood Plan Objective 08

Ensure better and more connected routes between the library, primary school, health centre, village centre, youth club and church through safe, comfortable and convenient walking routes.

10.6 The library, primary school, Village Centre, youth club, health centre and churches provide many of the essential services integral to the quality of life in Staplehurst. The close proximity of these services can be further enhanced through better connections between them. There is potential to be sought for an increased number of “linked trips” in which the car is parked once followed by a series of different short journeys on foot between the different areas of activity.

10.7 The existing footpaths between these focal areas are not always suitable for all residents in the village, in particular for those that use wheelchairs or those that find walking on uneven surfaces difficult. Footpaths must be widened where possible and more pedestrian crossings at particular points will allow greater movement in an east-west direction across the village, connecting up the cluster of facilities in the village heart. See also Objective 05.

Neighbourhood Plan Objective 09

Rationalisation of parking provision at the health centre, parade of shops and library area to ensure convenient and appropriate levels of car parking.

10.8 The library, primary school, Village Centre, parade of shops, health centre, youth club and church all have their own car parking and drop-off arrangements to different degrees. Space is at a premium in this part of the village and it is unlikely that any significant amount of new land will come forward for additional car parking, if indeed that is desirable. Instead, a review of the waiting time restrictions, the opportunity for shared spaces, joint management and for the realignment of existing car parks to make them more efficient must be explored.

The Village Heart Policy VH1

10.9 There is widespread support from within the community for creating a stronger village heart. The cluster of uses in and around the High Street that support the social and community life of Staplehurst is vital for a growing village.

10.10 Policy DM20.1(vii) of the Maidstone local plan seeks to retain and enhance these facilities but the neighbourhood plan policies need to go further by explaining how these facilities work together and what is needed to support them into the future.

10.11 Policy VH1 required a series of actions and individual projects, each linked to other policies within the neighbourhood plan. Fragile and delicate parts of a village, such as the historic heart of Staplehurst, need to be nurtured and cared for. They have survived for many years and are very flexible but need to be looked after.

1. Improvements to the crossroads to make walking and cycling easier. These measures should also reveal the potential of the village green, provide a better setting to the monument and ease traffic flows.

3. Continued support and investment for the primary school. There is a need to identify room for expansion.

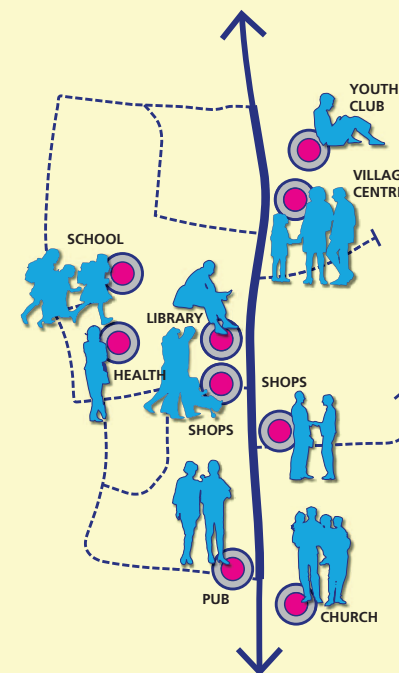
5. Investment in the library, health centre and parade of shops, especially in the public realm. Rationalisation of the parking spaces and parking regime is also required.



WHY IS THE VILLAGE HEART SO SPECIAL?

10.12 All ages and all activities can be found in this one part of Staplehurst. Primary school children and their parents, the elderly and teenagers. Football games, book reading, grocery shopping, pub meals and local Kentish beer.

10.13 Taken together, these “people, places and activities” are what makes village life special. This diagram (below) tries to capture all these activities and the physical links that bind them. How can these links be made stronger for the future? And what new activities for the 21st Century can be added to the village heart mix?



GATEWAYS THEME (Policy Code GW)

“Improve the function and visual qualities of the land around the station; ensure other approaches to the village are visually appealing”

Policy Theme Background

11.1 There are many parts of Staplehurst that have a strong visual identity and are attractive places to be. For example, in the southern half of the village, there is a positive relationship between the buildings and the wider countryside, with strong visual connections between the two. Also, there is an attractive cluster of heritage buildings around the Conservation Area. However, the approach from the railway station is dominated by surface car parks and areas of scrappy under-utilised land. The area lacks a positive identity and fails to create a welcoming gateway to Staplehurst for those arriving by train.

11.2 As first impressions go, it could be much better, yet the station is a prize asset and one of the criteria required for Staplehurst being given Rural Service Centre status by the Maidstone Borough Council.

11.3 Yet the area has great potential. The railway station is a daily destination for regular commuters and this to and fro movement can add life to the area if utilised in the right way. Rationalisation of the car parking, from all being surface level to a multi-deck arrangement, can maintain car parking availability but free up land for more productive uses.

11.4 New commercial activity around the station, like small business units, shops or services and cafés all focused around a new market square could provide the positive new welcome that Staplehurst deserves. The scale of development here will be constrained to ensure the protection and on-going viability of the existing retail centre in the village heart (see Policy VH1).

POLICY GW1

THE REDEVELOPMENT OF SITES IN THE RAILWAY STATION AREA WILL BE SUPPORTED, WHERE SUCH PROPOSALS CAN DEMONSTRATE THAT THEY WOULD LEAD TO IMPROVEMENTS TO THE PUBLIC REALM IN THE AREA AND ENHANCE THE VISUAL APPROACH TO THE VILLAGE FROM THE NORTH. PROPOSALS FOR NEW COMMERCIAL DEVELOPMENT INCLUDING ANY RETAIL FLOOR SPACE, WILL BE ASSESSED IN TERMS OF ANY POTENTIAL IMPACT UPON EXISTING RETAIL PROVISION IN THE HIGH STREET LOCAL CENTRE.

Policy Supporting Text

11.5 The plan-making process identified a clear need to improve the space around the station area. As a whole, the under-utilised nature of the area, dominated by surface car parking, leaves a poor impression on both first time visitors and regular users of this part of the village. However, the presence of the station and the recently constructed new factory for DK Holdings shows the area has good commercial and economic opportunities and these can be leveraged to deliver a better public realm.

Better Public Realm

11.6 The existing entrance area around the station building is currently in a neglected condition and required improvements to the layout, including a rationalisation of the surface car parking, landscape works, materials, lighting and seating could deliver significant enhancements in the form of a civic space (a high quality “market square”) marking a key gateway to the village. A well-designed civic space of this type could provide better car parking facilities, as well as a shared space that on weekends could accommodate social activities for the community, such as markets or festival events.

11.7 To deliver the new civic space, a certain proportion of the existing surface car parking could be decked on a new multi-level car park structure. This decked car

park will release land adjacent to the station to allow for more creative uses that will socially and culturally enrich the village experience. This decked structure could maintain a net neutral level of car parking (if desired) but could also allow for extra car parking spaces to be delivered on site.

Retail Investment

11.8 Economic activity could be enhanced through the creation of small-scale retail and commercial units around the edge of the new civic space that could trade off the regular footfall in the area. The station area is close to the two large areas of land to the east and the west of the village identified as being able to accommodate the majority of the new housing growth. This makes it an accessible location by walking and cycling to new residents and therefore a sustainable location for new retail and associated services.

11.9 The southern part of the site is already has planning permission for a new food store and other parts of the station environs could provide further retail units or associated services. The site's proximity to the railway station means there are excellent opportunities for retail and business spaces to trade off the footfall generated by the station.

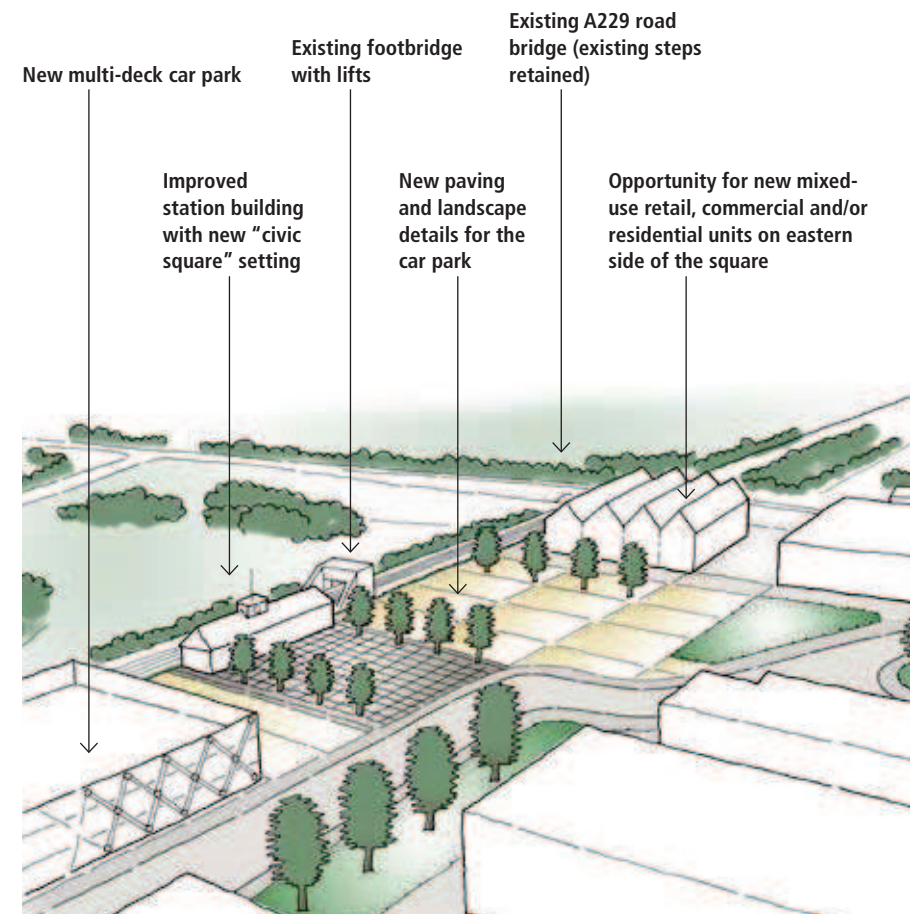
11.10 Maidstone Borough Council granted planning permission for the food store in March 2013 and therefore this neighbourhood plan has been prepared on the basis that additional retail provision in the area identified around the station will be in conformity with Maidstone Borough Local Plan policies designed to protect existing retail areas.

Conclusions

11.11 This area has the potential to provide a new civic space (e.g. a village "market square") together with small-scale retail and other commercial opportunities. The station area is an important gateway entrance to the village through which a large number of people pass every day. This plan policy has a very high level of support from the local community and implementation will be a key part of the delivery of the Rural Service Centre concept.

Illustrative Sketch Policy GW1

11.12 The area around the railway station has the potential to provide a new civic space (e.g. a village "market square"). Small-scale retail and commercial units could locate around the edge of the space, trading off the regular footfall in the area. To deliver the new civic space, a certain proportion of the existing surface car parking could be decked on a new multi-level car park structure. This decked car park will release land adjacent to the station to allow for more creative uses, such as markets or festivals, to enrich the village experience.



Illustrative Layout Policy GW1

11.13 Policy DM13 of the draft Maidstone local plan sets out a strategy for sustainable transport that includes rail travel. Furthermore, one of the criteria for Staplehurst being designated a RSC was the presence of a mainline railway station so it does not seem unreasonable to seek greater investment in the station in return for the housing numbers being allocated in Staplehurst.

11.14 Policy GW1 of this neighbourhood plan expands on the relevant Local Plan policies by requiring a redevelopment that creates a positive new approach to the village; including a new landscaped civic space and small-scale retail and commercial opportunities around the station.

11.15 Set out here is a concept for the station area based on the sketch scheme generated at the three day design forum in October 2013. Relocating a proportion of the existing surface car park into a decked structure will release land that can be landscaped into a small-scale, attractive market square.

11.16 This space will still be able to accommodate parked cars but will also be able to host events and other activities, especially at weekends when demand for parking spaces at the station is often lower than during the working week.

11.17 While the village has excellent green open spaces, such as Surrenden Field and Jubilee Field, it currently lacks a purpose built market square or other similar dedicated hard space that can be used for markets or other small temporary events. Such places can go a long way to giving a village a positive sense of identity as well as being a venue for functions and events that can bring the community together.

11.18 For the formal red line boundary drawing of this site, please see the diagram on page 45.



This diagram has been prepared to provide guidance to potential developers. It represents many of the comments received through the consultation process. It is a preliminary design sketch only and is subject to information available at the time. It is not subject to measured survey, legal, structural, soil investigation, utilities survey, daylight/sunlight, topographical, mechanical and electrical, highways and access rights surveys, or planning permissions.



Location of the station area to be redeveloped (Policy GW1).

Neighbourhood Plan Objective 10

Safeguard the green and rural feel to the approach to Staplehurst from the south.

11.19 The approach to the village from the south is important as it helps to define and identify Staplehurst as a village set within countryside. The close proximity of the village's built elements with the surrounding countryside gives this approach a distinctive rural feel.

11.20 This neighbourhood plan aims to protect this by supporting the larger development allocations in the northern part of the village; any small-scale infill development in the southern part of Staplehurst must be sensitive to its environment. The density, size and design of any small-scale infill development must be appropriate to the context and help safeguard the rural nature of the southerly approach.



The approach to the village from the south is characterised by strong green edges. This needs to be maintained and enhanced.

Neighbourhood Plan Objective 11

Create defined and welcoming gateways to the village when approached from the west, via the Marden Road and from the east, via the Headcorn Road.

11.21 The gateways in and out of the village along the Marden Road and Headcorn Road are very important in helping to define the extent of the village. They require distinctive features to mark the entrance to the village and to define the village as separate from the surrounding countryside. New junctions along these east and west routes to allow access to new areas of housing must be sensitive and small-scale in keeping with the village qualities and characteristics.

11.22 Large traffic-engineering solutions (e.g. roundabouts with visually intrusive traffic management paraphernalia such as chevron boards and white paint) must be avoided and more sensitive junction designs introduced instead. This approach does not necessarily exclude roundabouts, but their design needs to be responsive to the needs of pedestrians and cyclists and also be aesthetically appropriate to a village setting.



Positive new gateways to the village need to be introduced as part of new developments to the east and the west.

EDGES THEME (Policy Code E)

"Identify and strengthen specific green edges to deliver a long-term edge to the village; and improve public access to the countryside beyond"

Policy Theme Background

12.1 An understandable concern of many residents in Staplehurst is where and when will expansion stop? What will prevent the village growing even more than already planned? In response to this, the neighbourhood plan is looking to define new edges to Staplehurst that will become permanent boundaries to the village.

12.2 The village edges need to be designed in a way that will provide a sense of enclosure to the village, prevent unchecked sprawl and ensure that new areas of homes can positively respond to the landscape. New housing clusters also need to be the right scale and in the right location and not be large anonymous housing estates.

12.3 The new village edges must also encourage public access to the countryside beyond. Many residents value living close to some of the most attractive countryside in England, but easy access can be frustrated through blocked footpaths or private ownerships. Opening up more land around the new edges of Staplehurst to create highly-valued recreational routes will be one way to ensure the new village edges have a sense of permanence and will reassure village residents that growth will not continue ever outwards.

POLICY E1

ALL NEW DEVELOPMENT SITES ON THE EDGE SHOULD INTEGRATE POSITIVE PLANTING AND RECREATIONAL ROUTES ALONG THEIR BOUNDARIES AND WITHIN THEIR LAYOUTS TO HELP DEFINE A LONG TERM EDGE TO THE VILLAGE AND RESPOND TO THE NEEDS OF RESIDENTS ON THE EXISTING VILLAGE EDGE.

Policy Supporting Text

12.4 In order to prevent planned housing developments from unchecked further expansion, the integration of green spaces and recreational routes along the boundaries of development sites should seek to provide clearly defined edges. The integration of green spaces immediately to the east and west of the new developments, using new public rights of way and recreational spaces, must be incorporated into any new designs. These will help connect the new housing layouts to the countryside beyond and connected layouts will allow existing residents better access too. The formation of clearly defined edges will provide natural boundaries to help fix housing growth over the long term. The questionnaires returned as part of the consultation events suggested what could be incorporated into the village edges and these include:

- agriculture
- circular footpaths
- woodland
- cycleways
- allotments
- fitness trails
- wetlands
- sports
- low density villas

12.5 Developers working up more detailed designs for housing allocations are directed to this list of ideas to help inform the edge conditions of new areas of housing. Furthermore, new developments must be designed in a sensitive way to respond to the needs and requirements of existing village residents who live on what is currently the outer edge of Staplehurst.

12.6 On pages 48 — 49 there are a series of illustrative sketches that help demonstrate some of the different ways of appropriately implementing Policy E1. These illustrative examples have been included to help developers and landowners understand the type of positive edge conditions that are sought by the neighbourhood plan.

12.7 The inclusion of these edge examples was recommended by the examiner. Each example is supported by an illustrative sketch and design principle diagram together with some supporting text. These examples help to make clear the ideas discussed in relation to new housing development, how green edges can be identified and ways in which they can be strengthened.

12.8 When done in a positive and thoughtful way, such designs can help address the need for Staplehurst to develop a sense of enclosure, help prevent unchecked sprawl, help ensure that new housing development complements the rural surroundings and will encourage public access to the countryside beyond.

EDGE EXAMPLE 01



12.9 The sketch above demonstrates how new development can promote the recreational use of the adjacent landscapes through layout and orientation. These houses face outwards across an open playing field and provide natural surveillance by overlooking the space. This encourages new and existing residents to enjoy the green space, promoting social integration. The supporting diagram below shows how this creates a defensible edge to the development over the longer term, with built form on one side and open countryside on the other, mutually supportive of one another.

Furthermore, such outward-facing homes are likely to encourage high quality design, due to their relatively high profile visibility.

Design principle 01
Development edge formed from outward-looking homes overlooking open space.



EDGE EXAMPLE 02



12.10 The sketch above highlights a street on the edge lined with new tree-planting. The new planting can help further define a single-sided street. Introducing a shared access route, primarily for use by pedestrians and cyclists, will create an appealing place and therefore help encourage access into the adjacent countryside. Routes like these could become part of a wider cycling and walking scheme for Staplehurst, with this path connecting to a network across the parish. The supporting diagram below shows the countryside edge further defined by new tree planting. This helps maintain a strong rural feel to the new built edges where they meet the countryside beyond.

Design principle 02
Countryside edge strengthened with new tree planting.



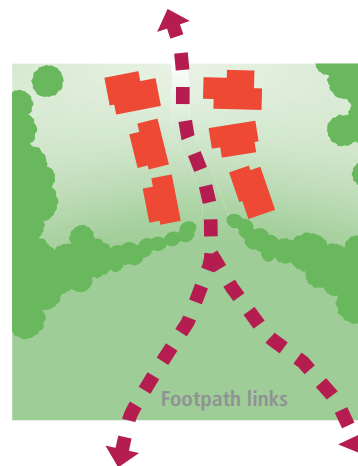
EDGE EXAMPLE 03



12.11 This third sketch above visualises a “gateway” development that helps to frame access between the built areas and the wider landscape. This type of development form could be introduced at certain points along the edge, helping to define clear and legible routes. The well-designed development edges overlook the footpath, providing a sense of natural surveillance that will enhance the experience of using the route, in particular after dark.

The supporting diagram below shows how specific access and movement points between new development and the open countryside can be better emphasised through gateway forms of this type, with the housing providing a sense of arrival from the rural to the residential.

Design principle 03
Gateway development forms help frame specific access points.



HOUSING THEME (Policy Code H)

“Ensure the mix of new housing responds to local needs and local demands in terms of prices, sizes and tenures; ensure that new housing designs are high quality and respond appropriately to the Kentish context”

Policy Theme Background

13.1 It is inevitable that Staplehurst will be required to accommodate new homes over the coming years. Therefore, the neighbourhood plan is being prepared on the basis that a substantial number of new houses will be built. The Maidstone Borough Council (Regulation 18) Local Plan suggests 650 new homes could be built in Staplehurst between now and 2031.

13.2 Policy SP3 in the draft Maidstone Borough Council local plan designates Staplehurst a Rural Service Centre — that is a large settlement suitable for additional houses. Policy H1(36) is a housing allocation to the west of the village. This is for 250 new homes on land known as Hen and Duckhurst Farm. Policy H1(37) is a housing allocation to the east of the village and this is for 400 new homes on land known as Fishers Farm. Although the draft housing numbers have now been published, best practice in planning for an expanding village advises that a plan created by “designing to numbers” does not always deliver the right quality of environment.

13.3 Instead, the plans must be “place-led” – that is, the plan must respond in a positive manner to the local landscape, the local context and the existing village setting. Although no final decisions have been taken about the sites, the results of the three day design forum in October 2013 suggested that much of the new housing will be situated on the eastern and western flanks of the village and almost all of it north of the crossroads. The Maidstone Borough Council housing allocations reflect these broad locations.

13.4 How can housing in these locations be designed in a way that best responds to local factors? New areas of housing need to create special places that are architecturally distinctive and will become cherished by those that live there and the wider village residents. All developers will be required to use the village character assessment (page 22) and the Staplehurst Village Design Statement (2005) to inform the design of all house types and site layouts. It is not the role of the neighbourhood plan to provide detailed design guidance for how sites should be developed but it does provide clear advice on the design principles that must underpin any future proposals.

13.5 All future planning applications must be developed through consultation with the communities that live immediately adjacent to the site and with the wider community too. A variety of drawings and reports need to be produced that will give confidence that development can be achieved in the most effective and successful way possible.

13.6 The precise mix of housing must respond to local needs in terms of size of each property, the price, the amount of land around it and the mix of tenure (i.e. whether houses are for sale or for rent). Regard for the findings of the Staplehurst Housing Survey 2010 (report by Tessa O'Sullivan, Rural Housing Enabler with support from Staplehurst Parish Council, Staplehurst Rural Settlement Group and Maidstone Borough Council) will be essential.

13.7 Finally, Maidstone Borough Council has made a commitment to renew efforts to engage with foul water utility providers and other organisations with responsibility for managing water, including surface water, in the borough concerning future infrastructure provision both to respond to the current concerns and issues arising from consideration of the housing needs in the future, particularly for Headcorn and Staplehurst.

POLICY H1

THE DESIGN OF NEW HOUSING DEVELOPMENTS SHOULD BE PRINCIPALLY INFORMED BY THE TRADITIONAL FORM, LAYOUT, CHARACTER AND STYLE OF THE VILLAGE'S VERNACULAR ARCHITECTURE.

Policy Supporting Text

13.8 Any new housing development must be shaped and influenced by the traditional character and style of the village. The Staplehurst Neighbourhood Plan requires all new developments to reference the local context and demonstrate the use of high quality materials and styles appropriate to the place. See village character assessment on pages 22 — 23.

13.9 For example, any small-scale in-fill developments that may come forward in the south of the village must be sensitive to the rural and more historic nature of the village, by reflecting the character of housing in proximity to countryside. New housing within the larger allocations to the east and west of the village may be required to develop their own distinctive characters, to add to the overall variety and mix to be found within the village. The aim for all new developments must be for them to leave a positive architectural legacy, to be sensitive to their local context and environment and add to the positive character of the village.

13.10 Policy H1 does not exclude innovation or modern and contemporary architecture. Such designs are encouraged across the parish. Where appropriate, architects and designers are encouraged to create new designs that reflect both the local context and the current technology and materials of the era within which they will be built.



The variety and quality of architecture in the village, both the modern and the more established, are to be celebrated and new development should leave a positive legacy.

POLICY H2

NEW HOUSING DEVELOPMENTS SHOULD INCORPORATE, WHERE POSSIBLE, DESIGN FEATURES TO PROMOTE ENERGY AND WATER EFFICIENCY, ACCESSIBILITY FOR THE ELDERLY AND THOSE WITH RESTRICTED MOBILITY AND FLEXIBLE SPACES THAT WOULD SUPPORT WORKING FROM HOME.

Policy Supporting Text

13.11 The neighbourhood plan encourages future housing development to support modern lifestyles through innovative design. These will include reducing energy costs through meeting high design standards as well as internal space standards and layouts that will encourage working from home. Design details, such as the ability to receive parcels securely when not at home, storage of several bicycles, flexible use of garage and garden spaces and the effective storage of waste and recycling bins will be encouraged.

13.12 New housing should seek to promote the efficient use of water and energy, as well as accessibility for the elderly and those with restricted mobility. Other features, including flexible internal space to support working from home, will be encouraged.



Are the house types most recently constructed in Staplehurst still suitable for modern lifestyles? What innovations should be included for the future?

POLICY H3

A RANGE OF APPROPRIATE TENURES AND SIZES OF NEW PROPERTIES TO MEET LOCAL NEEDS AND DEMANDS WILL BE DELIVERED.

Policy Supporting Text

13.13 The type, tenure and size of future housing must reflect the local needs and demands of Staplehurst.

13.14 Affordable Housing Staplehurst Parish Council has carried out a housing needs survey (2010) which identifies a modest local demand for affordable housing. This plan therefore supports some key worker and shared ownership housing to allow children of local families to remain in the area. Developers and local housing associations must therefore provide affordable housing that prioritises local residents' needs and ensures a distribution of units across both individual developments and the whole village and parish. Affordable housing delivery during the plan period needs to be in conformity with the adopted Affordable Housing Development Plan Document (2006) prepared by Maidstone Borough Council.

13.15 Responsive Housing Future homes should be designed for a changing population. This may involve family homes and homes for an ageing population to provide a good social mix, supporting social cohesion and independent living. The size of new developments should also be reflective of local needs. The station in Staplehurst is an important feature of the village, which already attracts working-age adults with families to the village. Therefore an adequate amount of family-sized houses must be built as well as providing for smaller units and innovative hybrid housing that can respond to modern lifestyles. For example, small-size private-rented apartments, perhaps designed in the form of a courtyard development sympathetic to the rural context, could be built within walking distance of the station. Such housing types may be suitable for young professionals who have grown up in Staplehurst, now need regular access to London but wish to live in affordable accommodation within their home village.

POLICY H4*

**DEVELOP LAND AT HEN AND DUCKHURST FARM
FOR UP TO 250 HOUSING UNITS SUBJECT TO THE
FOLLOWING PLANNING AND DESIGN CRITERIA:**

- 1) Developers must provide an overall site master plan that shows a robust long term plan demonstrating how the land within the red line allocation can eventually be linked to the Lodge Road employment land to the north and east of the site.**
- 2) Design details of a through-route, or “spine street”, that will be capable of safely taking two-way traffic between the Marden Road and Lodge Road are required. This street needs to be fronted by high quality architecture and be planted with appropriate tree species to create a beautiful and verdant boulevard street that helps establish a distinctive sense of place. The street needs to be accessible and safe for all modes of travel.**
- 3) The overall site master plan must also safeguard access point(s) to a future railway bridge crossing. The precise design and location of the new crossing to be determined through further design and feasibility work.**

- 4) Proposals must demonstrate how new developments can be successfully integrated with the existing village while respecting the privacy, well-being and quality of life of residents currently living on the western edge of Staplehurst. Specific attention is needed with regard to points of access and existing views of open countryside.**
- 5) The masterplan should incorporate a green infrastructure strategy, which designates sufficient space within the site to meet obligations linked to ecological requirements, such as the retention of mature hedgerows and trees and the creation of wetland habitats, linked to a SuDS implementation plan.**
- 6) The site master plan needs to integrate positive planting and recreational routes along the boundaries to help define a long term edge to the village.**
- 7) The inclusion of high quality play spaces and recreational areas to be integrated into the development.**
- 8) The development makes provision for an adequate sewerage connection and for the protection of existing sewers on the site or their diversion, in accordance with the requirements of Southern Water.**

** Link to Maidstone Borough Local Plan Preparation (Regulation 18) 2014 Appendix A Housing Allocations H1(36) - Hen and Duckhurst Farm.*

Policy Supporting Text

13.16 Future development to the west of the village must be complementary to the adjacent existing housing. It needs to be sensitive of the current situation while also successfully integrating with the wider village. New housing layouts should sensitively include the provision for a street network that will provide a choice of movements, both from the Marden Road to the south and from Lodge Road from the north. Which of these two connections is opened up first needs to be subject to a detailed phasing plan but both access points will be needed over the longer term. A new street capable of successfully accommodating through traffic needs to link the northern and southern access points.

13.17 The new layout should also successfully connect with the adjacent area of housing, with details of the nature of these links (e.g. vehicular, pedestrian, cyclist etc) to be the subject of detailed studies to be undertaken by the developer in cooperation with the local community and the parish council.

13.18 A feasible overall concept plan for the entire housing and employment areas will be required from developers prior to any implementation of early phases. Proposed housing and employment layouts must also ensure a new street to the north can be achieved over the longer term, connecting to a new railway bridge crossing. The timing and funding of this bridge link is still to be decided but in the first instance, the layout must not prejudice its future delivery.

13.19 New housing in this area should include strong, green landscape features along the future street network. Developers will be required to use the village character assessment (page 22) and the Staplehurst Village Design Statement (2005) to inform the design of all house types and site layouts.

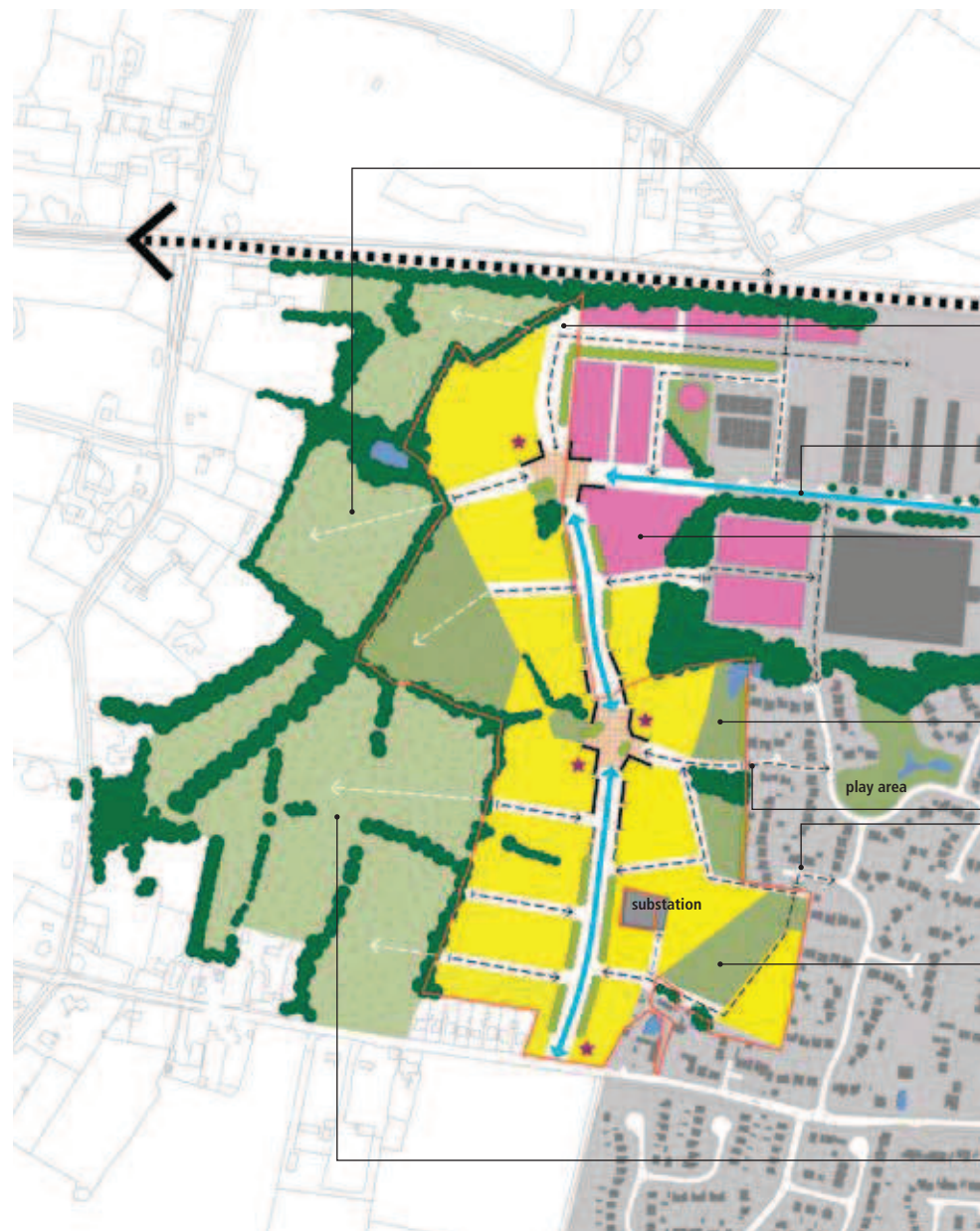
13.20 Dwellings on the western edge should be afforded views across open countryside. The integration of existing public rights of way and the planting of a green edge will add a strong and natural edge to the village. See Policy E1. To mitigate the impacts of flooding in the village, a further investigation is needed into how an attenuation pond system could be established. This could be integrated into an attractive green space for community use with an essential role in flood mitigation.

13.21 It is not the role of the neighbourhood plan to provide detailed design guidance for how this site should be developed but Policy H4 provides clear advice on the design principles that must underpin any future proposals. Future planning applications must be developed through consultation with the communities that live immediately adjacent to the site and with the wider community too. A variety of drawings and reports need to be produced that will give confidence that development can be achieved in the most effective and successful way possible.

13.22 There is a need for a historic landscape survey and historic landscape character assessment to inform the layout and master plan design and ensure important historic landscape features and heritage assets are suitably preserved and integrated into the new development. Prior to detailed designs, an appropriate archaeological assessment should be undertaken to identify any archaeological constraints or enhancements and to ensure suitable archaeological mitigation.



Some existing residents have views of the Oast Houses near to the Marden Road (far left) Can these views be retained? The site needs to be connected to Lodge Road (left).



Illustrative Layout Policy H4

KEY

- Potential new residential areas
- Potential new employment areas
- Open green space
- New proposed planting
- Existing planting to be maintained and strengthened
- Accessible countryside beyond the site development
- Existing development
- Potential new civic spaces to provide positive character at street junctions
- Strong built edges to define the street
- Opportunity to introduce a new landmark architectural feature
- Local links
- Strategic links



This diagram has been prepared to provide guidance to potential developers. It represents many of the comments received through the consultation process. It is a preliminary design sketch only and is subject to information available at the time. It is not subject to measured survey, legal, structural, soil investigation, utilities survey, daylight/sunlight, topographical, mechanical and electrical, highways and access rights surveys, or planning permissions.

Policy H4 Illustrative design and planning principles for development of land west of the village.



Policy H4 Location of the land for housing at Hen and Duckhurst Farm.

POLICY H5*

DEVELOP LAND AT FISHERS FARM FOR UP TO 400 HOUSING UNITS SUBJECT TO THE FOLLOWING PLANNING AND DESIGN CRITERIA:

- 1) Developers must provide an overall site master plan that shows a robust long term plan demonstrating how the land within the red line allocation can be linked to Sweetlands/Pile Lane and the wider countryside to the east of Staplehurst.**
- 2) Design details of a connected series of streets across the development will be required, showing how the whole site can be successfully connected to the existing network at Headcorn Road and Sweetlands/Pile Lane.**
- 3) Proposals must demonstrate how new developments can be successfully integrated with the existing village while respecting the privacy, well-being and quality of life of residents currently living on the eastern edge of Staplehurst. Specific attention is needed with regard to points of access and existing views of open countryside.**

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** Link to Maidstone Borough Local Plan Preparation (Regulation 18) 2014 Appendix A Housing Allocations H1(37) - Fishers Farm, Fishers Road, Staplehurst.*

- 4) **The masterplan should include a green infrastructure strategy, which designates sufficient space within the site to meet obligations linked to ecological requirements, such as retention of mature hedgerows and trees and the creation of wetland habitats, linked to a SuDS implementation plan. Space should also be designated for informal recreation and children's play as part of the green infrastructure strategy.**
- 5) **The site master plan needs to integrate positive planting and recreational routes along the boundaries to help define a long term edge to the village.**
- 6) **The inclusion of high quality play spaces and recreational areas to be integrated into the development.**
- 7) **The development makes provision for an adequate sewerage connection and for the protection of existing sewers on the site or their diversion, in accordance with the requirements of Southern Water.**
- 8) **The layout of the proposed development should be designated to take into account the proximity of the Staplehurst Wastewater Treatment works to the north of the site, in order to safeguard residential amenities from potential smell and pollution.**

Policy Supporting Text

13.23 This is the larger of the two housing allocations. As with the smaller allocation to the west, development here must be complementary to the adjacent existing housing. It needs to be sensitive of the current situation while also successfully integrating with the wider village.

13.24 Access from the south via the Headcorn Road is likely to be a main entry and exit point but due to the very restricted access opportunities via Fishers Road and Newlyn Drive/Hurst Close, a link is required to the east to connect with Sweetlands/Pile Lane. Without such a link, there is a risk that the site will be developed as a cul-de-sac, with a single point of access from the Headcorn Road, placing unnecessary pressure on the Headcorn Road and the Cuckold's Corner crossroads. A feasible and tested overall concept plan for the entire housing allocation is required from the developers prior to any planning permission for the implementation of early phases.

13.25 Given the relatively large size of this allocation, an overall concept plan will be required showing how different areas of character could be developed, using different densities and building types. For example, higher density developments could be located along the strategic routes while lower density forms could be located towards the outer edges. Higher density areas within the centre of the site can be offset by careful integration of green open spaces to create greens, play spaces and important social and community spaces for new and existing residents. The relatively close proximity to nearby facilities, including Jubilee Field to the south east and the railway station to the west, should be capitalised on with good walking and cycling routes to encourage easy and safe access by non-car modes.



How can potential negative impacts on existing adjacent residents (far left) be designed out? The edge locations mark the transition between the village and open countryside (left) and development proposals needs to acknowledge this.

13.26 The design must creatively incorporate much of the existing ecology and landscape and should maintain well-developed green edge adjacent to Pile Lane, the dog track and the Jubilee Field.

13.27 Development in the southern part of the allocation, adjacent to the Headcorn Road should have a strong edge built, set back behind a landscape belt. This will provide a positive new edge to the village approach, combining built form with natural features. The design of this southern edge needs to create a welcoming edge to Staplehurst to those arriving from the east. Development of the northern part of the allocation should look to integrate existing farm buildings and built structures at Fishers Farm. The incorporation of older building into a new development can add character and value if delivered in an appropriate way.

13.28 It is not the role of the neighbourhood plan to provide detailed design guidance for how this site should be developed but Policy H5 provides clear advice on the design principles that must underpin any future proposals. Future planning applications must be developed through consultation with the communities that live immediately adjacent to the site and with the wider community too. A variety of drawings and reports needs to be produced that will give confidence that development can be achieved in the most effective and successful way possible.

13.29 There is a need for a historic landscape survey and historic landscape character assessment to inform the layout and master plan design and ensure important historic landscape features and heritage assets are suitably preserved and integrated into the new development. Prior to detailed designs, an appropriate archaeological assessment should be undertaken to identify any archaeological constraints or enhancements and to ensure suitable archaeological mitigation.



The development sites to both the east and west of the village should use good architecture and design to positively mark the transition between the built-up area of Staplehurst and open countryside beyond.

KEY

- Potential new residential areas
- Potential new employment areas
- Open green space
- New proposed planting
- Existing planting to be maintained and strengthened
- Accessible countryside beyond the site development
- Existing development
- Potential new civic spaces to provide positive character at street junctions
- Strong built edges to define the street
- Opportunity to introduce a new landmark architectural feature
- Local links
- Strategic links

NORTH



This diagram has been prepared to provide guidance to potential developers. It represents many of the comments received through the consultation process. It is a preliminary design sketch only and is subject to information available at the time. It is not subject to measured survey, legal, structural, soil investigation, utilities survey, daylight/sunlight, topographical, mechanical and electrical, highways and access rights surveys, or planning permissions.

Illustrative Layout
Policy H5

Access to east via Couchman Green Lane to allow movement to and from the site without travelling through the village

Ensure good access to open countryside beyond the development site to the east.

Pedestrian and cycle links needed here between existing development and new areas of housing to integrate communities. Width of links to be suitable for emergency vehicles.

Edge design to respond to the needs and requirements of existing village residents

Links needed to land beyond the village via Pile Lane and out towards the east

Access from south via Headcorn Road, with welcoming gateway feature



Policy H5 Illustrative design and planning principles for development of land east of the village.



Policy H5 Location of the land for housing at Fishers Farm.

POLICY H6

PROTECT THE EXISTING EMPLOYMENT FACILITIES AT LODGE ROAD AND ENHANCE AND EXPAND THE AREA AS A MIXED-USE RESIDENTIAL AND EMPLOYMENT AREA SUBJECT TO THE FOLLOWING CRITERIA:

- 1) Protection of existing businesses and operations.**
- 2) No net loss of employment floor space site.**
- 3) Developers must provide an overall site master plan to demonstrate how mixed-use residential and employment land within the red line allocation can be linked to residential land to the west and south west of the site allocation.**

Policy Supporting Text

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13.30 There is an opportunity to expand the existing employment cluster at Lodge Road through new development immediately to the west and north of the existing industrial and employment units. New buildings here need not necessarily reflect the current building typologies but instead could be smaller-scale and more rural in their design (e.g. two or three storey courtyard schemes). These new units could also include a significant amount of residential use, such as small apartments in the upper floors. Development of this type could help form a “transition zone” between the existing employment buildings to the east and the new residential area to the west at Hen and Duckhurst Farm.

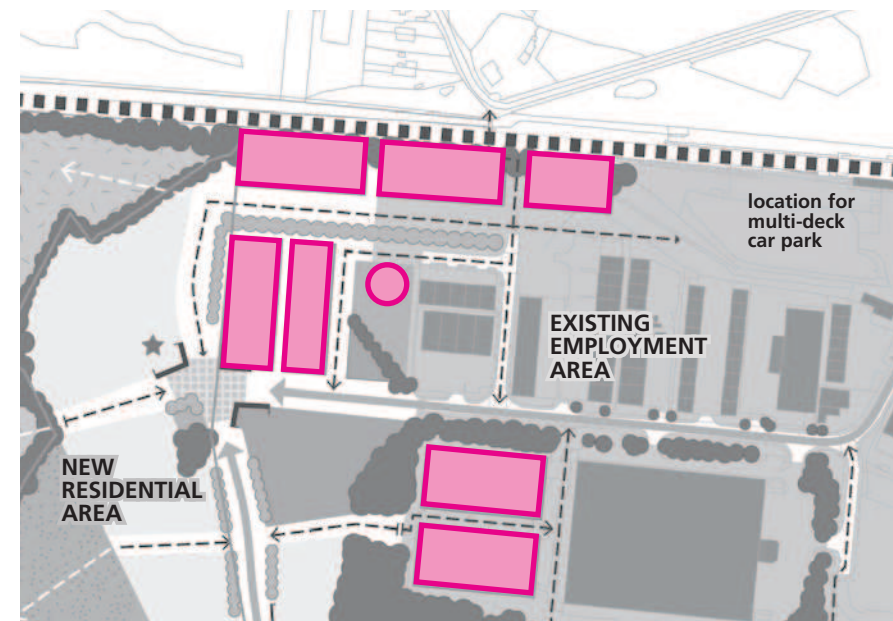


The Lodge Road employment area is a vital asset to the parish.



Policy H6 Location of the land for employment and housing.

Illustrative Layout Policy H6



This plan shows an illustrative layout for the land that lies between the existing employment area and the new allocated residential area. The blocks shown in pink could be developed as rural courtyard employment areas, similar to those shown in the photographs (page 61).

This diagram has been prepared to provide guidance to potential developers. It represents many of the comments received through the consultation process. It is a preliminary design sketch only and is subject to information available at the time. It is not subject to measured survey, legal, structural, soil investigation, utilities survey, daylight/sunlight, topographical, mechanical and electrical, highways and access rights surveys, or planning permissions.

Clockwise from top left:

- Ashford, Kent
- Moulton St Mary, Norfolk
- Parkway Farm, Dorset
- Poundbury, Dorset
- Hallastson, Herefordshire
- Cuckfield, Sussex
- Priston, Somerset
- Parkway Farm, Dorset



Neighbourhood Plan Objective 12

Support for a strong local economy with good access to jobs and employment opportunities.

13.31 While it is recognised that Staplehurst is an important village for rail commuters travelling to London there is also a need to strengthen and support a local economy that is not reliant on people leaving the village to work. The village already accommodates many local firms and employers in the Lodge Road industrial area and this is of great value to the local economy.

13.32 Other employment opportunities can be found in the village heart, comprising the library, primary school, Village Centre, parade of shops, youth club, health centre and church. Further investment in the parade could create more workshop or small office spaces, either above the shops or immediately behind in new courtyard-style developments. The neighbourhood plan will also support farm diversification in outlying areas of the parish, such as small-scale sensitive employment developments (e.g. courtyard schemes) and tourist accommodation.

13.33 Further new employment uses could be generated adjacent to the station as part of the investment in new public realm. It is encouraged that land to the east of the station is safeguarded for small workshop, small-scale retail or office uses. These spaces could be flexible units to help support small and emerging business, as well as existing home-workers in the parish.



The station and its immediate surroundings have been identified for future investment.

PLAN MONITORING

14.1 Monitoring is an essential and continuous part of the plan-making process. The Staplehurst Neighbourhood Plan will be monitored by Maidstone Borough Council to assess whether it is supporting and delivering the aims of the Local Plan strategy.

14.2 The monitoring indicators identified are a mix of relevant indicators drawn from a number of sources including the National Planning Policy Framework, indicators identified in the Sustainability Appraisal of the Maidstone Borough Local Plan and local indicators identified in respect of key policies of the Maidstone Borough Local Plan.

14.3 The key indicators for the Staplehurst Neighbourhood Plan will be on delivery of community infrastructure, employment, housing and positive environmental change.

14.4 General Delivery Indicators

- Development on allocated land and sites with planning permission.
- Percentage of completions on previously developed land, including planning permissions implemented involving planning condition(s) for remediation.

14.5 Employment Indicators

- Changes (up or down) in the number of companies/businesses (no. of VAT registered) located in the area
- Employment land lost or gained compared to other uses

14.6 Housing Indicators

- The number of dwelling completions that are provided relative to the Council's estimated provision
- Change in the total number of households
- Average densities on permitted housing sites
- Affordable housing completions

14.7 Environmental Indicators

- Levels of new open space provided, especially natural/semi-natural green space.
- Change to number of buildings on national and local lists of buildings at risk.
- The amount of open space/facility established by type relative to the standard.
- The number of permissions granted and implemented for renewable and low-carbon schemes and their expected levels of generation.
- The number of planning permissions granted for residential development in flood risk areas contrary to the advice of the Environment Agency.
- The number of developments which use sustainable drainage systems.
- The number of applications which do not receive approval for water supply and wastewater connection from the appropriate water company.
- Waste water treatment capacity.
- The amount of new habitat created, especially natural/semi-natural green space.
- Any monitoring undertaken of Kent Biodiversity Action Plan, including habitats created.

NEXT STEPS

15.1 This referendum version of the neighbourhood plan will be subject to referendum on 3rd November 2016, to be voted upon by the registered electors living within the Staplehurst Parish boundary.

15.2 An earlier version of this neighbourhood plan was submitted to Maidstone Borough Council in August 2015 and was subsequently approved by an independent examiner on 2nd August 2016, subject to various modifications. These modifications have since been enabled in this version of the plan.

15.3 Parish contacts for further information:

- **Mr. Mick Westwood, Clerk to the Parish Council**
- **Mr. Rory Silkin, Chairman of Staplehurst Parish Council**

The Parish Office, Village Centre, High Street, Staplehurst, Kent, TN12 0BJ.

SUPPORTING REPORTS

Submission Plan

July 2015

Basic Conditions Statement

July 2015

Consultation Statement

July 2015

Exhibition Posters

November 2014

Regulation 14 Plan

June 2014

Exhibition Posters

June 2014

Exhibition Slide Show

June 2014

Results of the Questionnaire

March 2014

Exhibition Posters

January 2014

Results of the Three Day Design Forum

October 2013

Results of the Village Visioning Event

September 2013

RELEVANT WEBLINKS

Staplehurst Parish Council

<http://www.staplehurstvillage.org.uk/default.aspx>

The Neighbourhood Planning (General) Regulations 2012

<http://www.legislation.gov.uk/ukxi/2012/637/contents/made>

Maidstone Strategic Policy Framework 2015

http://www.maidstone.gov.uk/__data/assets/pdf_file/0004/60907/Strategic-Policy-Framework.pdf

Maidstone Strategic Housing Market Assessment Final Report January 2014

http://www.maidstone.gov.uk/__data/assets/pdf_file/0007/44656/Strategic-Housing-Market-Assessment-2014.pdf

Maidstone Borough Local Plan (Regulation 18) Consultation 2014

<http://dynamic.maidstone.gov.uk/pdf/Local%20Plan%20Regulation%2018.pdf>

Maidstone Borough Conservation Areas

<http://www.maidstone.gov.uk/business/planning/landscape,-heritage-and-design/conservation-areas>

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STAPLEHURST NEIGHBOURHOOD PLAN REFERENDUM PLAN

September 2016

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This plan has been prepared by:

**Staplehurst Parish Council, The Parish Office, Village
Centre, High Street, Staplehurst, Kent, TN12 0BJ.**

Digital copies of this document can be downloaded from:

**www.staplehurstvillage.org.uk
www.maidstone.gov.uk**

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MAIDSTONE BOROUGH COUNCIL

COUNCIL

7 DECEMBER 2016

REPORT OF THE DEMOCRACY COMMITTEE HELD ON 16 NOVEMBER 2016

REVIEW OF ST MICHAEL'S SCHOOL POLLING STATION

Issue for Decision

To change the venue of a polling station in Fant Ward from St Michael's School to the Grange Moor Hotel in St Michael's Road.

Recommendation Made

That the venue of the polling station for Fant Ward (East) be changed from St Michael's School to the Grange Moor Hotel in St Michael's Road.

Reasons for Recommendation

On 16 November 2016 the Democracy Committee considered a proposal to change the venue of the polling station for Fant Ward (East) from St Michael's School to the Grange Moor Hotel in St Michael's Road.

The following reasons were given for the proposal:

- On a number of occasions the School has not been available for use as a polling station due to staff training days and holidays etc;
- When the School has not been available the Grange Moor Hotel in St Michael's Road has been used as the polling station for Fant Ward (East);
- The Grange Moor Hotel has good parking and facilities for disabled voters;
- The Grange Moor Hotel has been used successfully as a polling station in the past, and although it is smaller than the room used at the School it still functions as a polling station effectively;
- Following a site visit to look at health and safety concerns, it was confirmed that there is room for tellers outside the proposed venue and inside the venue if the weather is inclement;
- Moving to the Hotel will provide continuity and consistency for electors; and
- Consultation has identified that there is a need to move the polling

station to avoid disruption to the School and to pupils' education. If the proposal to move the polling station to the Hotel is approved, further investigations will take place at a later date to try and find an additional polling place to serve the electors in the Maidstone West area of the Ward.

Alternatives Considered and Why Not Recommended

Alternative venues have been considered (St Michael's Church Hall and Parish Rooms), but they are not available as they are to be used by a play group/nursery.

Another option would be to do nothing, keep the polling station at the School and deal with the School not being available as and when it happens. This is not considered to be the appropriate way forward for the reasons set out above.

Background Documents

None

MAIDSTONE BOROUGH COUNCIL

COUNCIL

7 DECEMBER 2016

REPORT OF THE DEMOCRACY COMMITTEE HELD ON 16 NOVEMBER 2016

WEBCASTING SERVICE

Issue for Decision

To approve use of the webcasting voting system to ensure transparency and accuracy at meetings, and that the Constitution be amended to reflect this decision.

Recommendation Made

That the use of the webcasting voting system to ensure transparency and accuracy at meetings be approved, and that the Constitution be amended to reflect this decision.

Reason for Recommendation

On 16 November 2016 the Democracy Committee considered a report updating Members on the installation of the new webcasting service provided by Public-i.

The Committee was advised that a key feature requiring consideration was the ability to vote electronically at meetings using the conferencing functionality of the new microphone units. The vote would be shown as a visual display in the Council Chamber and on the webcast.

The Maidstone Borough Council Constitution states that 'Unless a recorded vote is demanded under Rule 21.4, the Mayor will take the vote by a show of hands, or if there is no dissent, by the affirmation of the meeting' (Part 3.1, 21.3). The Constitution also states that 'If five Councillors present at a Council meeting, three Councillors present at a Committee or two Councillors present at a Sub-Committee meeting demand it, the names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes' (Part 3.1, 21.4). Rule 21 of Part 3.1 of the Constitution applies to Council, Committee and Sub-Committee meetings.

As such the Constitution would need to be amended to include electronic voting if Council approves its use.

Alternatives Considered and Why Not Recommended

The alternative would be to continue the existing arrangements, but this is not recommended to ensure transparency and accuracy at meetings.

Background Documents

None

Note: In this connection, the following wording could be included in sections 21.3 and 21.4 of Part 3.1 of the Constitution (applicable to Council, Committee and Sub-Committee meetings):

Part 3.1, Rule 21.3 Means of Voting

Unless a recorded vote is demanded under Rule 21.4, the Mayor will take the vote by electronic vote, show of hands, or if there is no dissent, by the affirmation of the meeting.

Part 3.1, Rule 21.4 Recorded Vote

If five Councillors present at a Council meeting, three Councillors present at a Committee or two Councillors present at a Sub-Committee meeting demand it, the names for and against the motion or amendment or abstaining from voting will be recorded using electronic voting or taken down in writing and entered into the minutes.

MAIDSTONE BOROUGH COUNCIL

COUNCIL

7 DECEMBER 2016

REPORT OF THE POLICY AND RESOURCES COMMITTEE HELD ON 23 NOVEMBER 2016

COUNCIL TAX REDUCTION SCHEME 2017/2018

Issue for Decision

To approve the Council Tax Reduction Scheme as amended by the Policy and Resources Committee at its meeting on 23 November 2016.

Recommendation Made

That having noted the outcome of the public consultation and considered the potential impact of the proposed changes on working age claimants with the protected characteristics of disability, age and sex, under the Equalities Act (2010), the Council be recommended to approve the Council Tax reduction Scheme attached as Appendix B, as amended by the Policy and Resources Committee at its meeting on 23 November 2016 as detailed below:-

Option 1 – Reducing the maximum level of support for working age applicants from 87% to 80% - Recommendation to Implement

Option 2 – Removing the Family Premium for all new working age applicants – Recommendation to Implement

Option 5 – Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to four weeks – Recommendation to Implement

Option 11 – Removing the work related activity component in the calculation of Council Tax Reduction – Recommendation to Implement

Option 12 – Limiting the number of dependent children within the calculation for Council Tax Reduction to a maximum of two – Recommendation to Implement

Option 13 – Introducing a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship – Recommendation to Implement

Reasons for Recommendations

At its meeting on 23 November 2016 the Policy and Resources Committee considered a further report of the Director of Mid Kent Services relating to the Council Tax Reduction Scheme. A copy of the report is attached as Appendix A to this report.

Members had previously considered a report of the Director of Mid Kent Services at its meeting on 26 October 2016. However, they sought further clarification on a number of points to assist them in their decision making, these were as follows:-

- The financial impact of the different options
- The cumulative impact of changes
- Possible changes to the recommendation following further analysis of the impact
- Any unintended impact in relation to homelessness
- Comparison with other boroughs within Kent

In response to that request the impact of the proposed changes was reviewed and the recommendations amended to reflect the concerns of the Committee.

In considering any change to the scheme it was agreed that it was necessary to balance the cost of the scheme with the impact and cumulative impact, the details of which are set out in Appendix B to the original report.

A copy of the Council Tax Scheme is attached at Appendix B to this report.

Alternatives Considered

The Committee were not minded to recommend the following options:-

Option 3 – Reducing backdating to one month – Recommendation to Reject

Option 4 – Using a minimum income (notional income) for self-employed earners after one year's self-employment – Recommendation to Reject

Option 6 – Reducing the capital limit from the existing £16,000 to £6,000 – Recommendation to Reject

Option 7 – Introducing a standard level of non-dependant deduction of £10 for all claimants who have non-dependants resident with them – Recommendation to Reject

Option 8 – Taking any Child Maintenance paid to a claimant or partner into account in full in the calculation of Council Tax Reduction – Recommendation to Reject

Option 9 – Restricting the maximum level of Council Tax Reduction payable to the equivalent of a Band D charge – Recommendation to Reject

Option 10 – Removing Second Adult Reduction from the Scheme –
Recommendation to Reject

Background Documents

None

Policy and Resources Committee

23rd November 2016

Is the final decision on the recommendations in this report to be made at this meeting?

No

Council Tax Reduction Scheme 2017/2018

| | |
|---------------------------------------|--|
| Final Decision-Maker | Council |
| Lead Head of Service | Stephen McGinnes, Director Mid Kent Services |
| Lead Officer and Report Author | Stephen McGinnes, Director Mid Kent Services |
| Classification | Public |
| Wards affected | All |

This report makes the following recommendations to this Committee:

1. That having noted the outcome of the public consultation and considered the potential impact of the proposed changes on working age claimants with the protected characteristics of disability, age and sex, under the Equalities Act (2010); that the Committee recommends to Council that the council tax reduction scheme be amended to reflect the changes identified at point 4.

This report relates to the following corporate priorities:

- Great People
- Great Place
- Great Opportunity

Timetable

| Meeting | Date |
|--------------------------------|--------------------------------|
| Policy and Resources Committee | 23 rd November 2016 |
| Council | 7 th December 2016 |

Council Tax Reduction Scheme 2017/2018

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The report provides the outcome of the public consultation on proposed changes to the council tax reduction scheme and an updated equality impact assessment, which members are required to consider in making recommendation on the scheme to be implemented from April 2017.
- 1.2 Council Tax Reduction provides financial assistance in the form of a rebate on the council tax bill to approx. 9000 low income households, at a total cost of £8.8m per year.
- 1.3 Prior to the localisation of the scheme in 2013 the cost of this support was met in full through an annual grant from the Department for Work and Pensions. Since that point funding has been incorporated within the council's revenue support grant which has seen year on year reduction and will be fully withdrawn from April 2017. Maidstone BC's share of the cost of the scheme is approximately £1.3m.
- 1.4 In considering any amendment to the current scheme the council needs to balance this reduction in funding with the need to support low income households and the wider interest of the council tax payer.

2. INTRODUCTION AND BACKGROUND

- 2.1 At the meeting of the Policy and Resources Committee on the 26th October 2016 members sought clarification regarding the following points to assist in decision making.
 - The financial impact of the different options (Appendix A)
 - The cumulative impact of changes (Appendix A)
 - Possible changes to the recommendation following further analysis of the impact (paragraph 4.1)
 - Any unintended impact in relation to homelessness (paragraphs 4.2 & 4.5)
 - Comparison with other boroughs within Kent (Appendix E)
- 2.2 In response to that request the impact of proposed changes has been reviewed and the recommendations amended to reflect the concerns of the committee. The reasons for change are set out within the

body of the report, with details of impact and cumulative impact set out within Appendix A.

2.3 Council Tax Reduction (CTR) was introduced by the Department for Communities and Local Government (DCLG) in April 2013 as a replacement for the Council Tax Benefit (CTB) scheme administered on behalf of the Department for Work and Pensions (DWP).

2.4 As part of its introduction, Central Government set out a number of key elements:

The duty to create a local scheme for Working Age applicants was placed with Billing Authorities;

Funding was reduced by the equivalent of 10% from the levels paid through benefit subsidy to authorities under the previous CTB scheme; and

Residents of Pension Age, although allowed to apply for CTR, would be 'protected' from any reduction in support through regulations prescribed by Central Government.

2.5 Across Kent, a common 'platform' approach was adopted for the design of local schemes, with the new schemes broadly replicating the former CTB scheme but with a basic reduction in entitlement for working age claimants. In Maidstone, working age claimants must pay at least 13% of the council tax liability. The figure of 13% represented the 10% funding loss applied to the working age caseload across Kent. In other parts of Kent, the percentage varies.

2.6 Since its introduction in April 2013, our local scheme has been 'refreshed' annually for data changes, but the core elements remain as were originally agreed.

2.7 As mentioned above, the scheme is 'underpinned' by the Kent-wide agreement, which recognises that all the Kent districts (as the billing authorities) will seek to have a common 'platform'. The original three year period of that scheme ceased on 31 March 2016, but as reported to Committee in September 2015, it was agreed with Kent County Council, Kent Police and Kent and Medway Fire & Rescue that the scheme would effectively 'roll on' for one more year (i.e. into 2016/17).

2.8 With funding for the scheme through Revenue Support Grant (RSG) subject to further cuts as part of the reductions in local government finance settlements, a greater share of the cost burden has continued to fall on billing authorities and the other major precepting bodies. From April 2017 Maidstone will receive no RSG from central

government in relation to the cost of the scheme. This has been one of the main catalysts for the scheme to be reviewed.

- 2.9 To review the scheme a group of finance officers from the Kent districts and major precepting authorities worked together to set objectives for the review which were agreed to be:

Having regard to the reductions in grant and the financial pressures facing the council, to make the scheme less costly (if possible) and more efficient in terms of its operation; and

Having regard to the impact such changes may have on vulnerable residents.

- 2.10 Following consideration of a range of options all of the districts in Kent, with the exception of Medway, consulted on similar amendment to their scheme. Details of the recommendations being made across the county are included within Appendix E.

- 2.11 It is worth noting that all districts are recommending a reduction in the maximum level of support (option 1) and making changes to align their scheme with wider welfare system (options 2,3,5,11 and 12). The remaining options are being implemented in most Kent districts with the exception of child maintenance (option 8) which is only being considered by two other districts.

- 2.12 Whilst the council is required to confirm its CTR scheme annually, the intention would be for any revised scheme agreed for 2017/2018 to remain in place for a period of 3 years.

3. AVAILABLE OPTIONS

- 3.1 Following a consideration of a range of options (reported to P&R Committee 29th June 2016) the committee decided that the most practical option would be to maintain a scheme similar to our current scheme and consult on possible adjustments to make it more affordable.

- 3.2 The primary reasoning being that;

It is known to our claimants and it largely mirrors the housing benefit (HB) system, reducing complexity;

The councils systems are adapted for this type of scheme, the changes can therefore be implemented with little additional cost; and Benefit staff are familiar with the administration of this type of scheme and, as it is.

3.3 Having completed that consultation the council can decide to :

Do nothing – maintain the existing CTR scheme without making any changes with the reduction in funding to be met through other service changes.

The council currently has a savings target of £4.1m over the next 4 years in order to meet the wider reduction in grant income. Making the proposed changes contribute £133,000 per annum to that savings requirement.

3.4 Amend the existing CTR – The council has identified and consulted on 13 possible changes to its scheme, as summarised at 4.1. The council could implement all of the changes identified or any combination of changes.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

4.1 Given the financial challenge facing the council it is recommended that the council implements the changes set out below, with the financial impact of each change set out within appendix A. Proposals no longer recommended, as compared with the recommendations in the original report to Policy and Resource Committee, are indicated by 'reject' in the recommendation column.

| | Recommendation | Reason |
|--|-----------------------|--|
| Option 1 - Reducing the maximum level of support for working age applicants from 87% to 80% | Implement | Change will increase the minimum contribution across all working age households. Consultation findings support change. |
| Option 2 - Removing the Family Premium for all new working age applicants | Implement | Change related to new claims for support and is to align the CTR with changes within the wider welfare system. Consultation findings support change. |
| Option 3 - Reducing backdating to one month | Reject | Backdated awards are only granted where good cause is shown for the delay in claiming. Restricting the period claims can be backdated could disproportionately impact on disabled residents and those residents requiring assistance to claim. |

APPENDIX 'A'

| | | |
|---|-----------|--|
| Option 4 - Using a minimum income (notional income) for self-employed earners after one year's self-employment | Implement | <p>Residents that are unable to earn a reasonable income through self employment (equivalent to 35 hrs at minimum wage) following 12 months of trading should be encouraged to seek paid employment in order to become more financially independent.</p> <p>Allowances to be made for customers with caring responsibilities that prevent 35hrs work.</p> <p>Consultation findings support change.</p> |
| Option 5 - Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to four weeks | Implement | <p>To align the CTR with the wider welfare system</p> <p>Consultation findings support change.</p> <p>Scope to address exceptional cases of vulnerability through hardship scheme (option 13)</p> |
| Option 6 - Reducing the capital limit from the existing £16,000 to £6,000 | Implement | <p>Capital limit of £6000 represents a reasonable amount to be held in savings for emergencies. (3 months income)</p> <p>With a significant number of residents believed to hold less than £6000 savings, any higher allowance could be perceived as unfair to those residents meeting the cost of the scheme through their council tax.</p> <p>Consultation findings support change.</p> |
| Option 7 - Introducing a standard level of non-dependant deduction of £10 for all claimants who have non-dependants resident with them. | Implement | <p>A single rate of deduction provides an incentive to take employment and increase income, with no increased contribution required as earnings increase.</p> <p>A standard deduction is less intrusive with no evidence of income required for other household members, also easing administration for the council.</p> <p>Consultation findings support change.</p> |
| Option 8 – Taking any Child Maintenance paid to a claimant or partner into account in full in the calculation of Council Tax Reduction | Reject | <p>Levels of child poverty are projected to increase as a result of wider welfare reform changes.</p> <p>Introducing child maintenance as income within the calculations of CTR on top of those changes would contribute to higher levels of child poverty. (See 4.2)</p> |

APPENDIX 'A'

| | | |
|---|-----------|---|
| Option 9 - Restricting the maximum level of Council Tax Reduction payable to the equivalent of a Band D charge | Implement | 99% of residents in receipt of CTR and 71% of all residents live in a property in band D or below. Subsidising council tax charges above the value of band D could be perceived as unfair to those residents meeting the cost of the scheme through their council tax. |
| Option 10 – Removing Second Adult Reduction from the scheme | Implement | Second adult rebate does not consider the means of the main householder to meet the council tax liability. Where the main householder is on a low income they would be able to claim independently for CTR. |
| Option 11 - Removing the work related activity component in the calculation of Council Tax Reduction | Implement | Change brings CTR in line with wider welfare system. Consultation findings support change. |
| Option 12 - Limiting the number of dependent children within the calculation for Council Tax Reduction to a maximum of two | Implement | Change brings CTR in line with wider welfare system, with change applied to new claims only. Promotes fairness and balance with interest of wider council tax payer. Consultation findings support change. |
| Option 13 – Introducing a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship | Implement | Provides flexibility to safeguard cases of exceptional hardship. Detailed policy for the award of such support will be separately reported to the committee for consideration. Consultation findings support change. |

4.2 Wider Impact - The Institute for Fiscal Studies forecast that if national policy remains unchanged with regards to planned cuts to benefits projected trends in absolute poverty diverge significantly between different groups.

Child poverty is an area of particular concern, projected to increase from 15.1% in 2015–16 to 18.3% in 2020–21. This increase is expected to be driven entirely by a sharp rise in poverty among families with three or more children, which is itself the result of planned tax and benefit reforms.

- 4.3 Whilst any reduction in CTR and increase in the council tax payable by low income households risks an increase in poverty, the decision to continue to disregard child maintenance goes some way to limit any further increase in child poverty.
- 4.4 Homelessness impact - Given the increases that the council has experienced in homelessness consideration should be given to any adverse impact on homelessness through the changes being considered.
- 4.5 Both national and local data support the fact that financial changes have an impact, with 4% of homelessness caused due to rent or mortgage arrears. However, the primary cause for homelessness is linked to the high demand for accommodation in the sector. The council has identified no link in the increase in homelessness to welfare reform and a change to the level of support through CTR is unlikely to have any measurable impact on homelessness.

| | |
|---|-----|
| End of assured shorthold tenancy / loss of rental | 40% |
| Relative or friend no longer willing to accommodate | 27% |
| Relationship breakdown | 16% |
| Rent or mortgage arrears | 4% |
| Other | 15% |

- 4.6 Cumulative impact – Whilst option 1 (percentage reduction) applies to the entire working age caseload, only 55 cases within the current CTR caseload would otherwise be affected by more than 1 other change, with that number further reduced should the committee decide to remove the option for child maintenance. Where a resident is affected by more than 1 other change their entitlement to Council Tax support is likely to be fully removed.

| Self empl (option 4) | Band D (option 9) | Child Main (option 8) | Non-Dep (option 7) | Weekly Impact |
|-------------------------|----------------------|--------------------------|-----------------------|---------------------------------|
| 6 households | | | | £24.37 (entitlement removed) |
| 7 households | | | | £24.37 (entitlement removed) |
| 2 households | | | | £24.37 (entitlement removed) |
| | 29 households | | | £15.39 |
| | 6 households | | | £16.00 (entitlement removed) |
| 5 households | | | | £24.37 (entitlement removed) |

It can be seen that the cumulative impact of the changes applies to relatively few claimants and by removing option 8 it is reduced still further.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 Following the report to Policy and Resources Committee on the 29th June a public consultation was undertaken between 1 July and 24 August 2016.
- 5.2 The survey was carried out online, with a direct email to approximately 9,000 households and was promoted on the council's website, social media and in the local newspaper. Paper copies were available in the Gateway and on request. An additional 150 paper surveys were sent via direct mail to residents aged 75 years and over (who are less likely to engage with us online), and a reminder email was sent to 230 payees aged 18 to 24 years to boost the responses from these groups.
- 5.3 The survey was open to all Maidstone borough residents aged 18 years and over (i.e. people who pay council tax or receive council tax reduction) with the results weighted according to the known population profile to counteract non-response bias.
- 5.4 A total of 1471 people responded to the questionnaire. The consultation results are provided as Appendix B.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 A decision on the final scheme to be implemented is required by a meeting of Full Council. That decision will be publicised through the local media with those residents directly affected by the changes notified in writing.
- 6.2 The revised CTR will take effect from 1st April 2017 and be reflected in the annual council tax bills to be sent in March 2017.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

| Issue | Implications | Sign-off |
|---------------------------------------|--|--|
| Impact on Corporate Priorities | The council needs to balance the needs of low income households with the wider interest of local taxpayers to ensure that vulnerable residents are protected whilst providing a scheme that is affordable. | Stephen McGinnes, Director of Mid Kent Services |

| | | |
|---|---|---|
| Risk Management | No impact. | Stephen McGinnes, Director of Mid Kent Services |
| Financial | <p>CTR reduces the amount of Council Tax that can be collected. Since the council's Revenue Support Grant has continued to fall and will be fully withdrawn by 2017/18, the cost of the scheme will now met in full by the council and preceptors.</p> <p>The cost of the scheme (currently £8.8m) needs to be reduced to reflect the changes in funding.</p> | Mark Green, Director of Resources and Business Improvement (S151 Officer) |
| Staffing | No impact. | Stephen McGinnes, Director of Mid Kent Services |
| Legal | <p>The Local Government Finance Act 1992 provides a statutory duty to consult on a proposed scheme and Council to approve a scheme by 31 January 2017.</p> <p>Consideration must be given to the findings of the consultation and equality impact assessment in reaching a decision.</p> | Estelle Culligan, Interim Head of Legal Partnership |
| Equality Impact Needs Assessment | Decision-makers are reminded of the requirement under the Public Sector Equality Duty (s149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) | Anna Collier, Policy and Performance Manager |

| | | |
|--|---|--|
| | <p>advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups.</p> <p>The decisions recommended through this paper will directly impact on end users. The impact has been analysed and varies between groups of people. An equality impact assessment has found that:</p> <p>Current Scheme</p> <p><input type="checkbox"/> All working age claimants have received a reduction in their benefit amount.</p> <p><input type="checkbox"/> Pension age claimants, who will also have protected characteristics, have not received a reduction, as they are protected from any changes.</p> <p><input type="checkbox"/> People in receipt of council tax reduction with disabilities, carers and families with children receive a level of support higher than claimants without those characteristics, as a result of receiving additional allowances within the current scheme.</p> <p>Proposed changes to the scheme from 2017:</p> <p><input type="checkbox"/> The changes proposed will continue to maintain a range of additional allowances and income disregards for people with</p> | |
|--|---|--|

| | | |
|--|---|--|
| | <p>disabilities and carers and apply a consistent percentage reduction to the benefit award for all people of working age.</p> <p><input type="checkbox"/> All options could impact on working age claimants with one or more of the protected characteristics of disability, age, sex or race, to varying degrees. <input type="checkbox"/> The introduction of an exceptional hardship scheme will be considered as an action to mitigate any possible impacts.</p> <p>A copy of the full equality impact assessment is provided as appendix C.</p> | |
| Environmental/Sustainable Development | No impact. | Stephen McGinnes, Director of Mid Kent Services |
| Community Safety | No impact. | Stephen McGinnes, Director of Mid Kent Services |
| Human Rights Act | No impact. | Stephen McGinnes, Director of Mid Kent Services |
| Procurement | No impact. | Stephen McGinnes, Director of Mid Kent Services |
| Asset Management | No impact. | Stephen McGinnes, Director of Mid Kent Services |

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

APPENDIX 'A'

- Appendix A: Summary of Changes
- Appendix B: Consultation Output
- Appendix C: Equality Impact Assessment
- Appendix D: CTRS Scheme 2017/2018 (Now attached as Appendix B to the report of the Policy and Resources Committee to Council)
- Appendix E: Proposed schemes by other Kent Districts

9. BACKGROUND PAPERS

None

Appendix A

| Option 1 - reduce maximum level of award to 80% | | | | | |
|--|---------------|------------|---------------|---------|-----------|
| | All Claimants | Disability | No Disability | Carer | Non Carer |
| Number of claimants | 5568 | 1052 | 4516 | 429 | 5139 |
| Proportion of claimants | | 19% | 81% | 8% | 92% |
| Average benefit paid (per week) | £16.23 | £17.80 | £15.87 | £19.21 | £15.98 |
| New average benefit | £14.92 | £16.37 | £14.59 | £17.66 | £14.69 |
| Average weekly impact | £1.31 | £1.43 | £1.28 | £1.55 | £1.29 |
| Average annual impact | £67.90 | £74.47 | £66.40 | £80.37 | £66.86 |
| Reduction in CTS cost | £378,094 | | | | |
| Option 2 - remove family premium within calculation. New claims to align to welfare system | | | | | |
| | All Claimants | Disability | No Disability | Carer | Non Carer |
| Number of claimants | 441 | 12 | 429 | 14 | 427 |
| Proportion of claimants | | 3% | 97% | 3% | 97% |
| Average benefit paid (per week) | £13.52 | £15.61 | £13.47 | £13.19 | £14 |
| New average benefit | £10.03 | £12.12 | £9.98 | £9.70 | 10.05 |
| Average weekly impact | £3.49 | £3.49 | £3.49 | £3.49 | 3.49 |
| Average annual impact | 181.48 | 181.48 | 181.48 | 181.48 | 181.48 |
| Reduction in CTS cost | £80,033 | | | | |
| Option 3 - reduce backdating of claims to 1 month. New claim to align to welfare system | | | | | |
| | All Claimants | Disability | No Disability | Carer | Non Carer |
| Number of claimants | 77 | 15 | 62 | 5 | 57 |
| Proportion of claimants | | 19% | 81% | 6% | 74% |
| Average benefit paid (per week) | £16.36 | £17.39 | £16.11 | £19.36 | £15.83 |
| Average award of Backdated benefit | £141.05 | £226.78 | £120.30 | £135.49 | £118.97 |
| Average impact (no ongoing impact) | £75.61 | £157.22 | £55.86 | £58.05 | £55.65 |
| Reduction in CTS cost | £5,822 | | | | |
| Option 4 - minimum income for self employed after 1 year | | | | | |
| | All Claimants | Disability | No Disability | Carer | Non Carer |
| Number of claims with self employed income for more than 1 year | 444 | 20 | 424 | 16 | 428 |
| Proportion of claimants | | 5% | 95% | 4% | 96% |
| Average benefit paid (per week) | £16.79 | £17.78 | £16.75 | £17.58 | £16.76 |
| New average benefit (Avg Earnings = £65 28% of min wage) | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 |
| Average weekly impact | £16.79 | £17.78 | £16.75 | £17.58 | £16.76 |
| Annual | £873.08 | £924.56 | £871.00 | £914.16 | £871.52 |
| Reduction in CTS cost* | £250,000 | | | | |

Option 5 - absence limited to 4 weeks

| | All Claimants | Disability | No Disability | Carer | Non Carer |
|---------------------------------|---------------|------------|---------------|-------|-----------|
| Number of claimants | No data | | | | |
| Proportion of claimants | | | | | |
| Average benefit paid (per week) | | | | | |
| New average benefit | | | | | |
| Average weekly impact | | | | | |
| Average annual impact | | | | | |
| Reduction in CTS cost | No data | | | | |

Option 6 - reducing capital limit to £6,000

| | All Claimants | Disability | No Disability | Carer | Non Carer |
|---------------------------------|---------------|------------|---------------|---------|-----------|
| Number of claimants | 49 | 18 | 31 | 6 | 43 |
| Proportion of claimants | | 37% | 63% | 12% | 88% |
| Average benefit paid (per week) | £14.81 | £14.96 | £14.72 | £18.10 | £14.35 |
| New average benefit | 0 | 0 | 0 | 0 | 0 |
| Average weekly impact | £14.81 | £14.96 | £14.72 | £18.10 | £14.35 |
| Average annual impact | £770.12 | £777.92 | £765.44 | £941.20 | £746.20 |
| Reduction in CTS cost | £37,736 | | | | |

Option 7 - standard non dependent deduction of £10

| | All Claimants | Disability | No Disability | Carer | Non Carer |
|---------------------------------|---------------|------------|---------------|---------|-----------|
| Number of claimants | 244 | 3 | 198 | 37 | 164 |
| Proportion of claimants | | 1% | 81% | 15% | 67% |
| Average benefit paid (per week) | £14.51 | £19.37 | £14.44 | £18.78 | £13.73 |
| New average benefit paid | £8.65 | £8.65 | £8.65 | £8.65 | £8.65 |
| Average weekly impact | £5.86 | £9.32 | £4.35 | £7.09 | £4.00 |
| Average annual impact | £304.72 | £484.64 | £226.20 | £368.68 | £208.00 |
| Reduction in CTS cost | £74,352 | | | | |

Option 8 - Child maintenance

| | All Claimants | Disability | No Disability | Carer | Non Carer |
|---|---------------|------------|---------------|---------|-----------|
| Number of claims with Child Maintenance (£65.46 average pw) | 241 | 9 | 232 | 16 | 225 |
| Proportion of claimants | | 4% | 96% | 7% | 93% |
| Average benefit paid (per week) | £13.87 | £19.72 | £13.64 | £19.99 | £13.43 |
| Number of claims with Child Maintenance after adjustment | 29 | 5 | 24 | 6 | 23 |
| Average NEW benefit paid | £0.78 | £6.63 | £0.55 | £6.90 | £0.34 |
| Average weekly impact | £13.09 | £13.09 | £13.09 | £13.09 | £13.09 |
| Average annual impact | £680.68 | £680.68 | £680.68 | £680.68 | £680.68 |
| Reduction in CTS cost | £164,044 | | | | |

Option 9 - Band D restriction

| | All Claimants | Disability | No Disability | Carer | Non Carer |
|-------------------------------------|---------------|------------|---------------|---------|-----------|
| Number of claimants (Band E) | 30 | 2 | 28 | 3 | 27 |
| Proportion of claimants | | 7% | 93% | 10% | 90% |
| Average benefit paid (per week) | £23.29 | £9.58 | £24.27 | £32.81 | £22.23 |
| Average NEW benefit paid | £16.46 | £2.75 | £17.44 | £25.98 | £15.40 |
| Average weekly impact | £6.83 | £6.83 | £6.83 | £6.83 | £6.83 |
| Average annual impact | £355.19 | £355.19 | £355.19 | £355.19 | £355.19 |
| Reduction in CTS cost | £10,656 | | | | |
| Number of claimants (Band F) | 9 | 0 | 9 | | 9 |
| Proportion of claimants | | 0% | 100% | 0% | 100% |
| Average benefit paid (per week) | £28.20 | £0.00 | £28.20 | £0.00 | £28.20 |
| Average NEW benefit paid | £14.54 | £0.00 | £14.54 | £0.00 | £14.54 |
| Average weekly impact | £13.66 | £0.00 | £13.66 | £0.00 | £13.66 |
| Average annual impact | £710.38 | £0.00 | £710.38 | £0.00 | £710.38 |
| Reduction in CTS cost | £6,393 | | | | |
| Number of claimants (Band G) | 2 | 0 | 2 | 0 | 2 |
| Proportion of claimants | | 0% | 100% | 0% | 100% |
| Average benefit paid (per week) | £23.43 | £0.00 | £23.43 | £0.00 | £23.43 |
| Average NEW benefit paid | £2.94 | £0.00 | £2.94 | £0.00 | £23.43 |
| Average weekly impact | £20.49 | £0.00 | £20.49 | £0.00 | £0.00 |
| Average annual impact | £1,065.57 | £0.00 | £1,065.57 | £0.00 | £0.00 |
| Reduction in CTS cost | £2,131.14 | | | | |

Option 10 - Second adult rebate

| | All Claimants | Disability | No Disability | Carer | Non Carer |
|---------------------------------|---------------|------------|---------------|-------|-----------|
| Number of claims with 2AR | 58 | 0 | 58 | 0 | 58 |
| Proportion of claimants | | 0% | 100% | 0% | 100% |
| Average benefit paid (per week) | £4.68 | £0.00 | £4.68 | £0.00 | £4.68 |
| Average NEW benefit paid | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 |
| Average weekly impact | £4.68 | £0.00 | £4.68 | £0.00 | £4.68 |
| Average annual impact | £243.36 | £0.00 | £243.36 | £0.00 | £243.36 |
| Reduction in CTS cost | £14,115 | | | | |

Option 11 - Removing the work related activity component. New claims to align to welfare system

| | All Claimants | Disability | No Disability | Carer | Non Carer |
|---------------------------------|---------------|------------|---------------|-------|-----------|
| Number of claims | No data | | | | |
| Proportion of claimants | | | | | |
| Average benefit paid (per week) | | | | | |
| Average NEW benefit paid | | | | | |
| Average weekly impact | | | | | |
| Average annual impact | | | | | |
| Reduction in CTS cost | No data | | | | |

| Option 12 - limit of 2 dependent children within calculation | | | | | |
|--|---------------|------------|---------------|---------|-----------|
| | All Claimants | Disability | No Disability | Carer | Non Carer |
| Number of claims with over 2 dependants | 54 | 0 | 54 | 2 | 52 |
| Proportion of claimants | | 0% | 100% | 4% | 96% |
| Average benefit paid (per week) | £17.73 | £0.00 | £17.64 | £16.68 | £17.81 |
| Average benefit paid NEW (per week) | £9.50 | £0.00 | £9.50 | £0.00 | £8.99 |
| Average weekly impact | £8.23 | £0.00 | £8.14 | £16.68 | £8.82 |
| Average annual impact | £427.96 | £0.00 | £423.28 | £867.36 | £458.64 |
| Reduction in CTS cost | £23,109.84 | | | | |
| Total reduction in CTS cost | £876,619.30 | | | | |

Note:

Option 4 - Assumed savings adjusted to reflect adjustment for residents with caring responsibility. Gross figure £387,467.

Option 7 - 244 cases increase 5.85 reduction. 41 cases reduce by £1.45. 85 taken out of benefit.

Council Tax Reduction



| | |
|---|----|
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Headline Results

| | % Agreeing with Option | Rank of Preferable Option ¹ |
|---|------------------------|--|
| Option 1 - Reducing the maximum level of support for working age applicants from 87% to 80% | 60.7% | 8.38 |
| Option 2 - Removing the Family Premium for all new working age applicants | 50% | 6.55 |
| Option 3 - Reducing backdating to one month | 75.0% | 8.77 |
| Option 4 - Using a set income for self-employed earners after one year's self-employment | 51% | 6.08 |
| Option 5 - Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to four weeks | 83% | 9.25 |
| Option 6 - Reducing the capital limit from the existing £16,000 to £6,000 | 60.6% | 7.34 |
| Option 7 - Introducing a standard level of non-dependant deduction of £10 for all claimants who have non dependants resident with them | 71% | 6.86 |
| Option 8 - Taking any Child Maintenance paid to a claimant or partner into account in full in the calculation of Council Tax Reduction | 54% | 6.56 |
| Option 9 - Restricting the maximum level of Council Tax Reduction payable to the equivalent of a Band D charge | 57% | 6.50 |
| Option 10 - Removing Second Adult Reduction from the scheme | 61.3% | 6.53 |
| Option 11 - Removing the work related activity component in the calculation of Council Tax Reduction | 58% | 5.30 |
| Option 12 - Limiting the number of dependent children within the calculation for Council Tax Reduction to a maximum of two | 73% | 7.58 |
| Option 13 - Introducing a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship | 74.8% | 7.71 |

¹ A higher figure indicates option is high preference.

Methodology

Maidstone Borough Council undertook a consultation on its proposed changes to council tax reduction between 1 July and 24 August 2016. A copy of the survey is available at Appendix B.

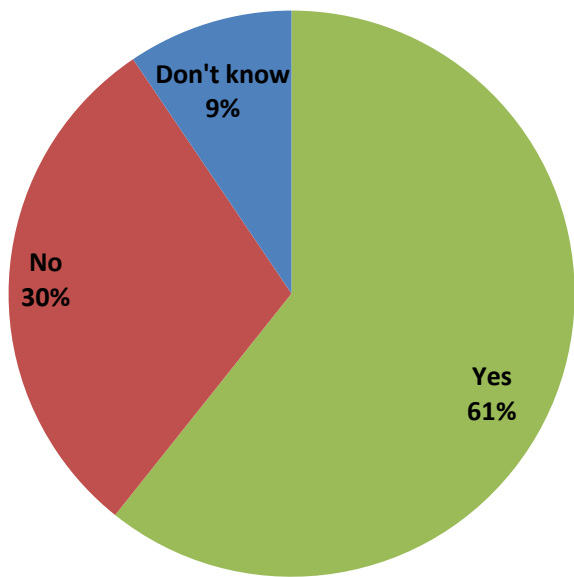
The survey was carried out online, with a direct email to approximately 9,000 Council Tax payees who had signed up for e-billing and was promoted on the Council's website, social media and in the local newspaper. Paper copies were available in the Gateway and on request. An additional 150 paper surveys were sent via direct mail to residents aged 75 years and over (who are less likely to engage with us online), and a reminder email was sent to 230 payees aged 18 to 24 years to boost the responses from these groups.

The survey was open to all Maidstone borough residents aged 18 years and over (i.e. people who pay council tax or receive council tax reduction. Data has been weighted according to the known population profile to counteract non-response bias.

A total of 1471 people responded to the questionnaire. This report discusses the weighted results; however unweighted results are shown at appendix B for reference. Please note not every respondent answered every question therefore the total number of respondents refers to the number of respondents for the question being discussed not to the survey overall.

The survey had a low response from respondents aged 18 to 24 so this group was significantly under-represented and whilst the results have been weighted to take into account some of the variation in respondents compared to the borough population, these results should be treated with caution. Other areas that should be treated with caution due to low number of responses are people from BME backgrounds and Ethnicity: Other respondents, though these will only be weighted if age and sex details were provided and are not weighted as a separate variable. These results are shown in this report, however they are not referred to in the commentary due to the low level of statistical validity.

Option 1 - Reducing the maximum level of support for working age applicants from 87% to 80%

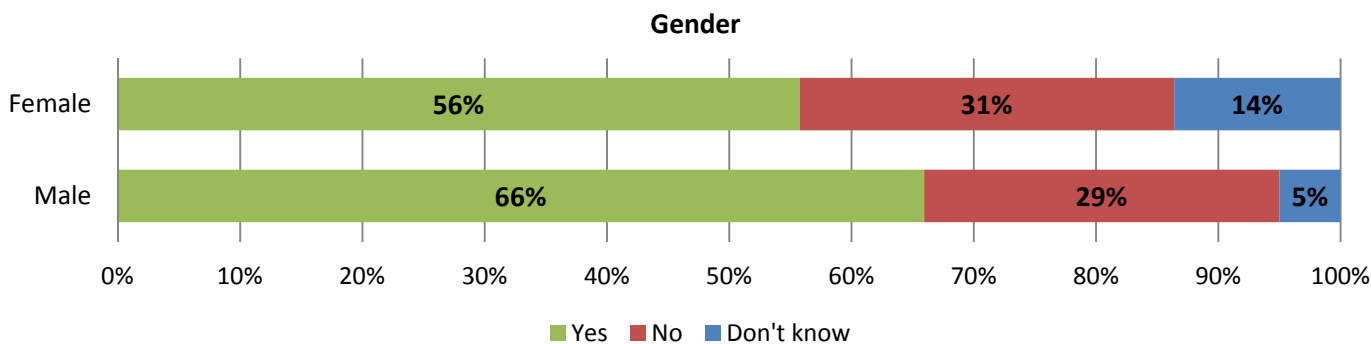


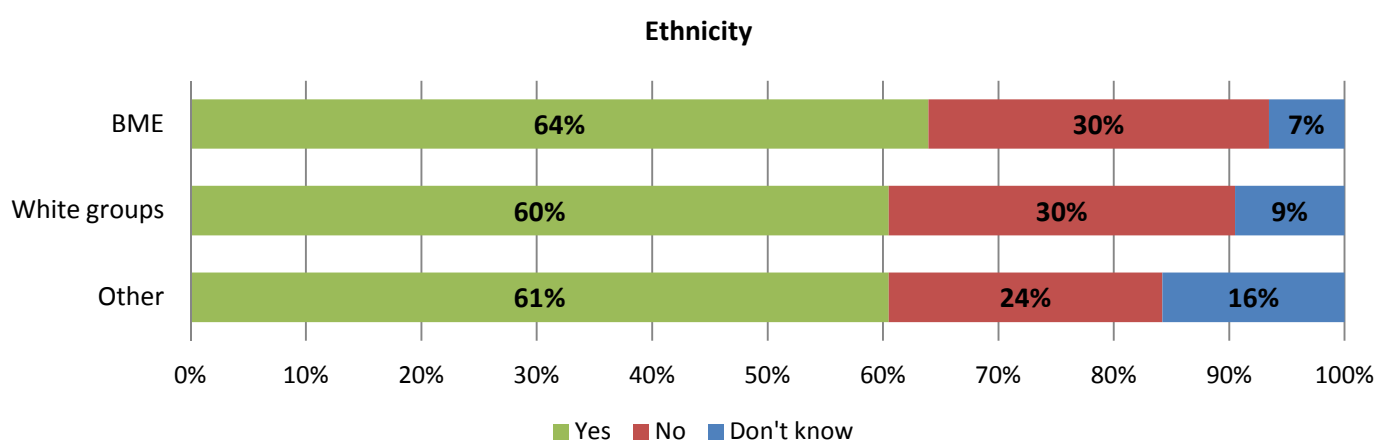
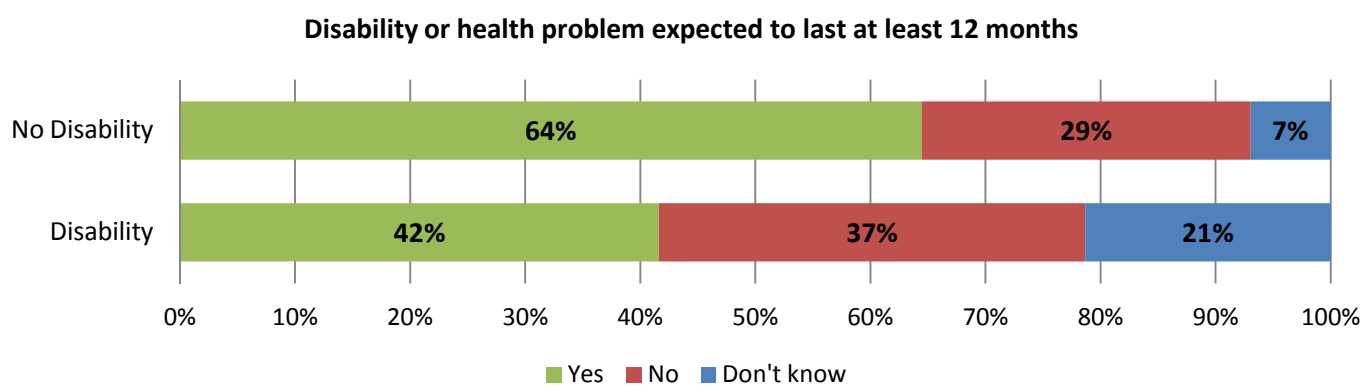
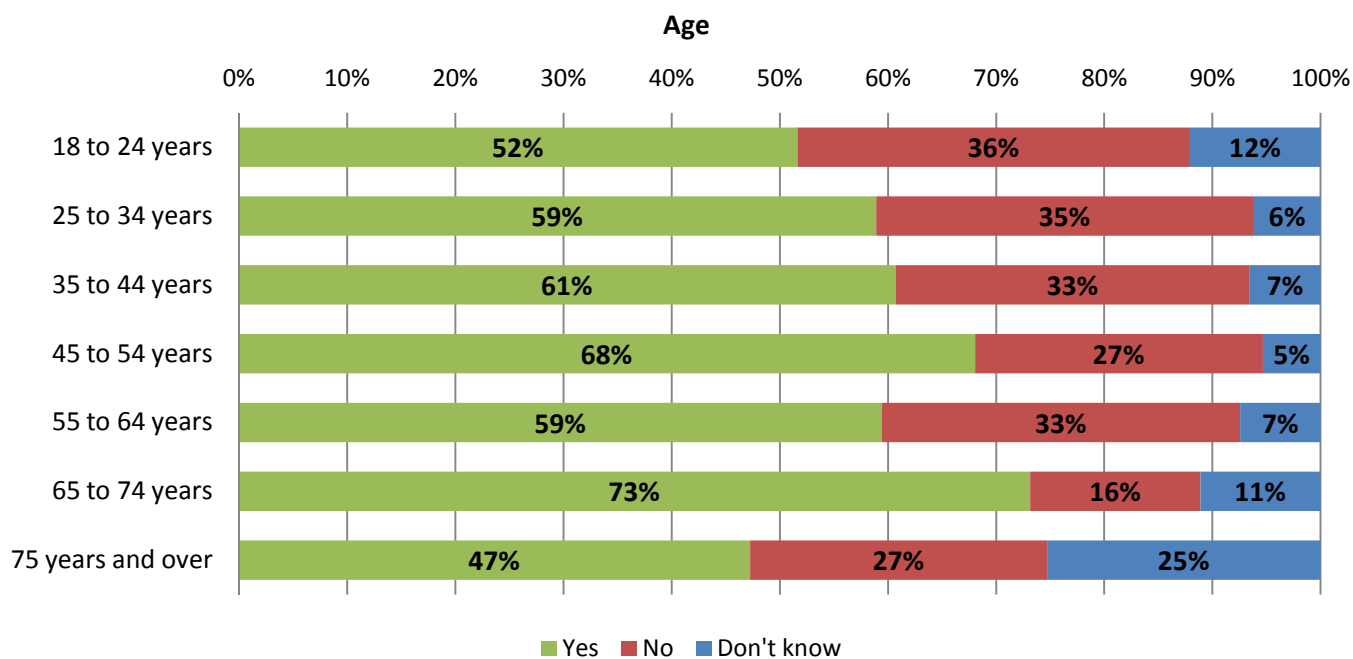
The majority of respondents to the survey are in favour of option 1 – reducing the maximum level of support for working age applicants from 87% to 80%.

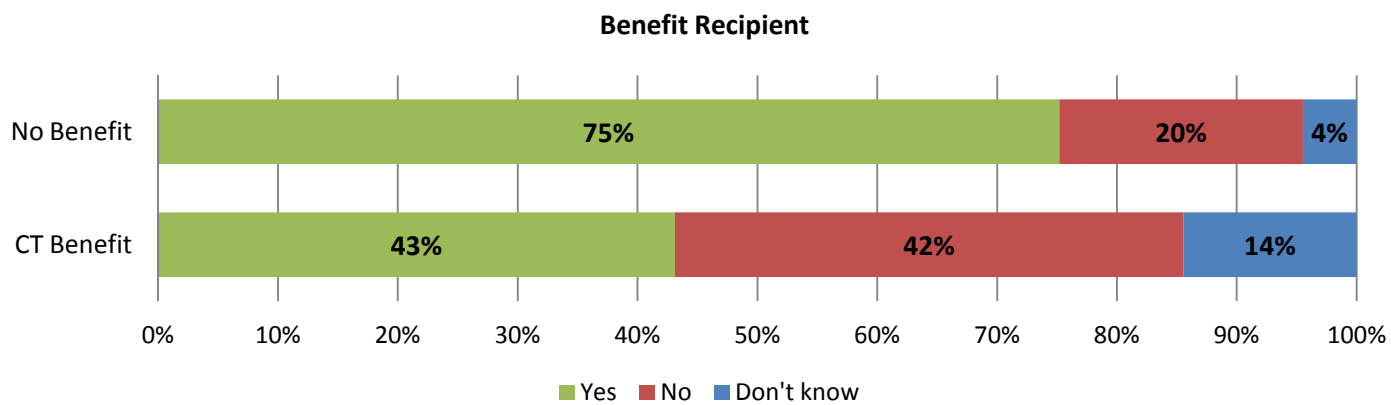
Respondents with a disability had the lowest level of agreement with this option at 42%, a 22% difference compared to the responses of the non-disabled.

Respondents receiving Council Tax reduction had the second lowest levels of agreement at 43%; there is a 32% difference between this group and those who do not receive Council Tax Reduction.

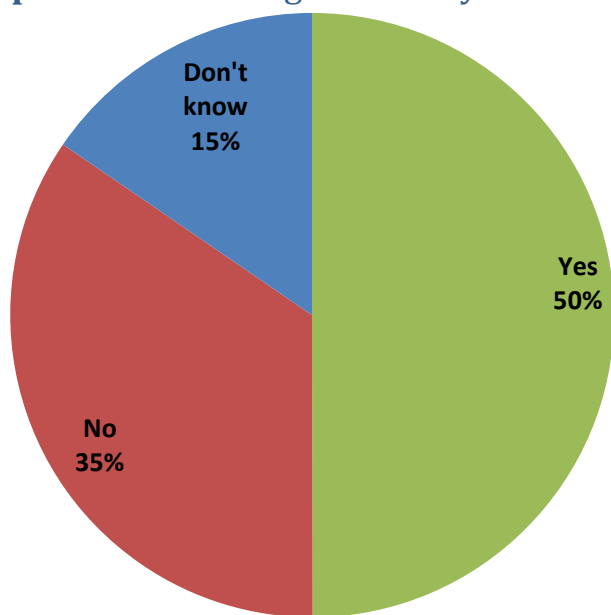
The comments in relation to this option show concern for people on low income, suggest that there reduction amount is too high or too low and suggest phasing down the reduction.







Option 2 Removing the Family Premium for all new working age applicants

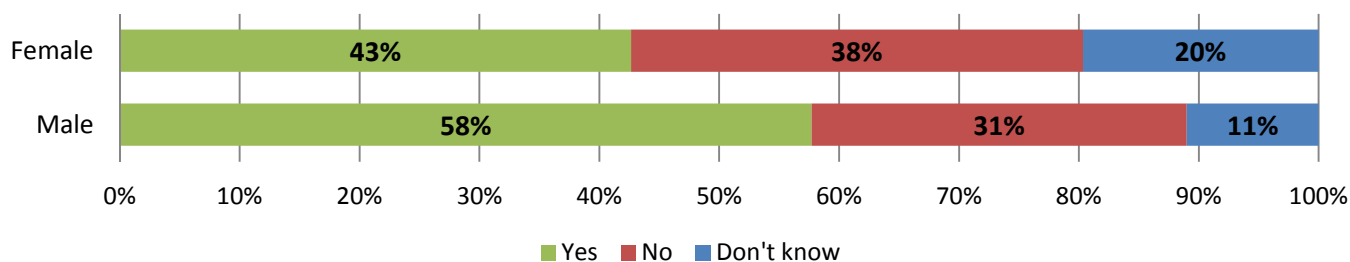


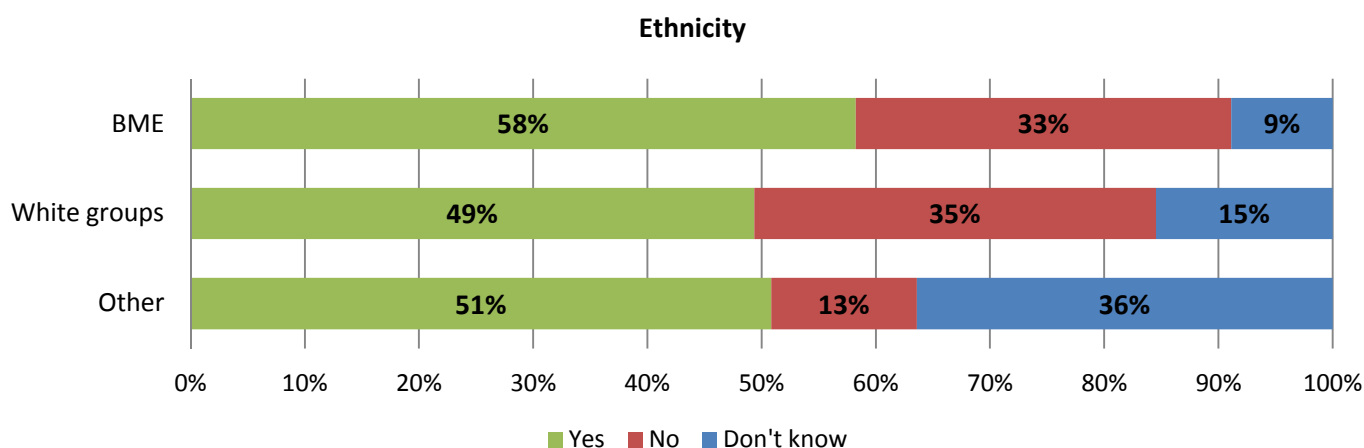
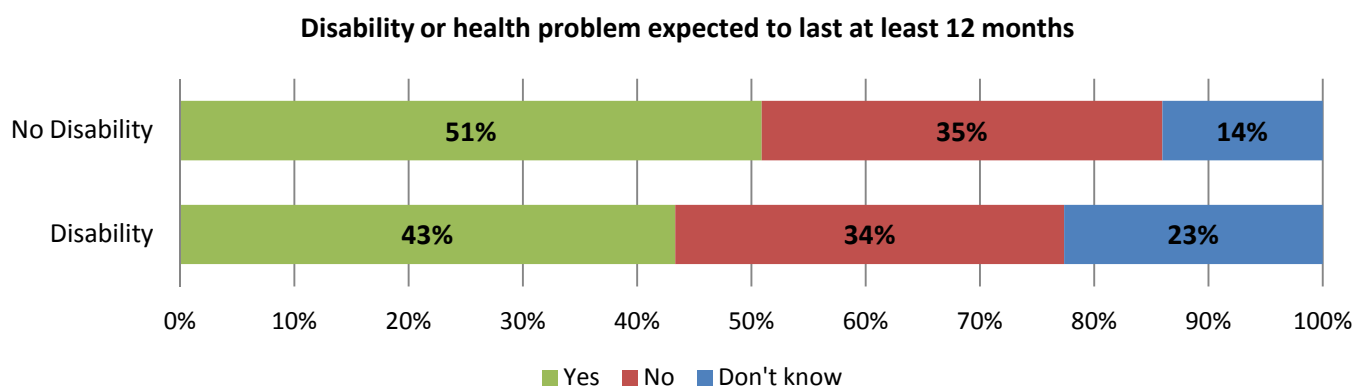
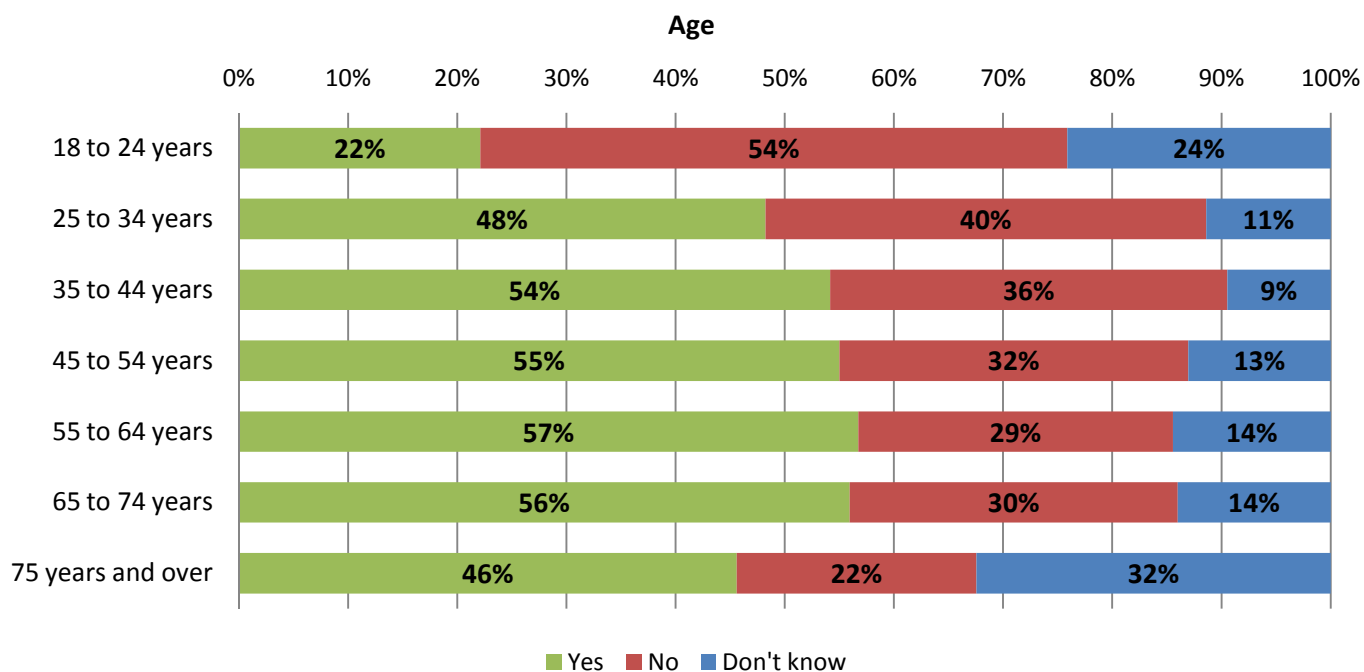
Overall, 50% of respondents were in favour of option 2 removing the family premium for all new working age applicants. When this is analysed by respondent type it shows that for some groups there is no clear majority of respondents agreeing with this option.

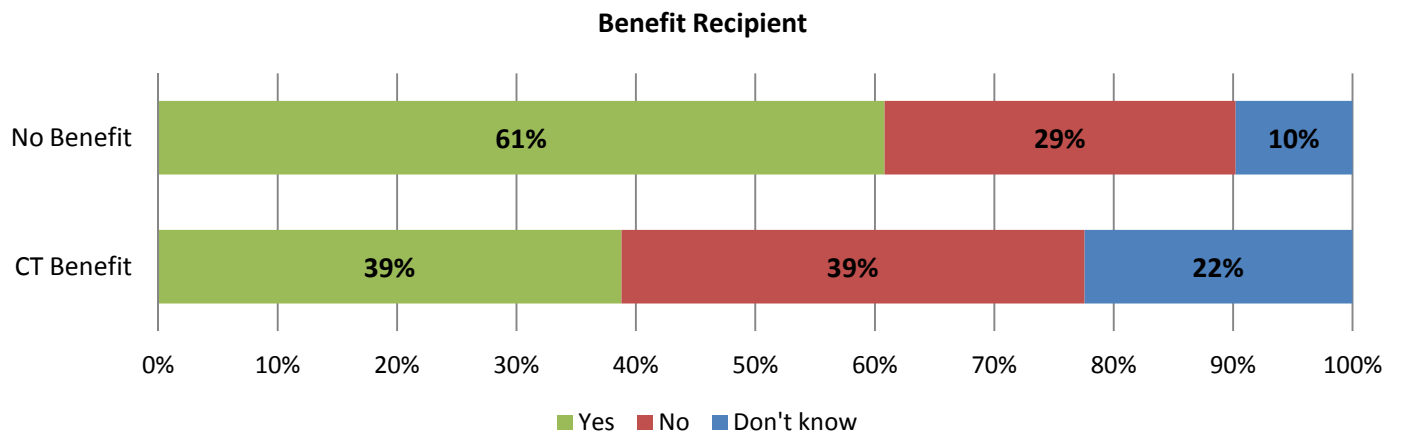
Respondents receiving Council Tax reduction have the lowest level of agreement at 39%. This is a 22% difference compared to those who do not receive this reduction.

Women and those with a disability also had at least 20% respondents answering 'don't know'. The comments show support for bringing the scheme in line

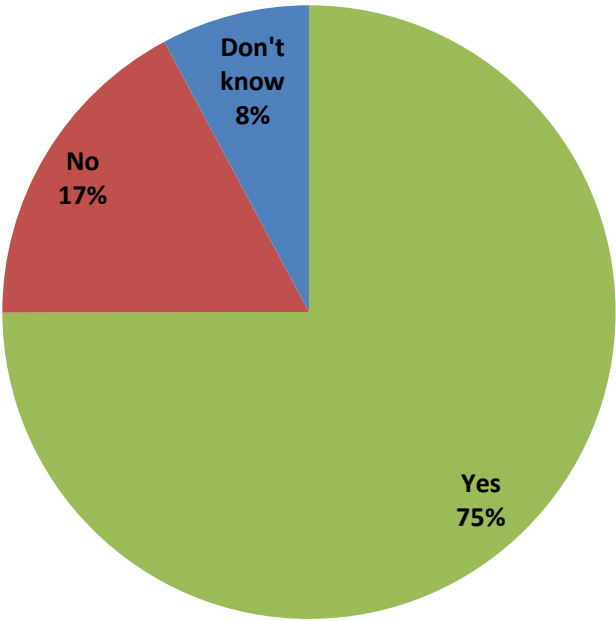
with other benefits however there is a concern people with children are being penalised, in particular single parents and those with larger families struggling financially. Women are more likely to be single parents than men so this may explain the difference in levels of agreement between these two groups.







Option 3 Reducing backdating to one month

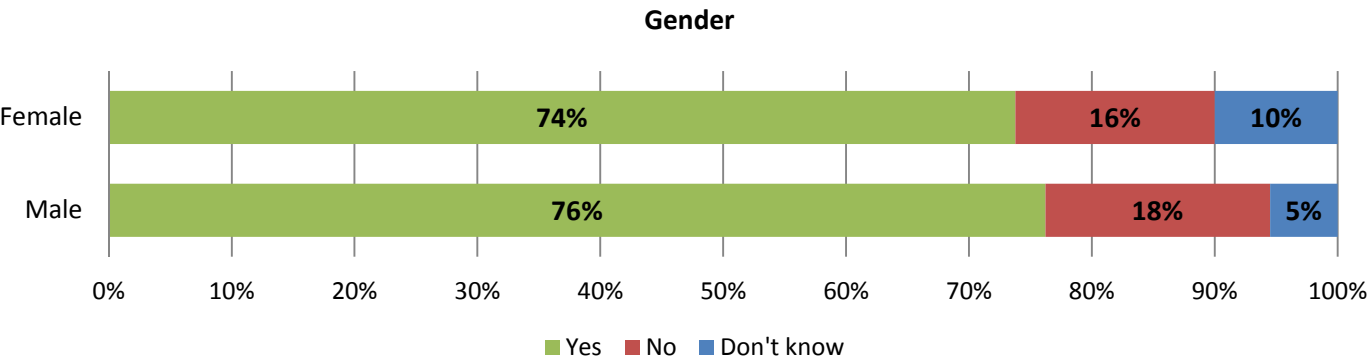


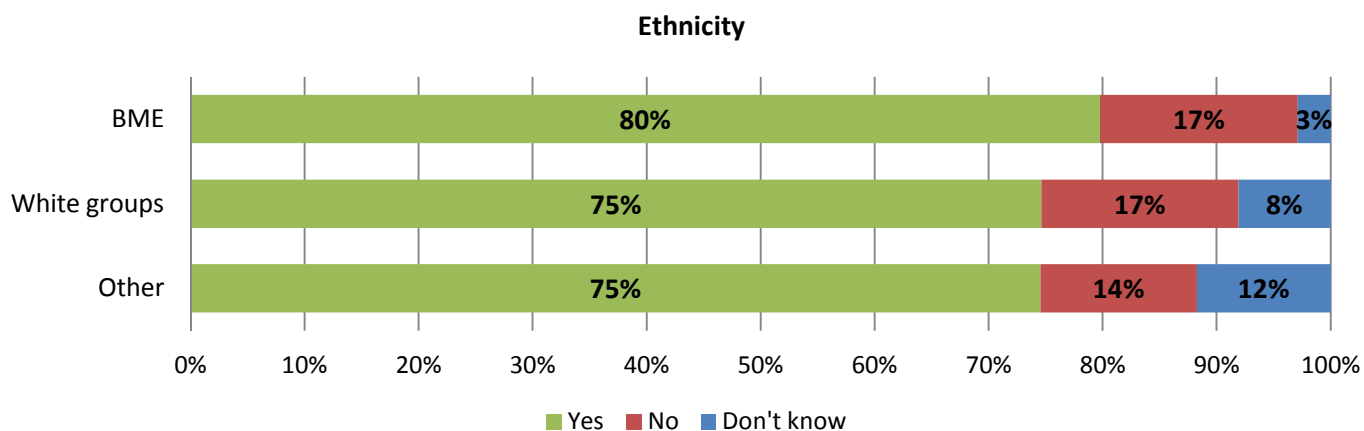
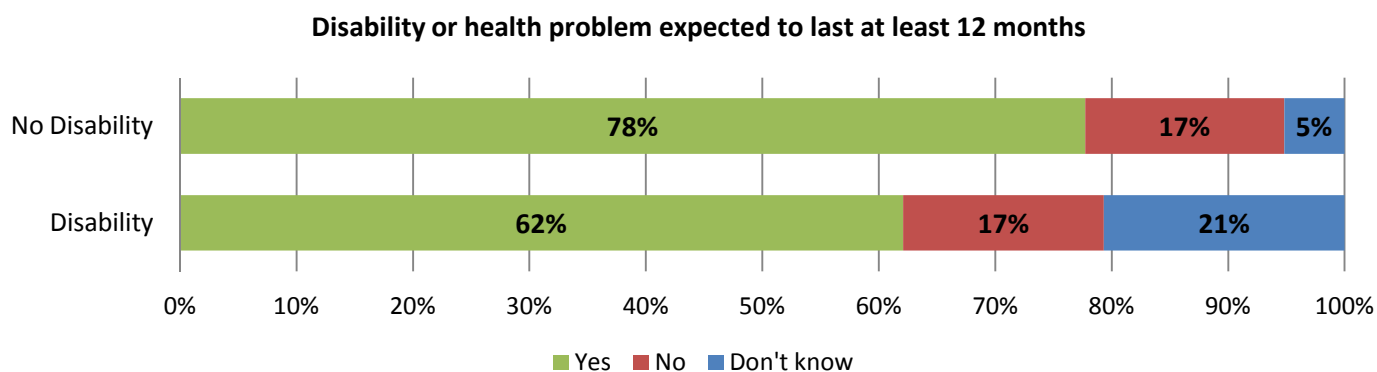
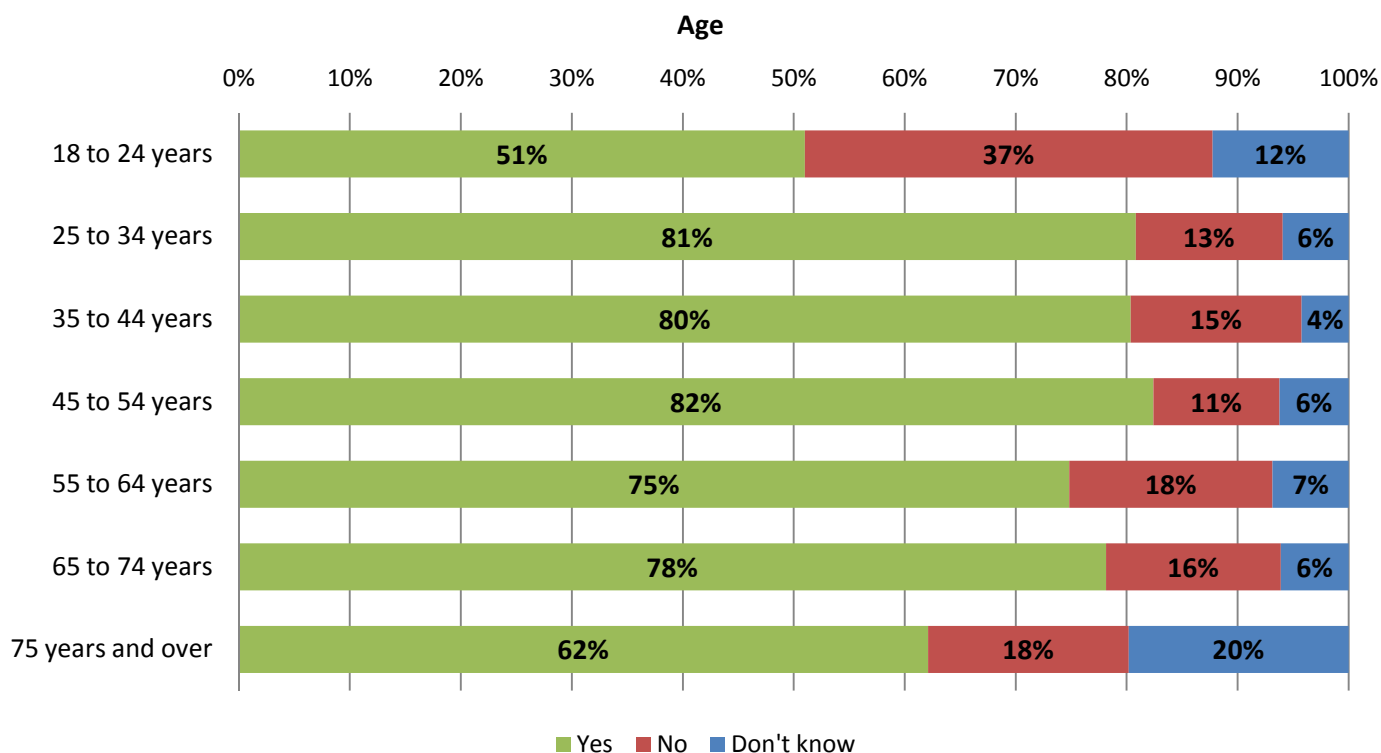
The majority of respondents are in favour of option 3, with three out of every four respondents agreeing with the proposed change.

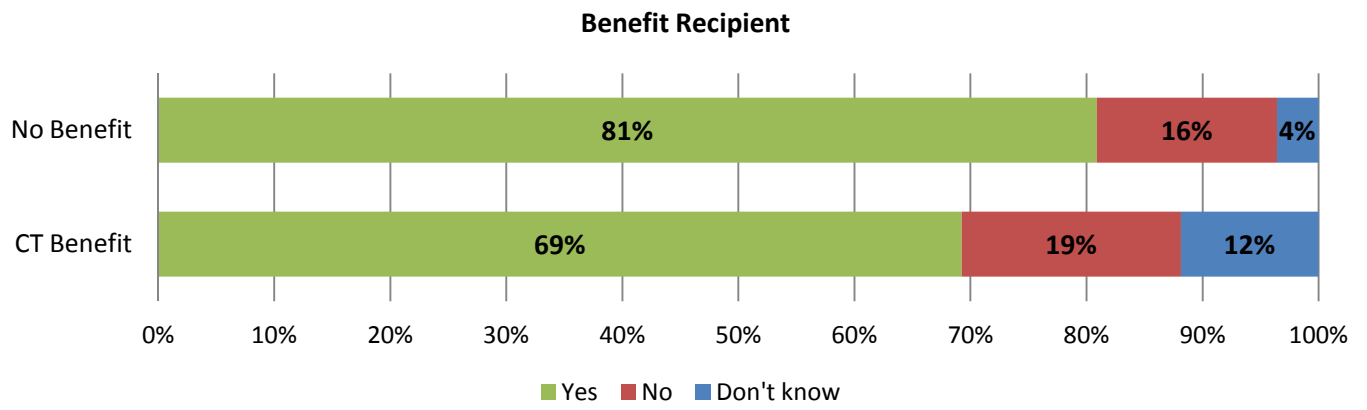
With the exception of the 18 to 24 year olds, who are mentioned in the methodology section, there was support for this option across groupings.

Respondents with a disability and those aged 75 years and over have slightly lower levels of agreement at 62%. The comments show concern for vulnerable people having the assistance they need to complete the paperwork.

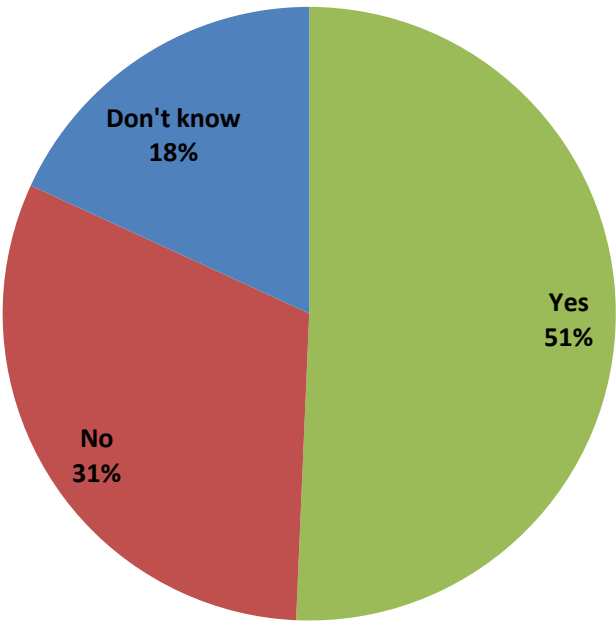
Other comments express surprise that currently claims can be backdated for up to six months, with some stating if people need assistance they would apply for it sooner.







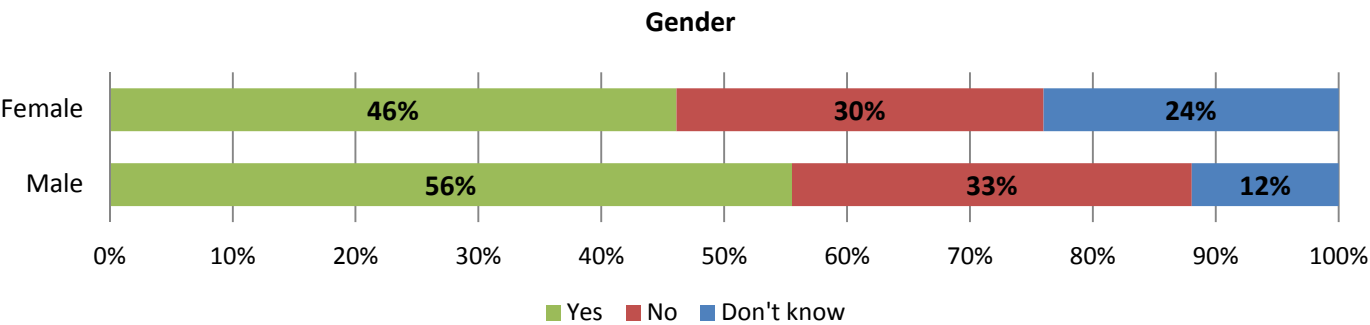
Option 4 using a set income for self-employed earners after one year’s self-employment

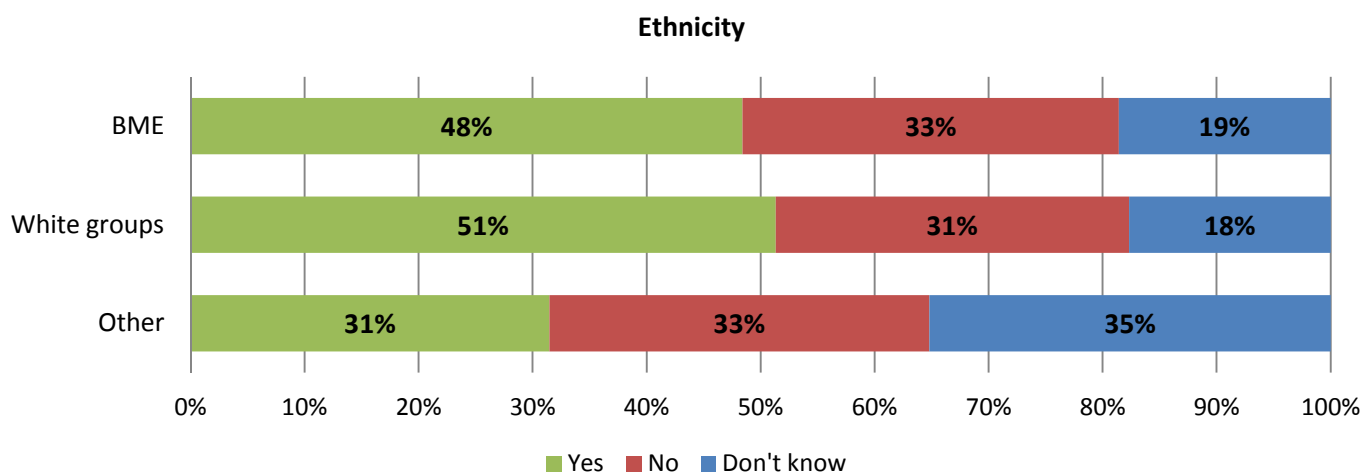
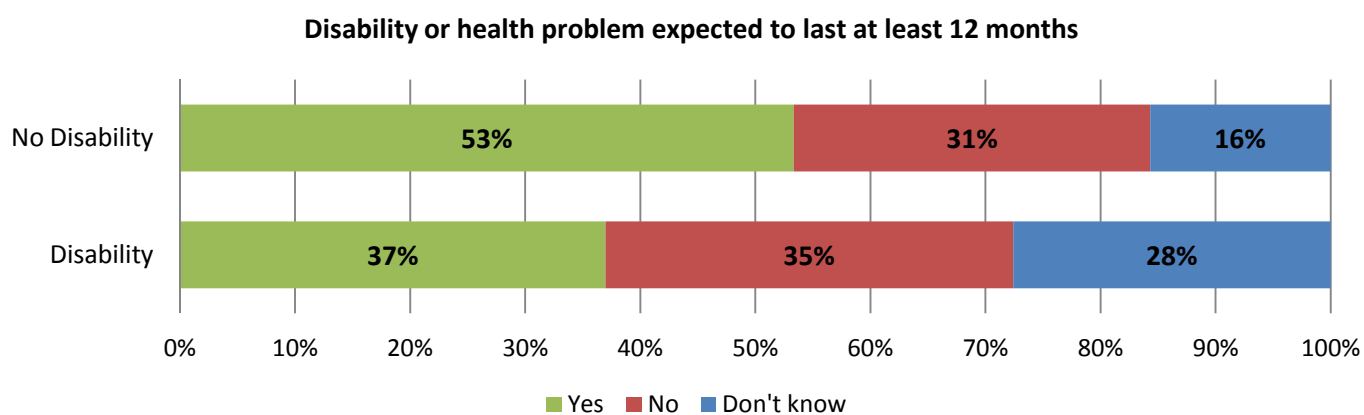
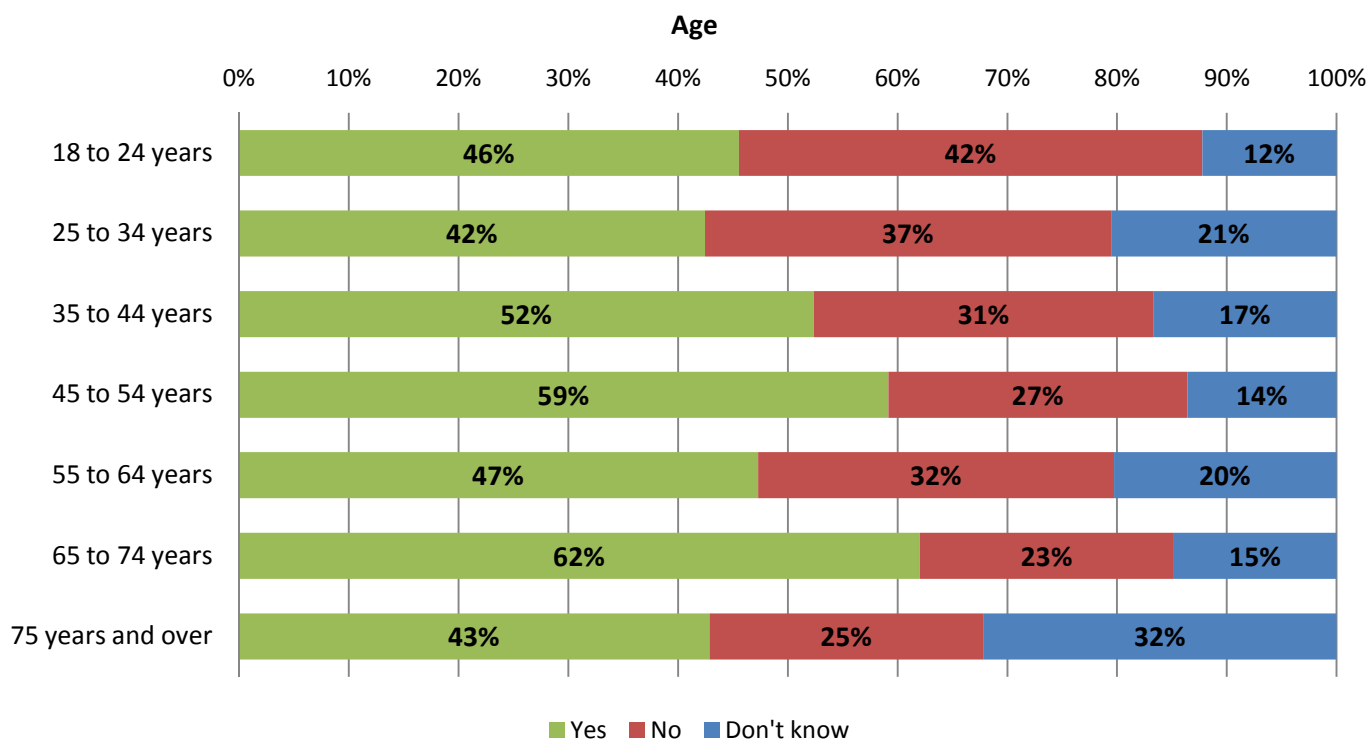


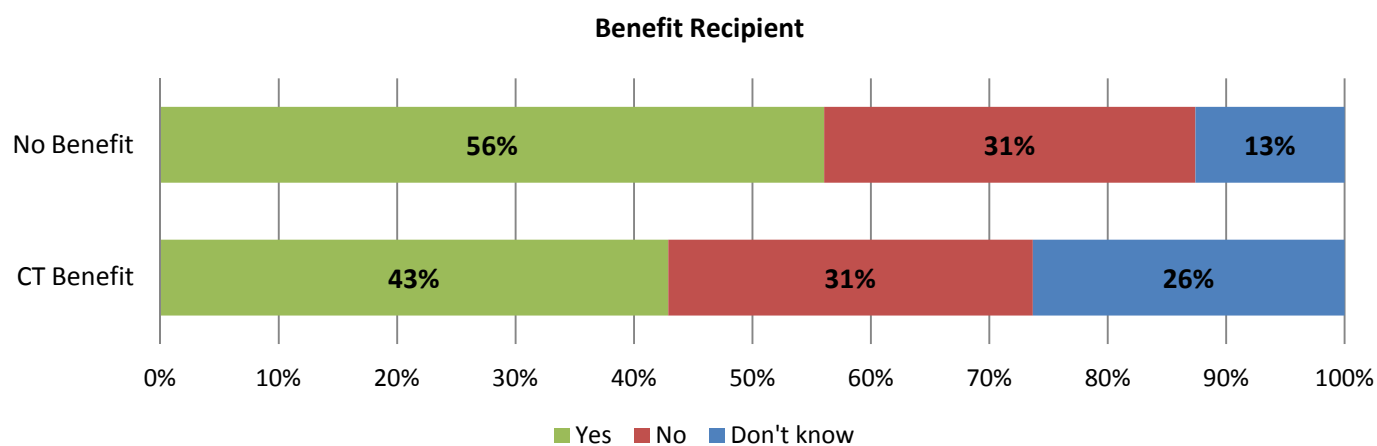
Just over half of respondents were in favour of option 4, using a set income for self-employed earners after one year’s self-employment.

Respondents with a disability and those aged 25 to 34 years had low levels of agreement with this option when compared to the rest of their groupings.

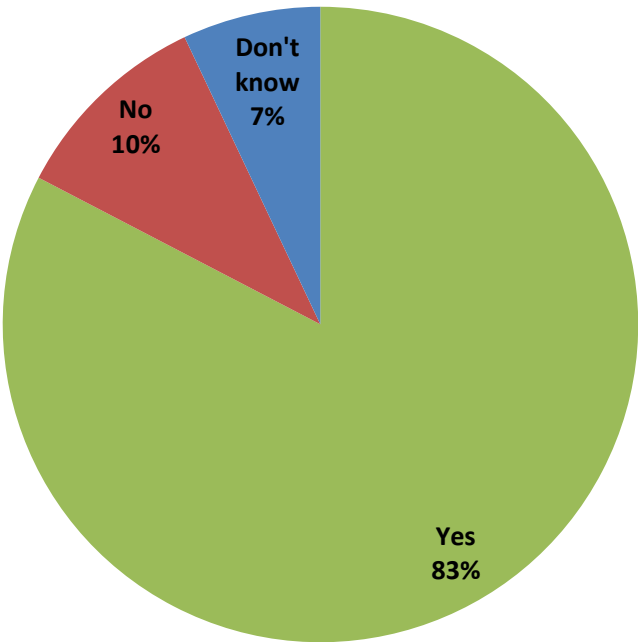
Comments in relation to this option express concern that this option does not allow new starter businesses to grow and that self-employed people will often work longer hours to earn a basic income. There were also comments around national incentives to encourage entrepreneurship which could explain the lower levels of agreement from the 25 to 34 years age group.





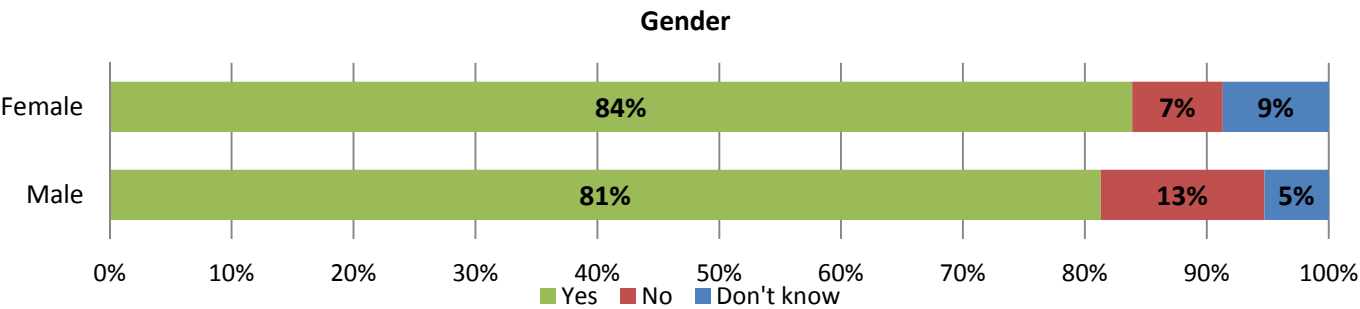


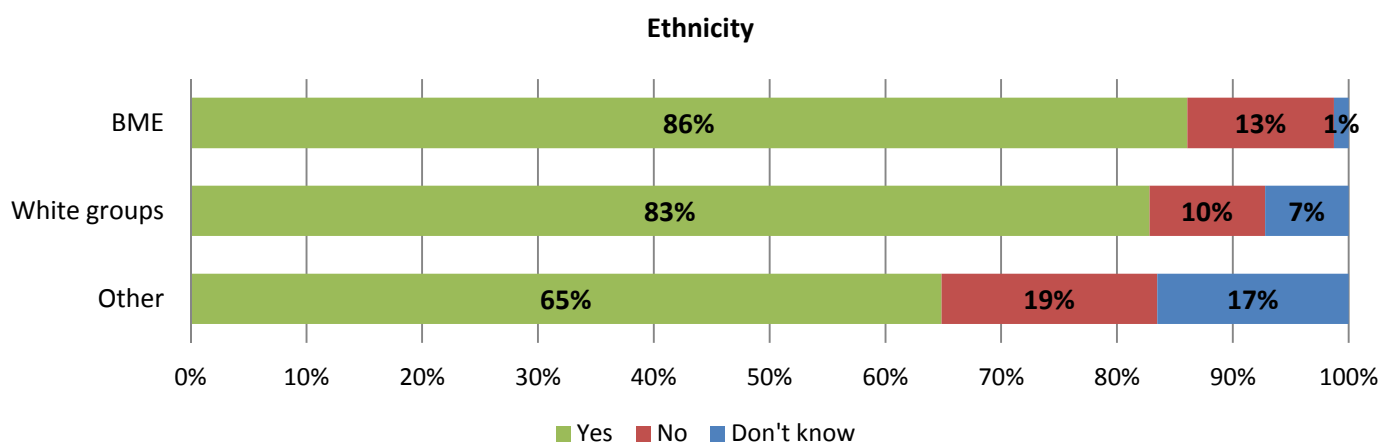
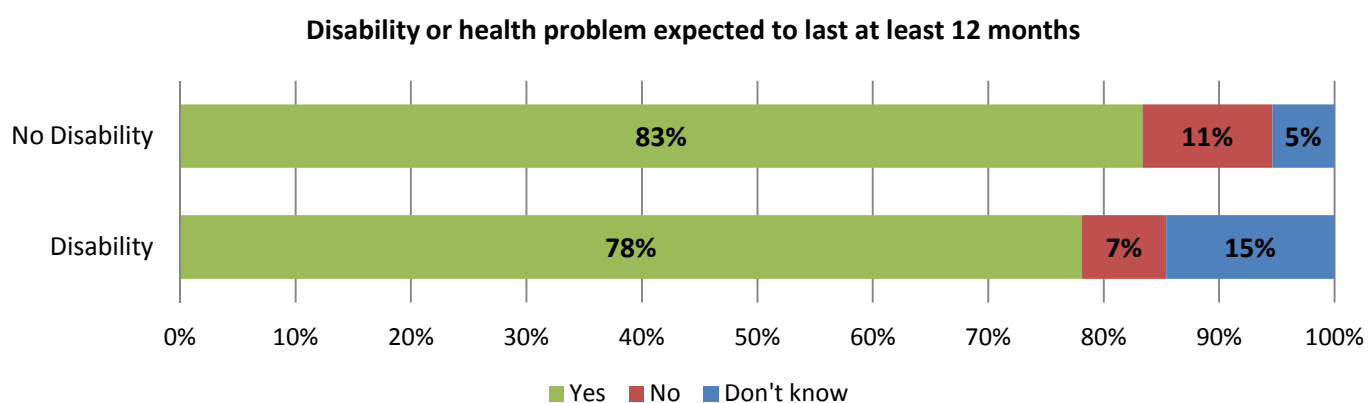
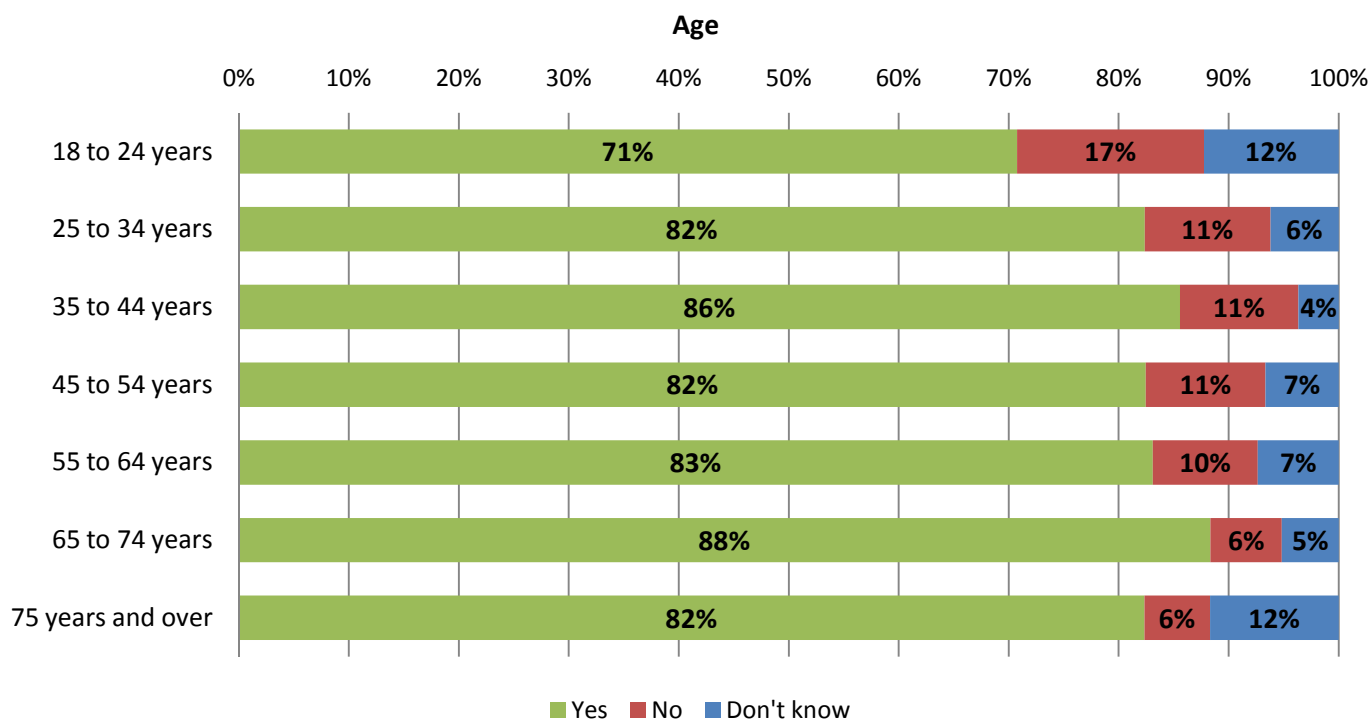
Option 5 Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to four weeks

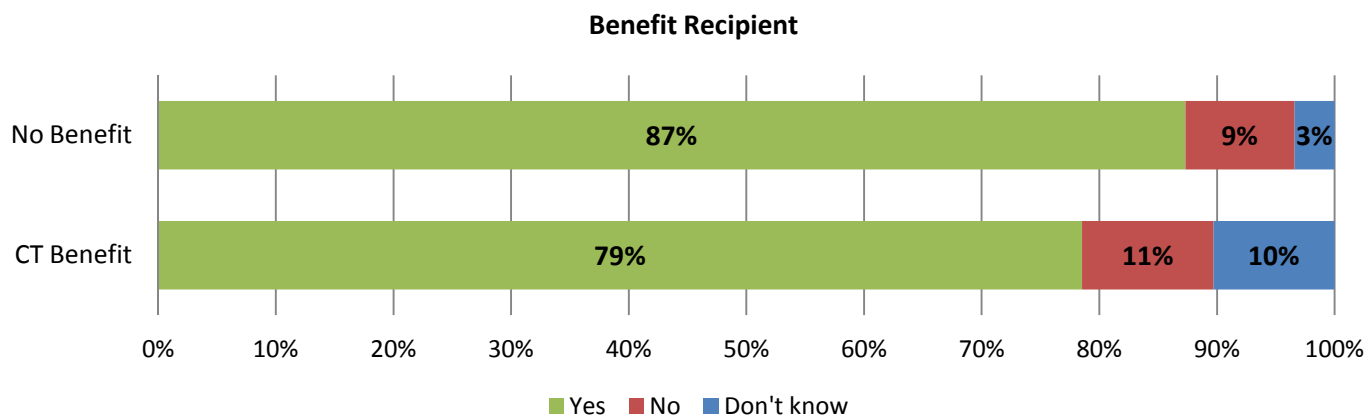


The majority of respondents are in favour of option 5 – reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to four weeks, with over four out of five respondents agreeing with the proposed change.

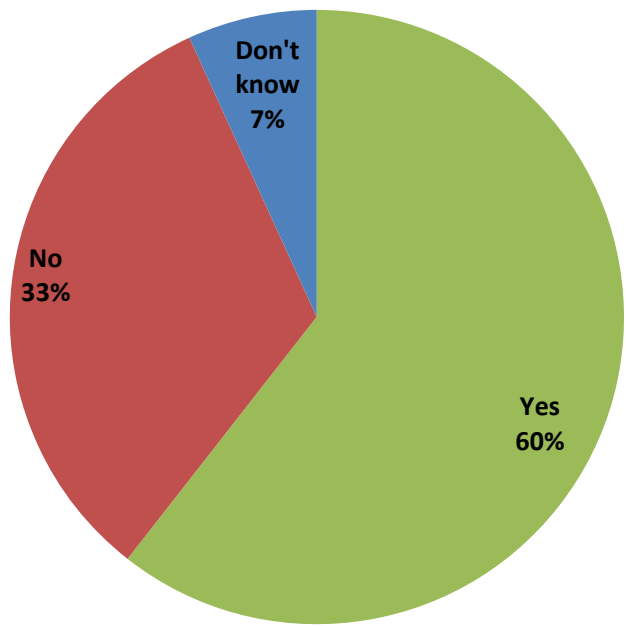
While the comments are mostly positive about this option there is some concern that this could unfairly impact on certain occupations such as the army.







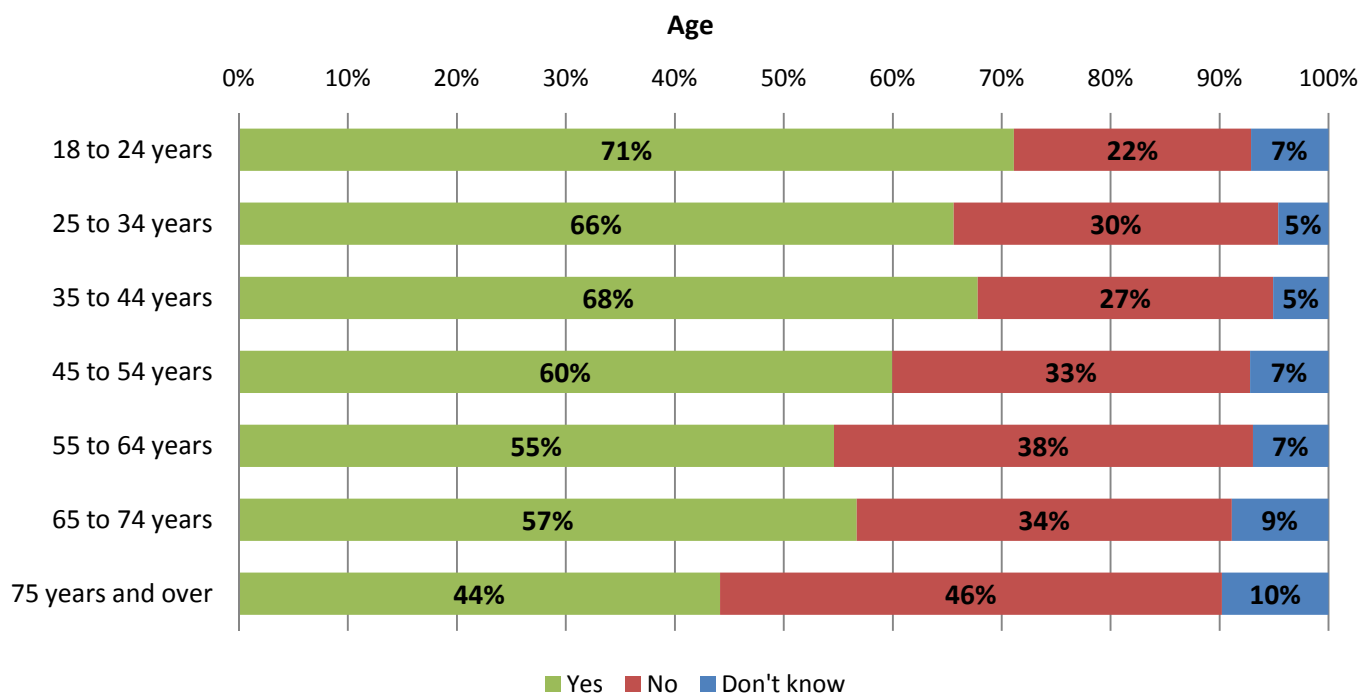
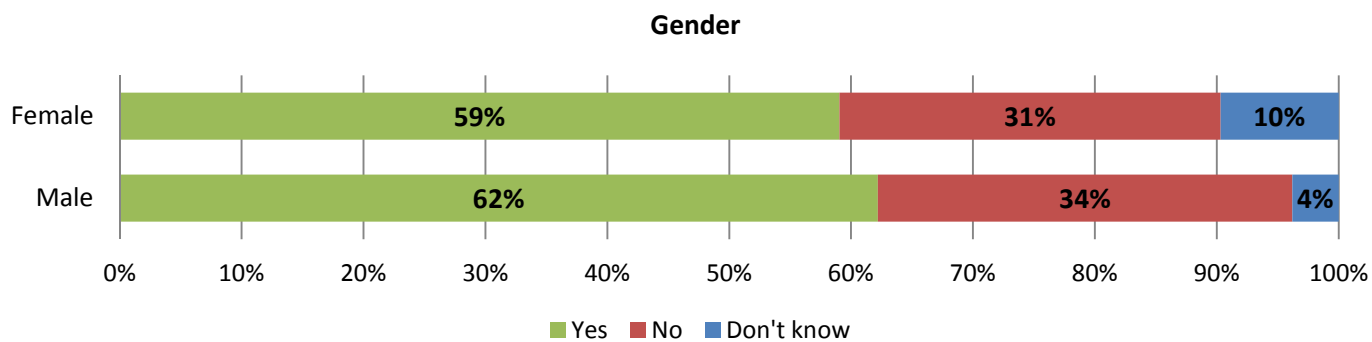
Option 6 Reduce the capital limit from the existing £16,000 to £6,000



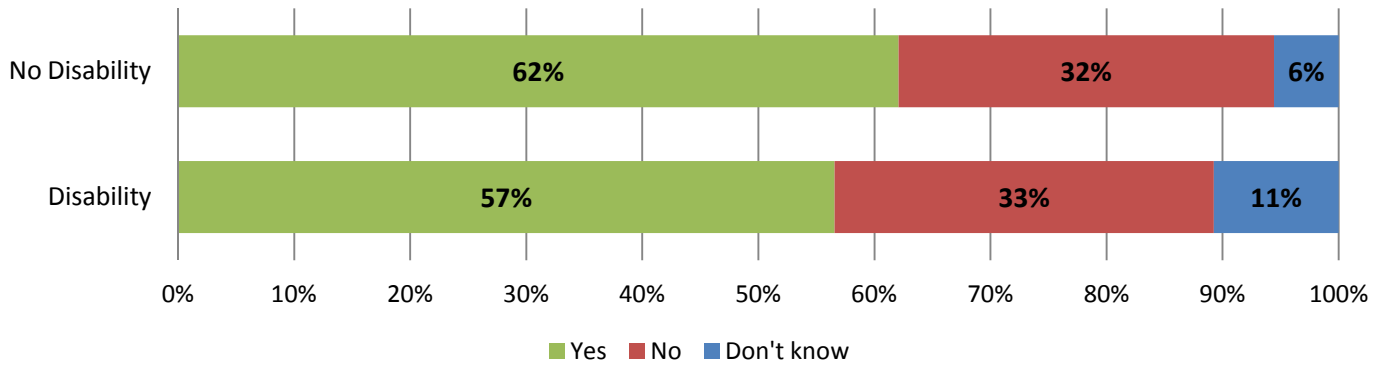
The majority of respondents are in favour of option 6 – reduce the capital limit from the existing £16,000 to £6,000.

Respondents aged 75 years and over have the lowest levels of agreement with the option at 44%. It is possible that this group are concerned about leaving inheritance and savings they may have for end of life or after life care.

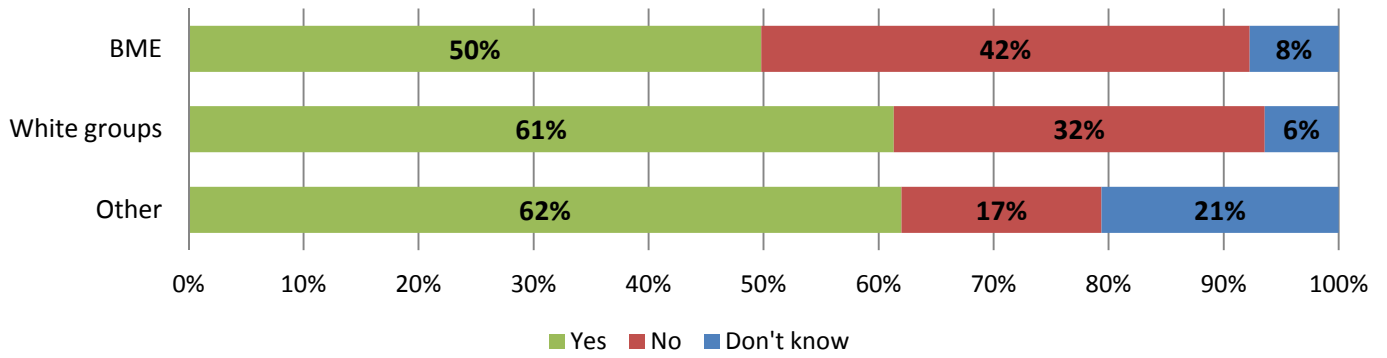
The comments in relation to this option are generally supportive though some have suggested that £10,000 would be a more appropriate limit and that this option discourages savers.



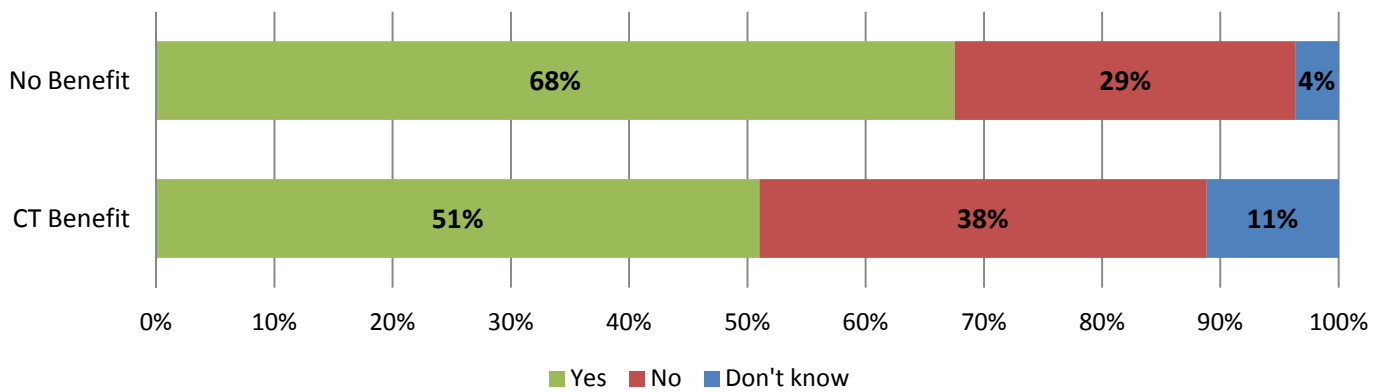
Disability or health problem expected to last at least 12 months



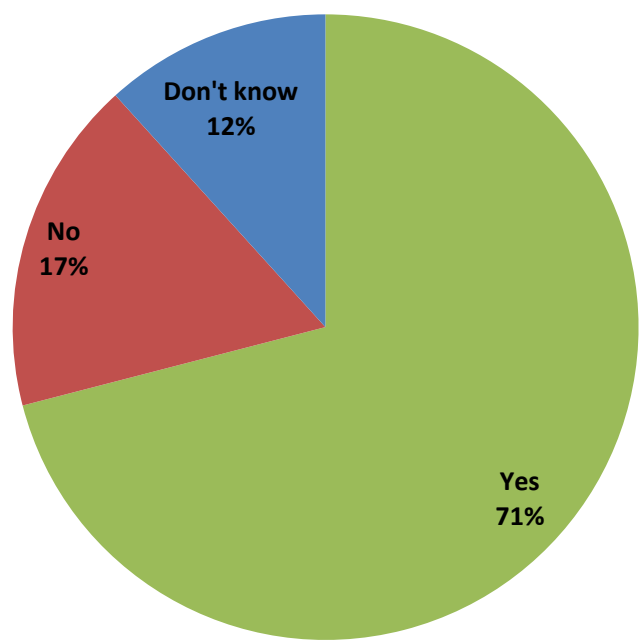
Ethnicity



Benefit Recipient



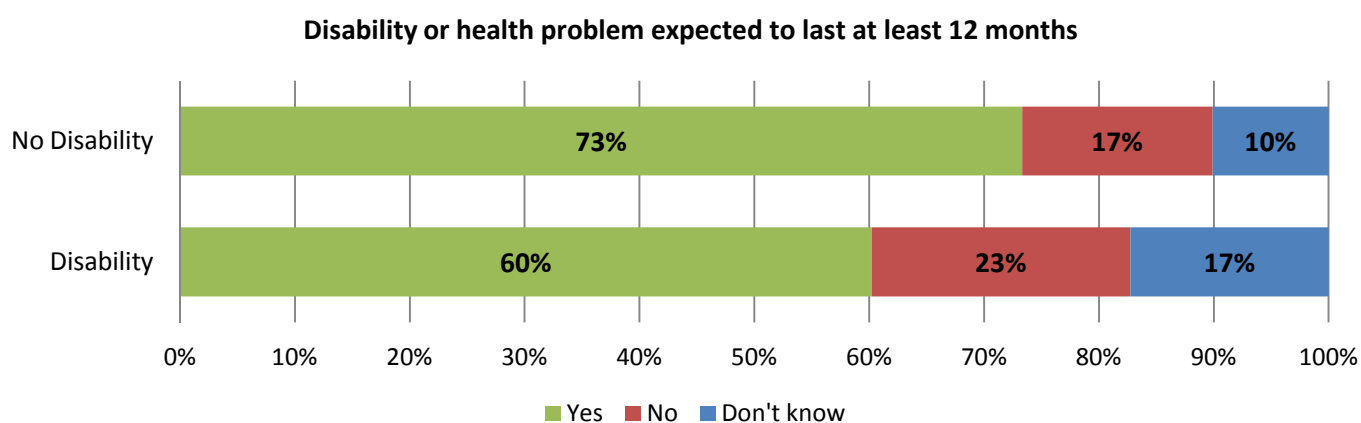
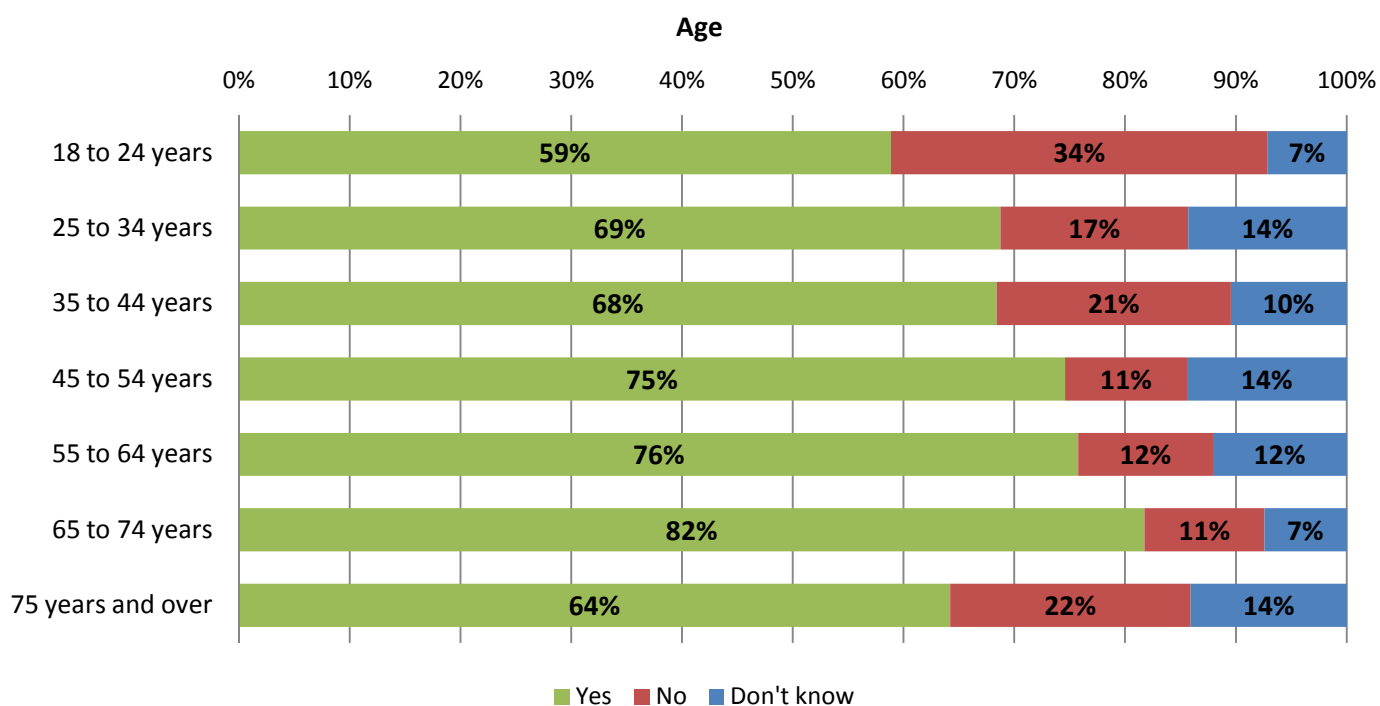
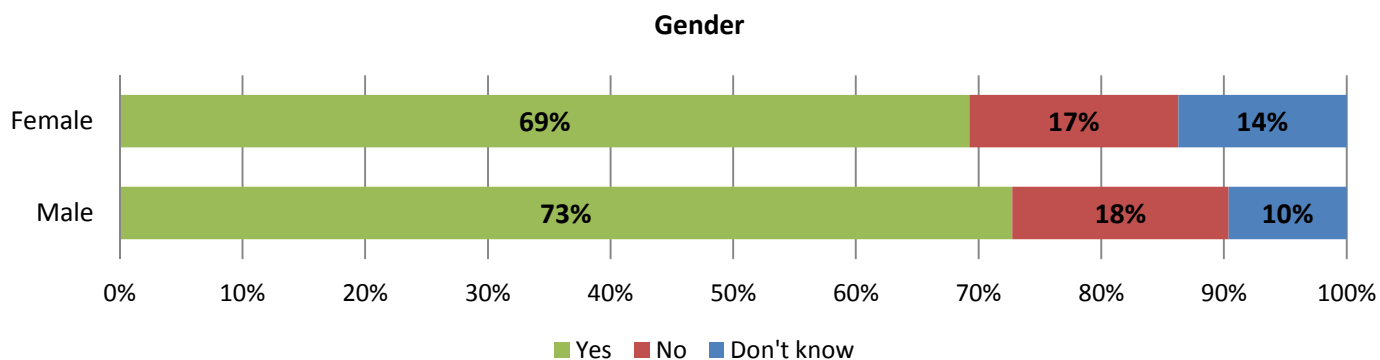
Option 7 To introduce a standard level of non-dependant deduction of £10 for all claimants who have non dependants resident with them

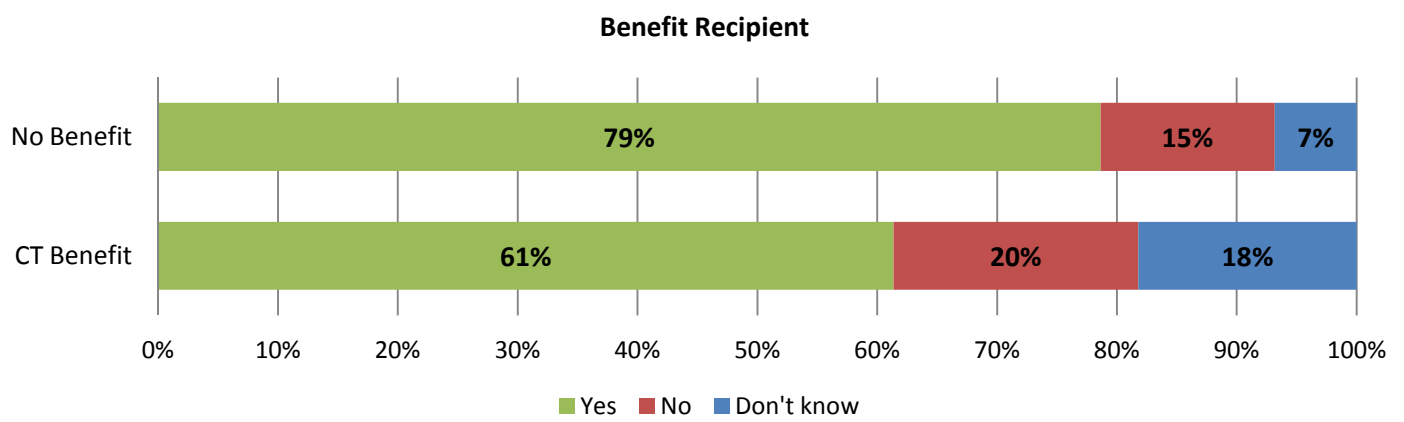
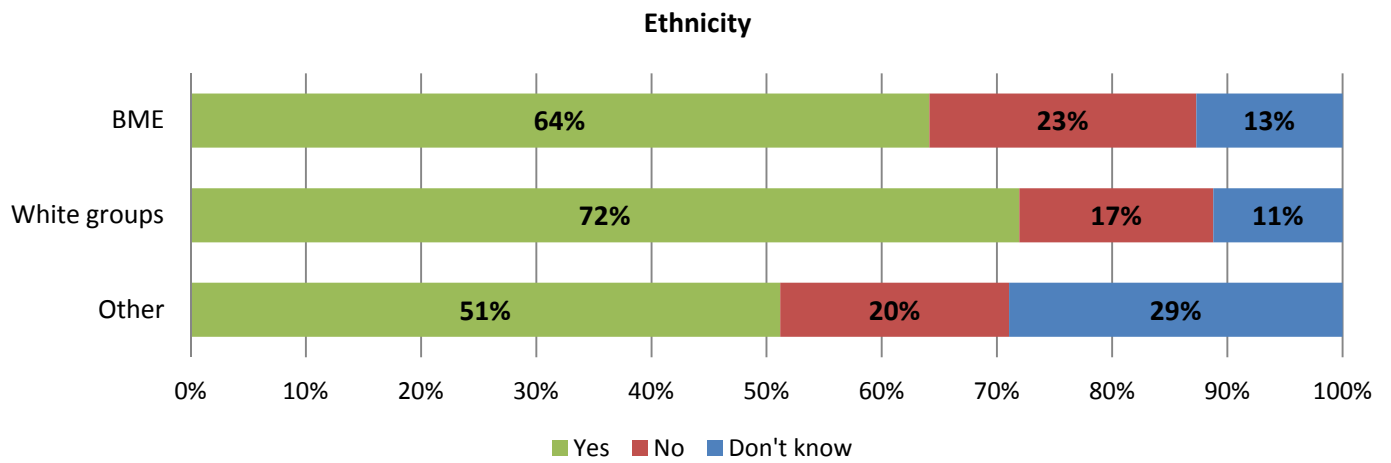


The majority of respondents are in favour of option 7 – to introduce a standard level of non-dependant deduction of £10 for all claimants who have non dependant’s resident with them, with 71% supporting this option.

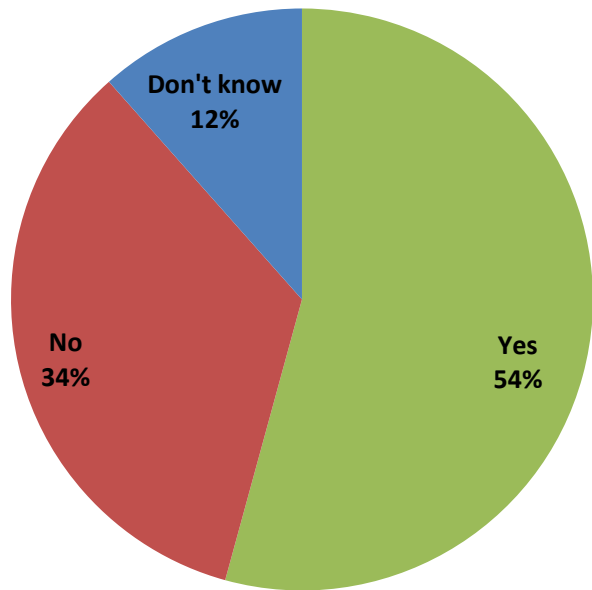
Respondents that are disabled and/or receive Council Tax Reduction had the lowest levels of agreement at 60% and 61% respectively. Respondents with a disability may be concerned about arrangements for carers living in.

The comments show concern for people who are disabled or in education, while others see this option as incentivising work. There also appears to be some confusion on how this impacts on students who stay at home.





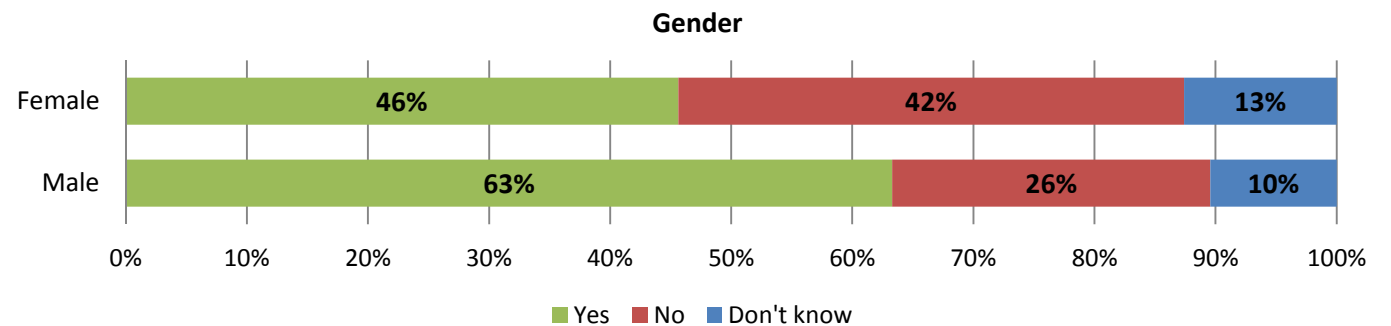
Option 8 To take any Child Maintenance paid to a claimant or partner into account in full in the calculation of Council Tax Reduction

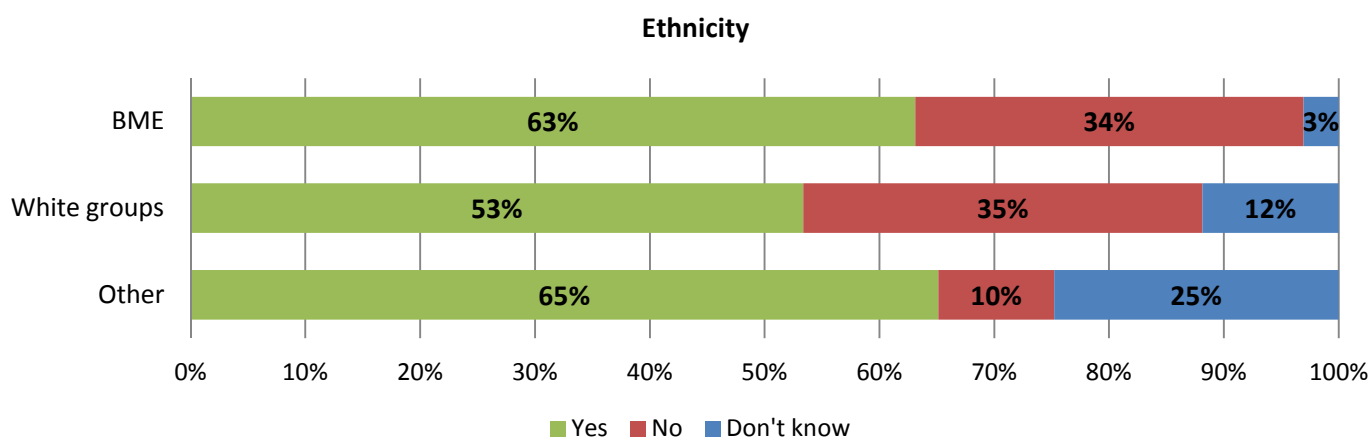
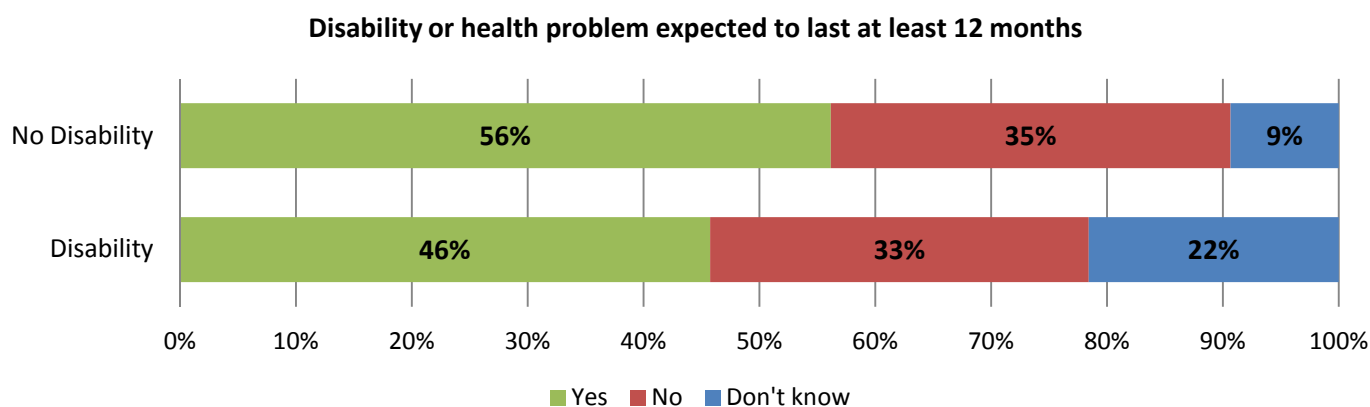
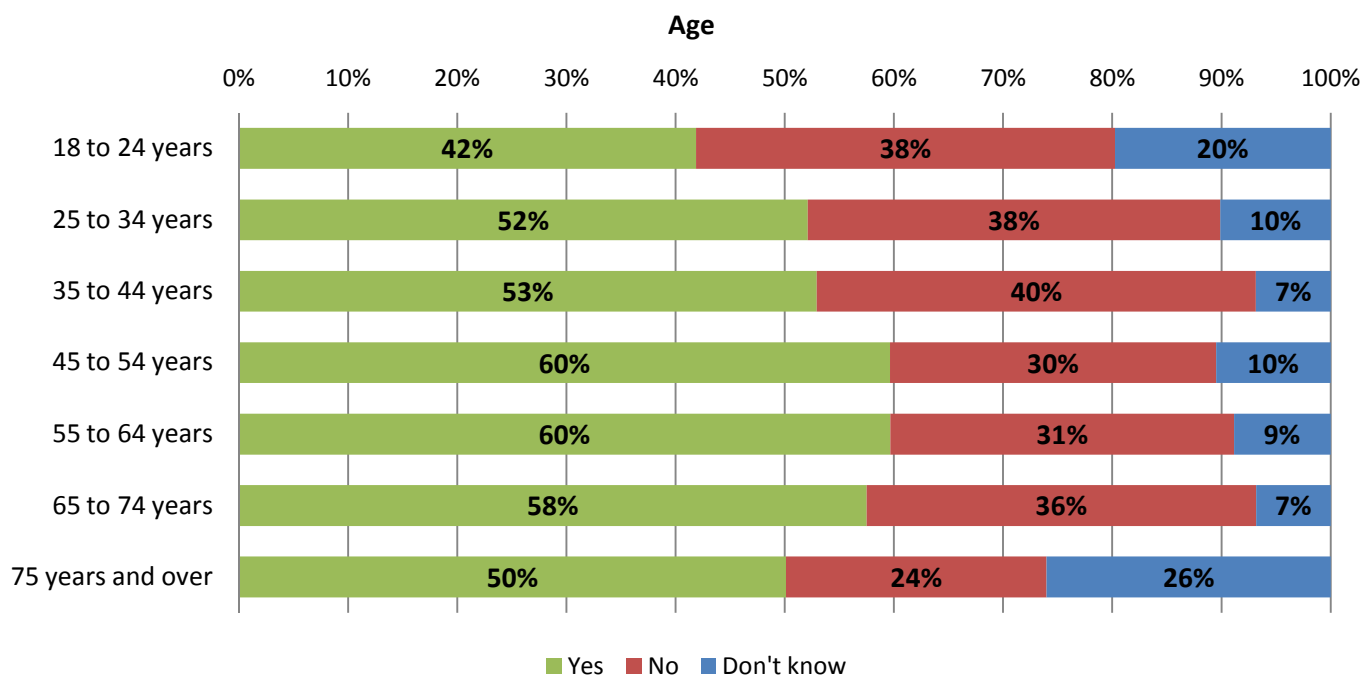


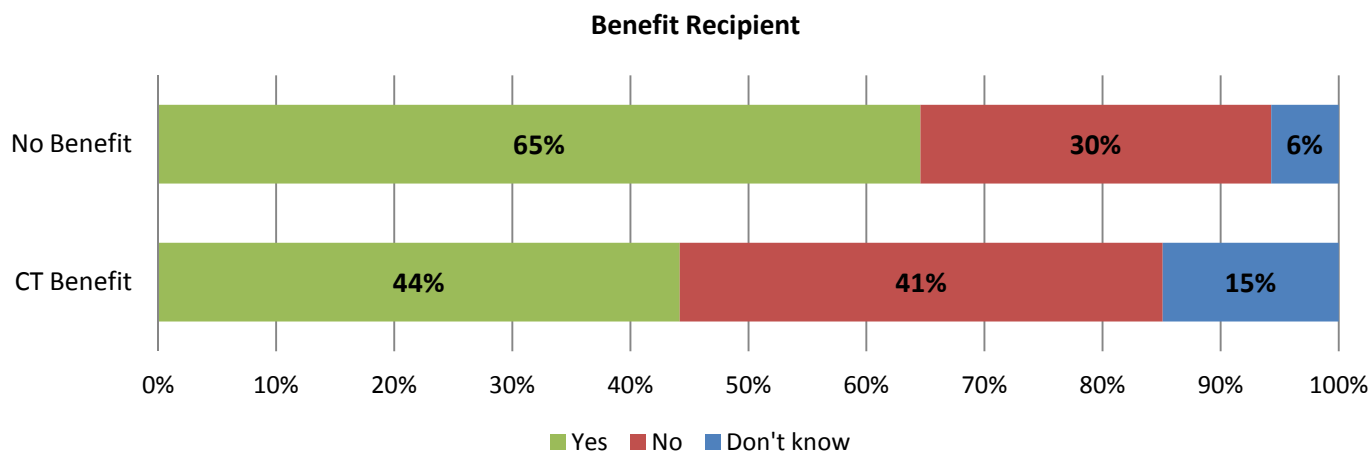
Overall, 54% of respondents are in favour of option 8 – to take any Child Maintenance paid to a claimant or partner into account in full in the calculation of Council Tax Reduction.

There are some significant variations between groupings. Council Tax reduction recipients have the lowest levels of agreement at 44%, followed by women and respondents with a disability that both had agreement levels of 46%. As women are more likely to be single parents this probably accounts for the lower levels of agreement from this group.

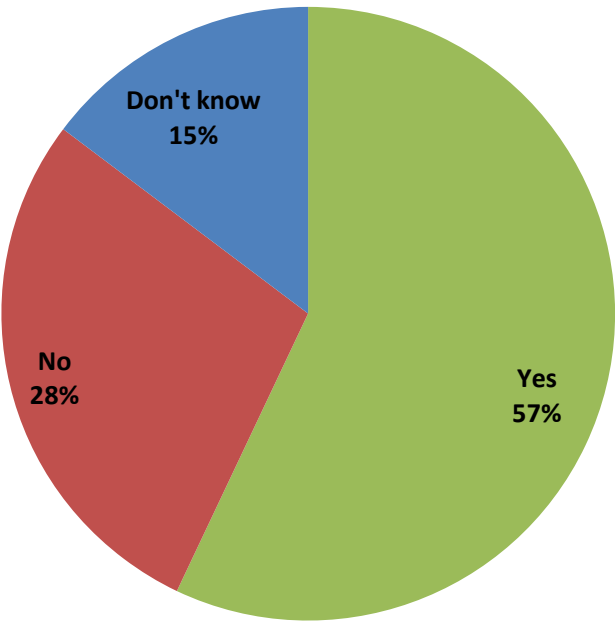
The comments show concern for single parents and some state that this money is intended for the children. However, other comments support all household income being taken into account in the calculation of benefits.







Option 9 To restrict the maximum level of Council Tax Reduction payable to the equivalent of a Band D charge

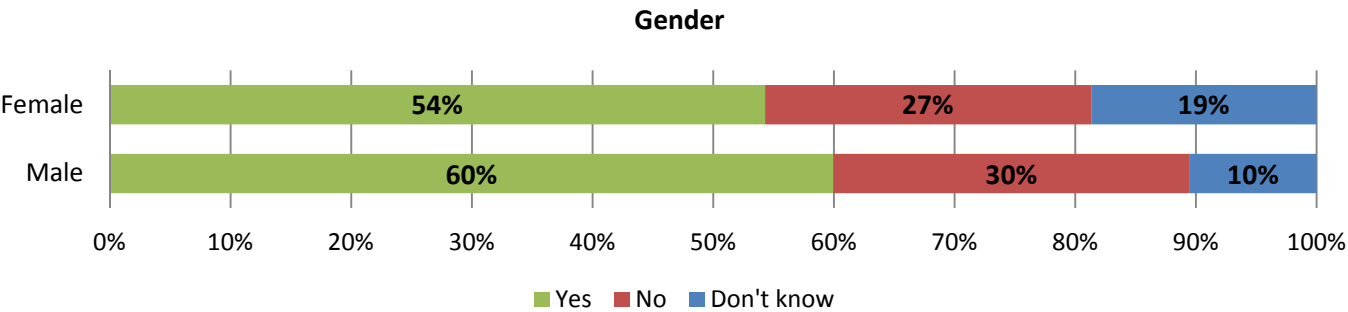


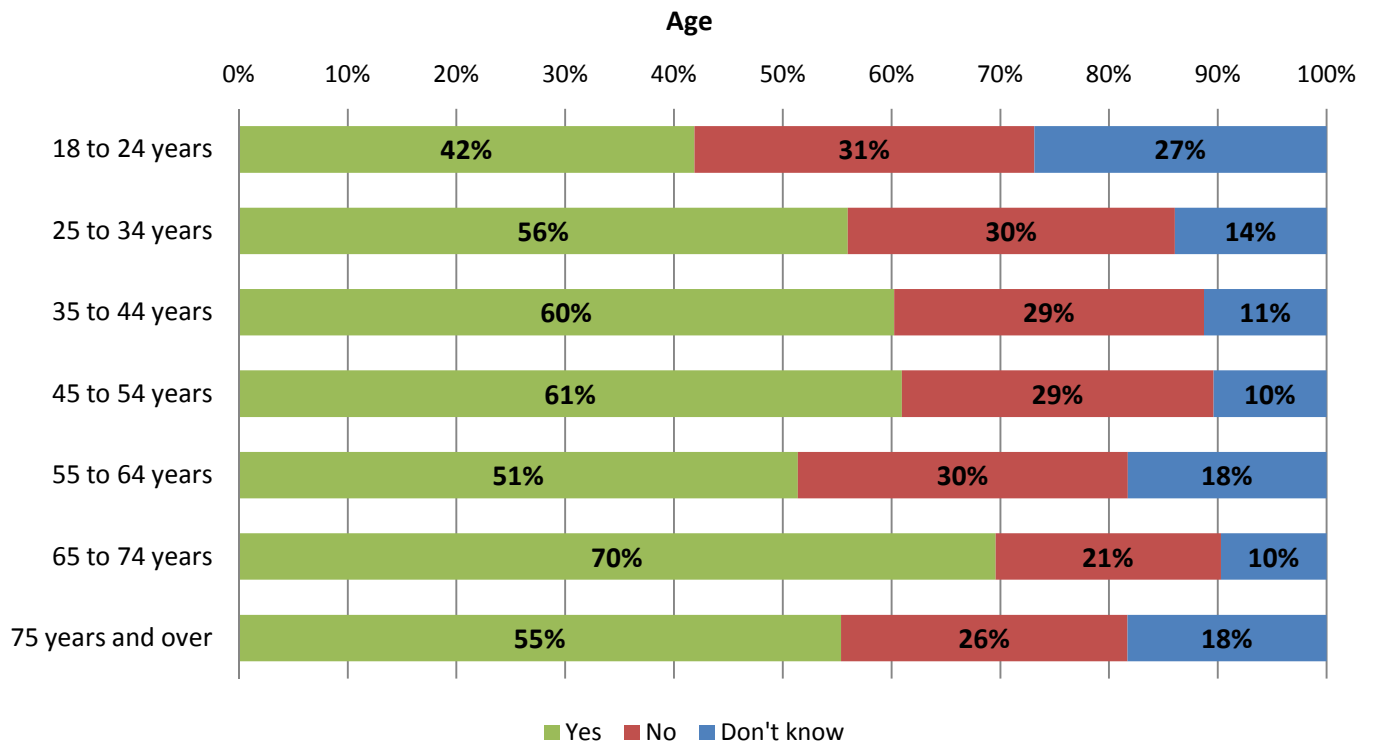
Overall, 57% of respondents are in favour of option 9 – to restrict the maximum level of Council Tax Reduction payable to the equivalent of a Band D charge.

Current Council Tax reduction recipients had the lowest levels of agreement with this option at 48%; with almost 1 in 5 people in this group responding ‘Don’t know’ there may be confusion about how this will work in practice.

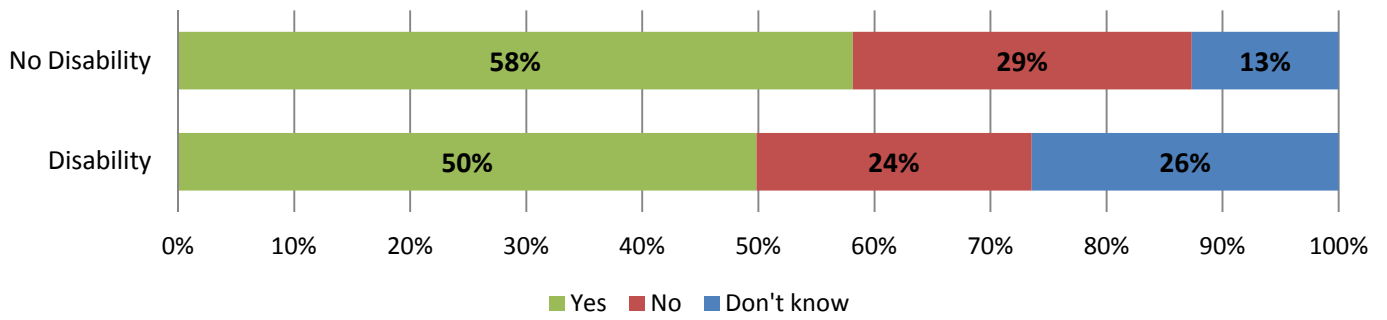
Respondents with a disability had the second lowest levels of agreement with this option at 50%. It is possible some disabled people may be occupying larger properties to accommodate carers and or equipment.

The 65 to 74 year old age group had the highest levels of agreement with this option out of all the groupings.

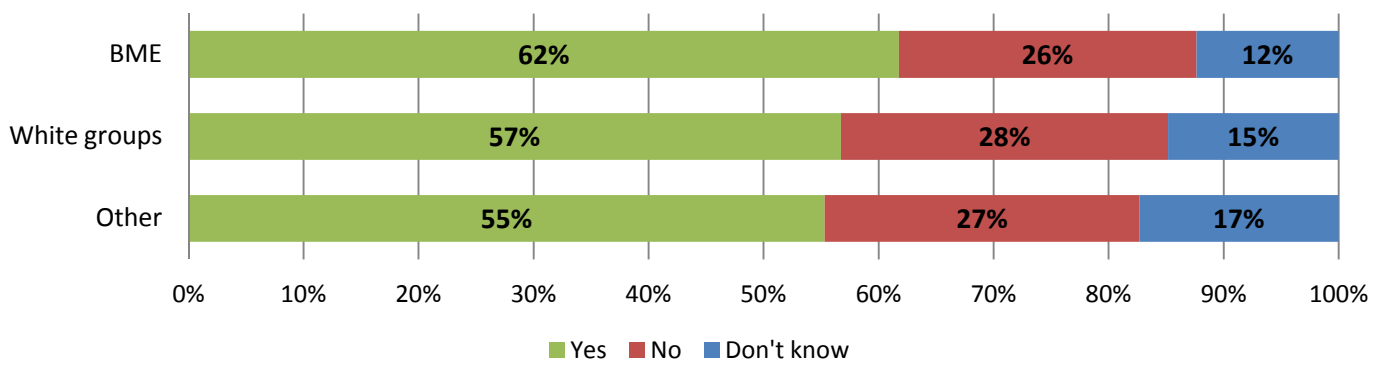




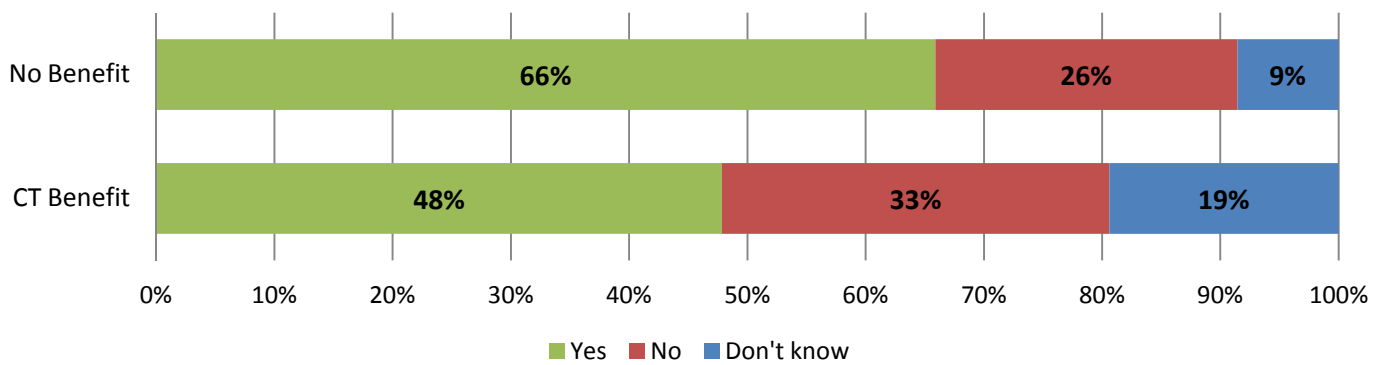
Disability or health problem expected to last at least 12 months



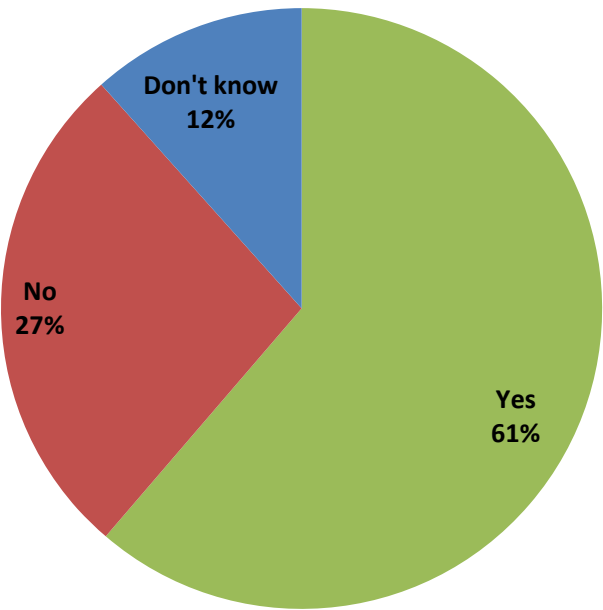
Ethnicity



Benefit Recipient



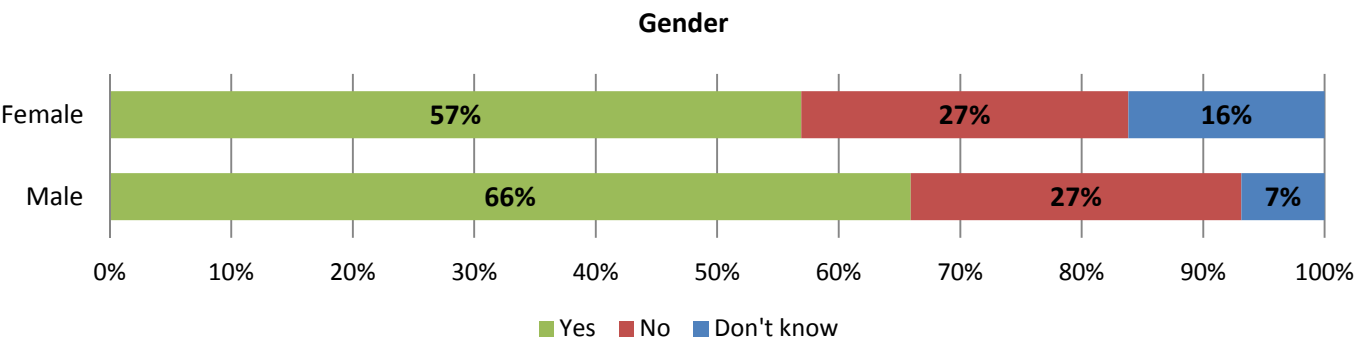
Option 10 To remove Second Adult Reduction from the scheme

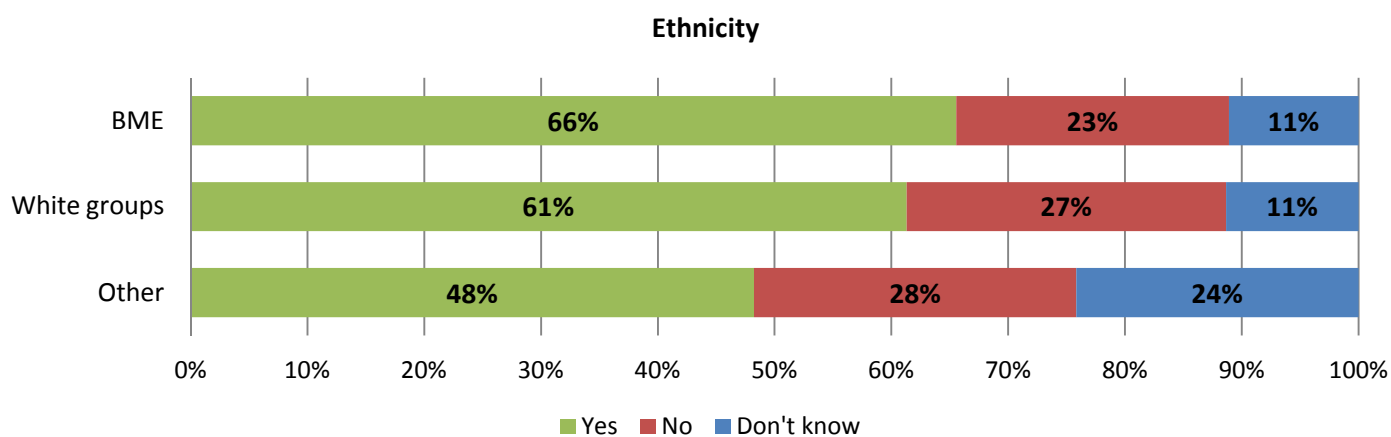
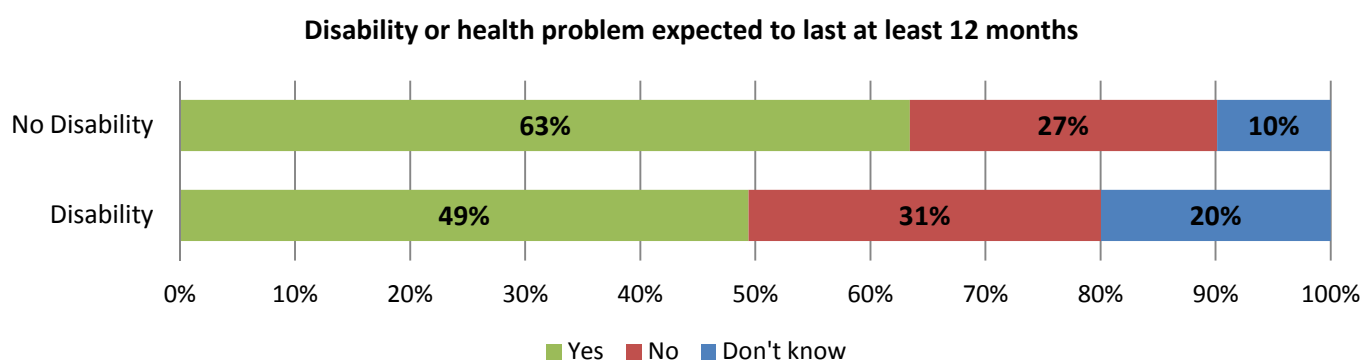
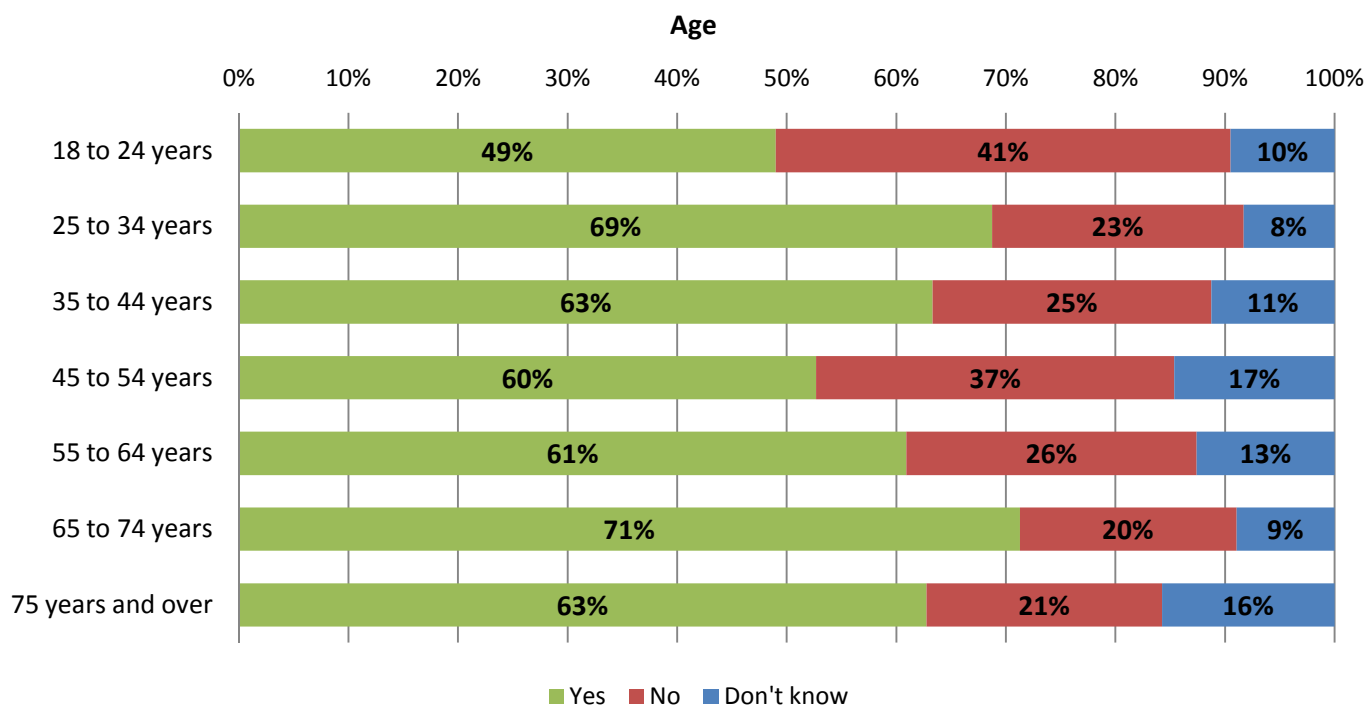


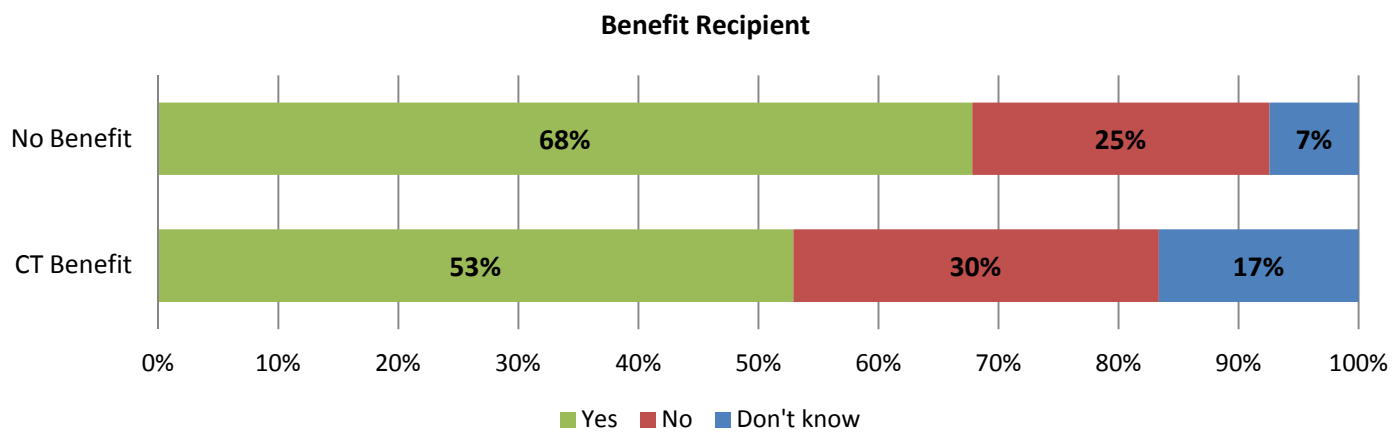
The majority of respondents (61%) are in favour of option 10 – to remove the Second Adult Reduction from the scheme. However, this trend is not reflected across all groupings.

Respondents with a disability had the lowest levels of agreement at 49%; there is a 14% difference in levels of agreement between respondents with a disability and respondents without. It is possible that there is some concern from the group in relation to arrangement for carers who may reside in the property as second adults and may have low incomes.

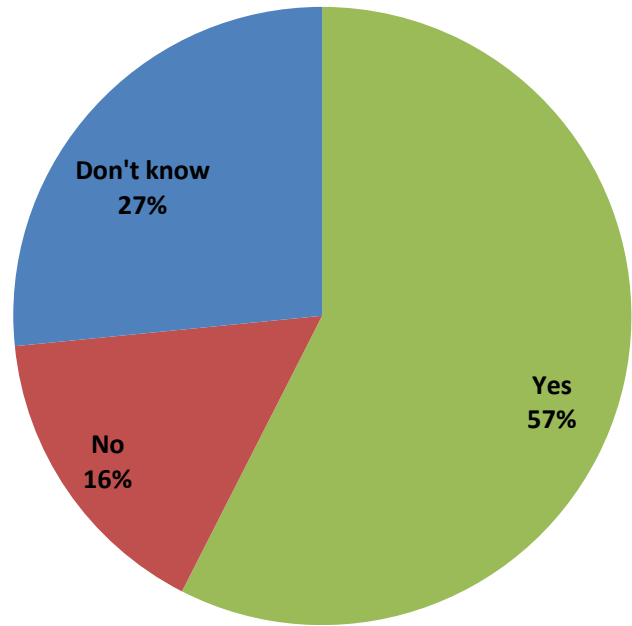
Council Tax reduction Recipients also had low levels of agreement and there was a 15% difference between levels of agreement for this group and respondents who do not receive council tax reduction. It is likely that some of these people will currently be receiving this reduction.







Option 11 To remove the Work Related Activity component in the calculation of Council Tax Reduction

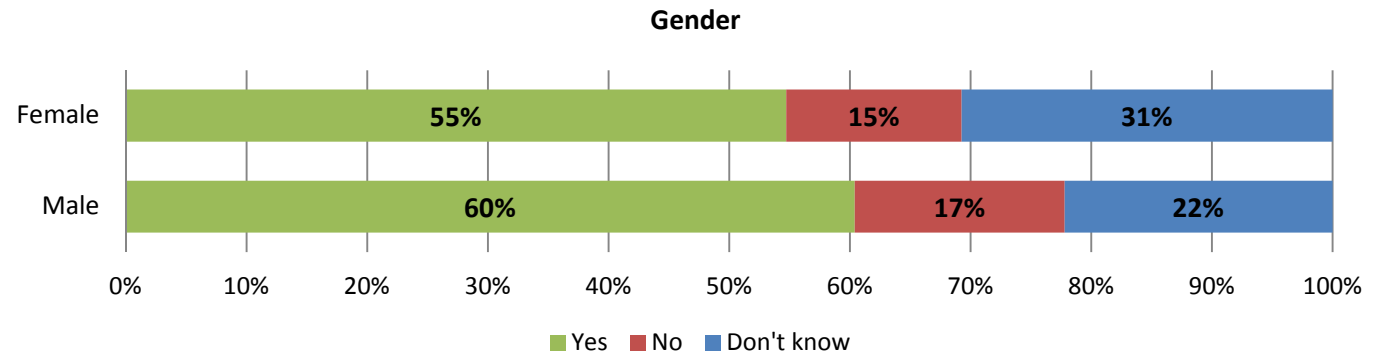


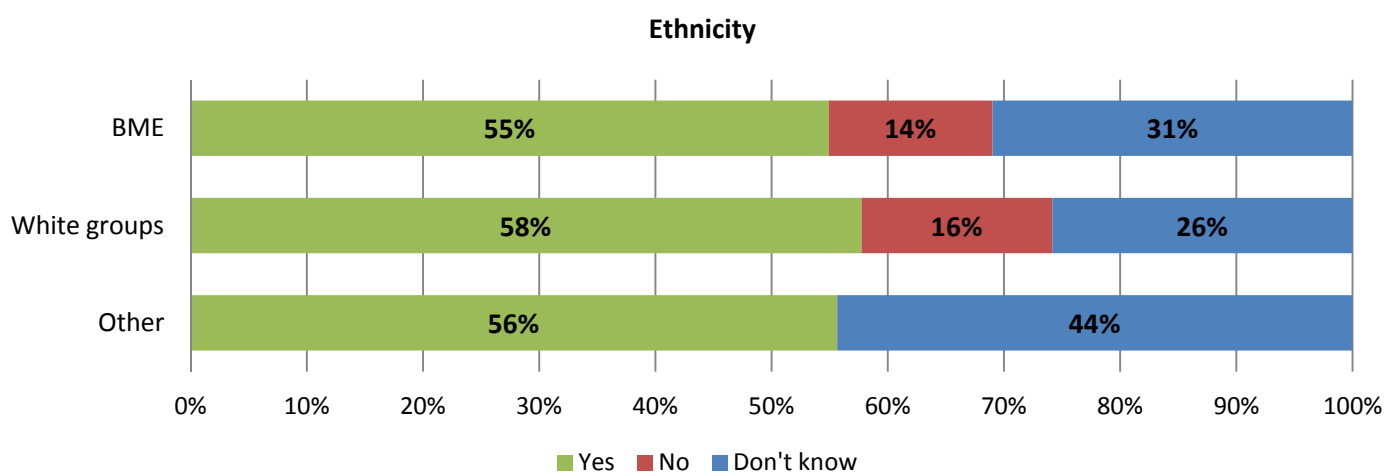
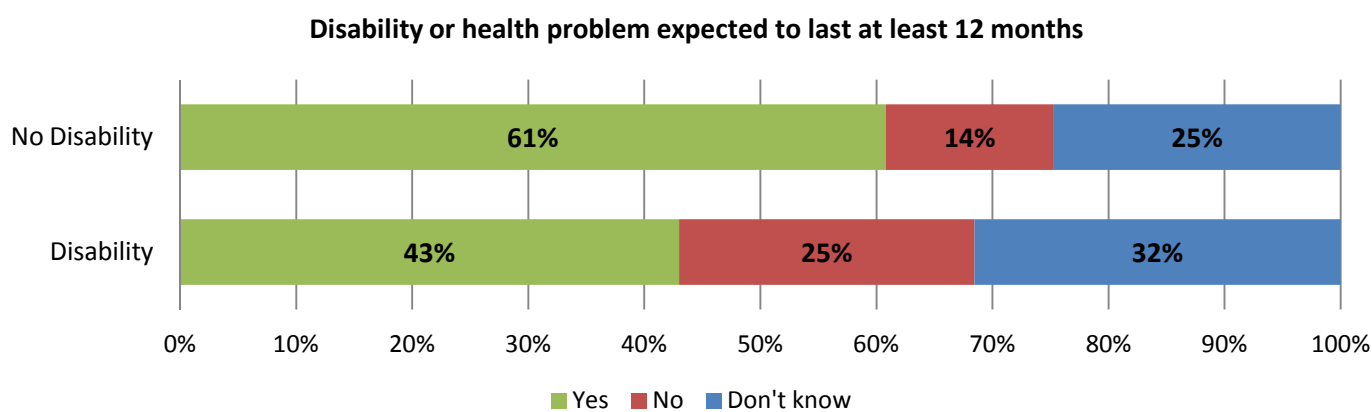
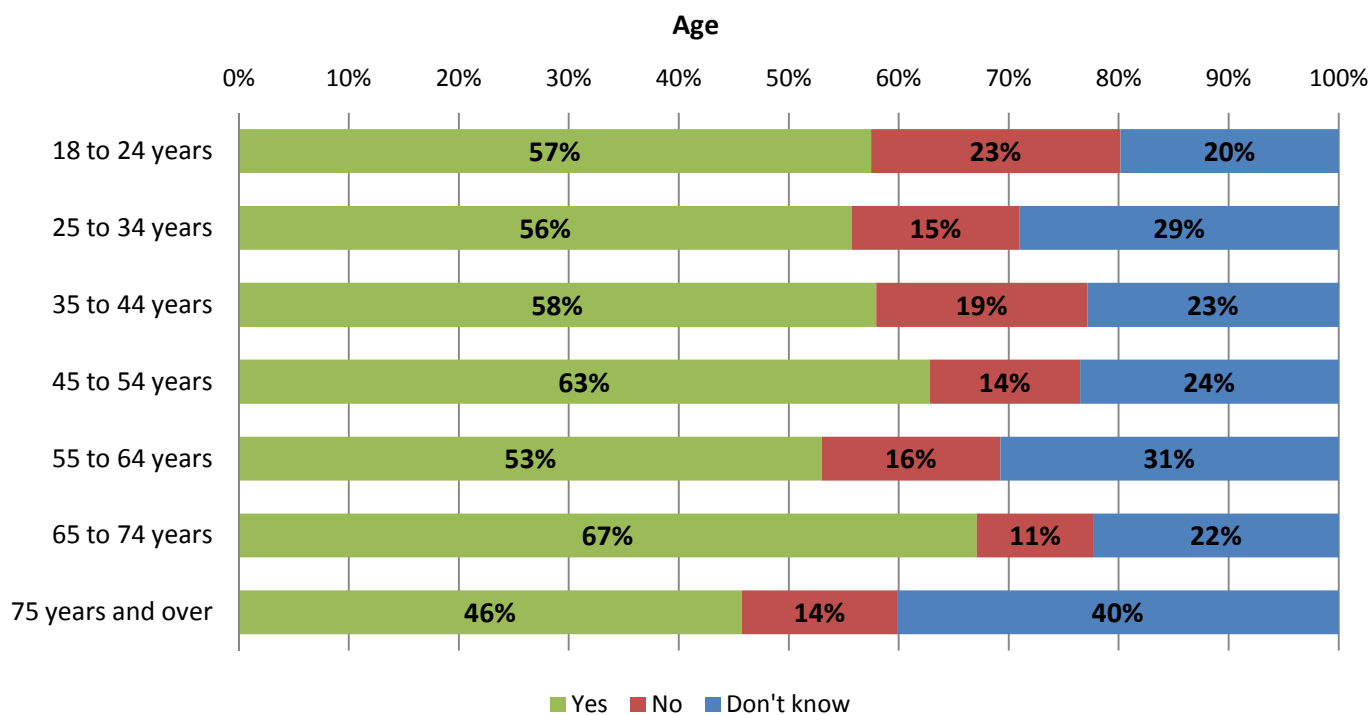
Overall, 57% of respondents are in favour of option 11 – to remove the Work Related Activity component in the calculation of Council Tax Reduction.

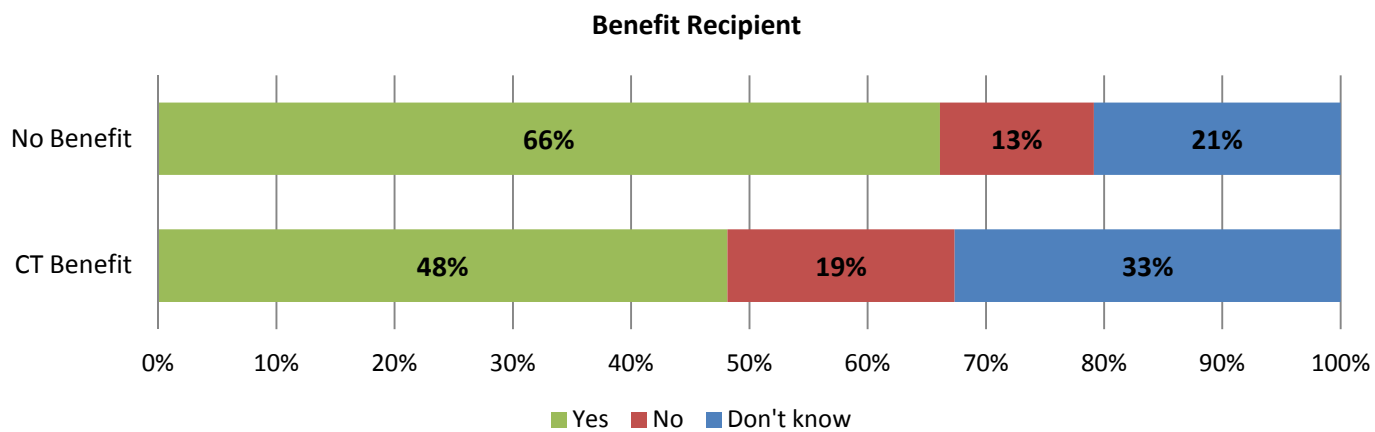
Disabled respondents had the lowest levels of agreement with this option at 43%, and there is an 18% difference in agreement between this group and respondents without a disability.

Respondents age 75 years and over also had lower levels of agreement with this option when compared to the other groupings and there is a 21% difference between this group and the age group with the highest agreement level (65 to 74 years).

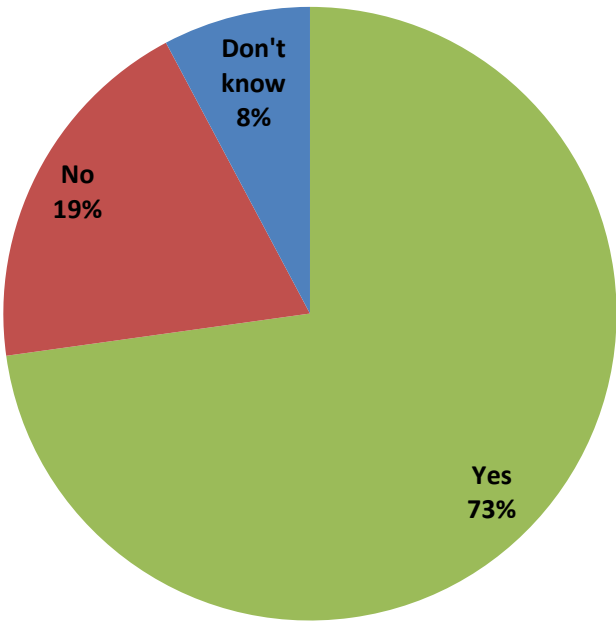
In addition there is an 18% difference in the levels of agreement between Council Tax reduction recipients and those who do not receive this benefit.







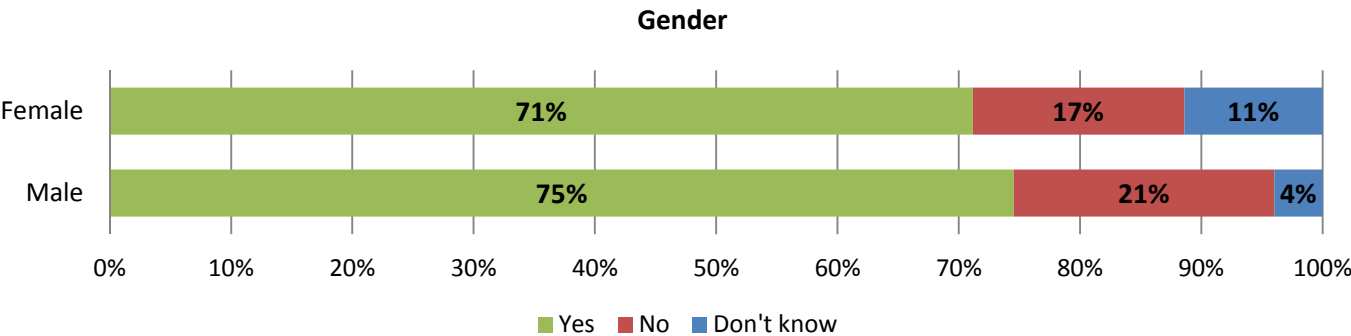
Option 12 To limit the number of dependant children within the calculation for Council Tax Reduction to a maximum of two

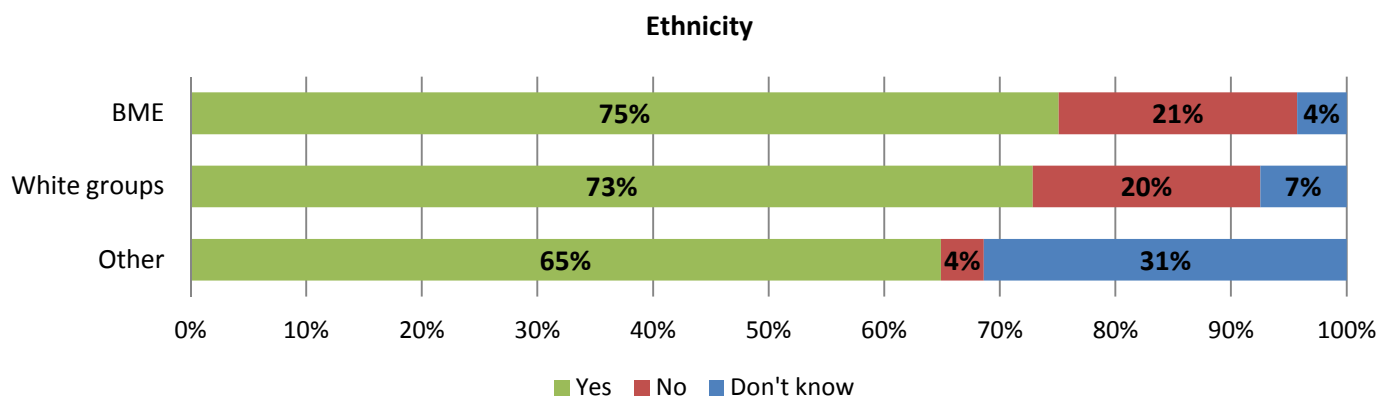
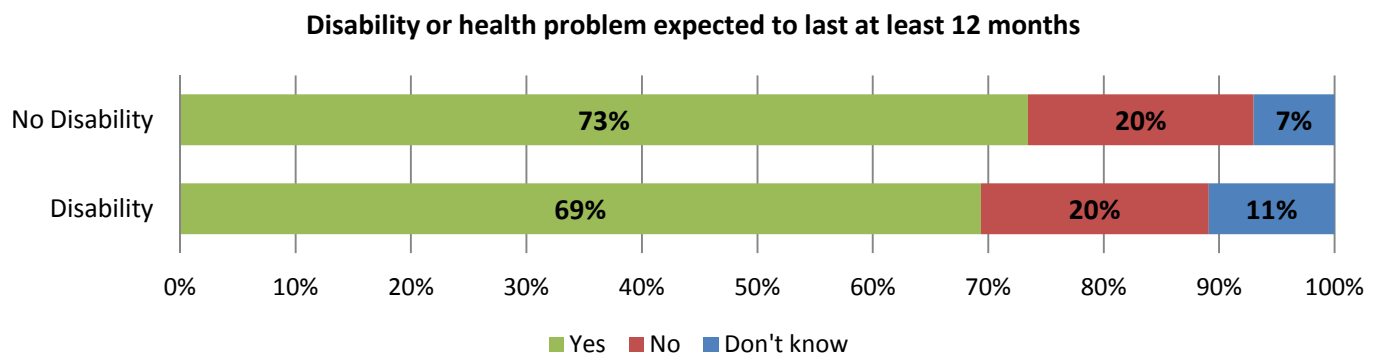
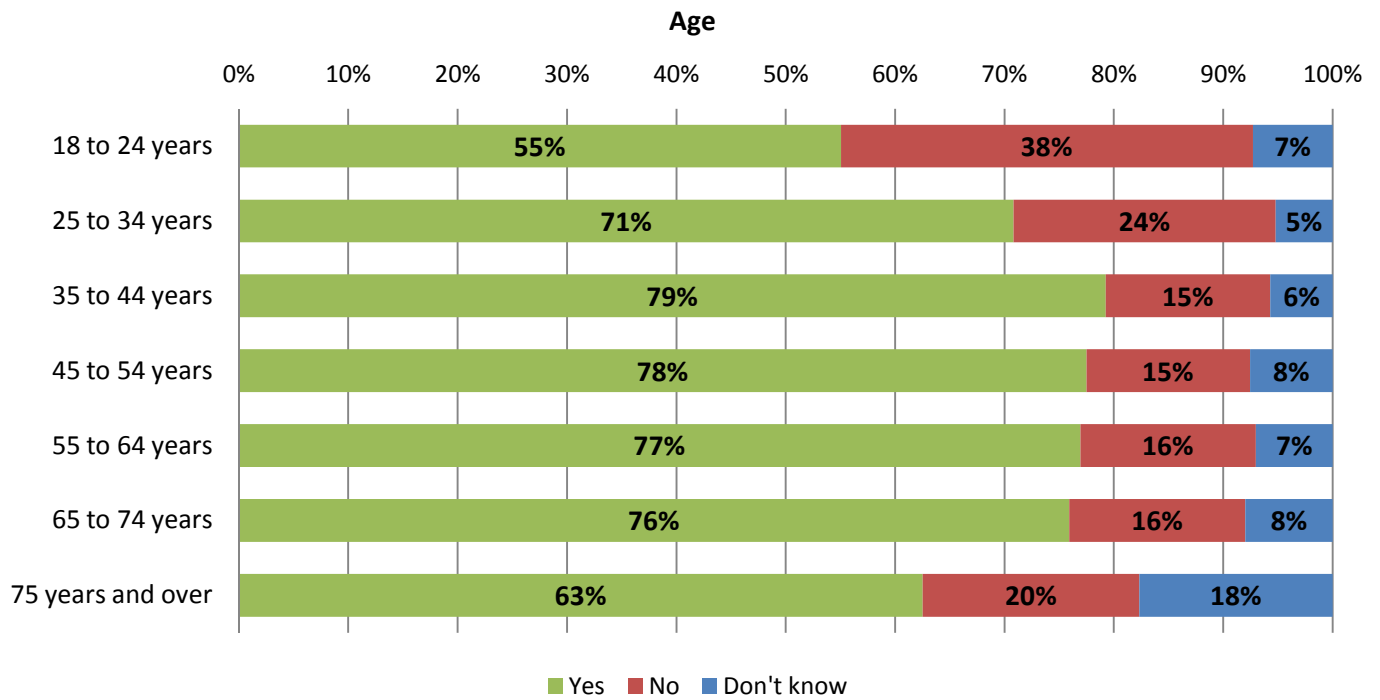


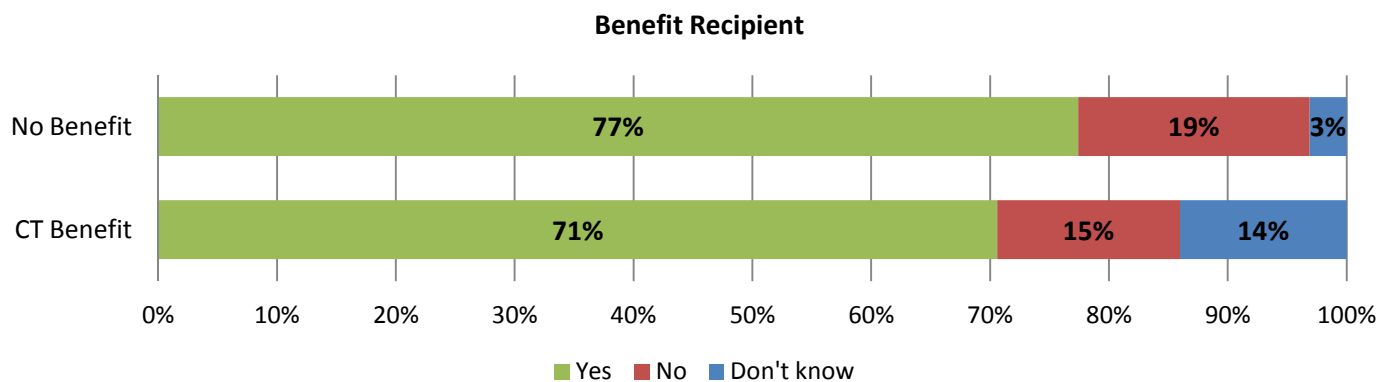
The majority of respondents were in favour of option 12 – to limit the number of dependant children within the calculation of Council Tax Reduction to a maximum of two. This is the case across all groupings.

Respondents 75 years and over and those with a disability have slightly lower levels of agreement but the majority of respondents in these groups are in favour of this option.

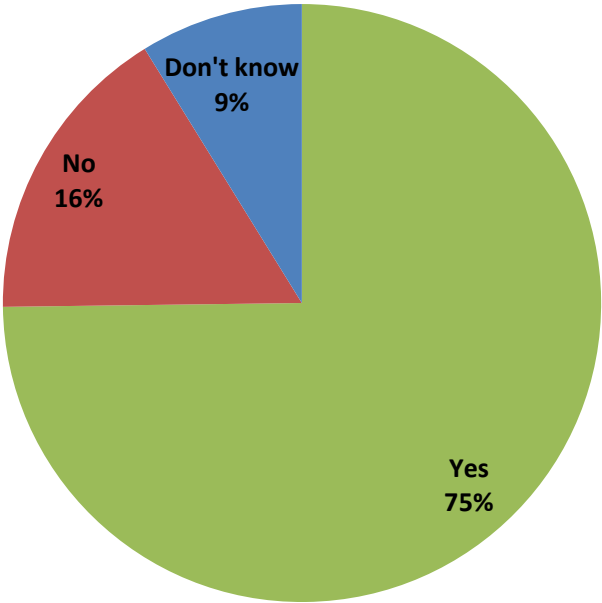
The 18 to 24 years old group also had a significantly lower level of agreement with this option compared to the other age group but these results should be treated with caution as this group was under represented and therefore have been heavily weighted.





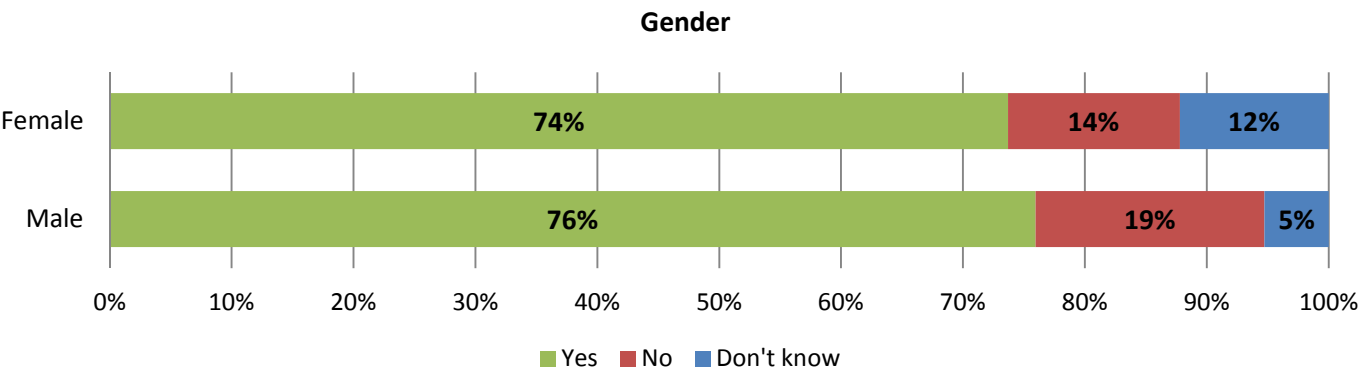


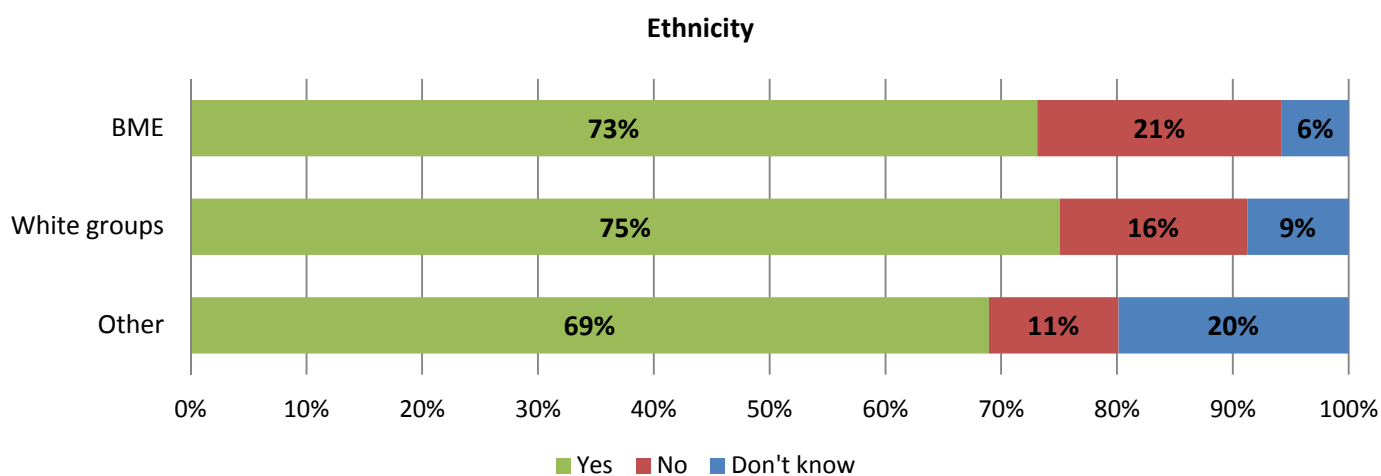
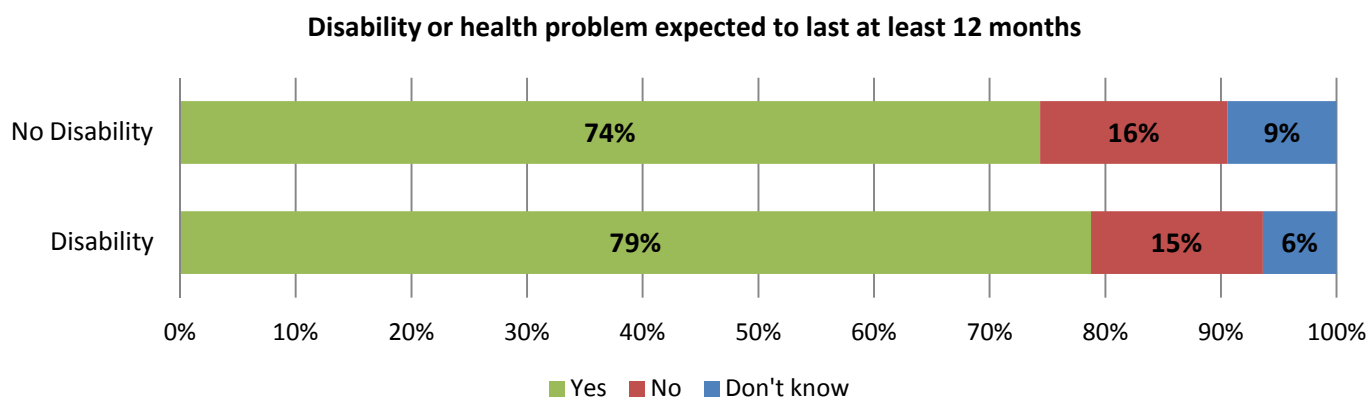
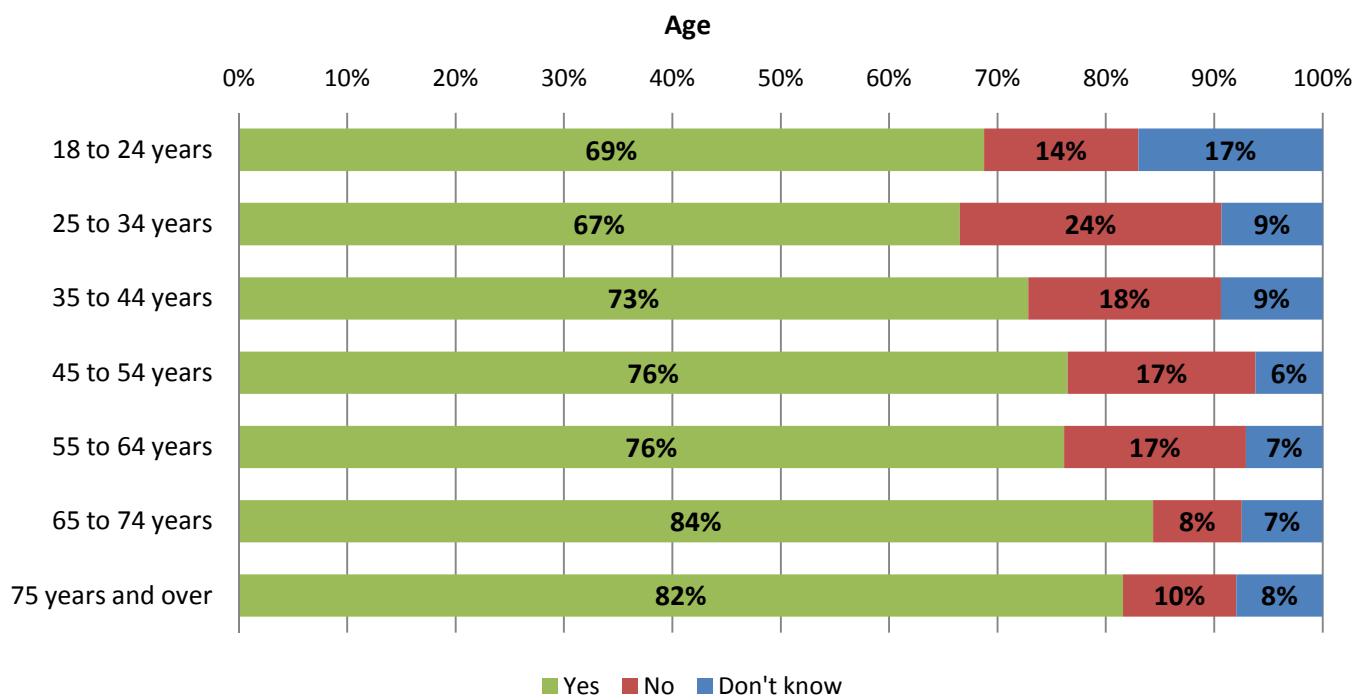
Option 13 To introduce a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship

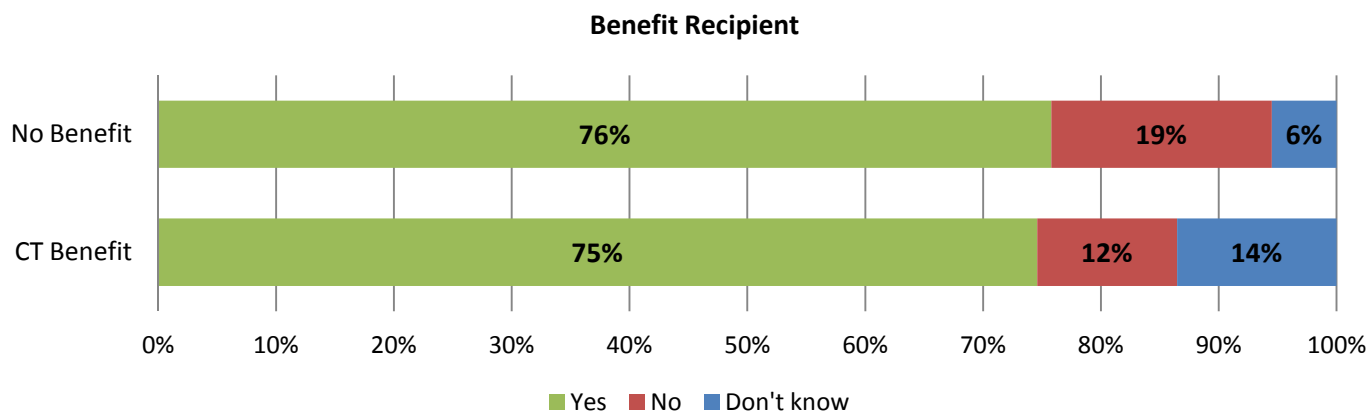


Overall, three out four respondents are in favour of option 13 – to introduce a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship.

The 25 to 34 year old group have the lowest levels of agreement at 67%. There is a difference of 17% between the age group with the greatest level of agreement and this group.







Ranking the Options

In addition to asking respondents specifically about each option the questionnaire also asked respondents to rank the options in terms of preference where 1 was the most preferable option and 13 was the least preferred option. To assess which options were most preferable a weighted average calculation has been used.

The table shows the results of the ranking question compared against the levels of agreement with each option as shown in this report. Option 5 was the highest ranked in terms of preferred options, the table shows that this option also had the greatest proportion of respondent agreeing with this as a proposed change to the scheme.

Option 2 had the second greatest proportion of respondents agreeing and came out second most preferable option in the ranking question.

Option 13 had the third greatest proportion of respondents agreeing with this option. However when ranked for preference it dropped to fourth, while option 1 was sixth for levels of agreement but third preferred option.

Option 4 had low levels of agreement and was also came out as low preference, ranked 12th for both.

| | Average | Average ranked | % Agreeing | % Agreeing ranked |
|---|---------|----------------|------------|-------------------|
| Option 5 - Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to four weeks | 9.25 | 1 | 83% | 1 |
| Option 3 - Reducing backdating to one month | 8.77 | 2 | 75.0% | 2 |
| Option 1 - Reducing the maximum level of support for working age applicants from 87% to 80% | 8.38 | 3 | 60.7% | 6 |
| Option 13 - Introducing a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship | 7.71 | 4 | 74.8% | 3 |
| Option 12 - Limiting the number of dependant children within the calculation for Council Tax Reduction to a maximum of two | 7.58 | 5 | 73% | 4 |
| Option 6 - Reducing the capital limit from the existing £16,000 to £6,000 | 7.34 | 6 | 60.6% | 7 |
| Option 7 - Introducing a standard level of non-dependant deduction of £10 for all claimants who have non dependants resident with them | 6.86 | 7 | 71% | 5 |
| Option 8 - To take any Child Maintenance paid to a claimant or partner into account in full in the calculation of Council Tax Reduction | 6.56 | 8 | 54% | 11 |
| Option 2 - Removing the Family Premium for all new working age applicants | 6.55 | 9 | 50% | 13 |
| Option 10 - To remove Second Adult Reduction from the scheme | 6.53 | 10 | 61.3% | 8 |

| | | | | |
|---|------|----|-----|----|
| Option 9 - To restrict the maximum level of Council Tax Reduction payable to the equivalent of a Band D charge | 6.50 | 11 | 57% | 10 |
| Option 4 - Using a set income for self-employed earners after one year's self-employment | 6.08 | 12 | 51% | 12 |
| Option 11 - To remove the work related activity component in the calculation of Council Tax Reduction | 5.30 | 13 | 58% | 9 |

Survey Demographics and Applied Weighting

| | Unweighted ² | | Population | |
|--|-------------------------|-----|------------|-----|
| | Count | % | Count | % |
| Gender (Over 18s 2011 Census) | | | | |
| Men | 450 | 48% | 59,049 | 49% |
| Women | 496 | 52% | 62,410 | 51% |
| Age (2011 Census) | | | | |
| 18 to 24 years | 27 | 3% | 12,001 | 10% |
| 25 to 34 years | 164 | 17% | 19,223 | 16% |
| 35 to 44 years | 194 | 21% | 22,122 | 18% |
| 45 to 54 years | 208 | 22% | 22,152 | 18% |
| 55 to 64 years | 182 | 19% | 19,447 | 16% |
| 65 to 74 years | 114 | 12% | 14,269 | 12% |
| 75 years and over | 52 | 6% | 12,245 | 10% |
| Ethnicity (2011 Census 16 years and over) | | | | |
| White groups | 870 | 95% | 145,996 | 94% |
| BME | 50 | 5% | 9,147 | 6% |
| Disability (2011 Census all people) | | | | |
| Disability | 138 | 15% | 24,505 | 16% |
| No Disability | 791 | 85% | 130,638 | 84% |
| Council Tax Benefit Recipient | | | | |
| Receives benefit | 371 | 38% | | |
| No CT Benefit | 558 | 57% | | |
| Not Sure & N/A | 43 | 4% | | |

The table to the left shows the profile of the survey respondents in relation to the population of Maidstone.

This table shows that people aged 24 years and under and those aged 75 and over are unrepresented. It also shows that those respondents between 35 and 64 years are fractionally over represented.

The results in this report have been weighted by age and sex and therefore some of this variance has been accounted for.

| Age | Population | | Survey | | Weighting Applied |
|--------------------------|---------------|-----------|--------|-----|-------------------|
| | Males | % | Males | % | |
| 18 to 24 years | 6,300 | 5% | 7 | 1% | 6.88 |
| 25 to 34 years | 9,319 | 8% | 62 | 7% | 1.15 |
| 35 to 44 years | 10,879 | 9% | 88 | 9% | 0.94 |
| 45 to 64 years | 11,163 | 9% | 94 | 10% | 0.91 |
| 55 to 64 years | 9,534 | 8% | 95 | 10% | 0.77 |
| 65 to 74 years | 6,955 | 6% | 79 | 9% | 0.67 |
| 75 years and over | 4,899 | 4% | 19 | 2% | 1.97 |

² Rounding anomalies mean that these percentages may not add up exactly to 100%

| | Females | % | Females | % | Weighting Applied |
|-------------------|---------|----|---------|-----|-------------------|
| 18 to 24 years | 5,701 | 5% | 20 | 2% | 2.18 |
| 25 to 34 years | 9,904 | 8% | 100 | 11% | 0.76 |
| 35 to 44 years | 11,243 | 9% | 102 | 11% | 0.84 |
| 45 to 64 years | 10,989 | 9% | 112 | 12% | 0.75 |
| 55 to 64 years | 9,913 | 8% | 84 | 9% | 0.90 |
| 65 to 74 years | 7,314 | 6% | 34 | 4% | 1.64 |
| 75 years and over | 7,346 | 6% | 32 | 3% | 1.75 |

Appendix A – Unweighted Results

1. I have read the background information about the Council Tax Reduction Scheme (this question must be answered before continuing).

| Answer Options | Response Percent | Response Count |
|--------------------------|------------------|----------------|
| Yes | 98.5% | 1449 |
| No | 1.5% | 22 |
| answered question | | 1471 |
| skipped question | | 0 |

2. Should the Council continue to fund and operate the Council Tax Reduction Scheme as we do now?

| Answer Options | Response Percent | Response Count |
|--------------------------|------------------|----------------|
| Yes | 51.8% | 663 |
| No | 33.8% | 433 |
| Don't know | 14.4% | 185 |
| answered question | | 1281 |
| skipped question | | 190 |

Option 1

| Answer Options | Response Percent | Response Count |
|--------------------------|------------------|----------------|
| Yes | 59.0% | 706 |
| No | 32.7% | 392 |
| Don't know | 8.3% | 99 |
| answered question | | 1197 |
| skipped question | | 274 |

Option 2

| Answer Options | Response Percent | Response Count |
|--------------------------|------------------|----------------|
| Yes | 50.8% | 586 |
| No | 35.2% | 406 |
| Don't know | 14.0% | 161 |
| answered question | | 1153 |
| skipped question | | 318 |

Option 3

| Answer Options | Response Percent | Response Count |
|--------------------------|------------------|----------------|
| Yes | 76.2% | 863 |
| No | 16.4% | 186 |
| Don't know | 7.3% | 83 |
| answered question | | 1132 |
| skipped question | | 339 |

Option 4

| Answer Options | Response Percent | Response Count |
|--------------------------|------------------|----------------|
| Yes | 50.2% | 557 |
| No | 31.7% | 351 |
| Don't know | 18.1% | 201 |
| answered question | | 1109 |
| skipped question | | 362 |

Option 5

| Answer Options | Response Percent | Response Count |
|----------------|------------------|----------------|
|----------------|------------------|----------------|

Option 6

| Answer Options | Response Percent | Response Count |
|----------------|------------------|----------------|
|----------------|------------------|----------------|

| | | |
|--------------------------|-------|-------------|
| Yes | 82.0% | 908 |
| No | 10.9% | 121 |
| Don't know | 7.0% | 78 |
| answered question | | 1107 |
| skipped question | | 364 |

| | | |
|--------------------------|-------|-------------|
| Yes | 58.8% | 644 |
| No | 33.5% | 367 |
| Don't know | 7.8% | 85 |
| answered question | | 1096 |
| skipped question | | 375 |

| Option 7 | | |
|--------------------------|------------------|----------------|
| Answer Options | Response Percent | Response Count |
| Yes | 70.6% | 766 |
| No | 16.9% | 183 |
| Don't know | 12.5% | 136 |
| answered question | | 1085 |
| skipped question | | 386 |

| Option 8 | | |
|--------------------------|------------------|----------------|
| Answer Options | Response Percent | Response Count |
| Yes | 55.7% | 602 |
| No | 34.5% | 373 |
| Don't know | 9.7% | 105 |
| answered question | | 1080 |
| skipped question | | 391 |

| Option 9 | | |
|--------------------------|------------------|----------------|
| Answer Options | Response Percent | Response Count |
| Yes | 56.5% | 602 |
| No | 29.0% | 309 |
| Don't know | 14.5% | 154 |
| answered question | | 1065 |
| skipped question | | 406 |

| Option 10 | | |
|--------------------------|------------------|----------------|
| Answer Options | Response Percent | Response Count |
| Yes | 60.2% | 641 |
| No | 28.1% | 299 |
| Don't know | 11.7% | 124 |
| answered question | | 1064 |
| skipped question | | 407 |

| Option 11 | | |
|--------------------------|------------------|----------------|
| Answer Options | Response Percent | Response Count |
| Yes | 55.9% | 591 |
| No | 16.1% | 170 |
| Don't know | 28.1% | 297 |
| answered question | | 1058 |
| skipped question | | 413 |

| Option 12 | | |
|--------------------------|------------------|----------------|
| Answer Options | Response Percent | Response Count |
| Yes | 74.9% | 793 |
| No | 17.8% | 189 |
| Don't know | 7.3% | 77 |
| answered question | | 1059 |
| skipped question | | 412 |

| Option 13 | | |
|--------------------------|------------------|----------------|
| Answer Options | Response Percent | Response Count |
| Yes | 73.7% | 775 |
| No | 17.3% | 182 |
| Don't know | 8.9% | 94 |
| answered question | | 1051 |
| skipped question | | 420 |

30. Thinking about impact on claimants and the impact from the reduction in funding for the Council, say what you think would be most preferable by writing a number from 1 – 13 in the boxes below, where 1 is the option that is most preferable and 13 is the least.

| Answer Options | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | Rating Average | Response Count |
|--------------------------|-----|-----|-----|----|----|----|----|----|----|----|-----|----|-----|----------------|----------------|
| Option 1 | 200 | 59 | 28 | 32 | 43 | 35 | 32 | 24 | 34 | 33 | 34 | 38 | 73 | 8.31 | 665 |
| Option 2 | 16 | 44 | 50 | 45 | 57 | 42 | 59 | 54 | 55 | 71 | 47 | 68 | 36 | 6.51 | 644 |
| Option 3 | 87 | 105 | 91 | 60 | 42 | 56 | 32 | 46 | 24 | 27 | 24 | 28 | 23 | 8.83 | 645 |
| Option 4 | 17 | 34 | 27 | 62 | 51 | 48 | 58 | 50 | 62 | 57 | 66 | 42 | 67 | 6.21 | 641 |
| Option 5 | 86 | 100 | 117 | 59 | 59 | 35 | 37 | 30 | 32 | 24 | 26 | 23 | 9 | 9.16 | 637 |
| Option 6 | 50 | 69 | 61 | 55 | 53 | 62 | 37 | 35 | 31 | 45 | 47 | 53 | 61 | 7.26 | 659 |
| Option 7 | 7 | 24 | 42 | 53 | 61 | 80 | 98 | 58 | 73 | 56 | 47 | 33 | 22 | 6.75 | 654 |
| Option 8 | 26 | 40 | 62 | 53 | 63 | 43 | 54 | 81 | 34 | 43 | 38 | 57 | 75 | 6.65 | 669 |
| Option 9 | 22 | 31 | 37 | 63 | 62 | 52 | 53 | 57 | 71 | 65 | 59 | 57 | 40 | 6.47 | 669 |
| Option 10 | 18 | 32 | 43 | 53 | 68 | 49 | 57 | 72 | 69 | 74 | 57 | 42 | 43 | 6.49 | 677 |
| Option 11 | 5 | 17 | 20 | 29 | 43 | 62 | 56 | 58 | 79 | 86 | 101 | 73 | 72 | 5.22 | 701 |
| Option 12 | 93 | 65 | 79 | 58 | 45 | 63 | 46 | 37 | 33 | 32 | 40 | 48 | 65 | 7.76 | 704 |
| Option 13 | 180 | 62 | 46 | 39 | 32 | 40 | 48 | 35 | 25 | 45 | 31 | 57 | 127 | 7.53 | 767 |
| answered question | | | | | | | | | | | | | | | 857 |
| skipped question | | | | | | | | | | | | | | | 614 |

31. Do you think we should choose any of the following options rather than the proposed changes to the Council Tax Reduction Scheme? Please select one answer for each source of funding.

| Answer Options | Yes | No | Don't know | Rating Average | Response Count |
|--|-----|-----|------------|----------------|----------------|
| Increase the level of Council Tax | 163 | 736 | 66 | 1.90 | 965 |
| Find savings from cutting other Council services | 378 | 474 | 106 | 1.72 | 958 |
| Use Council's savings | 438 | 391 | 122 | 1.67 | 951 |
| answered question | | | | | 985 |
| skipped question | | | | | 486 |

32. If the Council were to choose these other options to make savings, what would be your order of preference? Please rank in order of preference by writing a number from 1 – 3 in the boxes below, where 1 is the option that you would most prefer and 3 is the least.

| Answer Options | 1 | 2 | 3 | Rating Average | Response Count |
|-----------------------------------|-----|-----|-----|----------------|----------------|
| Increase the level of Council Tax | 181 | 121 | 538 | 2.43 | 840 |

| | | | | | |
|---|-----|-----|-----|------|------------|
| Reduce funding available for other Council services | 258 | 393 | 195 | 1.93 | 846 |
| Use the Council's savings | 441 | 315 | 142 | 1.67 | 898 |
| <i>answered question</i> | | | | | 921 |
| <i>skipped question</i> | | | | | 550 |

Equality Impact Assessment – Appendix C **Council Tax Reduction Scheme**

| | |
|--|--|
| Authority: | Maidstone Borough Council |
| Date EqIA commenced: | 1 June 2016 |
| Date first stage EqIA finalised for pre-consultation decision: | 7 June 2016 (to be agreed by Management Board). |
| Date second stage EqIA finalised after consultation closed, prior to final decision being taken: | 13 September 2016 |
| Job titles of officers involved in completing the EqIA: | MKS Shared Service Director Policy and Information Manager Equalities and Corporate Policy Officer |

Summary of decision to be made

Since 1 April 2013 the council has maintained a local Council Tax Reduction Scheme. The council has the ability to determine the level of reduction given to working age applicants only. The scheme for pension age applicants is determined by Central Government.

We have decided to complete a full review of the scheme. The objectives of the review are to:

- Accurately target support to those working age claimants who most need it.
- Align the scheme with proposed changes to Housing Benefit and introduction of Universal Credit.
- Address potential shortfalls in funding due to the continued reduction in Central Government grants.
- Maintain a common approach to the design of local schemes across Kent.

Scope of this equality impact assessment

- Review of the current scheme, introduced on 1 April 2013.
- Proposed changes to the scheme from 1 April 2017.

How is the decision relevant to the three aims of the Public Sector Equality Duty?

- The need to ensure that the scheme is not unlawfully discriminatory is relevant to the first aim of the duty to eliminate discrimination, harassment and victimisation.
- The need to consider how we can take steps to meet the needs of people with protected characteristics and whether people with disabilities may need to be treated more favourably, in how the scheme is designed, is relevant to the second aim of the duty to advance equality of opportunity.
- The proposed service changes could also be relevant to fostering good relations with regard to maintaining the confidence and trust in the local authority by people with protected characteristics who may use our services.

Review of the current scheme, introduced on 1 April 2013

The current scheme requires all working age claimants to pay 13% of their council tax liability. Transitional funding meant claimants were only required to pay 8.5% in the first year of the scheme.

The current scheme was subject to a comprehensive equality impact assessment in 2012. That assessment identified that our Council Tax Reduction Scheme had the potential to have the greatest negative impact on working age people with disabilities and carers. To mitigate these potential impacts it was agreed that we would continue to treat people with disabilities and carers more favourably by disregarding some income, giving them a higher council tax reduction. The impact on working age groups was as a result of the Government protecting pension age people from any changes. However, transitional funding was intended to reduce the extent of the impacts in the first year of the scheme.

The equality impact assessment was reviewed during the transitional year, by Full Council in December 2013, prior to introducing a 13% reduction. No changes to the impacts or mitigating actions were identified.

The equality impact assessment was reviewed again by Full Council in December 2015, prior to extending the scheme for a further year in 2016-17 and found that the impact of the 13% reduction had been mitigated to some extent by disregarding some income for people with disabilities and carers, resulting in a higher council tax reduction. This outcome was better than predicted by an earlier analysis. The assessment also found that the difference between the average weekly amounts received by males and females had reduced. The difference in average weekly amounts received across age groups had also reduced. No further mitigating actions were identified.

The findings from the data are summarised below.

Disability

Working age people with disabilities continue to make up a high proportion of the caseload at 19%. Across the options put forward for consultation, working age people with disabilities continue to receive more per week, than working age people without disabilities, on average.

Carers

There is a slightly lower proportion of claimants with a carer in the household, than the population overall. Working age claimants with a carer in the household continue to receive more per week, on average, than working age claimants without a carer in the household.

Age

Age groups broadly reflect the overall population. Those aged 55-64 currently receive the highest weekly amount, on average. Those aged 18-24 currently receive the lowest weekly amount, on average.

Sex

Females continue to make up a high proportion of the caseload at 69%. Although, there is a difference between the average amounts females and males receive per week. This is due to factors relating to circumstances which directly affect the calculation of council tax reduction, and is not linked to a claimant's sex.

Race

This information is not collected from claimants as it is not relevant to the calculation of council tax reduction. No new data is available, following the consultation in 2012.

Other protected characteristics

We do not collect information about the following characteristics from claimants as it is not relevant to the calculation of council tax reductions:

- Religion of belief
- Sexual orientation
- Gender reassignment
- Marital or civil partnership status
- Pregnancy or maternity

Proposed changes to the scheme from 1 April 2017

There are 13 options being presented for consultation. Where an option applies to new claimants, data for current claimants has been provided as an indication of the possible impacts as it is not possible to predict who may apply after 1 April 2017.

Summary of initial findings prior to consultation

A summary of notable and/or significant potential impact of each of the consultation options on protected characteristics, identified from claimant data and other considerations, is provided in table below. All options could potentially impact on working age claimants with one or more of the protected characteristics of disability, age, sex or race. The extent of these impacts will be considered further following the consultation.

| | Protected characteristic (potential for impact identified from claimant data) | | | |
|---------------------|---|-----|-----|------|
| Consultation option | Disability (inc. carers) | Age | Sex | Race |
| 1 | | | | |
| 2 | | Yes | Yes | |
| 3 | | Yes | | |
| 4 | | Yes | | |
| 5 | | | | |
| 6 | Yes | Yes | | |
| 7 | Yes | Yes | Yes | |
| 8 | | Yes | Yes | |
| 9 | Yes | Yes | | |
| 10 | | Yes | Yes | |
| 11 | Yes | Yes | | |
| 12 | | Yes | | |
| 13 | | | | |

Review of the current scheme, introduced on 1 April 2013

All working age claimants, including those with protected characteristics, have received a reduction in their reduction amount. Pension age claimants, who also have protected characteristics, have not received a reduction as they are protected from any changes by Central Government.

The data shows that we have continued to provide higher reductions to working age people with disabilities and carers. There is no evidence to suggest that this is insufficient to mitigate the impacts of the scheme overall. The calculation of the reduction amount is not related to a claimant's sex or age (with the exception of those of pension age who are protected). Any differences between the average weekly amounts received by males, females and working age groups is likely to be as a result of other factors. The analysis has not taken account of any council tax increases year on year so it is not possible to make comparisons between amounts across years.

Actions to mitigate any identified impacts

The possible introduction of an exceptional hardship scheme has been included as an option for consultation. The potential impact on working age claimants with protected characteristics will be taken into account, together with the consultation findings, when deciding which options will be taken forward. The need for any additional mitigating actions will be identified at that stage.

It is possible that individual claimants may be affected by more than one of the options presented for consultation. We will carry out data modelling to identify categories of claimants who may be affected by any options taken forward.

Findings following public consultation

Residents were consulted on proposed changes to Council Tax reduction between 1 July and 24 August 2016.

The consultation response has been evaluated in terms of the risk of discrimination against those with a protected characteristic. It should be noted that there were low response rates from the 18-24 and the 75 years and over age groups.

The impact on the protected characteristics of the following groups was considered prior to consultation as current claimant data was available: Disability (including carers); Age; and Sex. Current claimant data does not include information on a claimant's ethnicity as it is not relevant to the collection of Council tax. However, following consultations, significant differences of opinion between respondents with different ethnicities have been noted under some of the options considered and have been included in the findings.

Disability

There is a potential impact on people of working age with a disability as a result of the following consultation options:

- **Option 6 (reduce the capital limit to £6000):** 19% of existing claimants have a disability. Under this option, this could increase to 37%, a rise of 18%.
- **Option 11 (remove the award of a Work Related Activity Component):** 19% of existing claimants in this category have a disability; this could increase to 40% under this option, a rise of 21%. However as the proposal applies to **new claims only** the current figure would remain at 19%. We are unable to determine the impact on possible new claimants.

Consultation findings

- **Option 6:** 57% of those with a disability agreed with this option. There was a 15% difference in opinion between respondents with a disability (57%) and those without (62%).
- **Option 11:** 43% of those with a disability agreed with this option. There was an 18% difference in opinion between respondents with a disability (43%) and those without (61%).

Carers

There is a potential impact on people of working age with a carer in the household of the following consultation options:

- **Option 6 (reduce the capital limit to £6000):** There could be a 4% increase in the number of carers under this option, rising from 8% to 12%.

- **Option 7 (non-dependent deductions):** There could be a 7% increase in the number of carers claims under this option.
- **Option 9 (Awards with liability over band D):** 8% of existing claimants are carers. Under this option this could increase to 15%.

Consultation findings

- **Option 6:** There was no notable difference of opinion between respondents with a disability and those without.
- **Option 7:** 60% of those with a disability agreed with this option. There was a 13% difference in opinion between respondents with a disability (60%) and those without (73%).
- **Option 9:** There was no notable difference of opinion between respondents with a disability and those without.

Age

Pension age households will not be affected by the schemes proposed, however there is a potential, notable impact on other age groups in the following scheme options:

- **Option 2 (remove family premium):** There could be an increase of 19% for existing claimants aged 25-44 which would be a total of 69%. However, the proposal applies to **new claims** only so the figure would remain at 50% at this stage.
- **Option 3 (awards with backdating):** A 10% increase for claimants aged 25-44 which would be 60% of all claimants.
- **Option 4 (self-employed income under 1 year):** A 12% increase of those aged 25-54 which would be a total of 87% of all claimants.
- **Option 6 (reduce the capital limit to £6000):** An increase of 26% of those aged 45-64 which would be 68% of all claimants.
- **Option 7 (non-dependant deduction):** An increase of 31% of those aged 35-64 which would be 98% of all claimants.
- **Option 8 (awards with child maintenance):** An increase of 21% of those aged 25-54 which would be 98% of all claimants.
- **Option 9 (claimants with liability over Band D):** An increase of 15% of those aged 45-64 which would be 64% of all claimants.
- **Option 10 (removal of second adult rebate):** An increase of 25% of those aged 45-54 which would be 50% of all claimants.
- **Option 11 (remove the award of a Work Related Activity Component):** There could be an increase of 30% of those aged 45-64 which would be a total of 72% of all claimants. However, the proposal applies to **new claims** only so the figure would remain at 42% at this stage.
- **Option 12 (limit the maximum number of dependents to two):** There could be an increase of those aged 25-44 which would affect a total of 86%. However the proposal would only apply to claimants who have a subsequent or third child **after 1 April 2017** so the figure would remain at 50% at this stage.

Consultation findings

- **Option 2:** There was a 35% difference in support across the age groups consulted. The group least in support of this option were 18-24 year olds (22%). The highest level of support was from 55-64 year olds (57%).
- **Option 3:** There was a 31% difference in support across the age groups consulted. The group least in support of this option were 18-24 year olds (51%). The highest level of support from 45-54 year olds (82%).
- **Option 4:** There was a 20% difference in support across the age groups consulted. The group least in support of this option were 25-34 year olds (42%). The highest level of support was from 65-74 year olds (62%).
- **Option 6:** There was a 27% difference in support across the age groups consulted. The group least in support of this option were 75 years and over (44%). The highest level of support was from 18-24 year olds (71%).
- **Option 7:** There was a 23% difference in support across the age groups consulted. The group least in support of this option were 18-24 year olds (59%). The highest level of support was from 65-74 year olds (82%).
- **Option 8:** There was an 18% difference in support across the age groups consulted. The group least in support of this option were 18-24 year olds (42%). The highest level of support was from 45-54 and 55-64 year olds (60% respectively).
- **Option 9:** There was a 28% difference in support across the age groups consulted. The group least in support of this option were 18-24 year olds (42%). The highest level of support was from 65-74 year olds (70%).
- **Option 10:** There was a 22% difference in support across the age groups consulted. The group least in support of this option were 18-24 year olds (49%). The highest level of support was from 65-74 year olds (71%).
- **Option 11:** There was an 18% difference in support across the age groups consulted. The group least in support of this option were 75 years and over (46%). The highest level of support was from 65-74 year olds (67%).
- **Option 12:** There was a 38% difference in support across the age groups consulted. The group least in support of this option were 18-24 year olds (55%). The highest level of support was from 35-44 year olds (79%).

Sex

There is a potential impact on working age males and females of the following consultation options. It should be noted that in terms of gender, females are more likely to be the primary applicant and/or have dependent children:

- **Option 2 (remove family premium):** There could be an increase of 24% for female claimants which would be a total of 93% of all claimants. However, the proposal would apply to **new claims only** so the figure would remain at 69% at this stage.
- **Option 7 (non-dependent deductions):** An increase of 11% of female claimants which would be a total of 80% of all claimants.
- **Option 8 (awards with child maintenance):** An increase of 30% of female claimants which would be a total of 99% of all claimants.

- **Option 10 (removal of second adult rebate):** An increase of 24% of female claimants which would be a total of 93% of all claimants.

Consultation findings

- **Option 2:** 58% of male respondents agreed with this option. There was a 15% difference in opinion between male (58%) and female respondents (43%).
- **Option 7:** There was no notable difference of opinion between male and female respondents.
- **Option 8:** 63% of male respondents agreed with this option. There was a 17% difference in opinion between male (63%) and female respondents (46%).
- **Option 10:** There was no notable difference of opinion between male and female respondents.

Race

This information is not collected from claimants as it is not relevant to the calculation of council tax reduction. The Census (2011) shows no significant or notable difference that people from Minority Ethnic backgrounds are more likely to be economically active and less likely to be self-employed, than people from a white background. We have no evidence to indicate that working age people with different ethnic backgrounds would be affected differently. However, we will ask people to identify their ethnic group, when responding to the consultation.

Consultation findings

- **Option 6:** There was an 11% difference of opinion between respondents from different ethnic backgrounds; 61% agreed from white groups and 50% agreed from BME backgrounds.
- **Option 8:** There was a 10% difference of opinion between respondents from different ethnic backgrounds; 53% agreed from white groups and 63% agreed from BME backgrounds.

There was no other notable difference of opinion across the other consultation options.

Armed Forces Community

This is considered in this equality impact assessment as part of the commitments within the Community Covenant. Armed forces personnel deployed on operations overseas who normally pay council tax, benefit from a tax-free payment on the cost of council tax paid directly by the Ministry of Defence. Following the announcement by the Chancellor in his 2012 Budget statement, council tax relief will be worth just under £600 (based upon 2012/13 council tax) for an average six-month deployment based on the average council tax per dwelling in England. This will continue to be paid at a flat rate to all eligible personnel. More information is

available at www.mod.uk. We also disregard income from war disablement pensions, providing eligible claimants with a higher council tax reduction

Other protected characteristics

We do not collect information about the following characteristics from claimants as it is not relevant to the calculation of council tax reductions:

- Religion of belief
- Sexual orientation
- Gender reassignment
- Marital or civil partnership status
- Pregnancy or maternity

Option 12 to introduce a limit of two dependents; this would affect any claimants pregnant before 1 April 2017. There is no evidence to indicate that working age people with these protected characteristics would be affected differently to claimants overall.

Consultation summary

The table below summarises the consultation responses by proposed option, highlighting notable differences of opinion that correlate with the initial findings, prior to consultation.

| | Equalities Impact | Protected characteristic (Consultation response summary) | | | |
|---------------------|---|--|--|--|---|
| Consultation option | Groups affected (increase in no. of claimants based on claimant data): | Disability | Age | Sex | Race |
| 1 | No impact identified from current claimant data | 22% difference in opinion between respondents with a disability (42%) and those without (64%) | Lowest group in support – 75 years and over (47%), highest level of support from 65-74 year olds (73%) equating to a 26% difference | 10% difference in opinion between male (66%) and female respondents (56%) | No notable difference between respondents from different ethnic backgrounds |
| 2 | <ul style="list-style-type: none"> Sex - female claimants Age – 25-44 year olds | No notable difference in opinion between respondents with a disability and those without | Lowest group in support – 18-24 year olds (22%), highest level of support from 55-64 year olds (57%) equating to a 35% difference | 15% difference in opinion between male (58%) and female respondents (43%) | No notable difference between respondents from different ethnic backgrounds |
| 3 | <ul style="list-style-type: none"> Age - 25-44 year olds | 16% difference in opinion between respondents with a disability (43%) and those without (51%) | Lowest group in support – 18-24 year olds (51%), highest level of support from 45-54 year olds (82%) equating to a 31% difference | No notable difference between male and female respondents | No notable difference between respondents from different ethnic backgrounds |
| 4 | <ul style="list-style-type: none"> Age – 25-54 year olds | 16% difference in opinion between respondents with a disability (37%) and those without (53%) | Lowest group in support 25-34 year olds (42%), highest level of support from 65-74 year olds (62%) equating to a 20% difference | 10% difference in opinion between male (56%) and female respondents (46%) | No notable difference between respondents from different ethnic backgrounds |
| 5 | No impact identified from current claimant data | No notable difference in opinion between respondents with | Lowest group in support – 18-24 year olds (71%), highest level of support from 65-74 year olds (88%) equating to a 17% difference | No notable difference between male and female respondents | No notable difference between respondents from |

| | | | | | |
|-----------|---|--|---|--|---|
| | | a disability and those without | | | different ethnic backgrounds |
| 6 | <ul style="list-style-type: none"> Carers & Disability claimants Age – 45-54 year olds | No notable difference in opinion between respondents with a disability and those without | Lowest group in support – 75 years and over (44%), highest level of support from 18-24 year olds (71%) equating to a 27% difference | No notable difference between male and female respondents | 11% difference of opinion between respondents from different ethnic backgrounds. 61% in favour from white groups and 50% in favour from BME. |
| 7 | <ul style="list-style-type: none"> Carers Age - 35-64 year olds Sex – female claimants | 13% difference in opinion between respondents with a disability (60%) and those without (73%) | Lowest group in support – 18-24 year olds (59%), highest level of support from 65-74 year olds (82%) equating to a 23% difference | No notable difference between male and female respondents | No notable difference between respondents from different ethnic backgrounds |
| 8 | <ul style="list-style-type: none"> Age - 25-54 year olds Sex – female claimants | 10% difference in opinion between respondents with a disability (46%) and those without (56%) | Lowest group in support – 18-24 year olds (42%), highest level of support from 45-54 and 55-64 year olds (60% respectively) equating to a 18% difference | 17% difference in opinion between male (63%) and female respondents (46%) | 10% difference of opinion between respondents from different ethnic backgrounds. 53% in favour from white groups and 63% in favour from BME. |
| 9 | <ul style="list-style-type: none"> Carers Age – 45-64 year olds | No notable difference between respondents with a disability and those without | Lowest group in support – 18-24 year olds (42%), highest level of support from 65-74 year olds (70%) equating to a 28% difference | No notable difference between male and female respondents | No notable difference between respondents from different ethnic backgrounds |
| 10 | <ul style="list-style-type: none"> Age - 45-54 year olds Sex – female | 14% difference in opinion between respondents with a disability (49%) | Lowest group in support – 18-24 year olds (49%), highest level of support from 65-74 year olds (71%) equating to a 22% difference | No notable difference between male and female respondents | No notable difference between respondents from |

| | claimants | and those without (63%) | | | different ethnic backgrounds |
|-----------|---|--|--|--|---|
| 11 | <ul style="list-style-type: none"> Disability claimants Age - 45-64 year olds | 18% difference in opinion between respondents with a disability (43%) and those without (61%) | Lowest group in support – 75 years and over (46%), highest level of support from 65-74 year olds (67%) equating to a 21% difference | No notable difference between male and female respondents | No notable difference between respondents from different ethnic backgrounds |
| 12 | <ul style="list-style-type: none"> Age - 25-54 year olds | No notable difference between respondents with a disability and those without | Lowest group in support – 18-24 year olds (55%), highest level of support from 35-44 year olds (79%) equating to a 38% difference | No notable difference between male and female respondents | No notable difference between respondents from different ethnic backgrounds |
| 13 | No impact identified from current claimant data | No notable difference between respondents with a disability and those without | Lowest group in support – 25-34 year olds (67%), highest level of support from 65-74 year olds (84%) equating to a 17% difference | No notable difference between male and female respondents | No notable difference between respondents from different ethnic backgrounds |

Actions to mitigate any identified impacts

The possible introduction of an exceptional hardship scheme was included as an option for consultation (option 13). It should be noted that there were no notable differences of opinion from respondents with protected characteristics and those without.

It is important that the Public Sector Equality Duty is considered as part of future decision making to ensure claimants with protected characteristics are treated fairly.

Kent LA CTS schemes - Current and Proposed/ Recommended

| Council | Current CTS scheme | | | | | | | |
|---------------------|--|--------------|-----------------------|-----------------|---------------------------------------|---------------|--------------------|----------------------------|
| | Minimum payment | Band capping | Self-employed MIF | 2AR removed | Non-dep deduction | Capital limit | Hardship fund | Child Benefit/ Maintenance |
| Ashford | 10% | No | No | No | Income based | £16,000 | No | No |
| Canterbury | 5% | No | No | Yes | Income based | £16,000 | No | No |
| Dover | 6% | No | No | Yes | Income based | £16,000 | No | No |
| Dartford | 18.5% | No | No | No | Income based | £16,000 | No | No |
| Gravesham | 18.5% | No | No | No | Income based | £16,000 | No | No |
| Maidstone | 13% | No | No | No | Income based | £16,000 | No | No |
| Medway | 35% | No | No | Yes | Income based | £16,000 | Yes | No |
| Sevenoaks | 18.5% | No | No | No | Income based | £16,000 | No | No |
| Shepway | 18.5% | No | No | No | Income based | £16,000 | No | No |
| Swale | 15% | No | No | No | Income based | £16,000 | Yes | No |
| Thanet | 5.5% | No | No | Yes | Income based | £16,000 | No | No |
| Tonbridge & Malling | 18.5% | No | No | No | Income based | £16,000 | No | No |
| Tunbridge Wells | 18.5% | No | No | No | Income based | £16,000 | No | No |
| | | | | | | | | |
| Council | Proposed/ Recommended CTS scheme for 2017/18 | | | | | | | |
| | Minimum payment | Band capping | Self-employed MIF | 2AR removed | Non-dep deduction | Capital limit | Hardship fund | Child Benefit/ Maintenance |
| Ashford | 17.5% | To band D | Yes (after 1 year) | Yes | £10 pw per n-d | £10,000 | Yes | No |
| Canterbury | 10% | To band D | Yes (after 1 year) | Already removed | £10 pw per n-d | £6,000 | Yes | No |
| Dover | 10% | To band D | Yes (after 1 year) | Already removed | £10 pw per n-d | £6,000 | Yes | No |
| Dartford | 20% | To band D | Yes (after 2 years) | Yes | £10 pw per n-d | £6,000 | Yes | No |
| Gravesham | 20% | No | No | Yes | £10 pw per n-d | No | Yes | No |
| Medway* | 35% | No | No | Already removed | Income based | £16,000 | Yes | No |
| Sevenoaks | 20% | No | Yes (after 2 years) | No | Income based | £16,000 | Yes | No |
| Shepway | 25% | To band D | Yes (after 1 year) | Yes | £10 pw per n-d | £6,000 | Yes | Yes |
| Swale | 20% | No | Yes (after 1.5 years) | Yes | £15 pw per n-d | £16,000 | Already introduced | Yes |
| Thanet | 10% | To band D | Yes (after 1 year) | Already removed | £10 pw per n-d | £6,000 | Yes | No |
| Tonbridge & Malling | 20% | No | No | Yes | £10 pw per n-d (keeping nil rates) | £16,000 | Yes | No |
| Maidstone | 20% | To band D | Yes (after 1 year) | Yes | £10 pw per n-d | £6,000 | Yes | Yes (maintenance only) |
| Tunbridge Wells | 20% | To band D | Yes (after 1 year) | Yes | £10 pw per n-d | £6,000 | Yes | Yes (maintenance only) |

In addition to the proposed changes all councils with new schemes included the HB/UC alignment changes as part of their proposals.

Removal of family premuim

Reduce backdating to 1 month

Reduce period of absence to 4 weeks

Remove work related activity component

Limit number of dependent children within calc to 2

* - Medway are not changing their CTS scheme for 2017/18



Council Tax Reduction Scheme

S13A and Schedule 1a of the Local Government Finance Act 1992

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1.0 Introduction to the Council Tax Reduction Scheme

- 1.1 The following has been adopted by the Council and details the Council Tax Reduction scheme for the period 1st April 2017 until 31st March 2018.
- 1.2 This document details how the scheme will operate for both pension credit age and working age applicants and in accordance with Section 13A of the Local Government Finance Act 1992 specifies the classes of person who are to be entitled to a reduction under the scheme and is effective from 1st April 2017 for a period of one financial year.
- 1.3 The scheme in respect of pension age applicants is defined by Central Government within the following:
- Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012;
 - Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012;
 - Council Tax Reduction Schemes (Transitional Provision) (England) Regulations 2013;
 - Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013;
 - Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2) Regulations 2014
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015; and
 - Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012).

The Council has **no** discretion in relation to the calculation of Council Tax Reduction in respect of the pension age scheme.

THE SCHEME FOR PENSION AGE APPLICANTS – CENTRAL GOVERNMENT'S SCHEME AS DEFINED BY THE COUNCIL TAX REDUCTION SCHEME (PRESCRIBED REQUIREMENTS) (ENGLAND) REGULATIONS 2012

- 1.4 There are three main classes under the prescribed pension credit age scheme, for each of which there are a number of qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction, such as a person subject to immigration control with limited leave to remain. The definition of a pension credit age person is a person who;
- (a) has attained the qualifying age for state pension credit; and
 - (b) is not, or, if he has a partner, his partner is not;
 - i. a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance; or
 - ii. a person with an award of universal credit

The three prescribed classes are as follows;

Class A: pensioners whose income is less than the applicable amount.

On any day Class A consists of any person who is a pensioner:

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day;
- (c) in respect of whom a maximum Council Tax Reduction amount can be calculated;

- (d) who does not fall within a class of persons prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- (e) whose income (if any) for the relevant week does not exceed his applicable amount calculated in accordance with paragraph 9 and Schedule 2 of the Local Government Finance Act 1992;
- (f) not have capital savings above £16,000; and
- (g) who has made an application for a reduction under the authority's scheme.

Class B: pensioners whose income is greater than the applicable amount.

On any day class B consists of any person who is a pensioner:

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day;
- (c) in respect of whom a maximum Council Tax Reduction amount can be calculated;
- (d) who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- (e) whose income for the relevant week is greater than his applicable amount calculated in accordance with paragraph 9 and Schedule 2 to the Local Government Finance Act 1992;
- (f) in respect of whom amount A exceeds amount B where;
 - (i) amount A is the maximum Council Tax Reduction in respect of the day in the applicant's case; and
 - (ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount;
- (g) not have capital savings above £16,000; and
- (h) who has made an application for a reduction under the authority's scheme.

Class C: alternative maximum Council Tax Reduction (Second Adult Reduction)

On any day class C consists of any person who is a pensioner:

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day;
- (c) in respect of whom a maximum Council Tax Reduction amount can be calculated;
- (d) who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the 1992 Act and excluded from the authority's scheme;
- (e) who has made an application for a reduction under the authority's scheme; and
- (f) in relation to whom the condition below is met.

The condition referred to in sub-paragraph (f). is that no other resident of the dwelling is liable to pay rent to the applicant in respect of the dwelling and there is an alternative maximum Council Tax Reduction in respect of the day in the case of that person which is derived from the income, or aggregate income, of one or more residents to whom this sub-paragraph applies.

The above applies to any other resident of the dwelling who:

- (a) is not a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount;
- (b) is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
- (c) is not a person who is residing with a couple or with the members of a polygamous marriage where the applicant is a member of that couple or of that marriage and—
 - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or

- (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;
- (d) is not a person who, jointly with the applicant, falls within the same paragraph of section 6(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant; or
- (e) is not a person who is residing with two or more persons both or all of whom fall within the same paragraph of section 6(2)(a) to (e) of the 1992 Act where two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

Disregard of certain incomes

- 1.5 For those who have reached the qualifying age for state pension credit, the Council has resolved to enhance the government scheme (as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012 as amended) to disregard in full the following:
- (a) a war disablement pension;
 - (b) a war widow's pension or war widower's pension;
 - (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
 - (d) a guaranteed income payment;
 - (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
 - (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
 - (g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria;
 - (h) an Armed Forces Compensation Payment.

The provisions outlined above, enhance the Central Government's scheme.

THE SCHEME FOR WORKING AGE APPLICANTS – THE COUNCIL'S LOCAL SCHEME

- 1.6 The adopted scheme for working age applicants is a means test, which compares income against an assessment of *applicable amounts* (unless otherwise stated). Full details of the working age scheme of the authority are contained within this document from section 2 onwards. The authority is required to specify a scheme for working age and therefore this scheme only applies to a person who;
- (a) has not attained the qualifying age for state pension credit; or
 - (b) has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance, on an income-related employment and support allowance or on universal credit.
- 1.7 The Council has resolved that there will be **three** classes of persons who will receive a reduction in line with adopted scheme. There will be *two* main classes prescribed for, for each of which there will be a number of qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction as specified within section 7 of this scheme.

Class D

To obtain reduction the individual (or partner) must:

- (a) have not attained the qualifying age for state pension credit¹; or
- (b) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.
- (c) be liable to pay council tax in respect of a dwelling in which he is solely or mainly resident;
- (d) is not deemed to be absent from the dwelling;
- (e) not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- (f) be somebody in respect of whom a maximum Council Tax Reduction² amount can be calculated;
- (g) not have capital savings above £16,000³;
- (h) be a person in respect of whom a day in which s/he is liable to pay council tax falls within a week in respect of which the person's *income*⁴ is **less** than their *applicable amount*⁵ or the applicant or partner is in receipt of income support, jobseekers allowance (income based) or employment and support allowance (income related); and
- (i) has made a valid application for reduction⁶.

Maximum Council Tax Reduction stated above is defined within section 57 of this scheme

Class E

To obtain reduction the individual (or partner) must:

- (a) have not attained the qualifying age for state pension credit⁷; or
- (b) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.
- (c) has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance or in receipt of an award Universal Credit;
- (d) be liable to pay council tax in respect of a dwelling in which they are solely or mainly resident;
- (e) is not deemed to be absent from the dwelling;
- (f) not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- (g) be somebody in respect of whom a maximum Council Tax Reduction⁸ amount can be calculated;
- (h) not have capital savings above £16,000⁹;
- (i) be a person in respect of whom a day in which s/he is liable to pay council tax falls within a week in respect of which the person's *income*¹⁰ is **more** than their *applicable amount*¹¹;

¹ Section 5 of this scheme

² Sections 57 to 63 of this scheme

³ Sections 33 to 42 and Schedule 5 of this scheme

⁴ Sections 15 to 32 and Schedules 3 and 4 of this scheme

⁵ Sections 12 to 14 and Schedule 1 of this scheme

⁶ Sections 68 to 74a of this scheme

⁷ Section 5 of this scheme

⁸ Sections 57 to 63 of this scheme

⁹ Sections 33 to 42 and Schedule 5 of this scheme

¹⁰ Sections 15 to 32 and Schedules 3 and 4 of this scheme

¹¹ Sections 12 to 14 and Schedule 1 of this scheme

- (j) have made a valid application for reduction¹²;
- (k) be a person in respect of whom amount A exceeds amount B where
 - (i) amount A is the maximum Council Tax Reduction in respect of the day in the applicant's case; and
 - (ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount.

Maximum Council Tax Reduction stated above is defined within section 57 of this scheme.

Class F

To obtain reduction the individual must:

- a. have not attained the qualifying age for state pension credit¹³; or
- b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance or in receipt of an award universal credit;
- c. be liable to pay council tax in respect of a dwelling in which they are solely or mainly resident;
- d. is not deemed to be absent from the dwelling;
- e. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- f. be somebody in respect of whom a maximum Council Tax Reduction¹⁴ amount can be calculated;
- g. have made a valid application for reduction¹⁵;
- h. be somebody who has at least one second adult living with them who is not his partner, not somebody who pays rent, and who is on a *prescribed* low wage and/or *prescribed* benefit, as set out in within sections 62 and 63 and schedule 2 of this scheme.

Maximum Council Tax Reduction stated above is defined within section 57 of this scheme

¹² Sections 68 to 74a of this scheme

¹³ Section 5 of this scheme

¹⁴ Sections 57 to 63 of this scheme

¹⁵ Sections 68 to 74a of this scheme

Council Tax Reduction Scheme

Details of reduction to be given for **working age applicants** for the financial year 2017/18

Sections 2- 8
Definitions and interpretation

2.0 Interpretation - an explanation of the terms used within this scheme

2.1 In this scheme–

'the Act' means the Social Security Contributions and Benefits Act 1992;

'the Administration Act' means the Social Security Administration Act 1992;

'the 1973 Act' means the Employment and Training Act 1973;

'the 1992 Act' means the Local Government Finance Act 1992;

'the 2000 Act' means the Electronic Communications Act 2000;

'Abbeyfield Home' means an establishment run by the Abbeyfield Society including all bodies corporate or incorporate which are affiliated to that Society;

'adoption leave' means a period of absence from work on ordinary or additional adoption leave by virtue of section 75A or 75B of the Employment Rights Act 1996;

'alternative maximum council tax reduction' (Second Adult Rebate) means the amount determined in accordance with section 62 and Schedule 2

'an AFIP' means an armed forces independence payment payable in accordance with an armed and reserve forces compensation scheme established under section 1(2) of the Armed Forces (Pensions and Compensation) Act 2004

'applicable amount' means the amount determined in accordance with schedule 1 of this scheme

'applicant' means a person who the authority designates as able to claim Council tax reduction – for the purposes of this scheme all references are in the masculine gender but apply equally to male and female;

'application' means an application for a reduction under this scheme:

'appropriate DWP office' means an office of the Department for Work and Pensions dealing with state pension credit or office which is normally open to the public for the receipt of claims for income support, a jobseeker's allowance or an employment and support allowance;

'assessment period' means such period as is prescribed in sections 19 to 21 over which income falls to be calculated;

'attendance allowance' means–

(a) an attendance allowance under Part 3 of the Act;

(b) an increase of disablement pension under section 104 or 105 of the Act;

(c) a payment under regulations made in exercise of the power conferred by paragraph 7(2)(b) of Part 2 of Schedule 8 to the Act;

(d) an increase of an allowance which is payable in respect of constant attendance under paragraph 4 of Part 1 of Schedule 8 to the Act;

(e) a payment by virtue of article 14, 15, 16, 43 or 44 of the Personal Injuries (Civilians) Scheme 1983 or any analogous payment; or

(f) any payment based on need for attendance which is paid as part of a war disablement pension;

'the authority' means a billing authority in relation to whose area this scheme has effect by virtue of paragraph 4(6) of Schedule 1A to the 1992 Act;

'Back to Work scheme(s)' means any scheme defined within the Jobseekers (Back to Work Schemes) Act 2013 or Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;

'basic rate', where it relates to the rate of tax, has the same meaning as in the Income Tax Act 2007 (see section 989 of that Act).

'the benefit Acts' means the Act (SSBA) and the Jobseekers Act 1995 and the Welfare Reform Act 2007;

'board and lodging accommodation' means accommodation provided to a family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises;

'care home' has the meaning given by section 3 of the Care Standards Act 2000 and in Scotland means a care home service within the meaning given by section 2(3) of the Regulation of Care (Scotland) Act 2001 and in Northern Ireland means a nursing home within the meaning of Article 11 of the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003 or a

residential care home within the meaning of Article 10 of that Order;

'the Caxton Foundation' means the charitable trust of that name established on 28th March 2011 out of funds provided by the Secretary of State for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with its provisions;

'child' means a person under the age of 16;

'child benefit' has the meaning given by section 141 of the SSCBA as amended by The Child Benefit (General), Child Tax Credit (Amendment) Regulations 2014 and The Child Benefit (General) (Amendment) Regulations 2015;

'the Children Order' means the Children (Northern Ireland) Order 1995;

'child tax credit' means a child tax credit under section 8 of the Tax Credits Act 2002;

'claim' means a claim for council tax reduction;

'close relative' means a parent, parent-in-law, son, son-in-law, daughter, daughter-in-law, step-parent, step-son, step-daughter, brother, sister, or if any of the preceding persons is one member of a couple, the other member of that couple;

'concessionary payment' means a payment made under arrangements made by the Secretary of State with the consent of the Treasury which is charged either to the National Insurance Fund or to a Departmental Expenditure Vote to which payments of benefit or tax credits under the benefit Acts or the Tax Credits Act are charged;

'the Consequential Provisions Regulations' means the Housing Benefit and Council tax reduction (Consequential Provisions) Regulations 2006;

'contributory employment and support allowance' means an allowance under Part 1 of the Welfare Reform Act 2007 as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the Welfare Reform Act 2012 that remove references to an income-related allowance and a contributory allowance under Part 1 of the Welfare Reform Act 2007 as that Part has effect apart from those provisions;

'converted employment and support allowance' means an employment and support allowance which is not income-related and to which a person is entitled as a result of a conversion decision within the meaning of the Employment and Support Allowance (Existing Awards) Regulations 2008;

'council tax benefit' means council tax benefit under Part 7 of the SSCBA;

'council tax reduction scheme' has the same meaning as **'council tax reduction or reduction'**

'council tax reduction' means council tax reduction as defined by S13a Local Government Finance Act 1992 (as amended);

'couple' means;

- (a) a man and a woman who are married to each other and are members of the same household;
- (b) a man and a woman who are not married to each other but are living together as husband and wife;
- (c) two people of the same sex who are civil partners of each other and are members of the same household; or
- (d) two people of the same sex who are not civil partners of each other but are living together as if they were civil partners,

Two people of the same sex are to be treated as living together as if they were civil partners if, and only if, they would be treated as living together as husband and wife were they of opposite sexes. The above includes the Marriage (Same Sex Couples) Act 2013 and The Marriage (Same Sex Couples) Act 2013 (Commencement No. 3) Order 2014;

'date of claim' means the date on which the application or claim is made, or treated as made, for the purposes of this scheme

'designated authority' means any of the following;

the local authority; or a person providing services to, or authorised to exercise any function of, any such authority;

'designated office' means the office designated by the authority for the receipt of claims for council tax reduction;

- (a) by notice upon or with a form approved by it for the purpose of claiming council tax reduction; or
- (b) by reference upon or with such a form to some other document available from it and sent by electronic

means or otherwise on application; or

(c) by any combination of the provisions set out in sub-paragraphs (a) and (b) above;

'disability living allowance' means a disability living allowance under section 71 of the Act;

'dwelling' has the same meaning in section 3 or 72 of the 1992 Act;

'earnings' has the meaning prescribed in section 25 or, as the case may be, 27;

'the Eileen Trust' means the charitable trust of that name established on 29th March 1993 out of funds provided by the Secretary of State for the benefit of persons eligible for payment in accordance with its provisions;

'electronic communication' has the same meaning as in section 15(1) of the Electronic Communications Act 2000;

'employed earner' is to be construed in accordance with section 2(1)(a) of the Act and also includes a person who is in receipt of a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay or statutory maternity pay;

'Employment and Support Allowance Regulations' means the Employment and Support Allowance Regulations 2008 and the Employment and Support Regulations 2013 as appropriate;

'Employment and Support Allowance (Existing Awards) Regulations' means the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) Regulations 2010;

'the Employment, Skills and Enterprise Scheme' means a scheme under section 17A (schemes for assisting persons to obtain employment; 'work for your benefit' schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to assist applicants to obtain employment, including self-employment, and which may include for any individual work-related activity (including work experience or job search). This also includes schemes covered by The Jobseekers Allowance (Employment, Skills and Enterprise Scheme) Regulations 2011 as amended by the Jobseekers (Back to Work Schemes) Act 2013 – see **'Back to Work Schemes'**;

'employment zone' means an area within Great Britain designated for the purposes of section 60 of the Welfare Reform and Pensions Act 1999 and 2014 and an **'employment zone programme'** means a programme established for such an area or areas designed to assist applicants for a jobseeker's allowance to obtain sustainable employment;

'employment zone contractor' means a person who is undertaking the provision of facilities in respect of an employment zone programme on behalf of the Secretary of State for Work and Pensions;

'enactment' includes an enactment comprised in, or in an instrument made under, an Act of the Scottish Parliament;

'extended reduction' means a payment of council tax reduction payable pursuant to section 60;

'extended reduction period' means the period for which an extended reduction is payable in accordance with section 60A or 61A of this scheme;

'extended reduction (qualifying contributory benefits)' means a payment of council tax reduction payable pursuant to section 61;

'family' has the meaning assigned to it by section 137(1) of the Act and Section 9 of this scheme;

'the Fund' means moneys made available from time to time by the Secretary of State for the benefit of persons eligible for payment in accordance with the provisions of a scheme established by him on 24th April 1992 or, in Scotland, on 10th April 1992;

'a guaranteed income payment' means a payment made under article 15(1)(c) (injury benefits) or 29(1)(a) (death benefits) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011;

'he, him, his' also refers to the feminine within this scheme

'housing benefit' means housing benefit under Part 7 of the Act; **'the Housing Benefit Regulations'** means the Housing Benefit Regulations 2006;

'Immigration and Asylum Act' means the Immigration and Asylum Act 1999;

'an income-based jobseeker's allowance' and **'a joint-claim jobseeker's allowance'** have the meanings given by section 1(4) of the Jobseekers Act 1995;

'income-related employment and support allowance' means an income-related allowance under Part

1 of the Welfare Reform Act 2007;

'Income Support Regulations' means the Income Support (General) Regulations 1987(a);

'Independent hospital'–

(a) in England, means a hospital as defined by section 275 of the National Health Service Act 2006 that is not a health service hospital as defined by that section;

(b) in Wales, has the meaning assigned to it by section 2 of the Care Standards Act 2000; and

(c) in Scotland means an independent health care service as defined by section 10F of the National Health Service (Scotland) Act 1978;

'the Independent Living Fund (2006)' means the Trust of that name established by a deed dated 10th April 2006 and made between the Secretary of State for Work and Pensions of the one part and Margaret Rosemary Cooper, Michael Beresford Boyall and Marie Theresa Martin of the other part;

'invalid carriage or other vehicle' means a vehicle propelled by a petrol engine or by electric power supplied for use on the road and to be controlled by the occupant;

'Jobseekers Act' means the Jobseekers Act 1995; **'Jobseeker's Allowance Regulations'** means the Jobseeker's Allowance Regulations 1996 and Jobseeker's Allowance Regulations 2013 as appropriate;

'limited capability for work' has the meaning given in section 1(4) of the Welfare Reform Act;

'limited capability for work-related activity' has the meaning given in section 2(5) of the Welfare Reform Act 2007;

'the London Bombing Relief Charitable Fund' means the company limited by guarantee (number 5505072), and registered charity of that name established on 11th July 2005 for the purpose of (amongst other things) relieving sickness, disability or financial need of victims (including families or dependants of victims) of the terrorist attacks carried out in London on 7th July 2005;

'lone parent' means a person who has no partner and who is responsible for and a member of the same household as a child or young person;

'the Macfarlane (Special Payments) Trust' means the trust of that name, established on 29th January 1990 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia;

'the Macfarlane (Special Payments) (No.2) Trust' means the trust of that name, established on 3rd May 1991 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia and other beneficiaries;

'the Macfarlane Trust' means the charitable trust, established partly out of funds provided by the Secretary of State to the Haemophilia Society, for the relief of poverty or distress among those suffering from haemophilia;

'main phase employment and support allowance' means an employment and support allowance where the calculation of the amount payable in respect of the applicant includes a component under section 2(1)(b) or 4(2)(b) of the Welfare Reform Act 2007 except in Part 1 of Schedule 1;

'the Mandatory Work Activity Scheme' means a scheme within section 17A (schemes for assisting persons to obtain employment; 'work for your benefit' schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to provide work or work related activity for up to 30 hours per week over a period of four consecutive weeks with a view to assisting applicants to improve their prospect of obtaining employment;

'maternity leave' means a period during which a woman is absent from work because she is pregnant or has given birth to a child, and at the end of which she has a right to return to work either under the terms of her contract of employment or under Part 8 of the Employment Rights Act 1996;

'member of a couple' means a member of a married or unmarried couple;

'MFET Limited' means the company limited by guarantee (number 7121661) of that name, established for the purpose in particular of making payments in accordance with arrangements made with the Secretary of State to persons who have acquired HIV as a result of treatment by the NHS with blood or blood products;

'mobility supplement' means a supplement to which paragraph 9 of Schedule 4 refers;

'mover' means a applicant who changes the dwelling in which the applicant is resident and in respect of which the applicant liable to pay council tax from a dwelling in the area of the appropriate authority to a

dwelling in the area of the second authority;

'net earnings' means such earnings as are calculated in accordance with section 26;

'net profit' means such profit as is calculated in accordance with section 28;

'the New Deal options' means the employment programmes specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996 and the training scheme specified in regulation 75(1)(b)(ii) of those Regulations;

'new dwelling' means, for the purposes of the definition of 'second authority' and sections 60C, and 61C the dwelling to which a applicant has moved, or is about to move, in which the applicant is or will be resident;

'non-dependant' has the meaning prescribed in section 3;

'non-dependant deduction' means a deduction that is to be made under section 58;

'occasional assistance' means any payment or provision made by a local authority, the Welsh Ministers or the Scottish Ministers for the purposes of:

(a) meeting, or helping to meet an immediate short-term need;

(i) arising out of an exceptional event or exceptional circumstances, or

(ii) that needs to be met to avoid a risk to the well-being of an individual, and

(b) enabling qualifying individuals to establish or maintain a settled home, and—

(i) 'local authority' has the meaning given by section 270(1) of the Local Government Act 1972; and

(ii) 'qualifying individuals' means individuals who have been, or without the assistance might otherwise be:

(aa) in prison, hospital, an establishment providing residential care or other institution, or

(bb) homeless or otherwise living an unsettled way of life; and 'local authority' means a local authority in England within the meaning of the Local Government Act 1972;

'occupational pension' means any pension or other periodical payment under an occupational pension scheme but does not include any discretionary payment out of a fund established for relieving hardship in particular cases;

'occupational pension scheme' has the same meaning as in section 1 of the Pension Schemes Act 1993

'ordinary clothing or footwear' means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities;

'partner' in relation to a person, means

(a) where that person is a member of a couple, the other member of that couple;

(b) subject to paragraph (c), where that person is polygamously married to two or more members of his household, any such member to whom he is married; or

(c) where that person is polygamously married and has an award of universal credit with the other party to the earliest marriage that still subsists, that other party to the earliest marriage;

'paternity leave' means a period of absence from work on leave by virtue of section 80A or 80B of the Employment Rights Act 1996;

'payment' includes part of a payment;

'pensionable age' has the meaning given by the rules in paragraph 1 of Schedule 4 to the Pensions Act 1995 as amended by the Public Services Pension Act 2013 and Pensions Act 2014;

'pension fund holder' means with respect to a personal pension scheme or an occupational pension scheme, the trustees, managers or scheme administrators, as the case may be, of the scheme concerned;

'pensioner' a person who has attained the age at which pension credit can be claimed;

'person affected' shall be construed as a person to whom the authority decides is affected by any decision made by the council;

'person on income support' means a person in receipt of income support;

'personal independence payment' has the meaning given by Part 4 of the Welfare Reform Act 2012 and the Social Security (Personal Independence Payments) 2013;

'person treated as not being in Great Britain' has the meaning given by section 7;

'personal pension scheme' means—

(a) a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993 as amended

by the Public Service Pension Act 2013;

- (b) an annuity contractor trust scheme approved under section 620 or 621 of the Income and Corporation Taxes Act 1988 or a substituted contract within the meaning of section 622(3) or that Act which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(f) of Schedule 36 of the Finance Act 2004¹⁶;
- (c) a personal pension scheme approved under Chapter 4 of Part 14 of the Income and Corporation Taxes Act 1988 which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(g) of Schedule 36 to the Finance Act 2004;
- (d) a scheme prescribed in regulation 3 of the Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;
- (e) Back to Work scheme;

'policy of life insurance' means any instrument by which the payment of money is assured on death (except death by accident only) or the happening of any contingency dependent on human life, or any instrument evidencing a contract which is subject to payment of premiums for a term dependent on human life;

'polygamous marriage' means a marriage to which section 133(1) of the Act refers namely;

(a) a person is a husband or wife by virtue of a marriage entered into under a law which permits polygamy; and

(b) either party to the marriage has for the time being any spouse additional to the other party.

'public authority' includes any person certain of whose functions are functions of a public nature;

'qualifying age for state pension credit' means (in accordance with section 1(2)(b) and (6) of the State Pension Credit Act 2002)-

(a) in the case of a woman, pensionable age; or

(b) in the case of a man, the age which is pensionable age in the case of a woman born on the same day as the man;

'qualifying contributory benefit' means;

(a) severe disablement allowance;

(b) incapacity benefit;

(c) contributory employment and support allowance;

'qualifying course' means a qualifying course as defined for the purposes of Parts 2 and 4 of the Job Seeker's Allowance Regulations 1996

'qualifying income-related benefit' means

(a) income support;

(b) income-based jobseeker's allowance;

(c) income-related employment and support allowance;

'qualifying person' means a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;

'reduction week' means a period of seven consecutive days beginning with a Monday and ending with a Sunday;

'relative' means a close relative, grandparent, grandchild, uncle, aunt, nephew or niece;

'relevant authority' means an authority administering council tax reduction;

'relevant week' In relation to any particular day, means the week within which the day in question falls;

'remunerative work' has the meaning prescribed in section 6;

'rent' means 'eligible rent' to which regulation 12 of the Housing Benefit Regulations refers less any deductions in respect of non-dependants which fall to be made under regulation 74 (non-dependant deductions) of those Regulations;

'resident' has the meaning it has in Part 1 or 2 of the 1992 Act;

'second authority' means the authority to which a mover is liable to make payments for the new dwelling;

¹⁶ As amended by the Finance Act 2014

'self-employed earner' is to be construed in accordance with section 2(1)(b) of the Act;

'self-employment route' means assistance in pursuing self-employed earner's employment whilst participating in-

- (a) an employment zone programme;
- (b) a programme provided or other arrangements made pursuant to section 2 of the 1973 Act (functions of the Secretary of State) or section 2 of the Enterprise and New Towns (Scotland) Act 1990 (functions in relation to training for employment, etc.); or
- (c) the Employment, Skills and Enterprise Scheme;

'Service User' references in this scheme to an applicant participating as a service user are to

- (a) a person who is being consulted by or on behalf of-
 - (i) the Secretary of State in relation to any of the Secretary of State's functions in the field of social security or child support or under section 2 of the Employment and Training Act 1973; or
 - (ii) a body which conducts research or undertakes monitoring for the purpose of planning or improving such functions in their capacity as a person affected or potentially affected by the exercise of those functions or the carer of such a person; or
- (b) the carer of a person consulted as described in sub-paragraph (a) where the carer is not being consulted as described in that sub-paragraph

'single applicant' means an applicant who neither has a partner nor is a lone parent;

'the Skipton Fund' means the ex-gratia payment scheme administered by the Skipton Fund Limited, incorporated on 25th March 2004, for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with the scheme's provisions.

'special account' means an account as defined for the purposes of Chapter 4A of Part 8 of the Jobseeker's Allowance Regulations or Chapter 5 of Part 10 of the Employment and Support Allowance Regulations;

'sports award' means an award made by one of the Sports Councils named in section 23(2) of the National Lottery etc Act 1993 out of sums allocated to it for distribution under that section;

'the SSCBA' means the Social Security Contributions and Benefits Act 1992

'State Pension Credit Act' means the State Pension Credit Act 2002;

'student' has the meaning prescribed in section 43;

'subsistence allowance' means an allowance which an employment zone contractor has agreed to pay to a person who is participating in an employment zone programme;

'support or reduction week' means a period of 7 consecutive days commencing upon a Monday and ending on a Sunday;

'the Tax Credits Act' means the Tax Credits Act 2002;

'tax year' means a period beginning with 6th April in one year and ending with 5th April in the next;

'training allowance' means an allowance (whether by way of periodical grants or otherwise) payable-

- (a) out of public funds by a Government department or by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise, the Young People's Learning Agency for England, the Chief Executive of Skills Funding or Welsh Ministers;
- (b) to a person for his maintenance or in respect of a member of his family; and
- (c) for the period, or part of the period, during which he is following a course of training or instruction provided by, or in pursuance of arrangements made with, the department or approved by the department in relation to him or so provided or approved by or on behalf of the Secretary of State, Skills Development Scotland Scottish Enterprise or Highlands and Islands Enterprise or the Welsh Ministers.

It does not include an allowance paid by any Government department to or in respect of a person by reason of the fact that he is following a course of full-time education, other than under arrangements made under section 2 of the 1973 Act or is training as a teacher;

'the Trusts' means the Macfarlane Trust, the Macfarlane (Special Payments) Trust and the Macfarlane (Special Payments) (No. 2) Trust;

'Universal Credit' means any payment of Universal Credit payable under the Welfare Reform Act 2012, the

Universal Credit Regulations 2013, The Universal Credit (Consequential, Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013, Universal Credit (Miscellaneous Amendments) Regulations 2013 and the Universal Credit (Transitional Provisions) Regulations 2014;

'Up-rating Act' means the Welfare Benefit Up-rating Act 2013, the Welfare Benefits Up-rating Order 2014 and the Welfare Benefits Up-rating Order 2015;

'voluntary organisation' means a body, other than a public or local authority, the activities of which are carried on otherwise than for profit;

'war disablement pension' means any retired pay or pension or allowance payable in respect of disablement under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003;

'war pension' means a war disablement pension, a war widow's pension or a war widower's pension;

'war widow's pension' means any pension or allowance payable to a woman as a widow under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

'war widower's pension' means any pension or allowance payable to a man as a widower or to a surviving civil partner under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

'water charges' means;

(a) as respects England and Wales, any water and sewerage charges under Chapter 1 of Part 5 of the Water Industry Act 1991,

(b) as respects Scotland, any water and sewerage charges established by Scottish Water under a charges scheme made under section 29A of the Water Industry (Scotland) Act 2002, in so far as such charges are in respect of the dwelling which a person occupies as his home;

'week' means a period of seven days beginning with a Monday;

'Working Tax Credit Regulations' means the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 as amended¹⁷; and

'young person' has the meaning prescribed in section 9(1) and in section 142 of the SSCBA.

- 2.2 In this scheme, references to an applicant occupying a dwelling or premises as his home shall be construed in accordance with regulation 7 of the Housing Benefit Regulations 2006.
- 2.3 In this scheme, where an amount is to be rounded to the nearest penny, a fraction of a penny shall be disregarded if it is less than half a penny and shall otherwise be treated as a whole penny.
- 2.4 For the purpose of this scheme, a person is on an income-based jobseeker's allowance on any day in respect of which an income-based jobseeker's allowance is payable to him and on any day;
- (a) in respect of which he satisfies the conditions for entitlement to an income-based jobseeker's allowance but where the allowance is not paid in accordance with regulation 27A of the Jobseeker's Allowance Regulations or section 19 or 20A or regulations made under section 17A of the Jobseekers Act (circumstances in which a jobseeker's allowance is not payable); or
 - (b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income-based jobseeker's allowance is payable to him or would be payable to him but for regulation 27A of the Jobseeker's Allowance Regulations or section 19 or 20A or regulations made under section 17A of that Act;
 - (c) in respect of which he is a member of a joint-claim couple for the purposes of the Jobseekers Act and no joint-claim jobseeker's allowance is payable in respect of that couple as a consequence of either member of that couple being subject to sanctions for the purposes of section 20A of that Act;
 - (d) in respect of which an income-based jobseeker's allowance or a joint-claim jobseeker's allowance

¹⁷ The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2013; The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2015

would be payable but for a restriction imposed pursuant to section 6B, 7, 8 or 9 of the Social Security Fraud Act 2001 (loss of benefit provisions).

- 2.5 For the purposes of this scheme, a person is on an income-related employment and support allowance on any day in respect of which an income-related employment and support allowance is payable to him and on any day;
- (a) in respect of which he satisfies the conditions for entitlement to an income-related employment and support allowance but where the allowance is not paid in accordance with section 18 of the Welfare Reform Act disqualification; or
 - (b) which is a waiting day for the purposes of paragraph 2 of Schedule 2 to that Act and which falls immediately before a day in respect of which an income-related employment and support allowance is payable to him or would be payable to him but for section 18 of that Act.
- 2.6 For the purposes of this scheme, two persons shall be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.
- 2.7 In this scheme, references to any person in receipt of state pension credit includes a person who would be in receipt of state pension credit but for regulation 13 of the State Pension Credit Regulations 2002 (small amounts of state pension credit).

3.0 Definition of non-dependant

- 3.1 In this policy, 'non-dependant' means any person, except someone to whom paragraph 3.2 applies, who normally resides with an applicant or with whom an applicant normally resides.
- 3.2 This paragraph applies to;
- (a) any member of the applicant's family;
 - (b) if the applicant is polygamously married, any partner of his and any child or young person who is a member of his household and for whom he or one of his partners is responsible;
 - (c) a child or young person who is living with the applicant but who is not a member of his household by virtue of section 11 (membership of the same household);
 - (d) subject to paragraph 3.3, any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under sections 6, 7 or 75 of the 1992 Act (persons liable to pay council tax);
 - (e) subject to paragraph 3.3, any person who is liable to make payments on a commercial basis to the applicant or the applicant's partner in respect of the occupation of the dwelling;
 - (f) a person who lives with the applicant in order to care for him or a partner of his and who is engaged by a charitable or voluntary organisation which makes a charge to the applicant or his partner for the services provided by that person.
- 3.3 Excepting persons to whom paragraph 3.2 (a) to (c) and (f) refer, a person to whom any of the following subparagraphs applies shall be a non-dependant-
- (a) a person who resides with the person to whom he is liable to make payments in respect of the dwelling and either;
 - (i) that person is a close relative of his or her partner; or
 - (ii) the tenancy or other agreement between them is other than on a commercial basis;
 - (b) a person whose liability to make payments in respect of the dwelling appears to the authority to have been created to take advantage of the council tax reduction scheme except someone who was, for any period within the eight weeks prior to the creation of the agreement giving rise to the liability to make such payments, otherwise liable to make payments of rent in respect of the same dwelling;

- (c) a person who becomes jointly and severally liable with the applicant for council tax in respect of a dwelling and who was, at any time during the period of eight weeks prior to his becoming so liable, a non-dependant of one or more of the other residents in that dwelling who are so liable for the tax, unless the authority is satisfied that the change giving rise to the new liability was not made to take advantage of the reduction scheme.

4.0 Requirement to provide a National Insurance Number¹⁸

4.1 No person shall be entitled to reduction unless the criteria below in 4.2 is satisfied in relation both to the person making the claim and to any other person in respect of whom he is claiming reduction.

4.2 This subsection is satisfied in relation to a person if-

(a) the claim for reduction is accompanied by;

- (i) a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or
- (ii) information or evidence enabling the national insurance number that has been allocated to the person to be ascertained; or

(b) the person makes an application for a national insurance number to be allocated to him which is accompanied by information or evidence enabling such a number to be so allocated and the application for reduction is accompanied by evidence of the application and information to enable it to be allocated.

4.3 Paragraph 4.2 shall not apply-

(a) in the case of a child or young person in respect of whom council tax reduction is claimed;

(b) to a person who;

- (i) is a person in respect of whom a claim for council tax reduction is made;
- (ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act;
- (iii) is a person from abroad for the purposes of this scheme; and
- (iv) has not previously been allocated a national insurance number.

5.0 Persons who have attained the qualifying age for state pension credit

5.1 This scheme applies to a person if:

(a) he has not attained the qualifying age for state pension credit; or

(b) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is;

- (i) a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or
- (ii) a person with an award of universal credit.

6.0 Remunerative work

6.1 Subject to the following provisions of this section, a person shall be treated for the purposes of this scheme as engaged in remunerative work if he is engaged, or, where his hours of work fluctuate, he is engaged on average, for not less than 16 hours a week, in work for which payment is made or which is done in expectation of payment.

¹⁸ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 6.2 Subject to paragraph 6.3, in determining the number of hours for which a person is engaged in work where his hours of work fluctuate, regard shall be had to the average of hours worked over;
- (a) if there is a recognisable cycle of work, the period of one complete cycle (including, where the cycle involves periods in which the person does no work, those periods but disregarding any other absences);
 - (b) in any other case, the period of 5 weeks immediately prior to that date of claim, or such other length of time as may, in the particular case, enable the person's weekly average hours of work to be determined more accurately,
- 6.3 Where, for the purposes of paragraph 6.2 a), a person's recognisable cycle of work at a school, other educational establishment or other place of employment is one year and includes periods of school holidays or similar vacations during which he does not work, those periods and any other periods not forming part of such holidays or vacations during which he is not required to work shall be disregarded in establishing the average hours for which he is engaged in work.
- 6.4 Where no recognisable cycle has been established in respect of a person's work, regard shall be had to the number of hours or, where those hours will fluctuate, the average of the hours, which he is expected to work in a week.
- 6.5 A person shall be treated as engaged in remunerative work during any period for which he is absent from work referred to in paragraph 6.1 if the absence is either without good cause or by reason of a recognised customary or other holiday.
- 6.6 A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any reduction week shall be treated as not being in remunerative work in that week.
- 6.7 A person shall not be treated as engaged in remunerative work on any day on which the person is on maternity leave, paternity leave or adoption leave, or is absent from work because he is ill.
- 6.8 A person shall not be treated as engaged in remunerative work on any day on which he is engaged in an activity in respect of which;
- (a) a sports award has been made, or is to be made, to him; and
 - (b) no other payment is made or is expected to be made to him.

7.0 Persons treated as not being in Great Britain and Persons Subject to Immigration Control

Persons treated as not being in Great Britain

- 7.1 Persons treated as not being in Great Britain are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.
- 7.2 Except where a person falls within paragraph (5) or (6), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.
- 7.3 A person must not be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland unless the person has a right to reside in one of those places.
- 7.4 For the purposes of paragraph (3), a right to reside does not include a right, which exists by virtue of, or in accordance with—

- (a) regulation 13 of the EEA Regulations or Article 6 of Council Directive 2004/38/EC;
- (aa) regulation 14 of the EEA Regulations, but only in a case where the right exists under that regulation because the person is–
 - (i) a jobseeker for the purpose of the definition of “qualified person” in regulation 6(1) of those Regulations, or
 - (ii) a family member (within the meaning of regulation 7 of those Regulations) of such a jobseeker;
- (ab) Article 45 of the Treaty on the functioning of the European Union (in a case where the person is seeking work in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland); or
- (b) regulation 15A(1) of the EEA Regulations, but only in a case where the right exists under that regulation because the applicant satisfies the criteria in paragraph (4A) of that regulation or Article 20 of the Treaty on the Functioning of the European Union (in a case where the right to reside arises because a British citizen would otherwise be deprived of the genuine enjoyment of their rights as a European Union citizen).

7.5

A person falls within this paragraph if the person is–

- (a) a qualified person for the purposes of regulation 6 of the EEA Regulations as a worker or a self-employed person;
- (b) a family member of a person referred to in sub-paragraph (a) within the meaning of regulation 7(1)(a), (b) or (c) of the EEA Regulations;
- (c) a person who has a right to reside permanently in the United Kingdom by virtue of regulation 15(1)(c), (d) or (e) of the EEA Regulations;
- (d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;
- (e) a person who has been granted, or who is deemed to have been granted, leave outside the rules made under section 3(2) of the Immigration Act 1971¹⁹ where that leave is–
 - (i) discretionary leave to enter or remain in the United Kingdom,
 - (ii) leave to remain under the Destitution Domestic Violence concession which came into effect on 1st April 2012, or
 - (iii) leave deemed to have been granted by virtue of regulation 3 of the Displaced Persons (Temporary Protection) Regulations 2005.
- (f) a person who has humanitarian protection granted under those rules;
- (g) a person who is not a person subject to immigration control within the meaning of section 115(9) of the Immigration and Asylum Act 1999 and who is in the United Kingdom as a result of his deportation, expulsion or other removal by compulsion of law from another country to the United Kingdom;
- (h) in receipt of income support or on an income-related employment and support allowance;
- (ha) in receipt of an income-based jobseeker's allowance and has a right to reside other than a right to reside falling within paragraph (4) or
- (i) a person who is treated as a worker for the purpose of the definition of “qualified person” in regulation 6(1) of the EEA Regulations pursuant to regulation 5 of the Accession of Croatia (Immigration and Worker Authorisation) Regulations 2013 (right of residence of a Croatian who is an “accession State national subject to worker authorisation”)

¹⁹ As amended by the Immigration Act 2014 and the Immigration Act 2014 (Commencement No. 2) Order 2014

- 7.6 A person falls within this paragraph if the person is a Crown servant or member of Her Majesty's forces posted overseas.
- 7.7 A person mentioned in sub-paragraph (6) is posted overseas if the person is performing overseas the duties of a Crown servant or member of Her Majesty's forces and was, immediately before the posting or the first of consecutive postings, habitually resident in the United Kingdom.
- 7.8 In this regulation—
 "claim for asylum" has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999;
 "Crown servant" means a person holding an office or employment under the Crown;
 "EEA Regulations" means the Immigration (European Economic Area) Regulations 2006; and and the The Immigration (European Economic Area) (Amendment) (No. 2) Regulations 2014; and
 "Her Majesty's forces" has the same meaning as in the Armed Forces Act 2006.

Persons subject to immigration control

- 7.9 Persons subject to immigration control are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.
- 7.10 A person who is a national of a state which has ratified the European Convention on Social and Medical Assistance (done in Paris on 11th December 1953) or a state which has ratified the Council of Europe Social Charter (signed in Turin on 18th October 1961) and who is lawfully present in the United Kingdom is not a person subject to immigration control for the purpose of paragraph 7.9
- 7.11 "Person subject to immigration control" has the same meaning as in section 115(9) of the Immigration and Asylum Act 1999.

Transitional provision

- 7.12 The above does not apply to a person who, on 31st March 2015—
- (a) is liable to pay council tax at a reduced rate by virtue of a council tax reduction under an authority's scheme established under section 13A(2) of the Act; and
 - (b) is entitled to an income-based jobseeker's allowance, until the first of the events in paragraph 7A.2 occurs.
- 7.13 The events are—
- (a) the person makes a new application for a reduction under an authority's scheme established under section 13A(2) of the Act; or
 - (b) the person ceases to be entitled to an income-based jobseeker's allowance.
- 7.14 In this section "the Act" means the Local Government Finance Act 1992.

8.0 Temporary Absence (period of absence)

- 8.1 Where a person is absent from the dwelling throughout any day then no reduction shall be payable
- 8.2 A person shall not, in relation to any day, which falls within a period of temporary absence from that dwelling, be a prescribed person under paragraph 8.1.
- 8.3 In paragraph 8.2, a 'period of temporary absence' means—
- (a) a period of absence within Great Britain not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation in Great Britain where and for so long as;
 - (i) the person resides in that accommodation;
 - (ii) the part of the dwelling in which he usually resided is not let or sub-let; and
 - (iii) that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,where he has entered the accommodation for the purpose of ascertaining whether it suits his needs and with the intention of returning to the dwelling if it proves not to suit his needs;
 - (b) a period of absence not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as;
 - i. the person intends to return to the dwelling;
 - ii. the part of the dwelling in which he usually resided is not let or sub-let; and
 - iii. that period is unlikely to exceed 13 weeks; and
 - (c) a period of absence within Great Britain not exceeding 52 weeks, beginning with the first whole day of absence, where and for so long as
 - i. the person intends to return to the dwelling;
 - ii. the part of the dwelling in which he usually resided is not let or sub-let;
 - iii. the person is a person to whom paragraph 8.4 applies; and
 - iv. the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period.
- 8.4 A person who is temporarily absent from a dwelling he occupies as his home and is absent outside Great Britain shall be treated as occupying that dwelling as his home whilst he is temporarily absent, for a period not exceeding 4 weeks beginning with the first day of that absence from Great Britain, provided that—
- (a) the person intends to return to occupy the dwelling as his home;
 - (b) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let; and
 - (c) the period of absence is unlikely to exceed 4 weeks.
- 8.5 A person who is temporarily absent from a dwelling he occupies as his home and is absent outside of Great Britain as a member of the armed forces away on operations, a mariner or a continental shelf worker shall be treated as occupying that dwelling as his home whilst he is temporarily absent, for a period not exceeding 26 weeks beginning with the first day of that absence from Great Britain, provided that—
- (a) the person intends to return to occupy the dwelling as his home;
 - (b) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let; and
 - (c) the period of absence is unlikely to exceed 26 weeks.
- 8.6 This paragraph applies where—

- (a) a person is temporarily absent from Great Britain;
 - (b) the temporary absence from Great Britain is in connection with the death of the–
 - (i) person's partner or a child or young person for whom he or his partner is responsible;
 - (ii) person's close relative;
 - (iii) close relative of the person's partner; or
 - (d) close relative of a child or young person for whom the person or their partner is responsible;
 - (i) the person intends to return to occupy the dwelling as his home; and
 - (ii) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let.
- 8.7 person to whom paragraph (8.6) applies shall be treated as occupying a dwelling he is absent from as his home whilst he is temporarily absent for a period not exceeding 4 weeks beginning with the first day of that absence from Great Britain.
- 8.8 The period of absence in paragraph (8.7) may be extended by up to 4 further weeks if the relevant authority considers it unreasonable to expect the person to return to Great Britain within the first 4 weeks
- 8.9 This paragraph applies to a person who is;
- (a) detained in custody on remand pending trial or required, as a condition of bail, to reside;
 - (i) in a dwelling, other than the dwelling referred to in paragraph 8.1, or
 - (ii) in premises approved under section 13 of the Offender Management Act 2007, or, detained in custody pending sentence upon conviction;
 - (b) resident in a hospital or similar institution as a patient;
 - (c) undergoing, or his partner or his dependent child is undergoing, in Great Britain or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
 - (d) following, in Great Britain or elsewhere, a training course;
 - (e) undertaking medically approved care of a person residing in Great Britain or elsewhere;
 - (f) undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care of medical treatment;
 - (g) in Great Britain, receiving medically approved care provided in accommodation other than residential accommodation;
 - (h) a student;
 - (i) receiving care provided in residential accommodation other than a person to whom paragraph 8.3a) applies; or
 - (j) has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.
- 8.10 This paragraph applies to a person who is:
- (a) detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983 (as amended by the Mental Health (Discrimination) Act 2013), or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995) or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986; and
 - (b) on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952 or the Prisons (Scotland) Act 1989
- 8.11 Where paragraph 8.10 applies to a person, then, for any day when he is on temporary release–

- (a) if such temporary release was immediately preceded by a period of temporary absence under paragraph 8.3 b) or c), he shall be treated, for the purposes of paragraph 8.1, as if he continues to be absent from the dwelling, despite any return to the dwelling;
- (b) for the purposes of paragraph 8.4 a), he shall be treated as if he remains in detention;
- (c) If he does not fall within sub-paragraph a), he is not considered to be a person who is liable to pay Council Tax in respect of a dwelling of which he is resident

8.12 In this section;

- 'medically approved' means certified by a medical practitioner;
- 'continental shelf worker' means a person who is employed, whether under a contract of service or not, in a designated area or a prescribed area in connection with any activity mentioned in section 11(2) of the Petroleum Act 1998
- 'designated area' means any area which may from time to time be designated by Order in Council under the Continental Shelf Act 1964 as an area within which the rights of the United Kingdom with respect to the seabed and subsoil and their natural resources may be exercised;

"mariner" means a person who is employed under a contract of service either as a master or member of the crew of any ship or vessel, or in any other capacity on board any ship or vessel, where:

- (a) the employment in that capacity is for the purposes of that ship or vessel or its crew or any passengers or cargo or mails carried by the ship or vessel; and
- (b) the contract is entered into in the United Kingdom with a view to its performance (in whole or in part) while the ship or vessel is on its voyage
- 'patient' means a person who is undergoing medical or other treatment as an in-patient in any hospital or similar institution; 'residential accommodation' means accommodation which is provided;
 - (a) in a care home;
 - (b) in an independent hospital;
 - (c) in an Abbeyfield Home; or
 - (d) in an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services authority;
- "prescribed area" means any area over which Norway or any member State (other than the United Kingdom) exercises sovereign rights for the purpose of exploring the seabed and subsoil and exploiting their natural resources, being an area outside the territorial seas of Norway or such member State or any other area which is from time to time specified under section 10(8) of the Petroleum Act 1998
- 'training course' means a course of training or instruction provided wholly or partly by or on behalf of or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

Sections 9 - 11

The family for Council Tax Reduction purposes

9.0 Membership of a family

- 9.1 Within the reduction scheme adopted by the Council 'family' means;
- (a) a married or unmarried couple;
 - (b) married or unmarried couple and a member of the same household for whom one of them is or both are responsible and who is a child or a young person;
 - (c) two people of the same sex who are civil partners of each other and are members of the same household (with or without children);
 - (d) two people of the same sex who are not civil partners of each other but are living together as if they were civil partners (with or without children),
 - (e) and for the purposes of sub-paragraph (d) two people of the same sex are to be regarded as living together as if they were civil partners if, but only if, they would be regarded as living together as husband and wife were they instead two people of the opposite sex;
 - (f) except in prescribed circumstances, a person who is not a member of a married or unmarried couple and a member of the same household for whom that person is responsible and who is a child or a young person;

For the purposes of the scheme a child is further defined as a 'child or young person'

A 'child' means a person under the age of 16 and a 'Young Person' is someone aged 16 or over but under 20 and who satisfies other conditions. These conditions are:

- they are aged 16, have left 'relevant education' or training, and 31 August following the sixteenth birthday has not yet been passed;
- they are aged 16 or 17, have left education or training, are registered for work, education or training, are not in remunerative work and are still within their 'extension period';
- they are on a course of full-time non-advanced education, or are doing 'approved training', and they began that education or training before reaching the age of 19;
- they have finished a course of full-time non-advanced education, but are enrolled on another such course (other than one provided as a result of their employment);
- they have left 'relevant education' or 'approved training' but have not yet passed their 'terminal date'.

- 9.2 Paragraph 9.1 the definition of child or young person shall not apply to a person who is;
- (a) on income support;
 - (b) an income-based jobseeker's allowance or an income related employment and support allowance; or be entitled to an award of Universal Credit; or
 - (c) a person to whom section 6 of the Children (Leaving Care) Act 2000 applies.
- 9.3 The definition also includes a child or young person in respect of whom there is an entitlement to child benefit but only for the period that Child Benefit is payable

10.0 Circumstances in which a person is to be treated as responsible (or not responsible) for a child or young person.

- 10.1 Subject to the following paragraphs a person shall be treated as responsible for a child or young person who is normally living with him and this includes a child or young person to whom paragraph 9.3 applies
- 10.2 Where a child or young person spends equal amounts of time in different households, or where there is a question as to which household he is living in, the child or young person shall be treated for the purposes of paragraph 9.1 as normally living with;
- (a) the person who is receiving child benefit in respect of him; or

- (b) if there is no such person;
 - (i) where only one claim for child benefit has been made in respect of him, the person who made that claim; or
 - (ii) in any other case the person who has the primary responsibility for him.

10.3 For the purposes of this scheme a child or young person shall be the responsibility of only one person in any reduction week and any person other than the one treated as responsible for the child or young person under this section shall be treated as not so responsible.

11.0 Circumstances in which a child or young person is to be treated as being or not being a member of the household

11.1 Subject to paragraphs 11.2 and 11.3, the applicant and any partner and, where the applicant or his partner is treated as responsible by virtue of section 10 (circumstances in which a person is to be treated as responsible or not responsible for a child or young person) for a child or young person, that child or young person and any child of that child or young person, shall be treated as members of the same household notwithstanding that any of them is temporarily absent from that household.

11.2 A child or young person shall not be treated as a member of the applicant's household where he is;

- (a) placed with the applicant or his partner by a local authority under section 23(2)(a) of the Children Act 1989 or by a voluntary organisation under section 59(1)(a) of that Act, or in Scotland boarded out with the applicant or his partner under a relevant enactment; or
- (b) placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or
- (c) placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002²⁰ or the Adoption Agencies (Scotland) Regulations 2009.

11.3 Subject to paragraph 11.4, paragraph 11.1 shall not apply to a child or young person who is not living with the applicant and he—

- (a) is being looked after by, or in Scotland is in the care of, a local authority under a relevant enactment; or
- (b) has been placed, or in Scotland boarded out, with a person other than the applicant prior to adoption; or
- (c) has been placed for adoption in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009; or in accordance with an adoption allowance scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (adoption allowances schemes).

11.4 The authority shall treat a child or young person to whom paragraph 11.3 a) applies as being a member of the applicant's household in any reduction week where;

- (a) that child or young person lives with the applicant for part or all of that reduction week; and
- (b) the authority considers that it is responsible to do so taking into account the nature and frequency of that child's or young person's visits.

11.5 In this paragraph 'relevant enactment' means the Army Act 1955, the Air Force Act 1955, the Naval Discipline Act 1957, the Matrimonial Proceedings (Children) Act 1958, the Social Work (Scotland) Act 1968, the Family Law Reform Act 1969, the Children and Young Persons Act 1969, the Matrimonial Causes Act 1973, the Children Act 1975, the Domestic Proceedings and Magistrates' Courts Act 1978, the Adoption and Children

²⁰ The Adoption and Children Act 2002 (Commencement No. 12) Order 2014

(Scotland) Act 1978, the Family Law Act 1986, the Children Act 1989, the Children (Scotland) Act 1995 and the Legal Aid, Sentencing and Punishment of Offenders Act 2012 as amended.

Sections 12 - 14 & Schedule 1
Applicable Amounts for Council Tax Reduction purposes

12.0 Applicable amounts

12.1 Subject to sections 13 and 14, an applicant's weekly applicable amount shall be aggregate of such of the following amounts as may apply in his case:

- (a) an amount in respect of himself or, if he is a member of a couple, an amount in respect of both of them, determined in accordance with paragraph 1 as the case may be, of Schedule 1 of this scheme;
- (b) an amount determined in accordance with paragraph 2 of Schedule 1 of this scheme in respect of any child or young person who is a member of his family;
- (c) if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of Schedule 1 (family premium). **No family premium will be awarded where an application for reduction is received on or after 1st April 2017 or where the applicant would have become entitled to the family premium on or after 1st April 2017**
 - i) Sub paragraph (c) shall not apply to a person who, on 31st March 2017, is entitled to Council Tax Reduction and is:
 - (a) a member of a family of which at least one member is a child or young person; or
 - (b) a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.
 - (ii) (i) above does not apply if–
 - (a) sub-paragraph 12.1 c(i)(a) or (b) of that paragraph ceases to apply; or
 - (b) the person makes a new claim for Council Tax Reduction.
 - (iii) For the purpose of this section "child", "polygamous marriage" and "young person" have the same meaning as in section 2 of this scheme;
- (d) the amount of any premiums which may be applicable to him, determined in accordance with paragraphs 4 to 16 of Schedule 1 of this document (premiums).
- (e) the amount of either the
 - i. work-related activity component; or
 - ii. support component which may be applicable to him in accordance with paragraph 17 and 18 of Schedule 1 of this document (the components)
- (f) the amount of any transitional addition which may be applicable to him in accordance with paragraph 19 to 20 of Schedule 1 of this scheme (transitional addition).

13.0 Polygamous marriages

13.1 Subject to section 14, where an applicant is a member of a polygamous marriage, his weekly applicable amount shall be the aggregate of such of the following amounts as may apply in his case:

- (a) the amount applicable to him and one of his partners determined in accordance with paragraph 1 of Schedule 1 of this scheme as if he and that partner were a couple;
- (b) an amount equal to the amount within paragraph 1 (3) (c) of Schedule 1 of this scheme in respect of each of his other partners;
- (c) an amount determined in accordance with paragraph 2 of Schedule 1 of this scheme (applicable amounts) in respect of any child or young person for whom he or a partner of his is responsible and who is a member of the same household;
- (d) if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of Schedule 1 (family premium). **No family premium will be awarded where an application for reduction is received on or after 1st April 2017 or where the applicant would have become entitled to the family premium on or after 1st**

April 2017.

- i) Sub paragraph (d) shall not apply to a person who, on 31st March 2017, is entitled to Council Tax Reduction and is:
- (a) a member of a family of which at least one member is a child or young person; or
 - (b) a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.
- (i) above does not apply if–
- (a) sub-paragraph 13.1 d (i) (a) or (b) of that paragraph ceases to apply; or
 - (b) the person makes a new claim for Council Tax Reduction.
- (ii) For the purpose of this section "child", "polygamous marriage" and "young person" have the same meaning as in section 2 of this scheme;
- (e) the amount of any premiums which may be applicable to him determined in accordance with paragraphs 4 to 16 of Schedule 1 of this scheme (premiums)
 - (f) the amount of either the;
 - (i) work-related activity component; or
 - (ii) support component which may be applicable to him in accordance with paragraph 17 and 18 of Schedule 1 (the components).
 - (g) the amount of any transitional addition which may be applicable to him in accordance with paragraphs 19 and 20 of Schedule 1 of this scheme (transitional addition)

14.0 Applicable amount: persons who have an award of universal credit

14.1 In determining the applicable amount for a week of an applicant–

- (a) who has, or
- (b) who (jointly with his partner) has,

an award of universal credit, the authority must use the calculation or estimate of the maximum amount of the applicant, or the applicant and his partner jointly (as the case may be), subject to the adjustment described in sub-paragraph (2).

14.2 The adjustment referred to in sub-paragraph (1) is to multiply the maximum amount by 12 and divide the product by 52.

14.3 In this paragraph "maximum amount" means the maximum amount calculated by the Secretary of State in accordance with section 8(2) of the Welfare Reform Act 2012

Sections 15 - 32 & Schedules 3 & 4

Definition and the treatment of income for Council Tax Reduction purposes

15.0 Calculation of income and capital of members of applicant's family and of a polygamous marriage

- 15.1 The income and capital of:
- (a) an applicant; and
 - (b) any partner of that applicant,

is to be calculated in accordance with the following provisions.

- 15.2 The income and capital of any partner of the applicant is to be treated as income and capital of the applicant, and in this Part any reference to the applicant applies equally to any partner of that applicant.
- 15.3 Where an applicant or the partner of an applicant is married polygamously to two or more members of his household:
- (a) the applicant must be treated as possessing capital and income belonging to each such member; and
 - (b) the income and capital of that member is to be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

15A.0 Calculation of income and capital: persons who are not pensioners who have an award of universal credit

- 15A.1 In determining the income of an applicant
- (a) who has, or
 - (b) who (jointly with his partner) has,
- an award of universal credit the authority must, subject to the following provisions of this paragraph, use the calculation or estimate of the income of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.
- 15A.2 The authority must adjust the amount referred to in sub-paragraph (1) to take account of
- (a) income consisting of the award of universal credit, determined in accordance with subparagraph (3);
 - (b) any sum to be disregarded under paragraphs of Schedule 3 to this scheme (sums to be disregarded in the calculation of earnings: persons who are not pensioners);
 - (c) any sum to be disregarded under paragraphs of Schedule 4 to this scheme (sums to be disregarded in the calculation of income other than earnings: persons who are not pensioners);
 - (d) section 33 (circumstances in which income and capital of non-dependant is to be treated as applicant's), if the authority determines that the provision applies in the applicant's case;
 - (e) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act (power of billing authority to reduce amount of council tax payable).
- 15A.3 The amount for the award of universal credit is to be determined by multiplying the amount of the award by 12 and dividing the product by 52.
- 15A.4 sections 33 (income and capital of non-dependant to be treated as applicant's) and 52 and 53 (disregards from income) apply (so far as relevant) for the purpose of determining any adjustments, which fall to be made to the figure for income under sub-paragraph (2)

- 15A.5 In determining the capital of an applicant;
(a) who has, or
(b) who (jointly with his partner) has,
an award of universal credit, the authority must use the calculation or estimate of the capital of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining that award

16.0 Circumstances in which capital and income of non-dependant is to be treated as applicant's

- 16.1 Where it appears to the authority that a non-dependant and the applicant have entered into arrangements in order to take advantage of the council tax reduction scheme and the non-dependant has more capital and income than the applicant, that authority shall, except where the applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, treat the applicant as possessing capital and income belonging to that non-dependant, and, in such a case, shall disregard any capital and income which the applicant does possess.
- 16.2 Where an applicant is treated as possessing capital and income belonging to a non-dependant under paragraph 16.1 the capital and income of that non-dependant shall be calculated in accordance with the following provisions in like manner as for the applicant and any reference to the 'applicant' shall, except where the context otherwise requires, be construed for the purposes of this scheme as if it were a reference to that non-dependant.

17.0 Calculation of income on a weekly basis

- 17.1 For the purposes of this scheme and in line with regulation 34 of the Housing Benefit Regulations 2006 (disregard to changes in tax, contributions etc.), the income of an applicant shall be calculated on a weekly basis;
- (a) by estimating the amount which is likely to be his average weekly income in accordance with this Section and in line with Sections 2, 3, 4 and 5 of Part 6 of the Housing Benefit Regulations 2006;
 - (b) by adding to that amount the weekly income calculated in line with regulation 52 of the Housing Benefit Regulations 2006 (calculation to tariff income from capital); and
 - (c) by then deducting any relevant child care charges to which section 18 (treatment of child care charges) applies from any earnings which form part of the average weekly income or, in a case where the conditions in paragraph 18.2 are met, from those earnings plus whichever credit specified in subparagraph (b) of that paragraph is appropriate, up to a maximum deduction in respect of the applicant's family of whichever of the sums specified in paragraph (3) applies in his case.
- 17.2 The conditions of this paragraph are that;
- (a) the applicant's earnings which form part of his average weekly income are less than the lower of either his relevant child care charges or whichever of the deductions specified in paragraph (3) otherwise applies in his case; and
 - (b) that applicant or, if he is a member of a couple either the applicant or his partner, is in receipt of either working tax credit or child tax credit.
- 17.3 The maximum deduction to which paragraph 17.1 c) above refers shall be;
- (a) where the applicant's family includes only one child in respect of whom relevant child care charges are paid, £175.00 per week.
 - (b) where the applicant's family includes more than one child in respect of whom relevant child care charges are paid, £300.00 per week.
- The amounts stated in this paragraph shall be amended in accordance with the Housing Benefit Regulations 2006 (as amended).

- 17.4 For the purposes of paragraph 17.1 'income' includes capital treated as income under section 31 (capital treated as income) and income, which an applicant is treated as possessing under section 32 (notional income).

18.0 Treatment of child care charges

- 18.1 This section applies where an applicant is incurring relevant child-care charges and;
- (a) is a lone parent and is engaged in remunerative work;
 - (b) is a member of a couple both of whom are engaged in remunerative work; or
 - (c) is a member of a couple where one member is engaged in remunerative work and the other;
 - (i) is incapacitated;
 - (ii) is an in-patient in hospital; or
 - (iii) is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).
- 18.2 For the purposes of paragraph 18.1 and subject to paragraph 18.4, a person to whom paragraph 18.3 applies shall be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he—
- (a) is paid statutory sick pay;
 - (b) is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the Act;
 - (c) is paid an employment and support allowance;
 - (d) is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support Regulations 1987; or
 - (e) is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.
- 18.3 This paragraph applies to a person who was engaged in remunerative work immediately before
- (a) the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or
 - (b) the first day of the period in respect of which earnings are credited, as the case may be.
- 18.4 In a case to which paragraph 18.2 (d) or (e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.
- 18.5 Relevant child care charges are those charges for care to which paragraphs 18.6 and 18.7 apply, and shall be calculated on a weekly basis in accordance with paragraph 18.10.
- 18.6 The charges are paid by the applicant for care, which is provided
- (a) in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or
 - (b) in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.
- 18.7 The charges are paid for care, which is provided by one, or more of the care providers listed in paragraph 18.8 and are not paid—
- (a) in respect of the child's compulsory education;
 - (b) by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible in accordance with section 10 (circumstances in which a person is treated as

- responsible or not responsible for another); or
- (c) in respect of care provided by a relative of the child wholly or mainly in the child's home.

18.8 The care to which paragraph 18.7 refers may be provided;

- (a) out of school hours, by a school on school premises or by a local authority;
 - (i) for children who are not disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or
 - (ii) for children who are disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or
- (b) by a child care provider approved in accordance with by the Tax Credit (New Category of Child Care Provider) Regulations 1999;
- (c) by persons registered under Part 2 of the Children and Families (Wales) Measure 2010; or
- (d) by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) order 2010; or
- (e) by;
 - (i) persons registered under section 59(1) of the Public Services Reform Scotland Act 2010; or
 - (ii) local authorities registered under section 8(1) of that Act, where the care provided is child minding or day care within the meaning of that Act; or
- (f) by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002 or
- (g) by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or
- (h) by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section 34(2) of that Act; or
- (i) by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or
- (j) by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of 'childcare' for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or
- (k) by a foster parent or kinship carer under the Fostering Services Regulations 2002, the Fostering Services (Wales) Regulations 2003 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering or kinship carer is looking after; or
- (l) by a domiciliary care worker under the Domiciliary Care Agencies Regulations 2002 or the Domiciliary Care Agencies (Wales) Regulations 2004; or
- (m) by a person who is not a relative of the child wholly or mainly in the child's home.

18.9 In paragraphs 18.6 and 18.8 (a), 'the first Monday in September' means the Monday which first occurs in the month of September in any year.

18.10 Relevant child care charges shall be estimated over such period, not exceeding a year, as is appropriate in order that the average weekly charge may be estimated accurately having regard to information as to the amount of that charge provided by the child minder or person providing the care.

18.11 For the purposes of paragraph 18.1 (c) the other member of a couple is incapacitated where

- (a) the applicant's applicable amount includes a disability premium on account of the other member's incapacity or the support component or the work- related activity component on account of his having

limited capability for work

- (b) the applicant's applicable amount would include a disability premium on account of the other member's incapacity but for that other member being treated as capable of work by virtue of a determination made in accordance with regulation made under section 171E of the Act;
- (c) the applicant's applicable amount would include the support component or the work-related activity component on account of the other member having limited capability for work but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008 or 2013 as appropriate;
- (d) the applicant (within the meaning of this scheme) is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;
- (e) the applicant (within the meaning of this scheme) has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations for a continuous period of not less than 196 days and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;
- (f) there is payable in respect of him one or more of the following pensions or allowances—
 - (i) long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the Act;
 - (ii) attendance allowance under section 64 of the Act;
 - (iii) severe disablement allowance under section 68 of the Act;
 - (iv) disability living allowance under section 71 of the Act;
 - (v) personal independence payment under the Welfare Reform Act 2012;
 - (vi) an AFIP;
 - (vii) increase of disablement pension under section 104 of the Act;
 - (viii) a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under head (ii), (iv) or (v) above;
 - (ix) main phase employment and support allowance;
- (g) a pension or allowance to which head (ii), (iv), (v) or (vi) of sub-paragraph (f) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this section shall mean a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of social security (Hospital In-Patients) Regulations 2005.
- (h) an AFIP would be payable to that person but for any suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;
- (i) paragraphs (f) or (g) would apply to him if the legislative provisions referred to in those sub-paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or
- (j) he has an invalid carriage or other vehicle provided to him by the Secretary of State under section 5(2)(a) of and Schedule 2 to the National Health Service Act 1977 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.

18.12 For the purposes of paragraph 18.11 once paragraph 18.11(d) applies to the applicant, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his

- again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.
- 18.12A For the purposes of paragraph 18.11, once paragraph 18.11(e) applies to the applicant, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter apply to him for so long as he has, or is treated as having, limited capability for work.
- 18.13 For the purposes of paragraphs 18.6 and 18.8 (a), a person is disabled if he is a person—
- (a) in respect of whom disability living allowance or personal independence payment is payable, or has ceased to be payable solely because he is a patient;
 - (b) who is registered as blind in a register compiled under section 29 of the National Assistance Act 1948 (welfare services) or, in Scotland, has been certified as blind and in consequence he is registered as blind in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or
 - (c) who ceased to be registered as blind in such a register within the period beginning 28 weeks before the first Monday in September following that person's fifteenth birthday and ending on the day preceding that person's sixteenth birthday.
- 18.14 For the purposes of paragraph 18.1 a person on maternity leave, paternity leave or adoption leave shall be treated as if they are engaged in remunerative work for the period specified in paragraph 18.15 ('the relevant period') provided that—
- (a) in the week before the period of maternity leave, paternity leave, shared parental leave (effective from 5/4/2015) or adoption leave began, they were in remunerative work;
 - (b) the applicant is incurring relevant child care charges within the meaning of paragraph 18.5; and
 - (c) the person is entitled to either statutory maternity pay under section 164 of the Act, statutory paternity pay by virtue of section 171ZA or 171ZB of the Act statutory adoption pay by of section 171ZL of the Act, maternity allowance under section 35 of the Act or qualifying support.
- 18.15 For the purposes of paragraph 18.14 the relevant period shall begin on the day on which the person's maternity, paternity leave or adoption leave commences and shall end on—
- (a) the date that leave ends;
 - (b) if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay, statutory paternity pay or statutory adoption pay ends, the date that entitlement ends; or
 - (c) if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance or qualifying support, statutory maternity pay or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credits ends.
- whichever shall occur first.
- 18.16 In paragraphs 18.14 and 18.15
- (a) **'qualifying support'** means income support to which that person is entitled by virtue of paragraph 14B of Schedule 1B to the Income Support Regulations 1987; and
 - (b) **'child care element'** of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act (child care element) 2002.
- 18.17 In this section 'applicant' does not include an applicant;
- (a) who has, or
 - (b) who (jointly with his partner) has,
- an award of universal credit

19.0 Average weekly earnings of employed earners

- 19.1 Where an applicant's income consists of earnings from employment as an employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment-
- (a) over a period immediately preceding the reduction week in which the claim is made or treated as made and being a period of
 - (i) 5 weeks, if he is paid weekly; or
 - (ii) 2 months, if he is paid monthly; or
 - (b) whether or not sub-paragraph 19.1a (i) or (ii) applies, where an applicant's earnings fluctuate, over such other period preceding the reduction week in which the claim is made or treated as made as may, in any particular case, enable his average weekly earnings to be estimated more accurately.
- 19.2 Where the applicant has been in his employment for less than the period specified in paragraph 19.1(a)(i) or (ii)
- (a) If he has received any earnings for the period that he has been in that employment and those earnings are likely to represent his average weekly earnings from that employment his average weekly earnings shall be estimated by reference to those earnings;
 - (b) in any other case, the authority shall require the applicant's employer to furnish an estimate of the applicant's likely weekly earnings over such period as the authority may require and the applicant's average weekly earnings shall be estimated by reference to that estimate.
- 19.3 Where the amount of an applicant's earnings changes during an award the authority shall estimate his average weekly earnings by reference to his likely earnings from the employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period shall not in any case exceed 52 weeks.
- 19.4 For the purposes of this section the applicant's earnings shall be calculated in accordance with sections 25 and 26

20.0 Average weekly earnings of self-employed earners

- 20.1 Where an applicant's income consists of earnings from employment as a self-employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period shall not in any case exceed a year.
- 20.2 For the purposes of this section the applicant's earnings shall be calculated in accordance with section 27 to 29 of this scheme

21.0 Average weekly income other than earnings

- 21.1 An applicant's income which does not consist of earnings shall, except where paragraph 18.2 applies, be estimated over such period as is appropriate in order that his average weekly income may be estimated accurately but the length of the period shall not in any case exceed 52 weeks; and nothing in this paragraph shall authorise the authority to disregard any such income other than that specified in Schedule 4 of this scheme
- 21.2 The period over which any benefit under the benefit Acts is to be taken into account shall be the period in respect of which that reduction is payable.

- 21.3 For the purposes of this section income other than earnings shall be calculated in accordance with paragraphs 30 to 32 of this scheme

22.0 Calculation of average weekly income from tax credits

- 22.1 This section applies where an applicant receives a tax credit.
- 22.2 Where this section applies, the period over which a tax credit is to be taken into account shall be the period set out in paragraph 22.3
- 22.3 Where the instalment in respect of which payment of a tax credit is made is;
- (a) a daily instalment, the period is 1 day, being the day in respect of which the instalment is paid;
 - (b) a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;
 - (c) a two weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;
 - (d) a four weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.
- 22.4 For the purposes of this section 'tax credit' means child tax credit or working tax credit.

23.0 Calculation of weekly income

- 23.1 For the purposes of sections 19 (average weekly earnings of employed earners), 21 (average weekly income other than earnings) and 22 (calculation of average weekly income from tax credits), where the period in respect of which a payment is made;
- (a) does not exceed a week, the weekly amount shall be the amount of that payment;
 - (b) exceeds a week, the weekly amount shall be determined—
 - (i) in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;
 - (ii) in any other case, by dividing the amount of the payment by the number equal to the number of days in the period to which it relates and multiplying the quotient by 7.
- 23.2 For the purpose of section 20 (average weekly earnings of self-employed earners) the weekly amount of earnings of an applicant shall be determined by dividing his earnings over the assessment period by the number equal to the number of days in that period and multiplying the quotient by 7.

24.0 Disregard of changes in tax, contributions etc.

- 24.1 In calculating the applicant's income the appropriate authority may disregard any legislative change
- (a) in the basic or other rates of income tax;
 - (b) in the amount of any personal tax relief;
 - (c) in the rates of national insurance contributions payable under the Act or in the lower earnings limit or upper earnings limit for Class 1 contributions under the Act, the lower or upper limits applicable to Class 4 contributions under the Act or the amount specified in section 11(4) of the Act (small profits threshold in relation to Class 2 contributions);
 - (d) in the amount of tax payable as a result of an increase in the weekly rate of Category A, B, C or D retirement pension or any addition thereto or any graduated pension payable under the Act;
 - (e) in the maximum rate of child tax credit or working tax credit,

for a period not exceeding 30 reduction weeks beginning with the reduction week immediately following the date from which the change is effective

25.0 Earnings of employed earners

25.1 Subject to paragraph 25.2, 'earnings' means in the case of employment as an employed earner, any remuneration or profit derived from that employment and includes–

- (a) any bonus or commission;
- (b) any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
- (c) any payment in lieu of notice or any lump sum payment intended as compensation for the loss of employment but only in so far as it represents loss of income;
- (d) any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;
- (e) any payment by way of a retainer;
- (f) any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of–
 - (g) (i) travelling expenses incurred by the applicant between his home and his place of employment;
 - (ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;
- (h) any award of compensation made under section 112(4) or 117(3)(a) of the Employment Rights Act 1996 (remedies and compensation for unfair dismissal);
- (i) any payment or remuneration made under section 28, 34, 64, 68 or 70 of the Employment Rights Act 1996 (right to guarantee payments, remuneration on suspension on medical or maternity grounds, complaints to employment tribunals);
- (j) any such sum as is referred to in section 112 of the Act (certain sums to be earnings for social security purposes);
- (k) any statutory sick pay, statutory maternity pay, statutory paternity pay, shared parental pay or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;
- (l) any remuneration paid by or on behalf of an employer to the applicant who for the time being is on maternity leave, paternity leave, shared parental pay or adoption leave or is absent from work because he is ill;
- (m) the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001 as amended²¹.

25.2 Earnings shall not include–

- (a) subject to paragraph 25.3, any payment in kind;
- (b) any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of employment;
- (c) any occupational pension
- (d) any payment in respect of expenses arising out of an applicant participating as a service user

25.3 Paragraph 25.2 (a) shall not apply in respect of any non-cash voucher referred to in paragraph 25.1 (m)

²¹ Social Security (Contributions)(Amendment) Regulations 2013, Social Security (Contributions)(Amendment No.2) Regulations 2013 and Social Security (Contributions)(Amendment No.2) Regulations 2013

26.0 Calculation of net earnings of employed earners

- 26.1 For the purposes of section 19 (average weekly earnings of employed earners), the earnings of an applicant derived or likely to be derived from employment as an employed earner to be taken into account shall, subject to paragraph 26.2, be his net earnings.
- 26.2 There shall be disregarded from an applicant's net earnings, any sum, where applicable, specified in paragraphs 1 to 14 of Schedule 3.
- 26.3 For the purposes of paragraph 26.1 net earnings shall, except where paragraph 26.6 applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less;
- (a) any amount deducted from those earnings by way of
 - (i) income tax;
 - (ii) primary Class 1 contributions under the Act;
 - (b) one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;
 - (c) one-half of the amount calculated in accordance with paragraph 26.5 in respect of any qualifying contribution payable by the applicant; and
 - (d) where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, any amount deducted for those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions under the Act.
- 26.4 In this section 'qualifying contribution' means any sum which is payable periodically as a contribution towards a personal pension scheme.
- 26.5 The amount in respect of any qualifying contribution shall be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying contribution shall be determined—
- (a) where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;
 - (b) in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.
- 26.6 Where the earnings of an applicant are estimated under sub-paragraph (b) of paragraph 2) of the section 19 (average weekly earnings of employment earners), his net earnings shall be calculated by taking into account those earnings over the assessment period, less—
- (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rata basis;
 - (b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and
 - (c) one-half of any sum which would be payable by the applicant by way of a contribution towards an

occupational or personal pension scheme, if the earnings so estimated were actual earnings.

27.0 Earnings of self-employed earners

- 27.1 Subject to paragraph 27.2, 'earnings', in the case of employment as a self-employed earner, means the gross income of the employment any allowance paid under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 to the applicant for the purpose of assisting him in carrying on his business unless at the date of claim the allowance has been terminated.
- 27.2 'Earnings' shall not include any payment to which paragraph 27 or 28 of Schedule 4 refers (payments in respect of a person accommodated with the applicant under arrangements made by a local authority or voluntary organisation and payments made to the applicant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the applicant's care) nor shall it include any sports award.
- 27.3 This paragraph applies to-
- (a) royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark; or
 - (b) any payment in respect of any-
 - (i) book registered under the Public Lending Right Scheme 1982; or
 - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982, where the applicant is the first owner of the copyright, design, patent or trade mark, or an original contributor to the book of work concerned.
- 27.4 Where the applicant's earnings consist of any items to which paragraph 27.3 applies, those earnings shall be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction shall be treated as a corresponding fraction of a week) by dividing the earnings by the amount of council tax reduction which would be payable had the payment not been made plus an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 3 (sums to be disregarded in the calculation of earnings) as appropriate in the applicant's case.

28.0 Calculation of net profit of self-employed earners

- 28.1 For the purposes of section 20 (average weekly earnings of self-employed earners) the earnings of an applicant to be taken into account shall be
- (a) in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
 - (b) in the case of a self-employed earner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975, his share of the net profit derived from that employment, less-
 - (i) an amount in respect of income tax and of national insurance contributions payable under the Act calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
 - (ii) one-half of the amount calculated in accordance with paragraph (11) in respect of any qualifying premium.
- 28.2 There shall be disregarded from an applicant's net profit, any sum, where applicable, specified in paragraph 1 to 14 of Schedule 3.
- 28.3 For the purposes of paragraph 28.1 (a) the net profit of the employment must, except where paragraph 28.9 applies, be calculated by taking into account the earnings for the employment over the assessment period less

- (a) subject to paragraphs 28.5 to 28.7, any expenses wholly and exclusively incurred in that period for the purposes of that employment;
 - (b) an amount in respect of;
 - (i) income tax, and
 - (ii) national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
 - (c) one-half of the amount calculated in accordance with paragraph (28.11) in respect of any qualifying premium.
- 28.4 For the purposes of paragraph 28.1(b) the net profit of the employment shall be calculated by taking into account the earnings of the employment over the assessment period less, subject to paragraphs 28.5 to 28.7, any expenses wholly and exclusively incurred in that period for the purposes of the employment.
- 28.5 Subject to paragraph 28.6 no deduction shall be made under paragraph 28.3 (a) or 28.4, in respect of-
- (a) any capital expenditure;
 - (b) the depreciation of any capital asset;
 - (c) any sum employed or intended to be employed in the setting up or expansion of the employment;
 - (d) any loss incurred before the beginning of the assessment period;
 - (e) the repayment of capital on any loan taken out for the purposes of the employment;
 - (f) any expenses incurred in providing business entertainment, and
 - (g) any debts, except bad debts proved to be such, but this sub-paragraph shall not apply to any expenses incurred in the recovery of a debt.
- 28.6 A deduction shall be made under paragraph 28.3 (a) or 28.4 in respect of the repayment of capital on any loan used for-
- (a) the replacement in the course of business of equipment or machinery; and
 - (b) the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.
- 28.7 The authority shall refuse to make deduction in respect of any expenses under paragraph 28.3 (a) or 28.4 where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.
- 28.8 For the avoidance of doubt-
- (a) deduction shall not be made under paragraph 28.3 (a) or 28.4 in respect of any sum unless it has been expended for the purposes of the business;
 - (b) a deduction shall be made thereunder in respect of-
 - (i) the excess of any value added tax paid over value added tax received in the assessment period;
 - (ii) any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
 - (iii) any payment of interest on a loan taken out for the purposes of the employment
- 28.9 Where an applicant is engaged in employment, as a child minder the net profit of the employment shall be one-third of the earnings of that employment, less an amount in respect of
- (a) income tax; and
 - (b) national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
 - (c) one-half of the amount calculated in accordance with paragraph 28.1 in respect of any qualifying contribution.
- 28.10 For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in

any one of his employments shall not be offset against his earnings in any other of his employments.

28.11 The amount in respect of any qualifying premium shall be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying premium shall be determined

- (a) where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and divided the product by 365;
- (b) in any other case, by dividing the amount of the qualifying premium by the number equal to the number of days in the period to which the qualifying premium relates.

28.12 In this section, 'qualifying premium' means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of claim.

29.0 Deduction of tax and contributions of self-employed earners

29.1 The amount to be deducted in respect of income tax under section 28.1(b) (i), 28.3 b) (i) or 28.9 a) (i) (calculation of net profit of self-employed earners) or 28A.0 (Minimum Income Floor) shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under section 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal reliefs deductible under this paragraph shall be calculated on a pro rata basis.

29.2 The amount to be deducted in respect of national insurance contributions under paragraphs 28.1 1 (b)(i); 28.3 (b) (ii) or 28.9 a shall be the total of-

- (a) the amount of Class 2 contributions payable under section 11(1) or, as the case may be, 11(3) of the Act at the rate applicable to the assessment period except where the applicant's chargeable income is less than the amount specified in section 11(4) of the Act (small profits threshold) for the tax year applicable to the assessment period; but if the assessment period is less than a year, the amount specified for that tax year shall be reduced pro rata; and
- (b) the amount of Class 4 contributions (if any) which would be payable under section 15 of the Act (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable to the assessment period on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year applicable to the assessment period; but if the assessment period is less than a year, those limits shall be reduced pro rata.

29.3 In this section 'chargeable income' means-

- (a) except where sub-paragraph (b) applies, the earnings derived from the employment less any expenses deducted under paragraph (28.3) (a) or, as the case may be, (28.4) of section 28;
- (b) in the case of employment as a child minder, one-third of the earnings of that employment.

30.0 Calculation of income other than earnings

30.1 For the purposes of section 21 (average weekly income other than earnings), the income of an applicant which does not consist of earnings to be taken into account shall, subject to paragraphs 27.2 to 27.4, be his gross income and any capital treated as income under section 31 (capital treated as income).

30.2 There shall be disregarded from the calculation of an applicant's gross income under paragraph 30.2, any

sum, where applicable, specified in Schedule 4.

- 30.3 Where the payment of any benefit under the benefit Acts is subject to any deduction by way of recovery the amount to be taken into account under paragraph 30.1 shall be the gross amount payable.
- 30.4 Where the applicant or, where he is a member of a couple, his partner is receiving a contributory employment and support allowance and that benefit has been reduced under regulation 63 of the Employment and Support Allowance Regulations 2008 or 2013 as appropriate, the amount of that benefit to be taken into account is the amount as if it had not been reduced.
- 30.5 Where an award of any working tax credit or child tax credit under the Tax Credits Act is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under paragraph 27.1 shall be the amount of working tax credit or child tax credit awarded less the amount of that deduction.
- 30.6 In paragraph 30.5 'tax year' means a period beginning with 6th April in one year and ending with 5th April in the next.
- 30.7 Paragraph 30.8 and 30.9 apply where a relevant payment has been made to a person in an academic year; and that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.
- 30.8 Where a relevant payment is made quarterly, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph 30.1 in respect of a person to whom paragraph 30.7 applies, shall be calculated by applying the formula-
$$\frac{A - (B \times C)}{D}$$

Where
A = the total amount of the relevant payment which that person would have received had he remained a student until the last day of the academic term in which he abandoned, or was dismissed from, his course, less any deduction under paragraph 51.5
B = the number of reduction weeks from the reduction week immediately following that which includes the first day of that academic year to the reduction week which includes the day on which the person abandoned, or was dismissed from, his course;
C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under paragraph 51.2 had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to council tax reduction immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to housing benefit;
D = the number of reduction weeks in the assessment period.
- 30.9 Where a relevant payment is made by two or more instalments in a quarter, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph 30.1 in respect of a person to whom paragraph (30.8) applies, shall be calculated by applying the formula in paragraph 30.8 but as if-
A = the total amount of relevant payments which that person received, or would have received, from the first day of the academic year to the day the person abandoned the course, or was dismissed from it, less any deduction under paragraph 51.5
- 30.10 In this section- 'academic year' and 'student loan' shall have the same meanings as for the purposes of sections 43 to 45, 'assessment period' means-
(a) in a case where a relevant payment is made quarterly, the period beginning with the reduction week

which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person;

- (b) in a case where the relevant payment is made by two or more instalments in a quarter, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes—
- (i) the day immediately before the day on which the next instalment of the relevant payment would have been due had the payments continued; or
 - (ii) the last day of the last quarter for which an instalment of the relevant payment was payable to that person.

whichever of those date is earlier

'quarter' in relation to an assessment period means a period in that year beginning on;

- (a) 1st January and ending on 31st March;
- (b) 1st April and ending on 30th June;
- (c) 1st July and ending on 31st August; or
- (d) 1st September and ending on 31st December;

'relevant payment' means either a student loan or an amount intended for the maintenance of dependants referred to in paragraph 46.7 or both.

30.11 For the avoidance of doubt there shall be included as income to be taken into account under paragraph 30.1

- (a) any payment to which paragraph 25.2 (payments not earnings) applies; or
- (b) in the case of an applicant who is receiving support under section 95 or 98 of the Immigration and Asylum Act including support provided by virtue of regulations made under Schedule 9 to that Act, the amount of such support provided in respect of essential living needs of the applicant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act.

31.0 Capital treated as income

31.1 Any capital payable by instalments which are outstanding at the date on which the claim is made or treated as made, or, at the date of any subsequent revision or supersession, shall, if the aggregate of the instalments outstanding and the amount of the applicant's capital otherwise calculated in accordance with sections 33 to 42 of this scheme exceeds £16,000 be treated as income.

31.2 Any payment received under an annuity shall be treated as income.

31.3 Any earnings to the extent that they are not a payment of income shall be treated as income.

31.4 Any Career Development Loan paid pursuant to section 2 of the 1973 Act shall be treated as income

31.5 Where an agreement or court order provides that payments shall be made to the applicant in consequence of any personal injury to the applicant and that such payments are to be made, wholly or partly, by way of periodic payments, any such periodic payments received by the applicant (but not a payment which is treated as capital), shall be treated as income.

32.0 Notional income

32.1 An applicant shall be treated as possessing income of which he has deprived himself for the purpose of securing entitlement of reduction or increasing the amount of that reduction.

32.2 Except in the case of-

- (a) a discretionary trust;
- (b) a trust derived from a payment made in consequence of a personal injury;
- (c) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund where the applicant has not attained the qualifying age for state pension credit;
- (d) any sum to which paragraph 47(2)(a) of Schedule 5 (capital to be disregarded) applies which is administered in the way referred to in paragraph 47(1)(a);
- (e) any sum to which paragraph 48(a) of Schedule 5 refers;
- (f) rehabilitation allowance made under section 2 of the 1973 Act;
- (g) child tax credit; or
- (h) working tax credit,
- (i) any sum to which paragraph 32.13 applies;

any income which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by the applicant but only from the date on which it could be expected to be acquired were an application made.

32.3 – 32.5 Not used

32.6 Any payment of income, other than a payment of income specified in paragraph 32.7 made-

- (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under or by a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
- (b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred to in sub-paragraph a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
- (c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

32.7 Paragraph 32.6 shall not apply in respect of a payment of income made-

- (a) under the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006);
- (b) pursuant to section 19(1)(a) of the Coal Industry Act 1994 (concessionary coal);
- (c) pursuant to section 2 of the 1973 Act in respect of a person's participation-
 - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;
 - (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
 - (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
 - (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations or;
 - (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
- (d) in respect of a previous participation in the Mandatory Work Activity Scheme;
- (e) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund

where-

- (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
- (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
- (iii) the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

32.8 Where an applicant is in receipt of any benefit (other than council tax reduction) under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter, the authority shall treat the applicant as possessing such benefit at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority shall select to apply in its area, to the date on which the altered rate is to take effect.

32.9 Subject to paragraph 32.10, where-

- (a) applicant performs a service for another person; and
- (b) that person makes no payment of earnings or pays less than that paid for a comparable employment in the area, the authority shall treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.

32.10 Paragraph 32.9 shall not apply-

- (a) to an applicant who is engaged by a charitable or voluntary organisation or who is a volunteer if the authority is satisfied in any of those cases that it is reasonable for him to provide those services free of charge; or
- (b) in a case where the service is performed in connection with-
 - (i) the applicant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations, other than where the service is performed in connection with the applicant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or
 - (ii) the applicant's or the applicant's partner's participation in an employment or training programme as defined in regulation 19(3) of those Regulations for which a training allowance is not payable or, where such an allowance is payable, it is payable for the sole purpose of reimbursement of travelling or meal expenses to the person participating in that programme; or
- (c) to an applicant who is participating in a work placement approved by the Secretary of State (or a person providing services to the Secretary of State) before the placement starts.

32.10A In paragraph 32.10 (c) 'work placement' means practical work experience which is not undertaken in expectation of payment.

32.11 Where an applicant is treated as possessing any income under any of paragraph 32.1 to (32.8), the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of that income as if a payment has actually been made and as if it were actual income which he does possess.

32.12 Where an applicant is treated as possessing any earnings under paragraph 32.9 the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of those earnings as if a payment had actually been made and as if they were actual earnings which he does possess except that paragraph (3) of section 26 (calculation of net earnings of employed earners) shall not apply and his net earnings shall be calculated by taking into account those earnings which he is treated as possessing, less;

- (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings

the starting rate or, as the case may be, the starting rate and the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the starting rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rate basis;

- (b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and
- (c) one-half of any sum payable by the applicant by way of a contribution towards an occupational or personal pension scheme.

32.13 Paragraphs (32.1), (32.2), (32.6) and (32.9) shall not apply in respect of any amount of income other than earnings, or earnings of an employed earner, arising out of the applicant's participation as a service user

Sections 33 – 42 & Schedule 5

Definition and the treatment of capital for Council Tax Reduction purposes

33.0 Capital limit

- 33.1 For the purposes of this scheme, the prescribed amount is £16,000 and no reduction shall be granted when the applicant has an amount greater than this level.

34.0 Calculation of capital

- 34.1 For the purposes of this scheme, the capital of an applicant to be taken into account shall, subject to paragraph (34.2), be the whole of his capital calculated in accordance with this scheme and any income treated as capital under section 36 (income treated as capital).
- 34.2 There shall be disregarded from the calculation of an applicant's capital under paragraph (34.1), any capital, where applicable, specified in Schedule 5.

35.0 Disregard of capital of child and young person

- 35.1 The capital of a child or young person who is a member of the applicant's family shall not be treated as capital of the applicant.

36.0 Income treated as capital

- 36.1 Any bounty derived from employment to which paragraph 8 of Schedule 3 applies and paid at intervals of at least one year shall be treated as capital.
- 36.2 Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E shall be treated as capital.
- 36.3 Any holiday pay which is not earnings under section 25(1)(d) (earnings of employed earners) shall be treated as capital.
- 36.4 Except any income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28, 47 or 48 of Schedule 5, any income derived from capital shall be treated as capital but only from the date it is normally due to be credited to the applicant's account.
- 36.5 In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer shall be treated as capital.
- 36.6 Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006) or the London Bombings Charitable Relief Fund, shall be treated as capital.
- 36.7 There shall be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self-employment route, but only in so far as those receipts were payable into a special account during the period in which that person was receiving such assistance.
- 36.8 Any arrears of subsistence allowance which are paid to an applicant as a lump sum shall be treated as capital.
- 36.9 Any arrears of working tax credit or child tax credit shall be treated as capital.

37.0 Calculation of capital in the United Kingdom

37.1 Capital which an applicant possesses in the United Kingdom shall be calculated at its current market or surrender value less-

- a. where there would be expenses attributable to the sale, 10 per cent.; and
- b. the amount of any encumbrance secured on it;

38.0 Calculation of capital outside the United Kingdom

38.1 Capital which an applicant possesses in a country outside the United Kingdom shall be calculated

- a. in a case where there is no prohibition in that country against the transfer to the United Kingdom of an amount equal to its current market or surrender value in that country, at that value.
- b. in a case where there is such a prohibition, at the price which it would realise if sold in the United Kingdom to a willing buyer,

less, where there would be expenses attributable to sale, 10 per cent. and the amount of any encumbrances secured on it.

39.0 Notional capital

39.1 An applicant shall be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to council tax reduction or increasing the amount of that reduction except to the extent that that capital is reduced in accordance with section 40 (diminishing notional capital rule).

39.2 Except in the case of

- (a) a discretionary trust; or
- (b) a trust derived from a payment made in consequence of a personal injury; or
- (c) any loan which would be obtained only if secured against capital disregarded under Schedule 5; or
- (d) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund; or
- (e) any sum to which paragraph 47(2)(a) of Schedule 5 (capital to be disregarded) applies which is administered in the way referred to in paragraph 47(1)(a); or
- (f) any sum to which paragraph 48(a) of Schedule 5 refers; or
- (g) child tax credit; or
- (h) working tax credit,

any capital which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by him but only from the date on which it could be expected to be acquired were an application made.

39.3 Any payment of capital, other than a payment of capital specified in paragraph (39.4), made

- (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
- (b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred to in sub-paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member

is liable;

- (c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

39.4 Paragraph 39.3 shall not apply in respect of a payment of capital made

- (a) under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;
- (b) pursuant to section 2 of the 1973 Act in respect of a person's participation
 - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;
 - (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
 - (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
 - (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations;
 - or
 - (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
- (bb) in respect of a person's participation in the Mandatory Work Activity Scheme; Enterprise Scheme;
- (bc) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;
- (c) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
 - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
 - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
 - (iii) the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

39.5 Where an applicant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he may be treated as if he were such sole owner or partner and in such a case

- (a) the value of his holding in that company shall, notwithstanding section 34 (calculation of capital) be disregarded; and
- (b) he shall, subject to paragraph 39.6, be treated as possessing an amount of capital equal to the value or, as the case may be, his share of the value of the capital of that company and the foregoing provisions of this Section shall apply for the purposes of calculating that amount as if it were actual capital which he does possess.

39.6 For so long as the applicant undertakes activities in the course of the business of the company, the amount which, he is treated as possessing under paragraph 39.5 shall be disregarded.

39.7 Where an applicant is treated as possessing capital under any of paragraphs 39.1 to 39.2 the foregoing provisions of this Section shall apply for the purposes of calculating its amount as if it were actual capital, which he does possess.

40.0 Diminishing notional capital rule

40.1 Where an applicant is treated as possessing capital under section 39.1 (notional capital), the amount, which

he is treated as possessing;

(a) in the case of a week that is subsequent to

- (i) the relevant week in respect of which the conditions set out in paragraph 40.2 are satisfied; or
- (ii) a week which follows that relevant week and which satisfies those conditions, shall be reduced by an amount determined under paragraph 40.3;

(b) in the case of a week in respect of which paragraph 40.1(a) does not apply but where

- (i) that week is a week subsequent to the relevant week; and
- (ii) that relevant week is a week in which the condition in paragraph 40.4 is satisfied, shall be reduced by the amount determined under paragraph 40.4.

40.2 This paragraph applies to a reduction week or part-week where the applicant satisfies the conditions that

- (a) he is in receipt of council tax reduction; and
- (b) but for paragraph 39.1, he would have received an additional amount of council tax reduction in that week.

40.3 In a case to which paragraph 40.2 applies, the amount of the reduction for the purposes of paragraph 40.1(a) shall be equal to the aggregate of

- (a) the additional amount to which sub-paragraph 40.2 (b) refers;
- (b) where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of that benefit to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 49(1) of the Housing Benefit Regulations (notional capital);
- (c) where the applicant has also claimed income support, the amount of income support to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 51(1) of the Income Support Regulations (notional capital);
- (d) where the applicant has also claimed a jobseeker's allowance, the amount of an income-based jobseeker's allowance to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 113 of the Jobseeker's Allowance Regulations (notional capital) and
- (e) where the applicant has also claimed an employment and support allowance, the amount of an income-related employment and support allowance to which he would have been entitled in respect of the whole or part of reduction week to which paragraph 40.2 refers but for the application of regulation 115 of the Employment and Support Allowance Regulations (notional capital).

40.4 Subject to paragraph 40.5, for the purposes of paragraph 40.1(b) the condition is that the applicant would have been entitled to council tax reduction in the relevant week but for paragraph 39.1, and in such a case the amount of the reduction shall be equal to the aggregate of

- (a) the amount of council tax reduction to which the applicant would have been entitled in the relevant week but for paragraph 39.1; and for the purposes of this sub-paragraph is the amount is in respect of a part-week, that amount shall be determined by dividing the amount of council tax reduction to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7;
- (b) if the applicant would, but for regulation 49(1) of the Housing Benefit Regulations, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the reduction week which includes the last day of the relevant week, the amount which is equal to—
 - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
 - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled,and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of housing benefit to which he would have been so

entitled by the number equal to that number of days in the part-week and multiplying the quotient so obtained by 7;

- (c) if the applicant would, but for regulation 51(1) of the Income Support Regulations, have been entitled to income support in respect of the reduction week, within the meaning of regulation 2(1) of those Regulations, which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of the income support to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7
- (d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations, have been entitled to an income-based jobseeker's allowance in respect of the reduction week, within the meaning of this scheme, which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of the income-based jobseeker's allowance to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7; and
- (e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations, have been entitled to an income-related employment and support allowance in respect of the reduction week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount must be determined by dividing the amount of the income-related employment and support allowance to which he would have been so entitled by the number equal to the number of days in that part-week and multiplying the quotient so obtained by 7.

40.5 The amount determined under paragraph 40.4 shall be re-determined under that paragraph if the applicant makes a further claim for council tax reduction and the conditions in paragraph 40.6 are satisfied, and in such a case—

- (a) sub-paragraphs (a) to (d) of paragraph 40.4 shall apply as if for the words 'relevant week' there were substituted the words 'relevant subsequent week'; and
- (b) subject to paragraph 40.7, the amount as re-determined shall have effect from the first week following the relevant subsequent week in question.

40.6 The conditions are that

- (a) a further claim is made 26 or more weeks after
 - (i) the date on which the applicant made a claim for council tax reduction in respect of which he was first treated as possessing the capital in question under paragraph 39.1;
 - (ii) in a case where there has been at least one re-determination in accordance with paragraph 40.5, the date on which he last made a claim for council tax reduction which resulted in the weekly amount being re-determined, or
 - (iii) the date on which he last ceased to be entitled to council tax reduction, whichever last occurred; and
- (b) the applicant would have been entitled to council tax reduction but for paragraph 39.1.

40.7 The amount as re-determined pursuant to paragraph 40.5 shall not have effect if it is less than the amount which applied in that case immediately before the re-determination and in such a case the higher amount shall continue to have effect.

40.8 For the purposes of this section

- (a) 'part-week'
 - (i) in paragraph 40.4 (a) means a period of less than a week for which council tax reduction is allowed;
 - (ii) in paragraph 40.4 (b) means a period of less than a week for which housing benefit is payable;

- (iii) in paragraph 40.4 (c),(d)and(e)means-
- (aa). a period of less than a week which is the whole period for which income support , an income-related employment and support allowance or, as the case may be, an income-based jobseeker's allowance is payable; and
- (bb). any other period of less than a week for which it is payable;
- (b). 'relevant week' means the reduction week or part-week in which the capital in question of which the applicant has deprived himself within the meaning of section 39.1
 - (i) was first taken into account for the purpose of determining his entitlement to council tax reduction; or
 - (ii) was taken into account on a subsequent occasion for the purpose of determining or re-determining his entitlement to council tax reduction on that subsequent occasion and that determination or re-determination resulted in his beginning to receive, or ceasing to receive, council tax reduction; and where more than one reduction week is identified by reference to heads (i) and (ii) of this subparagraph the later or latest such reduction week or, as the case may be, the later or latest such part-week;
- (c). 'relevant subsequent week' means the reduction week or part-week which includes the day on which the further claim or, if more than one further claim has been made, the last such claim was made.

41.0 Capital jointly held

- 41.1 Except where an applicant possesses capital which is disregarded under paragraph 39(5) (notional capital) where an applicant and one or more persons are beneficially entitled in possession to any capital asset they shall be treated as if each of them were entitled in possession to the whole beneficial interest therein in an equal share and the foregoing provisions of this Section shall apply for the purposes of calculating the amount of capital which the applicant is treated as possessing as if it were actual capital which the applicant does possess

42.0 Calculation of tariff income from capital

- 42.1 Where the applicant's capital calculated in accordance with this scheme exceeds £6,000 it shall be treated as equivalent to a weekly income of £1 for each complete £250 of in excess of £6,000 but not exceeding £16,000
- 42.2 Notwithstanding paragraph 42.1 where any part of the excess is not a complete £250 that part shall be treated as equivalent to a weekly tariff income of £1.
- 42.3 For the purposes of paragraph 42.1, capital includes any income treated as capital under section 36 (income treated as capital).

Sections 43 - 56

Definition and the treatment of students for Council Tax Reduction purposes²²

²² Amounts shown in sections 43 to 56 will be uprated in line with the Housing Benefit Regulations 2006 (as amended)

43.0 Student related definitions

43.1 In this scheme the following definitions apply;

'academic year' means the period of twelve months beginning on 1st January, 1st April, 1st July or 1st September according to whether the course in question begins in the winter, the spring, the summer or the autumn respectively but if students are required to begin attending the course during August or September and to continue attending through the autumn, the academic year of the course shall be considered to begin in the autumn rather than the summer;

'access funds' means;

- (a) grants made under section 68 of the Further and Higher Education Act 1992 for the purpose of providing funds on a discretionary basis to be paid to students;
- (b) grants made under section 73(a) and (c) and 74(1) of the Education (Scotland) Act 1980;
- (c) grants made under Article 30 of the Education and Libraries (Northern Ireland) Order 1993 or grants, loans or other payments made under Article 5 of the Further Education (Northern Ireland) Order 1997 in each case being grants, or grants, loans or other payments as the case may be, for the purpose of assisting students in financial difficulties;
- (d) discretionary payments, known as "learner support funds", which are made available to students in further education by institutions out of funds provided by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding under sections 100 and 101 of the Apprenticeships, Skills, Children and Learning Act 2009; or
- (e) Financial Contingency Funds made available by the Welsh Ministers;

'college of further education' means a college of further education within the meaning of Part 1 of the Further and Higher Education (Scotland) Act 1992;

'contribution' means;

- (a) any contribution in respect of the income of a student or any person which the Secretary of State, the Scottish Ministers or an education authority takes into account in ascertaining the amount of a student's grant or student loan; or
- (b) any sums, which in determining the amount of a student's allowance or bursary in Scotland under the Education (Scotland) Act 1980, the Scottish Ministers or education authority takes into account being sums which the Scottish Ministers or education authority consider that it is reasonable for the following person to contribute towards the holder's expenses;
 - (i) the holder of the allowance or bursary;
 - (ii) the holder's parents;
 - (iii) the holder's parent's spouse, civil partner or a person ordinarily living with the holder's parent as if he or she were the spouse or civil partner of that parent; or
 - (iv) the holder's spouse or civil partner;

'course of study' means any course of study, whether or not it is a sandwich course and whether or not a grant is made for attending or undertaking it;

'covenant income' means the gross income payable to a full-time student under a Deed of Covenant by his parent;

'education authority' means a government department, a local education authority as defined in section 12 of the Education Act 1996 (interpretation), a local education authority as defined in section 123 of the Local Government (Scotland) Act 1973 an education and library board established under Article 3 of the Education and Libraries (Northern Ireland) Order 1986, any body which is a research council for the purposes of the Science and Technology Act 1965 or any analogous government department, authority, board or body of the Channel Island, Isle of Man or any other country outside Great Britain;

'full-time course of study' means a full time course of study which;

- (a) is not funded in whole or in part by the Secretary of State under section 14 of the

- (b) Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers or a full-time course of study which is not funded in whole or in part by the Scottish Ministers at a college of further education or a full-time course of study which is a course of higher education and is funded in whole or in part by the Scottish Ministers;
- (c) is funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers if it involves more than 16 guided learning hours per week for the student in question, according to the number of guided learning hours per week for that student set out–
 - (i) in the case of a course funded by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding, in the student's learning agreement signed on behalf of the establishment which is funded by either
 - of those persons for the delivery of that course; or
 - (ii) in the case of a course funded by the Welsh Ministers, in a document signed on behalf of the establishment which is funded by that Council for the delivery of that course; or
- (d) is not higher education and is funded in whole or in part by the Scottish Ministers at a college of further education and involves–
 - (i) more than 16 hours per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff according to the number of hours set out in a document signed on behalf of the college; or
 - (ii) 16 hours or less per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff and additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 hours per week, according to the number of hours set out in a document signed on behalf of the college;

'full-time student' means a person attending or undertaking a full-time course of study and includes a student on a sandwich course;

'grant' (except in the definition of 'access funds') means any kind of educational grant or award and includes any scholarship, studentship, exhibition allowance or bursary but does not include a payment from access funds or any payment to which paragraph 12 of Schedule 4 or paragraph 53 of Schedule 5 applies;

'grant income' means

- (a) any income by way of a grant;
- (b) any contribution whether or not it is paid;

'higher education' means higher education within the meaning of Part 2 of the Further and Higher Education (Scotland) Act 1992; 'last day of the course' means;

- (a) in the case of a qualifying course, the date on which the last day of that course falls or the date on which the final examination relating to that course is completed, whichever is the later;
- (b) in any other case, the date on which the last day of the final academic term falls in respect of the course in which the student is enrolled;

'period of study' means–

- (a) in the case of a course of study for one year or less, the period beginning with the start of the course and ending with the last day of the course;
- (b) in the case of a course of study for more than one year, in the first or, as the case may be, any subsequent year of the course, other than the final year of the course, the period beginning with the start of the course or, as the case may be, the year's start and ending with either–
 - (i) the day before the start of the next year of the course in a case where the student's grant or loan is assessed at a rate appropriate to his studying throughout the year, or, if he does not have a grant or loan, where a loan would have been assessed at such a rate had he had one; or
 - (ii) in any other case, the day before the start of the normal summer vacation appropriate to his course;
- (c) in the final year of a course of study of more than one year, the period beginning with that year's start and ending with the last day of the course;

'periods of experience' means periods of work experience which form part of a sandwich course;

'qualifying course' means a qualifying course as defined for the purposes of Parts 2 and 4 of the Jobseeker's Allowance Regulations;

'modular course' means a course of study which consists of two or more modules, the successful completion of a specified number of which is required before a person is considered by the educational establishment to have completed the course.

'sandwich course' has the meaning prescribed in regulation 2(9) of the Education (Student Support) Regulations 2008, regulation 4(2) of the Education (Student Loans), (Scotland), Regulations 2007 or regulation 2(8) of the Education (Student Support) Regulations (Northern Ireland) 2007, as the case may be;

'standard maintenance grant' means—

- (a) except where paragraph (b) or (c) applies, in the case of a student attending or undertaking a course of study at the University of London or an establishment within the area comprising the City of London and the Metropolitan Police District, the amount specified for the time being in paragraph 2(2)(a) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 ('the 2003 Regulations') for such a student;
- (b) except where paragraph (c) applies, in the case of a student residing at his parent's home, the amount specified in paragraph 3 thereof;
- (c) in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980, the amount of money specified as 'standard maintenance allowance' for the relevant year appropriate for the student set out in the Student Support in Scotland Guide issued by the student Awards Agency for Scotland, or its nearest equivalent in the case of a bursary provided by a college of further education or a local education authority;
- (d) in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 2003 Regulations other than in sub-paragraph (a) or (b) thereof;

'student' means a person, other than a person in receipt of a training allowance, who is attending or undertaking—

- (a) a course of study at an educational establishment; or
- (b) a qualifying course;

'student loan' means a loan towards a student's maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998, section 73 of the Education (Scotland) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 and shall include, in Scotland, a young student's bursary paid under regulation 4(1)(c) of the Student's Allowances (Scotland) Regulations 2007

43.2 For the purposes of the definition of 'full-time student', a person shall be regarded as attending or, as the case may be, undertaking a full-time course of study or as being on a sandwich course

- (a) in the case of a person attending or undertaking a part of a modular course which would be a full-time course of study for the purposes of this Part, for the period beginning on the day on which that part of the course starts and ending;
 - (i) on the last day on which he is registered with the educational establishment as attending or undertaking that part as a full-time course of study; or
 - (ii) on such earlier date (if any) as he finally abandons the course or is dismissed from it;
- (b) in any other case, throughout the period beginning on the date on which he starts attending or undertaking the course and ending on the last day of the course or on such earlier date (if any) as he finally abandons it or is dismissed from it.

43.3 For the purposes of sub-paragraph (a) of paragraph 43.2, the period referred to in that sub-paragraph shall include;

- (a) where a person has failed examinations or has failed to successfully complete a module relating to a period when he was attending or undertaking a part of the course as a full-time course of study, any period in respect of which he attends or undertakes the course for the purpose of retaking those examinations or that module;
- (b) any period of vacation within the period specified in that paragraph or immediately following that period

except where the person has registered with the educational establishment to attend or undertake the final module in the course and the vacation immediately follows the last day on which he is required to attend or undertake the course.

44.0 Treatment of students

44.1 The following sections relate to students who claim Council Tax Reduction

45.0 Students who are excluded from entitlement to council tax reduction

45.1 Students (except those specified in paragraph 45.3) are not able to claim Council Tax Reduction under Classes D and E of the Council's reduction scheme.

45.2 To be eligible for reduction, the student must be liable for Council Tax under Section 6 of the Local Government Finance Act 1992 and they must not be deemed to be a full time student or a person from abroad within the meaning of section 7 of this scheme (persons from abroad).

45.3 Paragraph 45.2 shall not apply to a student

- (a) who is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance;
- (b) who is a lone parent;
- (c) whose applicable amount would, but for this section, include the disability premium or severe disability premium;
- (d) whose applicable amount would include the disability premium but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the Act;
- (e) who is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;
- (f) who has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations for a continuous period of not less than 196 days, and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period.
- (g) who has a partner who is also a full-time student, if he or that partner is treated as responsible for a child or young person;
- (h) who is a single applicant with whom a child is placed by a local authority or voluntary organisation within the meaning of the Children Act 1989, or, in Scotland, boarded out within the meaning of the Social Work (Scotland) Act 1968;
- (i) who is;
 - (i) aged under 21 and whose course of study is not a course of higher education, or
 - (ii) a qualifying young person or child within the meaning of section 142 of the Act (child and qualifying young person);
- (j) in respect of whom
 - (i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;
 - (ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) or regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;
 - (iii) a payment has been made under section 2 of the Education Act 1962 or under or by virtue

of regulations made under the Teaching and Higher Education Act 1998;
 (iv) a grant has been made under regulation 13 of the Education (Student Support) Regulations 2005 or under regulation 13 of the Education (Student Support) Regulations (Northern Ireland) 2000; or
 (v) a supplementary requirement has been determined under paragraph 9 of Schedule 6 to the Students Awards Regulations (Northern Ireland) 1999 or a payment has been made under Article 50(3) of the Education and Libraries (Northern Ireland) Order 1986,

on account of his disability by reason of deafness.

- 45.4 For the purposes of paragraph 45.3(h)(i) the student must have begun, or been enrolled or accepted onto the course before attaining the age of 19. For the purposes of paragraph 45.3, once paragraph 45.3(e) applies to a full-time student, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable or is treated as remaining incapable, of work.
- 45.5 In paragraph 45.3(h) the reference to a course of higher education is a reference to a course of any description mentioned in Schedule 6 to the Education Reform Act 1988.
- 45.6 A full-time student to whom sub-paragraph (i) of paragraph 45.3 applies, shall be treated as satisfying that sub-paragraph from the date on which he made a request for the supplementary requirement, allowance, bursary or payment as the case may be.
- 45.7 Paragraph 45.2 shall not apply to a full-time student for the period specified in paragraph 45.8 if;
- (a) at any time during an academic year, with the consent of the relevant educational establishment, he ceases to attend or undertake a course because he is;
 - (i) engaged in caring for another person; or
 - (ii) ill;
 - (b) he has subsequently ceased to be engaged in engaging in caring for that person or, as the case may be, he has subsequently recovered from that illness; and
 - (c) he is not eligible for a grant or a student loan in respect of the period specified in paragraph 45.8.
- 45.8 The period specified for the purposes of paragraph 45.7 is the period, not exceeding one year, beginning on the day on which he ceased to be engaged in caring for that person or, as the case may be, the day on which he recovered from that illness and ending on the day before;
- (a) the day on which he resumes attending or undertaking the course; or
 - (b) the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course,
- which shall first occur.

46.0 Calculation of grant income

- 46.1 The amount of a student's grant income to be taken into account shall, subject to paragraphs 46.2 and 46.3, be the whole of his grant income.
- 46.2 There shall be excluded from a student's grant income any payment;
- (a) intended to meet tuition fees or examination fees;

- (b) in respect of the student's disability;
 - (c) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;
 - (d) on account of the student maintaining a home at a place other than that at which he resides during his course;
 - (e) on account of any other person but only if that person is residing outside of the United Kingdom and there is no applicable amount in respect of him;
 - (f) intended to meet the cost of books and equipment;
 - (g) intended to meet travel expenses incurred as a result of his attendance on the course;
 - (h) intended for the child care costs of a child dependant.
 - (i) of higher education bursary for care leavers made under Part III of the Children Act 1989.
- 46.3 Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student's grant income;
- (a) the sum of £303 per academic year in respect of travel costs; and
 - (b) the sum of £390 per academic year towards the costs of books and equipment, whether or not any such costs are incurred.
- The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).
- 46.4 There shall also be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.
- 46.5 Subject to paragraphs 46.6 and 46.7, a student's grant income shall be apportioned;
- (a) subject to paragraph 46.8, in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the reduction week, the first day of which coincides with, or immediately follows the first day of the period of study and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study;
 - (b) in any other case, equally between the weeks in the period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period for which it is payable and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.
- 46.6 Any grant in respect of dependants paid under section 63(6) of the Health Services and Public Health Act 1968 (grants in respect of the provision of instruction to officers of hospital authorities) and any amount intended for the maintenance of dependants under Part 3 of Schedule 2 to the Education (Mandatory Awards) Regulations 2004 shall be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.
- 46.7 In a case where a student is in receipt of a student loan or where he could have acquired a student loan by taking reasonable steps but had not done so, any amount intended for the maintenance of dependants to which neither paragraph 46.6 nor section 50 (other amounts to be disregarded) apply, shall be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.
- 46.8 In the case if a student on a sandwich course, any periods of experience within the period of study shall be excluded and the student's grant income shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which immediately follows the last day of the period of experience and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study.

47.0 Calculation of covenant income where a contribution is assessed

- 47.1 Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account for that period and any summer vacation immediately following shall be the whole amount of the covenant income less, subject to paragraph 47.3, the amount of the contribution.
- 47.2 The weekly amount of the student's covenant shall be determined—
- (a) by dividing the amount of income which falls to be taken into account under paragraph 47.1 by 52 or 53, whichever is reasonable in the circumstances; and
 - (b) by disregarding from the resulting amount, £5.
- 47.3 For the purposes of paragraph 47.1, the contribution shall be treated as increased by the amount (if any) by which the amount excluded under paragraph 46.2(g) (calculation of grant income) falls short of the amount specified in paragraph 7(2) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (travel expenditure).

48.0 Covenant income where no grant income or no contribution is assessed

- 48.1 Where a student is not in receipt of income by way of a grant the amount of his covenant income shall be calculated as follows;
- (a) any sums intended for any expenditure specified in paragraph 46.2 (a) to (e) (calculation of grant income) necessary as a result of his attendance on the course shall be disregarded;
 - (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, shall be apportioned equally between the weeks of the period of study;
 - (c) there shall be disregarded from the amount so apportioned the amount which would have been disregarded under paragraph 46.2(f) and 46.3 (calculation of grant income) had the student been in receipt of the standard maintenance grant; and
 - (d) the balance, if any, shall be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 shall be disregarded.
- 48.2 Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenanted income shall be calculated in accordance with sub-paragraphs (a) to (d) of paragraph 48.1, except that;
- (a) the value of the standard maintenance grant shall be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 46.2 (a) to (e); and
 - (b) the amount to be disregarded under paragraph 48.1(c) shall be abated by an amount equal to the amount of any sums disregarded under paragraph 46.2(f) and (g) and 46.3.

49.0 Student Covenant Income and Grant income – non disregard

- 49.1 No part of a student's covenant income or grant income shall be disregarded under paragraph 15 of Schedule 4 to this scheme

50.0 Other amounts to be disregarded

- 50.1 For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with section 51, any amounts intended for any expenditure specified in paragraph 46.2 (calculation of grant income), necessary as a result of his attendance on the course shall be disregarded but only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under paragraphs 46.2 or 46.3, 47.3, 48.1(a) or (c) or 51.5 (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

51.0 Treatment of student loans

- 51.1 A student loan shall be treated as income.

- 51.2 In calculating the weekly amount of the loan to be taken into account as income

- (a) in respect of a course that is of a single academic year's duration or less, a loan which is payable in respect of that period shall be apportioned equally between the weeks in the period beginning with;
 - (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of the single academic year;
 - (ii) where the student is required to start attending the course in August or where the course is less than an academic year's duration, the reduction week, the first day of which coincides with, or immediately follows, the first day of the course, and ending with the reduction week, the last day of which coincides with, or immediately precedes with last day of the course,
- (b) in respect of an academic year of a course which starts other than on 1st September, a loan which is payable in respect of that academic year shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year and ending with the reduction week, the last day of which coincides with or immediately precedes, the last day of that academic year but excluding any reduction weeks falling entirely within the quarter during which, in the opinion of the Secretary of State, the longest of any vacation is taken and for the purposes of this sub-paragraph, 'quarter' shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2005;
- (c) in respect of the final academic year of a course (not being a course of a single year's duration), a loan which is payable in respect of that final academic year shall be apportioned equally between the weeks in the period beginning with;
 - (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year;
 - (ii) where the final academic year starts on 1st September, the reduction week, the first day of which coincide with, or immediately follows, the earlier of 1st September or the first day of the autumn term,
and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;
- (d) in any other case, the loan shall be apportioned equally between the weeks in the period beginning with the earlier of;
 - (i) the first day of the first reduction week in September; or
 - (ii) the reduction week, the first day of which coincides with, or immediately follows the first day of the autumn term,

and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;

and, in all cases, from the weekly amount so apportioned there shall be disregarded £10.

51.3 A student shall be treated as possessing a student loan in respect of an academic year where;

- (a) a student loan has been made to him in respect of that year; or
- (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

51.4 Where a student is treated as possessing a student loan under paragraph 51.3, the amount of the student loan to be taken into account as income shall be, subject to paragraph 51.5

- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to
 - (i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
 - (ii) any contribution whether or not it has been paid to him;
- (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if;
 - (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
 - (ii) no deduction in that loan was made by virtue of the application of a means test.

51.5 There shall be deducted from the amount of income taken into account under paragraph 51.4

- (a) the sum of £303 per academic year in respect of travel costs; and
- (b) the sum of £390 per academic year towards the cost of books and equipment, whether or not any such costs are incurred.

The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).

51A.0 Treatment of fee loans

51A. 1A loan for fees, known as a fee loan or a fee contribution loan, made pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998, section 22 of the Teaching and Higher Education Act 1998 or section 73(f) of the Education (Scotland) Act 1980, shall be disregarded as income.

52.0 Treatment of payments from access funds

52.1 This paragraph applies to payments from access funds that are not payments to which paragraph 55.2 or 55.3 (income treated as capital) applies.

52.2 A payment from access funds, other than a payment to which paragraph 52.3 applies, shall be disregarded as income.

52.3 Subject to paragraph 52.4 of this section and paragraph 35 of Schedule 4,

- (a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family and
- (b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable, shall be disregarded as income to the extent of £20 per week.

52.4 Where a payment from access funds is made—

- (a) on or after 1st September or the first day of the course, whichever first occurs, but before receipt of any student loan in respect of that year and that payment is intended for the purpose of bridging the period until receipt of the student loan; or

- (b) before the first day of the course to a person in anticipation of that person becoming a student,
- (c) that payment shall be disregarded as income.

53.0 Disregard of contribution

- 53.1 Where the applicant or his partner is a student and for the purposes of assessing a contribution to the student's grant or student loan, the other partner's income has been taken into account, an amount equal to that contribution shall be disregarded for the purposes of assessing that other partner's income.

54.0 Further disregard of student's income

- 54.1 Where any part of a student's income has already been taken into account for the purpose of assessing his entitlement to a grant or student loan, the amount taken into account shall be disregarded in assessing that student's income.

55.0 Income treated as capital

- 55.1 Any amount by way of a refund of tax deducted from a student's covenant income shall be treated as capital.
- 55.2 Any amount paid from access funds as a single lump sum shall be treated as capital.
- 55.3 An amount paid from access fund as a single lump sum which is intended and used for an item other than food, ordinary clothing or footwear, household fuel or rent, or which is used for an item other than any council tax or water charges for which that applicant or member is liable, shall be disregarded as capital but only for a period of 52 weeks from the date of the payment.

56.0 Disregard of changes occurring during summer vacation

- 56.1 In calculating a student's income the authority shall disregard any change in the standard maintenance grant, occurring in the recognised summer vacation appropriate to the student's course, if that vacation does not form part of his period of study from the date on which the change occurred to the end of that vacation.

Sections 57 - 63

The calculation and amount of Council Tax Reduction

57.0 Maximum council tax reduction

57.1 Subject to paragraphs 57.2 to 57.4, the amount of a person's maximum council tax reduction in respect of a day for which he is liable to pay council tax, shall be 80 per cent, of the amount A divided by B where;

- (a) A is the amount set by the appropriate authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and
- (b) B is the number of days in that financial year,

less any deductions in respect of non-dependants which fall to be made under section 58 (non-dependant deductions).

In this paragraph "relevant financial year" means, in relation to any particular day, financial year within which the day in question falls

57.2 In calculating a person's maximum council tax reduction any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act, shall be taken into account.

57.3 Subject to paragraph 57.4, where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons but excepting any person so residing with the applicant who is a student to whom paragraph 45.2 (students who are excluded from entitlement to council tax reduction) applies, in determining the maximum council tax reduction in his case in accordance with paragraph 57.1, the amount A shall be divided by the number of persons who are jointly and severally liable for that tax.

57.4 Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, paragraph 57.3 shall not apply in his case

58.0 Non-dependant deductions

58.1 Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in section 57 (maximum council tax reduction) shall be;

- (a) in respect of a non-dependant aged 18 or over in remunerative work, $\pounds 11.45 \times 1/7$;
- (b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply, $\pounds 3.77 \times 1/7$.

58.2 In the case of a non-dependant aged 18 or over to whom paragraph 58.1(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is—

- (a) less than $\pounds 195.00$, the deduction to be made under this paragraph shall be that specified in paragraph 58.1(b);
- (b) not less than $\pounds 195.00$, but less than $\pounds 338.00$, the deduction to be made under this section shall be $\pounds 7.58 \times 1/7$
- (c) not less than $\pounds 338.00$, but less than $\pounds 420.00$, the deduction to be made under this section shall be $\pounds 9.56$;

58.3 Only one deduction shall be made under this section in respect of a couple or, as the case may be, members of a polygamous marriage and, where, but for this paragraph, the amount that would fall to be deducted in respect of one member of a couple or polygamous marriage is higher than the amount (if any) that would fall to be deducted in respect of the other, or any other, member, the higher amount shall be deducted.

- 58.4 Where in respect of a day–
- (a) a person is a resident in a dwelling but is not himself liable for council tax in respect of that dwelling and that day;
 - (b) other residents in that dwelling (the liable persons) have joint and several liability for council tax in respect of that dwelling and that day otherwise than by virtue of section 9 or 77 or 77A of the 1992 Act (liability of spouses and civil partners); and
 - (c) the person to whom sub-paragraph (a) refers is a non-dependant of two or more of the liable persons, the deduction in respect of that non-dependant shall be apportioned equally between those liable persons.
- 58.5 No deduction shall be made in respect of any non-dependants occupying an applicant's dwelling if the applicant or his partner is–
- (a) blind or treated as blind by virtue of paragraph 9 of Schedule 1 (additional condition for the disability premium); or
 - (b) receiving in respect of himself:
 - attendance allowance, or would be receiving that allowance but for:
 - (i) a suspension of benefit in accordance with regulations under section 113(2) of The Act; or
 - (ii) an abatement as a result of hospitalisation; or
 - the care component of the disability living allowance, or would be receiving that component but for:
 - (i) a suspension of benefit in accordance with regulations under section 113(2) of The Act; or
 - (ii) an abatement as a result of hospitalisation; or
 - (c) the daily living component of personal independence payment, or would be receiving that allowance but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);
 - (d) an AFIP, or would be receiving that payment but for a suspension of it in accordance with any terms of the armed and reserve forces compensation scheme which allows for a suspension because a person is undergoing medical treatment in a hospital or similar institution;
- 58.6 No deduction shall be made in respect of a non-dependant if:
- (a) although he resides with the applicant, it appears to the authority that his normal home is elsewhere; or
 - (b) he is in receipt of a training allowance paid in connection with a youth training established under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990; or
 - (c) he is a full time student within the meaning of section 44.0 (Students); or
 - (d) he is not residing with the applicant because he has been a patient for a period of excess of 52 weeks, and for these purposes;
 - 'patient' has the meaning given within this scheme, and
 - where a person has been a patient for two or more distinct periods separated by one or more intervals each not exceeding 28 days, he shall be treated as having been a patient continuously for a period equal in duration to the total of those distinct periods;
 - (e) he is not residing with the applicant because he is a member of the armed forces away on operations
- 58.7 No deduction shall be made in respect of a non-dependant;
- (a) who is on income support, state pension credit, an income-based jobseeker's allowance or an income-related employment and support allowance;
 - (b) to whom Schedule 1 of the 1992 Act applies (persons disregarded for purposes of discount) but this sub-paragraph shall not apply to a non-dependant who is a student to whom paragraph 4 of that Schedule refers;

- (c) who is entitled to an award of universal credit where the award is calculated on the basis that the person does not have any earned income.”;
- For the purposes of sub-paragraph (c), “earned income” has the meaning given in regulation 52 of the Universal Credit Regulations 2013

59.0 Council tax reduction taper (applies to persons defined within Class E)

- 59.1 The prescribed daily percentage for the purpose of calculating reduction as a percentage of excess of income over the applicable amount which is deducted from maximum council tax reduction, shall be $2\frac{6}{7}$ per cent. Where an applicant's income exceeds their applicable amount, their council tax reduction shall be calculated by deducting their excess income multiplied by the taper from their maximum council tax reduction as defined within section 57 of this scheme

60.0 Extended reductions

- 60.1 An applicant who is entitled to council tax reduction (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction where;
- (a) the applicant or the applicant's partner was entitled to a qualifying income-related benefit;
 - (b) entitlement to a qualifying income-related benefit ceased because the applicant or the applicant's partner—
 - (i) commenced employment as an employed or self-employed earner;
 - (ii) increased their earnings from such employment; or
 - (iii) increased the number of hours worked in such employment,and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more; and
 - (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.
- 60.2 For the purpose of paragraph 60.1(c), an applicant or an applicant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the applicant or the applicant's partner was not entitled to any of those benefits because the applicant or the applicant's partner was engaged in remunerative work as a consequence of their participation in an employment zone programme.
- 60.3 For the purpose of this section, where an applicant or an applicant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they shall be treated as being entitled to and in receipt of jobseeker's allowance.
- 60.4 An applicant must be treated as entitled to council tax reduction by virtue of the general conditions of entitlement where—
- (a) the applicant ceased to be entitled to council tax reduction because the applicant vacated the dwelling in which the applicant was resident;
 - (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying income-related benefit ceased, or in the preceding week; and
 - (c) entitlement to the qualifying income-related benefit ceased in any of the circumstances listed in paragraph 60.1(b).
- 60.5 This section shall not apply where, on the day before an applicant's entitlement to income support ceased, regulation 6(5) of the Income Support Regulations (remunerative work: housing costs) applied to that

applicant.

60A.0 Duration of extended reduction period

- 60A.1 Where an applicant is entitled to an extended reduction, the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying income-related benefit.
- 60A.2 For the purpose of paragraph (60A.1), an applicant or an applicant's partner ceases to be entitled to a qualifying income-related benefit on the day immediately following the last day of entitlement to that benefit.
- 60A.3 The extended reduction period ends;
- (a) at the end of a period of four weeks; or
 - (b) on the date on which the applicant to whom the extended reduction is payable has no liability for council tax, if that occurs first.

60B.0 Amount of extended reduction

- 60B.1 For any week during the extended reduction period the amount of the extended reduction payable to an applicant shall be the higher of-
- (a) the amount of council tax reduction to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying income-related benefit;
 - (b) the amount of council tax reduction to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 60 (extended reductions) did not apply to the applicant; or
 - (c) the amount of council tax reduction to which the applicant's partner would be entitled under the general conditions of entitlement, if section 60 did not apply to the applicant.
- 60B.2 Paragraph 60B1 does not apply in the case of a mover.
- 60B.3 Where an applicant is in receipt of an extended reduction under this section and the applicant's partner makes a claim for council tax reduction, no amount of council tax reduction shall be payable by the appropriate authority during the extended reduction period.

60C.0 Extended reductions - movers

- 60C.1 This section applies;
- (a) to a mover; and
 - (b) from the Monday following the day of the move.
- 60C.2 The amount of the extended reduction payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax reduction which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit.
- 60C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second authority, the extended reduction may take the form of a payment from the appropriate authority to;
- (a) the second authority; or
 - (b) the mover directly.

60C.4 Where–

- (a) a mover, or the mover's partner, makes a claim for council tax reduction to the second authority after the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit; and
- (b) the mover, or the mover's partner, is in receipt of an extended reduction from the appropriate authority, the second authority shall reduce the weekly amount of council tax reduction that the mover, or the mover's partner, is entitled to by a sum equal to the amount of the extended reduction until the end of the extended reduction period.

60D.0 Relationship between extended reduction and entitlement to council tax reduction under the general conditions of entitlement

60D.1 Where an applicant's council tax reduction award would have ended when the applicant ceased to be entitled to a qualifying income-related benefit in the circumstances listed in paragraph 60.1(b), that award will not cease until the end of the extended reduction period.

60D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction payable in accordance with paragraph 60B.1(a) or 60C.2 (amount of extended reduction – movers).

61.0 Extended reductions (qualifying contributory benefits)

61.1 An applicant who is entitled to council tax reduction (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction (qualifying contributory benefits) where;

- (a) the applicant or the applicant's partner was entitled to a qualifying contributory benefit;
- (b) entitlement to a qualifying contributory benefit ceased because the applicant or the applicant's partner;
 - (i) commenced employment as an employed or self-employed earner;
 - (ii) increased their earnings from such employment; or
 - (iii) increased the number of hours worked in such employment, and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more;
- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and
- (d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.

61.2 An applicant must be treated as entitled to council tax reduction by virtue of the general conditions of entitlement where;

- (a) the applicant ceased to be entitled to council tax reduction because the applicant vacated the dwelling in which the applicant was resident;
- (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying contributory benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying contributory benefit ceased in any of the circumstances listed in paragraph 61.1(b).

61A.0 Duration of extended reduction period (qualifying contributory benefits)

61A.1 Where an applicant is entitled to an extended reduction (qualifying contributory benefits), the extended

reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying contributory benefit.

61A.2 For the purpose of paragraph 61A.1, an applicant or an applicant's partner ceases to be entitled to a qualifying contributory benefit on the day immediately following the last day of entitlement to that benefit.

61A.3 The extended reduction period ends;

- (a) at the end of a period of four weeks; or
- (b) on the date on which the applicant to whom the extended reduction (qualifying contributory benefits) is payable has no liability for council tax, if that occurs first.

61B.0 Amount of extended reduction (qualifying contributory benefits)

61B.1 For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) payable to an applicant shall be the higher of;

- (a) the amount of council tax reduction to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;
- (b) the amount of council tax reduction to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 61 (extended reductions (qualifying contributory benefits)) did not apply to the applicant; or
- (c) the amount of council tax reduction to which the applicant's partner would be entitled under the general conditions of entitlement, if section 61 did not apply to the applicant.

61B.2 Paragraph 61B.1 does not apply in the case of a mover.

61B.3 Where an applicant is in receipt of an extended reduction (qualifying contributory benefits) under this section and the applicant's partner makes a claim for council tax reduction, no amount of council tax reduction shall be payable by the appropriate authority during the extended reduction period.

61C.0 Extended reductions (qualifying contributory benefits) - movers

61C.1 This section applies;

- (a) to a mover; and
- (b) from the Monday following the day of the move.

61C.2 The amount of the extended reduction (qualifying contributory benefit) payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax reduction which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

61C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from the appropriate authority to-

- (a) the second authority; or
- (b) the mover directly.

61C.4 Where

- (a) a mover, or the mover's partner, makes a claim for council tax reduction to the second authority after the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit; and
- (b) the mover, or the mover's partner, is in receipt of an extended reduction (qualifying contributory

benefits) from the appropriate authority, the second authority shall reduce the weekly amount of council tax reduction that the mover, or the mover's partner, is entitled to by a sum equal to the amount of the extended reduction (qualifying contributory benefits) until the end of the extended reduction period.

61D.0 Relationship between extended reduction (qualifying contributory benefits) and entitlement to council tax reduction under the general conditions of entitlement

- 61D.1 Where an applicant's council tax reduction award would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 61.1 (b), that award will not cease until the end of the extended reduction period.
- 61D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 61B.1(a) or 61C.2 (amount of extended reduction- movers).

61E.0 Extended reductions: movers into the authority's area²³

- 61E.1 Where;
- a. an application is made to the authority for a reduction under its scheme, and
 - b. the applicant or the partner of the applicant, is in receipt of an extended reduction from;
 - (i) another billing authority in England; or
 - (ii) a billing authority in Wales,
- the current authority must reduce any reduction to which the applicant is entitled under its Council Tax Reduction scheme by the amount of that extended reduction.

62.0 Alternative Maximum Council Tax Reduction (Second Adult Reduction)

- 62.1 Subject to paragraphs 62.2 and 62.3, the alternative maximum council tax reduction where the conditions are satisfied shall be the amount determined in accordance with Schedule 2.
- 62.2 Subject to paragraph 62.3, where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the alternative maximum council tax reduction in his case, the amount determined in accordance with Schedule 2 shall be divided by the number of persons who are jointly and severally liable for that tax.
- 62.3 Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, solely by virtue of section 9, 77 or 77A of the 1992 Act (liability of spouses and civil partners), paragraph 62.2 shall not apply in his case.

63.0 Residents of a dwelling to whom Second Adult Reduction does not apply

- 63.1 Entitlement to an alternative maximum council tax reduction (Second Adult Rebate) shall not apply in respect of any person referred to in the following paragraphs namely;
- (a) a person who is liable for council tax solely in consequence of the provisions of sections 9, 77 and 77A of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
 - (b) a person who is residing with a couple or with the members of a polygamous marriage where the applicant for council tax reduction is a member of that couple or of that marriage and;
 - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or

²³ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;
- (c) a person who jointly with the applicant for reduction falls within the same paragraph of sections 6(2)(a) to (e) or 75(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant;
- (d) a person who is residing with two or more persons both or all of whom fall within the same paragraph of sections 6(2)(a) to (e) or 75(2)(a) to (e) of the 1992 Act and two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount

Sections 64 - 67

Dates on which entitlement and changes of circumstances are to take effect

64.0 Date on which entitlement is to begin

- 64.1 Subject to paragraph 64.2, any person to whom or in respect of whom a claim for council tax reduction is made and who is otherwise entitled to that reduction shall be so entitled from the reduction week following the date on which that claim is made or is treated as made.
- 64.2 Where a person is otherwise entitled to council tax reduction and becomes liable for the first time for the authority's council tax in respect of a dwelling of which he is a resident in the reduction week in which his claim is made or is treated as made, he shall be so entitled from that reduction week.

65.0 - 66.0 Not Used

67.0 Date on which change of circumstances is to take effect

- 67.1 Except in cases where section 24 (disregard of changes in tax, contributions, etc.) applies and subject to the following provisions of this paragraph, a change of circumstances which affects entitlement to, or the amount of, a reduction under the authority's scheme ("change of circumstances"), takes effect from the first day of the reduction week following the date on which the change actually occurs, and where that change is cessation of entitlement to any benefit under the benefit Acts, the date on which the change actually occurs shall be the day immediately following the last day of entitlement to that benefit.
- 67.2 Subject to paragraph (3), where the change of circumstances is a change in the amount of council tax payable, it takes effect from the day on which it actually occurs.
- 67.3 Where the change of circumstances is a change in the amount a person is liable to pay in respect of council tax in consequence of regulations under section 13 of the 1992 Act (reduced amounts of council tax) or changes in the discount to which a dwelling may be subject under sections 11 or 12 of that Act, it shall take effect from the day on which the change in amount has effect.
- 67.4 Where the change of circumstances is the applicant's acquisition of a partner, the change takes effect on the day on which the acquisition takes place.
- 67.5 Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.
- 67.6 If two or more changes of circumstances occurring in the same reduction week would, but for this paragraph, take effect in different reduction weeks in accordance with paragraphs (1) to (5) they take effect from the day to which the appropriate paragraph from (2) to (5) above refers, or, where more than one day is concerned, from the earlier day.
- 67.7 Where the change of circumstances is that income, or an increase in the amount of income, other than a benefit or an increase in the amount of a benefit under the Act, is paid in respect of a past period and there was no entitlement to income of that amount during that period, the change of circumstances shall take effect from the first day on which such income, had it been paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.
- 67.8 Without prejudice to paragraph (7), where the change of circumstances is the payment of income, or arrears of income, in respect of a past period, the change of circumstances takes effect from the first day on which such income, had it been timeously paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

Sections 68- 74A

Claiming and the treatment of claims for Council Tax Reduction purposes

68.0 Making an application²⁴

- 68.1 In the case of a couple or members of a polygamous marriage an application is to be made by whichever one of them they agree should so apply or, in default of agreement, by one of them as the authority determines.
- 68.2 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act, and;
- (a) a deputy has been appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
 - (b) in Scotland, his estate is being administered by a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on his behalf; or
 - (c) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,
- that deputy, judicial factor, guardian or attorney, as the case may be, may make an application on behalf of that person.
- 68.3 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and sub-paragraph (2) does not apply to him, the authority may, upon written application made to them by a person who, if a natural person, is over the age of 18, appoint that person to exercise on behalf of the person who is unable to act, any right to which that person might be entitled under the authority's scheme and to receive and deal on his behalf with any sums payable to him.
- 68.4 Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).
- 68.5 Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4);
- (a) it may at any time revoke the appointment;
 - (b) the person appointed may resign his office after having given 4 weeks notice in writing to the authority of his intention to do so;
 - (c) any such appointment terminates when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).
- 68.6 Anything required by the authority's scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the person appointed or treated as appointed under this paragraph and the receipt of any such person so appointed shall be a good discharge to the authority for any sum paid.
- 68.7 The authority must;
- (a) inform any person making an application of the duty imposed by paragraph 9(1)(a);
 - (b) explain the possible consequences (including prosecution) of failing to comply with that duty; and

²⁴ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- (c) set out the circumstances a change in which might affect entitlement to the reduction or its amount.

69.0 Procedure by which a person may apply for a reduction under the authority's scheme²⁵

69.1. Paragraphs 2 to 7 apply to an application made under the authority's scheme.

69.2. An application may be made;

- (a) in writing,
- (b) by means of an electronic communication in accordance with S101- 106A of this scheme, or
- (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.

69.3 (a) An application which is made in writing must be made to the designated office on a properly completed form.
(b) The form must be provided free of charge by the authority for the purpose.

69.4 (1) Where an application made in writing is defective because—
(a) it was made on the form supplied for the purpose but that form is not accepted by the authority as being properly completed; or
(b) it was made in writing but not on the form approved for the purpose and the authority does not accept the application as being in a written form which is sufficient in the circumstances of the case having regard to the sufficiency of the written information and evidence, the authority may, in a case to which sub-paragraph (a) applies, request the applicant to complete the defective application or, in the case to which sub-paragraph (b) applies, supply the applicant with the approved form or request further information and evidence.

(2) An application made on a form provided by the authority is properly completed if it is completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

69.5. (1) If an application made by electronic communication is defective the authority must provide the person making the application with an opportunity to correct the defect.
(2) An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

69.6. In a particular case the authority may determine that an application made by telephone is only valid if the person making the application approves a written statement of his circumstances provided by the authority.

69.7 (1) If an application made by telephone is defective the authority must provide the person making the application with an opportunity to correct the defect.
(2) An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

69.8 Notwithstanding other paragraphs within this section, the authority will determine the method by which claims are to be made as well as where claims should be sent or delivered. For the purposes of this scheme a

²⁵ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

Local Authority Information Document (LAID) or Local Authority Customer Information document (LACI) issued by the Department for Work and Pensions shall be treated as a valid claim.

69.9 Where an applicant ('C')-

- (a) makes a claim which includes (or which C subsequently requests should include) a period before the claim is made; and
- (b) from a day, in that period, up to the date when C made the claim (or subsequently requested that the claim should include a past period), C had continuous good cause for failing to make a claim (or request that the claim should include that period),
the claim is to be treated as made on the date determined in accordance with paragraph 69.10

69.10 The date is the latest of-

- (a) the first day from which C had continuous good cause;
- (b) the day 6 months before the date the claim was made;
- (c) the day 6 months before the date when C requested that the claim should include a past period.

69A.0 Date on which an application is made

69A.1 Subject to sub-paragraph (7), the date on which an application is made is;

- (a) in a case where;
 - (i) an award of income support, an income-based jobseeker's allowance or an income-related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and
 - (ii) the application is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,
the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim;
- (b) in a case where;
 - (i) an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,
 - (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
 - (iii) the application is received at the designated office within one month of the date of the change, the date on which the change takes place;
- (c) in a case where;
 - (i) an applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under the authority's scheme, and
 - (ii) the applicant makes an application for a reduction under that scheme within one month of the date of the death or the separation, the date of the death or separation;
- (d) except where paragraph c) is satisfied, in a case where a properly completed application is received within one month (or such longer period as the authority considers reasonable) of the date on which an application form was issued to an applicant following the applicant first notifying, by whatever means, the authority of an intention to make an application, the date of first notification;
- (e) in any other case, the date on which an application is received at the designated office.

69A.2 For the purposes only of sub-paragraph (1)(c) a person who has been awarded an income-based jobseeker's allowance or an income-related employment and support allowance is to be treated as entitled to that allowance for any days which immediately precede the first day in that award and on which he would, but for regulations made under;

- (a) in the case of income-based jobseeker's allowance, paragraph 4 of Schedule 1 to the Jobseekers Act 1995 (waiting days); or
- (b) in the case of income-related employment and support allowance, paragraph 2 of Schedule 2 to the Welfare Reform Act 2007 (waiting days), have been entitled to that allowance.

- 69A.3 Where there is a defect in an application by telephone;
- (a) is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance;
 - (b) is not corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance where it considers it has sufficient information to decide the application.
- 69A.4 The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.
- 69A.5 The conditions are that—
- (a) where the authority receives the properly completed application or the information requested to complete it or the evidence within one month of the request, or such longer period as the authority may consider reasonable; or
 - (b) where an application is not on approved form or further information requested by authority applies;
 - (i) the approved form sent to the applicant is received at the offices of the authority properly completed within one month of it having been sent to him; or, as the case may be;
 - (ii) the applicant supplies whatever information or evidence was requested within one month of the request; or,
 in either case, within such longer period as the authority may consider reasonable; or
 - (c) where the authority has requested further information, the authority receives at its offices the properly completed application or the information requested to complete it within one month of the request or within such longer period as the authority considers reasonable.
- 69A.6 Except in the case of an application made by a person treated as not being in Great Britain, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for a reduction under that authority's scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority must treat the application as having been made on the day on which the liability for the tax arises.
- 69A.7 In this paragraph "appropriate DWP office" means an office of the Department for Work and Pensions or an office which is normally open to the public for the receipt of claims of income support, a job seekers allowance, employment and support allowance or Universal Credit.

70.0 Submission of evidence electronically

- 70.1 The authority may accept such evidence, documents and certificates to support the claim electronically where it feels that this would be acceptable given the nature of the claim

71.0 Use of telephone provided evidence

- 71.1 The authority may accept such evidence to support the claim by telephone where it feels that this would be acceptable given the nature of the claim

72.0 Information and evidence²⁶

- 72.1 Subject to sub-paragraph (3), a person who makes an application for a reduction under an authority's scheme must satisfy sub-paragraph (2) in relation both to himself and to any other person in respect of whom he is making the application.
- 72.2 This sub-paragraph is satisfied in relation to a person if—
(a) the application is accompanied by;
 (i) a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or
 (ii) information or evidence enabling the authority to ascertain the national insurance number that has been allocated to the person; or
(b) the person has made an application for a national insurance number to be allocated to him and the application for the reduction is accompanied by;
 (i) evidence of the application for a national insurance number to be so allocated; and
 (ii) the information or evidence enabling it to be so allocated.
- 72.3 Sub-paragraph (2) does not apply;
(a) in the case of a child or young person in respect of whom an application for a reduction is made;
(b) to a person who;
 (i) is a person treated as not being in Great Britain for the purposes of this scheme;
 (ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
 (iii) has not previously been allocated a national insurance number.
- 72.4 Subject to sub-paragraph (5), a person who makes an application, or a person to whom a reduction under the authority's scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or any question arising out of the application or the award, as may reasonably be required by that authority in order to determine that person's entitlement to, or continuing entitlement to a reduction under its scheme and must do so within one month of the authority requiring him to do so or such longer period as the authority may consider reasonable.
- 72.5 Where the authority makes a request under sub-paragraph (4), it must;
(a) inform the applicant or the person to whom a reduction under its scheme has been awarded of his duty under paragraph 9 (duty to notify change of circumstances) to notify the authority of any change of circumstances; and
(b) without prejudice to the extent of the duty owed under paragraph 9, indicate to him either orally or by notice or by reference to some other document available to him on application and without charge, the kind of change of circumstances which must be notified.
- 72.6 This sub-paragraph applies to any of the following payments;
(a) a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;
(b) a payment which is disregarded under paragraph 24 of Schedule 5, other than a payment under the Independent Living Fund (2006);
(c) a payment which is disregarded under paragraph 58.9.
- 72.7 Where an applicant or a person to whom a reduction under the authority's scheme has been awarded or any

²⁶ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

partner has attained the qualifying age for state pension credit and is a member of, or a person deriving entitlement to a pension under, a personal pension scheme, he must where the authority so requires furnish the following information;

(a) the name and address of the pension fund holder;

(b) such other information including any reference or policy number as is needed to enable the personal pension scheme to be identified.

73.0 Amendment and withdrawal of application²⁷

73.1 A person who has made an application may amend it at any time before a decision has been made on it by a notice in writing delivered or sent to the designated office.

73.2 Where the application was made by telephone the amendment may also be made by telephone.

73.3 Any application amended is to be treated as if it had been amended in the first instance.

73.4 A person who has made an application may withdraw it by notice to the designated office at any time before a decision has been made on it.

73.5 Where the application was made by telephone, the withdrawal may also be made by telephone.

73.6 Any notice of withdrawal given in accordance with sub-paragraph (4) or (5) has effect when it is received.

73.7 Where a person, by telephone, amends or withdraws an application the person must (if required to do so by the authority) confirm the amendment or withdrawal by a notice in writing delivered or sent to the designated office.

74.0 Duty to notify changes of circumstances²⁸

74.1 Subject to sub-paragraphs (3), (6) and (7), an applicant (or any person acting on his behalf) must comply with sub-paragraph (2) if there is a relevant change of circumstances at any time;

(a) between the making of an application and a decision being made on it, or

(b) after the decision is made (where the decision is that the applicant is entitled to a reduction under the authority's scheme) including at any time while the applicant is in receipt of such a reduction.

74.2 The applicant (or any person acting on his behalf) must notify any change of circumstances which the applicant (or that person) might reasonably be expected to know might affect his entitlement to, or the amount of, a reduction under the authority's scheme (a "relevant change of circumstances") by giving notice to the authority;

(a) in writing; or

(b) by telephone—

(i) where the authority has published a telephone number for that purpose unless the authority determines that in any particular case or class of case notification may not be given by telephone; or

(ii) in any case or class of case where the authority determines that notice may be given by telephone; or

(c) by any other means which the authority agrees to accept in any particular case,

within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.

²⁷ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

²⁸ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 74.3 The duty imposed on a person by sub-paragraph (1) does not extend to notifying
- (a) changes in the amount of council tax payable to the authority;
 - (b) changes in the age of the applicant or that of any member of his family;
 - (c) in the case of an applicant in receipt of a relevant benefit, changes in circumstances which affect the amount of the benefit but not the amount of the reduction under the authority's scheme to which he is entitled, other than the cessation of that entitlement to the benefit.
- 74.4 For the purposes of sub-paragraph (3)(c) "relevant benefit" means income support, an income-based jobseeker's allowance or an income-related employment and support allowance or universal credit.
- 74.5 Notwithstanding sub-paragraph (3)(b) or (c) an applicant is required by sub-paragraph (1) to notify the authority of any change in the composition of his family arising from the fact that a person who was a member of his family is now no longer such a person because he has ceased to be a child or young person.
- 74.6 The duty imposed on a person by sub-paragraph (1) includes in the case of a person falling within alternative maximum council tax reduction, giving written notice to the authority of changes which occur in the number of adults in the dwelling or in their total gross incomes and, where any such adult ceases to be in receipt of state pension credit, the date when this occurs.
- 74.7 All changes in circumstances should be notified to the authority in writing (or by whatever format agreed by the authority) within 21 days of the happening of the event or change in circumstance. This timescale may be extended at the discretion of the authority. Where such a change is not received within that timescale and where the change would increase the level of reduction payable, the authority may use a date later than the actual change of circumstances

Sections 75- 90

Decisions, decision notices and awards of Council Tax Reduction

75.0 Decisions by the authority²⁹

- 75.1 The authority must make a decision on an application under its scheme within 14 days of paragraphs 4 and 7 and section 69 being satisfied, or as soon as reasonably practicable thereafter.

76.0 Notification of decision³⁰

- 76.1 The authority must notify in writing any person affected by a decision made by it under its scheme;
(a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;
(b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.
- 76.2 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement;
(a) informing the person affected of the duty imposed by paragraph 74.1 of this scheme;
(b) explaining the possible consequences (including prosecution) of failing to comply with that duty; and
(c) setting out the circumstances a change in which might affect entitlement to the reduction or its amount.
- 76.3 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement as to how that entitlement is to be discharged.
- 76.4 In any case, the notification under sub-paragraph (1) must inform the person affected of the procedure by which an appeal may be made and must refer the person to the provisions in the authority's scheme relating to the procedure for making an appeal.
- 76.5 A person affected to whom the authority sends or delivers a notification of decision may, within one month of the date of the notification of that decision request in writing the authority to provide a written statement setting out the reasons for its decision on any matter set out in the notice.
- 76.6 The written statement referred to in sub-paragraph (5) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.
- 76.7 For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under its scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (8).
- 76.8 This sub-paragraph applies to—
(a) the applicant;
(b) in the case of a person who is liable to pay council tax in respect of a dwelling and is unable for the time being to act;
(i) a deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
(ii) in Scotland, a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on the person's behalf; or
(iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,
(c) a person appointed by the authority to act for a person unable to act.

²⁹ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

³⁰ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

77.0 Time and manner of granting council tax reduction³¹

- 77.1 Where a person is entitled to a reduction under this authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year ("the chargeable year"), the authority must discharge his entitlement;
- (a) by reducing, so far as possible, the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers; or
 - (b) where;
 - (i) such a reduction is not possible; or
 - (ii) such a reduction would be insufficient to discharge the entitlement to a reduction under the authority's scheme; or
 - (iii) the person entitled to the reduction is jointly and severally liable for the council tax and the authority determines that such a reduction would be inappropriate, by making payment to him of the amount of reduction to which he is entitled, rounded where necessary to the nearest penny.
- 77.2 The authority must notify the person entitled to a reduction under this scheme of the amount of that reduction and how his entitlement is to be discharged in pursuance of paragraph (1).
- 77.3 In a case to which paragraph (1)(b) refers;
- (a) if the amount of the council tax for which he remains liable in respect of the chargeable year, after any reduction to which sub-paragraph (1)(a) refers has been made, is insufficient to enable his entitlement to a reduction under the authority's scheme in respect thereof to be discharged, upon the final instalment of that tax becoming due any outstanding reduction;
 - (i) must be paid to that person if he so requires; or
 - (ii) in any other case must (as the authority determines) either be repaid or credited against any subsequent liability of the person to make a payment in respect of the authority's council tax as it has effect for any subsequent year;
 - (b) if that person has ceased to be liable for the authority's council tax and has discharged the liability for that tax, the outstanding balance (if any) of the reduction under the authority's scheme in respect thereof must be paid within 14 days or, if that is not reasonably practicable, as soon as practicable thereafter
 - (c) in any other case, the reduction under the authority's scheme must be paid within 14 days of the receipt of the application at the offices of the authority or, if that is not reasonably practicable, as soon as practicable thereafter.
- 77.4 For the purposes of this paragraph "instalment" means any instalment of the authority's council tax to which regulation 19 of the Council Tax (Administration and Enforcement) Regulations 1992 refers (council tax payments).

78.0 Persons to whom reduction is to be paid³²

- 78.1 Subject to section 80 (payment on death) and paragraph (2), any payment of the amount of a reduction must be made to that person.
- 78.2 Where a person other than a person who is entitled to a reduction under this authority's scheme made the application for the reduction and that first person is a person acting pursuant to an appointment or is treated as having been so appointed, the amount of the reduction may be paid to that person.

³¹ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

³² Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

79.0 Shortfall in reduction³³

- 79.1 Where, on the revision of a decision allowing a reduction under the authority's scheme to a person, it is determined that the amount allowed was less than the amount to which that person was entitled, the authority must either;
- (a) make good any shortfall in reduction which is due to that person, by reducing so far as possible the next and any subsequent payments he is liable to make in respect of the council tax of the authority as it has effect for the chargeable financial year until that shortfall is made good; or
 - (b) where this is not possible or the person concerned so requests, pay the amount of any shortfall in reduction due to that person within 14 days of the revision of the decision being made or if that is not reasonable practicable, as soon as possible afterwards.

80.0 Payment on the death of the person entitled³⁴

- 80.1 Where the person entitled to any reduction under this scheme has died and it is not possible to award the reduction which is due in the form of a reduction of the council tax for which he was liable, the authority must make payment of the amount of the reduction to his executor or administrator in accordance with regulation 58(4) of the Council Tax (Administration and Enforcement) Regulations 1992.

81.0 Offsetting

- 81.1 Where a person has been allowed or paid a sum of council tax reduction under a decision which is subsequently revised or further revised, any sum allowed or paid in respect of a period covered by the subsequent decision shall be offset against arrears of entitlement under the subsequent decision except to the extent that the sum exceeds the arrears and shall be treated as properly awarded or paid on account of them.

82.0 Payment where there is joint and several liability³⁵

- 82.1 Where;
- (a) a person is entitled to a reduction under the authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year;
 - (b) the person entitled to the reduction is jointly and severally liable for the council tax; and
 - (c) the authority determines that discharging his entitlement by reducing the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992(7) refers would be inappropriate,
- it may make a payment to him of the amount of the reduction to which he is entitled, rounded where necessary to the nearest penny.
- 82.2 Subject to sub-paragraph (3) any payment made under sub-paragraph (1) must be made to the person who is entitled to the reduction.
- 82.3 Where a person other than a person who is entitled to a reduction under the authority's scheme made the application and that first person is a person acting pursuant to an appointment under paragraph 4(3) or is treated as having been so appointed by virtue of paragraph 4(4), the amount of the reduction may be paid to that person.

83.0 - 90.0 Not used

³³ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

³⁴ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

³⁵ Inserted by Schedule 8 of the Council Tax Reductions Scheme (Prescribed Requirements) (England) Regulations 2012

Sections 91 - 94

Collection, holding and forwarding of information for Council Tax Reduction purposes

91.0 Use of information from and to the Department of Work and Pensions (DWP) and Her Majesty's Revenues and Customs (HMRC)

- 91.1 The authority will use information provided by the DWP and HMRC for the purposes of Council Tax Reduction, council tax liability, billing, administration and enforcement as outlined within Schedule 2 of the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012 and the Social Security (Information-sharing in relation to Welfare Services etc.) (Amendment) Regulations 2013
- 91.2 Where required by the relevant department and where required by law, the authority will share information obtained for Council Tax Reduction with the DWP or HMRC as appropriate and in accordance with Data Protections requirements³⁶.

92.0 Collection of information

- 92.1 The authority may receive and obtain information and evidence relating to claims for council tax reduction, the council may receive or obtain the information or evidence from–
- (a) persons making claims for council tax reduction;
 - (b) other persons in connection with such claims;
 - (c) other local authorities; or
 - (d) central government departments including the DWP and HMRC
- 92.2 The authority may verify relevant information supplied to, or obtained.

93.0 Recording and holding information

- 93.1 The authority may
- (a) may make a record of such information; and
 - (b) may hold that information, whether as supplied or obtained or recorded, for the purpose of forwarding it to the person or authority for the time being administering council tax reduction.

94.0 Forwarding of information

- 94.1 The authority may forward it to the person or authority for the time being administering claims to or awards of council tax reduction to which the relevant information relates, being
- (i) a local authority;
 - (ii) a person providing services to a local authority; or
 - (iii) a person authorised to exercise any function of a local authority relating to council tax reduction.

³⁶ Data Retention and Investigatory Powers Act 2014 and Data Retention Regulations 2014

Sections 95 - 98

Revisions, Written Statements, Termination of Council Tax Reduction

95.0 Persons affected by Decisions

- 95.1 A person is to be treated as a person affected by a relevant decision of the authority where that person is;
- (a) an applicant;
 - (b) in the case of a person who is liable to make payments in respect of a dwelling and is unable for the time being to act
 - (i) a Deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit or reduction on his behalf,
 - (ii) in Scotland, a tutor, curator, judicial factor or other guardian acting or appointed in terms of law administering that person's estate, or
 - (iii) an attorney with a general power or a power to receive benefit or reduction appointed by the person liable to make those payments under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise;
 - (c) a person appointed by the authority under this scheme;

96.0 Revisions of Decisions

- 96.1 Subject to the provisions in this scheme, a relevant decision ('the original decision') may be revised or further revised by the authority, which made the decision where the person affected makes an application for a revision within;
- (i) one month of the date of notification of the original decision; or
 - (ii) such extended time as the authority may allow.
- 96.2 The authority may revise or further revise that original decision at any time. Where further information is required from the person affected, the authority shall request such information and evidence as it feels is reasonable. Such information must be supplied within;
- (i) one month of the date of notification of the additional information; or
 - (ii) such extended time as the authority may allow

97.0 Written Statements

- 97.1 Subject to the provisions in the scheme, the authority may upon a written request issue a written statement to a person affected to further explain the decision of the authority in relation to Council Tax Reduction. The request must be received within one month of the date of the notification being issued by the authority.

98.0 Terminations

- 98.1 The authority may terminate, in whole or in part the Council Tax Reduction where it appears to the authority that an issue arises whether;
- (a) the conditions for entitlement to Council Tax Reduction are or were fulfilled; or
 - (b) a decision as to an award of such a reduction should be revised or superseded.
- 98.2 The authority may terminate, in whole or in part the Council Tax Reduction where it appears to the authority that an issue arises whether;
- (a) the conditions for entitlement to Council Tax Reduction are or were fulfilled; or
 - (b) a decision as to an award of such a reduction should be revised or superseded.
- Where the person fails to provide information to the authority as requested in relation to any matter relating to their liability for Council Tax

Section 99

Appeals against the authority's decisions

99.0 Procedure by which a person may make an appeal against certain decisions of the authority³⁷

- 99.1 A person who is aggrieved by a decision of the authority, which affects;
- (a) the person's entitlement to a reduction under its scheme, or
 - (b) the amount of any reduction to which that person is entitled,
- may serve a written notice on the authority stating the matter by which, and the grounds on which, he is aggrieved.
- 99.2 The authority must
- (a) consider the matter to which the notice relates;
 - (b) notify the aggrieved person in writing;
 - (i) that the ground is not well founded, giving reasons for that belief; or
 - (ii) that steps have been taken to deal with the grievance, stating the steps taken.
- 99.3 Where, following notification under sub-paragraph (2)(b)(i) or (ii), the person is still aggrieved, or if the authority fails to notify the person aggrieved in accordance with sub-paragraph (2)(b) within two months of the service of his notice, he may appeal to the valuation tribunal under section 16 of the 1992 Act³⁸.

³⁷ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

³⁸ As amended by the Tribunal Procedure (Amendment No 3) Rules 2014

Section 100

Procedure for applying for a discretionary reduction

100.0 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act³⁹

- 100.1 An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act may be made;
- (a) in writing,
 - (b) by means of an electronic communication in accordance with sections 101 – 106A of this scheme, or
 - (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- 100.2 Where;
- (a) the authority has made a determination under section 13A(1)(c) in relation to a class of case in which liability is to be reduced; and
 - (b) a person in that class would otherwise be entitled to a reduction under its scheme, that person's application for a reduction under the authority's scheme may also be treated as an application for a reduction under section 13A(1)(c).

³⁹ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

Section 100A
Applications for Exceptional Hardship

- 100A.1 An application to the authority for an Exceptional Hardship payment under this scheme (Section 13A(1)(a)) may be made;
- (a) in writing,
 - (b) by means of an electronic communication in accordance with sections 101 – 106A of this scheme, or
 - (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone

Section 101 – 106A⁴⁰

Electronic Communication

⁴⁰ Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

101.0 Interpretation

- 101.1 In this Part;
 "information" includes an application, a certificate, notice or other evidence; and
 "official computer system" means a computer system maintained by or on behalf of an authority for sending, receiving, processing or storing of any information.

102.0 Conditions for the use of electronic communication

- 102.1 The authority may use an electronic communication in connection with applications for, and awards of, reductions under its scheme.
- 102.2 A person other than the authority may use an electronic communication in connection with the matters referred to in sub-paragraph (1) if the conditions specified in sub-paragraphs (3) to (6) are satisfied.
- 102.3 The first condition is that the person is for the time being permitted to use an electronic communication by an authorisation given by means of a direction of the Chief Executive of the authority.
- 102.4 The second condition is that the person uses an approved method of;
 (a) authenticating the identity of the sender of the communication;
 (b) electronic communication;
 (c) authenticating any application or notice delivered by means of an electronic communication; and
 (d) subject to sub-paragraph (7), submitting to the authority any information.
- 102.5 The third condition is that any information sent by means of an electronic communication is in a form approved for the purposes.
- 102.6 The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.
- 102.7 Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.
- 102.8 In this paragraph "approved" means approved by means of a direction given by the Chief Executive of the authority for the purposes of this section.

103.0 Use of intermediaries

- 103.1 The authority may use intermediaries in connection with;
 (a) the delivery of any information by means of an electronic communication; and
 (b) the authentication or security of anything transmitted by such means,
and may require other persons to use intermediaries in connection with those matters.

104.0 Effect of delivering information by means of electronic communication

- 104.1 Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of an authority's scheme on the day the conditions imposed;
 (a) by this section; and
 (b) by or under an enactment,

are satisfied.

- 104.2 The authority may determine that any information is to be treated as delivered on a different day (whether earlier or later) from the day provided for in sub-paragraph (1).
- 104.3 Information may not be taken to have been delivered to an official computer system by means of an electronic communication unless it is accepted by the system to which it is delivered.

105.0 Proof of identity of sender or recipient of information

- 105.1 If it is necessary to prove, for the purpose of any legal proceedings, the identity of—
- (a) the sender of any information delivered by means of an electronic communication to an official computer system; or
 - (b) the recipient of any such information delivered by means of an electronic communication from an official computer system,
- the sender or recipient, as the case may be, is to be presumed to be the person whose name is recorded as such on that official computer system.

106.0 Proof of delivery of information

- 106.1 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any information this is presumed to have been the case where;
- (a) any such information has been delivered to the relevant authority, if the delivery of that information has been recorded on an official computer system; or
 - (b) any such information has been delivered by the relevant authority, if the delivery of that information has been recorded on an official computer system.
- 106.2 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any such information, this is presumed not to be the case, if that information delivered to the relevant authority has not been recorded on an official computer system.
- 106.3 If it is necessary to prove, for the purpose of any legal proceedings, when any such information sent by means of an electronic communication has been received, the time and date of receipt is presumed to be that recorded on an official computer system.

106A.0 Proof of content of information

- 106A.1 If it is necessary to prove, for the purpose of any legal proceedings, the content of any information sent by means of an electronic communication, the content is presumed to be that recorded on an official computer system.

Section 107
Counter Fraud and Compliance

107.0 Counter Fraud and compliance

107.1 In order to protect the finances of the authority and also in the interests of all council taxpayers, the authority will undertake such actions as allowed by law to;

- a. Prevent and detect fraudulent claims and actions in respect of Council Tax Reduction;
- b. Carry out Investigations fairly, professionally and in accordance with the law; and
- c. Ensure that sanctions are applied in appropriate cases

107.2 The authority believes that it is important to minimise the opportunity for fraud and;

- a. will implement rigorous procedures for the verification of claims for council tax reduction;
- b. will employ sufficient Officers to fulfil the authority's commitment to combat fraud;
- c. will actively tackle fraud where it occurs in accordance with this scheme;
- d. will co-operate with the Department for Work and Pensions (DWP), Her Majesty's Revenues and Customs and take part in joint working including prosecutions; and
- e. will in all cases seek to recover all outstanding council tax.

107.3 The authority shall put into place such administrative policies, procedures and processes as are necessary to ensure that the actions outlined within paragraph 107.1 and 107.2 can be carried out successfully

Schedule 1
Applicable Amounts ⁴¹

⁴¹ ⁴¹ The amounts shown within this schedule shall be uprated in line with the Housing Benefit Regulations 2006 as amended

Personal Allowance

- 1 The amounts specified in column (2) below in respect of each person or couple specified in column (1) shall be the amounts specified for the purposes the main scheme;

| Column 1 Person or Couple | Column 2 |
|--|----------|
| 1. A Single applicant who; a) is entitled to main phase employment and support allowance | £73.10 |
| b) is aged not less than 25 | £73.10 |
| c) is aged not less than 18 but less than 25 | £57.90 |
| 2. Lone Parent | £73.10 |
| 3. Couple; a) Where the applicant is entitled to the main phase of employment and support allowance | £114.85 |
| b) Where one member is aged not less than 18 | £114.85 |
| c) Polygamous Addition | £41.75 |

For the purposes of paragraph 1 an applicant is entitled to main phase employment and support allowance if;

- Paragraph 17 or 18 is satisfied in relation to the applicant; or
- The applicant is entitled to a converted employment and support allowance

- 2 (1) The amount specified in column (2) below in respect of each person specified in column (1) shall, for the relevant period specified in column (1), be the amounts specified for the purposes of the main scheme

| Column 1 Child or Young Person | Column 2 |
|--|----------|
| Person in respect of the period- (a) beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday; | £66.90 |
| (b) beginning on the first Monday in September following that person's sixteenth birthday and ending on the day preceding that person's twentieth birthday. | £66.90 |
| (c) third or subsequent dependent child or young person whose date of birth falls on or after 1 st April 2017. This shall not apply where the third or subsequent child is: i. children born in a multiple birth if there were previously fewer than two children or qualifying young people in the household at 31 st March 2017; ii. where a child is born on or after 1 st April 2017 living with friends or family because they are unable to live with their parents, (the friend or family carer will need to provide evidence from a social worker which supports this); iii. Child within the household becomes the parent of a child; and | NIL |

Evidence from a professional third party, that the circumstances are consistent with those of a person who has had intercourse without consenting to it (at a time when the conception of her third or subsequent child might have resulted). It will be a requirement for eligibility for the exception that the claimant confirms that she is not living with the alleged perpetrator.

(2) In column (1) of the table in paragraph (1), "the first Monday in September" means the Monday which first occurs in the month of September in any year.

Family Premiums

3. (1) The amount for the purposes of this scheme in respect of a family of which at least one member is a child or young person shall be
- (a) where the applicant is a lone parent to whom sub-paragraph (3) of Schedule 3 of the Housing Benefit Regulations 2006 applies, £22.20;
 - (b) in any other case, £17.45;
 - (c) **No family premium will be awarded where an application for reduction is received on or after 1st April 2017 or where the applicant would have become entitled to the family premium on or after 1st April 2017.**
 - i) Sub paragraph (c) shall not apply to a person who, on 31st March 2017, is entitled to Council Tax Reduction and is:
 - (a) a member of a family of which at least one member is a child or young person; or
 - (b) a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.
 - (c) (i) above does not apply if–
 - (a) sub-paragraph 3 c (i) (a) or (b) of that paragraph ceases to apply; or
 - (b) the person makes a new claim for Council Tax Reduction;

Premiums

4. Except as provided in paragraph 5, the premiums specified in this Schedule shall, for the purposes of this scheme, be applicable to an applicant who satisfies the condition specified in paragraphs 4 to 16 in respect of that premium.
5. Subject to paragraph 6, where an applicant satisfies the conditions in respect of more than one premium in this Schedule, only one premium shall be applicable to him and, if they are different amounts, the higher or highest amount shall apply.
6. (1) The following premiums, namely–
- a. severe disability premium to which paragraph 10 applies;
 - b. an enhanced disability premium to which paragraph 11 applies;
 - c. a disabled child premium to which paragraph 12 applies; and
 - d. carer premium to which paragraph 13 applies,
- may be applicable in addition to any other premium which may apply under this Schedule
7. (1) Subject to sub-paragraph (2), for the purposes of this Schedule, once a premium is applicable to an applicant under this Part, a person shall be treated as being in receipt of any benefit for
- a. in the case of a benefit to which the Social Security (Overlapping Benefits) Regulations 1979 applies, any period during which, apart from the provisions of those Regulations, he would be in receipt of that benefit; and

- b. any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the 1973 Act or by Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise under or section 2 of the Enterprise and New Towns(Scotland) Act 1990 for any period during which he is in receipt of a training allowance.

(2) For the purposes of the carer premium, a person shall be treated as being in receipt of carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the Act or the daily living component of the personal independence payment under the Welfare Reform Act 2012 or an AFIP.

Disability Premium

8. The condition (s) to be met is contained in Schedule 3 (12) Housing Benefit Regulations 2006

Additional Condition for the Disability Premiums

9. The condition (s) to be met is contained in Schedule 3 (13) Housing Benefit Regulations 2006

Severe Disability Premiums

10. The condition (s) to be met is contained in Schedule 3 (14) Housing Benefit Regulations 2006

Enhanced Disability Premium

11. The condition (s) to be met is contained in Schedule 3 (15) Housing Benefit Regulations 2006

Disabled Child Premium

12. The condition (s) to be met is contained in Schedule 3 (16) Housing Benefit Regulations 2006

Carer Premium

13. The condition (s) to be met is contained in Schedule 3 (17) Housing Benefit Regulations 2006

Persons in receipt of concessionary payments

14. For the purpose of determining whether a premium is applicable to a person under paragraphs 8 to 13, any concessionary payment made to compensate that person for the non-payment of any benefit mentioned in those paragraphs shall be treated as if it were a payment of that benefit.

Persons in receipt of benefit for another

15. For the purposes of this Schedule, a person shall be regarded as being in receipt of any benefit if, and only if, it is paid in respect of him and shall be so regarded only for any period in respect of which that benefit is paid.

Amounts of Premium

16. For the purposes of this Schedule, the following amounts shall apply;

| Premium | Amount |
|---|--------|
| Disability Premium | £32.25 |
| a. where the applicant satisfies the condition in paragraph 12(a) of Schedule 3 Housing Benefit Regulations 2006 | |
| b. where the applicant satisfies the condition in paragraph 12(b) of Schedule 3 Housing Benefit Regulations 2006 | £45.95 |
| Severe Disability Premium | £61.85 |
| a. where the applicant satisfies the condition in paragraph 14(2)(a) of Schedule 3 Housing Benefit Regulations 2006 | |

| | |
|---|--|
| b. where the applicant satisfies the condition in paragraph 14(2)(b) of Schedule 3 Housing Benefit Regulations 2006 | £61.85 |
| i. in a case where there is someone in receipt of carer's allowance or Universal Credit (Carer's Element) if he or any partner satisfies that condition only by virtue of paragraph 14(5); ii. in a case where there is no one in receipt of such an allowance | £123.70 |
| Disabled Child Premium | £60.06 in respect of each child or young person in respect of whom the condition specified in paragraph 16 of Part 3 of Schedule 3 Housing Benefit Regulations 2006 |
| Carer Premium | £34.60 in respect of each person who satisfies the condition specified in paragraph 17 of Part 3 of Schedule 3 Housing Benefit Regulations 2006 |
| Enhanced Disability Premium | (a) £24.43 in respect of each child or young person in respect of whom the conditions specified in paragraph 15 of Part 3 of Schedule 3 Housing Benefit Regulations 2006 are satisfied; (b) £15.75 in respect of each person who is neither– (i) a child or young person; nor (ii) a member of a couple or a polygamous marriage, in respect of whom the conditions specified in paragraph 15 are satisfied; (c) £22.60 where the applicant is a member of a couple or a polygamous marriage and the conditions specified in paragraph 15 of Part 3 of Schedule 3 Housing Benefit Regulations 2006 are satisfied in respect of a member of that couple or polygamous marriage. |

The components

- 17.** The condition (s) to be met is contained in Schedule 3 (21 -24) Housing Benefit Regulations 2006 as amended by the Social Security (Miscellaneous Amendments) Regulations 2013
- 18.** The amount of the work-related activity component is £29.05. The amount of the support component is £36.20. The component **will not** apply where the applicant has been awarded Employment and Support Allowance on or after 1st April 2017 **and** been placed in the Work Related Activity Group

Transitional Addition

- 19.** The applicant is entitled to the transitional addition calculated in accordance with paragraph 30 of Schedule 3 of the Housing Benefit Regulations 2006 where the applicant or the applicant's partner meets the conditions contained within paragraphs 27 – 29 of Schedule 3 of the Housing Benefit Regulations 2006

Amount of transitional addition

- 20.** The amount of any transitional addition is calculated in accordance with paragraphs 30 and 31 of Schedule 3 of the Housing Benefit Regulations 2006

Schedule 2
Second Adult Reduction
(Alternative Maximum Council Tax Reduction)

1. Subject to paragraphs 2 and 3, the alternative maximum Council Tax Reduction in respect of a day for the purpose of section 62 shall be determined in accordance with the following Table and in this Table
 - a) 'second adult' means any person or persons residing with the applicant; and
 - b) 'persons to whom paragraph 45.2 applies' includes any person to whom that section would apply were they, and their partner if they had one, below the qualifying age for state pension credit.
2. In this Schedule 'council tax due in respect of that day' means the council tax payable under section 10 or 78 of the 1992 Act less–
 - (a) any reductions made in consequence of any enactment in, or under, the 1992 Act; and
 - (b) in a case to which sub-paragraph (c) in column (1) of the table below applies, the amount of any discount which may be appropriate to the dwelling under the 1992 Act.

| Second Adult | Alternative Maximum Council Tax Reduction |
|---|---|
| (a) Where the second adult or all second adults are in receipt of income support, an income-related employment and support allowance or state pension credit or are persons on an income-based jobseeker's allowance; | 25 per cent of the council tax due in respect of that day; |
| (b) where the gross income of the second adult or, where there is more than one second adult, their aggregate gross income disregarding any income of persons on income support, an income-related employment and support allowance, state pension credit or an income-based jobseeker's allowance– | <p>is less than £193.00 per week; - 15 per cent of the council tax due in respect of that day;</p> <p>is not less than £193.00 per week but less than £250.00 per week; - 7.5 per cent of the council tax due in respect of that day;</p> |
| (c) where the dwelling would be wholly occupied by one or more persons to whom regulation 43.1 applies but for the presence of one or more second adults who are in receipt of income support, state pension credit, an income-related employment and support allowance or are persons on an income-based jobseeker's allowance | 100 per cent. of the council tax due in respect of that day. |

In determining a second adult's gross income for the purposes of this Schedule, there shall be disregarded from that income;

- a. any attendance allowance, or any disability living allowance under section 71 of the Act or any personal independence payment under the Welfare Reform Act 2012 or an AFIP;
- b. any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006) which had his income fallen to be calculated under section 30 (calculation of income other than earnings) would have been disregarded under paragraph 24 of Schedule 4 (income in kind); and
- c. any payment which had his income fallen to be calculated under section 30 would have been

disregarded under paragraph 36 of Schedule 4 (payments made under certain trusts and certain other payments).

3. Where there are two or more second adults residing with the applicant for reduction and any such second adult falls to be disregarded for the purposes of discount in accordance with Schedule 1 of the 1992 Act, his income shall be disregarded in determining the amount of any alternative maximum Council Tax Reduction, unless that second adult is a member of a couple and his partner does not fall to be disregarded for the purposes of discount.

Schedule 3

Sums to be disregarded in the calculation of earnings⁴²

⁴² All amounts within this schedule will be amended in line with the Housing Benefit Regulations 2006 (as amended) or as agreed

1. In the case of an applicant who has been engaged in remunerative work as an employed earner or, had the employment been in Great Britain, would have been so engaged-

(a) where-

- (i) the employment has been terminated because of retirement; and
- (ii) on retirement he is entitled to a retirement pension under the Act, or is not so entitled solely because of his failure to satisfy the contribution conditions, any earnings paid or due to be paid in respect of that employment, but only for a period commencing on the day immediately after the date on which the employment was terminated;

(b) where before the first day of entitlement to council tax support the employment has been terminated otherwise than because of retirement, any earnings paid or due to be paid in respect of that employment except-

(i) any payment of the nature described in
(aa) paragraph 25.1(e), or

(bb) section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds); and

(ii) any award, sum or payment of the nature described in

(aa) paragraph 25.1(g) or (h), or

(bb) section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals), including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;

(c) where before the first day of entitlement to council tax support-

(i) the employment has not been terminated, but

(ii) the applicant is not engaged in remunerative work,

any earnings paid or due to be paid in respect of that employment except any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)

(bb) or paragraph 25.1(i), or (j).

2. In the case of an applicant who, before first day of entitlement to council tax support;

(a) has been engaged in part-time employment as an employed earner or, where the employment has been outside Great Britain, would have been so engaged had the employment been in Great Britain; and

(b) has ceased to be engaged in that employment, whether or not that employment has been terminated,

any earnings paid or due to be paid in respect of that employment except;

(i) where that employment has been terminated, any payment of the nature described in paragraph 1(b)(i) or (ii)(bb);

(ii) where that employment has not been terminated, any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) or paragraph 25.1(i), (i) or (j).

2A. In the case of an applicant who has been engaged in remunerative work or part-time employment as a self-

employed earner or, had the employment been in Great Britain would have been so engaged and who has ceased to be so employed, from the date of the cessation of his employment any earnings derived from that employment except earnings to which paragraph 27.3 and paragraph 27.4 (earnings of self-employed earners) apply.

- 3.** (1) In a case to which this paragraph applies and paragraph 4 does not apply, £25; but notwithstanding section 15 (calculation of income and capital of members of an applicant's family and of a polygamous marriage) if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £25.
- (2) This paragraph applies where the applicant's applicable amount includes an amount by way of the disability premium, severe disability premium, work-related activity component or support component.
- (3) This paragraph applies where
- (a) the is a member of a couple and his applicable amount includes an amount by way of the disability premium; and
 - (b) the or his partner has not attained the qualifying age for state pension credit and at least one is engaged in employment.
- 4.** In a case where the applicant is a lone parent, £25.
- 5.** (1) In a case to which neither paragraph 3 nor paragraph 4 applies to the applicant and, subject to sub-paragraph (2), where the applicant's applicable amount includes an amount by way of the carer premium, £20 of the earnings of the person who is, or at any time in the preceding eight weeks was, in receipt of carer's allowance or treated in accordance with this scheme as being in receipt of carer's allowance.
- (2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings shall for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) shall not exceed £25 of the aggregated amount.
- 6.** Where the carer premium is awarded in respect of an applicant who is a member of a couple and whose earnings are less than £25, but is not awarded in respect of the other member of the couple, and that other member is engaged in an employment;
- (a) specified in paragraph 8(1), so much of the other member's earnings as would not when aggregated with the amount disregarded under paragraph 5 exceed £25;
 - (b) other than one specified in paragraph 8(1), so much of the other member's earnings from such other employment up to £25 as would not when aggregated with the amount disregarded under paragraph 5 exceed £25.
- 7.** In a case where paragraphs 3, 5, 6 and 8 do not apply to the applicant and he is one of a couple and a member of that couple is in employment, £25; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £25.
- 8.** (1) In a case where paragraphs 3, 4, 5 and 6 do not apply to the applicant, £20 of earnings derived from one or more employments as—

- (a) as a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;
- (b) a part-time fire-fighter employed by the Scottish Fire and Rescue Service established under section 1A of the Fire (Scotland) Act 2005;
- (c) an auxiliary coastguard in respect of coast rescue activities;
- (d) a person engaged part-time in the manning or launching of a life boat;
- (e) a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001;

but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except to the extent specified in sub-paragraph (2).

- (2) If the applicant's partner is engaged in employment;
 - (a) specified in sub-paragraph (1), so much of his earnings as would not in aggregate with the amount of the applicant's earnings disregarded under this paragraph exceed £20;
 - (b) other than one specified in sub-paragraph (1), so much of his earnings from that employment up to £20 as would not in aggregate with the applicant's earnings disregarded under this paragraph exceed £20.

9. Where the applicant is engaged in one or more employments specified in paragraph 8(1), but his earnings derived from such employments are less than £25 in any week and he is also engaged in any other employment so much of his earnings from that other employment, up to £25 if he is a single applicant, or up to £25 if he has a partner, as would not in aggregate with the amount of his earnings disregarded under paragraph 8 exceed £25.

10. In a case to which none of the paragraphs 3 to 9 applies, £25.

10A. (1) Where;

- (a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;
- (b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and
- (c) paragraph 12 does not apply,

the amount specified in sub-paragraph (7) ('the specified amount').

(2) Where this paragraph applies, paragraphs 3 to 10 do not apply; but in any case where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 4, then paragraph 4 applies instead of this paragraph.

(3) Notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple ('A') it shall not apply to the other member of that couple ('B') except to the extent provided in sub-paragraph (4).

(4) Where A's earnings are less than the specified amount, there shall also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.

(5) This sub-paragraph applies to a person who is;

- (a) in receipt of a contributory employment and support allowance;
- (b) in receipt of incapacity benefit;

- (c) in receipt of severe disablement allowance; or
 - (d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975
- (6) 'Exempt work' means work of the kind described in;
- (a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations; or (as the case may be)
 - (b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995, and, in determining for the purposes of this paragraph whether an applicant or a member of a couple is undertaking any type of exempt work, it is immaterial whether that person or their partner is also undertaking other work.
- (7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).
- 11.** Any amount or the balance of any amount which would fall to be disregarded under paragraph 19 or 20 of Schedule 4 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full disregard thereunder.
- 12.** Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, his earnings.
- 13.** Any earnings derived from employment, which are payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of those earnings.
- 14.** Where a payment of earnings is made in a currency other than Sterling, any banking charge or commission payable in converting that payment into Sterling.
- 15.** Any earnings of a child or young person.
- 16.** (1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under paragraphs 3 to 10A of this Schedule shall be increased by £17.10.
- (2) The conditions of this sub-paragraph are that-
- (a) the applicant, or if he is a member of a couple, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit Regulations applies; or
 - (b) the applicant-
 - (i) is, or if he is a member of a couple, at least one member of that couple is aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or
 - (ii) is a member of a couple and
 - (aa) at least one member of that couple, is engaged in remunerative work for on average not less than 16 hours per week; and
 - (bb) his family includes at least one child or young person; or
 - (iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or
 - (iv) is, or if he is a member of a couple, at least one member of that 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, the work-related

activity component or the support component ;

(bb) where he is a member of a couple, at least one member of that couple satisfies the qualifying conditions for the disability premium or either of the components referred to in sub-head (aa) above and is engaged in remunerative work for on average not less than 16 hours per week; or

(c) the applicant is, or if he has a partner, one of them is, a person to whom regulation 18(3) of the Working Tax Credit Regulations (eligibility for 50 plus element) applies, or would apply if an application for working tax credit were to be made in his case.

(3) The following are the amounts referred to in sub-paragraph (1);

(a) the amount calculated as disregardable from the applicant's earnings under paragraphs 3 to 10A of this Schedule;

(b) the amount of child care charges calculated as deductible under paragraph 17(1)(c); and

(c) £17.10

(4) The provisions of section 6 shall apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in paragraph (1) of that section were a reference to 30 hours.

17. In this Schedule 'part-time employment' means employment in which the person is engaged on average for less than 16 hours a week.

Schedule 4⁴³

Sums to be disregarded in the calculation of income other than earnings

⁴³ All amounts within this schedule will be amended in line with the Housing Benefit Regulations 2006 (as amended) or as agreed

- 1.** Any amount paid by way of tax on income, which is to be taken into account under section 30 (calculation of income other than earnings).
- A2.** Any payment made to the claim and in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme.
- A3.** Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme, but only for 52 weeks beginning with the date of receipt of the payment.
- 2.** Any payment in respect of any expenses incurred or to be incurred by an applicant who is-
 - (a) engaged by a charitable or voluntary organisation, or
 - (b) volunteer,
 if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under section 32.0 (notional income).
- 2A.** Any payment in respect of expenses arising out of the applicant's participation as a service user
- 3.** In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.
- 4.** Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance the whole of his income.
- 5.** Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker's allowance, the whole of the applicant's income.
- 6.** Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.
- 7.** Any disability living allowance or personal independence payment or AFIP
- 8.** Any concessionary payment made to compensate for the non-payment of;
 - (a) any payment specified in paragraph 7 or 10;
 - (b) income support;
 - (c) an income-based jobseeker's allowance.
 - (d) an income-related employment and support allowance.
- 9.** Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.
- 10.** Any attendance allowance.
- 11.** Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.

- 12.** (1) Any payment—
- (a) by way of an education maintenance allowance made pursuant to;
 - (i) regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc);
 - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);
 - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992
 - (b) corresponding to such an education maintenance allowance, made pursuant to;
 - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
 - (ii) regulations made under section 181 of that Act; or
 - (iii) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.
- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
- (a) regulations made under section 518 of the Education Act 1996;
 - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
 - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,
- in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).
- 13.** Any payment made to the applicant by way of a repayment under regulation 11(2) of the Education (Teacher Student Loans) (Repayment etc.) Regulations 2002.
- 14** (1) Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 except a payment;
- (a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;
 - (b) of an allowance referred to in section 2(3) of the 1973 Act or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or
 - (c) intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.
- (2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1)(c) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
- 15** (1) Subject to sub-paragraph (2), any of the following payments;
- (a) a charitable payment;
 - (b) a voluntary payment;
 - (c) a payment (not falling within sub-paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;
 - (d) a payment under an annuity purchased;
 - (i) pursuant to any agreement or court order to make payments to the applicant; or

- (ii) from funds derived from a payment made, in consequence of any personal injury to the applicant; or
 - (e) a payment (not falling within sub-paragraphs (a) to (d)) received by virtue of any agreement or court order to make payments to the applicant in consequence of any personal injury to the applicant.
- (2) Sub-paragraph (1) shall not apply to a payment, which is made or due to be made by-
 - (a) a former partner of the applicant, or a former partner of any member of the applicant's family; or
 - (b) the parent of a child or young person where that child or young person is a member of the applicant's family.
- 16.** 100% of any of the following, namely
 - (a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 9 or 10);
 - (b) a war widow's pension or war widower's pension;
 - (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
 - (d) a guaranteed income payment;
 - (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
 - (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
 - (g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria;
 - (h) an Armed Forces Compensation Scheme payment.
- 17.** Subject to paragraph 35, £15 of any;
 - (a) widowed mother's allowance paid pursuant to section 37 of the Act;
 - (b) widowed parent's allowance paid pursuant to section 39A of the Act.
- 18.** (1) Any income derived from capital to which the applicant is or is treated under section 41 (capital jointly held) as beneficially entitled but, subject to sub-paragraph (2), not income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28 of Schedule 5.
 (2) Income derived from capital disregarded under paragraphs 2, 4 or 25 to 28 of Schedule 5 but only to the extent of-
 - (a) any mortgage repayments made in respect of the dwelling or premises in the period during which that income accrued; or
 - (b) any council tax or water charges which the applicant is liable to pay in respect of the dwelling or premises and which are paid in the period during which that income accrued.
 (3) The definition of 'water charges' in paragraph 2(1) shall apply to sub-paragraph (2) of this paragraph with the omission of the words 'in so far as such charges are in respect of the dwelling which a person occupies as his home'.
- 19.** Where the applicant makes a parental contribution in respect of a student attending a course at an establishment in the United Kingdom or undergoing education in the United Kingdom, which contribution has been assessed for the purposes of calculating-
 - (a) under, or pursuant to regulations made under powers conferred by, sections 1 or 2 of the Education Act 1962 or section 22 of the Teaching and Higher Education Act 1998(c), that student's award;

- (b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or
- (c) the student's student loan,
an amount equal to the weekly amount of that parental contribution, but only in respect of the period for which that contribution is assessed as being payable.

- 20.** (1) Where the applicant is the parent of a student aged under 25 in advanced education who either;
- (a) is not in receipt of any award, grant or student loan in respect of that education; or
 - (b) is in receipt of an award under section 2 of the Education Act 1962 (discretionary awards) or an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,
and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 19, an amount specified in sub-paragraph (2) in respect of each week during the student's term.
- (2) For the purposes of sub-paragraph (1), the amount shall be equal to-
- (a) the weekly amount of the payments; or
 - (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),
whichever is less.
- 21.** Any payment made to the applicant by a child or young person or a non-dependant.
- 22.** Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person other than one to whom paragraph 21 or 23 refers and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family-
- (a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or
 - (b) where the aggregate of any such payments is £20 or more per week, £20.
- 23.** (1) Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to-
- (a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20.00, 100 per cent. of such payments;
 - (b) where the aggregate of any such payments exceeds £20.00, £20.00 and 50 per cent. of the excess over £20.00.
- (2) In this paragraph, 'board and lodging accommodation' means accommodation provided to a person or, if he is a member of a family, to him or any other member of his family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises.
- 24.** (1) Any income in kind, except where regulation 30(11)(b) (provision of support under section 95 or 98 of the Immigration and Asylum Act in the calculation of income other than earnings) applies.
- (2) The reference in sub-paragraph (1) to 'income in kind' does not include a payment to a third party

made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.

- 25.** Any income which is payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.
- 26.** (1) Any payment made to the applicant in respect of a person who is a member of his family–
- (a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance or with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978(b) (schemes for payments of allowances to adopters); or in accordance with an Adoption Allowance Scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (Adoption Allowances Schemes)
 - (b) not used
 - (ba) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child's maintenance where the child is living with a person as a result of a residence order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);
 - (c) which is a payment made by an authority, as defined in Article 2 of the Children Order, in pursuance of Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child's maintenance);
 - (d) in accordance with regulations made pursuant to section 14F of the Children Act 1989(c) (special guardianship support services);
- (2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
- 27.** Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made
- (a) by a local authority under–
 - (i) section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),
 - (ii) section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or
 - (iii) regulations 33 or 51 of the Looked After Children (Scotland) Regulations 2009 (fostering and kinship care allowances and fostering allowances); or
 - (b) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).
- 28.** Any payment made to the applicant or his partner for a person ('the person concerned'), who is not normally a member of the applicant's household but is temporarily in his care, by–
- (a) a health authority;
 - (b) a local authority but excluding payments of housing benefit made in respect of the person concerned;
 - (c) a voluntary organisation;
 - (d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;
 - (e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or
 - (f) a Local Health Board established under section 16BA of the National Health Service Act 1977 or established by an order made under section 11 of the National Health Service (Wales) Act 2006
- 29.** Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the

Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

- 29A.** (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989^(e) or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.
- (2) Sub-paragraph (1) applies only where A;
- (a) was formerly in the applicant's care, and
 - (b) is aged 18 or over, and
 - (c) continues to live with the applicant.
- 30.** (1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments;
- (a) on a loan which is secured on the dwelling which the applicant occupies as his home; or
 - (b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.
- (2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to-
- (a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (b); and
 - (b) meet any amount due by way of premiums on-
- (i) that policy; or
 - (ii) in a case to which sub-paragraph (1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).
- 31.** Any payment of income which, by virtue of section 36 (income treated as capital) is to be treated as capital.
- 32.** Any social fund payment made pursuant to Part 8 of the Act (the Social Fund) or any local welfare provision as defined by the Social Security (Miscellaneous Amendments) Regulations 2013
- 33.** Any payment under Part 10 of the Act (Christmas bonus for pensioners).
- 34.** Where a payment of income is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
- 35.** The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under paragraph 15.2 (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under paragraph 47.2(b) and paragraph 48.1(d) (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 51(2) (treatment of student loans), paragraph 52(3) (treatment of payments from access funds) and paragraphs 16 and 17 shall in no case exceed £20 per week.
- 36.** (1) Any payment made under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).
- (2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of-
- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been

dissolved or, where that person has died, had not been dissolved at the time of that person's death;

- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of;

- (a) the person who is suffering from haemophilia or who is a qualifying person;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
- (b) the payment is made either;

(i) to that person's parent or step-parent, or

(ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and

- (b) the payment is made either

(i) to that person's parent or step-parent, or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation and the London Bombings Relief Charitable Fund.

37. Any housing benefit or council tax benefit.

- 38.** Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.
- 39. - 40.** Not used
- 41.** Any payment to a juror or witness in respect of attendance at a court other than compensation for loss of earnings or for the loss of a benefit payable under the benefit Acts.
- 42.** Not used
- 43.** Any payment in consequence of a reduction of council tax under section 13 or section 80 of the 1992 Act (reduction of liability for council tax).
- 44.** Not used
- 45.** (1) Any payment or repayment made—
 (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
 (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
 (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies).
 (2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment or repayment, mentioned in sub-paragraph (1).
- 46.** Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins).
- 47.** Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.
- 48.** (1) Where an applicant's family includes a dependant child or young person, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the applicant's former partner, or the applicant's partner's former partner.
 (2) For the purpose of sub-paragraph (1) where more than one maintenance payment falls to be taken into account in any week, all such payments such be aggregated and treated as if they were a single payment.
 (3) A payment made by the Secretary of State in lieu of maintenance shall, for the purpose of sub-paragraph (1), be treated as a payment of maintenance made by a person specified in sub-paragraph (1)).
- 48A** (1) Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the applicant's family, except where the person making the payment is the applicant or the applicant's partner.
 (2) In paragraph (1)
 'child maintenance' means any payment towards the maintenance of a child or young person, including any

payment made voluntarily and payments made under;

- (a) the Child Support Act 1991;
- (b) the Child Support (Northern Ireland) Order 1991;
- (c) a court order;
- (d) a consent order;
- (e) a maintenance agreement registered for execution in the Books of Council and Session or the sheriff court books;

'liable relative' means a person listed in regulation 54 (interpretation) of the Income Support (General) Regulations 1987, other than a person falling within sub-paragraph (d) of that definition.

- 50.** Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
- 51.** Any guardian's allowance.
- 52.** (1) If the applicant is in receipt of any benefit under Parts 2, 3 or 5 of the Act, any increase in the rate of that benefit arising under Part 4 (increases for dependants) or section 106(a) (unemployability supplement) of the Act, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.
- (2) If the applicant is in receipt of any pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006, any increase in the rate of that pension or allowance under that Order, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.
- 53.** Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under that Order.
- 54.** In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983(a) (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.
- 55** (1) Any payment which is
- (a) made under any of the Dispensing Instruments to a widow, widower or
 - (b) surviving civil partner of a person;
 - (i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and
 - (ii) whose service in such capacity terminated before 31st March 1973; and equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006.
- (2) In this paragraph 'the Dispensing Instruments' means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).
- 55A.** Any council tax reduction or council tax benefit to which the applicant is entitled.
- 56.** Except in a case which falls under sub-paragraph (1) of paragraph 16 of Schedule 3, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10

56A.-56B. Not used

- 57.** Any payment made under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).
- 58.** (1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person—
(a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;
(b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity,
in respect of which such assistance is or was received.
(2) Sub-paragraph (1) shall apply only in respect of payments, which are paid to that person from the special account
- 59.** (1) Any payment of a sports award except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).
(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
(3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.
- 60.** Where the amount of subsistence allowance paid to a person in a reduction week exceeds the amount of income-based jobseeker's allowance that person would have received in that reduction week had it been payable to him, less 50p, that excess amount.
- 61.** In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise.
- 62.** Any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001 as amended by the Welfare Reform Act 2012 (Consequential Amendments) Regulations 2013.
- 63.** (1) Any payment made by a local authority or by the Welsh Ministers to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.
(2) For the purposes of sub-paragraph (1) 'local authority' includes, in England, a county council.
- 64.** Not used
- 65.** Any payments to an applicant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)
- 66.** Any payment of child benefit.

Schedule 5
Capital to be disregarded⁴⁴

⁴⁴ Any amounts shown in this schedule will be updated in line with the Housing Benefit Regulations 2006 as amended

- 1.** The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular 5, in Scotland, any croft land on which the dwelling is situated; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of polygamous marriage), only one dwelling shall be disregarded under this paragraph.
- A2.** Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.
- A3.** Any payment made to the applicant in respect of any travel or other expenses incurred or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme but only for 52 weeks beginning with the date of receipt of the payment but only for 52 weeks beginning with the date of receipt of payment.
- 2.** Any premises acquired for occupation by the applicant, which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.
- 3.** Any sum directly attributable to the proceeds of sale of any premises formerly occupied by the applicant as his home which is to be used for the purchase of other premises intended for such occupation within 26 weeks of the date of sale or such longer period as is reasonable in the circumstances to enable the applicant to complete the purchase.
- 4.** Any premises occupied in whole or in part-
 - (a) by a partner or relative of a single applicant or any member of the family as his home where that person has attained the qualifying age for state pension credit or is incapacitated;
 - (b) by the former partner of the applicant as his home; but this provision shall not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.
- 5.** Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his capital.
- 6.** Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and his partner is on income-based jobseeker's allowance, the whole of the applicant's capital.
- 7.** Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.
- 8.** (1) The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner, or if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of any such asset.
 (2) The assets of any business owned in whole or in part by the applicant where-
 - (a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but
 - (b) he intends to become engaged or, as the case may be, re-engaged as a self-employed earner in that business as soon as he recovers or is able to become engaged or re-engaged in that business;

for a period of 26 weeks from the date on which the claim for council tax reduction is made, or is

treated as made, or, if it is unreasonable to expect him to become engaged or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.

- (3) In the case of a person who is receiving assistance under the self-employment route, the assets acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is being received.
 - (4) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.
- 9.** (1) Subject to sub-paragraph (2), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of;
- (a) any payment specified in paragraphs 7, 9 or 10 of Schedule 4;
 - (b) an income-related benefit under Part 7 of the Act;
 - (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;
 - (e) working tax credit and child tax credit
 - (f) an income-related employment and support allowance
 - (g) Universal Credit

but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.

(2) In a case where the total of any arrears and, if appropriate, any concessionary payment referred to in sub-paragraph (1) relating to one of the specified payments, benefits or allowances amounts to £5,000 or more (referred to in this sub-paragraph and in sub-paragraph (3) as 'the relevant sum') and is

- (a) paid in order to rectify or to compensate for, an official error as defined in regulation 1(2) of the Decisions and Appeals Regulations; and
- (b) received by the applicant in full on or after 14th October 2001,

sub-paragraph (1) shall have effect in relation to such arrears or concessionary payment either for a period of 52 weeks from the date of receipt, or, if the relevant sum is received in its entirety during the award of council tax reduction, for the remainder of that award if that is a longer period.

(3) For the purposes of sub-paragraph(2), 'the award of council tax reduction' means-

- (a) the award in which the relevant sum is first received (or the first part thereof where it is paid in more than one instalment); and
- (b) where that award is followed by one or more further awards which, or each of which, begins immediately after the end of the previous award, such further award provided that for that further award the applicant;
 - (i) is the person who received the relevant sum; or
 - (ii) is the partner of the person who received the relevant sum, or was that person's partner at the date of his death.

10. Any sum

- (a) paid to the applicant in consequence of damage to, or loss of the home or any personal possession and intended for its repair or replacement; or
- (b) acquired by the applicant (whether as a loan or otherwise) on the express condition that it is to be used for effecting essential repairs or improvement to the home, which is to be used for the intended

purpose, for a period of 26 weeks from the date on which it was so paid or acquired or such longer period as is reasonable in the circumstances to effect the repairs, replacement or improvement.

- 11.** Any sum—
- (a) deposited with a housing association as defined in section 1(1) of the Housing Associations Act 1985 or section 338(1) of the Housing (Scotland) Act 1987 as a condition of occupying the home;
 - (b) which was so deposited and which is to be used for the purchase of another home,
- for the period of 26 weeks or such longer period as may be reasonable in the circumstances to enable the applicant to complete the purchase.
- 12.** Any personal possessions except those which have been acquired by the applicant with the intention of reducing his capital in order to secure entitlement to council tax reduction or to increase the amount of that reduction.
- 13.** The value of the right to receive any income under an annuity or the surrender value (if any) of such an annuity.
- 14.** Where the funds of a trust are derived from a payment made in consequence of any personal injury to the applicant or applicant's partner, the value of the trust fund and the value of the right to receive any payment under that trust.
- 14A.** (1) Any payment made to the applicant or the applicant's partner in consequence of any personal injury to the applicant or, as the case may be, the applicant's partner.
- (2) But sub-paragraph (1)
- (a) applies only for the period of 52 weeks beginning with the day on which the applicant first receives any payment in consequence of that personal injury;
 - (b) does not apply to any subsequent payment made to him in consequence of that injury (whether it is made by the same person or another);
 - (c) ceases to apply to the payment or any part of the payment from the day on which the applicant no longer possesses it;
 - (d) does not apply to any payment from a trust where the funds of the trust are derived from a payment made in consequence of any personal injury to the applicant.
- (3) For the purposes of sub-paragraph (2)(c), the circumstances in which an applicant no longer possesses a payment or a part of it include where the applicant has used a payment or part of it to purchase an asset.
- (4) References in sub-paragraphs (2) and (3) to the applicant are to be construed as including references to his partner (where applicable).
- 15.** The value of the right to receive any income under a life interest or from a life rent.
- 16.** The value of the right to receive any income, which is disregarded under paragraph 13 of Schedule 3 or paragraph 25 of Schedule 4.
- 17.** The surrender value of any policy of life insurance.
- 18.** Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.
- 19.** Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act

1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or sections 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

- 19A.** (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.

(2) Sub-paragraph (1) applies only where A;

- (a) was formerly in the applicant's care, and
- (b) is aged 18 or over, and
- (c) continues to live with the applicant.

- 20.** Any social fund payment made pursuant to Part 8 of the Act.

- 21.** Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.

- 22.** Any capital which, by virtue of sections 31 or 51 (capital treated as income, treatment of student loans) is to be treated as income.

- 23.** Where any payment of capital is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.

- 24.** (1) Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the Charitable Fund.

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of-

- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of-

- (a) the person who is suffering from haemophilia or who is a qualifying person;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where-

- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
- (b) the payment is made either;
 - (i) to that person's parent or step-parent; or
 - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian, but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or any of the Trusts to which sub-paragraph (1) refers, where

- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was or had been a member of his family; and
- (b) the payment is made either;
 - (i) to that person's parent or step-parent; or
 - (ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian, but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited the Skipton Fund, the Caxton Foundation, and the London Bombings Relief Charitable Fund.

25. (1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

(2) In this paragraph 'dwelling' includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated.

26. Any premises where the applicant is taking reasonable steps to dispose of those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

27. Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.

- 28.** Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.
- 29.** Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.
- 30.** Not used
- 31.** The value of the right to receive an occupational or personal pension.
- 32.** The value of any funds held under a personal pension scheme
- 33.** The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.
- 34.** Any payment in kind made by a charity or under or by the Trusts, the Fund, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).
- 35.** Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990, but only for the period of 52 weeks beginning on the date of receipt of the payment.
- 36.** Not used.
- 37.** Any payment in consequence of a reduction of council tax under section 13 or, as the case may be, section 80 of the Local Government Finance Act 1992 (reduction of liability for council tax), but only for a period of 52 weeks from the date of the receipt of the payment.
- 38.** Any grant made in accordance with a scheme made under section 129 of the Housing Act 1988 or section 66 of the Housing (Scotland) Act 1988 (schemes for payments to assist local housing authority and local authority tenants to obtain other accommodation) which is to be used—
 - (a) to purchase premises intended for occupation as his home; or
 - (b) to carry out repairs or alterations which are required to render premises fit for occupation as his home,for a period of 26 weeks from the date on which he received such a grant or such longer period as is reasonable in the circumstances to enable the purchase, repairs or alterations to be completed and the applicant to commence occupation of those premises as his home.
- 39.** Any arrears of supplementary pension which is disregarded under paragraph 53 of Schedule 4 (sums to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 54 or 55 of that Schedule, but only for a period of 52 weeks from the date of receipt of the arrears.
- 40.** (1) Any payment or repayment made—
 - (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
 - (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);

- (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies),
but only for a period of 52 weeks from the date of receipt of the payment or repayment.
- (2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment, or repayment mentioned in sub-paragraph (1), but only for a period of 52 weeks from the date of the receipt of the payment or repayment.
- 41.** Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins), but only for a period of 52 weeks from the date of receipt of the payment.
- 41A.** Any payment made under Part 8A of the Act (entitlement to health in pregnancy grant).
- 42.** Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.
- 43.** Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
- 44.** Not used
- 45.** Any payment made by a local authority under section 3 of the Disabled Persons (Employment) Act 1958 to homeworkers assisted under the Blind Homeworkers' Scheme.
- 46.** (1) Subject to sub-paragraph (2), where an applicant satisfies the conditions in section 131(3) and (6) of the Act (entitlement to alternative maximum council tax reduction), the whole of his capital.
(2) Where in addition to satisfying the conditions in section 131(3) and (6) of the Act the applicant also satisfies the conditions in section 131(4) and (5) of the Act (entitlement to the maximum council tax reduction), sub-paragraph (1) shall not have effect
- 47.** (1) Any sum of capital to which sub-paragraph (2) applies and
(a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 (as amended by the Civil Procedure (Amendment No. 7) Rule 2013) or by the Court of Protection;
(b) which can only be disposed of by order or direction of any such court; or
(c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.
(2) This sub-paragraph applies to a sum of capital which is derived from;
(a) an award of damages for a personal injury to that person; or
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.
- 48.** Any sum of capital administered on behalf of a person in accordance with an order made under section 13 of the Children (Scotland) Act 1995, or under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules, where such sum derives from
(a) award of damages for a personal injury to that person; or

(b) compensation for the death of one or both parents where the person concerned is under the age of 18.

49. Any payment to the applicant as holder of the Victoria Cross or George Cross.

50. Not used

51. In the case of a person who is receiving, or who has received, assistance under the self-employment route, any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.

52. (1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that payment except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

53. (1) Any payment;

- (a) by way of an education maintenance allowance made pursuant to—
 - (i) regulations made under section 518 of the Education Act 1996;
 - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;
 - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
- (b) corresponding to such an education maintenance allowance, made pursuant to;
 - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
 - (ii) regulations made under section 181 of that Act ;

or in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

(2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;

- (a) regulations made under section 518 of the Education Act 1996;
- (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
- (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992, in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

53A-53B. Not used

54. In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.

55. Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of

receipt of the payment.

- 56.** Where an ex-gratia payment of £10,000 has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or interment of-

- (a) the applicant;
- (b) the applicant's partner;
- (c) the applicant's deceased spouse or deceased civil partner; or
- (d) the applicant's partner's deceased spouse or deceased civil partner,

by the Japanese during the Second World War, £10,000.

- 57.** (1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant's family who is

- (a) a diagnosed person;
- (b) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
- (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
- (d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.

- (2) Where a trust payment is made to;

- (a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;
- (b) a person referred to in sub-paragraph (1)(c), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending two years after that date;
- (c) a person referred to in sub-paragraph (1)(d), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending-
 - (i) two years after that date; or
 - (ii) on the day before the day on which that person-
 - (aa) ceases receiving full-time education; or
 - (bb) attains the age of 20,whichever is the latest.

- (3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is-

- (a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
 - (b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
 - (c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death,
- but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.

- (4) Where a payment as referred to in sub-paragraph (3) is made to-

- (a) a person referred to in sub-paragraph (3)(a), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending on the date on which that person dies;

(b) a person referred to in sub-paragraph (3)(b), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending two years after that date; or

(c) person referred to in sub-paragraph (3)(c), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending–

(i) two years after that date; or

(ii) on the day before the day on which that person

(aa) ceases receiving full-time education; or

(bb) attains the age of 20,

whichever is the latest.

(5) In this paragraph, a reference to a person–

(a) being the diagnosed person's partner;

(b) being a member of a diagnosed person's family;

(c) acting in place of the diagnosed person's parents,

at the date of the diagnosed person's death shall include a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home, an Abbeyfield Home or an independent hospital on that date.

(6) In this paragraph– 'diagnosed person' means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeld- Jakob disease; 'relevant trust' means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeld-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions; 'trust payment' means a payment under a relevant trust.

58. The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant's partner, the applicant's deceased spouse or deceased civil partner or the applicant's partner's deceased spouse or deceased civil partner

(a) was a slave labourer or a forced labourer;

(b) had suffered property loss or had suffered personal injury; or

(c) was a parent of a child who had died,

during the Second World War.

58 (1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service, which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.

(2) For the purposes of sub-paragraph (1) 'local authority' includes in England a county council.

60. Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or under section 12B of the Social Work (Scotland) Act 1968, or under section 12A to 12D of the National Health Service Act 2006 (direct payments for health care).

61. Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

62. Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).

63. Any payments to an applicant made under section 49 of the Children and Families Act 2014 (personal budgets

and direct payments)

COUNCIL

7 December 2016

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

EXTERNAL AUDIT PROCUREMENT

| | |
|---------------------------------------|--|
| Final Decision-Maker | Council |
| Lead Head of Service | Mark Green, Director of Finance and Business Improvement |
| Lead Officer and Report Author | Mark Green, Director of Finance and Business Improvement |
| Classification | Public |
| Wards affected | All |

This report makes the following recommendations to Council:

1. That Council accepts Public Sector Audit Appointments' (PSAA) invitation to opt in to the sector led option for appointment of external auditors for five financial years starting 1 April 2018.
2. That Council approves the Director of Finance & Business Improvement to liaise with PSAA and respond to its consultations on specific proposals as they come forward.

This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place for all
- Securing a successful economy for Maidstone Borough

Timetable

| Meeting | Date |
|---|-------------------|
| Audit, Governance and Standards Committee | 19 September 2016 |
| Council | 7 December 2016 |

EXTERNAL AUDIT PROCUREMENT

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report sets out proposals for appointing the Council's external auditor for the 2018/19 accounts and beyond. The current arrangements, which expire following audit of the 2017/18 accounts, are that Grant Thornton are the Council's external auditors working to a contract originally let by the Audit Commission in 2013. Following the Audit Commission's closure in 2015, that contract novated to Public Sector Audit Appointments Limited (PSAA), a subsidiary of the Local Government Association (LGA).
 - 1.2 The Council's Audit, Governance & Standards Committee considered the various alternatives for appointing an external auditor at its meeting on 19 September 2016 and have recommended to the Council that it appoints auditors through a sector led body. As a subsidiary of the LGA, PSAA is a sector led body.
 - 1.3 Under the Local Audit and Accountability Act 2014, the Council as a whole must decide whether to accept an invitation to opt-in to a sector led approach. The Council received that invitation on 27 October 2016. To take advantage of PSAA's proposed national scheme for appointing auditors the Council must take the decision at this meeting. The Council must then communicate the decision by early March 2017 in line with PSAA's request.
-

2. INTRODUCTION AND BACKGROUND

- 2.1 The Local Audit and Accountability Act 2014 (the Act) brought a close to the Audit Commission. The Act also created transitional arrangements for appointing external auditors and setting audit fees in local government. On 5 October 2015 the Secretary of State for Communities and Local Government (CLG) decided to extend these transitional arrangements for one year. The arrangements will now end following the audit of accounts for 2017/18.
- 2.2 The Act also set out arrangements for appointing auditors after the transitional arrangements end. This includes the opportunity for authorities to make their own decisions on auditor appointments. Regulations made under the Act also allow authorities to opt in to have their auditor appointed for them by an appointing person.
- 2.3 In July 2016 PSAA the Secretary of State named PSAA as an appointing person under regulation 3 of the Local Audit (Appointing Person) Regulations 2015. PSAA as an appointing person (also known as the sector led body) has wide support across local government. The LGA originally set up PSAA to oversee the transitional arrangements following the closure of the Audit Commission under powers delegate by the Secretary of State. PSAA is an independent, not for profit company set up by the LGA.

- 2.4 PSAA has invited the Council, and all other authorities, to opt in to its national scheme. PSAA would then enter contracts with properly qualified audit firms and appoint a suitable firm to be the Council's auditor.
- 2.5 The Council's current auditor is Grant Thornton, under a contract let by the Audit Commission in 2013. Following closure of the Audit Commission in 2015 the contract was novated to PSAA. Since then PSAA have shown capacity and capability to manage audit quality and contracts.
- 2.6 In recent years, the Council has seen a steep decline in its audit fee from £123k in 2009/10 to £50k in 2015/16. This has been the result of a combination of causes including new contracts negotiated nationally with the audit firms, changes to the scope of auditors work and savings from closure of the Audit Commission.
- 2.7 We cannot know proposed fees for future years until the procurement is completed. The costs will depend on proposals from the audit firms.
- 2.8 However the Council appoints its auditor, the scope of the audit will be set nationally. The National Audit Office (NAO) is responsible for writing the Code of Audit Practice which all firms appointed must follow. Not all audit firms will be eligible to compete for work, as they will need to prove they have the necessary skills and experience. They must also be registered with a Registered Supervisory Body approved by the Financial Reporting Council.
- 2.9 Currently there are nine providers eligible to audit local authorities; all of these being firms with a national presence and including the Council's current auditors, Grant Thornton. This means that any local procurement exercise would be seeking tenders from these same firms, subject to the need to manage local independence issues. Small local firms could not be invited to bid.
-

3. AVAILABLE OPTIONS

- 3.1 Following the recommendation of the Audit, Governance & Standards Committee the preferred option is to accept PSAA's invitation and opt in to the national arrangements.
- 3.2 If the Council did not opt in it would need to set up an independent auditor panel. The panel must have a majority of independent members. The Act defines independent members as independent appointees, excluding current and former elected members (or officers) and their close families and friends. This means that elected members will not have a majority on the panel assessing bids and choosing which audit firm to recommend to the Council for appointment as the Council's external auditor.
- 3.3 Alternatively, the Act allows the Council to join with other authorities to set up a joint auditor panel. Again this would need a majority of independent appointees (members). This option also depends on there being other councils to join with. Research undertaken by the Head of Audit Partnership failed to identify any

other authorities considering this method of appointment to whom this Council could look to partner.

- 3.4 We recommend neither of these alternatives. Both would be more time and money intensive to do and without the bulk buying power of sector led procurement could result in a more costly service. There is also risk associated with management of audit quality and independence through local appointment.
- 3.5 The Act demands that councils appoint an external auditor through one of the defined routes by the end of December 2017. If the Council chooses not to act at all, then the Secretary of State holds reserve power to intervene. The Secretary of State could then appoint an auditor to the council directly and decide the fee the council must pay.
-

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The Council's Audit, Governance & Standards Committee considered the various alternatives for appointing an external auditor at its meeting on 19 September 2016. That Committee concluded:

That the Committee recommends to Council that it adopt the option of outsourced procurement as set out, ie through a sector led body.

- 4.2 Among the reasons given in discussion for the recommendation were:
- Without the national appointment, the Council would need to set up a separate independent auditor panel, which could be difficult, costly and time-consuming.
 - The audit costs may well be lower than if the Council sought to appoint locally, as national large-scale contracts may drive keener prices from the audit firms and spread costs incurred in bidding.
 - PSAA can ensure the appointed auditor meets and keeps to quality standards and can manage any conflicts of interest.
-

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 Members have previously been consulted on this matter through the Audit, Governance and Standards Committee] whose conclusions are summarised in this report. Then, the Council had not yet received the formal invitation to opt in to PSAA's arrangements. However, Committee Members have seen and commented on PSAA's prospectus (Appendix 2) and Frequently Asked Questions (Appendix 3).
-

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 PSAA has now formally invited the Council to opt in. Details about PSAA's invitation are in appendices to this report.
- 6.2 Regulation 19 of the Local Audit (Appointing Person) Regulations 2015 demands that a decision to opt in must be one of a meeting of the Council as a whole. The Council then needs to formally respond to PSAA's invitation in the form named by PSAA by 17 March 2017.
- 6.3 PSAA will begin the formal procurement after this date. It expects to award contracts in summer 2017 and consult with authorities to make the appointment by the statutory deadline of December 2017.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

| Issue | Implications | Sign-off (name of officer and date) |
|--------------------------------|--|--|
| Impact on Corporate Priorities | Effective external audit procurement will help to ensure value for money and maintain good governance. | Director of Finance and Business Improvement |
| Risk Management | The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Policy.. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy. | Head of Audit Partnership |
| Financial | The Council must appoint an external auditor. Opting in to the national arrangement will allow PSAA to undertake a national procurement exercise that may result in lower fees through increased buying power than the Council could gain by local procurement. Opting in also avoids incurring the costs of creating and preserving a local auditor panel. | Director of Finance and Business Improvement |
| Staffing | External auditors cannot be employees of the authority they audit. So there are no staffing establishment issues for authority staff in this decision. When the Council's audit supplier moved | Director of Finance and Business Improvement |

| | | |
|--|--|---|
| | from the Audit Commission to Grant Thornton in 2013, the rules of TUPE (Transfer Under Protected Employment) applied and so the existing audit team largely transferred to Grant Thornton. TUPE will not apply if Grant Thornton do not succeed in bidding to PSAA. | |
| Legal | <p>Section 7 of the Local Audit and Accountability Act 2014 demands a relevant authority to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding year.</p> <p>Section 8 governs the procedure for appointment including that the Council must consult and take account of the advice of its auditor panel on selecting and appointing a local auditor.</p> <p>Section 12 provides for the failure to appoint a local auditor. The authority must immediately tell the Secretary of State, who may direct the authority to appoint the auditor named in the direction or appoint a local auditor for the authority.</p> <p>Section 17 gives the Secretary of State the power to regulate for an 'appointing person'. The Secretary of State exercised this power in the Local Audit (Appointing Person) Regulations 2015 (SI 192). These give the Secretary of State the ability to enable a Sector Led Body to become the appointing person. In July 2016 the Secretary of State named PSAA as the appointing person. Regulation 19 states that the Council as a whole must take the decision to opt in to the arrangements.</p> | Interim Head of Legal Partnership |
| Equality Impact Needs Assessment | No detrimental impact on the protected characteristics of individuals identified. | Equalities and Corporate Policy Officer |
| Environmental / Sustainable Development | None. | |
| Community Safety | None. | |
| Human Rights Act | None. | |

| | | |
|-------------------------|---|--|
| | | |
| Procurement | Effective external audit procurement will help to ensure value for money. | Director of Finance and Business Improvement |
| Asset Management | None. | |

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix A: PSAA Formal Opt-In Invitation (generic version)
- Appendix B: PSAA Prospectus (July 2016)
- Appendix C: PSAA Frequently Asked Questions (November 2016)

9. BACKGROUND PAPERS

Local Audit and Accountability Act 2014

Local Audit (Auditor Panel) Regulations 2014

Local Audit (Appointing Persons) Regulations 2015

Further details on *Auditor Panels* are included in CIPFA's comprehensive guide produced with CLG and available for free download at <http://www.cipfa.org/policy-and-guidance/publications/g/guide-to-auditor-panels-pdf>.

APPENDIX A

PSAA FORMAL OPT-IN INVITATION

Text of email sending invitation to opt in to all principal LG bodies

To: [email address for Chief Executive and Director of Finance for each audited body]

cc: [monitoring officer]

Date: 27 October 2016

Subject: [Name of audited body]

Invitation to become an opted-in authority

The Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2015 (the Regulations)

Public Sector Audit Appointments Limited (PSAA), being an appointing person for the purposes of the Regulations, invites [name of audited body] (the authority) to become an-opted in authority in accordance with the Regulations.

Further information is contained in the opt-in letter and additional information attached to this email. The length of the compulsory appointing period is the 5 consecutive financial years commencing 1 April 2018.

A decision to become an opted-in authority must be taken in accordance with the Regulations, that is by the members of an authority meeting as a whole, except where the authority is a corporation sole, such as a police and crime commissioner, in which case this decision can be taken by the holder of that office.

The closing date to give notice to PSAA of the authority's acceptance of our invitation is: **9 March 2017**.

A form of notice of acceptance is enclosed with this invitation to opt in. The notice of acceptance must be sent by email to: appointingperson@psaa.co.uk and must be received before **5pm on Thursday 9 March 2017**.

PSAA confirms it is willing to receive notices of acceptance by email to this address and will confirm receipt of all notices of acceptance by email.



Jon Hayes
Chief Officer

APPENDIX B

PSAA PROSPECTUS JULY 2016




Developing the option of a national scheme for local auditor appointments

www.psa.co.uk

380


Public Sector
Audit Appointments



“The LGA has worked hard to secure the option for local government to appoint auditors through a dedicated sector-led national procurement body. I am sure that this will deliver significant financial benefits to those who opt in.”

– Lord Porter CBE, Chairman,
Local Government Association

Over the next few months all principal authorities will need to decide how their auditors will be appointed in the future. They may make the appointment themselves, or in conjunction with other bodies. Or they can take advantage of a national collective scheme which is designed to offer them a further choice. Choosing the national scheme should pay dividends in quality, in cost, in responsiveness and in convenience.

Public Sector Audit Appointments Ltd (PSAA) is leading the development of this national option. PSAA is a not-for-profit company which already administers the current audit contracts. It aims to be designated by the Department for Communities & Local Government (DCLG) to operate a collective scheme for auditor appointments for principal authorities (other than NHS bodies) in England. It is currently designing the scheme to reflect the sector's needs and views.

The Local Government Association (LGA) is strongly supportive of this ambition, and 200+ authorities have already signalled their positive interest. This is an opportunity for local government, fire, police and other bodies to act in their own and their communities' best interests.

We hope you will be interested in the national scheme and its development. We would be happy to engage with you to hear your views – please contact us at generalenquiries@psaa.co.uk

You will also find some questions at the end of this booklet which cover areas in which we would particularly welcome your feedback.

Audit does matter

High quality independent audit is one of the cornerstones of public accountability. It gives assurance that taxpayers' money has been well managed and properly expended. It helps to inspire trust and confidence in the organisations and people responsible for managing public money.

Imminent changes to the arrangements for appointing the auditors of local public bodies are therefore very important. Following the abolition of the Audit Commission, local bodies will soon begin to make their own decisions about how and by whom their auditors are appointed. A list of the local government bodies affected can be found at the end of this booklet.

The Local Government Association (LGA) has played a leadership role in anticipating these changes and influencing the range of options available to local bodies. In particular, it has lobbied to ensure that, irrespective of size, scale, responsibilities or location, principal local government bodies can, if they wish, subscribe to a specially authorised national scheme which will take full responsibility for local auditor appointments which offer a high quality professional service and value for money.

The LGA is supporting PSAA in its application to the Department for Communities & Local Government (DCLG) to be appointed to deliver and manage this scheme.

PSAA is well placed to award and manage audit contracts, and appoint local auditors under a national scheme

PSAA is an independent, not-for-profit company limited by guarantee and established by the LGA. It already carries out a number of functions in relation to auditor appointments under powers delegated by the Secretary of State for Communities & Local Government. However, those powers are time-limited and will cease when current contracts with audit firms expire with the completion of the 2017/18 audits for local government bodies, and the completion of the 2016/17 audits for NHS bodies and smaller bodies.

The expiry of contracts will also mark the end of the current mandatory regime for auditor appointments. Thereafter, local bodies will exercise choice about whether they opt in to the authorised national scheme, or whether they make other arrangements to appoint their own auditors.

PSAA wishes to be selected to be the trusted operator of the national scheme, formally specified to undertake this important role by the Secretary of State. The company is staffed by a team with significant experience in appointing auditors, managing contracts with audit firms and setting and determining audit fees. We intend to put in place an advisory group, drawn from the sector, to give us ready access to your views on the design and operation of the scheme. We are confident that we can create a scheme which delivers quality-assured audit services to every participating local body at a price which represents outstanding value for money.

"Many district councils will be very aware of the resource implications of making their own appointment. Joining a well-designed national scheme has significant attractions."

– Norma Atlay, President,
Society of District Council Treasurers

"Police bodies have expressed very strong interest in a national scheme led by PSAA. Appointing the same auditor to both the PCC and the Chief Constable in any area must be the best way to maximise efficiency."

– Sean Nolan, President,
Police and Crime Commissioners
Treasurers' Society (PACCTS)

The national scheme can work for you

We believe that the national scheme can be an excellent option for all local bodies. Early indications are that many bodies agree - in a recent LGA survey more than 200 have expressed an interest in joining the scheme.

We plan to run the scheme in a way that will save time and resources for local bodies - time and resources which can be deployed to address other pressing priorities. Bodies can avoid the necessity to establish an auditor panel (required by the Local Audit & Accountability Act, 2014) and the need to manage their own auditor procurement. The scheme will take away those headaches and, assuming a high level of participation, be able to attract the best audit suppliers and command highly competitive prices.

The scope of public audit is wider than for private sector organisations. For example, it involves forming a conclusion on the body's arrangements for securing value for money, dealing with electors' enquiries and objections, and in some circumstances issuing public interest reports. PSAA will ensure that the auditors which it appoints are the most competent to carry out these functions.

Auditors must be independent of the bodies they audit, to enable them to them to carry out their work with objectivity and credibility, and in a way that commands public confidence. PSAA plans to take great care to ensure that every auditor appointment passes this test. It will also monitor any significant proposals, above an agreed threshold, for auditors to carry out consultancy or other non-audit work to ensure that these do not undermine independence and public confidence.

The scheme will also endeavour to appoint the same auditors to bodies which are involved in formal collaboration/joint working initiatives or within combined authority areas, if the parties consider that a common auditor will enhance efficiency and value for money.

PSAA will ensure high quality audits

We will only contract with firms which have a proven track record in undertaking public audit work. In accordance with the 2014 Act, firms must be registered with one of the chartered accountancy institutes acting in the capacity of a Recognised Supervisory Body (RSB). The quality of their work will be subject to scrutiny by both the RSB and the Financial Reporting Council (FRC). Current indications are that fewer than ten large firms will register meaning that small local firms will not be eligible to be appointed to local public audit roles.

PSAA will ensure that firms maintain the appropriate registration and will liaise closely with RSBs and the FRC to ensure that any concerns are detected at an early stage and addressed effectively in the new regime. The company will take a close interest in feedback from audited bodies and in the rigour and effectiveness of firms' own quality assurance arrangements, recognising that these represent some of the earliest and most important safety nets for identifying and remedying any problems arising. We will liaise with the National Audit Office (NAO) to help ensure that guidance to auditors is updated when necessary.

We will include obligations in relation to maintaining and continuously improving quality in our contract terms and quality criteria in our tender evaluation method.

PSAA will secure highly competitive prices

A top priority must be to seek to obtain the best possible prices for local audit services. PSAA's objective will be to make independent auditor appointments at the most competitive aggregate rate achievable.

Our current thinking is that the best prices will be obtained by letting three year contracts, with an option to extend to five years, to a relatively small number of appropriately registered firms in two or three large contract areas nationally. The value of each contract will depend on the prices bid, with the firms offering the best prices being awarded larger amounts of work. By having contracts with a number of firms we will be able to ensure independence and avoid dominance of the market by one or two firms.

Correspondingly, at this stage our thinking is to invite bodies to opt into the scheme for an initial term of three to five years, subject, of course, to the terms of specification by DCLG.

The procurement strategy will need to prioritise the importance of demonstrably independent appointments, in terms of both the audit firm appointed to each audited body and the procurement and appointment processes used. This will require specific safeguards in the design of the procurement and appointment arrangements.

"Early audit planning is a vital element of a timely audit. We need the auditors to be available and ready to go right away at the critical points in the final accounts process."

– Steven Mair, City Treasurer,
Westminster City Council

"In forming a view on VFM arrangements it is essential that auditors have an awareness of the significant challenges and changes which the service is grappling with."

– Charles Kerr, Chair,
Fire Finance Network

PSAA will establish a fair scale of fees

Audit fees must ultimately be met by individual audited bodies. PSAA will ensure that fee levels are carefully managed by securing competitive prices from firms and by minimising PSAA's own costs. The changes to our role and functions will enable us to run the new scheme with a smaller team of staff. PSAA is a not-for-profit company and any surplus funds will be returned to scheme members.

PSAA will pool scheme costs and charge fees to audited bodies in accordance with a fair scale of fees which has regard to size, complexity and audit risk. Pooling means that everyone within the scheme will benefit from the most competitive prices. Current scale fees are set on this basis. Responses from audited bodies to recent fee consultations have been positive.

PSAA will continue to consult bodies in connection with any proposals to establish or vary the scale of fees. However, we will not be able to consult on our proposed scale of fees until the initial major procurement has been completed and contracts with audit firms have been let. Fees will also reflect the number of scheme participants - the greater the level of participation, the better the value represented by our scale of fees. We will be looking for principal bodies to give firm commitments to join the scheme during Autumn 2016.

The scheme offers multiple benefits for participating bodies

We believe that PSAA can deliver a national scheme which offers multiple benefits to the bodies which take up the opportunity to collaborate across the sector by opting into scheme membership.

Benefits include:

- assured appointment of a qualified, registered, independent auditor
- appointment, if possible, of the same auditors to bodies involved in significant collaboration/joint working initiatives or combined authorities, if the parties believe that it will enhance efficiency and value for money
- on-going management of independence issues
- securing highly competitive prices from audit firms
- minimising scheme overhead costs
- savings from one major procurement as opposed to a multiplicity of small procurements
- distribution of surpluses to participating bodies
- a scale of fees which reflects size, complexity and audit risk
- a strong focus on audit quality to help develop and maintain the market for the sector
- avoiding the necessity for individual bodies to establish an auditor panel and to undertake an auditor procurement
- enabling time and resources to be deployed on other pressing priorities
- setting the benchmark standard for audit arrangements for the whole of the sector

We understand the balance required between ensuring independence and being responsive, and will continually engage with stakeholders to ensure we achieve it.

How can you help?

We are keen to receive feedback from local bodies concerning our plans for the future. Please let us have your views and let us know if a national scheme operated by PSAA would be right for your organisation.

In particular we would welcome your views on the following questions:

1. Is PSAA right to place emphasis on both quality and price as the essential pre-requisites for successful auditor appointments?
2. Is three to five years an appropriate term for initial contracts and for bodies to sign up to scheme membership?
3. Are PSAA's plans for a scale of fees which pools scheme costs and reflects size, complexity and audit risk appropriate? Are there any alternative approaches which would be likely to command the support of the sector?
4. Are the benefits of joining the national scheme, as outlined here, sufficiently attractive? Which specific benefits are most valuable to local bodies? Are there others you would like included?
5. What are the key issues which will influence your decisions about scheme membership?
6. What is the best way of us continuing our engagement with you on these issues?

Please reply to: generalenquiries@psaa.co.uk

The following bodies will be eligible to join the proposed national scheme for appointment of auditors to local bodies:

- county councils in England
- district councils
- London borough councils
- combined authorities
- passenger transport executives
- police and crime commissioners for a police area in England
- chief constables for an area in England
- national park authorities for a national park in England
- conservation boards
- fire and rescue authorities in England
- waste authorities
- the Greater London Authority and its functional bodies.

BOARD MEMBERS

Steve Freer (Chairman), former Chief Executive CIPFA

Caroline Gardner, Auditor General Scotland

Clive Grace, former Deputy Auditor General Wales

Stephen Sellers, Solicitor, Gowling WLG (UK) LLP

CHIEF OFFICER

Jon Hayes, former Audit Commission Associate Controller

“Maintaining audit quality is critically important. We need experienced audit teams who really understand our issues.”

– Andrew Burns, Director of Finance and Resources,
Staffordshire County Council

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APPENDIX C

PSAA FREQUENTLY ASKED QUESTIONS NOVEMBER 2016

Appointing person: Frequently asked questions (updated 8 November 2016)

| Question | Response |
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| <p>1. What is an appointing person and what bodies are eligible to opt in?</p> | <p>Public Sector Audit Appointments Limited (PSAA) has been specified as an appointing person under the Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2015, and has the power to make auditor appointments for audits of the accounts from 2018/19 on behalf of principal local government bodies that opt in, in accordance with the Regulations. PSAA is a not-for-profit company owned by the LGA's Improvement and Development Agency (IDeA) and was established to operate the transitional arrangements following closure of the Audit Commission. The 'appointing person' is sometimes referred to as the sector-led body.</p> <p>Eligible bodies are only those principal local government bodies listed in schedule 2 of the Local Audit and Accountability Act 2014. This includes county councils, district councils, London Borough councils, unitary authorities, metropolitan councils, police bodies, fire and rescue authorities, joint authorities, combined authorities (covering elected regional mayors), national park authorities, conservation boards, PTEs, waste authorities, and the GLA and its functional bodies. Smaller authorities (such as parish councils) and NHS bodies, including accountable care organisations, are not eligible to opt in.</p> <p>A list of 493 local government bodies currently eligible for the appointing person scheme is available on the appointing person page of our website (http://www.psaa.co.uk/supporting-the-transition/appointing-person/).</p> |

| Question | Response |
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| 2. When will invitations to opt in be issued? | <p>The invitation to opt in was issued on 27 October 2016 with a closing date for acceptance of 9 March 2017. This allows considerably longer than the statutory minimum period of eight weeks, for the requirement under the regulations that authorities must make the decision to opt in at a full council meeting. As corporations sole, the full council requirement does not apply to police and crime commissioners.</p> <p>The aim is to award contracts to audit firms by June 2017, giving six months to consult with authorities and confirm appointments before the 31 December 2017 deadline to appoint auditors for the following financial year.</p> <p>In order to maximise the potential economies of scale from agreeing large contracts with firms, and to manage any auditor independence issues, PSAA needs as much certainty as possible about the volume and location of work it is able to offer to firms. Our timetable means that we will need to start preparing tender documentation early in 2017, so we will need to know which authorities have opted in.</p> |
| 3. How do we have to make the decision to accept the invitation to opt in? | In accordance with Regulation 19 of the Local Audit (Appointing Person) Regulations 2015, a principal authority will need to make the decision to opt in at full council (authority meeting as a whole), except where the authority is a corporation sole (such as a police and crime commissioner), in which case the function must be exercised by the holder of the office. |
| 4. Can we join after it has been set up or do we have to join at the beginning? | One of the main benefits of an appointing person approach is the ability to achieve economies of scale as a result of being able to offer larger volumes of work. The greater the number of participants we have signed up at the outset, the better the |

| Question | Response |
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| | <p>economies of scale we are likely to achieve. This will not prevent authorities from applying to join the appointing person scheme in later years (and PSAA must agree to the request unless there are reasonable grounds to refuse), but they will need to make their own arrangements to appoint an auditor in the interim, which will include establishing an auditor panel. In order to be in the best position we would encourage as many authorities as possible to commit by accepting the invitation within the specified timeframe, that is by 9 March 2017.</p> |
| <p>5. Will membership be free for existing members of the LGA?</p> | <p>The option to join the appointing person scheme will be open to all principal local government authorities listed under Schedule 2 of the Local Audit and Accountability Act 2014. There will not be a fee to join the sector-led arrangements. The audit fees that opted-in bodies will be charged will cover the costs to PSAA of appointing auditors and managing the arrangements. We believe that audit fees achieved through large contracts will be lower than the costs that individual authorities will be able to negotiate. In addition, by opting into the PSAA offer, authorities will avoid the costs of their own procurement and management of contracts and also the requirement to set up an auditor panel with independent members.</p> |
| <p>6. How will we be able to influence the development of the appointing person scheme and associated contracts with audit firms?</p> | <p>We have established a stakeholder advisory panel which will comment on our proposals. Members of the panel are drawn from representative organisations for councils, police and fire bodies. The first meeting of the group was held on 30 September 2016. Further meetings are scheduled for 23 November 2016, 26 January 2017 and 25 May 2017.</p> <p>PSAA continues to work in partnership with the LGA in setting up the appointing person scheme and you can feed in</p> |

| Question | Response |
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| | <p>comments and observations to PSAA by emailing appointingperson@psaa.co.uk and via the LGA and their principal advisors.</p> |
| <p>7. Will there be standard contract terms and conditions?</p> | <p>The audit contracts between PSAA and the audit firms will require firms to deliver audits compliant with the National Audit Office (NAO) Code of Audit Practice. We are aware that authorities would like to understand how performance and delivery will be monitored and managed. This is one of the issues that could be discussed with the stakeholder advisory panel (see Q6).</p> |
| <p>8. What will be the length of the contracts?</p> | <p>The length of contract between PSAA and firms will be five years.</p> |
| <p>9. In addition to the Code of Audit Practice requirements set out by the NAO, will the contract be flexible to enable authorities to include the audit of wholly owned companies and group accounts?</p> | <p>Local authority group accounts are part of the accounts produced under the CIPFA SORP and are subject to audit in line with the NAO Code of Audit Practice. They will continue to be part of the statutory audit.</p> <p>Company audits are subject to the provisions of the Companies Act 2006 and are not covered by the Local Audit (Appointing Person) Regulations 2015. Local authority companies will be able to appoint the same audit firm as PSAA appoints to undertake the principal body audit, should they so wish.</p> |
| <p>10. Will bodies that opt in be able to seek information from potential suppliers and undertake some form of evaluation to choose a supplier?</p> | <p>PSAA will run the tendering exercise, and will evaluate bids and award contracts. PSAA will consult authorities on individual auditor appointments. The appointment of an auditor independently of the body to be audited is an important feature of the appointing person arrangements and will continue to underpin strong corporate governance in the public sector.</p> |

| Question | Response |
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| 11. Will the price be fixed or will there be a range of prices? | The fee for the audit of a body that opts in will reflect the size, audit risk and complexity of the work required. PSAA will establish a system for setting the fee which is fair to all opted-in authorities. As a not-for-profit organisation, PSAA will be able to return any surpluses to opted-in authorities after all costs have been met. |
| 12. We have shared service arrangements with our neighbouring bodies and we are looking to ensure that we share the same auditor. Will the appointing person scheme allow for this? | <p>PSAA will be able to make appointments to all principal local government bodies listed in Schedule 2 of the Local Audit and Accountability Act 2014 that are 'relevant authorities' and not excluded as a result of being smaller authorities, for example parish councils.</p> <p>In setting up the new arrangements, one of our aims is to make auditor appointments that take account of joint working and shared service arrangements. Requests for the same auditor as other authorities will need to be balanced with auditor independence considerations. As we have set out in our prospectus, auditors must be independent of the bodies they audit. PSAA will have an obligation under the provisions of the Local Audit and Accountability Act 2014 to ensure that every auditor appointment it makes passes this test and auditors must comply with the requirements of the Ethical Standards issued by the Financial Reporting Council. We will need information from opted-in authorities on potential independence considerations and joint working arrangements, and will also need information on independence issues from the audit firms. Risks to auditor independence include, for example, an audit firm having previously been engaged to advise on a major procurement which could, of course, later be subject to audit.</p> |

| Question | Response |
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| 13. We have a joint committee which no longer has a statutory requirement to have an external auditor but has agreed in the interests of all parties to continue to engage one. Is it possible to use this process as an option to procure the external auditor for the joint committee? | The requirement for joint committees to produce statutory accounts ceased after production of the 2014/15 accounts and they are therefore not listed in Schedule 2. Joint committees that have opted to produce accounts voluntarily and obtain non-statutory assurance on them will need to make their own local arrangements. |
| 14. How will the appointing person scheme ensure audit firms are not over-stretched and that the competition in the market place is increased? | <p>The number of firms eligible to undertake local public audit is regulated through the Financial Reporting Council and the recognised Supervisory Bodies (RSBs). Only appropriately accredited firms will be able to bid for appointments whether that is through PSAA or an auditor panel.</p> <p>PSAA is developing a procurement strategy which may include a limit on the total business available to any one firm.</p> <p>One of the advantages of the appointing person option is to make appointments that help to ensure that each successful firm has a sufficient quantum of work to make it possible for them to invest in public sector specific training, maintain a centre of excellence or hub that will mean:</p> <ul style="list-style-type: none"> • firms have a regional presence; • greater continuity of staff input; and • a better understanding the local political, economic and social environment. |
| 15. Will the appointing person scheme contract with a number of different audit firms and how will they be allocated to authorities? | PSAA will organise the contracts to maximise the number of firms appointed nationally. The minimum number of audit firms is probably four or five (depending on the number of bodies that opt in). This is required, not just to ensure competition and capacity, but because each firm is required to comply with the |

| Question | Response |
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| | FRC's ethical standards. This means that an individual firm may not be appointable for 'independence' reasons, for example, because they have undertaken consultancy work at an audited body. PSAA will consult on appointments that allow each firm a balanced portfolio of work subject to independence considerations. |
| 16. What will be the process to feed in opinions from customers of current auditors if there are issues? | PSAA will seek feedback on its auditors as part of its engagement with the sector. PSAA will continue to have a clear complaints process and will also undertake contract monitoring of the firms it appoints. |
| 17. What is the timetable for set up and key decisions? | <p>We expect the key points in the timetable to be broadly:</p> <ul style="list-style-type: none"> • establish an overall strategy for procurement - by November 2016; • achieve 'sign-up' of opted-in authorities - by 9 March 2017; • invite tenders from audit firms - by April 2017; • award contracts - by 30 June 2017; • consult on and make final auditor appointments - by 31 December 2017; and • consult on, propose audit fees and publish fees - by 31 March 2018. |
| 18. What are the terms of reference of the appointing person? | PSAA is a not-for-profit company wholly owned by the IDeA (the IDeA is wholly owned by the LGA). PSAA will continue to operate as an independent company, although there will be changes to its governance arrangements and its founding documents to reflect the fact that it will be an appointing person going forward rather than a transitional body which has overseen the transition from the Audit Commission to the new appointing person arrangements. |

| Question | Response |
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| 19. Will the appointing person take on all audit panel roles and therefore mitigate the need for there to be one in each individual authority? | Opting into the appointing person scheme will remove the need to set up an auditor panel. This is set out in the Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2015. |
| 20. What will be the arrangements for overseeing the quality of audit work undertaken by the audit firms appointed by the appointing person? | <p>PSAA will only contract with firms which have a proven track record in undertaking public audit work. In accordance with the Local Audit and Accountability Act 2014, firms must be registered with one of the chartered accountancy institutes acting in the capacity of a Recognised Supervisory Body (RSB). The quality of the firms' work will be subject to scrutiny by both the RSB and the Financial Reporting Council (FRC). Current indications are that fewer than ten large firms will register, meaning that small local firms will not be eligible to be appointed to local public audit roles.</p> <p>PSAA will ensure that firms maintain the appropriate registration and will liaise closely with RSBs and the FRC to ensure that any concerns are detected at an early stage and addressed effectively in the new regime. PSAA will take a close interest in feedback from opted-in bodies and in the rigour and effectiveness of firms' own quality assurance arrangements, recognising that these represent some of the earliest and most important safety nets for identifying and remedying any problems. We will liaise with the NAO to help ensure that guidance to auditors is updated when necessary.</p> |

| Question | Response |
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| <p>21. In what circumstances can an auditor be changed during the five year opt-in period, and how does this differ from locally procured arrangements?</p> | <p>The main circumstances in which PSAA will consider changing an auditor appointment during the five year compulsory appointing period are either for independence reasons, for example the identification of a conflict of interest involving the existing audit firm, or because of the emergence of new joint working arrangements.</p> <p>An authority appointing its own auditor will find it more difficult to change their auditor appointment during the contracted period, as this would require the authority to conduct a new selection and procurement exercise. The appointing person scheme will therefore provide more flexibility for opted-in bodies.</p> |
| <p>22. How will audit fee levels be set for each individual body with the objective of recovering PSAA costs at the aggregate level?</p> | <p>PSAA will pool scheme costs and charge fees to audited bodies in accordance with a fair scale of fees which has regard to size, complexity and audit risk, most likely as currently evidenced by audit fees for 2016/17. Pooling means that everyone in the scheme will benefit from the most competitive prices. Fees will reflect the number of scheme participants – the greater the level of participation, the better the value represented by our scale fees.</p> <p>2018/19 scale fees will be determined by the prices achieved in the auditor procurement that PSAA will undertake during the early part of 2017. We expect to consult on the proposed scale of fees in autumn 2017 and to publish the fees applicable in March 2018. Where more or less work is required than is envisaged in the scale fee, a fee variation process will apply. The variations process will ensure that fees for additional work</p> |

| Question | Response |
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| | cannot be invoiced until agreed with the audited body and approved by PSAA. |
| 23. What will be the future arrangements under the appointing person scheme for certifying grant claims? | <p>PSAA's audit contracts from 2018/19 will not cover certification work. PSAA has no power under the Local Audit and Accountability Act 2014 to make certification arrangements, and its arrangements will apply only to opted-in bodies. Any certification work required by grant paying government departments will need to be undertaken using a tripartite agreement between an audited body, an audit firm and the grant paying body, under instructions prepared by the grant paying body.</p> <p>The Department for Work and Pensions is developing its arrangements for housing benefit subsidy claim certification from 2018/19 on this basis. Where applicable, local authorities will appoint an auditor for this certification work (for which an auditor panel is not required) and may if they wish choose to use the same auditor appointed by PSAA for the audit of the accounts, if they are opted-in bodies.</p> |
| 24. How will the appointing person scheme deal with an authority that is dissatisfied with its auditor and wants a change (e.g. because of quality, relationships, or a conflict of interest)? | <p>As with the current arrangements, where an authority is dissatisfied with its auditor, concerns should be raised in the first instance with the firm's Engagement Lead and subsequently with the firm's PSAA Contact Partner (as indicated on communications between the firm and the authority).</p> <p>If the authority is not satisfied with the response of the firm, then the matter should be raised with PSAA.</p> |

| Question | Response |
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| | <p>As appointing person, PSAA appoints a firm as auditor to an authority. The firm is responsible for nominating an individual to act as the Engagement Leader on the audit of an authority.</p> <p>PSAA will consider changing an auditor appointment in extremis if an authority is dissatisfied, but would expect the authority and the firm to have exhausted all avenues for resolution before doing so. Maintaining the independence of the auditor is an important part of this consideration.</p> <p>PSAA will consider changing an auditor appointment during the five year compulsory appointing periods, if a conflict of interest involving the existing audit firm is identified, or because of the emergence of new joint working arrangements.</p> <p>The appointing person scheme will have the flexibility to provide an audit alternative if required in these cases.</p> <p>PSAA will be monitoring the quality of audit services provided as part of the contractual terms of appointment to be agreed with firms.</p> |
| 25. Will an auditor be able to provide my authority with non-audit consultancy services? | <p>The independence requirements for all auditors within the local public audit regime are the same whether locally appointed, or part of the appointing person regime. These requirements are specified by the Financial Reporting Council in the Ethical Standard and applied to local public audit as determined by the NAO.</p> <p>The services that an auditor can provide are the same, whatever the appointment method.</p> |

| Question | Response |
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| | <p>As the Appointing Person, PSAA will perform the role otherwise required of an auditor panel to advise the authority on the maintenance of the independence of the auditor [Local Audit and Accountability Act 2014 section 10(1)].</p> <p>PSAA will consider changing an auditor appointment during the five-year compulsory appointing period for independence reasons, if for example the identification of a conflict of interest involving the existing audit firm, or because of the emergence of new joint working arrangements.</p> |
| 26. Will the appointing person arrangements cover the audit of an authority's pension fund where it is the administrative body responsible for preparing the pension fund accounts? | <p>Yes. Pension funds are not separate legal entities from their administering local authority, and are therefore not listed as relevant authorities in schedule 2 of the Local Audit and Accountability Act 2014. The auditor appointment to an opted-in local authority will include the audit of the pension fund where the authority is the administering body. As is currently the case, the pension fund audit will be subject to a separate engagement and scale audit fee, but the auditor appointment will cover both the local authority and the pension fund.</p> |

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| <p>27. How does the opt-in process work for police and crime commissioners and chief constables given that chief constables must not appoint their own auditor?</p> | <p>PSAA has issued the opt-in invitation to chief constables as well as police and crime commissioners because the Local Audit (Appointing Person) Regulations 2015, issued under the provisions of the Local Audit and Accountability Act 2014, require the appointing person to issue an invitation to “all principal authorities which fall within the class of authorities in relation to which the person has been specified” (Regulation 8). PSAA’s specification as an appointing person covers all relevant local government authorities that are principal bodies, as listed in Schedule 2 of the 2014 Act. Chief constables and police and crime commissioners are listed separately as relevant authorities.</p> <p>While the responsibility for the decision about appointing an auditor for the chief constable is reserved to the police and crime commissioner for a police area (under schedule 3 of the Local Audit and Accountability Act 2014), the police and crime commissioner will need to consider this decision with the chief constable. The opt-in invitation information sent by PSAA provides chief constables with essential information about the appointing person arrangements, including the timetable for the opt-in process. This should enable chief constables to engage with police and crime commissioners on this decision.</p> <p>Where a police and crime commissioner makes a decision to opt into PSAA’s national auditor appointment arrangements and submits a notice of acceptance of the invitation, PSAA will need to confirm that the notice covers the chief constable if this is not explicitly stated. As separate legal entities, PSAA will subsequently need to make separate auditor appointments,</p> |
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| | albeit of the same audit firm, to the opted-in police and crime commissioner and chief constable for a police area. |