
EXPLANATORY NOTE

(This note is not part of the Regulations)

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

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

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

Regulation 3 inserts new definitions into the Prescribed Requirements Regulations as a consequence of other amendments made by these Regulations. Regulation 12 makes the same amendments to the Default Scheme Regulations.

Regulations 4(c) (but see further below), 6(a)(i) to (v) and (vii), 7(c), and 9(a)(i) to (v) and (vii) amend the Prescribed Requirements Regulations to create new disregards in relation to payments made by the Secretary of State or the Post Office for the purpose of providing compensation or support in connection with the failings of the Post Office Horizon computer system or otherwise payable following the judgment in *Bates and Others v Post Office Ltd* ((No. 3) “Common Issues”) [2019] EWHC 606 (QB), or in relation to payments made under the Vaccine Damage Payments Act 1979. The same amendments are made by regulations 13(c), 17(a)(i) to (v) and (vii), and 18(a)(i) to (v) and (vii) of the Default Scheme Regulations.

Regulation 4(c) amends the Prescribed Requirements Regulations to correct a previous omission in those Regulations to ensure that the list of matters which must be disregarded in relation to non-dependant deductions which apply to working age persons also apply to pensioners. The same regulation also includes an amendment which provides for a disregard in relation to Post Office compensation payments (for which see above).

Regulation 5(d) amends the Prescribed Requirements Regulations to ensure that where an applicant or the partner of an applicant is responsible for a young person who is a member of the applicant’s household, and that young person is in receipt of an armed forces independence payment, then such a payment is taken into account when determining the amount of premium that applies for the purpose of determining the amount of any reduction. The same amendment is made to the Default Scheme Regulations by regulation 15(d).

Regulations 6(a)(vi) and 9(a)(vi) amend the Prescribed Requirements Regulations to enable certain payments made from the estate of a deceased person to be disregarded for the purpose of determining eligibility for a reduction. The disregard applies to payments derived from a payment made from an approved blood scheme, or the Scottish Infected Blood Support Scheme, which is to meet the recommendation of the Infected Blood Inquiry in its interim report published on 29 July 2022. That report recommended that an interim payment should be made to all those infected from contaminated blood or blood products and all bereaved partners registered on UK infected blood support schemes and those who register before the inception of any future scheme. Where an infected person or their bereaved partner registered with such a scheme but died before the interim payment

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could be made, it will be paid to their estate. A payment derived from an interim payment paid from an estate of a deceased person will be disregarded for the purpose of determining eligibility for a reduction if it is made to a deceased person's son, daughter, step-son or step-daughter. The same amendments are made to the Default Scheme Regulations by regulations 17(a)(vi) and 18(a)(vi).

Regulations 6(b) and (c) and 9(b) and (c) amend the Prescribed Requirements Regulations in consequence of the Bereavement Benefits (Remedial) Order 2023 (S.I. 2023/134) ("the Remedial Order") which came into force on 9 February 2023. By virtue of the Remedial Order, entitlement to bereavement benefits is extended to survivors of cohabiting partnerships who have dependent children. Previously these payments were only available to eligible bereaved parents who were married or in a civil partnership.

Certain lump sum payments of bereavement support payment and widowed parent's allowance made to the survivors of cohabiting partnerships are disregarded when calculating an applicant's capital for the purposes of entitlement to a council tax reduction. Any lump sum payment of bereavement support payment at the higher rate as set out in regulation 3(1) of the Bereavement Support Payment Regulations 2017 will be disregarded for a period of 52 weeks, from 1 April 2024 or from the date of receipt of the payment, whichever is later. Any lump sum payment of widowed parent's allowance, made to the surviving partner of a cohabiting partnership as a result of a death occurring before the coming into force of the Remedial Order, will be disregarded. The same amendments are made to the Default Scheme Regulations by regulations 17(b) and (c) and 18(b) and (c).

Regulation 10 amends the Prescribed Requirements Regulations in consequence of the Tertiary Education and Research (Wales) Act 2022. The amendment ensures that where access funds are paid to students on a discretionary basis by the Commission for Tertiary Education and Research, such funds are taken into account when determining eligibility for a council tax reduction. The same amendments are made to the Default Scheme Regulations by regulation 14.

The amendments made to the Prescribed Requirements Regulations by regulations 4(a) and (b), 5(a) to (c) and (e), 7(a) and (b) and 8 uprate certain figures used to calculate whether a person is entitled to a reduction, and if so, the amount of that reduction. The uprated figures apply to non-dependant deductions (adjustments made to the maximum amount of a reduction that a person can receive taking into account adults living in the dwelling who are not the applicant's dependants) and the applicable amount (the amount against which an applicant's income is compared to determine the reduction, if any, which the applicant may be entitled to receive). A number of other figures are also uprated to reflect changes to various other entitlements. The same amendments are made to the Default Scheme Regulations by regulations 13(a) and (b), 15(a) to (c) and (e) and 16.

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