

POLICY NOTE

THE COUNCIL TAX REDUCTION (SCOTLAND) AMENDMENT (No. 3) (CORONAVIRUS) REGULATIONS 2020

SSI 2020/108

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

<p>The purpose of these Regulations is to increase the additional earnings disregard from £17.10 to £37.10. The regulation takes effect on 6th April 2020 and ceases to have effect at the end of 4th April 2021.</p>
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Policy Objectives

2. This instrument amends the Council Tax Reduction (Scotland) Regulations 2012 (“the Working Age Regulations”) and the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012 (“the Pension Age Regulations”).

3. This instrument is to provide that the disregard from income that applies to the calculation of council tax reduction where a person is entitled to working tax credit, or works for a specified minimum number of hours per week, is increased from £17.10 to £37.10. The instrument amends the CTR schemes to take account of the temporary increase in the basic element of working tax credit made by section 77 of the Coronavirus Act 2020 (c. 7). The increase takes effect on 6th April 2020 and ceases to have effect at the end of 4th April 2021, matching the timescales for the working tax credit increase.

4. This instrument increases the additional earnings disregard as set out in each of schedules 3 and 4 of the Working Age Regulations and schedules 2 and 3 of the Pension Age Regulations. This is in line with the modifications being made to the Housing Benefit Regulations 2006 (S.I. 2006/213) by the Social Security (Coronavirus) (Further Measures) Regulations 2020 (S.I. 2020/371).

Consultation

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

Impact Assessments and Financial Effects

6. The instrument is an amendment to existing Regulations. There are therefore no specific impact assessments. The increase in the earnings disregard will have a minimal impact on the overall cost of the scheme.

Local Government and Communities
Scottish Government
31 March 2020