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19 December 2025

EXECUTIVE

A meeting of the **Executive** will be held on **Tuesday, 6th January, 2026** in the **Council Chamber, Forde House, Brunel Road, Newton Abbot, TQ12 4XX** at **10.00 am**

PHIL SHEARS
Managing Director

Membership:

Councillors Buscombe, Hook, Keeling (Leader), Nuttall, Nutley, Palethorpe (Deputy Leader), Parrott, G Taylor and Williams

Please Note: Filming is permitted during Committee meeting with the exception where there are confidential or exempt items, which may need to be considered in the absence of the press and public. By entering the Council Chamber you are consenting to being filmed.

A G E N D A

Part I

Executive Terms of Reference

The Executive Terms of Reference are attached to the agenda for reference.

Public participation and attending meetings

Information pertaining to public participation rules and attending Council and Committee meetings can be found on the following webpage: [Public participation and attending meetings - Teignbridge District Council](#)

1. **Apologies for absence**

2. **Minutes**

(Pages 5 - 12)

To approve and sign the minutes of the meeting held on Tuesday 2nd December

2025.

3. **Announcements (if any)**

4. **Declarations of Interest (if any)**

Information pertaining to the Members' Code of Conduct can be found on the following webpage: <https://www.teignbridge.gov.uk/council-and-democracy/district-councillors/councillor-conduct/>

5. **Executive Forward Plan**

To note forthcoming decisions anticipated [on the Executive Forward Plan](#)

6. **Public Questions (if any)**

Members of the Public may ask questions of the Leader or an Executive Member. A maximum period of 15 minutes will be allowed with a maximum of period of three minutes per questioner.

7. **Council Tax Reduction Scheme 2026/2027**

(Pages 13 - 168)

To seek approval of the Working Age Council Tax Reduction Scheme (WACTR) for 2026/2027.

8. **2026/27 to 2028/29 Initial Financial Plan Budget Proposals**

(Pages 169 - 224)

To consider the initial financial plan proposals 2026/27 to 2028/29.

9. **Referral from the Audit Committee - Governance Improvement Plan Monitoring Report**

(Pages 225 - 242)

As requested by the Audit Committee at its meeting on 17th December 2025, to review the Governance Improvement Plan Monitoring Report.

10. **For Information - Individual Executive Member Decisions**

[Executive Member Decisions](#)

If you would like this information in another format, please telephone 01626 361101 or e-mail info@teignbridge.gov.uk

3.4 The Executive

3.4.1 Membership: The Executive consists of the Council's Leader, a Deputy Leader, together with up to eight other Councillors. The Leader is appointed by the Council. The Deputy Leader and up to eight Executive Members are appointed to the Executive by the Leader.

3.4.2 Areas of Work: The Role of the Executive is to carry out all of the Council's functions which are not the responsibility of any other part of the Council, whether by law or under this Constitution.

3.4.3 The Leader: The Leader of the Council is the chair of the Executive. Unless the law or circumstances direct otherwise, the Leader is elected to the position of Leader by the Council for a period of four years at the annual meeting immediately following the local government elections. The Leader will hold office until:

- (a) they resign from the office; or
- (b) they are suspended from being a councillor (although they may resume office at the end of the period of suspension); or
- (c) they are no longer a councillor; or
- (d) they are removed from office by resolution of the Council.

3.4.4 Executive Members: The areas of responsibility of each member of the Executive is determined solely by the Leader who may vary such during their term of office as they considers appropriate. Such members will exercise regular budget monitoring of the resources allocated by the Council for those purposes, monitor performance, strive to deliver the Council's Corporate Objectives, seek to achieve best value in the services for which they are responsible and have regard to the Council's other policies and strategic objectives.

3.4.5 Executive Members shall hold office until:

- (a) they resign from office; or
- (b) they are suspended from being councillors (although they may resume office at the end of the period of suspension); or
- (c) they are no longer councillors; or
- (d) they are removed from the Executive, either individually or collectively by the Leader of the Council.

3.4.6 Executive Decisions: The Leader, after consultation with the other members of the Executive and the Managing Director, will table at every meeting of the Executive a list of what they consider are **key decisions** and once this list has been approved such decisions shall not be taken other than by the full Executive. **Each member of the Executive is authorised to make the following decisions** without a meeting of the Executive. If an Executive Member is absent or otherwise unavailable to act the Leader (or in his absence, the Deputy Leader) may deputise.

- (a) Make any decision other than a key decision which is both within their remit and does not contravene Council approved policy and budget
- (b) Two or more Executive Members may jointly agree to make a decision which is within their collective remits
- (c) Before taking any decision under this delegation, the Executive Member shall, so far as is reasonably practicable, consult any Member whose ward is particularly affected by that decision and shall arrange for a copy of any report which they intend to take into account in coming to a decision to be made available to the Chair of the Overview/Scrutiny Committee and to the local Ward Member(s) if it relates to a local issue
- (d) As soon as is reasonably practicable, complete and sign a form provided by the Democratic Services Manager summarising any such decision they have made together with reference to the relevant report or other information which was taken into account by them.

3.4.7 Key Decisions: Unless otherwise provided by law, a key decision means an Executive decision which is likely:

- (a) To result in the local authority incurring expenditure which is, or the making of savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates. For this purpose significant expenditure or savings shall mean in the case of revenue any contract or proposal with an annual payment of more than £100,000; and in the case of capital, any project with a value in excess of £250,000; or
- (b) To be significant in terms of its effects on communities living or working in an area comprising two or more wards in the opinion of the relevant Director or the Managing Director. A decision taker may only make a key decision in accordance with the requirements of the Executive Procedure Rules set out in this Constitution.

3.4.8 Notification of Key Decisions (whether individual or full Executive decisions)

- (a) Once made, the decision will be notified to all Members of the Council within 2 clear working days.
- (b) The notice will bear the date on which it is published and will specify that the decision(s) which it records will come into force 5 working days after that date unless it is 'called in'. (Please see Section 8(b) for the Call in Procedure).

EXECUTIVE

2 DECEMBER 2025

Present:

Councillors Buscombe, Hook, Nuttall, Nutley, Palethorpe (Deputy Leader), Parrott, G Taylor and Williams

Members in Attendance:

Councillor Thorne

Apologies:

Councillor Keeling

Officers in Attendance:

Phil Shears, Managing Director
Gordon Bryant, Head of Financial Services and Audit
Alex Lessware, Strategic Infrastructure and Growth Manager
Tom Pearce, Project Manager
Gary Powell, Consultation and Engagement Officer
William Elliott, Climate Change Officer
David Eaton, Head of Neighbourhoods
Suzie Preston, Abandoned Vehicle Officer
Neil Blaney, Director of Place
Charlie Fisher, Democratic Services Manager and Deputy Monitoring Officer
Chris Morgan, Assistant Democratic Services Manager

190. MINUTES

It was **PROPOSED** by Councillor Buscombe and **SECONDED** by Councillor Nutley and

RESOLVED

that the minutes of the previous meeting on Tuesday 25th November be agreed as a correct record and signed by the Chair.

191. ANNOUNCEMENTS (IF ANY)

Councillor Palethorpe commended the Council's Strategy and Policy Manager for winning the Combatting Violence against Women and Girls Award at the recent West Country Women awards on 28th November 2025.

192. DECLARATIONS OF INTEREST (IF ANY)

None received.

193. EXECUTIVE FORWARD PLAN

The Executive Forward Plan was noted.

194. PUBLIC QUESTIONS (IF ANY)

None received.

195. 2025/26 BUDGET MONITORING

The Executive considered the report which updated Members on the principal areas where there are likely to be departures from the 2025/26 Revenue Budget to the end of September 2025. The report's appendices included updates on progress with the Capital Programme, the lending list for Treasury management purposes and the mid-year Treasury management review.

At the end of September 2025, there is a favourable variance of £820,000 in the 2025/26 Budget.

Councillor Parrott introduced the report and appraised the Executive of the key areas within the report including those service areas with budget variations, an update on the Capital Programme and specific projects within the Capital Programme. Councillor Parrott highlighted the planned use of £1.5 million reserves within the 2025/26 Budget and the continued pressure on the Council's finances for 2026/27 and 2027/28 which envisages a continued use of earmarked reserves to deliver a balanced budget.

Councillor G Taylor asked for clarification regarding the Business Rates Review as announced by the Government. The Head of Financial Services and Audit responded orally to the question making reference to changes regarding revaluations, multipliers and the discount scheme for leisure and hospitality.

Councillor Nutley spoke to this item and thanked the Head of Leisure and Leisure Team regarding the increased leisure memberships.

It was **PROPOSED** by Councillor Parrott and **SECONDED** by Councillor Buscombe and

RESOLVED

That the Executive:

1. Approve the revenue budget variations for 2025/26 as shown at appendix 1.
2. Approve the updated capital programme as shown at appendix 2.
3. Note the updated lending list as shown at appendix 3.
4. Note the mid-year review of Treasury Management shown at appendix 4.

196. S106 MONITORING FEE PROPOSAL

The Executive considered the report which sought to update and regularise the Section 106 (S106) Monitoring Fee structure within the Council's Planning Service, making fees proportionate to the cost of monitoring. This relates to agreements made between the Council and developers under Section 106 of the Town and Country Planning Act 1990. The S106 Monitoring Fees Discussion Document was appended to the report.

Councillor G Taylor introduced the proposal and outlined the rationale behind the proposal. The Council currently has a flat rate fee. The proposal would assist in the monitoring and management of the Council's S106 agreements.

Councillor Palethorpe spoke to this item to ask for clarification on the current fee structure. The Strategic Infrastructure and Growth Manager responded to the question, stating the new fee proposal is based on the cost of running the service for new obligations in order for the service to cover their operating costs.

It was **PROPOSED** by Councillor G Taylor and **SECONDED** by Councillor Williams and

RESOLVED

That the Executive:

1. Agree to and approve the introduction of a structured S106 monitoring fee of;
 - a) £350 per new deed (S106 document), plus;
 - b) £262 for each obligation contained within the S106 agreement.
2. Delegate authority to the Head of Strategy and Partnerships to review and update the fee annually in line with indexation (and any other changes resulting from national legislation).

197. TOWN AND PARISH COUNCIL CHARTER

The Executive considered the report to adopt a Town and Parish Charter. The Devon Association of Local Councils (DALC) were commissioned to collaborate with a working group of town and parish councils on the creation of this charter. The details of the working group and their meetings were appended to the report.

Councillor Buscombe introduced the report and explained the rationale behind the report to define a framework for the relationship between the different tiers of local government in Teignbridge. The Charter was recommended by the Local Government Association Peer Review to strengthen the working relationships between Teignbridge and Town and Parishes Councils. Councillor Buscombe referred to a written statement, circulated to Executive Members, from the Chief Officer of DALC who was unable to attend the Executive meeting.

Councillor Buscombe highlighted the role of Ward Councillors to work with their local Town and Parish Councils and the responsibility to attend meetings, and the mechanisms within the Charter to resolve disputes.

Officers thanked the work of DALC and those who were part of the Town and Parish Working Group.

Councillors Nuttall, Hook and Palethorpe spoke to this item in support of the Charter, highlighting the role of Ward Councillors to engage with their Towns and Parishes and how the Charter was formulated and how it will be communicated to all Towns and Parishes. Officers responded orally to any questions raised.

It was **PROPOSED** by Councillor Buscombe and **SECONDED** by Councillor G Taylor and

RESOLVED

That the Executive resolves to adopt the Charter, as detailed in Appendix 1.

198. DISTRICT CARBON ACTION PLAN

The Executive considered the report to adopt the District Carbon Action Plan.

Councillor Hook introduced the item and the report, highlighting the importance of the issue of Climate Change, and the rationale behind the Carbon Action Plan. Councillor Hook highlighted that Teignbridge as a district has reduced its carbon emissions by 41% from 2005 to 2023 and the ambition to further this percentage, the majority of this (74%) coming from a reduction in emissions from energy generation.

The Council has worked in partnership to help reduce emissions and has reduced its own emissions, decarbonising its buildings, installing renewable energy sources and reducing costs, saving £120,000 a year on energy. Councillor Hook also highlighted the work to make homes more efficient and moving to electric vehicles within the Council's fleet.

Councillor Hook thanked those partners who had been involved in this and the work of the Council's Climate Change Officer.

Councillor Hook made reference to the upcoming Local Plan, which embeds many of the actions of the Carbon Action Plan.

The Climate Change Officer appraised the Executive of some of the detail within the plan and the relationship of the plan to the Devon wide plan.

Councillor Buscombe spoke to this item regarding ensuring that the plan continues in the process of Local Government Organisation and the role of DALC to support engagement. Officers pointed to the underpinning of the plan in the upcoming Local Plan and the role of community engagement to ensure adoption with residents and businesses in Teignbridge.

Councillors Parrott, G Taylor and Palethorpe spoke in support of the Plan and the individual actions set out for Town and Parish Councils and Elected

Members; thanked the Climate Change Officer and those involved in the creation of the Plan; and made reference to the Plan as part of the Council's Assets Strategy and Procurement policies.

The matter having been debated and the options and alternatives and other relevant factors highlighted (e.g. financial, legal and risk implications), it was **PROPOSED** by Councillor Hook and **SECONDED** by Councillor Nuttall and

RESOLVED

That the Executive adopt the District Carbon Action Plan contained within Appendix A and endorse its implementation through the One Teignbridge Council Strategy.

199. APPROVAL OF ABANDONED VEHICLE POLICY

The Executive considered the report to approve an Abandoned Vehicle Policy and the process for the determination and disposal of abandoned vehicles.

The reports appendices included the policy document and an equality impact assessment.

Councillor Palethorpe introduced the report and highlighted the purpose of the report and policy. The Council has responded to 419 reports this year, whilst this work is underpinned by a legal framework, the Council has no set policy to this work. The policy sets out how the Council will discharge its duties, determine what constitutes an abandoned vehicle, the process to follow in an investigation and includes information regarding data security and reference to the Council's complaints process. The policy will provide transparency on how the Council will discharge its duties.

Councillors Williams, G Taylor and Buscombe asked for clarification on the criteria for an abandoned vehicle when a vehicle is still taxed; those with statutory off road notifications (SORN); and those on unadopted roads. Officers responded to these clarifications orally.

The matter having been debated and the options and alternatives and other relevant factors highlighted (e.g. financial, legal and risk implications), it was **PROPOSED** by Councillor Palethorpe and **SECONDED** by Councillor Buscombe and

RESOLVED

That the Executive approve the Abandoned Vehicle Policy as set out in Appendix 1.

200. REFERRAL FROM THE OVERVIEW AND SCRUTINY COMMITTEE - MEDIUM TERM FINANCIAL PLAN REVIEW GROUP 2025 REPORT

The Executive considered the recommendations from the Medium Term Financial Plan (MTFP) Task Group.

At its meeting on 11th November 2025, the Overview and Scrutiny Committee received the report of the MTFP Task Group and recommended to Executive that:

1. All Service managers to prepare options for discretionary Fees and charges for their area of control to maximise income (10% or more) from 1 April 2026 together with the implications. (increases to be greater than the 5% increase assumed in the MTFP).
2. 'Invest to save' schemes for Housing are accelerated to reduce the cost of providing temporary accommodation as soon as possible.
3. 'Invest to save' schemes in Leisure are supported. There are two options at Dawlish Leisure Centre: a) invest to generate additional income or b) to consider the economic viability of the Centre.
4. Approval of Council tax increases at the maximum allowed in 2026/27 (2.99% in 2025/26) is supported. At Band D that would equate to an additional £6 per annum (still to be confirmed precisely).
5. The Council removes the 50% Council Tax Discount that applied for a maximum period of 12 months for empty, uninhabitable properties that was agreed in January 2013 and in operation since 2013.
6. In order to continue to support the valued work across the District delivered through Voluntary sector Service Level Agreements e.g. Citizen's Advice, freezing all members allowances at the current value to be progressed for consideration by Full Council.

Councillor Thorne, as Chair of the MTFP Task Group, spoke to this item and appraised the Executive of the work of the Task Group and the rationale behind recommendations as set out. Councillor Thorne thanked those who had been involved in the Task Group. The Task Group would continue its work and would report back at a later stage.

Councillor Palethorpe thanked the Overview and Scrutiny Committee and the work of the Task Group.

Councillor Parrott reported that the Executive is taking note of the recommendations as part of the Budget preparation for 2026/27 including looking at the implications of the recommendations if agreed. Councillor Parrott thanked Councillor Thorne, the Task Group and the constructive recommendations.

Councillors G Taylor and Buscombe spoke to this item regarding Dawlish Leisure Centre and the Council's housebuilding programme including Sherborne House Car Park, Harewood House and additional properties planned for acquisition to reduce pressure on the temporary housing budget.

It was **PROPOSED** by Councillor Parrott and **SECONDED** by Councillor Nuttall and

RESOLVED

That the Executive notes the recommendations of the Overview and Scrutiny Committee and agrees the recommendations will be fully considered as part of the 2026/27 draft Budget and the Medium-Term Financial Plan which will be presented to Full Council in due course.

201. FOR INFORMATION - INDIVIDUAL EXECUTIVE MEMBER DECISIONS

None.

The meeting started at 10.00 am and finished at 11.07 am.

Chairman

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**Teignbridge District Council
Executive
6 January 2026**

Council Tax Reduction Scheme 2026-27

Purpose of Report

To provide an update to members on the operation of the Council Tax Reduction Scheme and seek support for the continuation of the scheme for year 2026-27.

The report proposes no change to the current working age Council Tax Reduction Scheme (WACTR) itself but highlights the need to uplift the income thresholds within the bands to reflect any annual uprating in welfare awards or make allowances to disregard increases above the rate of inflation.

This provision protects customers from any loss of CTR support should the Government decide to apply an increase. The scheme makes provision for an uplift to be applied where appropriate. At the time of writing no decision has been taken by Government in this regard.

Recommendation(s)

The Executive:

1. RECOMMENDS to Council that the Council Tax Reduction Scheme (attached as Appendix A) is adopted for the year 2026-27 with the income amounts uprated in line with annual uprating of welfare awards which are usually confirmed before the end of this calendar year.
2. RECOMMENDS to Council that delegated authority is given to the Council Tax Lead Officer to amend the income bands within the scheme to align with the uprated amounts, once confirmed by Government

Financial Implications

The financial implications are highlighted in paras 3.1 - 3.5 and 7.1 - 7.2. CTR scheme costs are considered as part of the council tax and council tax base numbers within the budgetary process

Gordon Bryant – Head of Financial Services and Audit
Email: Gordon.Bryant@Teignbridge.gov.uk

Legal Implications

The legal implications are highlighted in paras 7.3 – 7.9.
Maxine Valentine – Senior Legal Officer
Email: Maxine.valentine@teignbridge.gov.uk

Risk Assessment

This is a no change proposal and is therefore considered low risk. See paras 7.7 – 7.9 of the report.

Nikki Rawley – Council Tax Lead
Email: Nikki.rawley@teignbridge.gov.uk

Environmental/ Climate Change Implications

There are no environmental or climate change implications associated with the recommendations of this report.

William Elliott
Climate Change Officer
william.elliott@teignbridge.gov.uk

Report Author

Nikki Rawley – Council Tax Lead
Email: Nikki.rawley@teignbridge.gov.uk

Executive Member

Cllr John Parrott - Executive Member for Finance & Corporate
Copy to Cllr Richard Buscombe - Executive Member for Housing & Homelessness.

Appendices/Background Papers

Appendix A – [Teignbridge CTR Scheme 202526](#)
Appendix B - [Microsoft Word - Discretionary Discount and Exceptional Hardship Relief Policy.docx](#)
Appendix C – Exceptional Hardship data
Appendix D – Equality Impact Assessment

1. Introduction/Background

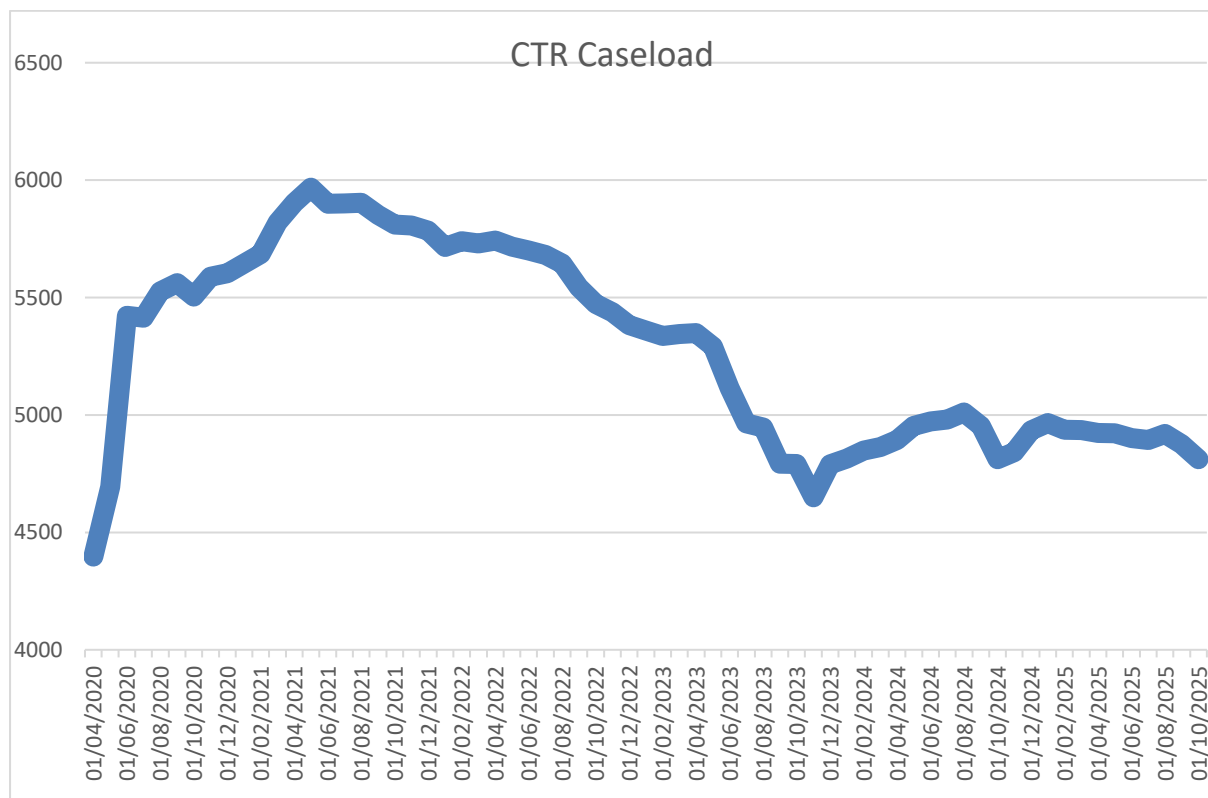
- 1.1 On 24 February 2020, Teignbridge adopted a discount-based, income-banded Council Tax Reduction Scheme for working age claimants(WACTR). The new scheme represented a departure from the previous fully means-tested scheme,

which was complex and costly to administer, to a scheme which is simpler for customers to understand and quicker to administer.

- 1.2 The scheme continues to provide up to 100% support and disregards certain incomes when calculating entitlement. In order to maintain work incentives we introduced a standard earnings disregard of the first £25 of earned income
- 1.3 The main scheme is underpinned by our Discretionary Discount and Exceptional Hardship Policy(EHP) available at Appendix B. The Exceptional Hardship element (EHP) of the policy operates as a safety net for households who receive only partial support from the main scheme and also provides transitional protection where required for households negatively affected by changes to the main Council Tax Reduction scheme. Applications are considered on their merits and, as well as providing financial support in the form of a reduction in council tax liability, provides claimants with access to budgeting and income-maximisation advice via our Homemaker Service.

2. CTR caseloads

- 2.1 As can be seen from the chart below, our caseload peaked in April 2021 with 5,968 working age customers receiving WACTR. Since that time the caseload has fallen with the number in receipt of WACTR at the start of October 2025 standing at 4812 – a reduction since April 2021 of 19.4%. This is however 9.4% higher than our pre-pandemic caseload of around 4,400. The current caseload remains stable, hovering between 4800 and 5000, depending on responses to reviews and claims for welfare awards.



- 2.2 Pension age claim numbers are less susceptible to economic impacts and our 1st October 25 caseload of 3623 is comparable to a caseload of 3672 on 1st October 2024.

3. CTR Scheme Costs

- 3.1 CTR scheme costs fluctuate in response to caseload increases/decreases as well as annual increases in council tax. Total scheme costs for each year since 2022 are shown below:

	Total spend (working age and pensioner schemes) £	£ Cost to TDC Assuming 8.9%
Accounting year 2022/23	10,479,815.29	932,703.56
Accounting year 2023/24	10,212,794.30	908,938.69
Accounting year 2024/25	10,582,567.73	941,848.53
2025/26 - As at 30/10/25	10,342,357.45	920,469.81

- 3.2 The cost of the scheme is shared between Teignbridge and the three major preceptors (County, Police and Fire). As at 30th October 2025, the cost to Teignbridge is recorded as £920,469.81 (8.9% of total cost). This compares with £941,848.53 (8.9% of total cost) as at end of 24/25. A decrease of £21,378.72.
- 3.3 In real terms, taking into account annual council tax increases, the overall costs of the scheme are slowly reducing. This trend could change if the country falls into recession leading to a likely increase in claimant numbers and a corresponding increase in scheme costs.
- 3.4 The cost of delivering support under our Discretionary Discount and Exceptional Hardship Scheme remains relatively low but we are starting to see an increase in the number of applications as a result of the Cost of Living crisis and the ongoing migration from legacy benefits to universal credit which can result in a reduction in entitlement within the main scheme and anticipate demand may continue to grow. The costs of awarding additional support under this scheme are shared across all major preceptors with Teignbridge bearing 8.9% of the total cost. In 2024/25, the total spend amounted to £8.7k (cost to Teignbridge £774).
- 3.5 The amounts of the scheme costs associated with the Care Leaver discount totals £26,700.75, with Teignbridge's share being £2,376. Prior to 25/26, Care Leaver support was being managed using the main WACTR scheme and Exceptional Hardship awards.

4. Review of CTR scheme

Following a public consultation last year the Council introduced the following changes

- 4.1 Additional Support to Devon County Care Leavers aged under 25.

- The table below shows the data as at 1.10.25

% Discount	Number Of Awards	Total Value
25% - one care leaver and 2 or more non care leaver residents	0	£0
50% - one care leaver and one non care leaver resident	3	£2802.01
100% - care leaver is only resident	18	£23,898.74

- As mentioned in paragraph 3.5, these costs are included in the total scheme costs in paragraph 3.1. Prior to 1.4.25, Care Leaver council tax support was being included within the income banded WACTR and EHP schemes. The number of qualifying care leavers fluctuates from month to month, but typically it remains between 20 and 30 cases

4.2 Introduce flexibility in the Minimum Income Floor provisions for certain self-employed applicants.

- We have not identified any noticeable impact of introducing these new provisions. Anyone suffering hardship prior to this change would have been awarded support under the Exceptional Hardship(EHP) scheme provisions.

4.3 Provide continued support where working applicants incur childcare charges in order to align the scheme to Universal Credit approach.

- As these provisions involved minor changes they have not had any noticeable impact to awards.

4.4 Include special disregards for the Post Office Compensation Scheme payments, the Infected Blood Scheme payments and payments made due to the Grenfell Tower inquiry. This aligns with other welfare benefit provisions.

- This has not had any noticeable impact as these nationwide schemes benefit a specific and small cohort of individuals.

5. Exceptional Hardship Scheme

5.1 When the banded scheme was introduced, our Discretionary Discount and Exceptional Hardship policy, which forms part of the main scheme was designed to act as a safety net , providing extra support to Working Age Council Tax Reduction customers where required. The scheme can provide transitional support and/or provide a top up to households where the main scheme does not deliver the required amount of support. Customers struggling to pay their net liability are encouraged to apply for an Exceptional Hardship payment and a decision is made having carefully considered their unique circumstances

5.2 Awards are categorised into 3 groups, however it's not uncommon for the customer's circumstances to fall into more than one. For recording purposes, we choose the most significant reason when making the award.

5.3 3 reasons for an award are:

- Financial Reasons – when the customer's financial situation shows they could do with some extra help by making their Council Tax more affordable and provide support whilst they take steps to improve their financial situation.
- Scheme change - (Transitional protection) – where someone experiences a significant reduction in support without any change in their financial circumstances e.g. following a change to our scheme criteria (e.g. the introduction to the banded scheme) and the applicant may need time to transition to a reduced level of support.
- Vulnerability – when a customer's disability or other vulnerability is impacting on their ability to afford their liability.

5.4 The table and information in Appendix C summarises all Exceptional Hardship applications and awards made since 1.4.22.

- The data indicates a small decline in the number of annual awards despite a consistent number of applications.
- With the migration from legacy benefits to Universal Credit due to be completed before April 2026, we anticipate a potential increase in the number of applications within the next 6 months as customers WACTR awards may change in line with their new Universal Credit entitlements.

6. 2026-27 Scheme Proposals

- 6.1 The Cost of Living crisis continues to have a national impact on household budgets. With energy bills having increased in October and likely to increase further, many households, particularly low income households, will struggle to make ends meet.
- 6.2 Teignbridge's WACTR scheme currently pays up to 100% support to those on the lowest incomes and has done so ever since the scheme was localised in 2013. Until 2023-24 Teignbridge was the only council in Devon, and one of around only 32 nationally to do so. Now that picture has changed with more councils offering increased support. This includes three Devon councils who now provide support up to 100% (East Devon, Mid-Devon and North Devon).
- 6.3 With significant numbers of residents facing economic challenges it is essential that Teignbridge continues to maximise support for its lowest income households, and the recommendation therefore is for the current scheme, with its maximum 100% level of support to be carried forward unchanged.
- 6.4 The scheme has a provision to increase the income bands in line with CPI as at 1st October where required, primarily to ensure annual increases in welfare benefit rates can be accommodated within the existing banding levels. It also includes the ability to disregard income created by any government increases to welfare awards above CPI. These help ensure persons in receipt of primary welfare awards do not receive reduced WACTR support as a result of a national cost of living increase in their welfare benefits. The Government has

yet to announce the impacts of annual increases or any other initiatives, but the income bands will be uplifted as necessary to ensure claimants are protected.

6.5 The current proposed uplifted weekly income bands from 1.4.26 would be

- £0 to £98 (currently £0 to £94)
- £98.01 to £188 (currently £94.01 to £181)
- £188.01 to £281 (currently £181.01 to £270)
- £281.01 to £374 (currently £270.01 to £360)
- £374.01 to £467 (currently £360.01 to £449)
- £467.01 to £560 (currently £449.01 to £539)

These income band levels will be revisited once central government confirms the actual increases to welfare awards. This is anticipated towards the end of December 2025.

6.6 The scheme also has in-built provision to incorporate the prescribed changes to pensioner claims which are set by Government. This is a statutory uplift.

7. Implications, Risk Management and Climate Change Impact

7.1 **Financial** - The cost of the Council Tax Reduction scheme falls on the collection fund with each preceptor meeting the cost in proportion to their precept share. For Teignbridge, this share is around 8.9% of the total cost and is factored into the council budget.

7.2 The potential increase in income thresholds should preserve entitlement at current levels for claimants on primary benefits so will be cost neutral. However there may be some upward movement into the next band for claimants close to the 'cliff edges' who are not on primary benefits, but this is not expected to be significant.

7.3 **Legal** - In considering its Council Tax Reduction scheme, the Council must take into account the provisions of the Council Tax Reduction Schemes (Prescribed Requirements) (England) 2012 and subsequent amendments.

7.4 Each financial year every billing authority in England is required to decide its CTR scheme. When doing so it will consider whether to revise or replace its current CTR scheme. Certain procedural requirements must be satisfied before a billing authority can make any revisions including a requirement to consult persons who are likely to have an interest in the operation of the scheme. As no revision is proposed this year there is no requirement to consult.

7.5 Decisions on the Council Tax Reduction scheme must be made by a meeting of Full Council before 11 March of the preceding financial year. Importantly, for operational reasons the scheme needs to be approved by Council ahead of the Council Tax annual billing process, ideally at its meeting on 15th January 2026.

- 7.6 A full Equality Impact Assessment was carried out prior to implementation of changes to the 2025-26 scheme. As no changes are proposed to the current scheme for 2026-27 there are no equality impacts arising from this report.
- 7.7 **Risks** - Since the introduction of Council Tax Reduction schemes there have been a number of legal challenges against other local schemes. There have been challenges in relation to the consultation undertaken when changes were made to schemes. As no changes are proposed for 2026-27 it has not been necessary to carry out a consultation process. The adoption of the current scheme for 2026-27 is therefore considered to be low risk.
- 7.8 In September 2025, the High Court ruled that Trafford Councils scheme had not been lawfully adopted. To mitigate against this the Council must approve the scheme annually in order to avoid the risk of defaulting to the previous year's scheme.
- 7.9 The Trafford case also raised discriminatory concerns about how their scheme operated. To mitigate this, the scheme design and any changes always involve professional support. As there are no proposed scheme changes, the adoption of the current scheme for 2026-27 is considered low risk.

8. Alternative Options

- 8.1 Council could decide against adopting the scheme for 2026-27. In this scenario the regulations make provision for the 2025-26 scheme to become the default scheme for 2026-27.
- 8.2 Although not in itself a change to the CTR scheme, the Council could decide not to use the existing provisions to increase the income band thresholds in line with the uplift in welfare awards. This could result in customers in receipt of these primary benefits losing 25% of their Council Tax Reduction. As our scheme thresholds are largely aligned with central government core welfare awards (to ensure persons on primary benefits receive appropriate support) failure to increase the thresholds would effectively undermine one of the main intentions of the scheme.

9. Conclusion

- 9.1 The current scheme appears to have performed well overall since the changes introduced from 1st April 2025 with low impact on the overall scheme and support costs. We receive very few complaints or appeals in relation to the operation of our scheme. With the escalating Cost of Living crisis and potential for economic recession it is important that we maintain support at 100% for our lowest income households and continue to provide stability and certainty for our existing claimants by adopting the current scheme for 2026-27.



Teignbridge District Council
Council Tax Reduction Scheme for Working Age Applicants
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 from 1st April 2025.
- 1.2 This document details how the scheme will operate for **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 2025 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 2016;
 - The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2018;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2020;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2021
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2022;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2023;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2024;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2025; and
 - Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012).

The scheme for pension age applicants is defined by Central Government's scheme as defined under the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012 as amended.

- 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.

(1) In this scheme—

(a) a person is a “pensioner” if—

(i) he has attained the qualifying age for state pension credit; and

(ii) he is not and, if he has a partner, his partner is not—

- (aa) a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance, or
- (bb) a person with an award of universal credit; and
- (b) a person is a "person who is not a pensioner" if—
 - (i) he has not attained the qualifying age for state pension credit; or
 - (ii) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is—
 - (aa) a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance, or
 - (bb) a person with an award of universal credit.
- (2) For the purposes of sub-paragraphs (a)(ii)(bb) and (b)(ii)(bb) in paragraph (1) an award of universal credit is to be disregarded during:
 - (a) during the relevant period; or
 - (b) where regulation 60A of the Universal Credit (Transitional Provisions) Regulations 2014 applies in respect of the award the relevant period.
- (3) In this scheme—
 - "assessment period" has the same meaning as in the Universal Credit Regulations 2013;
 - "relevant period" means the period beginning with the day on which P and each partner of P has attained the qualifying age for state pension credit and ending with the day on which the last assessment period for universal credit ends

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; in respect of whom a maximum Council Tax Reduction amount can be calculated;
- c. 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;
- d. 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;
- e. not have capital savings above £16,000; and
- f. 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; in respect of whom a maximum Council Tax Reduction amount can be calculated;
- c. 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;
- d. 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;
- e. 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

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 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.

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 an income banded / grid scheme means test, which compares income against a range of discounts available. 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 **two** classes of persons who will receive a reduction in line with adopted scheme. The scheme has 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 credit; 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 Reduction amount can be calculated;
- g. not have capital savings above £6,000;
- h. not have income above the levels specified within the scheme;
- i. be a person in respect of whom a day in which s/he is liable to pay council tax in respect of which the person's *income* is within a range of incomes specified within Schedule 1; and
- j. has made a valid application for reduction.

Class E - Care Leavers (From 1st April 2025)

To obtain reduction the individual (or partner) must:

- a. meet the definition of a care leaver namely 'a person, up to the age of 25 years, where Devon County Council has acted previously as a corporate parent or where Devon County Council considers the person to be a former relevant child';
- b. have not attained the qualifying age for state pension 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 Reduction amount can be calculated;

- g. where all of the conditions a. to h. are met, the following reduction will be granted:
- 100% discount where the care leaver is the sole resident of the dwelling and liable for Council Tax; or
 - 50% discount where there is one care leaver and one non care leaver resident in the dwelling (where the care leaver is jointly liable for Council Tax); or
 - 25% discount where there is one care leaver and two or more non care leavers resident in the dwelling (where the care leaver is jointly liable for Council Tax).

Council Tax Reduction Scheme

This scheme relates to the financial year beginning with 1 April 2025 and should be cited as Teignbridge District Council – Council Tax Reduction Scheme.

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;

‘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

‘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;

‘care leaver’ means a person, up to the age of 25 years, where Devon County Council has acted previously as a corporate parent or where Devon County Council considers the

person to be a former relevant child

‘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 (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;

‘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 22 or, as the case may be, 24;

‘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’**;

‘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 59;

‘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;

‘mover’ means an 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 23;

‘net profit’ means such profit as is calculated in accordance with section 25;

‘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;

‘non-dependant’ has the meaning prescribed in section 3;

‘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 from abroad" means, subject to the following provisions of this regulation, a person who is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man, or the Republic of Ireland

'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) of 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 2004;

(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;

'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;

'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;

'Scottish basic rate' means the rate of income tax of that name calculated in accordance with section 6A of the Income Tax Act 2007;

'Scottish taxpayer' has the same meaning as in Chapter 2 of Part 4A of the Scotland Act 1998

'second authority' means the authority to which a mover is liable to make payments for the new dwelling;

'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.);

(c) the Employment, Skills, and Enterprise Scheme;

(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.

'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.”.

- ‘service user group’** means a group of individuals that is consulted by or on behalf of;
- (a) a Health Board, Special Health Board or the Agency in consequence of a function under section 2B of the National Health Service (Scotland) Act 1978,
 - (b) a landlord authority in consequence of a function under section 105 of the Housing Act 1985,
 - (c) a public authority in Northern Ireland in consequence of a function under section 49A of the Disability Discrimination Act 1995,
 - (d) a public authority in consequence of a function relating to disability under section 149 of the Equality Act 2010;
 - (e) a best value authority in consequence of a function under section 3 of the Local Government Act 1999,
 - (f) a local authority landlord or registered social landlord in consequence of a function under section 53 of the Housing (Scotland) Act 2001,
 - (g) a relevant English body or a relevant Welsh body in consequence of a function under section 242 of the National Health Service Act 2006,
 - (h) a Local Health Board in consequence of a function under section 183 of the National Health Service (Wales) Act 2006,
 - (i) the Care Quality Commission in consequence of a function under section 4 or 5 of the Health and Social Care Act 2008,
 - (j) the regulator or a private registered provider of social housing in consequence of a function under section 98, 193 or 196 of the Housing and Regeneration Act 2008, or
 - (k) a public or local authority in Great Britain in consequence of a function conferred under any other enactment,

for the purposes of monitoring and advising on a policy of that body or authority which affects or may affect persons in the group, or of monitoring or advising on services provided by that body or authority which are used (or may potentially be used) by those persons;

‘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 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;

‘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 amended¹; 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

¹ The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2013; The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2015

- 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 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 scheme, '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 sub-paragraphs 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 scheme.

4.0 Requirement to provide a National Insurance Number²

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; and
 - iii. 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:

- (i) he has not attained the qualifying age for state pension credit; or
- (ii) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is;
 - (a) a person on income support, on income-based jobseeker’s allowance or an income-related employment and support allowance; or
 - (b) a person with an award of universal credit.

5.2 For the purpose of this scheme an award of universal credit shall be disregarded where regulation 60A of the Universal Credit (Transitional Provisions) Regulations 2014 applies in respect of the award.

6.0 Not used.

7.0 Persons treated as not being in Great Britain and Persons Subject to Immigration Control

Persons treated as not being in Great Britain

² Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 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;
 - (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;
 - (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 (5) of that regulation 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).
- 7.4A For the purposes of paragraph (3), a right to reside does not include a right which exists by virtue of a person having been granted limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971 by virtue of—
- (a) (Removed by the Council Tax Reductions Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2021
 - (b) Appendix EU to the immigration rules made under section 3(2) of that Act;
 - (c) being a person with a Zambrano right to reside as defined in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of that Act; or
 - (d) having arrived in the United Kingdom with an entry clearance that was granted under Appendix EU (Family Permit) to the immigration rules made under section 3(2) of that Act.
- 7.4B Paragraph (4A)(b) does not apply to a person who—
- (a) has a right to reside granted by virtue of being a family member of a relevant person of Northern Ireland; and
 - (b) would have a right to reside under the EEA Regulations if the relevant person of Northern Ireland were an EEA national, provided that the right to reside does not fall within paragraph (4)(a) or (b)
- 7.5 A person falls within this paragraph if the person is—
- (za) a person granted leave in accordance with the immigration rules made under section 3(2) of the Immigration Act 1971, where such leave is granted by virtue of—
 - (i) the Afghan Relocations and Assistance Policy; or
 - (ii) the previous scheme for locally employed staff in Afghanistan (sometimes referred to as the ex-gratia scheme);
 - (zb) a person in Great Britain not coming within sub-paragraph (za) or (e) who left Afghanistan in connection with the collapse of the Afghan government that took place on 15th August 2021;

- (zc) a person in Great Britain who was residing in Ukraine immediately before 1st January 2022, left Ukraine in connection with the Russian invasion which took place on 24th February 2022 and—
 - (i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971;
 - (ii) has a right of abode in the United Kingdom within the meaning given in section 2 of that Act; or
 - (iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;
- (zd) a person who was residing in Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights, or Lebanon immediately before 7th October 2023, left Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights, or Lebanon in connection with the Hamas terrorist attack in Israel on 7th October 2023 or the violence which rapidly escalated in the region following the attack and—
 - (i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971,
 - (ii) has a right of abode in the United Kingdom within the meaning given in section 2 of that Act, or
 - (iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;
- (ze) a person who was residing in Sudan before 15th April 2023, left Sudan in connection with the violence which rapidly escalated on 15th April 2023 in Khartoum and across Sudan and—
 - (i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971;
 - (ii) has a right of abode in the United Kingdom within the meaning given in section 2 of that Act; or
 - (iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act
- (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);
- (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;
- (ca) a family member of a relevant person of Northern Ireland, with a right to reside which falls within paragraph (4A)(b), provided that the relevant person of Northern Ireland falls within paragraph (5)(a), or would do so but for the fact that they are not an EEA national;
- (cb) a frontier worker within the meaning of regulation 3 of the Citizens' Rights (Frontier Workers) (EU Exit) Regulations 2020;
- (cc) a family member of a person referred to in sub-paragraph (cb), who has been granted limited leave to enter, or remain in, the United Kingdom by virtue of Appendix EU to the immigration rules made under section 3(2) of the Immigration Act 1971
- (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 1971
- (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; or

- (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).
- 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 the Immigration (European Economic Area) (Amendment) (No. 2) Regulations 2014 and references to the EEA Regulations are to be read with Schedule 4 to the Immigration and Social Security Co-ordination (EU Withdrawal) Act 2020 (Consequential, Saving, Transitional and Transitory Provisions) Regulations 2020
 "EEA national" has the meaning given in regulation 2(1) of the EEA Regulations;
 "family member" has the meaning given in regulation 7(1)(a), (b) or (c) of the EEA Regulations, except that regulation 7(4) of the EEA Regulations does not apply for the purposes of paragraphs (4B) and (5)(ca);
 "relevant person of Northern Ireland" has the meaning given in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of the Immigration Act 1971; 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.

7A.0 Transitional provision

7A.1 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.

7A.2 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.

7A.3 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 not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation 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 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 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 as amended by the Offender Rehabilitation Act 2014, 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 the United Kingdom or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;

(d) following, in the United Kingdom or elsewhere, a training course;

(e) undertaking medically approved care of a person residing in the United Kingdom 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 the United Kingdom or elsewhere, 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.

- 8.5 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 the Mental Health (Scotland) Act 2015; 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
- 8.6 Where paragraph 8.5 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.
- 8.7 In this section;
- ‘medically approved’ means certified by a medical practitioner;
 - ‘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;
 - ‘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 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 has an award of Universal Credit; or
- (c) a person to whom section 6 of the Children (Leaving Care) Act 2000 (exclusion from benefits) 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 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 2002 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 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 (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.

Sections 12 – 30 & Schedules 2 & 3
Definition and the treatment of income for Council Tax Reduction purposes

12.0 Calculation of income and capital of members of applicant's family and of a polygamous marriage

- 12.1 The income and capital of:
- (a) an applicant; and
 - (b) any partner of that applicant,

is to be calculated in accordance with the provisions of this Part.

- 12.2 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.

- 12.3 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.

13.0 Calculation of income and capital: persons who have an award of universal credit.

- 13.1 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.
- 13.2 The authority may 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) and a sum determined as an amount for housing costs;
 - (b) any sum to be disregarded under paragraphs of Schedule 2 to this scheme (sums to be disregarded in the calculation of earnings);
 - (c) any sum to be disregarded under Schedule 3 to this scheme (sums to be disregarded in the calculation of income other than earnings);
 - (d) 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)
- 13.3 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.
- 13.4 Sections 14 (income and capital of non-dependant to be treated as applicant's) 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)
- 13.5 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.

14.0 Circumstances in which capital and income of non-dependant is to be treated as applicant's.

- 14.1 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.
- 14.2 Where an applicant is treated as possessing capital and income belonging to a non-dependant under paragraph 14.1 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.

15.0 Calculation of income on a weekly basis

- 15.1 For the purposes of this scheme, 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
 - (b) by then deducting any relevant child care charges to which section 15 (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 14.2 are met, from those earnings plus whichever credit specified in sub-paragraph (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.
- 15.2 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.

- 15.3 The maximum deduction to which paragraph 14.1 b) above refers shall be up to 85% of relevant child care costs. This will ensure that any deduction shall be in line with the approach taken within the assessment of universal credit.

16.0 Average weekly earnings of employed earners

- 16.1 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 based on the last weekly pay slip or monthly salary slip. 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.
- 16.2 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.
- 16.3 For the purposes of this section the applicant's earnings shall be calculated in accordance with the following sections.

17.0 Average weekly earnings of self-employed earners

- 17.1 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.
- 17.2 An applicant's income which does not consist of earnings shall 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.

18.0 Treatment of childcare charges

- 18.1 This section applies where an applicant or their partner satisfies the work condition(18A) and is incurring relevant childcare costs (18B).
- 18.2 For the purposes of a claimant who has an award of Universal Credit, who has a childcare costs element included within the assessment , the earned income will be adjusted using the relevant child cost element amount.

18A.0 Work condition

- 18A.1 The work condition is met if —
- (a) the claimant is in paid work or has an offer of paid work that is due to start within the next 30 days; or is in a period of paid notice(ceasing employment) or receiving the following statutory sick or maternity or paternity or adoption or shared parental or parental bereavement pay or a maternity allowance; and
 - (b) the claimant is a member of a couple (whether claiming jointly or as a single person), the other member is either in paid work or is unable to provide childcare because that person—
 - (i) has limited capability for work,
 - (ii) has regular and substantial caring responsibilities for a severely disabled person, or
 - (iii) is temporarily absent from the claimant's household.

18B.0 Relevant childcare costs

- 18B.1 The amount of the costs is the lesser of 85% of the actual costs incurred **or** the amount determined as the maximum level of childcare costs for Universal Credit by the Secretary of State for Work and Pensions for one child or for 2 or more children per month as appropriate.
- 18B.2 "Relevant childcare" means any of the care described in paragraphs (3) other than care excluded by paragraph (5) or (6).
- 18B.3 Care provided in England for a child—
- (a) by a person registered under Part 3 of the Childcare Act 2006 ; or
 - (b) by or under the direction of the proprietor of a school as part of the school's activities—
 - (i) out of school hours, where a child has reached compulsory school age, or
 - (ii) at any time, where a child has not yet reached compulsory school age; or
 - (c) by a domiciliary care provider registered with the Care Quality Commission in accordance with the requirements of the Health and Social Care Act 2008
- 18B.4 In paragraphs (3)(b):
- (a) "**proprietor**", in relation to a school, means—
 - (i) the governing body incorporated under section 19 of the Education Act 2002; or

- (ii) if there is no such governing body, the person or body of persons responsible for the management of the school; and
- (b) **“school premises”** means premises that may be inspected as part of an inspection of the school.

18B.5 The following are not relevant childcare—

- (a) care provided for a child by a close relative of the child, wholly or mainly in the child's home; and
- (b) care provided by a person who is a foster parent of the child.

18B.6 Care is not within paragraph (5)(a) if it is provided in breach of a requirement to register under Part 3 of the Childcare Act 2006.

18B.7 In this regulation “child” includes a qualifying young person

19.0 Calculation of average weekly income from tax credits

19.1 This section applies where an applicant receives a tax credit.

19.2 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 19.3.

19.3 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.

19.4 For the purposes of this section ‘tax credit’ means child tax credit or working tax credit.

20.0 Calculation of weekly income

20.1 For the purposes of the average weekly earnings of employed earners and average weekly income other than earnings and 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 product by 7.

20.2 For the purpose of the average weekly earnings of self-employed earners and 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 product by 7.

21.0 Not used.

22.0 Earnings of employed earners

22.1 Subject to paragraph 22.2, ‘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 amended³.

22.2 Earnings shall not include–

- (a) subject to paragraph 22.3, 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 the applicant's participation in a service user group or an applicant participating as a service user.

22.3 Paragraph 22.2 (a) shall not apply in respect of any non-cash voucher referred to in paragraph 22.1 (l)

23.0 Calculation of net earnings of employed earners

23.1 For the purposes of section 16 (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 23.2, be his net earnings.

23.2 There shall be disregarded from an applicant's net earnings, any sum, where applicable, specified in Schedule 2.

23.3 For the purposes of paragraph 23.1 net earnings shall, except where paragraph 23.6 applies, be

³ Social Security (Contributions)(Amendment) Regulations 2013, Social Security (Contributions)(Amendment No.2) Regulations 2013 and Social Security (Contributions)(Amendment No.2) Regulations 2013

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 paid by the applicant by way of a contribution towards an occupational pension scheme;
- (c) the amount calculated in accordance with paragraph 23.5 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.

23.4 In this section 'qualifying contribution' means any sum which is payable periodically as a contribution towards a personal pension scheme.

23.5 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.

23.6 Where the earnings of an applicant are estimated under sub-paragraph (b) of paragraph 2) of the section 16 (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 or in the case of a Scottish taxpayer, the Scottish 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 or in the case of a Scottish taxpayer, the Scottish 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.

24.0 Earnings of self-employed earners

24.1 Subject to paragraph 24.2, 'earnings', in the case of employment as a self- employed earner, means the gross income of the employment.

24.2 'Earnings' shall not include any payment to which Schedule 3 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.

- 24.3 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 trademark; 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 trademark, or an original contributor to the book of work concerned.
- 24.4 Where the applicant's earnings consist of any items to which paragraph 24.3 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 is to be treated as a corresponding fraction of a week) by dividing the earnings by
- (a) the amount of the reduction under this scheme which would be payable had the payment not been made, plus.
 - (b) an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 2 (sums to be disregarded in the calculation of earnings) as appropriate in the applicant's case.

25.0 Calculation of net profit of self-employed earners

- 25.1 For the purposes of section 17 (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 26 (deduction of tax and contributions for self-employed earners); and
 - ii. half of the amount calculated in accordance with paragraph (11) in respect of any qualifying premium.
- 25.2 There shall be disregarded from an applicant's net profit, any sum, where applicable, specified in Schedule 2.
- 25.3 For the purposes of paragraph 25.1 a) the net profit of the employment must, except where paragraph 25.9 applies, be calculated by taking into account the earnings for the employment over the assessment period less;
- (a) subject to paragraphs 25.5 to 25.7, 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 26 (deduction of tax and contributions for self-employed earners); and
 - (c) the amount calculated in accordance with paragraph (25.11) in respect of any qualifying premium.
- 25.4 For the purposes of paragraph 25.1b) 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 25.5 to 25.8, any expenses wholly and exclusively incurred in that period for the purposes of the employment.
- 25.5 Subject to paragraph 25.6 no deduction shall be made under paragraph 25.3 a) or 25.4, 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.
- 25.6 A deduction shall be made under paragraph 25.3 a) or 25.4 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.
- 25.7 The authority shall refuse to make deductions in respect of any expenses under paragraph 25.3 a. or 25.4 where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.
- 25.8 For the avoidance of doubt—
- (a) deductions shall not be made under paragraph 25.4 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
- 25.9 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 26 (deduction of tax and contributions for self-employed earners); and
 - (c) the amount calculated in accordance with paragraph 25.1 in respect of any qualifying contribution.
- 25.10 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.
- 25.11 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.
- 25.12 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.

26.0 Deduction of tax and contributions of self-employed earners

- 26.1 The amount to be deducted in respect of income tax under section 25.1b) i), 25.3 b) i) or 25.9 a) i) (calculation of net profit of self-employed earners) 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 or in the case of a Scottish taxpayer, the Scottish 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 or in the case of a Scottish taxpayer, the Scottish 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.
- 26.2 The amount to be deducted in respect of national insurance contributions 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.
- 26.3 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 25.3(a) or, as the case may be, 25.4 of section 25;
 - (b) in the case of employment as a child minder, one-third of the earnings of that employment.

27.0 Minimum Income Floor

- 27.1 Where no start up period (as defined within 27.2) applies to the applicant or partner, the income used by the Council in the calculation of their award will be the gross amount declared by the applicant or a substituted amount whichever is the higher. This substituted amount shall not be less than 35 hours multiplied by the national living wage (or national minimum wage as appropriate) From that, the Council will deduct only an estimate for tax, national insurance and half a pension contribution (where a pension contribution is being made).
- 27.2 The Council shall determine an appropriate start up period for the employment activity being conducted by the applicant or partner. This will normally be one year from the date of commencement of the employment activity. During this period, no Minimum Income Floor shall be applied. The start-up period ends where the person is no longer in gainful self-employment.
- 27.3 Where an applicant or partner holds a position in a company that is analogous to that of a sole owner or partner in the business of that company, he shall be treated as if he were such sole owner or partner and in such a case be subject to the substituted amount where appropriate.

- 27.4 No start-up period may be applied in relation to an applicant where a start-up period has previously been applied, whether in relation to a current or previous award of a Council Tax Reduction.
- 27.5 In order to establish whether to award a startup period, the applicant must satisfy the Council that the employment is;
- Genuine and effective. The Council must be satisfied that the employment activity is being conducted; and
 - Being conducted with the intention of increasing the income received to the level that would be conducive with that form of employment.
- 27.6 For the purposes of determining whether an applicant is in gainful self-employment or meets the conditions for a start-up-period, the Council will require the applicant to provide such evidence or information that it reasonably requires to make that decision, the Council may also require the self-employed person to attend an interview for the purpose of establishing whether the employment is gainful or whether the conditions for a start-up period are met.
- 27.7 The Council may, at its discretion reduce the number of hours stated in 27.1 where appropriate, given the circumstances of the applicant. The number of hours however will not be less than 16 hours per week.

28.0 Calculation of income other than earnings

- 28.1 For the purposes of calculating the average weekly income other than earnings, the income of an applicant which does not consist of earnings to be taken into account shall be his gross income and any capital treated as income in accordance with section 29.
- 28.2 There is to be disregarded from the calculation of an applicant's gross income under paragraph 28.1, any sum, where applicable, specified in Schedule 3.
- 28.3 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 28.1 shall be the gross amount payable.
- 28.4 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.
- 28.5 Where an award of any working tax credit or child tax credit under the Tax Credits Act 2002 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 19.1 shall be the amount of working tax credit or child tax credit awarded less the amount of that deduction.
- 28.6 In paragraph 28.5 'tax year' means a period beginning with 6th April in one year and ending with 5th April in the next.
- 28.7 Paragraphs 28.8 and 28.9 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.
- 28.8 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 28.1 in respect of a person to whom paragraph 28.7 applies, shall be calculated by applying the formula—

$$\frac{A - (B \times C)}{D}$$

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.

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 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.

- 28.9 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 28.1 in respect of a person to whom paragraph (30.8) applies, shall be calculated by applying the formula in paragraph 28.8 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.

- 28.10 In this section— ‘academic year’ and ‘student loan’ shall have the same meanings as for the purposes of sections 41 to 43, ‘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 these dates 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 44.7 or both.

- 28.11 For the avoidance of doubt there shall be included as income to be taken into account under paragraph 28.1;

- a. any payment to which 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 1999 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 1999.

29.0 Capital treated as income.

- 29.1 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 31 to 40 of this scheme exceeds £6,000, be treated as income.

- 29.2 Any payment received under an annuity shall be treated as income.
- 29.3 Any earnings to the extent that they are not a payment of income shall be treated as income.
- 29.4 Any Career Development Loan paid pursuant to section 2 of the Employment and Training Act 1973 Act shall be treated as income.
- 29.5 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.

30.0 Notional income

- 30.1 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.
- 30.2 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 4 (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 4 refers;
 - (f) rehabilitation allowance made under section 2 of the 1973 Act;
 - (g) child tax credit; or
 - (h) working tax credit,
 - (i) 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.
- 30.3 Any payment of income, 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.

- 30.4 Paragraph 30.3 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 person's participation in the Work for Your Benefit Pilot Scheme
 - (e) in respect of a previous participation in the Mandatory Work Activity Scheme;
 - (f) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;
 - (g) 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.
- 30.5 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.
- 30.6 Subject to paragraph 30.7, 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.
- 30.7 Paragraph 30.6 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.
- 30.8 In paragraph 30.7 (c) 'work placement' means practical work experience which is not undertaken in expectation of payment.
- 30.9 Where an applicant is treated as possessing any income, 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.
- 30.10 Where an applicant is treated as possessing any earnings, 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 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 or in the case of a Scottish taxpayer, the Scottish 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) any sum payable by the applicant by way of a contribution towards an occupational or personal pension scheme.
- 30.11 the foregoing paragraphs 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 in a service user group or an applicant participating as a service user.

Sections 31 – 40 & Schedule 4
Definition and the treatment of capital for Council Tax Reduction purposes

31.0 Capital limit

31.1 For the purposes of this scheme, the prescribed amount is £6,000 and no reduction shall be granted when the applicant has an amount greater than this level.

31.2 The capital limit shall not apply to Class E.

32.0 Calculation of capital

32.1 For the purposes of this scheme, the capital of an applicant to be taken into account shall, subject to paragraph (32.2), be the whole of his capital calculated in accordance with this scheme and any income treated as capital under section 34 (income treated as capital).

32.2 There shall be disregarded from the calculation of an applicant's capital under paragraph (32.1), any capital, where applicable, specified in Schedule 4.

33.0 Disregard of capital of child and young person

33.1 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.

34.0 Income treated as capital.

34.1 Any bounty derived from employment and paid at intervals of at least one year shall be treated as capital.

34.2 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.

34.3 Any holiday pay which is not earnings shall be treated as capital.

34.4 Except any income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28, 47 or 48 of Schedule 4, 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.

34.5 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.

34.6 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.

34.7 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.

34.8 Any arrears of subsistence allowance which are paid to an applicant as a lump sum shall be treated as capital.

34.9 Any arrears of working tax credit or child tax credit shall be treated as capital.

35.0 Calculation of capital in the United Kingdom

35.1 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;

36.0 Calculation of capital outside the United Kingdom

- 36.1 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.

37.0 Notional capital

- 37.1 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 38 (diminishing notional capital rule).

- 37.2 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 4; 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 4 (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 4 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.

- 37.3 Any payment of capital, other than a payment of capital specified in paragraph (37.4), 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 subparagraph (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.

- 37.4 Paragraph 37.3 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.

37.5 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 32 (calculation of capital) be disregarded; and
- (b) he shall, subject to paragraph 37.6, 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.

37.6 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 37.5 shall be disregarded.

37.7 Where an applicant is treated as possessing capital under any of paragraphs 37.1 to 37.2 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.

38.0 Diminishing notional capital rule.

38.1 Where an applicant is treated as possessing capital under section 37.1 (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 38.2 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 38.3;
- (b) in the case of a week in respect of which paragraph 38.1(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 38.4 is satisfied, shall be reduced by the amount determined under paragraph 38.4.

- 38.2 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 37.1, he would have received an additional amount of Council Tax Reduction in that week.
- 38.3 In a case to which paragraph 38.2 applies, the amount of the reduction for the purposes of paragraph 38.1(a) shall be equal to the aggregate of
- (a) the additional amount to which sub-paragraph 38.2 (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 38.2 refers but for the application of regulation 49(1) of the Housing Benefit Regulations 2006 (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 38.2 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 1996 (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 38.2 refers but for the application of regulation 115 of the Employment and Support Allowance Regulations 2008 (notional capital).
- 38.4 Subject to paragraph 38.5, for the purposes of paragraph 38.1(b) the condition is that the applicant would have been entitled to Council Tax Reduction in the relevant week but for paragraph 37.1, 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 37.1; 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 1996, 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 2008, 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.

38.5 The amount determined under paragraph 38.4 shall be re-determined under that paragraph if the applicant makes a further claim for Council Tax Reduction and the conditions in paragraph 38.6 are satisfied, and in such a case—

- a. sub-paragraphs (a) to (d) of paragraph 38.4 shall apply as if for the words 'relevant week' there were substituted the words 'relevant subsequent week'; and
- b. subject to paragraph 38.7, the amount as re-determined shall have effect from the first week following the relevant subsequent week in question.

38.6 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 38.5, 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 37.1.

38.7 The amount as re-determined pursuant to paragraph 38.5 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.

38.8 For the purposes of this section

- (a) 'part-week'
 - (i) in paragraph 38.4(a) means a period of less than a week for which Council Tax Reduction is allowed;
 - (ii) in paragraph 38.4(b) means a period of less than a week for which housing benefit is payable;
 - (iii) in paragraph 38.4 (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 37.1.
 - (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 sub-paragraph 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.

39.0 Capital jointly held.

- 39.1 Except where an applicant possesses capital which is disregarded under paragraph 37(5)
(notional capital) where an applicant and one or more persons are beneficially entitled in
possession to any capital asset they shall be treated, in the absence of evidence to the contrary,
as if each of them were entitled in possession to the whole beneficial interest therein in an equal
share.

40.0 Treatment of Jointly held Capital.

- 40.1 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.

Sections 41 - 56
Definition and the treatment of students for Council Tax Reduction purposes⁴

⁴ Amounts shown in sections 43 to 56 will be uprated in line with the Housing Benefit Regulations 2006 (as amended)

41.0 Student related definitions

41.1 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 authority as defined in section 579 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 Islands, 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 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;

- (b) 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
- (c) 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 Schedule 3 or Schedule 4 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

41.2 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.

41.3 For the purposes of sub-paragraph (a) of paragraph 41.2, 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.

42.0 Treatment of students

42.1 The following sections relate to students who claim Council Tax Reduction

43.0 Students who are excluded from entitlement to Council Tax Reduction

43.1 Students (except those specified in paragraph 43.3) are not able to claim Council Tax Reduction under Classes D of the Council's reduction scheme.

43.2 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 persons from abroad within the meaning of section 7 of this scheme (persons from aboard).

43.3 Paragraph 43.2 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) **but for the implementation of this scheme**, whose applicable amount would, but for this section, include the disability premium or severe disability premium;

(d) **but for the implementation of this scheme**, 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

ii) aged 21 and attained that age during a course of study which is not a course of higher education – this condition needs adding

iii) 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.

Paragraph 43.3(i)(ii) only applies to a claimant until the end of the course during which the claimant attained the age of 21.

43.4 For the purposes of paragraph 43.3, once paragraph 43.3(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.

43.5 In paragraph 43.3(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.

43.6 A full-time student to whom sub-paragraph (i) of paragraph 43.3 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.

43.7 Paragraph 43.2 shall not apply to a full-time student for the period specified in paragraph 43.8 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 43.8.

43.8 The period specified for the purposes of paragraph 43.7 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.

44.0 Calculation of grant income

44.1 The amount of a student's grant income to be taken into account shall, subject to paragraphs 44.2 and 44.3, be the whole of his grant income.

44.2 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 , **but for the implementation of this scheme**, 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 childcare costs of a child dependant.
- (i) of higher education bursary for care leavers made under Part III of the Children Act 1989.

44.3 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).

44.4 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.

44.5 Subject to paragraphs 44.6 and 44.7, a student's grant income shall be apportioned;

(a) subject to paragraph 44.8, 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.

44.6 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.

44.7 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 44.6 nor section 48 (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.

44.8 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.

45.0 Calculation of covenant income where a contribution is assessed.

- 45.1 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 45.3, the amount of the contribution.
- 45.2 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 45.1 by 52 or 53, whichever is reasonable in the circumstances; and
 - (b) by disregarding from the resulting amount, £5.
- 45.3 For the purposes of paragraph 45.1, the contribution shall be treated as increased by the amount (if any) by which the amount excluded under paragraph 44.2(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).

46.0 Covenant income where no grant income or no contribution is assessed.

- 46.1 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 44.2 (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 44.2(f) and 44.3 (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.
- 46.2 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 46.1, 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 44.2 (a) to (e); and
 - (b) the amount to be disregarded under paragraph 46.1(c) shall be abated by an amount equal to the amount of any sums disregarded under paragraph 44.2(f) and (g) and 44.3.

47.0 Student Covenant Income and Grant income – non disregard

- 47.1 No part of a student's covenant income or grant income shall be disregarded Schedule 3 to this scheme.

48.0 Other amounts to be disregarded.

- 48.1 For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with section 49, any amounts intended for any expenditure specified in paragraph 44.2 (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 44.2 or 44.3, 45.3, 46.1(a) or (c) or calculation of grant income, covenant income and treatment of student loans on like expenditure.

49.0 Treatment of student loans

49.1 A student loan shall be treated as income.

50.0 Calculating loan Income weekly.

50.1 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 June,

and, in all cases, from the weekly amount so apportioned there shall be disregarded £10.

50.2 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.

50.3 Where a student is treated as possessing a student loan, the amount of the student loan to be taken into account as income shall be, subject to paragraph 50.4.

- (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.

50.4 There shall be deducted from the amount of income taken into account ;

- (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).

51.0 Not used.

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,

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 – 59
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 100 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,

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 are 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 43.2 (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 There shall be no non-dependant deductions.

59.0 Extended reductions: movers into the authority's area

59.1 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.

59A.0 Extended reduction: return to work incentive.

59A.1 Where an existing applicant who is entitled to a Council Tax Reduction has a change in circumstances relating to the commencement of paid employment or self-employment; and

- that change would result in a decrease in the level of reduction awarded: and
- prior to the change the household income **did not** include any earned income; and
- after the change, an amount of reduction would still be payable;

then the authority will continue to award the reduction at the same amount as awarded prior to change in circumstances for a period of 1 month from the date of the commencement of the paid employment or self-employment.

59A.2 Paragraph (1) shall only apply where:

- the change in circumstances relating to the commencement of paid employment or self-employment does not increase any award; and
- that the applicant continues to be liable for Council Tax during the 1 month period; and
- that the applicant continues to occupy the premises as their home throughout the same period

Sections 60 – 61
Dates on which entitlement and changes of circumstances are to take effect.

60.0 Date on which entitlement is to begin.

- 60.1 Subject to paragraph 60.2, 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 day the application is made or deemed to have been made.
- 60.2 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 day.

61.0 Date on which change of circumstances is to take effect.

- 61.1 A change of circumstances which affects entitlement to, or the amount of, a reduction under an authority's scheme ("change of circumstances"), takes effect from 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 last day of entitlement to that benefit.

Sections 62– 70
Claiming and the treatment of claims for Council Tax Reduction purposes

62.0 Making an application⁵

- 62.1 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 such one of them as the authority determines.
- 62.2 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.
- 62.3 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.
- 62.4 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).
- 62.5 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).
- 62.6 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.
- 62.7 The authority must;
- (a) inform any person making an application of the duty imposed by paragraph 9(1)(a) of the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012;
 - (b) explain the possible consequences (including prosecution) of failing to comply with that duty; and
 - (c) set out the circumstances a change in which might affect entitlement to the reduction or its amount.

⁵ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

63.0 Procedure by which a person may apply for a reduction under the authority's scheme⁶

63.1. Paragraphs 2 to 7 apply to an application made under the authority's scheme.

63.2. An application may be made;

- (a) in writing,
- (b) by means of an electronic communication in accordance with sections 88 -96 of this scheme, or
- (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.

63.3 (1) An application which is made in writing must be made to the designated office on a properly completed form.

(2) The form must be provided free of charge by the authority for the purpose.

63.4 (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.

63.5. (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.

63.6. 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.

63.7 (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.

63.8 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.

64.0 Backdating

64.1 Where an applicant requests a reduction for a period prior to the effective date of claim, the authority may, at its discretion, consider the claim to be made from an earlier period subject to an overall limit of 12 months.

⁶ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

65.0 Date on which an application is made.

- 65.1 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 calendar 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 calendar 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 calendar month of the date of the death or the separation,the date of the death or separation;
 - (d) except where paragraph (a), (b) or (e) is satisfied, in a case where a properly completed application is received within one calendar 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.
- 65.2 For the purposes only of sub-paragraph (1)(a) 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.
- 65.3 Where there is a defect in an application by telephone;
- (a) is corrected within one calendar 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 calendar 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.
- 65.4 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.

- 65.5 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 calendar 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 calendar 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 calendar 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 calendar month of the request or within such longer period as the authority considers reasonable.
- 65.6 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.
- 65.7 Except in the case of an application made by a person treated as not being in Great Britain, where the applicant is not entitled to a reduction under the authority's scheme in the reduction week immediately following the date of his application, but the authority is of the opinion that unless there is a change of circumstances, he will be entitled to a reduction under its scheme for a period beginning not later than;
- (a) in the case of an application made by;
 - (i) a pensioner, or
 - (ii) a person who has attained, or whose partner has attained, the age which is 17 weeks younger than the qualifying age for state pension credit,the seventeenth reduction week following the date on which the application is made, or
 - (b) in the case of an application made by a person who is not a pensioner, the thirteenth reduction week following the date on which the application is made,
- the authority may treat the application as made on a date in the reduction week immediately preceding the first reduction week of that period of entitlement and award a reduction accordingly.
- 66.0 Submission of evidence electronically**
- 66.1 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.
- 67.0 Use of telephone provided evidence**
- 67.1 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.
- 68.0 Information and evidence⁷**

⁷ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 68.1 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.
- 68.2 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.
- 68.3 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.
- 68.4 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 calendar month of the authority requiring him to do so or such longer period as the authority may consider reasonable.
- 68.5 Nothing in this paragraph requires a person who is a pensioner to furnish any certificates, documents, information or evidence relating to a payment to which sub-paragraph (7) applies.
- 68.6 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 of Schedule 8 the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012 (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.
- 68.7 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, the London Emergencies Trust, the We Love Manchester Emergency Fund, or the London Bombings Relief Charitable Fund;
 - (b) a payment which is disregarded under Schedule 4, other than a payment under the Independent Living Fund (2006).
- 68.8 Where an applicant or a person to whom a reduction under the authority's scheme has been awarded or any 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.

69.0 Amendment and withdrawal of application⁸

- 69.1 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.
- 69.2 Where the application was made by telephone the amendment may also be made by telephone.
- 69.3 Any application amended is to be treated as if it had been amended in the first instance.
- 69.4 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.
- 69.5 Where the application was made by telephone, the withdrawal may also be made by telephone.
- 69.6 Any notice of withdrawal given in accordance with sub-paragraph (4) or (5) has effect when it is received.
- 69.7 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.

70.0 Duty to notify changes of circumstances⁹

- 70.1 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.
- 70.2 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.
- 70.3 The duty imposed on a person by sub-paragraph (1) does not extend to notifying.

⁸ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

⁹ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- (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.

- 70.4 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.
- 70.5 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.

Sections 71- 78
Decisions, decision notices and awards of Council Tax Reduction

71.0 Decisions by the authority¹⁰

71.1 An authority must make a decision on an application under its scheme within 14 days of paragraphs 4 and 7 and Part 1 of Schedule 7 of the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012 being satisfied, or as soon as reasonably practicable thereafter.

72.0 Notification of decision¹¹

72.1 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.

72.2 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 9 of Schedule 8 the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012 (duty to notify change of circumstances) to notify the authority of any change of circumstances;

(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.

72.3 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.

72.4 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.

72.5 A person affected to whom the authority sends or delivers a notification of decision may, within one calendar 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.

72.6 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.

72.7 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).

72.8 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

¹⁰ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹¹ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- (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.

73.0 Time and manner of granting Council Tax Reduction¹²

73.1 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.

73.2 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).

73.3 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.

73.4 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).

74.0 Persons to whom reduction is to be paid ¹³

74.1 Subject to payment on death and paragraph (2), any payment of the amount of a reduction must be made to that person.

¹² Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹³ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

74.2 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.

75.0 Shortfall in reduction¹⁴

75.1 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 reasonably practicable, as soon as possible afterwards.

76.0 Payment on the death of the person entitled¹⁵

76.1 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.

77.0 Offsetting

77.1 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.

78.0 Payment where there is joint and several liability¹⁶

78.1 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.

78.2 Subject to sub-paragraph (3) any payment made under sub-paragraph (1) must be made to the person who is entitled to the reduction.

78.3 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

¹⁴ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹⁵ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹⁶ Inserted by Schedule 8 of the Council Tax Reductions Scheme (Prescribed Requirements) (England) Regulations 2012

appointment or is treated as having been so appointed, the amount of the reduction may be paid to that person.

Sections 79 – 82
Collection, holding and forwarding of information for Council Tax Reduction purposes.

79.0 Use of information from and to the Department of Work and Pensions (DWP) and Her Majesty's Revenues and Customs (HMRC)

- 79.1 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
- 79.2 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 requirements¹⁷.

80.0 Collection of information

- 80.1 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
- 80.2 The authority may verify relevant information supplied to or obtained.

81.0 Recording and holding information.

- 81.1 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.

82.0 Forwarding of information.

- 82.1 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.

¹⁷ Data Retention and Investigatory Powers Act 2014, Data Retention Regulations 2014, and The Regulation of Investigatory Powers (Acquisition and Disclosure of Communications Data: Code of Practice) Order 2015

Sections 83 – 85
Revisions, Written Statements, Termination of Council Tax Reduction

83.0 Persons affected by Decisions.

- 83.1 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 support 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 support 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;

84.0 Revisions of Decisions

- 84.1 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 calendar month of the date of notification of the original decision; or
 - (ii) such extended time as the authority may allow.
- 84.2 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 calendar month of the date of notification of the additional information; or
 - (ii) such extended time as the authority may allow

85.0 Terminations

- 85.1 The authority may terminate reduction 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.
- 85.2 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 86
Appeals against the authority's decisions.

86.0 Procedure by which a person may make an appeal against certain decisions of the authority¹⁸

- 86.1 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.
- 86.2 The authority must
- (a) consider the matter to which the notice relates;
 - (b) notify the aggrieved person in writing;
 - (i) that the grievance 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.
- 86.3 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 Act¹⁹.

¹⁸ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹⁹ As amended by the Tribunal Procedure (Amendment No 3) Rules 2014, The First-tier Tribunal and Upper Tribunal (Chambers) (Amendment) Order 2015 and The Tribunal Procedure (Amendment) Rules 2015

Section 87
Procedure for applying for a discretionary reduction.

87.0 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act²⁰ and Discretionary Relief Scheme.

- 87.1 Where an application to the authority is made under the Discretionary Relief Scheme, it shall be determined in accordance with the policy of the authority for that year and may be made;
- (a) in writing,
 - (b) by means of an electronic communication in accordance with this scheme or
 - (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- 87.2 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).
- 87.3 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 this scheme or
 - (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- 87.4 Where the authority has determined any additional entitlement under the Discretionary Relief Scheme it shall be treated as an amount under section 13A(1)(a) of the 1992 Act.

²⁰ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

Section 88 – 96²¹
Electronic Communication

²¹ Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

88.0 Interpretation

- 88.1 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.

89.0 Conditions for the use of electronic communication

- 89.1 The authority may use an electronic communication in connection with applications for, and awards of, reductions under its scheme including any or all information received via DWP or HMRC.
- 89.2 A person other than the authority may use an electronic communication in connection with the matters referred to in paragraph (1) if the conditions specified in paragraphs (3) to (6) are satisfied.
- 89.3 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.
- 89.4 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.
- 89.5 The third condition is that any information sent by means of an electronic communication is in a form approved for the purposes.
- 89.6 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.
- 89.7 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.

90.0 Approval

- 90.1 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.

91.0 Use of intermediaries

- 91.1 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.

92.0 Effect of delivering information by means of electronic communication.

- 92.1 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.

92.2 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).

92.3 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.

93.0 Proof of identity of sender or recipient of information

93.1 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.

94.0 Proof of delivery of information

94.1 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.

94.2 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.

94.3 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.

95.0 Proof of content of information

95.1 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.

96.0 Data Protection and consent

96.1 Any application for reduction and associated evidence shall be subject to existing Data Protection rules and requirements.

Section 97
Counter Fraud and Compliance

97.0 Counter Fraud and compliance

- 97.1 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.
- 97.2 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.
- 97.3 The authority shall put into place such administrative policies, procedures and processes as are necessary to ensure that the actions outlined within paragraph 97.1 and 97.2 can be carried out successfully. In particular the authority shall undertake actions provided by the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.

Schedule 1
Calculation of the amount of Council Tax Reduction in accordance with the Discount Scheme

- 1 The authority's Council Tax Reduction scheme from 2025/26 shall be calculated on the basis of the following Banded Discount Scheme:

Weekly Net Income Band	Single no dependant children/ young persons	Couple no dependant children/ young persons	Single one dependant child/ young persons	Couple one dependant child/ young persons	Single two or more dependant children/ young persons	Couple two or more dependant children/ young persons
Band 1: £0.00 - £94.00	100%	100%	100%	100%	100%	100%
Band 2: £94.01 - £181.00	75%	75%	100%	100%	100%	100%
Band 3: £181.01 - £270.00	50%	50%	75%	75%	100%	100%
Band 4: £270.01 - £360.00	25%	25%	50%	50%	75%	75%
Band 5: £360.01 - £449.00	0%	0%	25%	25%	50%	50%
Band 6: £449.01 - £539.00	0%	0%	0%	0%	25%	25%

- 2 The amount of discount to be granted is to be based on the following factors:
- The maximum Council Tax Reduction as defined within this scheme;
 - The Council Tax family as defined within this scheme.
 - The income of the applicant as defined within this scheme;
 - The capital of the applicant as defined within this scheme.
- 3 For the sake of clarity all incomes shown within the table above are weekly in accordance with the scheme requirements and definitions.
- 4 Discount bands vary depending on both weekly income and the household (family as defined within this scheme). For the sake of clarity, it should be noted that in any application for reduction is limited to a maximum of two dependent children or young persons.
- 5 Any applicant who capital is greater than £6,000 shall not be entitled to any Council Tax Reduction whatsoever.

- 6 The authority may increase the level of incomes within the grid specified in paragraph 1 on an annual basis by the appropriate level of inflation measured by the Consumer Price Index (CPI) at 1st October preceding the effective financial year. The Council may vary the income levels for each band either individually or in part. All incomes will be rounded to the £.
- 7 Where an applicant or partner is in receipt of a 'relevant benefit' namely Income Support, Income Related Employment and Support Allowance or Income Based Jobseeker's Allowance, discount will be awarded at Band 1 level.

Schedule 2
Sums to be disregarded in the calculation of earnings.

1. There shall be disregarded from an applicant's net earnings as follows:
 - (a) £25 of earnings where the applicant or partner has earned income;
 - (b) Childcare disregard as calculated in accordance with paragraph 18.
2. Only one disregard of each type shall be applied to any application.

Schedule 3
Sums to be disregarded in the calculation of income other than earnings²²

²² Any amounts shown in this schedule will be updated in line with the Housing Benefit Regulations 2006 as amended.

1. Any amount paid by way of tax on income, which is to be taken into account under section 28 (calculation of income other than earnings).
2. Any payment made to the applicant 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.
3. 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.
4. 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 30.0 (notional income).
5. Any payment in respect of expenses arising out of the applicant's participation in a service user group or where the applicant is participating as a service user.
6. 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.
7. 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.
8. 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.
9. Not used
10. Any disability living allowance, personal independence payment or AFIP.
11. Any Carers Allowance.
12. Any Windrush compensation payment
13. 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.
14. 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.
15. Any attendance allowance.
16. Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.
17. (1) Any payment–
 - (a) by way of an education maintenance allowance made pursuant to regulations made

- under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc.);
- (b) corresponding to such an education maintenance allowance, 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 regulations made under section 518 of the Education Act 1996; 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).
- 18.** 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.
- 19** (1) Any payment made pursuant to section 2 of the 1973 Act;
- (a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance; or
- (b) 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.
- 20** (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.
- 21.** 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.
- 22.** Not used
- 23.** (1) Any income derived from capital to which the applicant is or is treated under section 39 (capital jointly held) as beneficially entitled but, subject to sub- paragraph (2), not income derived from capital disregarded under Schedule 4.
- (2) Income derived from capital disregarded under Schedule 4 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’.
- 24.** 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, 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.
- 25.** (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, 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.

- 26.** Any payment made to the applicant by a child or young person or a non- dependent.
- 27.** Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person 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.
- 28.** (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.
- 29.** (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.
- 30.** 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.
- 31.** (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) 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);
 - (b) 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);
 - (c) 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.

- 32.** Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made
- (a) by a local authority under section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after); or
 - (b) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).
- 33.** 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
- 34.** Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989.
- 35.** (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 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.
- 36.** (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).
- 37.** Any payment of income which, by virtue of section 34 (income treated as capital) is to be treated as capital.
- 38.** Any social fund payment made pursuant to Part 8 of the Act (the Social Fund) or any local welfare fund provision

39. 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.
40. 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 45.2(b) and paragraph 46.1(d) (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 49(2) (treatment of student loans), paragraph 49(3) (treatment of payments from access funds) and paragraphs 17 shall in no case exceed £20 per week.
41. (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 reduction 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.

- 42. Any housing benefit or council tax benefit.
- 43. Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.
- 44. 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.
- 45. 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).
- 46. (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).
- 47. 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).
- 48. 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.
- 49. (1) Where, **but for the implementation of this scheme**, an applicant's applicable amount includes an amount by way of a family premium, £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).

- 50.** (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.
- 51.** 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.
- 52.** Any guardian's allowance.
- 53.** (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.
- 54.** 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.
- 55.** 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.
- 56.** (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).
- 57.** Any Council Tax Reduction or council tax benefit to which the applicant is entitled.

58. 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).
59. (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
60. (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.
61. 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.
62. 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.
63. 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.
64. (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.
65. Any bereavement support payment in respect of the rate set out in regulation 3(2) or (5) of the Bereavement Support Payment Regulations 2017
66. Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)
67. Any payments made by the London Emergencies Trust" means the company of that name (number 09928465) incorporated on 23rd December 2015 and the registered charity of that name (number 1172307) established on 28th March 2017 or the We Love Manchester Emergency Fund" means the registered charity of that name (number 1173260) established on 30th May 2017
68. Any payment of child benefit.
69. Any payments disregarded for Housing Benefits under the Social Security (*Emergency Funds*) Amendment) Regulations 2017

70. The support Component of any Employment and Support Allowance.
71. Where Government increases any welfare benefit or tax credit above the rate of inflation, the Council reserves the right to disregard that increase in the assessment of income.
72. **Provision for all applicants: Homes for Ukraine scheme**
(1) Any payment made in connection with the Homes for Ukraine scheme is to be disregarded in determining—
(a) an applicant’s entitlement to a reduction under the scheme; or
(b) the amount of any reduction to which the applicant is entitled.
(2) In this regulation—
“the Homes for Ukraine scheme” means the Homes for Ukraine sponsorship scheme which was announced in Parliament by the Secretary of State for Levelling Up, Housing and Communities on 14th March 2022.
73. Any payment received by the applicant or partner in respect of the following:
- Post Office Compensation Scheme;
 - The Infected Blood Scheme; or
 - The Grenfell Tower inquiry.

Schedule 4
Capital to be disregarded.

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, 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.
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. Not used
6. Not used
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 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

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 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 award.

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 Schedule 3.
- 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 34 or 49 (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 reduction 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.** Any Windrush Compensation Payment
- 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. 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.
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 Schedule 3 (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 subparagraph (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.
42. Any payment made under Part 8A of the Act (entitlement to health in pregnancy grant).
43. 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.
44. 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.

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. Not used.
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 by way of an education maintenance allowance made pursuant to regulations made under section 518 of the Education Act 1996 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; regulations made under section 518 of the Education Act 1996;
 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).
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.
- 59.** 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).
- 60.** Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
- 61.** Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).
- 62.** Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)

63. Any payments made by the London Emergencies Trust” means the company of that name (number 09928465) incorporated on 23rd December 2015 and the registered charity of that name (number 1172307) established on 28th March 2017 or the We Love Manchester Emergency Fund” means the registered charity of that name (number 1173260) established on 30th May 2017
64. Any bereavement support payment in respect of the rate set out in regulation 3(2) or (5) of the Bereavement Support Payment Regulations 2017.
65. **Provision for all applicants: Homes for Ukraine scheme**
(1) Any payment made in connection with the Homes for Ukraine scheme is to be disregarded in determining—
(c) an applicant’s entitlement to a reduction under the scheme; or
(d) the amount of any reduction to which the applicant is entitled.
(2) In this regulation—
“the Homes for Ukraine scheme” means the Homes for Ukraine sponsorship scheme which was announced in Parliament by the Secretary of State for Levelling Up, Housing and Communities on 14th March 2022
66. Any payment received by the applicant or partner in respect of the following:
- Post Office Compensation Scheme;
 - The Infected Blood Scheme; or
 - The Grenfell Tower inquiry.

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Council Tax Discretionary Discount and Exceptional Hardship Policy

Version Control

Version	Version date	Revised by	Description
1	February 2020	MB	Policy
2	July 2020	TMH	Amendment - Government funded Covid-19 response
3	December 2020	TMH	Amendment – Covid-19 impacts on self-employed MIF
4	January 2022	TMH	Review – Government funded Covid-19 hardship fund (new para 14.3)

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COVID-19 Government Hardship Fund (2020-21)

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1. Introduction

1.1 This policy enables support to be given to Council Tax Payers who are in financial hardship or other crisis where no other legislative discounts, reductions or reliefs are available. This policy sets out guidelines for the factors to be considered in determining an application, the criteria that needs to be met and the type of information to be provided when a Council Taxpayer applies for a reduction in their Council Tax under Teignbridge District Council's (TDC) discretionary powers. It also sets out the delegated authority to award relief and establishes an appeals procedure for applicants dissatisfied with a decision.

1.2 There are two ways by which TDC can use its discretionary powers to give a reduction in Council Tax:

(1) **Discretionary Discount** under S13A(1)(c) of the Local Government

Finance Act 1992 (as amended) provides powers to billing authorities to reduce the amount of Council Tax a person is liable to pay by such amount as it thinks fit.

This power may be exercised in relation to individual cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination. This power was inserted into the Local Government Finance Act by the Local Government Act 2003. The intent behind this legislation is to allow billing authorities to create local discounts to cater for local circumstances, for example flooding, and to provide support in cases of exceptional financial hardship.

Any reduction awarded under this provision is wholly funded by TDC. The exception to this is when Central Government uses this provision to provide grant funding for specific issues, e.g. the storm damage of 2013-14 or its response to the Covid-19 pandemic (see Appendix A for details of Covid-19 Hardship Fund for 2020-21).

(2) **The Exceptional Hardship Scheme (EHS).** EHS is available to cover all or part of any shortfall between Council Tax Liability and entitlement under TDC's local Council Tax Reduction Scheme.

The Council recognises the importance of protecting our most vulnerable customers from the impact of changes to our Council Tax Reduction Scheme. This policy has been created to ensure that a level of protection and support is available to those applicants most in need. It is available to council tax payers who are in receipt of Council Tax Reduction, or who would be but for changes made to the qualifying criteria for Council Tax Reduction and are experiencing exceptional financial hardship.

The EHS is also available to provide transitional protection to council tax payers who experience financial hardship as a result of receiving reduced support under the new Council Tax Reduction Income Banded Scheme.

The funding of EHS is through the collection fund and is paid for by all preceptors in proportion to their share of Council Tax.

1.3 Bringing the two discretionary schemes together under the one policy raises awareness that there are two types of scheme available and provides a single point of reference for Council Tax Payers. Wherever possible, officers will consider applications against each of the schemes in turn reducing the need for a separate application to be made.

2. The TDC Policy

- 2.1 This policy supports the TDC vision and values of making a healthy and desirable place where people want to live, work and visit. It supports residents' health and wellbeing by delivering the following outcomes:
- A safety net to protect our most vulnerable Council Taxpayers who need additional financial assistance.
 - Enables support to be given to Council Taxpayers who are in financial or other crisis where no other legislative discounts or reliefs exist.
 - Helps Council Taxpayers through personal crisis, difficult events, or where there are exceptional circumstances which impacts on their ability to pay.
 - Support financially vulnerable young people in the financial transition to adult life
 - Helps prevent exceptional hardship
 - Helps alleviate poverty
 - Helps those who are trying to help themselves
 - Sustains tenancies and aids the prevention of homelessness
 - Keeps families together
 - Encourages and supports people to obtain and remain in employment
 - Encourages and supports customers to become self-sustaining where possible
- 2.2 Officers applying this policy will consider whether all other statutory discounts or reliefs have been applied. This policy will normally only consider exceptional circumstances, due to financial need or crisis, where it is appropriate and fair to give a discretionary discount or reduction. Each case will be treated on its own merits and officers will have in mind the Council's obligations under the Equality Act 2010 when considering any application.
- 2.3 Any decision made will be without reference to any budgetary considerations notwithstanding the fact that any awards must be balanced against the needs of local taxpayers who will ultimately pay for a reduction in council tax income.
- 2.4 An application for financial hardship will need to be made only once. Where the Council Taxpayer is in receipt of Council Tax Reduction, or would be but for changes made to the qualifying criteria, this will be dealt with under the EHS provision. All other applications will be considered under the Discretionary Discount S13A(1)(c) scheme.
- 2.5 When considering an application on financial grounds, the Council Tax payer will be required to provide details of household income and expenditure, savings, capital, debts, etc. Because Council Tax is a priority bill, the assessment we will make for determining financial hardship will generally take account of only reasonable priority expenditure against income. It will not take account of any non-essential expenditure, unless reasonable grounds for doing so exist. Part of the assessment may include referral to an independent money advice and budgeting advice service.
- 2.6 Where funding has been provided by Central Government any discretionary discounts that are made will be based upon the guidance and criteria that the Government issues.

3. Discretionary Discount under Section 13A(1)(c)

Awards

- 3.1 Every Council Taxpayer is entitled to make an application for a discretionary Council Tax discount. Discretionary discounts will generally be considered only in cases of exceptional circumstance, or where a tax payer is facing exceptional financial hardship. For Government funded schemes the criteria for awarding discount may differ.
- 3.2 Where the council decides it is appropriate to award a discount the amount of the discount may be for less than the sum due for the period in question. The actual amount awarded will be the minimum required to address the exceptional circumstances of the case and must be reasonable in all the circumstances taking into account that the cost of awarding relief will fall on the Council taxpayers
- 3.3 An application for a further award can be made and there will be a review of the application and what actions have been taken since the last award.
- 3.4 When considering an application the following factors will be taken into account:
- Whether a crisis or event has occurred that has rendered accommodation uninhabitable such as fire or flood, where a liability to pay Council Tax remains in respect of that accommodation and for which they have no recourse to compensation nor to any statutory exemptions or discounts or where the crisis or event is not covered by any insurance policy.
 - Whether the relief sought applies to their primary home or other property.
 - Evidence of financial hardship or unforeseen, exceptional circumstances to justify any reduction.
 - The personal circumstances, age and medical circumstances (including ill health and disabilities) of the applicant, their partner any dependants and any other occupants of the applicant's home
 - The difficulty experienced by the applicant, which prohibits them from being able to meet their Council Tax liability, and the length of time this difficulty will exist
 - Household income and expenditure
 - The possibility of changing payment methods, re-profiling Council Tax instalments or setting alternative payment arrangements to make them more affordable.
 - The willingness of the Council Taxpayer to accept assistance either through TDC or a third party, such as; Citizens Advice or similar organisations, to enable them to manage their finances more effectively, which may include termination of non-essential expenditure.
 - The Council Taxpayer has taken all reasonable steps to resolve their situation prior to making an application, including applications for employment or additional employment (if appropriate), alternative lines of affordable credit and benefits, CTR, discounts and exemptions.
 - Whether they have applied for Council Tax Reduction. This scheme exists to ensure low income households receive financial assistance with their Council Tax.
 - Whether non-essential contracts have been cancelled and outgoings for the supply of utilities and services generally are the most economical available.

- Whether the Council Taxpayer has access to other funds/assets that could be used to pay Council Tax.
 - Whether other legitimate means of resolving the situation have been investigated and exhausted by the applicant.
 - Whether the amount outstanding is a result of wilful refusal to pay or culpable neglect.
- 3.5 This list is not exhaustive and other relevant factors and special circumstances will be considered. When making any decision, officers will be mindful of any protected characteristics and the impacts these may have on the household.
- 3.6 Discretionary reductions will be withdrawn if the:
- Conditions or circumstances on which the reduction was granted change or fail to materialise.
 - Information submitted as part of the application proves to be false or misleading.
 - The applicant ceases to be the Council Taxpayer.
- 3.7 Where the reduction is cancelled this will normally take effect from the actual date of change. However, in certain circumstances, for example, a false statement, this may be withdrawn in full. A revised Council Tax bill will be issued for payment.

4. Administering the Discretionary Discount Scheme under S13A(1)(c)

- 4.1 Applications for Discretionary Council Tax reductions must be made in writing. They can be made by the Council Taxpayer, their advocate/appointee or a recognised third party authorised to act on their behalf. Where the application is on the grounds of financial hardship a standard form is available which can be obtained via the telephone, in person at one of TDC's offices or on TDC's website.
- 4.2 The application should normally relate to the current Council Tax year, unless the Council Taxpayer has only recently received a bill following a retrospective change to a previous year.
- 4.3 When an application is received, recovery action will be suspended until a decision has been notified to the applicant.
- 4.4 The Council Taxpayer will need to provide:
- The period and amount of reduction being sought.
 - Reasons why a discretionary reduction should be given, and how this meets our policy.
 - What action(s) the applicant has taken to alleviate the situation
 - Any other information that might reasonably be requested by TDC to support an application

Amount of Award and notification

- 4.5 Both the amount and the duration of the award are determined at the discretion of TDC, and will be done so on the basis of the evidence supplied and the circumstances of the claim.

- 4.6 The Revenue Manager or the Revenue, Benefits and Fraud Manager will normally determine Discretionary Discount applications. However, where any individual award exceeds £2,000 the decision will be made in consultation with the Portfolio Holder.
- 4.7 S13A(1)(c) Local Government Finance Act also empowers billing authorities to determine a class of council tax payer to whom a discount will be awarded. Should the need arise to consider creating specific classes of discount and the total value of such cases is likely to be less than £50,000 the decision will be taken by the Leader of the Council. Where the value is expected to exceed £50,000 the request will be referred to the Executive for consideration.
- 4.8 Successful applicants will be notified in writing of the amount and period a Discretionary Discount has been awarded for. Any entitlement is applied to the Council Tax account and a revised bill will be sent. Awards are limited to the end of the financial year in which the application is made. Unsuccessful applicants will be notified in writing together with the reason for the decision. TDC will aim to make a decision within 20 days of receiving all the information required.

Changes in circumstances

- 4.9 Council Tax Payers who are receiving a Discretionary Discount must report changes in their circumstances within 21 days of the change occurring. Any overpaid awards will generally be recovered directly from the council tax payer's council tax account, increasing the amount of council tax due to be paid.

5. Exceptional Hardship Scheme (EHS)

Awards

- 5.0 Every Council Taxpayer who has made a claim for Council Tax Reduction and who has a shortfall or does not qualify because of changes made to the scheme, is entitled to make a claim for help from the EHS. An exceptional hardship payment is generally a short-term award whilst the Council Tax Payer seeks alternative solutions, but can provide longer term support where the Council Tax Payer is not in a position to improve their situation.
- 5.1 It is recognised that there may be unforeseen circumstances arising from the change from a fully means tested Council Tax Reduction Scheme to a simplified income banded discount scheme. Officers will have this in mind when considering applications and will assess and mitigate any impacts according to the individual circumstances of the case.
- 5.2 The main features of the Fund are that:
- EHS awards are discretionary.
 - Council Taxpayers do not have a statutory right to an award.
 - EHS awards are not a payment of Council Tax Reduction.
 - A Council Tax Reduction application must have been made in order for an award for EHS to be considered.
- 5.3 EHS cannot be awarded for the following circumstances:
- To pay for any arrears of Council Tax Reduction caused through the failure of the applicant to apply or notify changes in circumstances in a timely manner or where the applicant has failed to act correctly or honestly.
 - Where TDC considers that there are unnecessary expenses/debts etc and that the Council Taxpayer has not taken reasonable steps to reduce these or is unwilling to do so
 - A shortfall caused by a Department for Work and Pensions sanction or a suspension has been applied because the Council Taxpayer has turned down work/interview/training opportunities.
- 5.4 The Exceptional Hardship Policy is intended to help in cases of exceptional financial hardship. Whilst the definition 'Exceptional Hardship' is not precisely defined by this policy, it is accepted that changes to the level of support generally will cause financial hardship and any payment made will be at the total discretion of the Council. Exceptional Hardship should be considered as 'hardship beyond that which would normally be suffered'.
- 5.5 It is recognised that Council Tax Payers who receive a significant reduction in support as a result of the move to an income-banded scheme may need time to transition to this reduced level and officers will be mindful of this and the time required to adapt to the new scheme when considering applications.

5.6 The Revenues and Benefits Service will determine whether or not to make an EHS award, and how much any award might be. When making this decision the Revenues and Benefits Service will consider the following before making an award:

- Whether the Council Tax Payer has sufficient disposable income to meet their council tax liability after paying priority debts such as rent/mortgage, utility bills (non-water), court fines, taxes etc. and any reasonably incurred essential household expenditure such as food, transport, clothing, health costs etc.
- The shortfall between Council Tax Reduction and Council Tax liability.
- The possibility of changing payment methods, re-profiling Council Tax instalments or setting alternative payment arrangements in order to make them affordable.
- Whether there is any entitlement to statutory council tax discounts or exemptions and the steps taken by the Council Tax payer to reduce their liability.
- Steps taken by the Council Taxpayer to establish whether they are entitled to other welfare benefits.
- Steps taken by the Council Taxpayer to benefit from the most economical tariffs for supply of utilities where possible.
- Steps taken by the Council Taxpayer or the willingness demonstrated by the council tax payer to improve their circumstances where reasonable to do so with a view to either increasing their income or reducing their outgoings
- Willingness of the Council Tax Payer to review their budgets and spending habits in order to improve their financial situation.
- Whether the Council Taxpayer has already accessed or is engaging for assistance with budgeting and financial/debt management advice. An EHS award may not be made until the Council Taxpayer has accepted assistance either from TDC or third party, such as the Citizens Advice or similar organisations, to enable them to manage their finances more effectively, including the termination of non-essential expenditure.
- Whether the applicant has been adversely affected by changes made to the Council Tax Reduction Scheme.
- The income and expenditure of the Council Tax payer's partner and any dependants or other occupants of the Council Taxpayer's home.
- All incomes may be taken into account, including those which are disregarded when awarding Council Tax Reduction e.g. disability-related incomes. The assessment officer may decide to include or exclude these incomes in the calculation but this will depend on the circumstances of the individual case. Where a decision is taken to include this income, any disability-related expenditure will be disregarded in full.
- In the case of a self-employed applicant (or their partner), whether they are in gainful employment. This can be defined as that they are carrying on their activity as their main employment, the earnings from it are genuinely self-employed earnings, and it is organised, developed, regular and carried on in expectation of profit.
- In the case of self-employed applicants where the minimum income floor applies additional factors which will be considered will include:
 - The reason for the application for EHS being made, and, where relevant, why the customer is unable to work 35 hours per week
 - Whether the customer is vulnerable and how this restricts their ability to grow their business or move into alternative employment

- Whether the customer has caring responsibilities, disabilities, young and/or disabled children or other factors to consider which may impact on their ability to grow their business or move into alternative employment
 - Whether external business pressures are impacting on the profitability of the business preventing the business being able, for a reasonable period of time, to support at least one full time wage.
 - Whether Covid-19 is significantly impacting on the applicant's ability to work 35 hours per week and to achieve earnings equal to the National Minimum Wage or National Living Wage. If so, Teignbridge will provide support based on actual earnings rather than on an assumed level of earnings. Any support provided will be granted for a specific period, which will be determined by the circumstances of the case, and will be subject to periodic review.
- Any savings or capital that might be held by the Council Taxpayer or their partner, but excluding compensation payments made under the Windrush Compensation Scheme, We Love Manchester Emergency Fund and similar schemes.
 - Other debts outstanding for the Council Taxpayer and their partner and whether the level of repayment could reasonably be reduced or suspended.
 - The personal circumstances, age and medical circumstances (which shall include mental and physical disabilities) of the Council Taxpayer, their partner and any dependants and any other occupants of the Council Taxpayer's home. The exceptional nature of the Council Taxpayer and/or their family's circumstances that impact on finances.
- 5.7 The list is not exhaustive and other relevant factors and special circumstances will be considered. When making any decision, officers will be mindful of any protected characteristics and the impacts these may have on the household.
- 5.8 An application for a further EHS award can be made and there will be a review of the application and what actions have been taken since the last award.
- 5.9 An EHS award may be less than the difference between the Council Tax liability and the amount of Council Tax Reduction paid.

6 Administering the Exceptional Hardship Scheme

- 6.0 Applications for EHS must be made in writing using the EHS application form. In most cases the person who claims the EHS award will be the person entitled to Council Tax Reduction. However, a claim can be accepted from someone acting on another's behalf, such as an advocate/appointee or a recognised third party authorised to act, if it is considered reasonable.
- 6.1 The application form can be obtained via the telephone, in person at one of TDC's offices and TDC's website. Council Taxpayers can get assistance with the completion of the form from the Revenues and Benefits Service.
- 6.2 The application form must be fully completed and supporting information or evidence provided, as reasonably requested by TDC. The requirement for a written application may be waived in circumstances where the Revenue and Benefits Service holds sufficient information to indicate that an award of EHS is warranted.
- 6.3 The Revenues and Benefits Service may revise an award from the EHS where the Council Taxpayer's circumstances have changed, which either increases or reduces their Council Tax Reduction entitlement.

- 6.4 When an application is received recovery action will be suspended until a decision has been notified to the applicant.
- 6.5 A person claiming an EHS Payment is required to:
- Give TDC such information as it may reasonably require to make a decision.
 - Tell TDC of any changes in circumstances that may be relevant to their ongoing claim.
 - Give TDC such other information, as it may require, in connection with their claim.

Amount of Award and notification

- 6.6 Both the amount and the duration of the award are determined at the discretion of TDC, and will be done so on the basis of the evidence supplied and the circumstances of the claim. The start date will usually be the date the EHS claim is received by the Revenues and Benefits Service, although in some cases it may be possible to backdate this award, based upon individual circumstances of each case.
- 6.7 An EHS award will be made directly to the Council Tax account, thus reducing the amount of Council Tax payable and will normally be awarded for a minimum of one month. The maximum length of the award will not exceed the end of the financial year in which the award is given.
- 6.8 TDC will aim to make a decision within 20 days of receiving all the information required and will notify the outcome of each application in writing. The notification will include the reason for the decision and advise the Council Taxpayer of their appeal rights.

Changes in circumstances

- 6.9 Council Tax Payers who are receiving an exceptional hardship payment must report changes in their circumstances within 21 days of the change occurring. Overpaid EHS awards will generally be recovered directly from the Council Taxpayers Council Tax account, increasing the amount of Council Tax due and payable.

7. Right to appeal

- 7.0 Decisions about discretionary discounts and exceptional hardship are subject to the statutory appeal process.
- 7.1 If the Council Taxpayer is not satisfied with a decision in respect of:
- an application for a discretionary discount or exceptional hardship award
 - a decision not to grant a discretionary discount or exceptional hardship award
 - a decision to award a reduced amount of discretionary discount or exceptional hardship award
 - a decision not to backdate a discretionary discount or exceptional hardship award
- 7.2 he/she may request a review in writing. In these cases TDC will look at the decision again.
- 7.3 An officer, other than the original decision maker, will consider the dispute by reviewing the original application and any additional information and/or representation made and will make a decision within 14 days of referral or as soon as practicable thereafter.
- 7.4 Any request for a review must be made in writing, within two months of the date of the notification letter confirming the original decision.
- 7.5 The outcome of the review will be given in writing by the Council, detailing the reasons for changing or upholding the original decision.
- 7.6 If TDC does not respond within two months of receiving the Council Taxpayer's request for a review or the Council Taxpayer considers that TDC's decision is wrong, they can appeal directly to the Valuation Tribunal

8. Fraud

- 8.0 TDC is committed to protect public funds and ensure funds are awarded to the people who are rightly eligible to them.
- 8.1 An applicant who tries to fraudulently claim a discretionary discount or exceptional hardship payment by falsely declaring their circumstances, providing a false page 67 statement or evidence in support of their application may have committed an offence under The Fraud Act 2006 or the Theft Act 1968.
- 8.2 Where the Council suspects that fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

9. Publicity of Discretionary Discount and Exceptional Hardship Policy

- 9.0 The Revenues and Benefits Service will publicise this policy and will work with interested parties to achieve the stated outcomes. A copy of this policy will be made available for inspection and will be published on TDC's website.

10. Related policies

- Discretionary Housing Payments policy.
- Council Tax Reduction Scheme Policy
- Vulnerability Statement

11. Legislation

- Local Government Finance Act 1992, as amended.

12. Policy date for review and responsible officer

- 12.1 This policy will be reviewed by the Revenue, Benefits and Fraud Manager periodically but no later than 2023.

APPENDIX A

Covid-19 Hardship Fund

13. General Explanation

- 13.1 As part of its response to Covid-19, the Government announced in the Budget on 11th March 2020 that it would provide local authorities in England with £500 million of new grant funding to support economically vulnerable people and households in their local area.
- 13.2 The expectation is that the majority of the hardship fund will be used to provide council tax relief, alongside existing local council tax support schemes (also known as council tax reduction schemes).
- 13.3 The Government's strong expectation is that billing authorities will provide all recipients of working age local council tax reduction, during the financial year 2020-21, with a further reduction in their annual council tax bill of £150, using their discretionary powers under S13A (1) (c) Local Government Finance Act 1992 to reduce the liability of council tax payers outside of their formal local council tax reduction scheme design.
- 13.4 Where a taxpayer's liability for 2020-21 is, following the application of council tax reduction, less than £150, then their liability would be reduced to nil. Where a taxpayer's liability for 2020-21 is nil, no reduction to the council tax bill will be available.
- 13.5 Billing authorities may, after allocating the £150 relief in line with Government expectations, provide such further council tax relief as they see fit.

14. The Council's approach to awarding relief under the Covid-19 Hardship Fund

- 14.1 Relief will be awarded to all claimants who meet the eligibility criteria in the period 1st April 2020 to 31st March 2021 inclusive.
- 14.2 Relief will be awarded only in respect of council tax liability due within the financial year beginning 1st April 2020 and ending 31st March 2021.
- 14.2 In line with Government expectations, Teignbridge intends to award each working age council tax reduction recipient an amount of £150 or where the council tax liability, after applying council tax reduction, is less than £150, such lesser amount as required to reduce the amount to zero.
- 14.3 Where, after applying the £150, a council tax liability remains to be paid, a 'top up' award may be made at the discretion of the decision-maker. An award may be made only where it is evident that the taxpayer does not have the financial means to pay part/all of the remaining balance for the year 2020-21 without causing exceptional hardship and has not previously received a financial payment from other sources of Covid-related government funding intended to pay off the amount in question.

- 14.4 To support self-employed claimants who face significant difficulties in operating their business during the Covid-19 crisis, such that it is not reasonable to expect the business to be paying a wage equivalent to the national living or national minimum wage, Teignbridge intends to draw on the hardship fund in order to offset the impact of the minimum income floor on their entitlement to a council tax reduction. From 1st April 2020 anyone claiming a council tax reduction who is self-employed and whose self-employment has been significantly negatively impacted by Covid-19 will be assessed on actual earnings rather than an assumed level of earnings. Any difference between actual and assumed earnings will be covered by the hardship fund.
- 14.5 Their award will be reviewed at a time judged to be the most appropriate, given the nature of the self-employment, the impact of Covid-19 and any other Government initiatives or measures introduced because of Covid-19. Upon review, a decision will be taken either to continue the calculation based on actual earnings or to re-apply the minimum income floor. This decision will be based on the individual circumstances of the case. Where it is evident that Covid-19 is continuing to have a significant negative impact on the business the award is likely to continue to be assessed on actual earnings with further reviews made at appropriate times within the financial year 2020-21.
- 14.6 The Department for Work and Pensions has increased both Working Tax Credit and Universal Credit by £20 per week for the year 2020-21 as part of its Covid-19 measures. To ensure the positive impact of this measure is not eroded by any corresponding reduction in council tax reduction, Teignbridge intends, where it identifies that a claimant has received a reduced level of council tax reduction on account of receiving the £20 per week Working Tax Credit or Universal Credit uplift, to draw on the hardship fund to provide the level of support that would have applied but for this uplift.

15. Administering the Scheme

- 15.1 Teignbridge will automatically apply the £150 (or part thereof) to all working age council tax reduction recipients. There is no need for claimants to apply for this relief. Eligibility criteria and administration of the awards will be in accordance with the guidance issued by Government here:
<https://www.gov.uk/government/publications/council-tax-covid-19-hardship-fund-2020-to-2021-guidance>
- And its Q&A information sheet available here:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/879764/32020_-_Council_Tax_information_letter_-_16_April_2020_.pdf
- 15.2 Once the awards have been made a revised council tax bill will be sent indicating the amount of relief awarded and any remaining balance will be payable by the taxpayer in line with the statutory council tax instalment scheme or any other alternative payment arrangements agreed with TDC. Only one award will be made in the year 2020-21.
- 15.2 Teignbridge will consider using the actual earnings for self-employed earners for appropriate periods within the financial year 2020-21. Claimants do not need to apply for this. The taxpayer will be asked to supply further information to enable a review of the situation and a reassessment of entitlement as appropriate.

The Council Tax payer will be expected to report any changes to their circumstances that may affect their award or liability to the Authority as and when they occur

- 15.3 Teignbridge will automatically offset the £20 Working Tax Credit or Universal Credit uplift when assessing claims for council tax reduction. Again, taxpayers do not need to apply for this.

16. Right to Appeal

- 16.1 The appeal rights set out in section 7 (page 13) of this policy document have effect for the purposes of the Covid-19 Hardship Fund scheme.

17. Scheme Review

- 17.1 The impacts of Covid-19 are not yet fully understood and the Council's approach to delivering support under the Covid-10 Hardship Fund may need to change to ensure it adequately addresses local needs and/or to respond to changes in Government guidance. The Council will review its approach at intervals during the financial year.

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Exceptional Hardship Applications and Awards

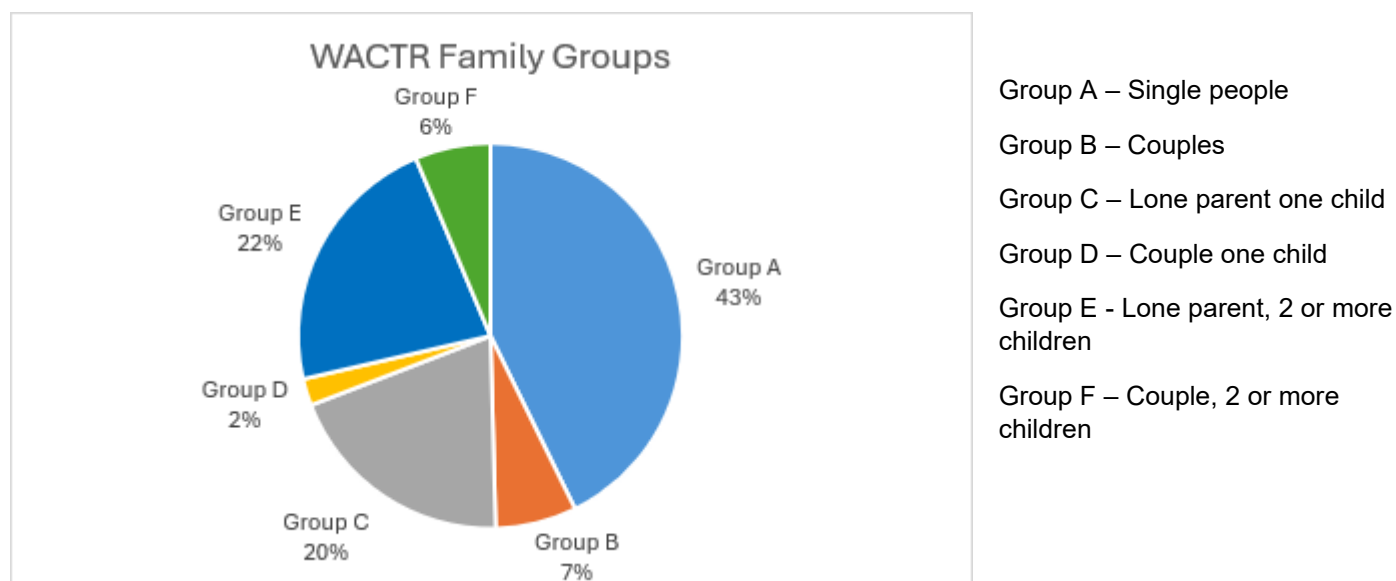
The table below gives a breakdown of the Exceptional Hardship data for the period 1.4.22 to 1.10.25

Financial Year	Total Spend	Number of Applications	Number of Awards (including reconsiderations)	Number of reconsiderations	Reasons for awards
2022/2023	£15.6k	128	48	7, of which we made 7 awards	19 for Financial reasons £5.9k 4 for Scheme changes £2.0k 25 for Vulnerability £7.7k
2023/2024	£13k	99	34	3, of which we made 2 awards	12 for Financial reasons £3k 8 for Scheme changes £4.5k 14 for Vulnerability £5.5k
2024/2025	£8.7k	119	28	6 with no awards	13 for Financial reasons £4.2k 4 for Scheme changes £1.8k 11 for Vulnerability £2.7k
2025 at 1.10.25 (6 months)	£3.8k	55	11	4 with no awards	4 for Financial reasons £1.2k 5 for Scheme changes £1.7k 2 for Vulnerability £0.9k
Totals		401	121		

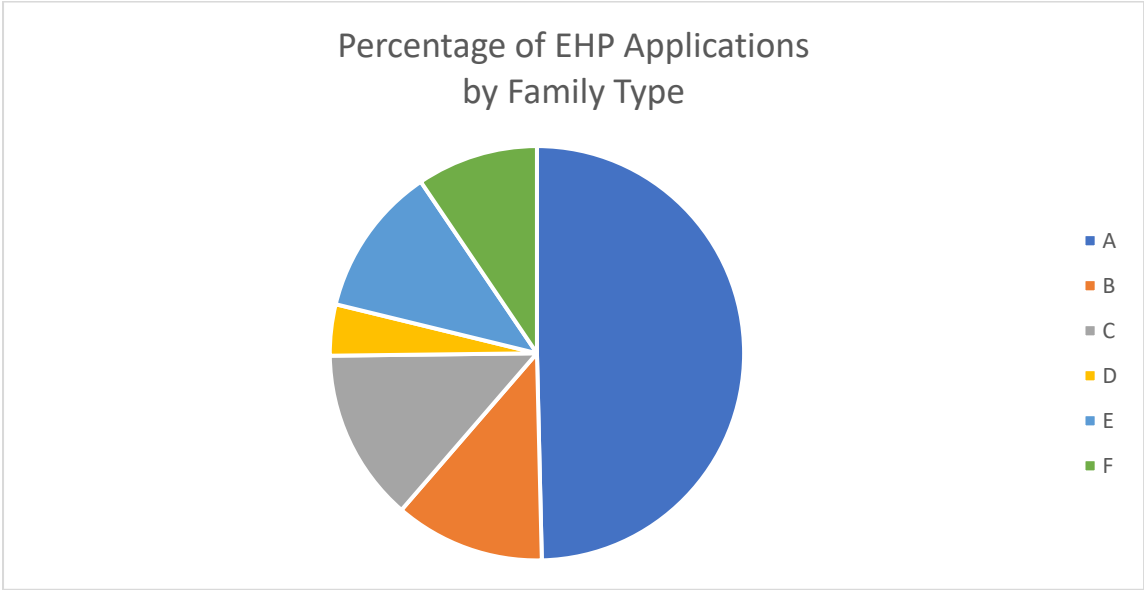
The table and information above summarises all Exceptional Hardship applications and awards made since 1.4.22.

- The data indicates a small decline in the number of annual awards despite a consistent number of applications.
- With the migration from legacy benefits to Universal Credit due to be completed before April 2026, we anticipate a potential increase in the number of applications within the next 6 months as customers WACTR awards change in line with their new Universal Credit entitlements.

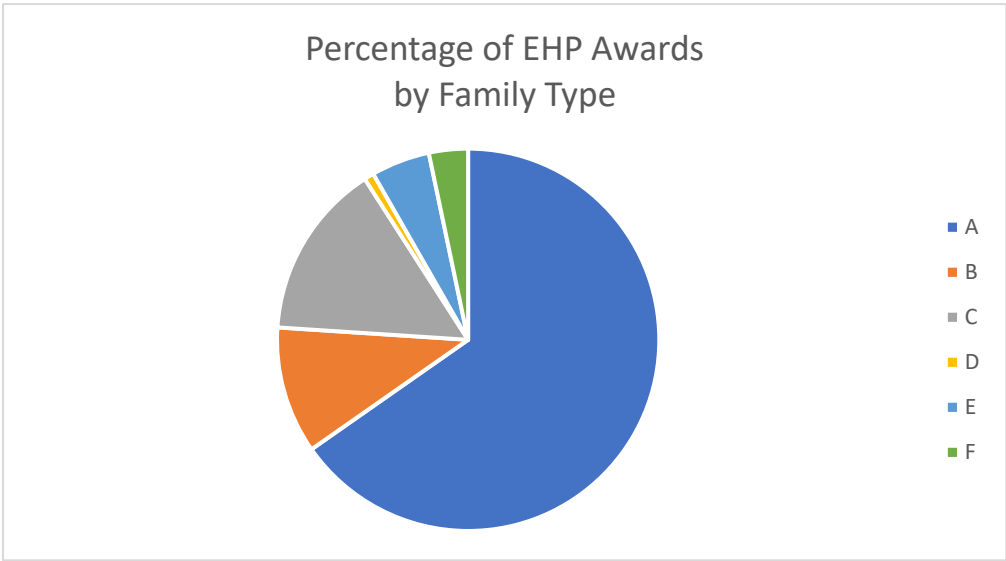
The chart below illustrates the demographic of our current WACTR caseload



This is the demographic of the Exceptional Hardship applications since 1.4.22. It shows that in line with the majority group for our WACTR claimant being single person households(group A), the majority of applications are made by single people.



The Exceptional Hardship awards we make for each family groups are as follows:



This shows we make most of the awards to our largest demographic, this being single people (group A).

Couples with children (groups D and F) are the least likely to be successful, usually because they have sufficient available income to afford their Council Tax liability.

A review of all applications for customers with a disability gives us the following information which confirms that around half of all applicants have a disability and of those, around a third have been awarded an Exceptional Hardship award. Two thirds of people with a disability can afford their Council Tax liabilities after allowing for all disability related spend and only a few of those, which include people who have a history of not paying, fall behind with their instalments and experience formal recovery action.



Equality Impact Assessment

Assessment Of: Council Tax Reduction Scheme	
<input checked="" type="checkbox"/> Policy <input type="checkbox"/> Strategy <input type="checkbox"/> Function <input type="checkbox"/> Service <input type="checkbox"/> Other [please state]	<input type="checkbox"/> New <input checked="" type="checkbox"/> Already exists / review <input type="checkbox"/> Changing
Directorate: Community Services and Improvement	Assessment carried out by: Nikki Rawley
Service Area: Revenue and Benefits	Job Role: Council Tax Lead Officer
Version / Date of Sign Off by Director: 14.12.23	

Step 1: What do we want to do?

This assessment should be started at the beginning of the process by someone with a good knowledge of the proposal and service area, and sufficient influence over the proposal. It is good practice to take a team approach to completing the equality impact assessment. Please contact the Policy Officer early for advice.

1.1 What are the aims and objectives/purpose of this proposal?

Briefly explain the purpose of the proposal and why it is needed. Describe who it is aimed at and the intended aims / outcomes. Where known also summarise the key actions you plan to undertake. Please use plain English, avoiding jargon and acronyms. Equality Impact Assessments are viewed by a wide range of people including decision-makers and the wider public.

In April 2020, we introduced significant changes to our Working Age Council Tax Reduction (WACTR) scheme by adopting an income banded and simplified scheme. It would continue to support the lowest income and vulnerable households in our district and be administered as a discount on the Council Tax account.

The scheme awards a set percentage discount, depending on the family type and where the household income sits within an income band. It disregards certain incomes including, among others, Personal Independence Payments, Disability Living Allowance, Carers Allowance, Child Benefit and Child Maintenance, and further earned income disregards for child-care costs. See CTR scheme for full list of disregarded incomes: <https://www.teignbridge.gov.uk/media/kjgok0hi/teignbridge-ctr-scheme-2023.pdf>

When the scheme was introduced with effect from 1st April 2020, we anticipated that, of the 4,408 households claiming Working Age Council Tax Reduction, 58% would be unaffected, 25% would gain and 17% would lose.

The pandemic hit at the end of March 2020 and we experienced an immediate and unprecedented increase to the number of applications as many of our residents' circumstances changed almost overnight. We were able to protect customers from losing any entitlement arising from central government increases to tax credits or universal credit income, by disregarding all the emergency welfare awards and cost of living support provided during and since.

The pandemic and ensuing Government-led schemes had a significant impact on resource and it has only been within the last few months that we have been able to reflect and reliably review the banded scheme's performance in relation to the impact on households' ability to pay council tax.

The table below illustrates the current banded scheme for 2023-24.

	Household Category						
		Single person	Couple	Single person + 1 dependent	Couple +1 dependent	Single person with 2(+) dependents	Couple with 2(+) dependents
		Group A	Group B	Group C	Group D	Group E	Group F
Income Band	Weekly net income	% reduction					
Band 1	£0 - £86	100%	100%	100%	100%	100%	100%
Band 2	£86.01 - £166	75%	75%	100%	100%	100%	100%
Band 3	£166.01 - £248	50%	50%	75%	75%	100%	100%
Band 4	£248.01 - £331	25%	25%	50%	50%	75%	75%
Band 5	£331.01 - £413	0%	0%	25%	25%	50%	50%
Band 6	£413.01 - £496	0%	0%	0%	0%	25%	25%

We have carried out a partial review of our WACTR caseload, the findings of which are set out in Appendix A to this EIA.

1.2 Who will the proposal have the potential to affect?

<input checked="" type="checkbox"/> Service users	<input checked="" type="checkbox"/> The wider community	<input checked="" type="checkbox"/> Teignbridge workforce
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1.3 Will the proposal have an equality impact?

Could the proposal affect access levels of representation or participation in a service, or does it have the potential to change e.g., quality of life: health, education, or standard of living etc.?

If 'No' explain why you are sure there will be no equality impact, then skip steps 2-4 and request review by your manager.

If 'Yes' complete the rest of this assessment.

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	[please select]
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No changes are proposed for the current Council Tax Reduction scheme, so no equality impacts are predicted.

Step 2: What information do we have?

2.1 What data or evidence is there which tells us who is, or could be affected?

Please use this section to demonstrate an understanding of who could be affected by the proposal. Include general population data where appropriate, and information about people who will be affected with particular reference to protected and other relevant characteristics (listed in 2.2).

Use one row for each evidence source and say which characteristic(s) it relates to. You can include a mix of qualitative and quantitative data - from national research, local data or previous consultations and engagement activities.

Outline whether there are any over or under representation of equality groups within your service - don't forget to benchmark to local population where appropriate.

For workforce / management of change proposals you will need to look at the diversity of the affected team(s) using available evidence such as the employee profile data. Identify any under/over-representation compared with Teignbridge's economically active citizens for age, disability, ethnicity, gender, religion/belief and sexual orientation.

Data / Evidence Source [Include a reference where known]	Summary of what this tells us
LGA Research report - Basic Facts About Teignbridge Basic facts about your chosen area (esd.org.uk)	Details the demography of the Teignbridge District in relation to: <ul style="list-style-type: none"> • Population • Age • Ethnicity • Health • Employment • Education
LGA Research Report- Demographic Report LGA Research Report - Demographic Report LG Inform (local.gov.uk)	Provides further detail on population changes in Teignbridge, and demographic information relating to gender and ethnicity in Teignbridge with comparisons to the percentage figures for the Southwest and all English Local authority areas in totality
Appendix B - EIA for CTR scheme review 5.12.23	This is a more detailed analysis of various sources of information including. <ul style="list-style-type: none"> • A review of the caseload and information provided on their application forms. • A review of information gathered as part of the Exceptional Hardship application process. • Comparisons between the different household groups and some identified areas of concern. • Recovery stage information in relation to customer council tax accounts.
Additional comments:	

2.2 Do you currently monitor relevant activity by the following protected characteristics?

<input checked="" type="checkbox"/> Age	<input checked="" type="checkbox"/> Disability	<input type="checkbox"/> Gender Reassignment
<input type="checkbox"/> Marriage and Civil Partnership	<input type="checkbox"/> Pregnancy/Maternity	<input type="checkbox"/> Race

☐ Religion or Belief☐ Sex☐ Sexual Orientation

2.3 Are there any gaps in the evidence base?

Where there are gaps in the evidence, or you don't have enough information about some equality groups, include an equality action to find out in section 4.2 below. This doesn't mean that you can't complete the assessment without the information, but you need to follow up the action and if necessary, review the assessment later. If you are unable to fill in the gaps please state this clearly with a justification.

For workforce related proposals all relevant information on characteristics may need to be sought from HR (e.g., pregnancy/maternity). For smaller teams' diversity data may be redacted. A high proportion of not known/not disclosed may require action to address and identify the information needed.

We hold limited data on protected characteristics for council tax reduction purposes. We gather information about household composition – single person, couple, lone parents and families with children. We gather information related to disabilities, carers, and low income and welfare benefit awards.

2.4 How have you involved communities and groups that could be affected?

You will nearly always need to involve and consult with internal and external stakeholders during your assessment. The extent of the engagement will depend on the nature of the proposal or change. This should usually include individuals and groups representing different relevant protected characteristics. Please include details of any completed engagement and consultation and how representative this has been of Teignbridge's diverse communities.

Include the main findings of any engagement and consultation in Section 2.1 above.

If you are managing a workforce change process or restructure please refer to HR for advice on how to consult and engage with employees. Relevant stakeholders for engagement about workforce changes may include e.g. staff-led groups, trades unions as well as affected staff.

When we moved to an income banded scheme we carried out extensive consultation with the public, major preceptors, groups from the voluntary sector and stakeholders. Since the scheme has been in operation we have kept it under regular review by capturing customer comments, complaints, challenges, feedback from voluntary, community sector and data from all Exceptional Hardship applications.

2.5 How will engagement with stakeholders continue?

Explain how you will continue to engage with stakeholders throughout the course of planning and delivery. Please describe where more engagement and consultation is required and set out how you intend to undertake it. Include any targeted work to seek the views of under-represented groups. If you do not intend to undertake it, please set out your justification. You can ask the Consultation Officer for help in targeting particular groups.

We will continue to engage with and gather information from the stakeholders mentioned above in 2.4 via the Teignbridge Welfare Reform Forum.

Step 3: Who might the proposal impact?

Analysis of impacts must be rigorous. Please demonstrate your analysis of any impacts of the proposal in this section, referring to evidence you have gathered above and the characteristics protected by the Equality Act 2010. Also include details of existing issues for particular groups that you are aware of and are seeking to address or mitigate through this proposal.

3.1 Does the proposal have any potentially adverse impacts on people on the basis of their protected or other relevant characteristics?

Consider sub-categories (different kinds of disability, ethnic background etc.) and how people with combined characteristics (e.g. young women) might have particular needs or experience particular kinds of disadvantage.

Where mitigations indicate a follow-on action, include this in the 'Action Plan' Section 4.2 below.

GENERAL COMMENTS <i>(highlight any potential issues that might impact all or many groups)</i>	
As there are no changes to the existing scheme we do not anticipate any adverse impacts on people with or without any protected characteristics.	
PROTECTED CHARACTERISTICS	
Age: Young People	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	The scheme applies equally to all working age claimants
Mitigations:	
Age: Older People	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	Persons of retirement age are outside the remit of this scheme. The government prescribed scheme applies
Mitigations:	
Disability	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	The scheme applies positively to persons with a disability as certain disability related payments are disregarded. Analysis of our caseload indicates the scheme is providing higher levels of support to persons with a disability and making it easier for them to meet their council tax liability
Mitigations:	
Sex	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Sexual orientation	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Pregnancy / Maternity	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Gender reassignment	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Race	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Religion or Belief	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Marriage & civil partnership	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	

OTHER RELEVANT CHARACTERISTICS

Socio-Economic (deprivation)	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	The scheme provides support to low income households to help them meet their council tax liabilities and therefore has positive impact
Mitigations:	
Other group(s) <i>Please add additional rows below to detail the impact for other</i>	

relevant groups as appropriate e.g. Asylums and Refugees; Rural/Urban Communities, Homelessness, Digital Exclusion, Access To Transport	
Potential impacts:	
Mitigations:	

3.2 Does the proposal create any benefits for people on the basis of their protected or other relevant characteristics?

Outline any potential benefits of the proposal and how they can be maximised. Identify how the proposal will support our Public Sector Equality Duty to:

- ✓ Eliminate unlawful discrimination for a protected group
- ✓ Advance equality of opportunity between people who share a protected characteristic and those who don't
- ✓ Foster good relations between people who share a protected characteristic and those who don't

As no changes are proposed this does not create any benefits on the basis of protected or relevant characteristics.

The scheme awards a set percentage discount, depending on the family type and where the household income sits within an income band. It disregards disability related welfare benefit awards, for example Personal Independence Payments and Disability Living Allowance. It also disregards Carers Allowance, Child Benefit and child maintenance, £25 of net weekly wages and further earned income disregards for childcare costs.

The scheme awards 100% support to everyone who receives a legacy, income-based welfare award and the income bands are intended to be annually changed in line with CPI and DWP welfare benefit increases. This helps retain the same level of support to customers on the lowest incomes.

Step 4: Impact

4.1 How has the equality impact assessment informed or changed the proposal?

What are the main conclusions of this assessment? Use this section to provide an overview of your findings. This content should be used as a summary in reports, where this full assessment is included as an appendix.

If you have identified any significant negative impacts which cannot be mitigated, provide a justification showing how the proposal is proportionate, necessary and appropriate despite this.

Summary of significant negative impacts and how they can be mitigated or justified:
There are no negative impacts, or potential for discrimination
Summary of positive impacts / opportunities to promote the Public Sector Equality Duty:

4.2 Action Plan

Use this section to set out any actions you have identified to improve data, mitigate issues, or maximise opportunities etc. If an action is to meet the needs of a particular protected group please specify this.

Improvement / action required	Responsible Officer	Timescale
Continue to monitor, review, and gather feedback from the sources described in 2.4	Nikki Rawley – Council Tax Lead Officer	On going
Continue to review our caseload, Exceptional Hardship applications and examine their council tax recovery position.	Nikki Rawley	On going

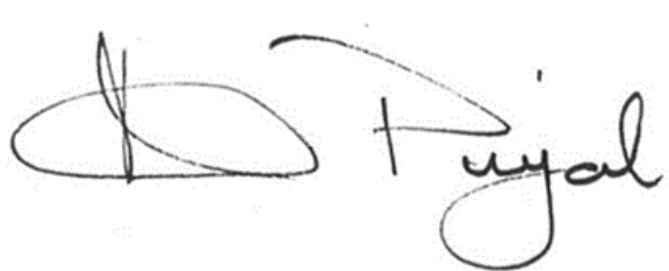
4.3 How will the impact of your proposal and actions be measured?

How will you know if have been successful? Once the activity has been implemented this equality impact assessment should be periodically reviewed to make sure your changes have been effective and your approach is still appropriate. Include the timescale for review in your action plan above.

We can compare data between the different household groups and other characteristics like disability and care responsibilities. We can also examine how a group is managing to keep up with their council tax liabilities by looking at the recovery action situation on their accounts.

Step 5: Review & Sign-Off

EIAs should only be marked as reviewed when they provide sufficient information for decision-makers on the equalities impact of the proposal. Please seek review and feedback from management before requesting it to be signed off. All working drafts of EIAs and final signed-off EIAs should be saved in G:\GLOBAL\EIA Once signed-off please add the details to the 'EIA Register' of all council EIAs saved in the same directory.

Reviewed by Service Manager: Yes <input checked="" type="checkbox"/> Tracey Hooper – Service Lead for Revenue, Benefits and Customer Support No <input type="checkbox"/> Instead was reviewed by:	Strategic Leadership Team Sign-Off: 
Date: 08.12.23	Date: 14 Dec 23

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**Teignbridge District Council
Executive
6 January 2026
Part i**

INITIAL FINANCIAL PLAN BUDGET PROPOSALS 2026/27 TO 2028/29

Purpose of Report

To consider the initial financial plan proposals 2026/27 to 2028/29 to be published for comments over the next six weeks

Recommendation(s)

The Executive Committee is recommended to resolve that comments be invited on these budget proposals

Financial Implications

The financial implications are contained throughout the report. The main purpose being to formulate the initial budget proposals for both revenue and capital budgets and medium-term financial plan covering the years 2026/27 to 2028/29.

Gordon Bryant – Chief Finance Officer & Head of Financial Services & Audit
Email: gordon.bryant@teignbridge.gov.uk

Legal Implications

The Executive is required under the budget and policy framework procedure rules in the constitution (section 7(a) and 7 (b)) to agree and recommend a budget to Council each year. See section 9 of the report.

Gordon Bryant – Chief Finance Officer & Head of Financial Services & Audit
Email: gordon.bryant@teignbridge.gov.uk

Risk Assessment

The risks involved in not setting a balanced budget are highlighted throughout the report. The major risks are in 3.9, 4.13, 4.15 and 4.26 with reference to uncertainties as to income projections following the current economic conditions and further analysis on the recently announced funding review. A programme of identifying savings or increased income is required to meet the budget gaps for future years if additional funding is not provided from Government.

Gordon Bryant – Chief Finance Officer & Head of Financial Services & Audit
Email: gordon.bryant@teignbridge.gov.uk

Environmental/ Climate Change Implications

The revenue budget supports the funding of a Climate Change Officer and associated revenue budget and capital projects are highlighted which contribute towards our climate change objectives in appendix 6 – capital programme.

David Eaton – Head of Neighbourhoods
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Report Author

Gordon Bryant – Chief Finance Officer & Head of Financial Services & Audit
Email: gordon.bryant@teignbridge.gov.uk

Executive Member

Councillor John Parrott – Executive Member for Resources

Appendices/Background Papers

App 1 – Budget timetable 2026/27
App 2 – Council tax base 2026/27
App 3 – Council tax calculator 2026/27
App 4 – Summary revenue plan 2025/26 onwards
App 5 – Fees and charges summary
App 6 – Capital programme 2025/26 – 2028/29
App 7 – Financial Plan 2026 - 2031
Budget and settlement files
The Constitution

1. PURPOSE

- 1.1** To consider the initial financial plan proposals 2026/27 to 2028/29 to be published for comments over the next six weeks.
- 1.2** These proposals include draft revenue and capital budgets for the three years 2026/27 to 2028/29. The main issues taken into account are:
 - The level of council tax and the proposal to increase it by £6.05 (2.99%).
 - Reducing central funding and the need to make ongoing efficiencies using invest to save where possible.
 - Maintaining 100% council tax support.
 - The ongoing impact of economic conditions on income streams and changing Government funding.
 - Continuing to react to the climate change emergency by maintaining ongoing budgets for a climate projects officer and associated spending in revenue and

provision in the capital programme, including ongoing provisions for corporate decarbonisation schemes as per 5.5.

- A £3 million provision for employment sites funded by borrowing.
- Authority for Executive to exceed the approved overall revenue budget by up to £200,000 per 4.25.
- Support for housing – the Homes4Teignbridge initiative including £7,243,317 for the Sherborne House Car Park social rented flats and further purchases supported by the Local Authority Housing Fund (see 5.3) whilst backing business and bringing people and organisations together for local neighbourhood planning.
- Infrastructure delivery plan investment funded by community infrastructure levy (CIL) and external sources where available (see 5.4); continuation of grant-funded South West Regional Coastal Monitoring Programme as per 5.6.
- Town Centre investment in infrastructure and employment as per 5.7
- Revenue contributions to capital being maintained at £1,500,000 per annum for 2026/27 and £500,000 thereafter.
- Councillor's Community Fund set at £1,000 each.
- Providing additional 4% inflationary funding to voluntary group grants
- The level of general reserves necessary for the council as per 4.22 – recommended at £2.6 million for 2025/26.
- Estimated revenue budget gap of £0.9 million in 2027/28 and £1.2 million in 2028/29 and ongoing gaps (before use of remaining earmarked reserves) and action required to address this from established working groups informing Overview & Scrutiny on work to reduce the gap (see 4.26).

- 1.3** To note the council tax base 2026/27 approved by Audit Committee on 17 December 2025 as shown at appendix 2.

2. SUMMARY

- 2.1** Recent budgets have taken account of reducing government grant over the period of the last comprehensive spending review. We have now received the provisional local government settlement for the next three years. This implements the long-awaited funding review and Business Rates reset. Teignbridge is unfortunately in the category of the most affected councils. We are to receive protection that minimises the impact on the Core Spending Power to 95% of that in the current year. (In previous years, protection has been at 100% for the most affected councils). The fact that this is a lower percentage and the fact that this is over three years increases the impact on our ability to fund services. As anticipated, many funding streams have been cut or are now included within unringfenced funding. Teignbridge do not qualify for some of the new funding streams that the government have announced. New burdens are funded and the Extended Producer responsibility funding continues. Council tax thresholds are maintained at the higher of 2.99% or above £5 (see 4.5 for full explanation).

- 2.2** The revenue budget summary covers 2026/27 and the next two financial years. It is very possible that 2028/29 is the first year of the new unitary's operations which will be replace the responsibilities of Teignbridge District

Council. Until a formal decision is made, the budget assumes that TDC continues in its current form.

- 2.3** We have benefitted from previous savings plans and restructuring efficiencies are still producing cost reductions. This budget also benefits from the Strata partnership. We are using the Modern 25 agenda as part of the recovery plan to identify savings through service reviews following the successful Business Efficiency Service Transition (BEST) 2020 reviews and Better 2022 initiatives in earlier years.
- 2.4** The macro-economic situation is worrying. Inflation remains high and the economy struggles to grow or improve productivity. Teignbridge has experienced significant reductions in certain areas of rental income in recent years. We are now budgeting for returns on recent invest to save schemes.
- 2.5** General increases in most off street parking charges are proposed to cover inflation and in particular the continuing higher business rates from revaluations which mainly falls on car parking. (see also 4.3 below).
- 2.6** Business rates are revalued nationally every 3 years. With transitional arrangements phasing changes in bills over the life of the valuation period. Our on-going investment in Newton Abbot will enhance its vitality and viability within the town centre.
- 2.7** The capital programme to 2028/29 has been updated to align with the One Teignbridge Action Plan, which was adopted at Full Council on 23 October 2025. The main aims are to work with communities, support the local economy, care for the environment, create affordable homes and work with partners to bring forward infrastructure improvements.

Infrastructure

- 2.8** Infrastructure delivery plan projects, which are vital to the development and accessibility of the area. These include highways and cycle path projects, funded by CIL and external sources where available.
- 2.9** £15.7 million of CIL funding is provided towards delivering additional education facilities to support new development. Projects will be brought back to Full Council in due course.
- 2.10** £1.3 million is earmarked for improvements to Dawlish leisure centre.
- 2.11** £800,000 is provided over 4 years for a Community Match Fund, to support town and parish projects which are in accordance with a Community Infrastructure Plan.

Housing

- 2.12** Investment in housing (Homes4Teignbridge) continues. On 23 October 2025, the Sherborne House car park social rented flats budget was increased to

£7,243,317. Homes England funding in support of the scheme was confirmed in early December 2025.

- 2.13** The purchase of council homes supported by the Local Authority Housing Fund continues, with a further provision of £1,000,000 in prudential borrowing to improve temporary accommodation arrangements and reduce the use and cost of bed and breakfast accommodation. Investment in other support measures such as disabled facilities continue, funded from Better Care grant.

Environment

- 2.14** There are provisions to continue corporate decarbonisation measures, including energy efficiency measures at Dawlish and Newton Abbot leisure centres.
- 2.15** £8.4 million provision is made for waste and recycling projects, including £5.033 million approved for the waste transfer station redevelopment on 20 May 2025, waste management infrastructure, provision for the simpler recycling statutory requirements and replacement recycling banks. These are vital to enabling the continuance of this statutory service.
- 2.16** £1,367,000 is provided for the final phase of the Ridgetop Countryside Park, funded from Housing Infrastructure Fund grant. A further £1,550,000 towards new countryside parks is planned, funded from CIL – the initial £50,000 is in 2028/29. There is also £1,000,000 over 2027/28 and 2028/29 towards habitat regulations infrastructure measures, funded from CIL.
- 2.17** South West Coastal Monitoring continues, fully funded from Environment Agency grant.

Economy

- 2.18** Provision is also included for town-centre investment, including the refurbished Market Hall in Newton Abbot, due to complete in 2026. There is a £3,000,000 provision for employment infrastructure, to create new spaces for jobs and local enterprise. These projects aim to stimulate growth in the local economy and ensure it is an attractive and well-connected environment for local businesses.
- 2.19** The One Teignbridge Action Plan also sets out “**the way we will work**” including continuing to implement the Modern25 Programme. This is enabled by investment in IT.
- 2.20** For the programme as a whole, prudential borrowing supports a number of projects where alternative funding is not available and a return on capital can be demonstrated.

3. BACKGROUND

- 3.1** The budget and policy framework procedure rules in the Constitution set out the process for developing annual budgets and their approval by Council. Thus there is a budget timetable in the Executive forward plan which includes Overview and Scrutiny consideration of the financial plan proposals. The detailed **timetable** is shown at **appendix 1**. The Council is responsible for the adoption of its budget including approving the appropriate level of council tax.
- 3.2** The funding reset will reduce further the support provided by central government. As modelled by MHCLG, our Comprehensive Spending Power will fall in cash terms between 2025/26 and 2028/29 by 5%. In real terms, the reduction will be much greater than this. This comes on the back of reductions since 2015/16.
- 3.3** Income streams continue to recover post the pandemic. Capital schemes providing positive net income have also been reflected within the medium term financial plan.
- 3.4** **Modern 25**, continuing review of Business Plans and O&S scrutiny working groups are the key options for exploring reduction in budgets and also to evaluate the pressures of investment that might be required to deliver those savings. The savings that can be made to date have been built into the budgetary figures.
- 3.5** Our ten-year Strategy (which has been reviewed) takes us to 2030. This sets the tone for contributing to civic life and ensuring public services focus on 'place and person' while remaining accountable, fair and value for money. At the heart are the Teignbridge overarching projects that guide our activities, where we focus our resources and how we shape services to deliver real progress for the district. The "One Teignbridge" investment strategy is Teignbridge District Council's long-term plan, developed with residents, to improve services and tackle district-wide issues over the next five years (2025-2030), focusing on key areas like a cleaner environment (net zero, recycling), a strong local economy (jobs, town centres), supporting communities (health, facilities), and better infrastructure, with an Action Plan adopted in late 2025 to detail specific projects, timelines, and success measures. The capital programme has been updated to reflect these changes.
- 3.6** There are some minor amendments to the council tax support scheme. These have minimal impact on the budget. The scheme already makes provision for an uplift in income band thresholds so we can protect claimants from receiving reduced levels of support as a result of an uplift in their state benefits if necessary. A budget survey was planned and has been put on the website and publicised to encourage feedback. In particular it will be brought to the attention of **businesses**, the residents' panel and Teignbridge relationship groups.

- 3.7 The current council tax for Teignbridge is £202.28 per year for an average band D property. The 2025/26 **tax base** or effective number of properties for calculating council tax income is 51,562. Thus current year council tax income for the district is estimated at £10.1 million as shown in **appendix 2 - the recommended council tax base 2026/27**. A table of values for various increases in council tax is shown at **appendix 3 - the council tax calculator**.
- 3.8 Of the current total average annual £2,512.83 council tax collected per property, Teignbridge keeps just over 8% or £3.89 per week for its services. 72% goes to County, 11% to the Police, 4% to the Fire Authority and 5% to parishes and towns for their local precepts.
- 3.9 Significant government funding and cost changes affecting us for current and future years are as follows:
- 3.10 Pay increases for current and future years. A one year flat rate deal of 3.2% to employees as tabled by the National Employers for Local Government Services for 2025/26 has been agreed and implemented and has been updated within the current year's salary budgets. There is no agreed increase for next year however an assumption of 3% for next year and thereafter had been built into the financial plan proposals together with any implications arising from the payline review. With further increases to the minimum wage and cost of living pressures likely to continue the assumption has been maintained at 3% for 2027/28 and for 2028/29 and thereafter.
- 3.11 The increased costs for employers national insurance continue to be partly covered by Government funding.
- 3.12 The actuarial valuation of the Devon pension fund effective from 1 April 2026 has decreased employers contributions and the revised rates effective from the latest revaluation are detailed in 4.20 below.
- 3.13 Bed & breakfast costs for those at risk of being made homeless continue to be a significant pressure. Capital investment in more Teignbridge owned facilities are intended to reduce this ongoing cost.
- 3.14 Repairs and maintenance costs to existing asset portfolio are increasing and a significant provision has been made in 2026/27 to deal with urgent maintenance. Audit fees also continue to increase.
- 3.15 We continue to recognise the value of the work undertaken by voluntary and community groups. Support continues at an enhanced rate to reflect the impact of inflation.
- 3.16 Income budgets have been increased to reflect the rental streams attached to new capital projects.
- 3.17 As a consequence of the funding review, certain grants have been abolished, new ones have arisen and funding has also been transferred from ring-fenced to non-ringfenced. On balance, Teignbridge have been badly affected by

these changes. The Business rates 'reset', whereby councils are no longer able to keep increases in business rates in their area, has also reduced the level of funding available. The net impact of these changes is that Teignbridge now qualify for the highest level of protection from the reduction in funding. Government support will ensure that the Core Spending Power does not fall below 95% of that that was received in the current financial year in cash terms for the next three years. After assumed inflation, Teignbridge will see income fall by more than 10% over the three year period of the settlement.

- 3.18 Other budget pressures anticipated and included are for the impacts of inflationary pressures and general activity levels. Any other gap can be met by use of earmarked reserves (with any additional shortfall in year being investigated and further savings being made in year).
- 3.19 2026/27 is the first year where we have been able to build into the budget the results of the transformation and savings programmes such as Modern 25. This has made a major difference to the budget gap that is now present. There has also been progress in delivering savings and enhanced income streams in a variety of other ways. This includes increased leisure income, exploring options for investment of our cash deposits, new letting arrangements, and funding substantive positions from external grants. There have also been significant vacancy management savings arising in the current financial year.
- 3.20 The Executive has had two **monitoring** reports this financial year on 9 September 2025 and 2 December 2025. These have updated current year budgets and also future year forecasts.

4. REVENUE FINANCIAL PLAN

- 4.1 **Appendix 4** to this report is the draft budget scenario for the next three years. The effects of budget variations in 2025/26 already approved by Executive and Full Council are included.
- 4.2 Proposed **fees and charges** draft income totals for each service are shown at **appendix 5**. Detailed recommended fees and charges will be available on the website early in January via the members' newsletter. There are general changes for most charges to reflect more recent inflationary increases in costs for these services with some areas being altered to reflect better alignment to cost recovery and/or comparable charges/market rates elsewhere. 'Jam Packed' Leisure membership fees increase from £40 per month to £42 per month. There are general increases in other leisure charges.
- 4.3 Changes to car parking charges are mainly inflationary and again cover increases in costs due to inflation. The charge for Sunday parking has been proposed to increase to £3 for a full day, £2 for four hours, or £1.50 for two hours. This will also help towards increases in running costs and in particular rates increases arising from the revaluations that mostly affect car parks. The main changes have been to increase charges generally across the majority of

car parks, including permits. Car parking will continue to be free after 6 pm, although we will continue to review this.

- 4.4 The successful opt in green waste subscription of £60 increases to £65 for 2026/27.
- 4.5 The **Localism Act** introduced the power for the Secretary of State to set principles each year under which council tax increases are determined as excessive. This can apply to Teignbridge, County, Fire, Police, or towns and parishes. For the current year limits continue to be set for all but towns and parishes with a referendum being triggered if districts had an increase of 3% and above, AND above £5.
- 4.6 In all such cases Teignbridge has to make the arrangements to hold a **local referendum** for residents. Costs can be recovered from the relevant precepting authority. The Government has previously expected town and parish councils to demonstrate restraint when setting precept increases. They will be looking for clear evidence of how the sector is responding to this challenge, mitigating increases by the use of reserves where they are not earmarked for other purposes or for 'invest to save' projects which will lower ongoing costs. The policy statement issued on 20 November 2025 again confirmed there would be no restrictions for towns or parishes.
- 4.7 The extra income from any increase in **council tax** is shown at **appendix 3** and this additional amount would be recurring in future years. The proposal is to increase council tax in Teignbridge by 2.99% or £6.05 to £208.33. **This is the annual charge for an average band D property and the increase equates to less than 12p a week. A 2.99% increase has been assumed for 2027/28 and 2028/29. The band A equivalent increase for 2026/27 is £4.03 which equates to less than 8p per week.**
- 4.8 The Teignbridge element of the council tax bill goes towards funding the services we provide. We recycle your household waste, take away your rubbish, clean your streets, make sure your food is safe, work with others to reduce crime, decide planning applications, create and attract new jobs, consider licensing applications, support people in need with housing and council tax reduction schemes, and support voluntary organisations.
- 4.9 We work with a whole range of organisations to do things such as support public transport and greener travel – for example cycle routes, protect the environment, look after your street signs, administer council tax for over 65,000 households, look after homeless families, work with partners to provide housing, deliver new jobs and bring prosperity to our beautiful area
- 4.10 We organise elections, improve housing conditions for vulnerable households, promote better energy efficiency, deal with stray dogs, graffiti and fly-tipping; provide renovation grants for unfit properties, deal with noise complaints, provide car parks, check out bonfire nuisances among many others.

- 4.11** In one way or another, the work we do looks after over 130,000 people across 260 square miles of land, stretching from the moor to the sea
- 4.12** Council tax **freeze grants** have ceased with the last one being received in 2015/16. This was equivalent to a 1% increase in council tax but assumed no council tax support reduction so amounted to £78,000.
- 4.13** **Settlement funding** of business rates retention baseline to the Council from Government is £3.6 million for the current year.
- 4.14** We had a **four-year funding deal** which ended in 2019/20 and one year settlements in subsequent years. For 2026/27 we have received a three funding settlement which provides useful certainty but at a much lower rate of support.
- 4.15** The **business rates retention** 50% funding system started on 1 April 2013. Rules for charging and rateable values are still set nationally by Government and the Valuation Office respectively. The system includes top ups, tariffs, levies and safety nets. The latter is to protect income to some extent within overall reducing national funding levels. From April 2026, the Business Rates system will be overhauled. Temporary reliefs end and permanent multipliers are introduced, alongside continued support for small businesses. Councils will receive Section 31 grants to fully reimburse mandatory reliefs.
- 4.16** Within Devon it has been beneficial for authorities to form a **rates pool** to avoid any payment of levy from Devon to the Government. With historic assumptions of moderate business growth in the area significant savings have been achieved increasing over the years. The pool also spreads the risk of any business downturn in an authority over all members of the pool and encourages economic prosperity boundaries. The Devon pool became a 100% business rate pilot for 2018/19 following its successful submission and reverted back to a rates pool thereafter. It has been estimated that with the reset for 2026/27 continuation of a business rates pool is not appropriate. There has therefore been an agreed view across Devon that the Devon pool will end.
- 4.17** Teignbridge's position is better than the historic rates baseline because of estimated growth in business rates. We have also gained from pooling and this has been shown together with previous growth in the revenue summary as estimated rates retention and pooling gain. The Business rates reset was materially affected the amount of funding available from this source. Appendix 4 shows this in detail.
- 4.18** **New homes bonus** was also part of core funding and is top sliced from settlement grant. It is based on additional property brought into occupation in the previous year with a higher amount for affordable housing. Teignbridge received £0.35 million for 2025/26. For 2026/27 this has now ended.
- 4.19** Government reformed the new homes bonus reducing the length of payments from 6 years to 4 years. Since these original reforms payments were reduced

further by elimination of any legacy payments and funding is for one year only. From 2026/27 New homes bonus has been discontinued and the funding available nationally has been rolled into RSG and redistributed using the new funding formula.

- 4.20** Council tax benefit was replaced by **council tax support** from 1 April 2013. As the support reduces the tax base there is less council tax income for county, fire, police, and towns & parishes. The cost was around 90% funded by government grant initially but then transferred into main grant and not identified separately. The 10% shortfall was covered at Teignbridge, in the first year by one minor change to benefit, technical reforms, and use of transitional grant.
- 4.21** For 2026/27 the MTFP Review Group and Executive Committee (on 2.12.25) recommended the removal of the 50% discount for uninhabitable properties. This is a discount that can be awarded for a maximum 12-month period when a property satisfies the commonly referred to 'uninhabitable' rules. The proposal is to remove this discretionary discount for properties that are undergoing or require major/ significant repairs or structural changes/work to make the property capable of being lived in.

The direct costs associated with the 50% discount are as follows:

Financial year	No of awards	Total	Teignbridge share 8%
		£	£
2025/26(projected to *)	120	79,756	6,380
2024/25	150	80,598	6,448
2023/24	153	63,712	5,097
projected to 31 March 2026 and therefore subject to change)			

- 4.22** Most customers who apply for the discount are those who have chosen to renovate a property and do not qualify for the discount but believe that they should be entitled to it. Removing the 50% discount does not affect the opportunity to apply for a statutory exception to any long-term empty premium and will continue to encourage empty homes to be brought back into use. Owners can apply to the Valuation Office Agency to have derelict properties removed from the valuation list and reduce liability to zero. Not all properties that would currently qualify for the discount would be eligible to be removed from the valuation list.
- 4.23** The following Councils do not offer the 50% discount - North Devon, Torbay and Torridge. The following councils are considering reducing or removing the discount from 1 April 2026 - Mid Devon, South Hams, West Devon and East Devon.
- 4.24** If the Council wishes to adopt this change, it will involve revoking a decision that was made by Full Council on 15 January 2013 introducing the discount

that applied from 1 April 2013. If agreed, the decision will be required to be published in the local newspaper.

- 4.25** Teignbridge currently receives £288,000 for administering **housing benefit**. **Universal Credit** started for Teignbridge from 9 November 2015 for new single job seekers and we went live with the full service in September 2018. There has been specific help from the department for work and pensions in connection with the transition but the current funding agreement ended in 2017.
- 4.26** The statutory minimum **National Living Wage** increased to £12.21 in April 2025 and will be £12.71 in April 2026 to employees aged over 21. Continued exploration of apprenticeships and training will be encouraged to utilize available apprenticeship levy funding.
- 4.27** The **actuarial valuation** of the **Devon pension fund** effective from 1 April 2023 set Teignbridge contributions for future years. These were made up of a basic amount for future service accrual plus an increasing cash sum to reduce the past service deficit. The future service accrual contributions increased from 16.6% to 19.6% from 1 April 2023 however the past service deficit contributions have decreased to £1,090,000 in 2023/24 (from £1,347,000 in 2022/23) increasing to £1,140,000 in 2024/25 and £1,180,000 in 2025/26. We have now received the provisional figures for the actuarial valuation effective from 1 April 2026. The future service accrual has reduced to 16.8% and the deficit contributions increase to £1,280,000 in 2026/27, £1,330,000 in 2027/28 and £1,370,000 in 2028/29.
- 4.28** Forecasts of investment income receivable have increased over the last year. The Bank of England's monetary policy committee (MPC) has reduced base rate three times during 25/26. From 4.5% at the start of the year, the rate fell as follows:
- | | |
|------------------|-------|
| 08 May 2025 | 4.25% |
| 07 August 2025 | 4.00% |
| 18 December 2025 | 3.75% |
- 4.29** Further cuts are anticipated, with the rate by the end of 2026-27 anticipated to be around 3.5%. The November 2025 Bank of England Monetary Policy Committee (MPC) meeting indicated that "the extent of further reductions would ... depend on the evolution of the outlook for inflation. If progress on disinflation continued, Bank Rate was likely to continue on a gradual downward path". The Bank currently sees the 3.8% inflation rate of September as the peak, expecting inflation to settle around the 2% target in early 2027.
- 4.30** Forecast investment income for the current year is £1,593,559 and the Council's average lending rate to the end of November is 4.20%, compared to SONIA (Sterling Overnight Index Average), which was 3.97% as at the start of December 2025 and an average of 4.12% over the financial year to date. Average daily lend for the year is forecast at £37.98 million.

- 4.31** It is anticipated that Council balances available for investment in 2026/27 will be lower due to capital expenditure of grants and developer contributions previously received. Based on the forecast rates above and estimated projected cash-flows, investment income is expected to reduce in 2026/27 to £1,195,228. This is dependent on the progress of capital projects and other cash-flow influences such as receipt of government grants and developer contributions, all of which are subject to change. Investment income is then forecast to fall to around £1,112,798 in 2027/28 as both interest rates and amounts available for investment reduce.
- 4.32** Over the last year, the Council has made use of its internal balances to rule out the need for external borrowing. With an underlying need to borrow (Capital Financing Requirement) of £35.353 million at the beginning of 2025/26 (estimated to be £38.898 million by the end of the year) and assuming a combination of Public Works Loans Board (PWLB) 10-year and 25-annuity loans (adjusting for lost investment interest at 4.2%), this represents interest saved of around £479,039 compared to if we had borrowed externally from the beginning of the year.
- 4.33** The PWLB has revised its borrowing conditions and CIPFA has revised its guidance so that loans are not available to finance investments which are primarily for financial yield.
- 4.34** The latest professional guidance on **reserves** issued in November 2008 recommends a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing and a contingency to cushion the impact of unexpected events or emergencies. Earmarked reserves can also be built up to meet known or predicted requirements. Teignbridge operates with a low level of reserves compared to many districts and will look to utilize earmarked reserves to balance any funding gaps in the medium term financial plan as appropriate. It is proposed that general reserves are increased from £2.5 million to £2.6 million to build in some resilience for inflationary pressures.
- 4.35** There are no known significant contingent liabilities, provision has been made for other smaller potential liabilities. Though the draft settlement has been announced and we have greater certainty over future years funding, the precise interpretation of the draft settlement is still being worked through. Funding assumptions may still change between this initial draft being discussed and scrutinised and the final version presented to Council in late February.
- 4.36** The Audit Commission December 2012 report 'Striking a balance' stated that reserves are an essential part of good financial management. They help councils cope with unpredictable financial pressures and plan for their future spending commitments. The proposed budget recommends general reserves to be increased from £2.5 million to £2.6 million being 13.4% of the net revenue budget in 2025/26 and 12.4% in 2026/27. This equates to 13.1% and 13.2% in the two subsequent years. General reserves are held to

accommodate continuing future uncertainties and increasing reliance on generating our own income.

- 4.37** For many years the **Executive** has **authority** to exceed the approved overall revenue budget by up to £100,000 from general reserves to meet unexpected expenditure within the year. The aim is to replenish the reserves in the same year by making compensating savings as soon as possible. Following a review and approval of the doubling of the financial limits it was approved in February 2024 to increase this to £200,000. It is proposed that this level is maintained for 2026/27. All other decisions with regard to budgetary change will be approved by reference to virement rules in the financial instructions.
- 4.38** In conclusion these budget proposals show how Teignbridge can continue to prepare for the grant reductions and anticipated funding regime changes by continuing to make savings and generate income. **The revenue budget is funded over the medium term by savings found, additional income and principally from use of earmarked reserves built up to cover anticipated future reductions in funding however significant work is still required to identify the significant budget gaps which arise as shown in appendix 4 and will be ongoing. The budget gap is £0.9 million in 2027/28 and £1.2 million in 2028/29 before using earmarked reserves (line 14) built up to support the reduced funding. This is due to the additional and continuing pressures already mentioned above. The Chief Finance Officer (CFO) has a statutory duty to balance the budget each year and if this is not achievable at some point in the future it may be necessary for the CFO to issue a s114 notice. The budget deficit for 2028/29 is likely to continue into future years and Members will be updated on any further funding changes as they arise together with progress on savings to determine how the funding gap can be closed in conjunction with work carried out by Overview & Scrutiny work on specific areas of the budget.**
- 4.39** The budget papers also include the updated Financial Plan at **Appendix 7** for approval at Full Council – the **Financial Plan 2026 to 2031**. The purpose of the plan is to define how the Council will structure and manage its finances over the next five years in order to deliver services and deliver savings, provide information around key funding streams, the inter relationship between revenue and capital and establish and adopt some key principles and proposals to be followed and worked through over the next two years via the work plan involving Overview & Scrutiny.
- 4.40** These proposals include a £6.05 band D increase in council tax next year and 2.99% in subsequent years and substantial capital investment over the next three years. They will be publicised and comments brought back to the Executive in February before making the final budget recommendation to Council for 24 February 2026.

5. CAPITAL PROGRAMME

- 5.1** The programme between 2026/27 and 2028/29 has the following funding sources: Sales of assets (capital receipts): the Council holds a forecast £3.4

million by the start of 2026/27. There is an element of risk in forecasting receipts from sales, which can be subject to lengthy legal and planning processes. If forecast sales do not materialise, capital expenditure plans will need to be re-assessed. 90%+ of capital receipts derive from Housing sources such as Right to Buy receipts. Due to Homes England regulations, which do not allow Right to Buy receipts to be used directly in conjunction with Homes England grant, the funding of housing projects require careful structuring. Capital receipts from general fund asset sales are fully committed. Community Infrastructure Levy (CIL) accounts for £27.7 million, largely for infrastructure projects, with a further £1.3 million from Section 106. Government grants account for £9.91 million of funding over the 3 years from 2026/27 to 2028/29, mainly towards housing grants and affordable housing with other grant towards coastal monitoring. Contributions from revenue were re-introduced in 2023/24 after a break during the Covid pandemic. £1,500,000 is budgeted for 2026/27, reducing to £500,000 in 2027/28 and 2028/29. The increased 2026/27 contribution is funded from extended producer responsibility (EPR) funding for packaging in relation to waste collection and has been allocated to Waste & Recycling projects such as the provision for the waste transfer station redevelopment. It should be noted that this revenue contribution to capital does not cover the full cost of these projects. Waste and recycling along with several other projects rely either partly or entirely on borrowing, the financing costs of which impact revenue budgets. Additional borrowing over the 3 years is forecast to be £9.62 million. All projects involving borrowing are appraised to ensure the borrowing is affordable.

- 5.2** Government subsidy for housing disabled facilities grants through Better Care funding (received via Devon County Council) is assumed to continue at £1.4 million per annum. £1.8 million has been received in 2025/26, with the majority invested in grants towards the provision of disabled facilities.
- 5.3** A provision of £6.8 million has been made over 2026/27 and 2027/28 for the construction of a social housing scheme in Sherborne House car park. This is in addition to the £402,000 allocated to the planning and tender stages, bringing the total to £7.2 million.
- 5.4** The planning approved scheme will deliver a high-quality development comprising 13 x 1-bedroom flats and 10 x 2-bedroom flats. Of these, one 1-bedroom flat and one 2-bedroom flat will be fully wheelchair accessible dwellings. The scheme has been designed to Passivhaus Plus standard meaning that, in addition to the homes being highly energy efficient, the development will generate enough renewable energy to operate the building throughout the whole year. This will contribute to the Council's net zero carbon ambitions. All residents will benefit from the health and wellbeing improvements associated with Passivhaus homes, with the climate-resilient design minimising future retrofit costs. All 23 homes will be owned by the Council as part of our affordable housing stock and will all be for Social Rent.
- 5.5** Funding is from a combination of Homes England and brownfield land release fund grant, S106 contributions, capital receipts and borrowing. This uses the

balance of the funding allocated for Phase1 of the Homes4Teignbridge housing programme. To date, the programme has delivered:

- 7 units of housing allocated to local applicants in housing need at Drake Road and Well House, East Street, Newton Abbot
- 5 units of shared housing in Dawlish
- 5 units of rough sleeper accommodation in Dawlish, Teignmouth and Newton Abbot
- 4 homes for social rent in Chudleigh
- 26 homes for social rent under the government's Local Authority Housing Fund scheme, which in the short term provides accommodation for families with housing needs who have arrived in the UK via Ukrainian and Afghan resettlement and relocation schemes. Funding has been secured to enable purchase of a further 4 units. Longer term, the homes will provide a supply of affordable housing for local communities.
- 5 units of temporary accommodation in Kingskerswell

5.6 The pipeline covers a range of urban and rural sites, including the Dartmoor National Park, with work ongoing to identify further means of delivery, whether this is direct or by partnership with developers and housing associations. The aim is to deliver the full programme over time, with pipeline projects being brought forward for approval in due course as details are firmed up. Schemes can move up and down the priorities pipeline depending on a number of factors, including planning constraints and affordability.

5.7 Work also continues to deliver the previously approved custom-build housing scheme at Houghton Barton, for which £0.6 million of ring-fenced central government grant funding has been received.

5.8 A provisional budget line of £0.03 million per annum is in relation to periodic capital expense in relation to Teignbridge's social housing portfolio, for example replacement roofs, fabric improvements and replacement fixtures and fittings. Projects will be brought forward for approval as they occur. Funding is from revenue contributions to capital. Any surplus income from the properties will be earmarked for this purpose.

5.9 The infrastructure delivery plan investment over the next few years contributes to:

- Improvements to the A382 – a further £1.0 million in 2026/27 making a total contribution since 2020/21 of £6.1 million, funded from Community Infrastructure Levy (CIL). There is £3.2 million for highway improvements and travel connections in 2026/27 and 2028-29, all funded from CIL.
- £0.6 million budgeted towards the final stages of the Dawlish link road and bridge in 2026/27, funded from CIL.
- Provision for Education in the wider Teignbridge area of £15.7 million between 2026/27 and 2028/29, funded from community infrastructure levy.

- £1.4 million is provided for the final stages of land acquisition, instatement and endowment towards ongoing maintenance at Ridgetop Countryside Park. This is funded from Housing Infrastructure funding via Devon County Council. There is provision of £1.55 million planned towards new countryside parks in 2028/29 and 2029/30. The initial £50,000 is shown in 2028/29. £1.0 million for habitat mitigation measures is shown between 2027/28 and 2028/29, funded from CIL. An additional £0.1 million is anticipated to be contributed to the RSPB in relation to cirl bunting habitat, funded from Section 106 developer contributions.
- In sports and leisure, a provisional sum of £1.3 million is included for improvements to Dawlish leisure centre, due to be brought to Full Council once the business case is finalised. There is also £1.0 million of CIL earmarked towards a play parks improvement fund.
- £0.65 million in CIL is allocated towards the Teign Estuary Cycle Trail, following approval at Full Council on 28 November 2023. £1.0 million in CIL is provisionally allocated to other cycle schemes over three years, plus £0.1 million towards the next stage of the Ogwell Strategic Cycle Link.
- £0.8 million of CIL is budgeted towards a Community Match Fund. This is designed to support town and parish projects which are in accordance with a Community Infrastructure Plan.

5.10 Following successful bids for grant funding under the Public Sector Decarbonisation Fund (PSDF) for Forde House offices, Newton Abbot Leisure Centre, Broadmeadow Sports Centre and Teignmouth Lido, plus further measures recently completed at Broadmeadow Sports Centre, a further £0.92 million of energy efficiency measures are being implemented at Dawlish Leisure Centre (funded partly from Sport England Swimming Pool Support Fund), Newton Abbot Leisure Centre, as approved by Full Council on 30 July 2024. The measures include replacement air handling units to increase heat recovery and control, improved pool water circulation pump controls to reduce energy wastage, hot water efficiency measures, heat and electricity sub-metering to aid monitoring and at Dawlish, solar photovoltaics to generate low-cost electricity on-site.

5.11 For projects not covered by grant funding, a further £0.26 million provision in 2026/27 has been made for investment in carbon reduction measures covering the Authority's Scope 1 & 2 carbon footprint as part of the ongoing Carbon Action Plan, which is being developed by the Climate Projects Officer. Likely provisions will target emissions arising from the Authority's top 15 sites by carbon emissions; provisions are likely to include: onsite renewable energy generation, ventilation and heat recovery projects and fleet electrification. This is funded from prudential projects, therefore business cases would need to demonstrate the minimum 1% return.

5.12 At Full Council on 20 May 2025, £5.033 million was approved for the waste transfer station redevelopment, funded from a combination of revenue

contributions, borrowing and CIL. This is in order to comply with the Environmental Permitting (England and Wales) Regulations 2023, under which the Council must have a full permit to continue waste operations at the site. Key areas to be addressed are drainage, fire safety and infrastructure requirements.

- 5.13** South West Coastal Monitoring (SWCM) is the largest of the National Coastal Monitoring Programmes in England, encompassing 2,450 km of coast between Portland Bill in Dorset and Beachley Point on the border with Wales. It is 100% funded by the Environment Agency. Since its inception in 2006 Teignbridge District Council have acted as the lead authority for the region. The Programme collects a multitude of coastal monitoring data, including topographic beach survey data, bathymetric data, LiDAR, aerial photography and habitat mapping and has a wave buoy and tide gauge network around the South West coast. The data feeds into a long term dataset showing changes to the beaches and coastline of the South West. It ensures that all Coastal Protection Authorities have the evidence to better understand the processes affecting the coast ensuring that coastal defence schemes are designed based on reliable information. In 2026/27 will be the final year of the current 6 year phase.
- 5.14** There is a £3 million provision for employment sites, funded from borrowing and developer contributions where applicable. It is anticipated this will be spent on schemes on council owned land to create new spaces for jobs and local enterprise and support a more resilient local economy. Where people can both work and spend leisure time locally, carbon emissions are also reduced. Project reports will come back to committee as appropriate as business cases are developed.
- 5.15** The remaining Future High Streets fund budget of £7.3 million is in the current financial year, with works anticipated to complete in 2026. The refurbished Market Hall is designed to help stimulate growth in the local economy and ensure it is an attractive and well-connected environment for local businesses. This is funded from a combination government grant and prudential borrowing.
- 5.16** £0.47 million is included over 2025/26 and 2026/27 for the creation of additional car parking at George Street, Teignmouth.
- 5.17** There is £1.147 million between 2026/27 and 2028/29 for IT infrastructure projects, software upgrades and applications to enable more effective, digital ways of working. These items form part of the Strata business plan, which will be brought forward for approval in due course.

6. COUNCIL TAX BASE 2026/27

- 6.1** The **council tax base** is the estimated number of band D equivalent properties in the district for next year less a small allowance for likely collection losses. The details are shown at section 1 of **appendix 2**. The

council tax for each of District, County, Fire, Police and towns/parishes multiplied by the base gives the income or precept which the district pays to each authority. The District is responsible for collecting council tax.

- 6.2** The estimate for next year must be based on information available on the 30 November. It has to be approved by Audit Committee which has taken place on 17 December 2025 and notified to the major preceptors - County, Fire and Police between 1 December 2025 and 31 January 2026. Similarly towns and parishes also need the base for their area to calculate their council tax from their precept.
- 6.3** The initial data is extracted from the council tax records. This includes the deduction for council tax support which reduces the base. Finally an estimate is made of the growth in the number of dwellings to 2026/27 based on recent history and this has been calculated at 1.0%. Thus a total of 53,837.4 is the estimated number of band D properties for next year.
- 6.4** A collection rate of 97.8% has been assumed giving 52,653 for 2026/27. For Teignbridge this base means that at the current council tax level of £202.28 just over £10.65 million of income would be generated next year. This is 2.1% or £220,000 more than in the current year. Estimated 2026/27 income for all preceptors is shown at **appendix 2**, section 2 based on the current council tax.
- 6.5** All the council tax income goes into a collection account from which the precepts are paid. As the income is estimated a surplus or deficit can arise which has to be notified and shared out between the District, County, Fire and Police. The district has to pay for any deficit or take any surplus relating to the towns and parishes. The aim is to minimise balances on the account.
- 6.6** Teignbridge has to estimate the surplus or deficit on the council tax collection fund on 15 January each year for the following budget year. A surplus of £4.0 million is currently estimated which has to be shared between the major preceptors in 2026/27 as per their current precepts. The District share is £507,303 allocated to next year's budget as shown in line 18 of appendix 4. Surpluses or deficits arise due to a number of factors including variations to previous year's assumptions in relation to the number of new houses built, the banding of these properties, the number claiming council tax support, collection rates, discounts, bad debts and provisions in relation thereto.

7. GROUPS CONSULTED

- 7.1** County, Fire and Police and the public are consulted about any changes to the council tax support scheme. 18 December 2025 marks the start of the publication period which includes Overview and Scrutiny meetings on 13 January 2026 and 3 February 2026. Parishes and town councils will also be advised of these financial proposals with a meeting on 18 December 2025.
- 7.2** A budget survey is planned which will be put on the website and publicised to encourage feedback. In particular it will be brought to the attention of

businesses, the residents' panel and Teignbridge relationship groups. Responses will be reported to members for consideration with the final budget proposals by Executive on 10 February 2026 and by Council on 24 February 2026.

8. TIME-SCALE

The financial plan covers the years 2026/27 to 2030/31. Final consideration of the budget by Council is due on 24 February 2026. At that time the council tax resolution is also approved which covers the total council tax including County, Fire, Police and towns & parishes.

9. LEGAL / JUSTIFICATION

The Executive is required under the budget and policy framework procedure rules in the constitution (section 7 (a) and 7 (b)) to agree and recommend a budget to Council each year.

10. DATE OF IMPLEMENTATION (CONFIRMATION OF DECISION SUBJECT TO CALL-IN)

Call in does not apply as the final budget recommendations will be considered for approval by Council on 24 February 2026.

Budget timetable 2026/27

	November	December	January	February
Provisional council tax base numbers to towns/parishes	4th			
Local Government Financial Policy Statement	20th			
Audit Scrutiny approve council tax base		17th		
Provisional local government settlement		18th		
Town/parish initial budget/precept meeting		18th		
Executive papers sent out - initial budget proposals		19th		
Start of formal six weeks consultation period		18th		
Budget survey emailed to businesses		18th		
Executive - agree initial financial plan proposals			6th	
Overview & Scrutiny - consider Executive's financial plan			13th	
Final settlement expected			30th	
Deadline for business rates retention estimate to government, county and fire			30th	
Police and Crime Panel consider precept and approve			30th	
Overview & Scrutiny - consider Executive's final financial proposals				3rd
Executive - agree final financial plan proposals, including budget monitoring				10th
County Cabinet 10.30am budget meeting				11th
Fire Authority - set fire precept and council tax				16th
Devon County Council 2.15pm - set county precept and council tax				19th
Council meeting - consider financial proposals and council tax resolution				24th
Reserve county budget meeting 10.30 am if required				24th
Close council tax accounts and start bills print unless delayed if council tax not set				25th
Reserve Council budget meeting if required				26th

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Section 1

Council Tax Base adjustment for Council Tax Support (CTS) and estimated growth						
	Estimated 26/27 Band D Number	25/26 Council Tax £	Estimated Income £	Estimated Collection Rate %	Estimated Net Income £	Estimated 26/27 Base
Full band D at November 2025	57,393.6	2,512.83	144,220,360			
less CTS at November 2025	<u>-4,089.6</u>	2,512.83	<u>-10,276,470</u>			
Starting point based on Nov 2025	53,304.0		133,943,890			
Anticipated growth at 1.0%	533.4	2,512.83	1,340,340			
Total (rounded)	53,837.4	2,512.83	135,284,230	97.8%	132,308,040	52,653

Section 2

2026/27 Expected Council Tax (CT) Income at Current Council Tax Levels compared with 2025/26			
Preceptor	Estimated CT Base Number	25/26 Council Tax £	Expected income £
2026/27 expected income (rounded)			
Towns and parishes	52,653	116.41	6,129,340
District	52,653	202.28	10,650,650
County	52,653	1,801.26	94,841,740
Fire	52,653	104.68	5,511,720
Police	52,653	288.20	15,174,590
Total (rounded) shows a 2.1% increase in expected income		2,512.83	132,308,040
2025/26 expected income (rounded)			
Towns and parishes	51,562	116.41	6,002,330
District	51,562	202.28	10,429,960
County	51,562	1,801.26	92,876,570
Fire	51,562	104.68	5,397,510
Police	51,562	288.20	14,860,170
Total (rounded)		2,512.83	129,566,540

To show the extra Council Tax in 2026/27 that would be collected for varying increases by percentage and value.

Teignbridge Band D Council Tax 2025/26 (excluding parish precepts) **£202.28**
 Approved Council Tax Base 2026/27 (at 97.8% collection rate) **[a] 52,653**

Varying increases in Council Tax for 2026/27			Total Band D Council Tax 2026/27	Increase in Council Tax income for 2026/27	[b] Total Council Tax income 2026/27
%	Per Year £	Per Week £	Per Year £	Per Year £	Per Year £
0.00	0.00	0.00	202.28	0	10,650,650
				No council tax freeze grant	0
				Total income	10,650,650
0.26	0.54	0.01	202.82	28,430	10,679,080
0.49	1.00	0.02	203.28	52,650	10,703,300
1.00	2.02	0.04	204.30	106,360	10,757,010
0.99	2.00	0.04	204.28	105,300	10,755,950
1.32	2.68	0.05	204.96	141,110	10,791,760
1.48	3.00	0.06	205.28	157,960	10,808,610
2.00	4.05	0.08	206.33	213,240	10,863,890
1.98	4.00	0.08	206.28	210,610	10,861,260
2.47	5.00	0.10	207.28	263,260	10,913,910
2.99	6.05	0.12	208.33	318,550	10,969,200

Note:

- [a]** Council Tax Base of 52,653 for 2026/27 approved by Audit Committee on 17 December 2025
- [b]** Total Council Tax income is calculated by multiplying the Band D Council Tax by the recommended Council Tax Base of 52,653
- [c]** No council tax freeze grant. Referendum limit proposed by government as higher of 3% or above £5 for Band D.

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Revenue Budget Summary

Appendix 4

Revenue Budget	2025-26 Forecast	2025-26 Latest	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast
<i>EXPENDITURE</i>	£	£	£	£	£
1 Employees	27,490,880	28,724,140	28,231,970	28,993,770	29,851,010
2 Property	5,722,840	5,870,760	6,131,060	5,994,340	6,125,100
3 Services & supplies	7,411,540	10,030,520	8,126,610	8,343,420	8,275,150
4 Grant payments	19,431,570	19,959,880	18,411,080	17,411,080	16,411,080
5 Transport	966,430	796,210	835,800	854,450	874,030
6 Leasing & capital charges	2,706,420	2,768,830	2,891,560	2,977,230	3,007,890
7 Contributions to capital	1,500,000	1,647,510	1,500,000	500,000	500,000
8 Total expenditure	65,229,680	69,797,850	66,128,080	65,074,290	65,044,260
<i>INCOME</i>					
9 Sales	-1,032,830	-812,220	-616,210	-819,140	-851,910
10 Fees & charges	-12,924,520	-13,445,630	-13,624,020	-14,448,980	-15,026,940
11 Grants - income	-21,319,570	-23,504,930	-21,319,690	-20,319,690	-19,319,690
12 Property income	-4,016,200	-4,155,860	-4,132,950	-4,321,940	-4,498,600
13 Other income & recharges	-4,700,740	-6,211,910	-4,371,840	-4,418,090	-4,423,280
14 Transfer from (-) / to earmarked reserves	-1,484,070	-2,323,980	-1,082,780	-909,050	-1,156,270
15 Total income	-45,477,930	-50,454,530	-45,147,490	-45,236,890	-45,276,690
16 Total net service cost	19,751,750	19,343,320	20,980,590	19,837,400	19,767,570
<i>Funding</i>					
17 Council tax	-10,429,960	-10,429,960	-10,969,200	-11,410,150	-11,868,830
18 Council tax surplus(-) / deficit	-381,900	-381,900	-507,300	0	0
19 Revenue support grant	-288,010	-288,010	-6,166,750	-4,998,290	-3,784,710
20 Rates baseline funding	-3,664,280	-3,664,280	-3,307,570	-3,383,440	-3,451,690
21 Estimated rates retention and pooling gain	-3,413,720	-3,104,830	-29,770	-30,450	-31,070
22 New homes bonus	-351,710	-351,710	0	0	0
23 Damping/returned surplus/cap	0	0	0	-15,070	-631,270
24 Other grants	-1,222,170	-1,222,170	0	0	0
25 Budget gap (-) to be found	0	0	0	0	0
26 Total funding	-19,751,750	-19,442,860	-20,980,590	-19,837,400	-19,767,570
27 -Surplus/shortfall	0	-99,540	0	0	0
28 General reserves at end of year	2,500,140	2,600,000	2,600,000	2,600,000	2,600,000
29 General reserves as % of net revenue budget	12.7%	13.4%	12.4%	13.1%	13.2%














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Draft Proposed Fees and Charges Income 2025/26

FMS Code	Service	Actual 2024/25 £	Probable 2025/26 £	Proposed 2026/27 £	Dept total 2026/27 £	Department
	Building Control	- 1,112,901 -	1,385,780 -	1,308,620 -	1,308,620	Building Control
	Land Charges	- 217,389 -	218,630 -	218,630		
	Planning	- 768,864 -	936,470 -	890,000		
	Planning Admin	- 29,723 -	4,500 -	3,500		
	Street Naming	- 5,394 -	7,830 -	7,830 -	1,119,960	Development Management
	Livestock Market	- 3,600 -	3,060 -	3,060		
	Old Forde House	- 10,774 -	490 -	410		
	Retail Market	- 73,332 -	46,290 -	46,290 -	49,760	Economy & Assets
	Electoral Registration	- 2,802 -	2,160 -	2,160 -	2,160	Electoral Services
	Dog Control	- 206 -	200 -	200		
	Pest Control	- 12,480 -	- -	28,000		
	Health & Food Safety	- 4,965 -	7,490 -	8,750		
	Health Licence Fees	- 21,517 -	26,580 -	26,780		
	Litter Clearance	- 2,578 -	4,200 -	4,200		
	Nuisance Parking	- - -	- -	-		
	Private Water Supply Sampling	- 3,564 -	2,000 -	3,500 -	71,430	Environmental Health
	Amenity & Conservation Sites	- 4,255 -	4,020 -	4,430		
	Cemetery Fees	- 213,292 -	202,880 -	212,720		
	Tennis Annual Passes	- 12,281 -	3,550 -	-		
	Shaldon Golf	- 85,240 -	75,910 -	78,800		
	Sports Pitches	- 22,430 -	24,750 -	23,570 -	319,520	Green Spaces & Active Leisure
	Housing	- 10,310 -	9,190 -	8,430 -	8,430	Housing
	Legal Fees	- 38,261 -	46,010 -	41,210 -	41,210	Legal
	Broadmeadow Sports Centre	- 33,354 -	47,130 -	34,840		
	Dawlish Leisure Centre	- 222,364 -	227,590 -	216,610		
	Leisure Memberships	- 1,825,816 -	2,051,770 -	1,957,920		
	Newton Abbot Leisure Centre	- 463,287 -	558,160 -	479,180		
	Outdoor Pools	- 50,569 -	54,260 -	68,060 -	2,756,610	Leisure
	Gambling Act 2005	- 19,874 -	20,550 -	19,550		
	Hackney Carriage	- 105,332 -	107,540 -	131,170		
	Licensing Act 2003	- 136,088 -	130,480 -	138,030 -	288,750	Licensing
	Car Parks	- 5,191,052 -	5,380,020 -	5,659,810 -	5,659,810	Parking
	Beach Huts	- 17,605 -	17,460 -	16,350		
	Boat Storage	- 6,644 -	4,990 -	6,760		
	Leisure Events	- 307 -	200 -	300 -	23,410	Resorts
	Council Tax	- 261,260 -	232,000 -	232,000 -	232,000	Revenue & Benefits
	Local Development Framework	- - -	- -	30,000 -	30,000	Spatial Planning
	Abandoned Vehicles	- 985 -	3,400 -	1,500		
	Commercial Waste / Household Refuse	- 1,561,033 -	1,584,870 -	1,695,650		
	Composting	- - -	50 -	-		
	Toilets for Disabled	- 8 -	110 -	-		
	Vehicle Workshop	- 16,667 -	13,060 -	15,200 -	1,712,350	Waste, Recycling & Cleansing
Grand Totals		- 12,568,402 -	13,445,630 -	13,624,020 -	13,624,020	



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TEIGNBRIDGE DISTRICT COUNCIL
CAPITAL PROGRAMME 2025-26 to 2028-29

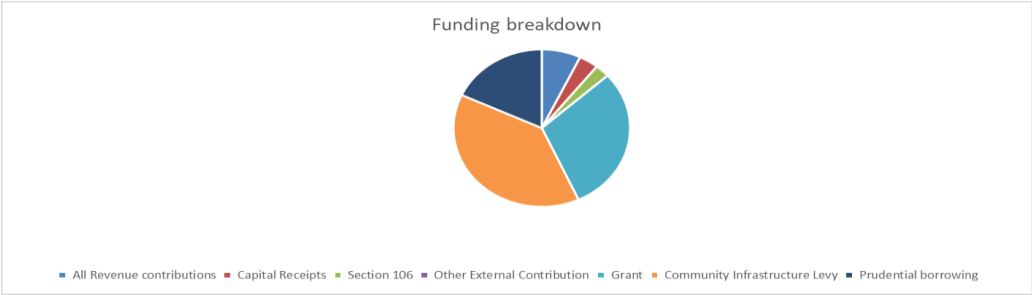
								29,444	22,498	23,467	11,245	19,155	
Code /bid no.	Teignbridge Action Plan Priority	Asset/Service Area			Description	Provision ?	C/f ?	ORIGINAL	LATEST	LATEST	LATEST	LATEST	Council Strategy
								BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
								2025-26	2025-26	2026-27	2027-28	2028-2029	
								£'000	£'000	£'000	£'000	£'000	
KL1		Broadband	Central support services/IT		Contribution to Superfast Broadband subject to procurement arrangements (RS) (2024/25) subject to satisfactory assurances of funds being spent within Teignbridge area.	No	√			250			Economy
Provision	Climate Change	Flood alleviation and environment			Provision for Carbon Action Plan including fleet electrification, ventilation and heat recovery projects and renewable energy (PB)	Yes		260		260			Environment
KY2	Climate Change	Flood alleviation and environment			Broadmeadow Sports Centre Decarbonisation Phase 2 and Refurbishment (GG, PB, S106, RS)	No	√	1,767	1,606				Infrastructure
Provision	Bovey Tracey	Open spaces and leisure			Bovey Tracey School Pitch (S106)	Yes						301	Environment
KG1	Bovey Tracey	Open spaces and leisure			Bovey Tracey Infrastructure contribution re: 10/02594 open space/leisure (S106)	No			88				Environment
Provision	Climate Change	Flood alleviation and environment			Energy infrastructure and low carbon (CIL)	Yes	√	2,000					Environment
KY7	Climate Change	Flood alleviation and environment			Leisure Site Measures (S106)	No	√	100	112				Environment
KY4	Climate Change	Flood alleviation and environment			Dawlish Leisure Centre Energy Efficiency Measures (GG,PB)	No	√	197	208				Environment
KY8	Climate Change	Flood alleviation and environment			Newton Abbot Leisure Centre Energy Efficiency Measures (PB) (S106)	No	√	258	50	447			Environment
KY9	Climate Change	Flood alleviation and environment			Teignmouth Lido Energy Efficiency Measures (PB)	No		57					Environment
KY1	Climate Change	Flood alleviation and environment			UK Shared Prosperity Fund/Heart of the SW LEP including Green Business Grants (GG)	No	√		100				Economy
KR1	Coastal Monitoring	Flood alleviation and environment			SW Regional Coastal Monitoring Programme. (GG,EC)	No	√	1,840	2,463	1,666			Community
KR6	Coastal Monitoring	Flood alleviation and environment			Coastal asset review (GG)	No		219	6	213			Community
KG2	Cycle paths	Planning & Development			Teign Estuary Trail (CIL)	No		-	100		450	100	Infrastructure
Provision	Cycle paths	Open spaces and leisure			Provision for Cycling (CIL)	Yes		50	50	100	600	300	Infrastructure
KG7	Cycle paths	Open spaces and leisure			Garden Communities: Ogwell Strategic Link (S106; Revenue GG)	No		30	47				Infrastructure
Provision	Cycle paths	Open spaces and leisure			Ogwell Strategic Link (CIL)	Yes				100			Infrastructure
KX7	IN.2	Dawlish	Planning & Development		Dawlish link road and bridge (GG, CIL)	No	√			588			Infrastructure
Provision	IN.8	Dawlish Leisure Centre	Open spaces and leisure		Provision for Dawlish Leisure Centre Improvement Plan (S106; PB).	Yes		660		660	619		Infrastructure
KF8	Dawlish Leisure Centre	Open spaces and leisure			Dawlish Leisure Centre Improvements Design (S106)	No			42				Infrastructure
KF4	Dawlish Leisure Centre	Open spaces and leisure			All Weather Pitch LED lighting (S106)	No			48				Infrastructure
Provision	Garden Communities	Planning & Development			Project website (GG)	Yes				20			Environment
Provision	Habitat Regulations	Open spaces and leisure			Provision for Habitat Regulations infrastructure measures (CIL)	Yes		601			500	500	Environment
Provision	EC.1	Heart of Teignbridge: Employment	Planning & Development		Provision for employment sites (PB)	Yes				1,000	2,000		Economy
KX8	IN.2	Heart of Teignbridge	Planning & Development		A382 Improvements (CIL)	No		1,000		1,000			Infrastructure
KX1	Heart of Teignbridge	Planning & Development			A383 Works (CIL)				50				Infrastructure
KW1	Heart of Teignbridge	Planning & Development			Highweek Scout Hut improvements (S106)	No		175	175				Community
KW8	Heart of Teignbridge	Planning & Development			Houghton Barton land (EC) (S106)	No	√		33				Homes
KW8	Heart of Teignbridge	Planning & Development			Houghton Barton land (GG)	No	√	200	60	526			Homes

Code /bid no.	Teignbridge Action Plan Priority	Asset/Service Area			Description	Provision ?	C/f ?	ORIGINAL	LATEST	LATEST	LATEST	LATEST	Council Strategy
								BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
								2025-26 £'000	2025-26	2026-27 £'000	2027-28 £'000	2028-2029 £'000	
KW4		Heart of Teignbridge	Planning & Development		Mineral Rights (S106)	No		85	85				Economy
JW/JV		Housing	Housing grants and affordable housing		Discretionary - Disrepair Loans & Grants (CR)	No		24	24	24	24	24	Homes
JW/JV/JD		Housing	Housing grants and affordable housing		Better Care-funded grants re: Housing loans and grants policy, including Disabled Facilities (GG)	No	√	1,400	2,008	1,400	1,400	1,400	Homes
JA/B		Housing	Housing grants and affordable housing		Local Authority Housing Fund: Refugee Accommodation (GG; PB)	No	√		253				Homes
JC		Housing	Housing grants and affordable housing		Local Authority Housing Fund: 2024/25 (GG; PB)	No	√		786				Homes
JF		Housing	Housing grants and affordable housing		Local Authority Housing Fund 2025/26 (GG; PB)	No			1,054				Homes
Provision		Housing	Housing grants and affordable housing		Local Authority Housing Fund 2026/27 (GG)	Yes				586			Homes
Provision	H.4	Housing	Housing grants and affordable housing		Temporary Accommodation (PB)	Yes				1,000			Homes
JX5	H.1	Housing	Housing grants and affordable housing		Teignbridge 100: Provision for Sherborne House (GG; PB; S106)	No		2,471		3,421	3,421		Homes
JX5		Housing	Housing grants and affordable housing		Teignbridge 100: Social/Affordable housing - Sherborne House (PB)	No	√		207				Homes
JX6		Housing	Housing grants and affordable housing		Harewood House Temporary Accommodation (CR: PB)	No			751				Homes
Provision		Housing	Housing grants and affordable housing		Social Housing Capital Replacements (Roofs/Fabric improvements/Heating/Furniture, fixtures & fittings etc) (RS)	Yes	√	30	-	92	30	30	Homes
KV8		IT - Capital contribution	Central support services/IT		Ongoing contributions towards Strata (RS)	No		41	41	41	41	41	Responsible management
KA3		IT - Capital contribution	Central support services/IT		End User Computing: Replacement laptops and staff (CR; RS)	No	√	68	155	68			Responsible management
KA5		IT - Capital contribution	Central support services/IT		Contact Centre telephony (CR)	No		73	71				Responsible management
KC4		IT - Capital contribution	Central support services/IT		Telephony (RS)	No		23	23				Responsible management
KX9		IT - Capital contribution	Central support services/IT		Sharepoint wider rollout (CR)	No		68	69				Responsible management
KA2		IT - Capital contribution	Central support services/IT		iTrent Paid Time and Rostering (CR)	No			12				Responsible management
KA8		IT - Capital contribution	Planning & Development		Car parks system (CR)	No		125					Economy
KU2		IT - Capital contribution	Central support services/IT		Data Centre Relocation (CR)	No		27	27				Responsible management
KU3		IT - Capital contribution	Central support services/IT		NCSC Zero Trust (CR)	No	√		25				Responsible management
KU5		IT - Capital contribution	Central support services/IT		Office 365 (RS)	No	√		27				Responsible management
KV9		IT - Finance	Central support services/IT		Provision for Finance Convergence (CR; PB)	No	√	135	-				Responsible management
Provision		IT - Property and Assets	Central support services/IT		SaM improvements (CR)	Yes	√		25				Economy
KV5		IT - Corporate	Central support services/IT		Microsoft Power Apps (CR)	No	√		23				Responsible management
Provision		IT - Revenue & Benefits	Central support services/IT		New Housing Benefit System (RS)	Yes					500		Responsible management
KU6		IT - Housing	Central support services/IT		Homelessness System Replacement (CR; Revenue GG/RS)	No	√		110				Homes
KV1		IT - Corporate	Central support services/IT		Health & Safety (CR)	No		21	21				Environment
KC1		IT - Corporate	Central support services/IT		iTrent Hosted (RS)	No		27		27			Environment
KC2		IT - Corporate	Central support services/IT		Azure Migration (RS)	No		41	41				Responsible management
KX6		IT - Corporate	Central support services/IT		System upgrade costs (RS)	No		27	27				Responsible management
KC3		IT - Corporate	Central support services/IT		Transformation costs (staff resource)(RS)	No		47	60				Responsible management

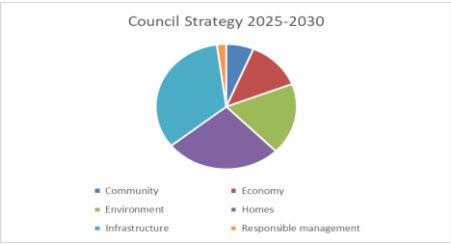
Code /bid no.	Teignbridge Action Plan Priority	Asset/Service Area			Description	Provision ?	C/f ?	ORIGINAL	LATEST	LATEST	LATEST	LATEST	Council Strategy
								BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
								2025-26	2025-26	2026-27	2027-28	2028-2029	
								£'000	£'000	£'000	£'000	£'000	
Provision		IT - Corporate (2026/27 Strata business plan)	Central support services/IT		Telephony phase 2 (RS)	Yes				27			Responsible management
Provision		IT - Corporate (2026/27 Strata business plan)	Central support services/IT		Enhancements to Leisure digital offer (RS)	Yes				20			Responsible management
Provision		IT - Corporate (2026/27 Strata business plan)	Central support services/IT		Digital solution to compare plans and documents (RS)	Yes				50			Responsible management
Provision		IT - Corporate (2026/27 Strata business plan)	Central support services/IT		Digital solution for neighbourhood requests (RS)	Yes				50			Responsible management
Provision		IT - Corporate (2026/27 Strata business plan)	Central support services/IT		AI solution for document redaction (RS)	Yes				30			Responsible management
Provision		IT - Corporate (2026/27 Strata business plan)	Central support services/IT		Miscellaneous System Upgrades (RS)	Yes				27			Responsible management
Provision		IT - Corporate (2026/27 Strata business plan)	Central support services/IT		Comino D360 upgrade - Cloud Migration (RS)	Yes				60			Responsible management
Provision		IT - Corporate (2026/27 Strata business plan)	Central support services/IT		IKEN Cloud Migration (RS)	Yes				22			Responsible management
Provision		IT - Corporate (2026/27 Strata business plan)	Central support services/IT		SDWAN (Discovery) (RS)	Yes				21			Responsible management
Provision		IT - Corporate (2026/27 Strata business plan)	Central support services/IT		Uniform review (RS)	Yes				20			Responsible management
Provision		IT - Corporate (2026/27 Strata business plan)	Central support services/IT		Itrent improvements (RS)	Yes				20			Responsible management
Provision		IT - Corporate (2026/27 Strata business plan)	Central support services/IT		Transformation costs (staff resource)(RS)	Yes				82			Responsible management
KG1		Michaels Field	Open spaces and leisure		Replacement boiler (S106)	No	√		25				Environment
KF5		Newton Abbot Leisure Centre	Open spaces and leisure		Leisure Centre Gym Equipment (S106)	No	√	40	80	40	40	40	Infrastructure
KM2		Newton Abbot Multi Storey Car Park	Planning & Development		Lift Modernisation Work (CR)	No	√	C	23				Economy
KL4		Newton Abbot Town Centre	Planning & Development		Sherborne House Fire Doors (CR)	No			25				Responsible management
KL7		Newton Abbot Town Centre Regeneration	Planning & Development		Bradley Lane Enabling Works (PB)	No		32	-				Economy
KO3		Newton Abbot Town Centre	Planning & Development		Future High Street Fund project: Market Improvements (GG, PB)	No	√	4,958	5,656				Economy
KO5		Newton Abbot Town Centre	Planning & Development		Future High Street Fund project: Bradley Lane site clearance (GG)	No	√		1,641				Economy
Provision	IN.2	Heart of Teignbridge	Planning & Development		Houghton GP & Community building (CIL) (est. 2029-30)	Yes							Community
KW5		Open Spaces	Open spaces and leisure		Cr1 bunting land (S106)	No		97		97			Environment
KB4		Open Spaces	Open spaces and leisure		Whitestone Church Yard Wall (CR)	No			50				Environment
KB5		Open Spaces	Open spaces and leisure		Unauthorised encampment measures (S106)	No			88				Environment
Provision		Play area equipment/refurb	Open spaces and leisure		Provision for Powderham Newton Abbot play space equipment and wider park improvements (S106)	Yes		100	-				Environment
Provision		Play area equipment/refurb	Open spaces and leisure		Prince Rupert Way, Heathfield (S106)	Yes		40		26			Environment
Provision		Play area equipment/refurb	Open spaces and leisure		Provision for Teignbridge-funded play area refurb/equipment (CR)	Yes		80	-				Environment
KL3		Rural areas	Planning & Development		Rural England Prosperity Fund (GG)	No			195				Community
Provision		Play areas	Open spaces and leisure		Play Parks improvement fund (CIL)	Yes				500	500		Environment
KB1		SANGS/Open Spaces	Open spaces and leisure		Ridgetop Countryside Park (South West Exeter SANGS) (GG)	No	√	1,337	1,367				Environment
Provision	EN.5	SANGS/Open Spaces	Open spaces and leisure		New Countryside Parks (CIL)	Yes		-	-			50	Environment
Provision	IN.1	Teignbridge	Planning & Development		Provision for Education (CIL)	Yes	√	4,050	100	50	50	15,500	Infrastructure
KX5		Teignmouth Town Centre	Central support services/IT		George Street Car Park (S106; PB)	No	√	460	188	282			Economy

Code /bid no.	Teignbridge Action Plan Priority	Asset/Service Area			Description	Provision ?	C/f ?	ORIGINAL	LATEST	LATEST	LATEST	LATEST	Council Strategy
								BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
								2025-26 £'000	2025-26	2026-27 £'000	2027-28 £'000	2028-2029 £'000	
KR2		Teignmouth	Flood alleviation and environment		Beach Management Plan (GG)	No	✓		27				Community
Provision		Teignbridge	Planning & Development		Highway Improvements and Travel Connections (CIL)	Yes				3,100		100	Infrastructure
Provision	IN.3	Teignbridge	Planning & Development		Community Match Fund (CIL)	Yes			200	200	200	200	Community
Provision		Transport	Planning & Development		Transport Hubs and Public Transport (CIL)	Yes		750	-				Infrastructure
KS6		Waste Management	Flood alleviation and environment		Provision for Bulking Station - replace telehandlers (CR)	No			45	45			Environment
KS4	EN.3	Waste Management	Flood alleviation and environment		Provision for Waste Transfer Station Redevelopment (RS; PB; CIL)	No		2,500	1,000	4,033			Environment
KS4		Waste Management	Flood alleviation and environment		Waste Transfer Station redevelopment feasibility (RS)	No	✓		16				Environment
Provision		Waste Management	Flood alleviation and environment		Provision for replacement card baler (2029) (PB)	Yes			-			300	Environment
Provision		Waste Management	Flood alleviation and environment		Provision for Simpler Recycling Statutory Requirements (RS; PB)	Yes		350	350	35	35	35	Environment
KS5		Waste Management	Flood alleviation and environment		Replacement recycling banks (RS)	No		45	45	45			Environment
Provision		Waste Management	Flood alleviation and environment		Replacement vehicles (PB)	Yes		290		240	650		Environment
KS2		Waste Management	Flood alleviation and environment		Fleet Decarbonisation Infrastructure (PB, RS)	No	✓		46				Environment
Provision	EN.4	Waste Management	Flood alleviation and environment		Provision for improvements to waste management infrastructure (workshop, offices, storage, welfare) (PB)	Yes				700			Environment
Provision		Waste Management	Flood alleviation and environment		Provision for waste fleet IC100 units (CR) 2028-29	Yes						40	Environment
KS0		Waste Management	Flood alleviation and environment		Purchase of Wheeled Bins (CR;RS)	No		168	168	176	185	194	Environment
								29,444	22,498	23,467	11,245	19,155	
								FUNDING GENERAL					
								Capital Receipts Unapplied - Brought forward	(528)	(666)	(52)	(7)	(7)
								Capital Receipts - Anticipated	-	-	-	-	-
								Capital Receipts Unapplied - Carried forward	66	52	7	7	7
								Revenue Contributions Reserve - Brought forward	124	(1,044)	(701)	(271)	(10)
								Budgeted Revenue Contribution	(1,500)	(1,648)	(1,500)	(500)	(500)
								Additional specific revenue contributions from departmental budgets and revenue grants.	(145)	(30)	(197)	(30)	(30)
								Revenue contribution: movement in reserves					
								Revenue Contributions Reserve - revenue support/provisions.	42	216	-	-	-
								Balance of Revenue Contributions Reserve - carried forward	30	701	271	10	200
								Government & Agency Grants	(6,521)	(9,174)	(2,424)	-	-
								S106	(842)	(977)	(180)	(163)	(341)
								Other External Contributions	-	-	-	-	-
								Community Infrastructure Levy	(8,451)	(500)	(8,616)	(2,300)	(16,750)
								Prudential borrowing	(7,824)	(4,344)	(3,642)	(3,146)	(300)
								HOUSING					
								Capital Receipts Unapplied - Brought forward	(3,700)	(3,700)	(3,358)	(2,374)	(1,390)
								Capital Receipts - Anticipated	(20)	(20)	(20)	(20)	(20)
								Capital Receipts - Right to Buy	-	-	-	-	-
								Revenue contributions					
								Better Care Funding and other government grants.	(3,800)	(2,888)	(3,336)	(2,750)	(1,400)
								S106	(71)	-	(328)	(328)	-
								Other External Contributions	-	-	-	-	-
								Internal or Prudential Borrowing	-	(1,834)	(1,763)	(763)	-
								Capital Receipts Unapplied - Carried forward	3,696	3,358	2,374	1,390	1,386
TOTAL FUNDING								(29,444)	(22,498)	(23,467)	(11,245)	(19,155)	
								Programme Funding					
								All Revenue contributions	(1,449)	(1,805)	(2,127)	(791)	(340)
								Capital Receipts	(486)	(976)	(1,049)	(1,004)	(24)
								Section 106	(913)	(977)	(508)	(491)	(341)
								Other External Contribution	-	-	-	-	-
								Grant	(10,321)	(12,062)	(5,760)	(2,750)	(1,400)
								Community Infrastructure Levy	(8,451)	(500)	(8,616)	(2,300)	(16,750)
								Prudential borrowing	(7,824)	(6,178)	(5,405)	(3,909)	(300)
								Total	(29,444)	(22,498)	(23,467)	(11,245)	(19,155)
								Balance of capital receipts	(3,672)	(3,411)	(2,381)	(1,397)	(1,393)

Code /bid no.	Teignbridge Action Plan Priority	Asset/Service Area			Description	Provision ?	C/f ?	ORIGINAL	LATEST	LATEST	LATEST	LATEST	Council Strategy
								BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
								2025-26 £'000	2025-26	2026-27 £'000	2027-28 £'000	2028-2029 £'000	



Summary by Council Strategy priorities						
Community	2,234	3,066	2,079	200	200	
Economy	5,660	7,718	1,532	2,000	-	
Environment	8,528	3,679	6,651	1,870	1,420	
Homes	4,125	5,286	7,049	4,875	1,454	
Infrastructure	8,347	2,123	5,618	1,759	16,040	
Responsible management	550	626	538	541	41	
Totals	29,444	22,498	23,467	11,245	19,155	



- Key:
- EC

External Contributions
- S106

S106 - Section 106 developer contribution
- CIL

Community Infrastructure Levy
- GG

Government Grant
- CR

Capital Receipts
- RS

Revenue Savings
- PB

Prudential Borrowing
- C

Project complete. Where this relates to payment of a contribution, indicates contribution has been paid.

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Teignbridge District Council

Financial Plan

2026 to 2031

1. About this Plan

Our Financial Plan looks at the position of the revenue budget and considers the General Fund ¹ position in terms of general reserves and earmarked reserves and the Capital Programme ² and the inter-relationship between the two.

The purpose of this Plan is to define how the Council will structure and manage its finances over the next five years in order to deliver services to residents and support the objectives detailed within the Council Plan.

The Financial Plan also links with other key plans and documents of the Council including Service Plans, Asset Management and Disposal policies, the Digital Strategy, Procurement and Treasury Management. Input will also be provided through the Overview & Scrutiny Committees review of budget priority and savings work and the Council's Senior Leadership Team.

The Financial Plan comprises of two parts;

➤ **Part 1 - The Medium Term Financial Plan (MTFP)** *(page 3)*

This is a key element of the budget setting process. The MTFP provides a financial model and forecast of the cost of providing services over a rolling five year period, together with an estimate of the financial resources that are likely to be available to the Council. The process is designed to provide an early warning of any potential deficit in the required level of resources and interaction with earmarked reserves if available to smooth funding where appropriate.

As well as considering the revenue implications and the General Fund balance, the MTFP also reviews the affordability of the Council's capital investment programme, matching forecast funding against planned capital spending over a five year horizon. The capital programme is easier to control as individual schemes can be approved or not by Council to match resources available. Clearly this has its own implications in meeting the Council Plan objectives but does not have the same degree of organisation complexity as the General Fund involving significant staff numbers, team interaction and service delivery.

➤ **Part 2 – Financial Viability Process (FVP)** *(page 14)*

This part of the Financial Plan considers how the Council will attempt to balance its finances over the coming years to continue to provide service for its residents and customers. It ensures we are achieving Value for Money throughout the Council within each service; it evidences this and seeks improvement and savings where possible. The process involves review of service plans with a team of key staff from the Business Transformation Team, Finance and Performance to aid us in this process. They work with the relevant services to discover likely savings to pursue, viability, time scales and resources required to implement.

Depending on the outcome of this work and savings achieved, consideration will then need to be given as to whether service reductions are required to balance the books in order to achieve financial sustainability and viability.

Definition Note:

1. The General Fund records day to day revenue spending and income on the delivery of Council services.
2. Capital programme spending relates to purchases or enhancements of assets, expenditure that has benefit greater than a year and is over £20,000.

➤ **Part 1 - The Medium Term Financial Plan (MTFP)**

2. Introduction

The development of a five year financial model is based upon a number of assumptions and perceived risks which clearly become more difficult to predict as the period covered lengthens. In recent years we have been subject to one year only financial settlements from Government, there have been fundamental funding reviews proposed, delayed and then cancelled on a number of occasions making even short term planning difficult. We now have a three year settlement for 2026/27 with the funding reset proposals having been confirmed by Government. Any plan built over a period greater than 5 years becomes more unpredictable as assumptions about future financial indicators lengthen. The MTFP has been written from the perspective of the council continuing to exist in its current form. This will be the base until a decision is made as regards Local Government Reorganisation.

In broad terms the model has been developed on the basis of 'reasonable and prudent' forecasts and assumptions in accordance with sound accounting practice.

3. Fundamental principles

Underpinning this plan, the following fundamental principles have been adopted:

- To secure the financial viability and stability of the Council in accordance with the Chief Finance Officers (CFO) responsibility to protect the Council's finances.
- Annually, a balanced revenue budget will be set with expenditure to be limited by the amount of available resources.
- Where a balanced revenue budget cannot be achieved in the short term use of earmarked funding reserves will be used to balance the budget but by exception.
- The General Fund balance will be maintained at the agreed adopted level as advised by the Chief Finance Officer.

- If earmarked reserves are not available to balance the budget resources will be redirected from low to high priority services to meet objectives set out in the Council Plan and maintain statutory functions.
- Council Tax increases will be kept within annually announced government guidelines to ensure a local referendum is not triggered.

In considering the capital budget, the Council will continue to follow the methodology of assessing schemes against their contribution to the corporate strategy, service improvement and long-term impacts on budget as well as deliverability within finite staff resources. The Council will also seek to maximise the use of its assets.

4. Financial background

The Government has cut core funding significantly for a number of years. Additional support was provided during the pandemic but this was then withdrawn and the underlying funding for local authorities is historically low.

There are significant financial pressures to consider with recent higher inflation rates, interest rates, energy and food costs and potential recession threats with growth continuing to be very low. As a consequence the indications have been higher national pay awards and other direct cost implications mainly associated with contractor and partner costs. There has traditionally been low investment income received however this increased significantly with the increases in base rate but has an adverse impact on potential borrowing costs for capital schemes. Profiling debt can smooth out some of these short term change in rates. Ambitions remain to pursue our carbon reduction programme and improve services through further investment. This all brings significant financial challenges and a requirement for us to act more commercially to generate more income.

These factors have shaped the finances of the Council over recent years and placed it in a continuous difficult position of setting balanced budgets. The Council needs to address its continuing budget gaps on the revenue budget and mitigate use of funding earmarked reserves which could be redirected to other activities. Member support is key to achieving this objective. Huge progress has been achieved in recent years in delivering savings and reducing the budget gap down to the more manageable level presented currently. Further work is needed to reduce the gap down to zero in time for the new unitary's anticipated vesting.

The Council has facilitated and encouraged business and housing growth in the district to deliver its ambitions. Historically, this approach enabled the Council to benefit from additional government funding through the New Homes Bonus and extra Business Rate income, placing it in a stronger financial position than many other councils and supporting significant investment in non-statutory services for the district. Although the New Homes Bonus has now been discontinued and, from 2026/27, historical growth will be removed from the business rates system through a baseline reset, the Council remains committed to its ambitions, including building its own housing to progress towards affordable housing targets.

5. Medium Term Financial Plan

The base for the MTFP is the 2025/26 approved budget and the current cost of ongoing services, adjusted to take account of a range of unavoidable costs such as pay increases, inflationary pressures, the implementation of any approved changes to the budget and any costs arising from new legislation and associated regulations or changes in resident demand. The updated MTFP takes account of any forecast variations in the level of both investment and fee income.

The Plan also considers and makes reasonable assumptions about the likely incomes from council tax and central government funding. The MTFP is designed to model likely outcomes and to aggregate the sum of all potential financial inputs, to determine whether the Council will have sufficient resources to achieve its objectives, or indeed whether action is required to bridge a funding gap.

In formulating these calculations a number of assumptions have been made and a range of external influences considered. The various risks and pressures are detailed at the end of the Plan with commentary on their potential impact.

Appendix A to the Financial Plan contains the best estimates of the 5-year costs and incomes.

A similar exercise has been undertaken in respect of future capital expenditure, detailing the anticipated level of resources required, together with potential funding sources available to the Council to support its planned programme of works and where there are revenue implications these have been acknowledged within the Plan.

6. MTFP – Revenue Position

The position on General Fund services is extracted in the table below in section 8 and shows the current year 2025/26 for comparison and forms the basis from which future assessments have been made. The 2025/26 position is the set budget from February 2025 and then the latest position for 2025/26, the implications effecting this budget are considered going forward.

Some key areas to note in this calculation:

Service Budgets - This position is calculated based on current service provision adjusted where there are known resident demand changes, contract agreements or legislative requirements. This position does not include any growth in service or staffing to the Council's current service level with the exception of:

- Additional temporary resources to deliver significant projects, service reviews, business/systems improvements etc and for the Modern 25 work.
- The 2026/27 budget for staff salaries includes an assumed 3% increase. The final offer will be determined at a later date.
- Each of the 3 owners of Strata require additional support to meet the various work demands and objectives requiring IT

support and development. This will lead to an increase in cost. The base budget will include the provisional sums known and be amended when the relevant approvals have been provided.

The Council's previous full set of budget papers [Agenda for Full Council on Tuesday, 25th February, 2025, 10.00 am - Teignbridge District Council](https://democracy.teignbridge.gov.uk/ieListDocuments.aspx?CId=165&MIId=3223&Ver=4https://democracy.teignbridge.gov.uk/ieListDocuments.aspx?CId=165&MIId=3088&Ver=4) <https://democracy.teignbridge.gov.uk/ieListDocuments.aspx?CId=165&MIId=3223&Ver=4https://democracy.teignbridge.gov.uk/ieListDocuments.aspx?CId=165&MIId=3088&Ver=4> is a useful historical reference as it details significant information about the service provision currently provided; costs and income received for revenue (appendix 4 and appendix 5), staffing resources involved in each area (appendix 5) and the capital programme (appendix 7).

Government Funding General - The 2025/26 Local Government Finance Settlement was a one-year spending round only. This put on hold again planned reforms; changes to both the local government funding formula and the re-basing and implementation of a new business rate retention scheme. The Government has now provided a funding reset settlement for 2026/27 which is for 3 years.

The MTFP now shows the key elements of this revised funding settlement including the loss of the separate allocation of new homes bonus, elimination of pooling gains and growth retention in business rates and employers national insurance grant etc.

The Local Government Finance Settlement is announced normally late November/early December and for 2026/27 was announced on 17 December 2025 which makes planning extremely difficult as councils initial budget processes are finalised at that point. The finance policy statement published on 20 November 2025 only outlined some of the key principles for 2026/27.

7. Business Rate income

The income projected for 2026/27 is based on the new funding formula within the settlement, with modest growth assumed in future years.

The resetting of the business rates baseline in 2026/27 has stripped out accumulated growth from previous years, consequentially, pooling arrangements with the other Devon Authorities are no longer beneficial.

To manage fluctuations in collection rates and Business Rate assessments, the Council maintains a bad debt provision and a business rates funding Reserve. This reserve helps offset changes in business rates and supports existing revenue budget gaps, enabling the Council to continue meeting service costs in the short to medium term.

8. Council Tax

Since 2023/24 the government has determined that district councils can increase their council tax by £5 per year or 2.99% (2% pre 2023/24), whichever is the greatest, increases above this amount require a local referendum.

Government assumes that the Council will increase its Council tax by the maximum allowable when setting its allocation of other funding streams. These increases are built into the model for future years (£6.05 for 2026/27)

9. New Homes Bonus (NHB)

New Homes Bonus has been discontinued for 2026/27 and the nationally, this funding has been re-distributed within the Revenue Support Grant, using new funding formulas.

At the height of the scheme the Council was paid the annual growth sum for 6 years – in 2016/17 the Council received £3.848 million (the most received in any one year). For 2025/26 the council received £0.35m

10. MTFP numbers

The MTFP financial data is provided annually in the budget papers as appendix 4. This provides the latest numbers for the current year and the following 3 years. Future years are extremely uncertain however an attempt to calculate our budget gaps extended to year 5 is shown below the 3-year projection replicated below.

Revenue Budget Summary					Appendix 4
Revenue Budget	2025-26 Forecast	2025-26 Latest	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast
EXPENDITURE	£	£	£	£	£
1 Employees	27,490,880	28,724,140	28,231,970	28,993,770	29,851,010
2 Property	5,722,840	5,870,760	6,131,060	5,994,340	6,125,100
3 Services & supplies	7,411,540	10,030,520	8,126,610	8,343,420	8,275,150
4 Grant payments	19,431,570	19,959,880	18,411,080	17,411,080	16,411,080
5 Transport	966,430	796,210	835,800	854,450	874,030
6 Leasing & capital charges	2,706,420	2,768,830	2,891,560	2,977,230	3,007,890
7 Contributions to capital	1,500,000	1,647,510	1,500,000	500,000	500,000
8 Total expenditure	65,229,680	69,797,850	66,128,080	65,074,290	65,044,260
INCOME					
9 Sales	-1,032,830	-812,220	-616,210	-819,140	-851,910
10 Fees & charges	-12,924,520	-13,445,630	-13,624,020	-14,448,980	-15,026,940
11 Grants - income	-21,319,570	-23,504,930	-21,319,690	-20,319,690	-19,319,690
12 Property income	-4,016,200	-4,155,860	-4,132,950	-4,321,940	-4,498,600
13 Other income & recharges	-4,700,740	-6,211,910	-4,371,840	-4,418,090	-4,423,280
14 Transfer from (-) / to earmarked reserves	-1,484,070	-2,323,980	-1,082,780	-909,050	-1,156,270
15 Total income	-45,477,930	-50,454,530	-45,147,490	-45,236,890	-45,276,690
16 Total net service cost	19,751,750	19,343,320	20,980,590	19,837,400	19,767,570
Funding					
17 Council tax	-10,429,960	-10,429,960	-10,969,200	-11,410,150	-11,868,830
18 Council tax surplus(-) / deficit	-381,900	-381,900	-507,300	0	0
19 Revenue support grant	-288,010	-288,010	-6,166,750	-4,998,290	-3,784,710
20 Rates baseline funding	-3,664,280	-3,664,280	-3,307,570	-3,383,440	-3,451,690
21 Estimated rates retention and pooling gain	-3,413,720	-3,104,830	-29,770	-30,450	-31,070
22 New homes bonus	-351,710	-351,710	0	0	0
23 Damping/returned surplus/cap	0	0	0	-15,070	-631,270
24 Other grants	-1,222,170	-1,222,170	0	0	0
25 Budget gap (-) to be found	0	0	0	0	0
26 Total funding	-19,751,750	-19,442,860	-20,980,590	-19,837,400	-19,767,570
27 -Surplus/shortfall	0	-99,540	0	0	0
28 General reserves at end of year	2,500,140	2,600,000	2,600,000	2,600,000	2,600,000
29 General reserves as % of net revenue budget	12.7%	13.4%	12.4%	13.1%	13.2%

The table below shows annual budget position over the 5-year period – see appendix A for more detail.

Table: MTFP Model – Annual budget shortfall

General Fund	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	2030/31 £000	2031/32 £000	2032/33 £000	2033/34 £000	2034/35 £000
Budget Shortfall/(Surplus)	1,235	1,083	909	1,156	1,581	1,357	Not costed	Not costed	Not costed	Not costed

The Model identifies the pressures and influences on the Council's revenue budgets and highlights a shortfall between the Council's spending requirements and the amount of finance available. Actions will need to be taken to meet these shortfalls and the need to keep finding savings year on year is not to be underestimated.

11. MTFP Revenue - The Way Forward

The funding gap for 2026/27, 2027/28 and 2028/29 needs to be addressed working with SLT, SMT, senior officers and Members. Savings should be filtered into the budget process each year as part of the annual budget process but also in year as savings ideas are formulated, worked on and delivered.

A key area to explore is what savings/increased income can be achieved by working through service reviews and proposed savings options, this being before more fundamental decisions are made on whether there is a need to explore cutting services to the public. Working through service plans and Modern 25, eliminating quick wins, working more commercially will help towards achieving this goal. Clarifying the appropriate level of investment in IT to reconstruct our organisational structure will be vital and identify staff savings through automation of procedures. These are some initiatives that will help as well as the normal scrutiny through the budget process. This Plan also proposes that we work with the actions in the Financial Viability Process.

The Plan proposes a two-stage approach which is linked to the uncertainty of Government funding for local authorities and possibly even the shape of local government going forward.

- Each year we will undertake service reviews to ensure we are delivering VFM, drive efficiencies to see what savings can be achieved and to form an evidence base that we have done what we can, challenging ourselves on cost effective delivery of services. This will also be combined with looking at suggestions from the Ignite report (now incorporated into Modern 25) and savings suggestions identified from review of previous unspent budgets and invest to save – such as IT investment to deliver more automation. A review of our assets including disposal, re-use etc will be explored and all commercial opportunities to generate more income.
- If the funding gaps estimated in future years materialise, then efficiencies and income generation are not going to drive all the level of savings and we will need to look at service reductions. But this comes at a point when we know how much we need to find and when, before radical service decisions are made. As stated

we have an earmarked Funding Reserve in place to protect us and support existing revenue budget gaps.

This gap should not be ignored and what actions could be taken should be considered and formulated. If savings are not found over the next 3 years, then the Funding Reserve will continue to be depleted leaving insufficient funds to address future significant variations in funding or budget pressures elsewhere including the capital programme. Early identification of savings and their introduction would allow unspent earmarked funding reserves to potentially be reallocated.

Key areas of budget proposals to be agreed are as follows and can continue to be monitored and developed where appropriate through the Overview & Scrutiny work plan:

- a. **Approval of Council tax increases at the maximum allowed – £5 or 2.99% currently**
- b. **Agreement of our asset strategy and determining best use of our assets – disposal/transfer/re-use and re-model**
- c. **Pursuit of maximum asset disposal proceeds**
- d. **Exploring commercial investment opportunities including charging policy**
- e. **Maximising income from existing fees and charges**
- f. **Exploring new opportunities for setting fees and charges**
- g. **Reviewing the savings options from the Ignite work and Modern 25**
- h. **Investing in our IT provision to deliver more automation and efficiencies**
- i. **Review our policy for earmarked reserves and funding budget gaps**
- j. **Reviewing support for third sector grants and support**
- k. **Identifying other voluntary grants and future support**
- l. **Reviewing quick wins and budgets no longer required**
- m. **Periodic review of the capital programme and alignment to strategic priorities**
- n. **Agreement to continue to provide a revenue contribution to capital at £1,500,000 per annum in 2025/26 and 2026/27 and £500,000 for future years**
- o. **Determining adequate borrowing limits including headroom for the capital programme through approval of the appropriate treasury management indicators**
- p. **Councillors community fund budget**
- q. **Impacts from the outcomes of devolution**
- r. **Minimum level of general reserves – currently suggested to increase to £2.6 million**
- s. **Limit use of earmarked reserves to bridge budget gaps**
- t. **Considering new funding models**
- u. **Timeline for delivery of savings**
- v. **Working with Town and Parish councils re service provision**

12. Capital

The Council maintains a programme of capital expenditure designed to improve a wide range of community facilities and local infrastructure. The forward funding projections below only include rolling items and projects identified early by managers; **there will be proposals missing from this list** that will need to be considered for funding out of available resources as they come forward.

There will be a disparity between the Council's capital spending aspirations being greater than the amount of finance available. In producing these figures agreed principles have/will be applied:

- A capital bid process is in place whereby appraisal forms are completed for each scheme and an assessment methodology applied to prioritise expenditure within resources available. This prioritisation is overseen by the Corporate Projects Board.

MTFP Model – Capital Expenditure and Funding Position

Strategic Priority	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/32 £000
Community	3,066	2,079	200	200	-
Economy	7,718	1,532	2,000	-	-
Environment	3,679	6,651	1,870	1,420	2,705
Homes	5,286	7,049	4,875	1,454	4,362
Infrastructure	2,123	5,618	1,759	16,040	220
Responsible management	626	538	541	41	123
Total Capital Expenditure	22,498	23,467	11,245	19,155	7,410
Borrowing	(6,178)	(5,405)	(3,909)	(300)	-
Capital Receipts	(976)	(1,049)	(1,004)	(24)	(72)
Revenue contributions (includes specific sums)	(1,805)	(2,127)	(791)	(340)	(918)
Grants / external contributions	(12,062)	(5,760)	(2,750)	(1,400)	(4,200)
CIL	(500)	(8,618)	(2,300)	(16,750)	(2,100)
S.106	(977)	(508)	(491)	(341)	(120)
Total Funding	(22,498)	(23,467)	(11,245)	(19,155)	(7,410)

The Programme expenditure includes those schemes already approved by Council and rolling items and provisions. **Bids will come through the annual budget process giving a different picture to that given above and there will be choices to make in order to keep expenditure within resources available.**

The above has been produced using the latest budget monitoring position and it is clear from observation that periodically the programme needs to be re-profiled with the budget managers. There are a number of schemes which will not be delivered in part or full in the year the budget is allocated. From the view of the MTFP it's the overall position that can be considered taking all years into account.

The programme assumes £15.8 million of borrowing between 2025/26 and 2029/32 in addition to the current underlying need to borrow of £35.4 million. Cash flow monitoring and balance sheet review exercises indicate no immediate need to borrow externally over the next 2 - 3 years. This is dependent upon the speed with which capital projects progress and is reviewed periodically alongside interest rate monitoring, so that when long-term external borrowing is required, it is undertaken in a controlled way in line with the Council's treasury strategy. This position has been factored into the revenue model in terms of costs of borrowing/lost external interest/minimum revenue provision etc. Any new borrowing will need to be considered in conjunction with existing borrowing commitments, maximum borrowing limits and a comfortable headroom for borrowing.

The above capital receipts line is based on the most recent activity and forecast information.

Key issues to consider for this Plan in terms of capital are:

- Only approved schemes and provisions from the February 2025 budget process and subsequent approvals brought to Members are included. The current position shows General Fund capital receipts largely being used by 2025/26. If any new projects or schemes do come forward, it is assumed they will attract sufficient funding and/or have a positive business case with a minimum return of 1%.
- Any scheme inclusion in the Programme over and above this core annual expenditure needs to be considered carefully for inclusion in future programmes. This happens on a case-by-case basis to determine if they meet corporate objectives. Business cases must evidence the required 1% return in the case of self-funded schemes or show delivery in conjunction with other agencies/partners. Some schemes will come with no funding but may still be necessary, for example IT improvements and asset refurbishments.
- The continuation of revenue contributions to capital at £1,500,000 per annum for 2025/26 and 2026/27 will assist in supporting the capital programme and for any spends without a sufficient supporting business case (the contributions then drop to £500,000). Revenue contributions are all committed until 2028/29.

The Way Forward – Capital programme

- There is a clear necessity for the Projects Assurance Board to consider the allocating of capital resources against competing capital scheme bids.
- The programme needs to be populated with realistic expenditure estimates into the future; further work has been undertaken on Council assets costs and a review of our asset management policies and use of assets.
- The Project Management Guidelines will continue to be used to inform the capital bid process through detailed capital appraisal forms and Project Initiation Document (PID). There will be continued monitoring of progress on key projects through the Council's Projects Assurance Board.

➤ Part 2 – Financial Viability Process (FVP)

13. Aim of the FVP

This part of the Finance Plan considers how the Council will balance its finances over the coming years to continue to provide service for its residents and customers. We will ensure we are achieving Value for Money throughout the Council within each service;

we will evidence this and seek improvements and savings where possible. We have key dedicated resources to aid us in this process and available to work with services.

Depending on the outcome of this work, and the savings achieved, as identified in 11 above we will then need to look at reductions in service delivery necessary to balance the books going forward to deliver financial viability and sustainability.

This will all be looked at against the backdrop of the risks and challenges that have implications for the Council's financial position in the medium term.

The major risks and pressures are:

Changing government funding
Inflation rates
Interest rates
Cost of living crisis and impact on services/income
Existing budget gaps and limited earmarked reserves
Staff resources
Additional demands from Government

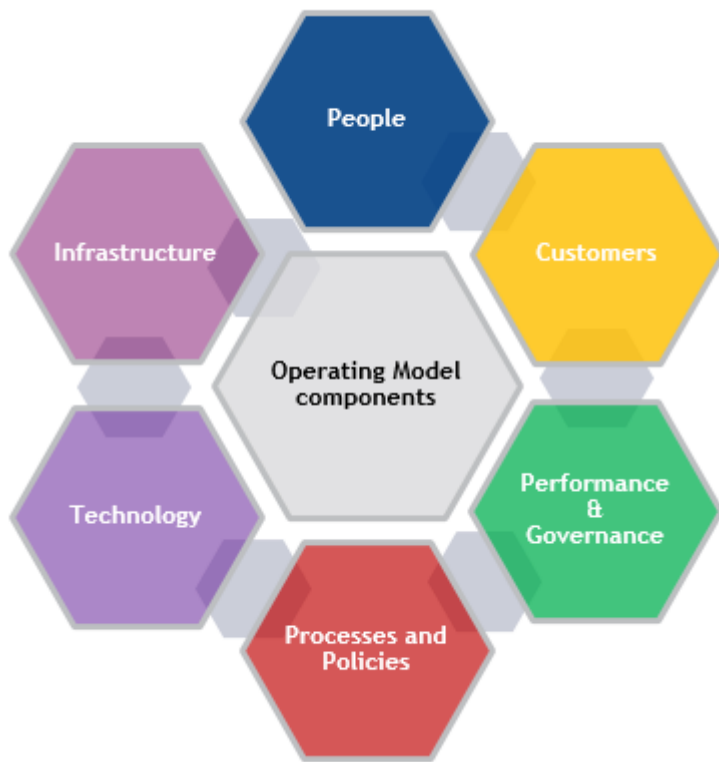
14. Modern 25 Programme

TDC accepted that to achieve the level of savings required, it needs to change the way things are done and alter its operating model, whilst ensuring that the customer is still at the heart of council services. Independent consultants were commissioned through a procurement process to work in partnership with Teignbridge Senior Leadership Team to deliver:

- A strategic alignment review
- Recommendations for a new Target Operating Model

The objective of the programme is to deliver a new operating model for the council. An operating model encompasses all aspects of the way the organisation delivers its core purpose and includes

- People and Organisation – the activities that our staff carry out and how they are managed and organised
- Technology and Infrastructure – the software, physical ICT infrastructure and physical assets that are in place to support how people carry out the council's work
- Ways of Working – the processes, policies, procedures, performance, governance, leadership and management that is in place
- Culture & Behaviours – Creating a work environment which supports delivery of strategic priorities and core services to our customers and an organisation that invests in its people
- Strategic Priorities – the strategic portfolio of programmes and projects that are in place to deliver the council's strategic priorities



From their recommendation we have developed our Modern 25 programme which aims to deliver a new operating model for the council delivering £2.6 million of phased benefit savings and implementing the changes across the whole council in line with agreed design principles. The organisation restructure has been approved and has now been implemented and posts advertised and appointed. The programme focuses on delivery of 3 main workstreams

1. Customer and Service Design - Lead Tracey Hooper

This will digitalise services that the users of our services want and design support mechanisms for customers who need help to make a request or support service users who have complex needs.

Our services will be designed to be more sustainable through:

- Shifting our service users to less expensive digital channels in line with our current demand, through active promotion and nudges
- Designing services that are easy for users to access and make a request
- Maximising the value provided by our front-line staff in helping residents with complex needs
- Creating excellent online information and guidance for our service users
- Proactively and passively keeping service users informed throughout their service journey

2. Technology and Digital - Amanda Pujol

This will define and develop the technology and digital requirements to support the new operating model by:

- Defining the key technologies that will support the new operating model and ways of working
- creating a roadmap for delivering these capabilities
- Defining the digital capabilities required and running a procurement exercise to fill the capability gaps
- Provide resources in skills to configure new digital capabilities and integrate them, in line with our technology roadmap

It is underpinned by our Digital Strategy adopted in 2021 built around six themes:

1. Customer access and service
2. Digital and mobile work force
3. Digital democracy
4. High-quality, accessible data
5. Digital and Net Zero
6. Responsive, resilient and secure infrastructure and systems

3. People and Organisational Design - Tim Slater

We have designed and developed a new council structure that supports the new operating Model for the delivery of services to our customers and the delivery of our strategic portfolio. This includes a review of current HR policies and procedures, including performance management, to support the implementation of the new operating model and define:

- The spans of control for managers and the scope of management responsibilities for changes to the organisational structure
- The creation and evaluation of new roles that have been created to support the delivery of the new operating model
- The programme will review HR policies and procedures, including performance management to support the implementation of the Target Operating Model
- The governance structures that will support performance management

4. Strategic portfolio – Gordon Bryant

This will define and develop business cases, statements of works and specific individual projects to deliver against a revised strategic portfolio which is aligned with the Council's priorities and strategy. The programme will oversee:

- all implementation and change activities associated with the deliverables from the strategic portfolio projects
- Monitoring of projects progress as part of overall programme governance

- alignment of project outcomes with the new operating model

In order to deliver this programme of work there has been an upfront investment to provide additional temporary staffing resources and capital investment in digital infrastructure and systems. The new structure has resulted in a reconfiguration of services and new posts and roles being created. The Council has also undertaken a pay structure review which will result in a new pay scale and job evaluation process being developed and implemented to ensure the Council remains competitive and can attract the staff with the key skills to deliver the best service for residents in the District. Changes to the structure and potential investments are/will be incorporated into the revenue and capital budgets.

We are developing a Digital Strategy and we are now working with Strata and our other partner authorities to ensure the outcomes can be defined and delivered. The Strategy is built around six themes

Customer access and service
Digital and mobile work force
Digital democracy
High-quality, accessible data
Digital and Net Zero
Responsive, resilient and secure infrastructure and systems

5. Performance Management Data: Lead – Jack Hobson

It is crucial we use relevant data to inform our business decisions. Performance data needs to be readily available and used by managers, SLT, SMT and members to drive decisions and be clear where action is needed/not needed and how we are performing for our residents, identifying and resolving issues quickly. Importantly this needs to link with system thinking to ensure we measure the right things.

It is necessary to understand cost, performance and activities of services and undertake appropriate comparisons to be clear where we are providing Value for Money and where we are not. Help identify where improvements are needed or to determine we are comfortable and understand the variances.

We have a Performance and Data Analyst but also services have their own resources in this area and we need to share and oversee the whole.

6. Asset Management: Lead – Tom Phillips

In reviewing our services there are some services where asset management is relevant and areas it is not. There are key elements to be considered by services;

- a) Understanding the financial and non-financial performance of assets and using this to drive asset management decisions.
- b) Proactive asset management – Maximising the returns from assets and disposing of assets that have a poor financial / non-financial return and at market value where appropriate.
- c) Investing in assets only where there's a strong business case.

- d) Supporting wider objectives – Being clear where and how asset management is supporting wider objectives, such as benefitting the community, shaping the built landscape, supporting the Council in its service delivery and proactively supporting our commitment to tackling climate change.
- e) Encouraging asset transfer where appropriate.

There can be a quick analysis within each service to determine scope of opportunities.

7. Income Maximisation: Lead – Gordon Bryant/Gwydion Batten

It is viewed that members are supportive of ensuring where fees and charges are made that these are set at appropriate rates and reviewed regular to keep pace with costs. It is also considered there is support to develop existing services areas where there is opportunity and customer demand for additional or enhanced services to be offered that can generate surpluses for the Council. An average 5% increase is proposed where possible for 2026/27 with higher increases where appropriate. Any charges below an average for the service need to be increased accordingly and a more commercial view pursued for the charging of activities and services.

Again there can be a quick analysis within services to determine scope for opportunity.

EXTERNAL INFLUENCES AND KEY ASSUMPTIONS WITHIN THE REVENUE MTFP MODEL

- Inflation**

Inflation rates are based on the latest available data.

Although the financial model is based upon what are believed to be a series of prudent assumptions, there is inevitably a risk that some or all factors applied could be inaccurate. The table below summarises the impact of any such inaccuracies that would have a detrimental effect upon the financial plan. Inflation in recent times has not been a high risk but currently rates have been higher and are now on a downward trajectory. Contract costs, pay rises and a pay review of salaries have caused / are likely to cause some of the biggest pressures for future years. With further above inflationary rises in the minimum wage, there will be an impact on the pay spine rates within local government.

Financial impact of changes in inflation assumptions 2026/27.

Factor	MTFP Predicted Inflation Costs £000	Worse by 1% £'000	Worse by 2% £'000
Pay, N.I & Pension	774	258	516

- Investment Returns**

The approach adopted, of budgeting for investment income remains prudent. Investment return predictions have been factored in with higher income in 2025/26 but reducing in future years.

- Council Tax Income**

Since 2023/24, the Government has allowed district councils an annual council tax increase of the greater of £5 or 2.99% (previously 2%). For Teignbridge, this is 2.99%. The Medium-Term Financial Plan (MTFP) assumes council tax will rise each year by the maximum permitted amount, £6.05 for 2026/27

Financial impact of changes in council tax levels (2026/27).

Level of council Tax increase	Predicted council tax income £000	Loss of income in MTFP 2026/27 £'000
Council tax yield at £5 (2.47%) increase	(10,914)	55
Yield at 2.0%	(10,864)	105
Yield at 1.0%	(10,757)	212
Yield at 0.0%	(10,650)	319

This calculation shows a one year effect, this reduction would be lost each year going forward plus the opportunity to increase the level in future on a higher base.

- **New Homes Bonus**

This has now been lost as a separate source of core funding income and diluted into core funding.

- **Business Rate Income**

The risks associated with Business Rate income, including the confirmed rebasing, have been outlined above. Future growth remains uncertain, and pooling is no longer beneficial.

If income falls due to lower assessments or reduced collection, the shortfall will be covered by the earmarked Funding Reserve. This reserve is also intended to mitigate the impact of rebasing by Government, which is intended to take place every 3 years going forwards.

Revenue Budget Summary

Appendix A

Revenue Budget	2025-26 Forecast	2025-26 Latest	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast	2030-31 Forecast
	£	£	£	£	£	£	£
EXPENDITURE							
1 Employees	27,490,880	28,724,140	28,231,970	28,993,770	29,851,010	30,752,550	31,679,930
2 Property	5,722,840	5,870,760	6,131,060	5,994,340	6,125,100	6,259,780	6,398,510
3 Services & supplies	7,411,540	10,030,520	8,126,610	8,343,420	8,275,150	8,379,930	8,487,860
4 Grant payments	19,431,570	19,959,880	18,411,080	17,411,080	16,411,080	15,411,080	14,411,080
5 Transport	966,430	796,210	835,800	854,450	874,030	894,200	914,970
6 Leasing & capital charges	2,706,420	2,768,830	2,891,560	2,977,230	3,007,890	3,038,550	3,069,210
7 Contributions to capital	1,500,000	1,647,510	1,500,000	500,000	500,000	500,000	500,000
8 Total expenditure	65,229,680	69,797,850	66,128,080	65,074,290	65,044,260	65,236,090	65,461,560
INCOME							
9 Sales	-1,032,830	-812,220	-616,210	-819,140	-851,910	-885,990	-921,430
10 Fees & charges	-12,924,520	-13,445,630	-13,624,020	-14,448,980	-15,026,940	-15,628,020	-16,253,140
11 Grants - income	-21,319,570	-23,504,930	-21,319,690	-20,319,690	-19,319,690	-18,319,690	-17,319,690
12 Property income	-4,016,200	-4,155,860	-4,132,950	-4,321,940	-4,498,600	-4,633,560	-4,772,570
13 Other income & recharges	-4,700,740	-6,211,910	-4,371,840	-4,418,090	-4,423,280	-4,428,630	-4,434,140
14 Transfer from (-) / to earmarked reserves	-1,484,070	-2,323,980	-1,082,780	-909,050	-1,156,270	-1,581,440	-1,357,290
15 Total income	-45,477,930	-50,454,530	-45,147,490	-45,236,890	-45,276,690	-45,477,330	-45,058,260
16 Total net service cost	19,751,750	19,343,320	20,980,590	19,837,400	19,767,570	19,758,760	20,403,300
Funding							
17 Council tax	-10,429,960	-10,429,960	-10,969,200	-11,410,150	-11,868,830	-12,345,950	-12,842,240
18 Council tax surplus(-) / deficit	-381,900	-381,900	-507,300	0	0	0	0
19 Revenue support grant	-288,010	-288,010	-6,166,750	-4,998,290	-3,784,710	-3,860,400	-3,937,610
20 Rates baseline funding	-3,664,280	-3,664,280	-3,307,570	-3,383,440	-3,451,690	-3,520,720	-3,591,130
21 Estimated rates retention and pooling gain	-3,413,720	-3,104,830	-29,770	-30,450	-31,070	-31,690	-32,320
22 New homes bonus	-351,710	-351,710	0	0	0	0	0
23 Damping/returned surplus/cap	0	0	0	-15,070	-631,270	0	0
24 Other grants	-1,222,170	-1,222,170	0	0	0	0	0
25 Budget gap (-) to be found	0	0	0	0	0	0	0
26 Total funding	-19,751,750	-19,442,860	-20,980,590	-19,837,400	-19,767,570	-19,758,760	-20,403,300
27 -Surplus/shortfall	0	-99,540	0	0	0	0	0
28 General reserves at end of year	2,500,140	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
29 General reserves as % of net revenue budget	12.7%	13.4%	12.4%	13.1%	13.2%	13.2%	12.7%

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Teignbridge District Council
Executive
6th January 2026
Part 1

GOVERNANCE IMPROVEMENT PLANS

Purpose of Report

To give Members of the Executive an overview of progress against recommendations to improve governance.

Recommendation(s)

The Executive is recommended to note the report and highlight any pertinent sections of the report.

Financial Implications

There have been a number of minor financial implications e.g. an extension to the Member and Officer training programme, bringing in the Centre for Governance and Scrutiny to review the Constitution, and appointment of an independent member for the Audit committee. All are considered relatively low value and necessary to achieve intended improvement.

Legal Implications

There are no Legal implications related to approving the Action Plan. However, it should be noted that the actions within the plan contain several activities relating to changes to the Council's Constitution.

Risk Assessment

Failure to improve governance could increase the likelihood of ineffective decision making, and ability to deliver quality services. It could also have reputational impacts and may lead to future scrutiny of the effectiveness of governance and performance at the Council.

Environmental / Climate Change Implications

No direct implications.

Report Author

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Executive Member

Cllr Richard Keeling – Leader of the Council

1. INTRODUCTION / BACKGROUND

- 1.1 Implementation of recommendations aimed at improving governance have been ongoing since an initial Corporate Peer Review was undertaken by the Local Government Association in January 2024. The action plan arising from this was approved by Council on 29 October 2024 and reviewed by the Peers during a follow up visit to the Council in February 2025.
- 1.2 The Council's governance has also been monitored by the Centre for Governance and Scrutiny (CfGS) and the Council's external auditor, Grant Thornton. The external audit resulted in 6 statutory recommendations [approved by the Audit Committee](#) on 13 February 2025 and full Council 25 February 2025.
- 1.3 The Council's [Annual Governance Statement 2023-2024](#) also includes a number of governance improvements.
- 1.4 Consolidated improvement actions from all of the above reviews and their current status is shown in the table below.
- 1.5 This report was first shared with the Audit Committee on 17th December 2025, who requested this report was shared with the Executive.

2. CONCLUSION & RECOMMENDATION

Good progress is being made. Members are recommended to note the report.

3. GROUPS CONSULTED

Not applicable.

4. DATE OF IMPLEMENTATION (CONFIRMATION OF DECISION SUBJECT TO CALL-IN)

Not applicable.

Peer Review Action Plan

Theme: Relationships			
Action	Measure	Lead officer / member	Timescale
Senior Officer Availability for Group Meetings	Senior Leadership and Senior Management Team officers will be available to attend meetings with the Council's various political groups to discuss and advise on relevant topics on council agendas, questions and topic areas identified in advance.	Senior Leadership Team, Group Leaders	On request (SLT meet with Group Leaders monthly)

Theme: Constitution			
Action	Measure	Lead officer / member	Timescale
227 Defining strategic roles and responsibilities	<p>Develop an Executive Members / Strategic Leadership Team charter that clarifies respective roles, responsibilities and commitments and embeds this into the Council's constitution. Establish role profiles for Executive Members, clarifying their duties and accountability, including communicating relevant information throughout the Council.</p> <p><i>Update April 2025: This is being addressed through the Centre for Governance and Scrutiny Working Group. Amendments to the constitution were postponed from the February 2025 Full Council to be added to the agenda for the Annual Council meeting in May 2025.</i></p> <p><i>Update Sept 2025: Ongoing - the Role Profiles element was started and discussed in the working group, but due to go back to the working group on 25th September for further discussion.</i></p> <p><i>Update Oct 2025: Ongoing - the Role Profiles element was started and discussed in the working group, but due to go back to the working group on 6th November for further discussion.</i></p> <p><i>Update December 2025: Draft Role Profiles have been created for a range of Member Roles (Councillor, Leader, Deputy Leader, Executive Member, Chair of the Council, Vice Chair of the Council, Committee Chairs, Group Leaders, Shadow Executive Members) and due to return to the working group on 18th December. The draft role profiles have been shared with the respective Members for comment.</i></p>	Managing Director / Leader	December 2024

Governance and Constitution Review	<p>Having completed the first stage review with the Centre for Governance and Scrutiny, a task and finish group has been created to review and recommend to Full Council, amendments and changes to the constitution.</p> <p><i>Update April 2025: Amendments to the constitution were postponed from the February 2025 Full Council to be added to the agenda for the Annual Council meeting in May 2025.</i></p> <p><i>Update Sept 2025: The first stage of work has been completed and a number of changes to the Constitution were agreed by Full Council in May 2025. SLT agreed another stage of work with CFGS which is due to begin in September 2025 with the working group for this meeting every 3 weeks. The Democratic Services Team Leader / Deputy Monitoring Officer, is working through the Constitution and making minor amendments which in accordance with the scheme of delegation.</i></p> <p><i>Update Oct 2025: The Constitution Review Working Group has begun its second commission and will continue to meet every 3 weeks. Minor amendments have been made to the Constitution and are awaiting publication, which should be imminent.</i></p> <p><i>Update December 2025: The working group continues to meet every 3 weeks, with expected changes to the Constitution to be agreed at the Full Council meeting in January 2026 based on their work and agreed proposals. An updated Constitution has been published (October 2025) to cover minor amendments and previous changes ratified by Full Council in May 2025 and July 2025.</i></p>	Monitoring Officer / Leader	July 2025
Decision making flow-chart	<p>Linked to the constitution review, update website with a simple explanation on how council decisions are made. This information should be accessible to councillors, officers, stakeholders, businesses and residents and act as an index that also leads to more detailed information (e.g. links to constitution sections).</p> <p><i>Update April 2025: This task will be allocated to the recently appointed Democratic Services Team Leader and Monitoring Officer.</i></p> <p><i>Update Sept 2025: Completed 22.8.25</i> <i>How we make decisions - Teignbridge District Council</i></p> <p><i>Update December 2025: An updated internal guidance document on the Decision-Making Process and an updated guide to writing Committee reports have been created and shared with Staff in November 2025 via the Staff Newsletter.</i></p>	Democratic Service Team Leader	March 2025

Theme: Council Strategy and Partnerships			
Action	Measure	Lead officer / member	Timescale
229 Adopt and implement a new 'One Teignbridge' Council Strategy	<p>Following engagement with the community and partners in shaping the Council Strategy, the Council will adopt the strategy and accompanying action plan that sets out priorities and key actions over the life of the Strategy.</p> <p><u>Update April 2025: The One Teignbridge Council Strategy was formally adopted on the 14th Jan 2025. Working groups are now meeting based around the five themes to develop the Action Plan.</u></p> <p><u>Update Sept 2025: We have met with various partners, elected Councillors, staff members and community groups to agree priority actions for our Action Plan. The final Action Plan will be taken to Full Council in October 2025 to ask approval for adoption.</u></p> <p><u>Update Oct 2025: One Teignbridge Strategy Action Plan due for approval at Full Council on 23rd October 2025.</u></p> <p><u>Update December 2025: One Teignbridge Action Plan adopted at Full Council on 23.10.25. The Action Plan is now being rolled out with performance monitoring to be linked to the new KPIs from Q3 2025/26.</u></p>	Director of Place / Head of Partnerships and Strategy	January 2025
Refresh Council Strategy Performance and Risk Monitoring Framework	<p>Overhaul existing Council Strategy monitoring processes and systems to streamline reporting of key progress indicators and ensure that budget considerations are at the forefront of planning and implementation. Our monitoring framework will also monitor ongoing customer needs and community feedback, so that it can be used to help inform Partnership Board recommendations and Council Strategy Action Plan decisions.</p> <p><u>Update April 2025: The One Teignbridge Council Strategy Action Plan will define new performance indicators and involve the creation of an easily accessible monitoring system through PowerBI.</u></p> <p><u>Update Sept 2025: Performance indicators have been proposed which align with the new Local Government Outcomes Framework and other national reporting, to allow comparison between TDC and partner authorities. These will be reported through interactive PowerBI dashboards, presented to the Council Strategy Working Group for review, and brought before Full Council in October 2025.</u></p>	Director of Place / Head of Partnerships and Strategy	July 2025

	<i><u>Update December 2025:</u> Updated performance indicators have been included within the Action Plan, aligned to the identified projects. Reporting on this new performance monitoring framework will take place from Q3 2025/26.</i>		
230 Ongoing engagement with Town and Parish Councils	<p>An ongoing programme of communication involving detailed workshops on key issues like town planning to build trust, cooperation, and community involvement. This work will involve understanding one another's priorities and potentially co-creating a charter for mutually beneficial working relationships.</p> <p><i><u>Update April 2025:</u> Development of this charter has been delayed by staff absence within DALC, but work is ongoing to develop this charter by bringing together a working group of representative Town and Parish councils. Representative Town and Parish Councils have been invited to join the One Teignbridge Council Strategy Action Group, and the Head of Development Management has organised a series of Planning Workshops for Town and Parish Councils.</i></p> <p><i><u>Update Sept 2025:</u> A Town and Parish Council Working Agreement is due to come to the Executive on 7th October for approval.</i></p> <p><i><u>Update December 2025:</u> A Town and Parish Council Charter was approved by Executive on 02.12.25. For rollout, Devon Association of Local Councils will share this with the Town and Parish Councils, while officers in the Strategy and Partnerships service will arrange communications to officers and wider members on the charter, process, and implications.</i></p>	Director of Place / Head of Partnerships and Strategy	On-going

Theme: Functioning authority			
Action	Measure	Lead officer / member	Timescale
Appoint Opposition Overview and Scrutiny Chairs	<p>Appoint a chair and vice-chair from opposition political parties to Overview and Scrutiny Committee to foster greater transparency and fairness.</p> <p><i><u>Update Sept 2025:</u> Completed May 2025.</i></p>	Leader	May 2025

Routine briefings ahead of complex decisions	<p>Continue specialist officer briefings for councillors ahead of all complex (determined by the relevant Executive Member/s) committee decisions and provide updates and (ordinarily) annual refresher sessions throughout long-term project implementation (like Modern 25) or decision-making phases, including reminders about previous council decisions.</p> <p><i>Update Sept 2025: A number of these have taken place or are scheduled e.g. Public Conveniences, Local Govt Review, Planning, Migration and Refugees.</i></p> <p><i>Update December 2025: Continued as part of business as usual for updates on upcoming decisions, project implementation or to update Members on urgent issues.</i></p>	Lead officers will vary per theme	Ad hoc
Centralised Record of Council Decisions	<p>Enhance or replace existing systems into a centralised and searchable repository of all council decisions and subsequent progress with projects. This will ensure transparency, accountability and easy access to up to date information for councillors, officers and members of the public.</p> <p><i>Update April 2025: This task will be allocated to the recently appointed Democratic Services Team Leader and Monitoring Officer.</i></p> <p><i>Update Sept 2025: This has now been implemented.</i></p> <p><i>Update December 2025: This has now been implemented and Democratic Services have embedded recording decisions in Modern.Gov to keep the centralised record updated. Further work to embed the recording of Officer decisions with SMT is ongoing.</i></p>	Democratic Service Team Leader	April 2025
Essential Officer Training	<p>Implement and maintain an ongoing programme of officer training centred on the council constitution; officer/member protocol; and ensuring timely and effective communication with councillors, town and parish councillors and other key partners.</p> <p><i>Update April 2025: A training session run by DALC on working with Town and Parish Councils has been arranged for officers in April 2025.</i></p> <p><i>Update Sept 2025: The Democratic Services Team Leader / Deputy Monitoring Officer is available for support as and when required.</i></p> <p><i>Update December 2025: As above</i></p>	Head of Human Resources and Organisational Development	April 2025

Establish an Invest to Save Budget	<p>Bring forward a medium-term financial plan and annual budget with an ‘Invest to Save’ provision that grows to at least £500,000, enabling us to allocate resources to delivering long-term efficiencies.</p> <p><i>Update April 2025: This was agreed at the 2025 budget meeting: £400,000 was already identified at 31 March 2024, planned to increase again to £500,000 at 31 March 2025.</i></p> <p><i>Update Sept 2025: The closing of the accounts 24-25 incorporated an increase in reserves to £500k.</i></p>	Director of Corporate	February 2025
<div data-bbox="94 786 138 863" data-label="Page-Footer">232</div> Introduce a new modern finance system	<p>Retain sufficient staff resources to ensure delivery of the project, with dedicated project managers at both Teignbridge District Council and Strata.</p> <p><i>Update April 2025: Additional Project Management resource has been approved and hiring processes are being completed with expected start dates in May 2025.</i></p> <p><i>Update Sept 2025: Due to difficulties in implementation experienced by all three councils, a decision has been made to cease further work on the project and realign resources to improving the existing FMS system until May 2026 when we will have better information around who our LGR partners will be.</i></p>	Director of Corporate	May 2026

Grant Thornton – Auditor’s Annual Report for the year ended 31 March 2024

Statutory Recommendations:

Recommendation Feb 2025	Council Response Feb 2025	Update Sept 2025	Update December 2025
SR1. Appoint a suitably qualified expert to investigate the underlying causes of member behaviours which contravene standards and develop an action plan to enable members and officers to address these issues.	The Council has commissioned the CfGS to conduct reviews and are working with them to review the constitution. Members of the administration have had workshops with officers to improve the working relationship and clarify roles.	Hoey Ainscough Associates have been appointed. Arranging an officer / member survey and in-person meetings scheduled for mid October.	Hoey Ainscough and Associates ran a survey and completed 2.5 days of interviews over 14-16 th October. Hoey Ainscough and Associates met with Statutory Officers on 2 nd December to present the findings and recommendations, before an All Member session on 15 th January 2026 before Full Council.
SR2. Adopt a zero-tolerance approach to any swearing, lack of respect for others, or other abusive behaviour using full procedural rules.	Agreed. Support and training is given to chairs and members but there is a lack of support from councillors across the chamber to address this behaviour in meetings.	Ongoing - the Monitoring Officer is supporting chairs of meetings. New member strategy has been approved by SLT which includes mandatory chair training.	Code of Conduct and Standards Training was delivered in November 2025 for all Councillors – 20 Members attended. Members rated the session 4.8/5 in their feedback. Meeting Procedures/Chair’s training is planned for the New Year.
SR3. Consider amendments to the constitution to extend those procedural rules from to all meetings of committees of the Council and amend the Member Code of Conduct to include an obligation for all members to reinforce standards of behaviour and to support the Chair of the Council and chairs of committees in their use of procedure rules to ensure proper conduct. Group Leaders should model good behaviour and discipline members of their groups whose behaviour breaches the Code of Conduct	The Council has adopted the LGA model code and as stated above Chairs receive specific training.	Procedure rules apply to all meetings. Further review of the Code of Conduct will be undertaken when the pending new Government guidance is released, in line with recommendation from the CfGS. The Group Leader role profile is to be discussed 25 th September 2025 at a working group meeting.	Role Profiles for a range of roles (All Members, Leader, Deputy Leader, Exec Member, Committee Chair, Chair of Council, Vice Chair of Council, Group Leaders, Shadow Exec Members) considered at Constitution Working Group and drafted at meeting on 26 th November, expecting agreement at next meeting in mid-December. Working Group also monitor the

and the member / officer protocol.			<p>practical workings of the meetings procedures and have requested to review amendments procedure, notices of motion and public participation rules.</p> <p>Constitution “cheat sheet” of common issues created and attached to Chair’s Briefing notes as an aide memoir.</p>
<p>SR4. Continue to provide information and support to ensure that members and officers who are subjected to aggressive and abusive behaviour from individual members can, if they wish, submit a written complaint to the Monitoring Officer immediately, so that it can be dealt with under the Council’s Standards procedures.</p>	Members and officers are aware of the process to raise a Standards complaint and are supported to do so.	Ongoing.	<p>Ongoing via the Acting Monitoring Officer and Authorised Officer.</p> <p>Additional guidance – Arrangements for Dealing with Standards Complaints agreed by Governance Committee to support our work in dealing with complaints.</p> <p>New Councillor Conduct website to provide information to Members and the public: Councillor Conduct - Teignbridge District Council</p>
<p>SR5. Ensure that Group Leaders take responsibility for their members working collaboratively with officers and for their members improving behaviours and relationships.</p>	Agreed.	Noted and part of role profile.	Explicit in proposed role profile for Group Leaders.
<p>SR6. Review membership of the Standards Committee, with only members who have an excellent</p>	Agreed.	Completed. Governance Committee approved at Council 29 th July 2025.	Governance Committee is now meeting quarterly and these dates are booked into the meeting

behavioural track record being eligible to join it. Meetings should then resume. A Governance Committee should be introduced to reinforce the work of the Standards Committee. Governance Committee members must also have an unblemished behavioural track record.			calendar. Regular items include an update on Code of Conduct complaints, Member Training and the work of the Constitution Working Group.
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Key Recommendations:

Recommendation Feb 2025	Council Response Feb 2025	Update Sept 2025	Update December 2025
KR1. Members do not always understand which aspects of Council business they do or do not have access to by law. Members need to be clear about what they can and can not have access to. The Constitution outlines matters for meetings that members of the public are excluded from ("Part 2 meetings"). Where Part 2 meetings are used, all present should adhere to the legal confidentiality requirements of Part 2 meetings.	Noted and agreed. Officers will continue to work with Members to reiterate the importance of aspects of confidentiality and Part 2 meetings.	Members are made aware and breaches will be dealt with as a Code of Conduct issue.	Completed .
KR2. The Council should review arrangements around declarations of interest and investigations. An internal audit of interests should be arranged.	Noted. We will review and audit as part of our annual audit plan.	The Internal Audit review is currently in progress.	Completed. Internal audit final report issued 14 October 25 and recommendations due to be completed by December 2025.
KR3. Decision making arrangements at Executive Committee and Full Council level should be reviewed and, where necessary, strengthened. The planned decision flowchart should be completed.	Agreed. We are currently progressing a decision flow chart.	In progress – in Monitoring Officer work plan.	Decision Making Guidance and flow chart for officers circulated to promote better understanding of the function of Full Council, Executive, Overview and Scrutiny, etc. Democratic Services Manager works with officers to determine the correct route for any

			decisions/proposals.
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Improvement Recommendations:

Recommendation Feb 2025	Council Response Feb 2025	Update Sept 2025	Update December 2025
IR1. Peer Review Action Plan from 29/10/24 to be implemented and monitored.	Noted. This work is being revisited as part of the CFGS Working Group's agreed work programme.	See above.	See above.
IR2. The Council should continue with its return to Audit and Scrutiny Committee reviewing the risk register twice a year.	Agreed. This is being implemented within the work programme.	Completed.	Clarified with Grant Thornton this relates to the Audit Committee only. Overview and Scrutiny reviewed the risk register as part of their overall review of management information when compiling their Work Programme.
IR3. The Council should review the constitution to bring ToR of the Audit Scrutiny Committee into CIPFA best practice, including co-option of external independent member, election of opposition/independent chair, and renamed to remove term 'Scrutiny'.	The Constitution is being reviewed as part of the work with the CfGS. Independent member – remuneration agreed and job description / advertisement are ready to go.	Completed. Full Council agreed updated TOR and renaming 29 th July 2025. Independent member has been appointed.	Completed.
IR4. The Council should recognise good practice and consider the election of an opposition of independent member as chair of O&S	Agreed. The Council recognises what is generally considered to be best practice whereby an opposition member or independent is appointed as chair of O&S and consideration has been given to that. However, it also recognises it is guidance and the importance of having the right person in that role.	Not implemented.	Not implemented.

IR5. The Council should continue to monitor progress with implementing a new finance system.	Agreed.	See above Peer Review comment – this project is now on hold pending LGR.	Project on hold.
IR6. Draft accounts for 24/25 should be published in line with statutory deadline, support by comprehensive set of working papers and capacity to support an audit to completion.	<p>Noted. Out timetable for 24/25 closedown works towards these revised dates.</p> <p>We are progressing sufficient staffing resources and will look to negotiate an external audit that takes place in a timely manner that doesn't clash with other key work or priorities.</p>	Completed. (Stat deadline exceeded by 4 days).	Completed.
IR7. The Council should seek to reduce its dependency on the Funding Reserve to close budget gaps, then stabilise its reserves over the medium term.	Agreed.	Modern 25 programme and Business Plan savings are ongoing.	The Council is developing the 26/27 budgets with successfully implemented savings built in for the first time. This and the funding review will soon allow us to assess how far we have come in closing the budget gap.
IR8. Maintain the arrangements now in place so that performance on non-major planning applications remains above the government's minimum target.	Agreed. The Council has implemented processes to maintain the current high level of performance. These arrangements are currently working well.	Completed. Performance remains above target: 94.3% of decision are within timescale for the year to date 29 August.	Completed.

Annual Governance Statement 2024-2025 Improvement Actions (ongoing)

Issue	Planned Action	Update October 2025	Update December 2025
<p><u>Financial Sustainability</u></p> <p>The risk of future financial sustainability remains due to high inflation having an impact on business cases, relatively high interest rates, and low growth. Ongoing uncertainty around future levels of government funding also cause concern.</p> <p>It is recognised that there is a significant deficit in our Medium Term Financial Plan (MTFP). Consultants “Igote” were appointed to assist us in developing a new operating model for the Council. This has now become the Council’s Modern 25 Programme which aims to deliver a proportion of the required savings.</p> <p>We have also updated our Strategic Asset Management Plan, following officer and members workshops, which will provide direction and clarity in the way we manage our land and buildings.</p>	<p>The Chief Financial Officer will continue to produce frequent analysis of the financial position and update the Strategic Leadership Team.</p> <p>Our Modernisation Programme M25, is ongoing with the aim of addressing the anticipated shortfalls. A re-structure of the Council’s Management Team has been completed in order to realign the management structure to the target operating model.</p> <p>A Task and Finish Group was instigated by the Overview and Scrutiny Committee to review the Medium Term Financial Plan with a view to closing the future predicted budget gap. This work will continue in 2025. Further detailed information is included in our Financial Plan.</p>	<p>The MTFP Review Group continues it’s work of reviewing service provision and charging with a view to identify savings.</p> <p>Savings from business plans are being identified and are being fed in to the budget setting process.</p> <p>We eagerly await the settlement from central government. We have modelled and assumed figures, but a big step towards understanding the future budget gap will be receiving actual numbers, hopefully before Christmas.</p>	<p>The MTFP Task Group made recommendations to Overview and Scrutiny on 11th November which were considered by the Executive on 2nd December.</p> <p>This shows the cross-party support for making the tough decisions necessary for bringing the council’s budget back into balance.</p>

<p><u>Member and Officer roles and relationships</u></p> <p>Good working relationships are crucial to good governance. The Council continued to experience challenges in this area during 2024/2025 resulting in Statutory Recommendations from external audit.</p> <p>The Centre for Governance and Scrutiny (CfGS) were previously commissioned to review officer/member roles and responsibilities, including consideration of values, behaviours, and ethical issues, and the constitutional provisions supporting these.</p> <p>The Peer Review completed in January 2024 had also made recommendations around enhancing communication and collaboration, strengthening trust and moral, and implementing methods for effective decision making. An action plan was subsequently agreed and submitted to full Council.</p> <p>A new Member and Officer protocol was developed and agreed in July 2024, however the Constitution review remains a work in progress.</p>	<p>Work is ongoing to implement the recommendations from all independent reviews, particularly in respect of the Statutory Recommendations. Key actions remaining to be addressed in 2025-26 include:</p> <ul style="list-style-type: none">• Commissioning a suitably qualified expert to investigate the underlying causes of member behaviours.• Completing the Constitution Review. Workshops have previously been held on various topics and feedback from these will be used to inform a revised Constitution combined with the Statutory Recommendations. This will include review of the terms of reference of the Audit Scrutiny Committee, in accordance with CIPFA guidance.• Continuing the enhanced member training programme.• The Council's Corporate Governance Group and the Audit Committee continue to monitor the action plans.	<p>Work has continued to implement the recommendations across all reviews and build better working relationships between Officers and Members:</p> <ul style="list-style-type: none">• Hoey Ainscough and Associates have completed interviews relating to the Member Conduct Review. The final report is due to be presented at an All Member Briefing in December 2025.• The Constitution Review Working Group has been commissioned for a second tranche of work and will meet every 3 weeks.• A Member Development Strategy was approved at the Governance Committee on 2nd October 2025.• The Council's Corporate Governance Group and the Audit Committee will continue to monitor the governance improvement action plans.	<p>Work is continuing to improve Member and Officer relations. Anecdotaly, Members from across all Groups have recognised the improving relationships between Members and between Members and Officers.</p> <p>Hoey Ainscough and Associates will now present findings in January 2026.</p>
<p><u>Cyber Security and Resilience , and use</u></p>			

<p><u>of Artificial Intelligence (AI)</u></p> <p>External cyber attack is an ever present threat and although we have mitigations in place to protect our infrastructure and systems, there is a continuing need to ensure we are in a state of preparedness.</p> <p>We are carefully exploring the use of certain AI technologies due to the potential benefits these may provide, whilst being mindful of the risks and challenges of doing so responsibly. All staff involved in AI trials have signed up to our AI policy setting out guidelines and their obligations to comply.</p>	<p>The Corporate Business Continuity Plan has been adopted by the Strategic Leadership Team (SLT).</p> <p>Service level plans have been produced by the 12 Heads of Service and have been reviewed by SLT.</p> <p>Heads of Service are currently enhancing cyber security content and a cyber security exercise is scheduled to test the adequacy of the corporate and service level plans. This will also include a test of the draft Strata disaster recovery and cyber incident response plans.</p>	<p>Following the review of service level plans by SLT, the requested health checks are being undertaken by the Emergency Planning and Business Continuity Officer and these are ongoing – it is planned to complete them by end of December 2025.</p> <p>A workshop exercise was carried out in September 2025 based on a simulated power outage. This tested how well Officers responded with limited connectivity.</p>	
<p><u>Planning Performance</u></p> <p>Our Planning service was under threat of being placed in special measures by the Department for Homes, Communities and Local Government (DHLUC) in December 2023 due to poor performance processing non major planning applications. Our compliance rate was 68.53% against a government target of 70%.</p>	<p>Following improvements in the Development Management service and confirmation in October 2024 that the service was no longer under the threat of designation, we have continued to work through our submitted action plan to ensure sustainable changes continue to be embedded and we have continued to reduce our dependency on temporary resources with successful recruitment into planning officer positions and a new team manager in addition to a new Head of Service.</p> <p>We continue to streamline our processes. Performance reports are</p>	<p>Closed out / completed</p>	<p>Closed out / completed</p>

produced in real time and used to drive performance. Training has been increased, including a town and parish forum, and in summer we will be hosting our first developer forum to help build our relationships with developers in order to improve our housing delivery.

Our next focus is on the pre-application part of the process to drive better quality developments through early, constructive dialogue. This will reduce pressures in the application process and provide greater confidence in the Council.

Government changed the performance indicator from a two year rolling figure to a one year figure. We currently stand a 96% on time or within extension of time (EOT) for non-major applications against a target of 70%. We also continue to reduce our reliance on EOT agreements quarter on quarter with more being determined within the statutory 8 week target.

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